

Capacity Building on PPP at ADBI

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(ADBI)

Asian Development Bank Institute

- ADBI is the think tank of the Asian Development Bank (ADB)
- Established in 1997 to identify effective development strategies and improve capacity for sound development in ADB developing member countries
- Work program is guided by three strategic priority themes: inclusive and sustainable growth; regional cooperation and integration; and governance for policies and institutions



ADBI Quick Facts

Date of Establishment	1997, as a subsidiary of the Asian Development Bank
Dean	Naoyuki Yoshino
Staff	57 professional and support staff from 14 nationalities
Departments	<ul style="list-style-type: none">• Research• Capacity Building and Training• Administration, Management, and Coordination
Oversight	<ul style="list-style-type: none">• ADB Board of Directors• An international Advisory Council helps shape and monitor ADBI's strategic direction
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Capacity Building and Training at ADBI

- **The Objectives:** Promoting effective development planning & management by senior and mid-level officials of ADB DMCs.
- **Approaches:** Policy dialogues, Course-based training, and E-Learning training
- **Themes:**
 - i. Inclusive and sustainable growth
 - ii. Regional cooperation and integration, and
 - iii. Governance for policies and institutes
- **Annual Training Events:** 25-30. In 2014, 1514 participants attended these training programs, of which 617 are government **officials (51.2% senior officials)**
- **Synergy:** Jointly or in collaboration with Research Department of ADBI, ADB HQs, regional/international organizations, and government agencies

ADBI's PPP CAPACITY BUILDING PROJECTS (1)

□ PPP in Infrastructure Development – Basics for Negotiation 1

- ✓ **Course-based training** organized with French Development Agency (AFD); Marseilles, France on 5-9 November 2012
- ✓ **Participants:** 21 senior level officials in charge of infrastructure projects from 10 Asian countries (Bangladesh, Cambodia, China, India, Indonesia, Laos, Malaysia, Mongolia, Philippines, Thailand)
- ✓ **Key objective** is to improve capacity of Asian DMCs in:
 - designing, implementing and managing functional and strategic PPP programs and projects
 - deepening understanding and the demands in PPP in infrastructure
 - understanding European experience on PPP infrastructure reform, regulation and finance
- ✓ **Course highlights:** comprehensive introduction to PPP including understanding of basic concepts, PPP options and risks, fundamentals of project finance, financing aspects and models, PPP regulation, managing and negotiating PPP contracts, case studies highlighting successes and failures of actual PPP projects in developed countries

ADBI's PPP CAPACITY BUILDING PROJECTS (2)

□ Workshop on PPP Infrastructure Project Modeling

- ✓ **Policy dialogue** organized with US-ASEAN Business Council; Singapore on 17-18 October 2012
- ✓ **Participants:** 23 senior-level government officials in charge of developing infrastructure projects from China, India and ASEAN countries; speakers from private sector (GE Capital, Marsh, Air Asia, KPMG) and international organizations (ADB, ASEAN Secretariat)
- ✓ **Key objective** is to enhance capacities of public sector in ASEAN, India and China by:
 - addressing constraints of private capital support for infrastructure development
 - understanding infrastructure project development design and proposal
 - understanding the process of attracting private funds by developing bankable PPP projects
- ✓ **Program highlights:** private sector priorities in attracting PPP, framework conditions for managing public and private interests in PPP projects, best practices in presenting PPP projects, infrastructure development in the context of ASEAN Economic Community, PPP financing arrangements (credit enhancement and risk assessment), and case studies of successful PPPs in infrastructure in ASEAN (Thailand and Viet Nam)

ADBI's PPP CAPACITY BUILDING PROJECTS (3)

□ Preparing Public-Private Partnership

- ✓ **Course based training** organized with French Development Agency (AFD); Tokyo, on 3-7, Feb. 2014
- ✓ **Participants:** senior-level government officials in charge of developing infrastructure projects from about more than 20 developing member countries of ADB; speakers from private sectors, ADB, AFD and ADBI.
- ✓ **Key objective** This five-day, course-based training program was designed to improve the capacities of civil servants in designing, implementing, and managing public-private partnership (PPP) programs and projects based on the experiences and best practices of Europe in PPP infrastructure projects.
- ✓ **Program highlights:** PPP contracts and financial structures, evaluation of PPP, ADB's involvement in PPP, macro and microeconomic tools to assess PPP's economic and financial frameworks, country presentations;
- ✓ A field trip to Yurikamome,

Aspects of Successful PPP Capacity Building

Key objective of capacity building in PPP is to ensure that various parties involved in PPP are equipped with the required skills and expertise to undertake a successful PPP. This involves the following:

- Identification of skills in designing a PPP process and selecting a form of PPP
 - ✓ Build sector diagnostic to assess current sector issues and constraints
 - ✓ Sector diagnostic requires skills in understanding: technical issues; legal, regulatory and policy frameworks; economic and financial issues; contractual and negotiation issues

Aspects of Successful PPP Capacity Building

- ❑ Equipping the public sector institutions with skills to manage PPP projects
- ✓ Support for PPP Units/Task Forces to manage project preparation process and other areas where most governments have little expertise including:
 - initial project design
 - provision of policy, technical and other support mechanisms to other local authorities and agencies involved in project
 - PPP bidding and procurement process
 - monitoring and evaluation of project
- ✓ Support for national PPP training programs

Aspects of Successful PPP Capacity Building

- ❑ Building capacity by developing the market
- ✓ Maintaining strong dialogue with all players in the market
- ✓ Providing the private sector partners with all information
- ✓ Holding regular seminars for commercial advisers to facilitate dialogue between the public and private partners

Aspects of Successful PPP Capacity Building

- ❑ Fostering regional and international cooperation
 - ✓ Sharing of valuable experiences and best practices in PPP
 - ✓ Developing platform for exchange of views about PPP and PPP policies
 - ✓ Establishing network among government officials, private sector and international organizations to support PPP development

Thank you

- ***For more information***
- ***please contact Dr. Yuqing Xing
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