



# AGENDA

**3rd Asian Public Governance Forum  
on Public-Private Partnerships**

**4th Regional Policy Network Meeting on  
PPPs, Infrastructure and Connectivity**

**24-25 October 2017  
The Peninsula Hotel, Manila  
Philippines**

**3<sup>rd</sup> Asian Public Governance Forum on Public-Private Partnerships**  
**4<sup>th</sup> Regional Policy Network Meeting on PPPs, Infrastructure and**  
**Connectivity**

24-25 October 2017

The Peninsula Hotel, Manila, Philippines

***Strengthening Governance for Sustainable and Inclusive Infrastructure***

Infrastructure gaps hamper sustainable economic and social development. In many countries in Asia, basic infrastructures are missing or are of poor quality: more than 400 million Asians do not have electricity, about 300 million lack adequate access to safe drinking water and 1.5 billion have no basic sanitation (Asian Development Bank, Meeting Asia's infrastructure needs, 2017). According to ADB estimations, the region will need to invest \$26 trillion from 2016 to 2030<sup>1</sup> to maintain growth, eradicate poverty, and respond to climate change.

The public sector often lacks sufficient financial and technical capabilities to plan and prioritise investments aligned with the national development objectives; and to design, finance and build these investments. Privately-financed infrastructure investments - including public-private partnerships - can therefore play an important role overcoming these challenges. Not only by complementing public funds, but also by fulfilling the additional function of driving value for money and innovation.

However, infrastructure has always been difficult to get right. Apart from the technical challenges, poor governance of infrastructure is a major reason why infrastructure projects often fail to meet their timeframe, budget, and service delivery objectives. Well planned and governed infrastructure on the other hand serves as the backbone of inclusive growth, providing societies with the necessary conditions to ensure equal opportunity and equal access to essential services for citizens, and ensuring that firms can stay competitive.

This meeting will discuss how governments can improve their governance of infrastructure and PPP investments to provide sustainable and inclusive infrastructure systems that are aligned with long-term development priorities, including the provision of a fair and viable environment for privately-financed infrastructure investments.

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<sup>1</sup> Climate-adjusted estimate. Without climate change mitigation and adaptation costs, \$22.6 trillion will be needed.

## Tuesday, 24 October 2017

**9:00-9:30 Registration**

**9:30-10:00 Opening by Chair, OECD, OECD KOREA Policy Centre and Korea Legislation Research Institute (KLRI)**

- Mr. Ferdinand A. Pecson, Executive Director, PPP Centre of the Philippines
- Mr. Jón Blondal, Head of Budgeting and Public Expenditures, OECD
- Mr. Bum-Suk Kong, Director, Public Governance Programme, OECD KOREA Policy Centre
- Mr. Rhee Ik Hyeon, President, Korea Legislation Research Institute (read by Dr. Joungmee Han, Director, Office of Global Legal Research)

**10:00-10:30 Keynote Address**

- Secretary Ernesto Pernia, Director-General, National Economic and Development Authority, Philippines

**10:30-11:00 *Family Photo followed by Coffee Break***

**11:00-12:30 Roundtable on Regional PPP and Infrastructure Developments**

This session is designed for participants to make presentations on recent developments with regards to PPPs and infrastructure governance in their respective countries/economies. This allows participants to exchange information and provides a useful opportunity for participants to keep up to date with developments in an informal setting.

Given constraints on time within this roundtable discussion, participants may wish to provide short, written statements to supplement their presentations.

- Philippines : **Mr. Ferdinand A. Pecson**, Executive Director, PPP Centre of the Philippines
- Brunei Darussalam: **Ms. Honeyta Mustapha**, Treasury Department, Ministry of Finance [TBC]
- Cambodia : **H.E. Pen Thirong**, Director General, General Department of International, Cooperation and Debt Management, Ministry of Economy and Finance
- India : **Ms. Abhilasha Mahapatra**, Director of PPP Cell, Department of Economic Affairs
- Indonesia: **Mr. Reghi Perdana**, Deputy Director for Public-Private Partnership, Bappenas

