



## ***Financing and Managing Risks in PPPs at national and sub-national Government levels***

**Training Program ~ 21 – 27 October 2009  
Melbourne, Australia**

**Mr Ken Waller  
Project Leader and Academic Coordinator**

### **Participation**

It is intended that the program would include participants from Ministries of Finance, Economic Development and Infrastructure, as well as Treasuries and other agencies, from economies including: China, Vietnam, Indonesia, Philippines, Thailand, Papua New Guinea and India, Russia, Malaysia, Peru, Chile, Mexico, Bangladesh, Pakistan, Laos, Cambodia and Mongolia. Presentations will be made by national and international experts that will address the key issues. Participants will come from the Ministries of Finance, Economic Development and Infrastructure, as well as Treasuries and agencies responsible for managing, promoting and arranging funding for public / private sector infrastructure projects and relevant sub-regional levels of government involved in PPPs.

### **Capacity Building Objectives**

The objective of this program is to enhance the capacity of policy officials to understand the policy choices and mechanisms in the development and delivery of Public Private Partnerships in infrastructure in national and sub-national development. It will also support measures to enhance investment flows in the region.

The financing and provision of infrastructure is a significant issue amongst APEC members. If the private sector is to be encouraged to invest in infrastructure projects, improvements in the regulatory framework in a number of economies will be required. Australia is a leader in the field of PPPs, thus Australian representatives are well placed to share their experiences and best practice proposals.

### **Faculty**

The Director of the Australian APEC Centre at RMIT is co-organized and implementing this program in close collaboration with the Asian Development Bank Institute (ADBI) in Tokyo, Japan, and in collaboration with specialists from Partnership Victoria. The other presenters and panellists will also be experts in some or all of the components of infrastructure reform. Aside from local private sector participants representing major infrastructure management and financing groups, presenters will come from government agencies, the Australian Treasury, Partnerships Victoria, Commonwealth and state governments, specialist infrastructure departments, as well as from the region, (the Asian Development Bank, the World Bank) and a former UNCTAD investment specialist.

### **Organisation of the Training Program**

Each day of the program, chaired by the Academic Coordinator, will have a specific theme that will underpin all the sessions of that day. The sessions themselves will be arranged to reflect the theme and to fit in with the overall objective of the program. The program below lists the proposed topics that will be discussed in each session. Discussions, moderated by the Academic Coordinator, will provide an opportunity for participants to share experiences and explore concepts in a highly interactive way. Dialogue on policy design, implementation and evaluation will be encouraged. Participants will also highlight the issues that are prevalent in their economies by making presentations throughout the program as directed by the Academic Coordinator. These will involve working group presentations, including on ways to develop a regional register of PPP activities.

# DRAFT COURSE PROGRAM

<b>DAY ONE ~ Wednesday 21 October 2009</b>		
<b>Venue: Stamford Plaza Hotel, Melbourne</b>		
<b>Theme of the Day ~ <i>Overview and Key Concepts</i></b>		
	<b>8:30 – 9:00</b>	Registration and Administration Matters – Centre Staff
<b>Session 1.1</b>	<b>9:00 – 9:30</b>	Welcome and Outline of the Program
	<i>Presenter</i>	<b>Mr Ken Waller</b> , Academic Coordinator
<b>Session 1.2</b>	<b>9:30 – 10:30</b>	The international model of infrastructure development
<i>PPPs often allow the greatest number of people to benefit from essential services, through sustainable partnerships. International finance and development agencies have identified elements necessary for this to occur: a) transparency; b) strong contractual relationships; c) the understanding of governments; d) mobilisation of supporting entities e) sharing risk and mobilising capital.</i>		
	<i>Presenters</i>	<b>Mr Rory Allan</b> , former UNCTAD investment specialist <b>Mr Kamran Khan</b> , World Bank <b>Mr Doug Brooks</b> , Asian Development Bank
	<b>10:30 – 10:45</b>	Coffee Break
<b>Session 1.3</b>	<b>10:45 – 12:30</b>	Discussion Session
<i>Moderated discussion aimed at discerning some key principles that would inform a policy framework for infrastructure management and risk management and financing.</i>		
	<i>Moderator</i>	<b>Ms Elaine Glennie</b> , Asian Development Bank Institute
	<i>Panellists</i>	<b>Mr Rory Allan</b> , former UNCTAD investment specialist <b>Mr Kamran Khan</b> , World Bank <b>Mr Doug Brooks</b> , Asian Development Bank
	<b>12:30 – 14:00</b>	LUNCH
<b>Session 1.4</b>	<b>14:00 – 15:30</b>	Presentations by five APEC participants from different economies discussing the infrastructure issues in their regions
<i>Participants will be asked prior to the commencement of the program to develop presentations on issues and challenges confronted in their respective economies in promoting, managing and financing PPPs. They will be asked to consider these in the context of sub-regional levels of government. They will also be invited to provide input on ways to develop a register of activities in their economy and regionally.</i>		
	<i>Presenters</i>	<b>Participants</b>
	<b>15:30 – 15:45</b>	Coffee Break
<b>Session 1.5</b>	<b>15:45 – 17:00</b>	Moderated discussion about participants' presentations to discern common issues, challenges and possible resolutions
	<i>Moderator</i>	<b>Mr Ken Waller</b> , Academic Coordinator

