



ADB &

Public-Private Partnerships

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ADB

Public–Private Partnership Operational Plan 2012–2020

Realizing the Vision for Strategy 2020: The Transformational Role of Public–Private Partnerships in Asian Development Bank Operations



ADB PPP Operational Plan

Pillar 1	Pillar 2	Pillar 3	Pillar 4
Advocacy and Capacity Development	Enabling environment	Project development	Project Finance
 Create awareness Invoke leadership Identify PPP potential in sector planning and the private sector development agenda Develop capacity of Government and ADB staff Enhance external knowledge management links 	Develop policy, legal, regulatory and institutional framework to facilitate, guide and manage the development of PPPs (country and sector specific)	 Align ADB project cycle to the PPP development process Assist in the development of pathfinder projects Provide support (including advisory support) throughout the process up to contract award/financial close which can come as expert support, toolkits, funding costs of transaction advisors, procurement support. 	 Provide credit enhancement products e.g. equity, long term debt, refinancing subordinate debt, cofinancing, guarantees, etc. Establish credit guarantee facility Provide public sector financial support through schemes such as viability gap funding, etc.





Project Risks

- Political Risk
- Institutional Risk
- Regulatory Risk
- Contractual Risk
- Technological Risk
- Construction Risk
- Macroeconomic Risk
- Operational Risk
- Environmental Risk
- Change in Requirements Risk
- Demand Risk
- Other Risks







PPP Readiness

sia-Pacific (and benchmark countries) Mongolia Bangladesh Gujarat state Australia Papus New Guinea China India UK Vietnam Indonesia Japan Vietnam Kazakhstan Korea, Rep. Pakistan Pakistan Pakistan Pakistan Colombia Brazil Colombia Brazil Dominican Republic Costa Rica Chile Ecuador Guatenala Peru El Salvador Mexico Honduras Panama Mongola UK Mongola U		Nascent	Emerging	Developed	Mature >			
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Commissioned by ADB





Pre-CPS advocacy of PPPPre-CPS advocacy of PPPCodify PPP and PSP projects in DMCs for the CPS periodPPP and sector experts provide support for project concept, design, and implementationQuality assurance a control, early intervConsultations with DMCs on needs, resources, and available solutionsCodify PPP and PSP projects (in consultation with regional department sector and PPP resources)PPP and sector experts provide support for project concept, design, and implementationQuality assurance a control, early intervRegional DepartmentPSP and PPP solutions are a priorityAllocate department resources, plan budgets to reflect country needs Design PPP and PSP projects jointly between sector divisions and PPP expertsPPP and PSP projects jointly between sector divisions and PPP expertsDesign anticipated project finance structure to alert need for cofinancing and/or PSOD participationCodify PPP and PSP projectsPPP and PSP projectPPP and PS				Planning				
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support (preconcept paper) to regional department divisions and resident missions including up-front skill support and financing Conduct PDF design and negotiation with DMCs (joint consultation with regional department divisions, resident including up-front skill support and financing	ce and cervention ith DMCs outcomes ion in pring ect design project	Quality assurance and control, early intervention Consultations with DMCs on impacts and outcome	PPP and sector experts provide support for project concept, design, and implementation Allocate PDF funding to specific projects Design anticipated project finance structure to alert need for cofinancing and/or PSOD participation Implement PPP project including up-front skill	and PSP projects in DMCs period Ial PPP projects (in with regional department PP resources) artment resources, plan eflect country needs and PSP projects jointly tor divisions and PPP provide project concept concept paper) to regional divisions and resident F design and negotiation joint consultation with	Codify PPP a for the CPS p Identify annua consultation v sector and Pf Allocate depa budgets to re Design PPP a between sect experts PPP experts support (pred department d missions Conduct PDF with DMCs (j	Pre-CPS advocacy of PPP Consultations with DMCs on needs, resources, and available solutions PSP and PPP solutions	Regional	





Integration into ADB Operations

	Planning				
Department	Pre-Country Partnership Strategy	Country Partnership Strategy	Country Operations Business Plan	Implementation	Monitoring
	Liaise with private sector i lenders to advise regional and DMCs of the current n requirements and preferen	departments narket ces	Examine projects being proposed by regional departments for potential PSOD and/or commercial financing	Ensure early identification of funding requirements and provision of direct investment and funding	Monitor performance of PPP projects, commercial cofinancing, and the market in general
PSOD	commercial lender, capital market, and F information of terms available		Participate in supporting bidders on projects	Arrange commercial cofinancing and guarantees for sovereign and	
	Ensure availability and app risk management products		with no recourse to the sovereign financing	nonsovereign financing	
PPP CoP	Conduct knowledge management, brainstorming, sharing of latest developments and concept refinements on PPPRegional department consultation with PPP CoP on PPP concepts, sharing experience to improve project design, early buy-in			Vet proposed projects as peers for design quality, impact, risks	Monitor performance and implementation of ADB PPP projects and PPP projects in general in Asia
0C0	Identify development finance institution and/or export credit agency views on DMC credits, information on terms available			Ensure early identification of funding requirements and opportunities for development finance institution cofinancing for sovereign financing	
ORM	Support regional departments as necessary in evaluating DMCs' risk management capability in implementing PPP			Assess risk of nonsovereign transactions	Provide support for nonsovereign account administration



Integration into ADB Operations

	Planning			
Department	Country Pre-Country Partnership Strategy Strategy	Country Operations Business Plan	Implementation	Monitoring
	Assist regional departments in reviewing t environment in the DMC in which PPP adv anticipated	visory activities are	Support PPP advisory teams in regional departments to prepare and review PPP contracts	Provide legal support to regional departments and/ or PSOD if needed
OGC	Support, as necessary, regional departme implement necessary reforms to improve environment for PPP in DMCs		Assist regional departments and/or PSOD to draft and execute necessary legal contracts and agreements	
COSO	Leverage experience in each DMC to ident improvements could be made to facilitate activities		Provide inputs on proper procurement for PPP projects Advise project teams on means to support development of a robust enabling environment for procurement	Support monitoring of results of PPP processes to identify lessons and outcomes achieved, providing feedback to the planning, concept, and execution phases
RSDD	Support, as secretariat, PPP CoP's knowle PPP models and performance worldwide a development finance institution projects in	and especially from other	Ensure opportunities for knowledge dissemination	Gather feedback from ADB projects for knowledge management products and knowledge sharing
SPD	Use feedback from operating units on anti- requirements	cipated funding	Monitor demand for financing products, quantum, and nature of funding support	Assess performance against targets in DMCs
				Anticipate budget requirements
RDMCD	Develop training programs to impart skills PPP CoP or PSOD	required for project finance	e and PPP with assistance of	
BPMSD	Refine human resources development plar professionals in coordination with PPP Co		s of appropriately skilled	





Thank you



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