- Kazakhstan: **Ms. Laura Valiyeva**, Department of Budget Investments and Development of PPP, Ministry of National Economy of Kazakhstan
- Korea: **Dr. Soojin Park**, Senior Research Fellow, Construction and Economy Research Institute of Korea
- Lao PDR: **Mr. Xaikham Mylee**, Investment Promotion Department, Ministry of Planning and Investment
- Malaysia: **Mr. Achmed Badaruddin bin Mohamad Yatim**, Director (Infrastructure), Public Private Partnership Unit, Prime Minister's Department
- Mongolia: **Mr. Bekhbat Sodnom**, Executive Director of Mongolian PPP Development Centre, Mongolia, and Board member of Ulaanbaatar City Development Corporation
- Myanmar: Representative from Project Appraisal and Progress Reporting Department, Ministry of Planning and Finance [TBC]
- P.R. China: **Prof. Zhang Xiaoping**, Law School of Central University of Finance and Economics
- Thailand: **Mr. Chavajate Soontornwit**, State Enterprise Analyst, Senior Professional Level, State Enterprise Policy Office, Ministry of Finance
- Vietnam: **Ms. Nguyen Thi Linh Giang**, Deputy Head of PPP Office, Public Procurement Agency (PPA), Ministry of Planning and Investment

**12:30-14:00** *Lunch buffet at the Escolta*

**14:00-15:30 Building a Long-Term Strategy for Sustainable Infrastructure Planning and Management**

The challenges of strategic planning are the result of the complex nature of infrastructure investment. Since most infrastructure investments seek to achieve multiple economic and social goals, and involve many different stakeholders, policymakers need a mechanism for setting priorities that is sensitive to rapidly changing economic and fiscal situations as well as political ambitions. Establishing a national long-term strategic vision that addresses infrastructure service needs remains a pre-condition for strengthening infrastructure governance.

This session will discuss the strategic challenges that infrastructure planning must respond to today, how a strategy can ideally provide guidance on how the needs should be met – and the role for private finance.

This session will open with the case of the Philippines, as analysed in the Review of the Philippine PPP Framework and Programme, and will be followed by other country cases, before opening the floor to a general discussion.

- OECD introduction by **Ms. Juliane Jansen**, Policy Analyst, Budgeting and Public Expenditures, OECD
- **Ms. Gizelle Marie Aliga Herrera**, Senior Officer, ASEAN Connectivity Division
- Representative from the National Economic and Development Authority, Philippines [TBC]
- **Mr. Richard Foster**, Director, Foster Infrastructure, Australia
- Discussant: **Ms. Dr. Jiyeon Choi**, Research Fellow, Office of Global Legal Research

**15:30-16:00** *Coffee Break*

**16:00-17:30** **When to Use PPPs? When and how to involve the private sector to provide key services for citizens?**

In many countries, the choice between public and private finance of infrastructure is based on habit rather than clear criteria. However, global, national and sectoral circumstances should be taken into account in order to potentially deliver better outcomes. What are the country's objectives for involving the private sector in infrastructure financing and provision? What are the roles of the public, state owned enterprises (SOEs) and private sectors in delivering key services?

This session will discuss the practical difficulties involved in choosing how to deliver infrastructure services and the variety of institutional designs in the region for involving the private sector.

This session will look at country case studies highlighting practices in the region, which will be followed by a general discussion.

- OECD introduction by **Ms. Juliane Jansen**, Policy Analyst, Budgeting and Public Expenditures, OECD
- **Dr. Seunghye Wang**, Research Fellow, Office of Global Legal Research (KLRI)
- **H.E. Pen Thirong**, Director General, General Department of International, Cooperation and Debt Management, Ministry of Economy and Finance, Cambodia
- **Mr. Chavajate Soontornwit**, State Enterprise Analyst, Senior Professional Level, State Enterprise Policy Office, Ministry of Finance, Thailand
- **Mr. Achmed Badaruddin bin Mohamad Yatim**, Director (Infrastructure), Public Private Partnership Unit, Prime Minister's Department, Malaysia

**17:30-18:30** *Reception (at the upper Lobby)*

## Wednesday, 25 October 2017

### **9:00-10:30 Using Transaction Advisors Effectively to ensure Affordability and Value for Money in PPPs**

Transaction advisors are an essential resource for any government undertaking a PPP program to ensure that the projects are affordable and the overall investment envelope is sustainable. In many countries, transaction advisors are needed to provide the dedicated processes, capable organisation and relevant skills to ensure that the asset represents value for money and performs throughout its life span. However, experience shows that it is not always easy to know when and how to use advisors in the most cost efficient and effective way.

