

Seventh Meeting of the Infrastructure Financing and Public-Private Partnerships (PPP) Network of Asia and the Pacific

Infrastructure Development through PPP in the Post-COVID Era

Hybrid Meeting in Pattaya City, Thailand
15-16 June 2022

OUTCOME DOCUMENT

Overview

ESCAP organized the Seventh Meeting of the Infrastructure Financing and Public-Private Partnerships (PPP) Network of Asia and the Pacific on “Infrastructure Development through PPP in the Post-COVID Era” held in hybrid in Pattaya City, Thailand from 15 to 16 June 2022. ESCAP partnered with the Public-Private Partnership Promotion Bureau of State Enterprise Policy Office (SEPO) under the Ministry of Finance of Thailand, the China Public-Private Partnerships Center (CPPPC) under the Ministry of Finance of China and the Asian Development Bank (ADB). The meeting aims to showcase good experience and development on how countries in Asia and the Pacific region build back better in the post-COVID era through effective infrastructure financing and PPP mechanism.

The meeting attracted participants from 18 countries in Asia and the Pacific and beyond, gathering a total of 120 participants joining both on-site and online, including heads of PPP units, infrastructure financing specialists, and regional experts.

Based upon the feedback and suggestions made by participants of the Seventh Network Meeting, ESCAP plans to organize the Eighth Network Meeting in quarter four of 2022 to further enhance the operational capacity of member States’ PPP units and other network members. The future regional event could cover such thematic topics as PPP unit establishment and operation, PPP project identification, and PPP strategies for selected priority sectors or subsectors according to the preferences of the network members.

Opening Remarks

Ms. Armida Salsiah Alisjahbana, Executive Secretary, ESCAP

Even though we have seen a good signal of the recovery from the global pandemic, there are still ongoing effects, such as this meeting being hybrid. Also, we have to build not only better infrastructure but also greener. However, the financing gap has become larger than ever, and the government must seek sufficient finance to develop the needed infrastructure. The Private sector's engagement has become the solution to mobilize the infrastructure projects.

Over the past two years, we have seen a lot of ongoing crises and challenges impacting people worldwide. To tackle these challenges, first, we must focus on inclusiveness and leave no one behind, especially those affected socially and economically. Second, we must build resilient infrastructure focusing more on climate change. Third, we have to lift the fiscal burden of the government, especially in developing countries. Bankable and attractive PPP projects investment and development are key to helping the government overcome the problem.

We have seen a lot of successful PPP projects over the past four years of the PPP network, and I look forward to seeing further successful models and more robust networks from this meeting, including the connection between the public and private sectors.

Mr. Ke Yousheng, Permanent Representative of China to ESCAP, China

Investment in sustainable infrastructure is vital for economic recovery, which requires collaboration from the private sector. China puts a lot of emphasis on digital infrastructure and maintains a significant number of PPP investments in the country and the region.

Current factors such as the pandemic and climate change have created uncertainty in the Asia-Pacific region. Therefore, we have to strengthen more collaboration, especially the PPP network, which will be the solution to the economic recovery. First, we need to strengthen solidarity with inclusiveness and openness. Second, we need to improve coordination and the whole management process of PPP projects. Third, we need to ensure policy consistency to keep stable expectations of partners and put the people at the center. Fourth, we need to pursue comprehensive benefits, and sustainability should be better balanced.

China would like to support and strengthen the collaboration, especially the PPP network, to leverage and conduct practical cooperation that will bring mutual benefit and win-win outcomes for sustainable infrastructure in the region.

H.E. Mr. Arkhom Termpittayapaisith, Minister, Ministry of Finance, Thailand

After the pandemic, it is undeniable that infrastructure investment is the solution to economic recovery. The economic downturn has reduced resources and finances, so the investment in infrastructure adopts various financing mechanisms for infrastructure projects to lower the budget burden and still maintain fiscal sustainability, such as the Thailand Future Fund and the sustainability bond. The PPP scheme has delivered the infrastructure service more efficiently, and many projects have been executed successfully in the transportation sector.

For the clear policy from the public sector side, the PPP Delivery Plan is prepared and updated on a semi-annual basis. The latest PPP Delivery Plan contained 110 projects in the pipeline, a total worth 1.12 trillion Baht. They also include a wider range of non-transport sectors in the wastewater management, education, and healthcare sectors. Thailand ensures that we are pursuing climate resilience and the SDGs, and the PPP model is considered as an effective tool to reach these goals.

Ms. Yang Jianmin, Deputy Director-General, China PPP Center, Ministry of Finance, China

China would like to congratulate the success of the PPP network establishment in 2018. This network has promoted sustainable development in Asia-Pacific with continuous support from China. Building infrastructure is essential to stimulate economic recovery, as well as digital transformation and the promotion of low-carbon and green energy. Many countries have faced economic constraints and financing gaps; the PPP model will play a more critical role in achieving the SDGs in the future.

For eight years, PPP has been applied in various sectors in China with great success and tremendous amounts of investment in all levels and areas. China is welcoming to share the experience of success with all members and collaborate to strengthen the sustainable development in Asia-Pacific.

