

THE ADVISORY GROUP ON APEC FINANCIAL SYSTEM CAPACITY-BUILDING

A Public-Private Sector Initiative

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Meeting Paper 5-B ASIAN DEVELOPMENT BANK INSTITUTE CAPACITY-BUILDING AND TRAINING ACTIVITIES ON PUBLIC-PRIVATE PARTNERSHIP

Asian Development Bank Institute

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CBT Activities on PPP

In accordance with ADBI's strategic focus on infrastructure for regional cooperation, and ADB's strategic emphasis on infrastructure and PPPs, ADBI's CBT Department is organizing a PPP seminar series. The main objective of the series is to promote a better understanding of the specific challenges faced by ADB DMC's and the policy agendas that need to be pursued to accelerate private sector investment and participation in infrastructure sectors across the Asia-Pacific region. It aims to improve the understanding of mid-to-senior government officials, from national and subnational level who are involved in infrastructure policy making and PPP project design and implementation of: (i) the benefits and challenges of greater private sector participation in and financing of infrastructure projects; (ii) the priority policy actions required to strengthen national PPP enabling environment and legislative frameworks; and (iii) the critical design features of a 'bankable project' to support the development of a pipeline of PPP infrastructure projects across the region.

A pilot seminar was held last November 2007, with more than 50 senior government officials representing infrastructure ministries from 23 of ADB's developing member countries attending. During the four-day session, participants were updated on Asia's economic performance in the global context and the impact it has had in terms of new flows to Asian capital markets. They were then briefed on experiences with public-private partnerships in the region and introduced to innovative approaches that have evolved for financing of public infrastructure, and improving the risk management and bankability of infrastructure projects. Following a number of group sessions and extensive dialogue between public sector officials and those that represented private sector investor interests, the participants identified a number of priority policy actions that need to be addressed by their governments to encourage greater private sector participation and investment in infrastructural investment programs in their countries.

In recognition of the highly positive reception and evaluation of the pilot seminar by the PPP seminar participants and collaborating development partners, and the growing demand for additional PPP capacity building events by ADB DMCs, ADBI has initiated the PPP seminar series.

The PPP seminar series will be offered across the Asia-Pacific region at the sub-regional or country level. The first of the seminar series was offered in Tokyo in March 2008, and was organized for Central Asia Regional Economic Cooperation (CAREC) member countries. It was attended by more than 30 senior government officials representing 8 countries across Central Asia. The second of the series will be offered in Hanoi for 50 senior Vietnamese national, provincial and local government officials who are involved and responsible for infrastructure financing and project design, and infrastructure service delivery. A third seminar will be offered in Brisbane and will focus on the same target audience representing ADB DMCs in the Pacific. In collaboration with the WBI, PPI Days is to be offered as the fourth and fifth event of the series. The PPPI Days forum and capacity building event is being organized for Heads of PPP Unit worldwide and will be held in Washington DC.

The seminar series is being implemented in collaboration with ADB Headquarters, the European Bank for Reconstruction and Development (EBRD), the Islamic Development Bank (IsDB), the Japan Bank for International Cooperation (JBIC), the World Bank (including the World Bank Institute (WBI)), the Commonwealth Secretariat, Public Private Infrastructure Advisory Facility (PPIAF), a number of UN Agencies, and several leading universities and research institutions from the region. The private sector will also be substantively engaged as a partner for the PPP seminar series. Private sector partners will include major rating agencies, international and regional investment banks, and PPP financial and technical specialists engaged in putting together infrastructure financing for projects in the region.

In addition to summary proceedings which will be shared on ADBI's website, a number of PPP knowledge products are being planned in conjunction with the PPP seminar series. These include a Discussion/Policy Note Series, and a number of PPP Training Modules.