



**Asia-Pacific
Economic Cooperation**

2018/FDM2/002

Agenda Item: 1i

Developing Bankable Waste Management Infrastructure Projects and Reducing Marine Litter

Purpose: Information

Submitted by: VWG on Marine Debris



**Finance and Central Bank Deputies'
Meeting 2018
Port Moresby, Papua New Guinea
16 October 2018**



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



APEC Finance Ministers Meeting, 2017



APEC Ministerial Meeting, 2017

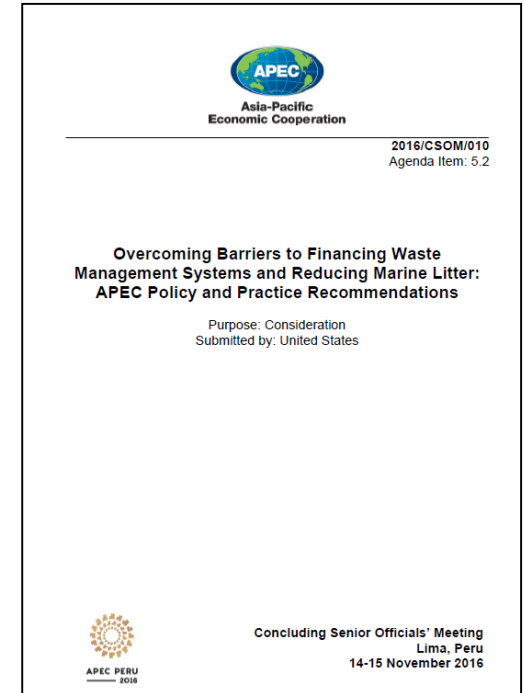
Key Takeaways from High-Level Meeting

- 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