Mr. Adrian Torres, Chief of Public-Private Partnership Thematic Group, Asian Development Bank.

The battle against climate change in Asia-Pacific and the progress toward the SDGs have been underperformed. The PPP is the critical component for economic recovery that will increase the GDP ratio and maximize the fiscal and economic gains as a traditional public investment cannot close the financial gap. Importantly, high-quality PPP projects must be affordable and bankable for the private sector.

ADB encourages and supports innovative financial solutions such as green finance and funds in low-carbon infrastructure for more sustainable development. The support includes financial assistance and loans for all members to be more attractive to private sectors and lead to more sustainable development. The government needs to improve the PPP-enabling environment and alignment of the national and regional plan, including the feasibility study and the upstream and midstream project. These will help all members encounter the new challenges in our region and make PPP infrastructure investment green, inclusive and sustainable.

Session 1. Member States Updates and Project Proposals

Mr. Avag Avanesyan, Deputy Minister, Ministry of Finance, Armenia

- Armenia's main legal challenge is managing legacy PPP projects with different contractual arrangements and liabilities. Becoming aware of issues arising from the legacy PPP, the government of Armenia plans to develop a framework to govern the renegotiation of PPP projects, such as fiscal trade-off calculations and measures to deter opportunistic behavior. Currently, the guideline on PPP liabilities methodology and caps has been done to free up the limited budgetary space (The direct flow of PPP liabilities will be capped at 1% of GDP).
- PPP project proposals will be evaluated and selected under the Public Investment Management (“PIM”) procedures. Procedures vary based on whether projects are initiated by the government or the private sector (“Unsolicited Proposal: USP”). The concept of regulation on USP is to ensure that USP is well regulated, creates public benefits, and has financial viability.

Mr. Phouvong Phaophongsavath, Director, PPP Division, Investment Promotion Department, Ministry of Planning and Investment, Lao People's Democratic Republic

- Laos recognizes sustainable infrastructure development as a key to achieving inclusive growth and SDGs. Laos also has strategic partnerships with neighboring countries such as China and Thailand to achieve this goal. The newly opened north-central railway is an example of the successful collaboration between China and Laos in developing infrastructure. Thailand, the long-standing friendly neighbor, is regarded as a key trade and investment partner in Laos. Laos always welcomes Thai investors to invest in future infrastructure projects such as the Central-South railway project.
- The vision of Laos in infrastructure development is based on the "One Belt-One Road Initiative" and the strategy of turning a land-locked country into a land-linked country. As the investment from the private sector is significant, Laos has committed to easing the process of doing business in Laos and increasing a more favorable business environment for private partners. The Decree on Public-Private Partnership was enacted in 2021 to attract private partners for infrastructure investment in Laos.
- Projects highlighted: Currently, the Vehicle and Transportation Management Project is under the negotiation process with the bid winner. Central-South Railways and Luang Prabang International Airport upgrade projects are under the feasibility study. The Wind Power Plant Project in Kham Muan Province and Elephant Conservation Project at Nam-Pui National Tourism Park are under MOU consideration.

Mr. Sanzhar Bolotov, Director, PPP Center, Kyrgyzstan

- The PPP Center of the Kyrgyz Republic is a part of the Ministry of Economy and Finance and is responsible for PPP in various sectors. To support PPP, the Kyrgyz Republic has granted 4 million USD to fund the preparation of PPP projects via “the Fund for Financing PPP Projects Preparation,” which provides financing for feasibility study, tender documentation, and other undertakings. In the post-COVID era, the fund has been utilized to update feasibility studies
- Regarding PPP legal development in Kyrgyzstan, the PPP Center enacted the new PPP law in 2021 to improve flexibility and features the concept of direct negotiation and a sandbox regime for innovation projects.
- Projects highlighted: according to the PPP pipeline, there are 55 projects in various sectors, ranging from transport to agriculture. Six agreements will be signed in 2022. Examples include the improvement of the territory and building of the Kyrgyz National University, the construction of a consumer services complex and a sewing workshop, organization of a scientific and industrial fruit and berry nursery.

Mr. Pen Vibolsak, Officer, Project Development Department, General Department of PPP, Ministry of Economy and Finance, Cambodia

- To ensure the effectiveness of PPP project implementation and management and boost private investors' confidence, Cambodia recently enacted the Law on Public-Private Partnerships dated November 18, 2021, replacing the old concession law. According to the law, the central PPP Unit was promoted to the General Department of Public-Private Partnerships in February 2022, acting as a secretariat and a gatekeeper of all PPP projects. As a part of developing a clear PPP policy and framework, the General Department of Public-Private Partnerships has been working on Supplementary Operating Procedures (“SOP”).
- According to the PPP SOP, the project cycle is divided into 5 phases: Project Identification, Project Preparation and Appraisal, Project Approval, Project Procurement and Contracting, and Implementation and Management of PPP Contract. Steps in each stage of the PPP cycle vary by type of PPP projects (solicited and unsolicited projects).
- The project highlighted: According to Cambodia's PPP Project Pipeline, six projects are under preparation and appraisal. Examples include the development of New Mondulhiri Airport, Sihanoukville Logistics Complex, which cost USD 264 million, Piped Water Supply System in Siem Reap. Notably, the construction of the Phnom Penh-Sihanoukville expressway is expected to complete in September 2022 and commence the service soon.