The OECD carried out an in-depth analysis of the use of transaction advisers by governments in the region. This session will present the main conclusions of the report, including recommendations on good practice. Country examples highlighting good practices in the region will be presented, and will be followed by a general discussion.

- OECD introduction by **Ms. Juliane Jansen**, Policy Analyst, Budgeting and Public Expenditures, OECD
- **Mr. Richard Foster**, Director, Foster Infrastructure, Australia
- **Mr. Takeo Koike**, Director of the Office of PPPs, ADB
- **Prof. Zhang Xiaoping**, Law School of Central University of Finance and Economics, P.R. China

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### **10:30-11:00 Coffee Break**

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### **11:00-12.30 Infrastructure and PPP investment at the sub-national government level for regional development**

In many countries, sub-national governments (SNGs) are an important player in infrastructure provision and public service delivery. In OECD countries, the share of SNGs in public investment is around two-thirds. The impact of public investment on the development of regions depends to a significant extent on how governments manage this shared competency across levels of government.

In some countries, SNGs also use PPPs, and face similar challenges as higher levels of government, but often with a more limited technical capacity to address these.

This session aims to discuss the experience of countries in the region in coordinating public investment across levels of government, and in the use of PPPs by SNGs.

This session will use country case studies to highlight practices in the region, and will be followed by a general discussion.

- OECD introduction by **Ms. Juliane Jansen**, Policy Analyst, Budgeting and Public Expenditures, OECD
- **Mr. Reghi Perdana**, Deputy Director for Public-Private Partnership, Bappenas, Indonesia
- **Ms. Abhilasha Mahapatra**, Director of PPP Cell, Department of Economic Affairs, India
- **Mr. Bekhbat Sodnom**, Executive Director of Mongolian PPP Development Centre, Mongolia, and Board Member of Ulaanbaatar City Development Corporation
- **Dr. Soojin Park**, Senior Research Fellow, Construction and Economy Research Institute of Korea

#### **12:30-12:45 Future Work**

This session is designed for Delegates to identify emerging priority areas for future work, the nature of their interest in the subject and their willingness to participate in particular studies.

#### **12:45-13:00 Closing by Chairman, OECD and OECD Korea Policy Centre**

- **Mr. Jón Blondal**, Head of Budgeting and Public Expenditures, OECD
- **Mr. Bum-Suk Kong**, Director, Public Governance Programme, OECD KOREA Policy Centre
- **Mr. Ferdinand A. Pecson**, Executive Director, PPP Centre of the Philippines

The **OECD Regional Policy Network (RPN) on PPPs, Infrastructure and Connectivity** is one of the six Regional Policy Networks of the OECD Southeast Asia Regional Programme (SEARP). SEARP is launched in 2014 to support countries' reform priorities and regional integration in Southeast Asia. Its RPN on PPPs, Infrastructure and Connectivity assists the efforts of ASEAN Secretariat and ASEAN Member States in implementing the Master Plan for ASEAN Connectivity (MPAC) 2025. The RPN meetings have served as fora for sharing lessons learned and best practices among OECD and ASEAN policy makers. Highlights of this cooperation include the ASEAN Principles for Public-Private Partnership Frameworks. Based on these principles, the OECD conducted a pilot review of the PPP framework in the Philippines.

The **Asian Public Governance Forum on Public-Private Partnerships (APG)** is part of the OECD Korea Policy Centre's Public Governance Programme, which supports a dialogue with Asia-Pacific countries on the basis of research and data from the Public Governance Directorate. The APG on Public-Private Partnerships discusses the enabling environment and legislative framework for PPPs, as well as how to ensure affordability and value for money, and how to manage fiscal risks.

The annual APG and RPN meetings on sustainable infrastructure and PPPs provided unique opportunities to exchange experience and knowledge between the OECD and policy makers and experts in the region. The region's achievements and challenges feed into the work of the **Network of Senior PPP and Infrastructure Officials**, which was established to improve the sustainable investment environment, so that capital investments and PPP projects bring value for money to the whole of society.

Further information:

OECD (2017), *Getting Infrastructure Right: A framework for better governance*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264272453-en>

OECD (2012), *Recommendation of the Council on Principles for Public Governance of Public-Private Partnerships*, OECD Publishing, Paris, <https://www.oecd.org/governance/budgeting/PPP-Recommendation.pdf>

SBO Network of Senior PPP and Infrastructure Officials,  
<http://www.oecd.org/gov/budgeting/ppp>

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