## DAY TWO ~ Thursday 22 October 2009

**Venue: Stamford Plaza Hotel, Melbourne**

**Theme of the Day ~ *Public Private Partnerships; Financing and Contribution to Development***

	<b>8:45 – 9:00</b>	Welcome and administration matters – Centre Staff
<b>Session 2.1</b>	<b>9:00 – 9:45</b>	Defining PPPs, and their contribution to economic development
<i>PPP definitions may vary, but many follow the IMF definition:- The partial transfer to the private sector of infrastructure projects that have traditionally been financed and delivered by the public sector. They are increasingly becoming the model for meeting infrastructure investment requirements globally. APEC and the World Bank are cooperating on measures to enhance PPPs in infrastructure in the region.</i>		
	<i>Presenters</i>	<b>Mr Roneel Nair</b> , Australian Treasury <b>Mr Kamran Khan</b> , World Bank
<b>Session 2.1a</b>	<b>9:45 – 10:30</b>	Panel discussion *
	<b>10:30 – 10:45</b>	Coffee Break
<b>Session 2.2</b>	<b>10:45 – 11:45</b>	The Economics of PPPs
<i>Exploring the various financing options, as well as infrastructure funds and their impact, and the efficiency of PPPs in achieving desired results.</i>		
	<i>Presenters</i>	<b>Mr Darrin Grimsey</b> , Ernst and Young <b>Mr Doug Brooks</b> , Asian Development Bank
<b>Session 2.2a</b>	<b>11:45 – 12:30</b>	Panel discussion *
	<b>12:30 – 13:45</b>	LUNCH
<b>Session 2.3</b>	<b>13:45 – 14:30</b>	Linking PPPs with Capital Market Development
<i>Well-functioning capital markets are important in the success of PPPs. The long-term investment involvement of PPPs also helps to develop capital markets and other financial system development. The role of long-term investors including Islamic funds, and prudential frameworks will be considered.</i>		
	<i>Presenters</i>	<b>Mr Geoff Daley</b> , RBS Group Australia <b>Mr Robert Turnbull</b> , Strategic Advisory Consultant
<b>Session 2.3a</b>	<b>14:30 – 15:15</b>	Panel discussion *
	<b>15:15 – 15:30</b>	Coffee Break
<b>Session 2.4</b>	<b>15:30 – 16:30</b>	The framework for successful national and sub-national PPPs
	<i>Presenters</i>	<b>Mr Rory Brennan</b> , Infrastructure Australia <b>Ms An Nguyen</b> , Partnership Victoria <b>Mr Dodi Miharajana</b> , National Planning Agency, Indonesia
<b>Session 2.4a</b>	<b>16:30 – 17:15</b>	Panel discussion *
	<b>17:15 – 17:25</b>	Group Photo

\* Panel discussion moderated by the Academic Coordinator, and featuring the presenter(s) of the session and the participants, together with **Arthur Smith** and **Kylee Anastasi** from the Asian Development Bank Institute