Q&A

- According to Laos's strategy of turning a land-locked country into a land-linked one, what are the key challenges as Laos is very new to the PPP mechanism? What are Laos's advantages for investors?

Mr. Phouvang clarified that Laos's advantages are room for growth and incentives under the investment promotion law. Based on the strategy aiming to be a land-linked country, prospective investors have ample opportunities to develop infrastructures in other regions of Laos, such as a railway connecting between central and southern parts of Laos and dry ports. Investment promotion law also provides investors with favorable conditions and privileges: profit tax exemption, import duty exemption, and land compensation for priority projects. Moreover, as the PPP Center was established in 2018, PPP development in Laos has just begun, and state authorities have not been familiar with the PPP concept and implementation. Fortunately, Laos had active collaborations with international organizations in escalating PPP practice. For example, ADB helped Laos develop the PPP law and relevant standards, ensuring global PPP standards.

The UN initiative project also assisted Laos in clarifying relevant authorities with PPP guidelines and standard operational procedures.

- Based on Laos's strategy of turning the country into a land-linked country, what is your policy on digital infrastructure that supports digital linkage (e-commerce/cross-border payment)? What are your thoughts on how the government sector collaborates with the private sector on this topic?

Mr. Phouvong answered that the Bank of the Lao P.D.R. is powerful in developing financial technology (“FinTech”) in Laos. However, Laos is still open to opportunities and innovation offered by private investors to co-develop the digital infrastructure.

Web portal presentation

Mr. Paul Janecek, CEO, Think Blue Data

- Think Blue Data is a UNESCAP partner that helps develop InfraPPPnet Web Portal, a web-based information sharing platform which consolidates and disseminates information among PPP network members. The objectives of the portal are project benchmarking, knowledge exchange, and project pipeline presentation. In this session, Mr. Paul presented key updates on how the new platform will support networking, such as search tools that easily find relevant projects by filtering categories, email and in-platform messaging between prospective investors and members, and a simplified process of adding project details.
- The new platform is scheduled to release in July 2022. Please share your suggestions for the new platform at escap-infrappnet@un.org.

Session 2. Thailand Infrastructure and PPP Experience

Mr. Voravuth Mala, Special Advisor, Eastern Economic Corridor (EEC) Office, Thailand

- EEC, the 2nd Eastern Seaboard in Thailand, was established in 2017, covering three provinces in Thailand; Chachoengsao, Chonburi, and Rayong. The sectors promoted in the EEC area match the global demand. The total investment of PPP projects in the EEC is about 6.5 hundred million THB which are 2.4 hundred million THB and 4.1 hundred million THB invested by the public and private sectors, respectively.
- The first infrastructure project invested in the EEC area is the High-Speed Rail connecting three airports: Don Muang airport, Suvarnabhumi airport and U-Tapao airport, with a total expected investment of 276,561 million THB. This project aims to support tourism and industries by transporting people and delivering freights among the three airports and nearby destinations such as Laem Chabang Port and Map Ta Phut industrial area.
- EEC has its own regulation that the PPP projects in the EEC area are required to comply with: the EEC Act 2021. There are several key features to promote investment in the EEC, including (1) permanent administration by having a policy committee and EEC unit as a focal point, and (2) a transparent working process by a one-stop service to integrate many relevant regulations into the EEC Act.

Mr. Pitaya Uthaisang, Director of the Public-Private Partnership Promotion Bureau, SEPO, Ministry of Finance, Thailand

- Under Thailand’s national plan, the estimated total value of state investment between 2017 and 2026 is approximately 6.5 trillion THB or about 650,000 million THB per year, while the annual investment through the PPP scheme is expected to be around 47,000 million THB. However, the actual proportion of PPP investment, especially in the last three years during the COVID-19, accounted for only 3% of the annual state investment. Based on these, PPP should be promoted intensively in Thailand.

- SEPO, as Thailand's PPP Unit, expedites more PPP projects and published the new revision of PPP Delivery Plan 2020 – 2027 that occupies more PPP projects significantly over a year. In 2021, there were 67 PPP projects that accounted for approximately 996,000 million THB, while there were 110 projects with a total estimated investment of 1.12 trillion THB in 2022. These data show the growing acceptance of PPP among the project agencies.
- The higher investment in the PPP projects is, the better quality transparency is required. Nowadays, a new transparency measure for PPP projects is applied, called the Integrity Pact (“IP”). This allows Independent Observers (IOs), assigned by the IP Official partner, to observe the PPP selection process from preparing the bidding document until signing the PPP contract with the Private party. If the IOs discover any suspicious activity, they will report to SEPO and Project Owner. For the purpose of confidentiality, IOs must sign the non-disclosure agreement not to disclose any project information. Implementing PPP projects with IP helps build transparency in the PPP selection process and escalates the private sector's confidence to invest in the PPP projects in Thailand.

