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# Office of Public Private Partnership

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### **OPPP Operational Framework and Modalities**

and coordination

	Pillar 1	Pillar 2	Pillar 3	Pillar 4
	Advocacy and capacity development	Enabling environment	Project development	Project financing
	<ul> <li>Create awareness</li> <li>Invoke leadership</li> <li>Identify PPP potential in sector planning and the private sector development agenda</li> <li>Develop capacity of Government</li> <li>Enhance external knowledge management links</li> </ul>	Develop policy, legal, regulatory and institutional framework to facilitate, guide and manage the development of PPPs (country and sector specific)	<ul> <li>Assist in the development of pathfinder projects</li> <li>Provide support (including advisory support) throughout the process from structuring to bid management and contract award/financial close.</li> </ul>	<ul> <li>Provide long-term debt financing including local currency</li> <li>Catalyze commercial financing by equity, debt and guarantees.</li> <li>Provide public sector financial support through schemes to ensure viability and cash flow sustainability.</li> </ul>
	OPPP is uniquely qual	OPPP is uniquely qualified with a comprehensive range of operational modalities to support PPPs		
	Knowledge dissemination, training	PPP Act; Streamlined PPP regulation	Feasibility studies	Sovereign financing
		PPP units; Planning	Preparation support	Non-sovereign financing

Transaction Advisory
Services

financing

### Increased OneADB Collaboration

# Office of Public Private Partnership Comprehensive operational modalities to support PPPs

### **Upstream**

### **Enabling Environment for PPPs**

- Enhancement of enabling environment for PPPs
- PPP screening support
- Preliminary Value for Money analysis

PPP units; Risk Management Units

**Procurement Options Analysis** 

### **Midstream**

#### **Project preparation**

- Transaction Advisory Services
- RD-led financing support for PPPs

#### **Transaction Advisory Services**

**RD PPP Preparation Support** 

#### **Downstream**

#### **Project financing**

- Long-term financing
- Debt and guarantee products
- ADB's sovereign financing

Sovereign financing

Non-sovereign financing

### **Capacity Development Products**

Knowledge Management Action Plan, Upscaling PPP-related capacity building and leveraging partners/products

**Knowledge Products** 

**PPP Monitor, Subnational Government Financing Monitor** 

### **Scope of Public Sector Transaction Advisory Services**

- ADB can support clients for the whole process for successful project delivery
- OPPP assists clients during the whole project cycle, from concept to developing a bankable structure to attract qualified private sector players
- OPPP usually seeks cost recovery plus fee for the service provided

# Project conceptualization

- Defining project scope
- Definition of project objectives
- Project organization
   & structuring
- Analysis of project framework conditions
- PPP options analysis

# Preparation and marketing

- Market scan & due diligence
- Transaction Structuring
- · Financial modelling
- Optimal Risk Allocation
- Investor engagementmarket sounding
- Statutory Reports for government approval

# Management of the bidding process

- Project Information Memorandum
- Pre-Qualification
- Preparation of bid documents (draft RfP, Concession contract, & other contract documents)
- Assist with bidders' meetings & consultations
- Preparation of data room

## Placement and contractual close

- Assist in bid evaluation
- Evaluation of consortium structure
- Identification of key issues for negotiation
- Negotiation assistance
- Final contract agreement
- Contractual close

### Supporting financial close

- Assist in negotiation of Direct Agreement with Lenders
- Review financing agreements
- Oversee the financial close process
- Advice regarding compliance of all CP (conditions precedent) provisions

**OPPP's Transaction Advisory Services Delivery** 

extendable



### **Key considerations**

Domestic PPP Policies & Legal Framework

- The State Policy on PPP, adopted by the Parliament in 2009, promote private sector participation.
- The Concession Law was adopted in 2010 and defines all processes of PPP implementation
- New PPP Law

**Bankable Transaction** 

### **Market Analysis**

- Demand-Supply dynamics
- Pipeline projects
- Affordability
- Available subsidy

### Optimal Risk Allocation between public and private sector

Identifying and allocating project risk appropriately

### **Market engagement**

- Identifying domestic and foreign market players
- Market-sounding to obtain feedback and further inform transaction structure

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# Thank you. 谢谢

