



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

**Dr. Nguyen Duc Kien**  
**Vice Chairman of the Economic Committee,**  
**National Assembly**



## 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