Mr. Ekasit Chunlakittiphan, Trade Commissioner in Infrastructure, Embassy of Canada to Thailand

- Infrastructure development is essential in every country due to the need of its citizens. With the limitation of the national budget, there is a high gap between asset demand and supply, especially during COVID-19; therefore, PPP is the solution for this issue. Canada has applied PPP for over 30 years with 291 active projects, accounting for 140 billion USD. Moreover, there are approximately 190 projects in the pipeline.
- In Canada, there are two levels of PPP agencies: provincial and federal. For example, at the provincial level, there is Infrastructure Ontario (“IO”). IO acts as a PPP advisor to recommend the best solution for how the public agencies can best implement and invest in the infrastructure under the PPP scheme. At the federal level, there are PPP Canada and Canada Infrastructure Bank that support the PPP projects.
- In terms of the government's role, building capacity is a crucial factor in implementing PPP projects that the government of Canada has continuously emphasized. With over 30 years of experience, Canada has many experts in PPP projects from both public and private sectors who are able to support and advise other countries.
- Significantly, three key elements to implement PPP successfully include (1) a very-good Value for Money (“VfM”) to ensure that the project is feasible, (2) a good business case that can achieve the goals and objectives of the project, and (3) a bankable and affordable project that banks are comfortable to finance. Without the three elements, the PPP projects may face difficulties along the process, especially in the new sectors with new technologies such as wastewater management and electricity.

Session 3. PPP for High-quality Development

Mr. Fu Ping, Acting Director, Information Management Department, CPPPC - PPP Boosts High-Quality Development in China

- The new development concept promotes high-quality development; these features are innovative, coordinated, green, open, and shared. The principle of the new concept is to balance growth speed and development quality and to be consistent with UN Sustainable Development Goals 2030 in terms of the economy, society and environment.
- The purpose of the new development concept is to scale up investment in and amount of infrastructure, improve the efficiency of public services such as living conditions and basic social services and to enhance people's enjoyment of a better life, to support the development of key sectors such as poverty alleviation, green development, serving the national program of “new types of infrastructure, new urbanization initiatives, and major projects” and preventing and mitigating fiscal risk.
- The good practices of PPP supporting rural revitalization, such as giving better play to the coordinating and supporting role of government, selecting private partners who own robust operation and

management capabilities, stimulating the private sectors and SPVs for proper operation and providing support for farmers to become both shareholders and employees of the SPVs.

Mr. Gao Feng, Executive General Manager of Investment Department, China PPP Fund

- China Public-Private Partnerships Fund (“CPPPF”) was founded on March 4, 2016, to explore and promote PPP. Moreover, CPPPF aims to attract social capital, especially private sectors, to invest in infrastructure and public goods. The registered capital of CPPPF is 180 billion RMB.
- The top 5 sectors in the CPPPF’s portfolio are municipal works, transportation, ecology & environment, urban development and affordable housing.
- By the end of 2021, CPPPF has invested in 139 PPP projects covering 27 provinces of China; 35 PPP projects are conducted with private investors, accounting for 25.18%. The value of 139 signed contracts reached over 74 billion RMB, and the overall investments of these projects reached over RMB 1.16 trillion.

Mr. Zhu Zidan, Deputy General Manager of Strategy and Development Department, China Water Environment Group

- Water management is one of the most demanding challenges in China. The government attempts to address this challenge by using PPP Model to partner with Private Sector: China Water Environment Group Limited (“CWEG”).
- The project aims to protect drinking water sources, sewage treatment, and water reuse in Guang'an City. The project is one of CWEG's 15 National PPP Demonstration Projects and the First city-scale and cross-basin comprehensive improvement project of the water environment in China.
- With the goal of solving water shortages in developing countries and rural areas, the CWEG will improve its technology and aim to become a water treatment leader in the future.

Mr. Luo Jiarong, Officer, Nankang Finance Bureau, Jiangxi Province

- The home furnishing industry in Ganzhou City is one of the most important industries in Nankang District. However, the industry faces various problems such as insufficient aggregation of high-end elements, inadequate supply of high-end products, and lacking integration of industrial growth and urban development. To overcome these problems and to turn Nankang into a modern furniture industry chain system, the public agency utilized the PPP model to bring in the private sector to provide professional operation and management. As a result, the government can quickly complete the project construction with minimal actual financial investment.
- The Furniture Expo Center, Furniture Museum, Business Incubator and other core areas started construction in August 2017 and were completed in the following year. Currently, the second phase of this project is under construction.
- After the successful implementation of the PPP Project, Nankang has become the permanent venue of China (Ganzhou) Furniture Industry Exposition and ranks the 4th largest household industry base in China.

Q&A

- Could you share some impressive experiences on how PPP has effectively improved the development of projects by the private sector?

Mr. Gao Feng mentioned that the most challenging process in PPP is trust-building and risk allocation between public and private partners. In China, the public party can assert more influence. Consequently, the private party often fears that the public agency will not keep its promises and default on the project payments. At the same time, the public party fears that the private party cannot successfully carry out the

project. Hence, both parties need a tie that binds them together to ensure that both sides are honest in their PPP marriage. The China Fund is the key to achieving this goal. With the ministry of finance as it leads shareholders, China PPP Fund bridges the gap between public and private partners to make up the trust deficit and ensure a just, fair, and open relationship between public and private partners.

