

# **Developing Investment in Infrastructure and New Industries under the New System and New Mechanisms**

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**ABSTRACT.** *In recent years, with the continuous development and progress of China's economic level, economic benefit is the main content of new industrial investment in infrastructure. This paper mainly analyzes and studies the investment projects for the development of new infrastructure industry under the new system and mechanism policy. Based on the theory of engineering economic investment, the construction of facilities and equipment projects are evaluated, and the status quo and existing problems of infrastructure equipment construction projects are analyzed and studied, so as to improve the economic benefits of infrastructure equipment projects.*

**KEYWORDS:** *Engineering economy, Economic benefits, Engineering investment, The evaluation index*

## **1. Introduction**

### ***1.1 There Are Many Investment Channels for Infrastructure Construction Projects***

At present, the main sources of investment in China's infrastructure construction projects are loans and capital. But the loan mainly includes the foreign loan, the domestic loan, the enterprise bond and so on form. Loans are the main part of infrastructure construction projects, but due to different projects, the percentage of loan amount will be different. The loan amount requires the investor to repay the principal and interest within a specified period of time. Capital refers to the project investment by investors do not belong to the debt financing, project legal person does not assume all investment projects of interest and debt problems, but the construction of infrastructure projects in the investment process, must require a certain amount of capital, capital infrastructure construction projects about about 30% ~ 40% of the total project cost.[1.2]

### ***1.2 Good Social Benefits Generated by Infrastructure Construction Projects***

Infrastructure construction projects belong to social welfare projects. Like other construction projects, they all attach importance to the economic benefits obtained after the completion of the projects. However, different from other projects, infrastructure construction projects not only pay attention to economic benefits, but also pay attention to the benefits brought to the public and environmental protection. Infrastructure construction project is a project that serves the people, with the people as the main body. People build infrastructure projects to improve social benefits, protect the local ecological environment, and improve local people's happiness. Infrastructure construction projects are designed to solve the problems of people's livelihood. They should not be built for profit, but only to serve the people and facilitate their daily life. Therefore, during the construction of the project, the project manager can reduce the consumption burden of the people by breaking even in the process of production and operation.[3-4]

## **2. Problems Existing in the Implementation of Infrastructure Projects**

There is a shortage of funds in the process of the implementation of infrastructure equipment projects. Due to the lack of funds for infrastructure equipment projects, the project construction schedule and cycle will be directly affected, thus affecting the completion efficiency of other supporting equipment. Project investment enterprise formulate construction scheme and construction responsibility is not clear, in the process of construction of infrastructure facilities, if investment enterprises has not carried out on the construction site supervision and inspection, the project implementation process, encounter problems, construction personnel can be collected on the changes of the construction drawings, if the time limit for a project more than expected completion time, the project investment will exceed the budget, to ensure the quality of the construction of infrastructure, equipment, and would have resulted in a completed infrastructure equipment will be able to obtain economic benefits. Before construction, engineering designers need to carry out field investigation according to the site, so as to formulate reasonable construction plans and minimize the risks encountered in the construction process. Due to the shortage of project funds, facilities and equipment project can not start on schedule, or even after the start of the project can not be completed on time. The longer the construction period is, the more interest the project investor needs to repay. In the long run, it will affect the economic benefit of the project and the enterprise investing in the project.[5-6]

## **3. Investment Benefit Countermeasures for Infrastructure Equipment Projects**

In the process of investment, in order to reduce the pressure of loan and debt repayment and to improve the economic benefits brought by the operation of equipment, infrastructure equipment projects generally adopt the way of saving project investment funds to achieve the ultimate goal. Facility and equipment project engineers use new technology to improve the rationality and scientific nature of the process technology. In the design process, strictly control the investment cost, shop

around, select suppliers. The investment enterprise carries on the budget to the project project probably needs the fund, implements the responsibility system and the reward and punishment system, arouses the designer's enthusiasm, thus guarantees the project project the high efficiency, the high quality completion. By establishing a sound construction management system and strictly following the design drawings, each department restricts and coordinates with each other, so as to improve the construction progress and quality. Investment enterprise engineering design personnel based on the reasonable arrangement, on the premise of guarantee the quality of construction, reasonable construction efficiency, enterprise management personnel should have the time, interest and benefit idea, to ensure that the enterprise mutual cooperation between each department, restraining each other, coordinate with each other, and unified, efficient to complete the construction work. Before the construction of infrastructure equipment project, relevant departments of the enterprise shall prepare the required materials for construction and deliver the goods according to the time limit for construction, so as to ensure the normal operation of construction.

#### **4. Conclusion**

To sum up, the locomotive facilities and equipment project is a public welfare project. On the premise of promoting the economic development of local residents, it attaches importance to social benefits and ecological environmental benefits. With the continuous development and progress of China's national economy, more and more infrastructure equipment projects are under construction one after another. National government agencies to promote infrastructure engineering project can be smoothly, therefore introduced in the government authority within the scope of the relief charging items, and the appropriate economic benefits to enterprises, help enterprise quickly too independent, scientific development stage, encourage enterprises to participate in the investment to infrastructure equipment in the project.

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