## DAY THREE ~ Friday 23 October 2009

**Venue: Stamford Plaza Hotel, Melbourne**

**Theme of the Day ~ *National and Sub-regional Level Relationships in PPPs and Managing Risk in Developing PPPs***

	<b>8:45 – 9:00</b>	Welcome and administration matters – Centre Staff
<b>Session 3.1</b>	<b>9:00 – 10:15</b>	Commonwealth / state responsibilities and relationships — with a focus on the transport sector
	<i>Presenters</i>	<b>Mr Rory Brennan</b> , Infrastructure Australia <b>Ms Kate O’Sullivan</b> , Partnerships Victoria
<b>Session 3.1a</b>	<b>10:15 – 11:00</b>	Panel discussion *
	<b>11:00 – 11:15</b>	Coffee Break
<b>Session 3.2</b>	<b>11:15 – 12:15</b>	Asia – Regional perspectives on national and sub-regional relationships
	<i>Presenter</i>	<b>Mr Do Ngoc Huynh</b> , Ministry of Finance, Vietnam <b>Prof Enrico Basilio</b> , University of Asia & Pacific, Philippines
<b>Session 3.2a</b>	<b>12:15 – 12:45</b>	Panel discussion *
	<b>12:45 – 13:30</b>	LUNCH
<b>Session 3.3</b>	<b>13:30 – 14:30</b>	Perspectives on national / sub-regional level PPP management
	<i>Presenters</i>	<b>Mr Dodi Miharajana</b> , National Planning Agency, Indonesia <b>Mr Doug Brooks</b> , Asian Development Bank
<b>Session 3.3a</b>	<b>14:30 – 15:00</b>	Panel discussion *
	<b>15:00 – 15:15</b>	Coffee Break
<b>Session 3.4</b>	<b>15:15 – 16:15</b>	Perspectives on national / sub-regional level PPP management
	<i>Presenter</i>	<b>Mr José San Martin</b> , Director for Road Development, Mexico
<b>Session 3.4a</b>	<b>16:15 – 16:45</b>	Panel discussion *
<b>Session 3.5</b>	<b>16:45 – 17:30</b>	A discussion about lessons learned, and preparation for group case studies
	<i>Moderator</i>	<b>Mr Ken Waller</b> , Academic Coordinator
<b>Group Dinner</b>	<b>19:00 – 21:30</b>	<u>Guest speaker</u> : <b>Mr Mark Johnson</b> , ABAC Australia Member

\* Panel discussion moderated by the Academic Coordinator, and featuring the presenter(s) of the session and the participants, together with **Arthur Smith** and **Kylee Anastasi** from the Asian Development Bank Institute

## DAY FOUR ~ Saturday 24 October 2009

**Venue: Stamford Plaza Hotel, Melbourne**

**Theme of the Day ~ *Putting Theory into Practice***

	<b>9:15 – 9:30</b>	Welcome and administration matters – Centre Staff
<b>Session 4.1</b>	<b>9:30 – 11:00</b>	Four cross-economy groups will each consider a case study, and will then discuss how they would handle major challenges. Each group will be supported by a facilitator and will have guidance.
	<i>Moderator</i>	<b>Mr Ken Waller</b> , Academic Coordinator
	<i>Facilitators</i>	<b>Ms Elaine Glennie</b> , Asian Development Bank Institute <b>Mr Rory Allan</b> , former UNCTAD investment specialist <b>Mr Arthur Smith</b> , Asian Development Bank Institute <b>Ms Kylee Anastasi</b> , Asian Development Bank Institute
	<b>11:00 – 11:30</b>	Coffee Break
<b>Session 4.2</b>	<b>11:30 – 13:00</b>	The four cross-economy groups present their preliminary findings and discuss with the whole group. Facilitated discussions involving presenters and group facilitators.

## DAYS FOUR & FIVE ~ Saturday & Sunday

Weekend – The rest of Saturday and all of Sunday are an opportunity for participants to prepare for their cross-economy group presentations on key issues that will be delivered on day 7

## DAY SIX ~ Monday 26 October 2009

**Venue: Stamford Plaza Hotel, Melbourne**

**Theme of the Day ~ *A Framework for Effective PPPs***

	<b>8:45 – 9:00</b>	Welcome and administration matters – Centre Staff
<b>Session 6.1</b>	<b>9:00 – 9:45</b>	The broad political, economic and financial environment required for effective PPPs
<p><i>A partnership with the private sector can deliver extra resources and greater efficiency of operations. An effective PPP involves investment in infrastructure that ultimately improves economic conditions in society. What are the political, economic and financial challenges and the broad measures needed to promote the development of local financing markets in order to optimise the financial structure of projects. (This encourages local savings and creates more funds for long-term development.)</i></p>		
	<i>Presenter</i>	<b>Mr Jim Miller</b> , Macquarie Bank
<b>Session 6.1a</b>	<b>9:45 – 10:30</b>	Panel discussion *

