

Summary Record of the 4thAPEC PPP Experts Advisory Panel Meeting

4 March 2015, Tagaytay City, Philippines

Opening Session

1. The host Co-Chair, Ms. Cosette Canilao, PPP Center Executive Director, the Philippines, opened the meeting and highlighted the importance of PPP programs in the infrastructure development in the Philippines.
2. The other Co-Chair, H.E. Mr. Neil Reeder, Canadian Ambassador to the Philippines, welcomed the delegates, and introduced Canada's efforts in providing financial support and expert advice to the PPP centers in the region, as well as share its own PPP experiences.

Session 1. Update Report on the Last Panel Meeting and any Inter-sessional Work undertaken by the Panel

3. Mr. Lu Zhiwei, Program Director of the APEC Secretariat, updated the meeting of the inter-sessional work since the 3rd PPP Experts Advisory Panel meeting. It was mentioned that the summary of the 3rd meeting has been circulated and endorsed. The United States has indicated that they wish to become a Panel member. Apart from that, however, no particular inter-sessional activity was undertaken. Therefore, members were advised to consider the possible future structure of the Panel that could assist better coordination of inter-sessional work, e.g., a technical secretariat that may allow members to raise questions and be connected with the appropriate people to assist them.
4. Mr. Parjiono Ciptowidarto, Director of the Center for Regional and Bilateral Policy, Ministry of Finance (MOF), Indonesia, updated members of the inter-sessional work undertaken by Indonesia. From his report, the new Indonesian government will prioritize infrastructure programs to support maritime development and food security, boost shared prosperity and eliminate poverty. He shared that some of the Indonesia's key infrastructure-related priorities includes improving maritime and land connectivity, dam construction for water supply and food security, and housing redevelopment for shanty areas, and viewed them as opportunities for private sector to participate in as strategic partners.

Session 2. Indonesia's PPP Unit and Projects

5. Mr. Freddy R. Saragih, Director of PPP Unit, MOF of Indonesia, made a presentation on the Indonesian PPP Unit (*document number 2015/FMP/PPP4/007*). He informed that the Indonesian PPP Unit was established in February 2015, structured as the Directorate of Government Support and Infrastructure Financing Management within the MOF. It performs specific functions including project identification and development, government support evaluation, and government support approval. It will closely engage with the KPPIP/Infrastructure Acceleration Committee (IAC) on PPP projects. Once a PPP project is approved by the IAC, the PPP Unit will facilitate it by using project preparation fund and defining proper government support. The current progress and next agenda of the PPP Unit were also introduced to the Panel. Members are invited to support the PPP Unit's work in the future.
6. Panel members offered advice on various aspects of the planned Indonesian projects and PPP Unit, including specifying clearly the issues to be tackled and the assistance needed, publishing the PPP procurement mechanism to private sector, and leveraging NGO's experience for some projects.

Some also asked about the relationship between the PPP Unit and the Indonesian Ministry of National Development Planning - BAPPENAS.

Session 3. Philippines' PPP Presentation

7. Ms. Cosette Canilao, PPP Center Executive Director, the Philippines, presented on the Philippines' PPP experience (*document number: 2015/FMP/PPP4/008*). She briefed the work and achievements of the Philippine PPP Center and Philippine PPP projects in the pipeline to the Panel. She also introduced the new PPP initiatives to support the "Infrastructure Development and Financing" pillar of *the Cebu Action Plan*- the expected main deliverable of Finance Ministers' Process in 2015. Those initiatives include: a) the APEC Regional PPP Knowledge Management Portal, which will serve as a central regional database for the PPP program and a reliable venue for information sharing, dialogue and consultation among public, private, local and international PPP stakeholders; and b) APEC PPP Contract Standardization Initiative, which will provide standard PPP contract templates for APEC economies and serve as a guidance document that incorporates PPP best practices.
8. Panel members expressed interest in the Philippines PPP Center's work, especially its practice in holding one-on-one meetings with pre-qualified bidders of the PPP projects. Discussions were had on how to better implement the PPP Contract Standardization Initiative. It was suggested that good practice of the Philippines PPP Center could be shared with other economies.

Session 4. Other Matters

9. The Philippines introduced its idea to create the Network of PPP Centers, which could serve as a platform for the PPP centers to share their experience with others and a venue for other economies to develop PPP projects. It was indicated that the network is aiming to build linkage among the existing PPP centers, not trying to open up to the new ones. Besides, the Philippines informed the Panel members that it will circulate the *Survey of Needs* again, and encouraged more feedback from members.
10. On organizational matters, members agreed that a mechanism need to be established to support the Panel's inter-sessional work, and expressed their disappointment at the absence of the World Bank, which was supposed to present at the meeting its update proposal on a technical secretariat for the Panel. The Program Director of APEC Secretariat was tasked to follow up with the World Bank on its proposal.
11. On future agenda, it was agreed that, while keeping a focus on Indonesia as per the Panel's mandate, other APEC economies will be invited to present their PPP initiatives or seek expert advice at future Panel meetings. Also, there were suggestions to compare different models of PPP centers in the region and conduct a "PPP needs discussion" before moving forward. Members also endorsed the Chair's proposition to invite the ASEAN Infrastructure Centre of Excellence, which functions to support PPP projects to finance Southeast Asia's pressing infrastructure needs, to the next meeting. The Program Director of the APEC Secretariat was asked to liaise with the center, since the latter is based in Singapore. It was agreed that the two co-Chairs will write Panel members, inviting economies to express an interest in having their PPP ideas or plans discussed at future Panel meetings. Based on the response to that letter, the Panel could then focus on the needs of other economies, in addition to Indonesia. The co-Chairs will send out a letter shortly.
12. The next Panel meeting will be held in late July 2015 together with a FMP workshop in Philippines. The Philippines, as host, shall convey the exact time and venue of the next meeting.