- How does Nankang Government perform well to succeed in the project?

Mr. Luo Jiarong responded that the first reason is that the government is the strongest organization with coordination ability. Nankang District government takes the lead in coordinating various industries departments, opening the green channel for the project, sharing project risk and the risk's ability, and providing policies convenient for the project to the greatest extent.

Session 4. Infrastructure Governance for PPP

Mr. Hanif Raheemulla, Principal Public Management Specialist, ADB

- Asia still meets significant development challenges resulting from infrastructure lacking. Many people are living without drinking water, sanitation facilities, and electricity.
- Although ADB has been providing a lot of funds to support infrastructure development, there are fiscal challenges that money must be spent on, such as climate change which is a serious competing challenge, especially in Asia. Worse yet, in recent years, there have been scarce public resources due to the impact of Covid-19, which has given rise to growing debt.
- Financial constraint means that the region must invest efficiently. ADB works to improve this efficiency by working with ADB member states to strengthen institutional capacities such as project preparation and management. Moreover, a lack of green infrastructure projects prevents foreign investment funds from flowing into developing countries. To overcome this concern, ADB has provided resources for green project developments. Moreover, states need to improve domestic resource mobilization. ADB has provided regional hubs to facilitate domestic resource mobilization and international tax cooperation.
- Finally, we need to focus on greater investment efficiency. Efficiencies can be looked at through the highest economic and social value per dollar invested. The focus on efficiency is vital as inefficiencies undermine the allocation of public resources. ADB has established a program to enhance the capacities of public officials, such as the one in Cambodia, which Ms. Agustina Musa will further elaborate on.

Mr. Sanjay Grover, Senior Public-Private Partnership Specialist, ADB

- As the head of investible cities initiatives, Mr. Grover emphasized the shift of focus towards subnational PPP. ADB Public-Private Partnership team is now focusing on three main areas: capacities, climate, and cities.
- To achieve these goals, ADB has come up with the PPP monitor program, which is a framework that aims to help countries to be able to assess PPP environment. PPP monitors include sector deep dives, which include data such as how each sector reacts to Covid 19. The database is now online so audiences can compare countries' PPP projects. For investors, the PPP monitor is the one-stop shop to help them understand relevant information for decision-making. The ADB team will continuously update this online database.
- We are moving on to the question of why we should focus on cities. Cities are at the front of climate change, both problems and solutions. Therefore, subnational PPP is the key. The need for PPP is moving down the governance stream. We must look at the fiscal spaces and the plan in the city level,

not the national level. ADB has started this program focusing on cities by providing early-stage support to ensure that projects are designed well from the outset.

Ms. Agustina Musa, Senior Financial Management Specialist, Southeast Asia, ADB

- Cambodia requires about \$12 million to \$16 million from 2013–2022 to improve its infrastructure. To achieve this goal, ADB has been continuously working with the Cambodian government to support the government of Cambodia in its delivery of the PPP projects.
- With the help of the ADB team, the PPP legal framework has been completed. More importantly, international best practice has been incorporated into such a law. The VGF has also been completed. The guideline on government support has been published.
- In terms of the institutional framework, the Project Development Facility (“PDF”) will be established under the Ministry of Economic and Finance to prepare feasibility studies. Interestingly, this infrastructure unit will be responsible for both the PPP and other traditional forms of public investment projects. ADB has provided capacity building to kick start PDF operations. Currently, we are in the process of selecting projects that can be procured through PPP.
- This is the ongoing support for the government of Cambodia. The ADB is committed to continuing working with the Cambodian government to enhance the capacity of the government’s employees while incorporating the international best practice from many countries.

Mr. Yuji Miyaki, Public Management Specialist (Taxation), Central and West Asia Department, ADB

- The Fiscal management framework aims to reduce the risk of PPP from putting an undue burden on the government. Therefore, it is important to identify, appraise, approve, budget, and monitor the fiscal commitment, both direct and contingent liabilities. This requires typically an appropriate set of rules and a clear allocation of responsibilities among the relevant government agencies
- ADB team has implemented many programs to tackle the problem, such as the Guidelines for identifying, appraising, authorizing, and monitoring fiscal commitments from PPP arrangements. Moreover, funds and facilities are established, and a specialized PPP unit to improve PPP project development.
- An excellent example is the Dialysis service PPP project. This is a PPP Contract for a duration of 10 years. The direct liabilities of this project arise from the fact that this is the government-pay PPP, which has to pay monthly fees based on the number of dialysis sessions.

Q&A

- How to coordinate PPP selection with the government agenda?

The moderator, Mr. David Bloomgarden, responded that PPP is not suitable for all kinds of projects. Therefore, the government must have a well-defined process to select projects which deliver the highest Value for Money. If a project is not appropriate for PPP, it will be financed in other ways, such as traditional public procurement.

