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Widening market turmoil in the emerging markets has now focused attention on the fundamentals underlying project financing, notably the importance of appropriate, and factually based, risk analysis.

This issue of the journal covers a series of topics important for project fundamentals, in particular risk. Leading off, Enid Veron and Louis Matarano provide a case study of Enron's Sutton Bridge project, the first U.K. IPP to have rated debt sold in both the sterling and U.S. capital markets. Next, Keith Martin summarizes the variety of ways the 1997 U.S. tax and budget plan will affect project finance.

Mei Han and Zhiyong Jerry Shi present a quantitative approach for measuring the return on equity and risk-adjusted return on capital for projects. Agustin Ros discusses policy issues raised by telecommunications privatization in Brazil. Pompiliu Verzariu reviews some of the challenges facing foreign power developers in China.

Michele C. Farquhar highlights lessons learned from wireless spectrum auctions in the U.S. Finally L. Ronald Scheman lays out the need to look at economic arguments for renewable energy in the Americas.

Our pipeline of articles is still increasing, but we are always looking for quality submissions on the following topics: 1) sources of capital — private and public; 2) private financing for public projects; 3) federal and local-level policies; 4) project risk mitigation and risk-related insurance; and 5) safety, environmental, and technology factors. We encourage authors to submit papers on these topics for publication.

Thank you.

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