



**ENHANCING PUBLIC-PRIVATE PARTNERSHIPS TO
IMPROVE THE MOBILIZATION OF SOCIAL RESOURCES
FOR SUSTAINABLE DEVELOPMENT GOALS**

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GOALS

“Strongly attract all economic sectors, including foreign investors to invest in the development of infrastructure, to ensure adequate interests of investors; expand the form for State and People work together ...; to offer appropriate mechanisms and policies to attract investment in the field of infrastructure...”

RESULTS

- * Implemented 336 PPP projects

Total invested capital: about 1,609, 295 billion dong.

- * 140 BOT projects, 188 BT projects, the rest are BOO, BLT and BOT combining with BT projects).

- * Investment fields:

- Transportation: 220 projects.
- House serving relocation: 32 projects.
- Building head offices: 20 projects.
- Energy: 18 projects.
- Water supply and sewerage, environment: 18 projects.

- * According to the World Economic Forum:

- Year 2017: Rank 79th
- Year 2012: Rank 95th
- Year 2010: Rank 123th

SHORTCOMINGS AND WEAKNESSES

- * The selection of investors still faces numerous difficulties.
- * Selection for and preparation of projects are limited.
- * Limitations on information transparency
- * Applying inappropriate type of contract:
 - * Financial instruments to prepare investment, implement investment projects and ensure to prevent risks for investors with insufficient resources

REASONS

1. Objective reasons

- * Almost reach the safety level of public debt
- * High interest rates on bank loans
- * Complex terrain and geology
- * Guiding documents are at decree level
- * No harmonization of interests of State - Investors -

Users.

REASONS

2. Subjective reasons

- * Responsibilities of the parties to PPP contract have not been clarified
- * Coordination between ministries and localities is not good enough
- * Thought of relying on public investment
- * Decentralized management of project implementation is unclear
- * Inexperienced investors, poor capital
- * Method for project implementation is unreasonable
- * Slow land clearance

ORIENTATION FOR THE IMPROVEMENT

- * Clarify public - private nature of PPP project.
- * Modalities to select projects to apply PPP.
- * Reform bidding procedures.
- * Simplify investor selection.
- * Set out principles for applying the appropriate type of contracts.
- * Allocate capital from state budget to participate in PPP projects and limit risks for investors.
- * Information disclosure and transparency.
- * Conduct examination and inspection on the right persons, right work among relevant contract parties



THANK YOU