Mr. Sanjay Grover added that PPP is not totally separated from the government's overall agenda. The key is that the development of PPP must be efficient and not politically driven. Many bad projects land in the PPP arena due to bad decision-making.

Ms. Agustina Musa also adds that, from the Cambodian experience, the establishment of the PDF is to decide better whether a project will be more appropriate to conduct through PPP and which one will be more suited to conduct through other means.

Mr. Hanif Rahemtulla said that one needs to consider how we integrate PPP as a more comprehensive public investment cycle, not a separate platform. The key is to see how we strengthen the investment capacities, and the planning and implementing agencies need to be strengthened in this respect.

- How do you take climate change into account when looking at PPP?

Mr. Sanjay Grover said that ADB takes climate very seriously. The private sectors are much more aware of climate change than the governments are. Climate resiliency is a significant point of negotiation for both the public and private sectors, and the climate aspect is critical.

Mr. Yuji Miyaki said the minimum requirement for PPP is the same as other public projects. But PPP can create more opportunities and add value by bringing in expertise from the private sector in designing the project.

Mr. David Bloomgarden said that although climate change is significant for PPP procurement, this issue might go beyond the PPP unit. Many upstream layers must be built into the process.

Session 5. Revitalizing global partnerships for sustainable infrastructure

Mr. Kazuhiro Nomoto, Partnership Officer, Strategy, Policy and Budget Department, Asian Infrastructure Investment Bank (“AIIB”)

- AIIB approved 150 million USD for the Bank’s first satellite-based infrastructure development program. This program will allow the Indonesian population to communicate across the archipelago. The financing will be used to develop, launch, and operate a telecommunications satellite that will provide connectivity to around 45 million people in some of the most remote parts of Indonesia.
- The project is carried out under an innovative PPP scheme that brings together the Indonesian government and the private sector with the help of AIIB. Upon completion of the project, digital inclusion will be brought to students in nearly 94,000 schools through online education, connectivity for around 3,700 health centers will be improved, and 3,900 local governments will be linked with their headquarters in Jakarta. Those links will bring knowledge, trade opportunities, improved health care and government services, transforming lives for the better.

Mr. George Lam, Chair, ESCAP Sustainable Business Network Executive Council (ISBN)

- Over the past two and half years, the COVID-19 pandemic has impacted all over the world. Consequently, the current priority is to build back to get better. This means a smarter and faster solution must be applied because the whole earth is in emergency mode. Both developed and emerging economies need sustainable infrastructure
- Emerging economies have golden opportunities to develop infrastructure. By 2050, 70% of world carbon emissions will come from emerging economies. Thus, sustainable infrastructure is the key to the solution. To achieve sustainable infrastructure, we need the private sector to mobilize financial resources as well as scientific technology to work with the government and community.
- The ESCAP Sustainable Business Network (“ESBN”) working group on sustainable development mobilizes enterprises and achieves a new green development for enterprises by following five pillars: Green Energy, Infrastructure and Logistic, Green Finance, Green Innovation, and Green Production.
- Now, the private sector is the lead in following the concept of sustainable development. So the combination of PPP and ESG is very important. For PPP, In Asia-Pacific have, several successful projects. e.g. Eastern Economic Corridor (EEC) in Thailand and ESBN focus on Asia-Pacific and

Southeast Asia. Thus, the PPP and ESG approach toward sustainable infrastructure planning and development.

Ms. Shirley Ng, Director, Thailand and South Asia, Hong Kong Trade Development Council (“HKTDC”)

- Infrastructure development for sustainable long-term economic growth on a global scale needs to address issues beyond financings, such as climate change and public health crisis. Hong Kong is a super-connector for infrastructure development with high experience in designing, planning, construction, as well as management and operation of infrastructure and real estate developments. Moreover, Hong Kong is one of the world’s most services-oriented economies; over 90% of Hong Kong’s GDP is supported by the services sector, such as due diligence, legal and tax advisory, and logistics.
- Moreover, Hong Kong is situated in an ideal location at the Centre of Asia with established connectivity to Mainland China and Southeast Asia.
- Established in 1966, HKTDC is a statutory body that helps international businesses explores opportunities in and through Hong Kong. HKTDC offers various platforms to promote deal-making and project matchmaking between the investors and the project owners.

Mr. Yono Reksoprodjo, Vice President of Corporate Affairs, Sintesa Group, Member of UN Global Investors for Sustainable Development Alliance (“GISD”)

- The SDG goal 17 highlights the importance of global macroeconomic stability and the need to mobilize financial resources for developing countries from international sources and through strengthened domestic capacities for revenue collection. It also highlights the importance of trade for developing countries and equitable rules governing international trade.
- In Asia, the entire implementation of the 2030 agenda relies on the partnership for the goals. The Asia-Pacific region has made remarkable progress on this goal. Available data shows that the biggest progress gaps exist in many areas, such as increasing tax revenues and full access to the internet for all. PPP can be used in this regard to fill in the gap. However, there are some drawbacks that the government needs to carefully keep in mind when applying PPP to avoid undesirable outcomes.
- The GISD was convened by the UN to seek and deliver concrete solutions to scale-up long-term finance and investment in sustainable development. The current goal of GISD is to increase private finance and investment to 100 billion by 2025 USD and 1 trillion USD by 2030.

