



**Asia-Pacific
Economic Cooperation**

2014/SOM2/031

Agenda Item: 6.2

APEC Capacity Building Seminar on Quality of Infrastructure Development and Investment

Purpose: Information

Submitted by: Japan



**Second Senior Officials' Meeting
Qingdao, China
14-15 May 2014**

Executive Summary

APEC Capacity Building Seminar on Quality of Infrastructure Development and Investment in Tokyo, Japan

While developing economies with tend to pay attention to initial costs at procurement, and often end up introducing infrastructure with higher lifecycle cost, short-term durability and/or high environmental burdens, in the “Multiyear Plans on Infrastructure Development and Investment,” the APEC Economic Leaders agreed in Bali in 2013 on the importance of comprehensive and holistic considerations, including the following principles;

- i. long-lasting asset value and stability of long term cash flow of infrastructure projects, and
- ii. in the bidding process of infrastructure projects, not only the purchase price but also key elements such as lifecycle costs including performance and durability, environmental friendliness, safety and maintainability should be considered.

In order to share further details of these principles widely among government officials and other stakeholders to implement them in APEC economies, Japan will hold a four-day capacity building seminar on quality of infrastructures, including case studies and information sharing in August 2014 in Tokyo, Japan.

APEC Capacity Building Seminar on Quality of Infrastructure Development and Investment in Tokyo, Japan

1. Background

Investments in infrastructure are rapidly growing in the APEC region. While infrastructure's sustainability is important for economic growth, developing economies with financial difficulties tend to pay attention to initial costs at procurement. As a result, they often end up introducing infrastructure with higher lifecycle cost, short-term durability and/or high environmental burdens.

Against this backdrop, in the "Multiyear Plans on Infrastructure Development and Investment," the APEC Economic Leaders agreed in Bali in 2013 on the importance of comprehensive and holistic considerations, including the following principles;

- (i) long-lasting asset value and stability of long term cash flow of infrastructure projects, and
- (ii) in the bidding process of infrastructure projects, not only the purchase price but also key elements such as lifecycle costs including performance and durability, environmental friendliness, safety and maintainability should be considered.

Further details of these principles should be shared widely among government officials and other stakeholders to implement them in APEC economies. In this regard, Japan, as a member of APEC economies, will hold a capacity building seminar on quality of infrastructures, including case studies and information sharing.

2. Date / Venue

- 4th – 7th August 2014 (TBC)
- Mita Conference Hall, Tokyo, Japan (TBC)

3. Expected Participants

- Related government officials, experts and other stakeholders (e.g. governmental and public organizations which introduce infrastructures and financial institutions). Maximum three participants from each economy will be invited.
- The APEC Secretariat is also expected to participate.

4. Provisional outline

1st Day

- Recognize the importance of quality of infrastructure through case studies.
- Discuss cross-cutting issues such as how to evaluate of the quality of infrastructure (e.g. lifecycle cost, past performance check, comprehensive evaluation)

2nd Day

- Discuss quality issues in some specific sectors such as power generation, water system, and railway transportation.
- Share the information on rating of companies of infrastructure related to their construction experiences.

3rd Day

- Field study 1 : a facility related to railway system (e.g. Shinkansen)
- Field study 2 : a highly efficient coal power plant

4th Day

- Field study 3 : a facility related to the water system
- Wrap-up session

5. Expenses

- Japanese government is willing to sponsor maximum two participants' travel expenses and accommodation from travel-eligible economies. Further details will be announced later.

6. Contact detail

- If there are any questions, please contact below:
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