	<b>10:30 – 10:45</b>	Coffee Break
<b>Session 6.2</b>	<b>10:45 – 11:30</b>	Effective PPP relationships – covering both financial and technical credibility over the long-term of a PPP contract
<i>Relationships in successful PPPs can last 30 or 50 years and it is important that the roles of all stakeholders are clearly defined, with transparent procedures. Consumers and the general population also need to trust that the government and private operators know what they are doing. This requires regular reporting.</i>		
	<i>Presenter</i>	<b>Mr James Tetlow</b> , Amber Infrastructure
<b>Session 6.2a</b>	<b>11:30 – 12:00</b>	Panel discussion *
<b>Session 6.3</b>	<b>12:00 – 12:45</b>	Developing a sustainable bidding market Accountability and Transparency
<i>The commitments and long economic life of the relationships must be recognised by all parties. Risks need to be transferred to the best managers, and rewards and penalties should be issued accordingly. Policies need to ensure that the engagement of effective private partners are nurtured and sustained</i>		
	<i>Presenter</i>	<b>Mr John O'Rourke</b> , Plenary Group
<b>Session 6.3a</b>	<b>12:45 – 13:15</b>	Panel discussion *
	<b>13:15 – 14:15</b>	LUNCH
<b>Session 6.4</b>	<b>14:15 – 15:30</b>	Accountability, Transparency and the Legal Framework
<i>To sustain community confidence, there must be effective oversight mechanisms in place and legal measures to provide effective interaction with consumers and the general public. There must also be a stable macro-economic environment; a consistent legal framework; an effective stance against corruption; and developed financial markets.</i>		
	<i>Presenters</i>	<b>Mr Brent Chandler</b> , Partnership Victoria <b>Mr John Walter</b> , Corrs Chambers Westgarth lawyers
<b>Session 6.4a</b>	<b>15:30 – 16:00</b>	Panel discussion * (including Dr Do Ngoc Huynh, Vietnam)
	<b>16:00 – 16:15</b>	Coffee Break
<b>Session 6.5</b>	<b>16:15 – 17:30</b>	Risk management
<i>The effective management of risk and risk sharing between the public and private sectors is critical to efficient PPPs and to the integrity of the concept in supporting regional development into the future. Openness and confidence in processes to arrive at mutually acceptable ways of managing risk over changing circumstances over long periods of time are necessary, based on fair and equitable principles</i>		
	<i>Presenters</i>	<b>Mr Stan Stavros</b> , KPMG <b>Mr Ben Dempsey</b> , The Person Group (tbc)
<b>Session 6.5a</b>	<b>17:30 – 18:00</b>	Panel discussion *

\* Panel discussion moderated by the Academic Coordinator, and featuring the presenter(s) of the session and the participants, together with **Arthur Smith** and **Kylee Anastasi** from the Asian Development Bank Institute

## DAY SEVEN ~ Tuesday 27 October 2009

**Venue: Stamford Plaza Hotel, Melbourne**

**Theme of the Day ~ *Conclusions and Summation***

	<b>8:45 – 9:00</b>	Welcome and administration matters – Centre Staff
<b>Session 7.1</b>	<b>9:00 – 12:15</b>	Groups A, B, C and D with cross-economy representation will make a presentation drawing on the course materials, discussions and case studies. Each will address a specific topic – assigned to them in Session 4.1. The presentation will be followed by a whole group discussion.
	<i>Presenters</i>	<b>Group A, Group B, Group C, Group D</b>
	<i>Moderator</i>	<b>Mr Ken Waller</b> , Academic Coordinator
	<i>Panellists</i>	<b>Mr Richard Foster</b> , Partnerships Victoria <b>Prof Mervyn Lewis</b> , University of South Australia <b>Mr Ben Dempsey</b> , The Person Group (tbc)
	<i>(Coffee Break to occur between presentations at approximately 10:30)</i>	
	<b>12:15 – 13:45</b>	LUNCH
<b>Session 7.2</b>	<b>13:45 – 14:30</b>	Developing a regional register of PPPs – concept, management and location.
	<i>Presenter</i>	<b>Mr Ken Waller</b> , Academic Coordinator
<b>Session 7.2a</b>	<b>14:30 – 15:00</b>	Open Discussion
<b>Session 7.3</b>	<b>15:00 – 15:45</b>	Summation of key messages
	<i>Presenters</i>	<b>Mr Ken Waller</b> , Academic Coordinator <b>Ms Elaine Glennie</b> , Asian Development Bank Institute
<b>Session 7.3a</b>	<b>15:45 – 16:15</b>	Open discussion
	<b>16:15 – 16:30</b>	Coffee Break
<b>Session 7.4</b>	<b>16:30 – 17:00</b>	Final conclusions
	<i>Presenter</i>	<b>Mr Ken Waller</b> , Academic Coordinator
	<b>17:00 – 17:45</b>	Graduation and cocktails – including presentation of certificates