

THE ADVISORY GROUP ON APEC FINANCIAL SYSTEM CAPACITY-BUILDING

A Public-Private Sector Initiative

First Meeting 2017

20 February 2017

10:00 AM – 11:45 AM

Vimarn Suriya Room, Dusit Thani Bangkok

Meeting Paper

Report to ABAC – Asia Pacific Infrastructure Partnership (APIP)

The Australian APEC Study Centre, RMIT University

PURPOSE For consideration

ISSUE New Direction for the APIP

BACKGROUND Following on from successful APIP dialogues in the 2011-2016 period, the APIP Secretariat, Chairman Mark Johnson AO and Robert Milliner, ABAC Australian member met on 7th March 2017 to review the direction that APIP activities might take in line with ABAC priorities, proposals arising from the Sydney meeting in September 2016 and in response to the 2016 APEC Joint Finance Ministerial Statement.

The meeting noted that the techniques and processes for infrastructure development, including by PPPs, is better understood and many sources of information and data were now available to assist economies in infrastructure development and financing. However, a weakness remains and that relates to inadequate or inappropriate organisational structures within governments. Addressing these require system change and buy-in by government to discuss best practices and review the proposals about organisational approaches as well as access to sound analytical tools developed or being developed by the Global Infrastructure Hub and others.

PROPOSAL The issues then for the future of APIP is what value could it add and the approaches it could take. To enable APIP to retain its relevance, a strategy that APIP could implement in 2017-2019 is recommended below.

APIP should develop a strategic focus over the next two years as follows:

- Focus on providing feedback to ABAC, Ministers and Senior Officials on the progress of 'how APEC economies are tracking against pillar 4: Accelerating Infrastructure Development and Financing detailed within the Cebu Action Plan'.
- Provide assessments on how economy infrastructure systems address the delivery of infrastructure projects, particularly PPP projects, with an emphasis on providing case studies and lessons learnt for projects that did not deliver positive outcomes for economies and/or the private sector in conjunction with the Global Infrastructure Hub (as part of its Collaboration Action Plan) and others.
- Develop ways to give effect to the intent of paragraph 14 of the Joint Finance Ministerial Statement on implementing the APEC Network of PPP Centre's in collaboration with the OECD and MDBs.
- Continue engagement with the Ministries in particular of Thailand, Viet Nam

**DECISION
POINT**

and Indonesia as requested to mobilise and to offer targeted assistance for their PPP programs.
Endorse the recommendations outlined above.