Ms. Gayle Tan, Senior Lead, Infrastructure Asia, Singapore

- Asia needs more bankable and investment-ready infrastructure projects. However, the problem is that most projects are not bankable. To overcome this shortcoming, Singapore established Infrastructure Asia in 2018. Infrastructure Asia was set up by Enterprise Singapore and the Monetary Authority of Singapore with a role to bring the enterprise, financing and catalyze project in the region.
- Singapore's deep ecosystem supports Infrastructure Asia in enabling infrastructure projects in the region. Infrastructure Asia collaborates with many stakeholders and focuses on key priority sectors such as clean energy, public environmental health, logistics and connectivity.
- Infrastructure Asia enables sustainable infrastructure by building a connection to good-fitting solutions of the private sector, working with regional governments to develop their capacity and facilitating platforms and initiatives to improve the bankability of projects.

Closing Remarks

Mr. Pitaya Uthaisang, Director, Public-Private Partnership Promotion Bureau, State Enterprise Policy Office (SEPO), THAILAND

At this event, the PPP projects in this region have proven great efforts and success and made a lot of progress. Although we have faced many challenges, we are moving towards the same goals with substantial consolidation among all parties. Thailand would like to ensure its dedication to ESCAP and enhance its collaboration and partnership with all members.

Ms. Rupa Chanda, Director, Trade, Investment, and Innovation Division, ESCAP

The network meeting has enhanced how infrastructure development through PPP can support the economic recovery from the COVID-19 pandemic. With strong collaboration and participation over the years, the region and countries worldwide have joined to build a resilient and sustainable development infrastructure with a great partnership. This will drive us to achieve the SDGs with solidarity and cooperation. The pandemic has exposed the vulnerability of being integrated with the world economy, so the multilateral system and remaining partnerships in the region will lead us to sustainable growth.

Today's dialogues also mentioned the importance of mobilizing an effective PPP model, including policymakers, financial sectors and institutes, and other relevant stakeholders. Besides, the importance of financing for inclusive and sustainable development for PPP will help us achieve the SDGs and bring commitment into action in the near future.

Meeting Evaluation and Feedback

The meeting demonstrated the growing demand and appreciation by the members of the Network for the practical capacity-building support for developing sustainable and resilient PPP infrastructure projects to build back better in the post-COVID-19 era. Based on the feedback evaluations, the participants were generally satisfied with the virtual format and the overall quality of the meeting. Moreover, the participants expressed that the meeting achieved its stated objectives and that it has increased their knowledge of best practices of PPP infrastructure projects in the subregions. Additionally, the majority of the participants considered that the meeting was clearly presented, and the contents of the meeting were useful for their future policy action.

