Developing Bankable Waste Management Infrastructure Projects and Reducing Marine Litter

Purpose: Information
Submitted by: VWG on Marine Debris
Developing bankable waste management infrastructure projects and reducing marine litter

October 16, 2018
APEC Finance and Central Bank Deputies Meeting
Virtual Working Group on Marine Debris

• Conduct studies to identify strategies and solution sets

• Address barriers identified in the development of waste management pilot projects

• Convene a network of stakeholders, secure political support and develop innovative funding solutions at high-level meetings

• Develop Policy and Practice Recommendations to establish the necessary legal, political, and economic environment
Complementarity with existing FMP work

- Importance of robust governance and institutional frameworks
- Assessing the policy drivers that support infrastructure development and financing
- Building institutional capacity
- Expanding potential sources of long term finance
- Prioritization and project selection
- Promoting project opportunities
Key Takeaways from High-Level Meeting

- Need to **systematically de-risk** waste management asset class
- **Collection and sorting** determines the economic viability and key determinant for investment
- International Finance Institutions play a critical role in **providing guarantees**
- **Transparency and longevity in the regulatory process** is essential
- **Institutional investment arrangements need more clarity** – project-by-project financing is rarely attractive to investors, and sophisticated project development entities will need to be involved
Policy and Practice Recommendations

- Set waste management targets
- Develop waste management performance indicators
- Address definitional barriers
- Concentrate the majority of solid waste responsibilities within a single government department or agency
- Develop incentive policies
- Enable innovative, transparent funding approaches
- Work with the informal labor force
- Establish strong environmental standards
Economy Specific Engagement

- Examined key constraints impeding investment in waste management infrastructure in specific economies through collaboration with the Asia-Pacific Infrastructure Partnership and Asia-Pacific Financial Forum.

- Meetings convene government officials, senior private sector infrastructure experts, representatives from multilateral development banks and others.

- Some of the needs identified include:
  1) Improving capacity to mitigate non-commercial risks and appropriately assigning risk between public and private sectors;
  2) Additional funding, data, and collection
  3) Strengthening the project preparation process
  4) Improving internal coordination amongst government agencies
  5) Developing robust PPP frameworks
  6) Reducing legislative and regulatory uncertainty
Expanding Network of Stakeholders

Engaging an expanding network of stakeholders:

- APEC member economies
- ABAC / Asia-Pacific Infrastructure Partnership and Asia-Pacific Financial Forum
- International finance institutions
- Development agencies
- Circulate Capital
- Private sector (including finance sector, plastics value chain, technology providers and others)
- Non-governmental organizations
- Academic institutions
- Other stakeholders

Steering Committee:
Future Work and Next Steps

- Session on innovative finance, government coordination and other areas at APEC meeting in Bali, Indonesia
- Follow-up APIP/APFF meeting to include municipal leaders
- Additional private sector projects and initiatives
- Welcome opportunity to collaborate with FMP and interested economies
Questions