Advisory Group Meeting I PAPER 4-C



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The Advisory Group on APEC Financial System Capacity Building

A Public-Private Sector Initiative

Promoting PPPs in Waste Management Projects

A Joint APFF/APIP Dialogue with the Government of Indonesia

14 March 2017 14:00 – 17:30 The Hermitage Hotel, Jakarta, Indonesia

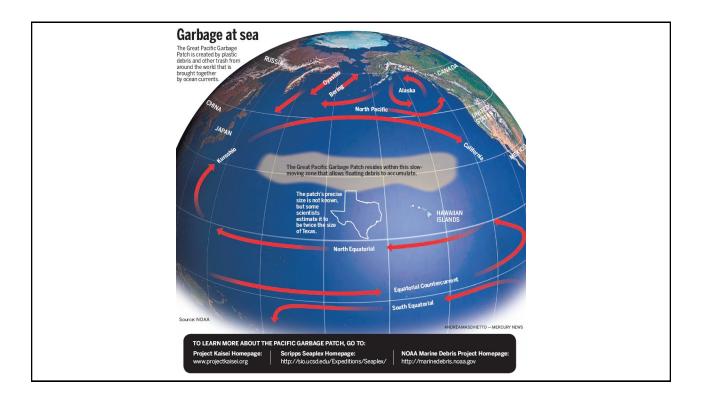
Office of the Advisory Group Chair

Background

- APEC High-Level Meeting on Overcoming Barriers to Financing Waste Management Systems to Prevent Marine Litter, 28-29 Sep 2016, Tokyo, Japan
- Sponsoring Fora:
 - Oceans and Fisheries Working Group (OFWG) / SOM Steering Committee on Economic and Technical Cooperation (SCE)
 - Chemical Dialogue (CD)
- Proponent member economies: Japan and USA
- Participants requested ABAC to assist in convening dialogues with private sector and MDB infrastructure experts and long-term investors in 3 target economies in 2017: Indonesia, Philippines, Vietnam

Issue

- Need infrastructure to deal with exponentially growing volume of waste in developing economies (consequence of economic development and urbanization)
 - Asia-Pacific expected to produce annually 1.4 billion metric tons of municipal solid waste by 2030
 - Outstripping capacity of traditional waste management systems (e.g., landfills)
 - Opportunities in waste-to-energy projects
 - · Priority issue for many cities in developing APEC member economies
- Challenge: Bridging revenue gap in financing municipal solid waste sector how to enable investment from private investors, MDBs and other sources of capital – how to create a pipeline of bankable projects
 - Estimated revenue gap today: US\$40 billion



Dialogue with the Government of Indonesia

- Objective: Sharing real world experiences and knowledge to help Indonesia launch successful projects
 - that can serve as templates for a pipeline of bankable infrastructure PPP projects in waste management (especially waste-to-energy projects)
- Stakeholders: Experts and practitioners from APIP, APFF (insurance and pensions), IOs, interested governments
- Target stakeholders in Indonesia:
 - City governments intending to launch WTE projects
 - · Central government and regulatory agencies needed to enable and support these projects
- Contributors:
 - Private sector advice: APIP and APFF Insurers and Pension Funds
 - APEC OFWG network members (public and private sector experts)
 - International organizations: ADB, IFC/WBG, OECD
 - · Advisory institutions: Global Infrastructure Hub, International Infrastructure Support System
 - · Funding agencies
 - · Dialogue sponsor: Ministry of Environment, Government of Japan

Key Agenda Items

- Best practices in construction / operation of waste management projects
 - E.g.: preparing bidding documents; system design; selection of contractor; selection of appropriate technology; monitoring of facility
- Regulatory issues
- Inter-agency coordination
- Risk allocation among public and private stakeholders
- Financing
 - E.g.: use of subsidies, feed-in tariffs, guarantees and taxes

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To register, contact:

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REGISTRATION DEADLINE: 28 FEBRUARY 2017