Annex I: Results of Meeting Evaluations

Figure 1
Gender distribution

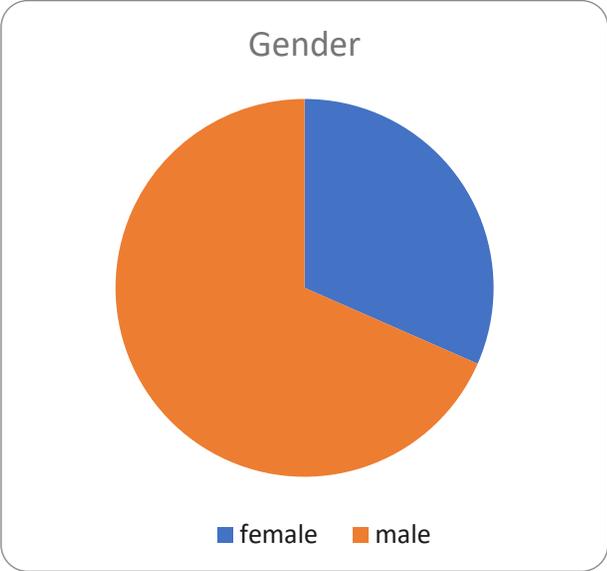


Figure 2
General feedback

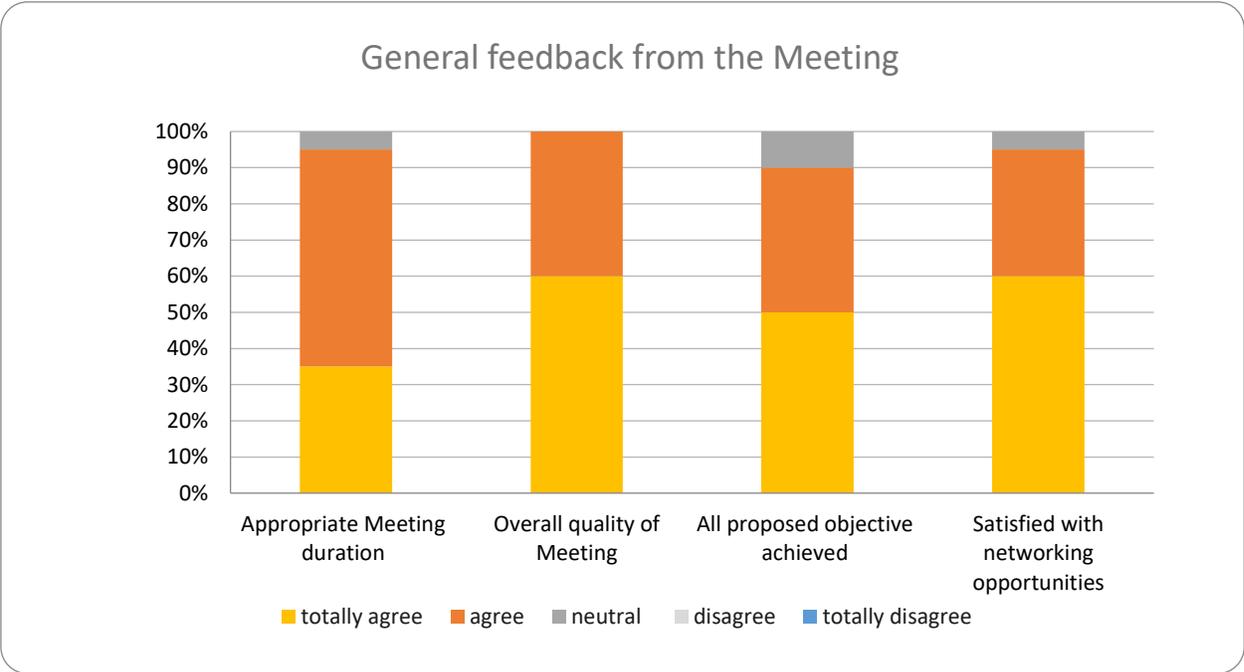


Figure 3
Quality of contents

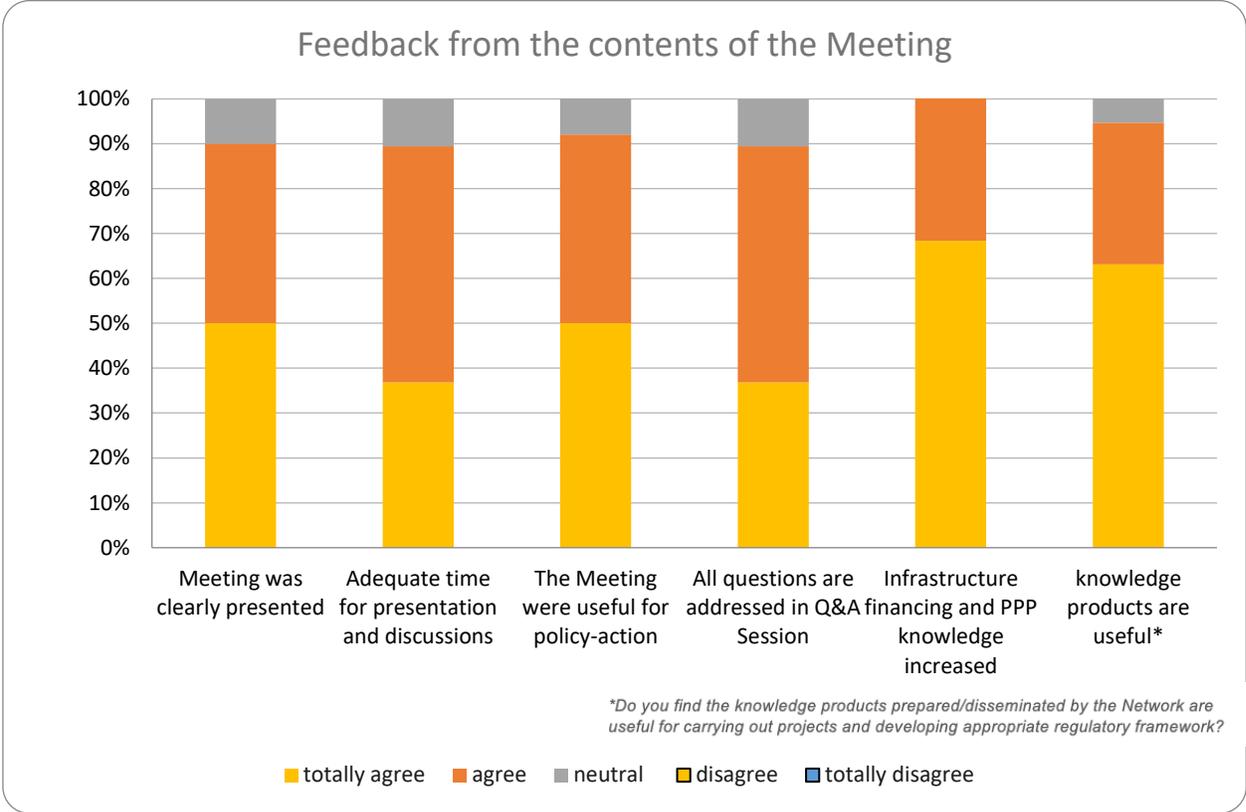


Figure 5
Consider gender in future policymaking

