



IMF and Vietnam's Central Economic Commission (CEC)

Peer-To-Peer Learning Seminar
INFRASTRUCTURE DEVELOPMENT, FINANCING AND GOVERNANCE IN ASIA

January 16-17, 2019

Hanoi, VIETNAM

(Ver. Jan 15, 2019)

Background:

Infrastructure investment is an important catalyst for economic growth and development. However, the impact of infrastructure investment critically depends on its efficiency. According to IMF calculations, for the same amount of capital spending, the most efficient public investors get twice the growth impact compared with the least efficient. Sound infrastructure governance can lead to enhanced economic benefits and contribute to improving the delivery of public services to the population. Due to the growing sophistication of infrastructure projects and the diversity of funding mechanisms (including public-private partnerships), sound public investment management, from the planning phase to the implementation phase, is increasingly critical for countries.

Countries in the Asia-Pacific region share several infrastructure governance challenges. Public investment management assessments (PIMAs) conducted by the IMF in the region, in collaboration with the World Bank, reveal that there is substantial scope for improving infrastructure governance, including on (i) the design of investment strategies and plans containing clear and realistic investment priorities, cost estimates, and objectives for each sector; (ii) the assessment of opportunities and risks related to various funding arrangements, based on value-for-money and taking account of fiscal risks, particularly for PPPs; (iii) the transparent appraisal and selection of projects, including PPPs, relying on standard methodologies and criteria; and (iv) the timely and cost-effective implementation of projects, based on transparent monitoring mechanisms and solid information systems.

Objectives:

This peer-to-peer learning seminar will offer opportunities for government officials from Asian countries¹ to share issues and solutions concerning infrastructure development, financing and governance. A large portion of the seminar agenda will be devoted to country presentations and discussions with peers and experts. The objectives of the seminar are to: (1) highlight the current challenges of infrastructure governance, based on PIMA results in the region; and (2) share country experience and good practices on how to tackle these challenges. The Vietnamese authorities, who are kindly hosting the seminar, will describe recent achievements and remaining

¹ Bangladesh, Cambodia, India, Indonesia, Laos, Malaysia, Maldives, Mongolia, Myanmar, Philippines, Sri Lanka, Thailand, and Vietnam.

challenges associated with their ongoing endeavor towards stronger infrastructure governance. The funding comes from the Government of Japan—assuming G-20 Presidency in 2019—that promotes quality infrastructure globally with a focus on good governance of infrastructure.

Modality:

The seminar will take the format of peer-to-peer learning. Each session will start with a presentation by an expert speaker (20-30 min), followed by one or several presentations by regional participants and/or guest speakers (20-30 min), and a discussion (30-45 min).

PROGRAM

<p>DAY 1: Wednesday, January 16 Venue: Ballroom 2 InterContinental Hanoi Landmark72</p> <p>Master of Ceremony: Mr. Ken Kashiwase, Deputy Head of IMF Regional Office for Asia and the Pacific (OAP)</p>		
8:30 am – 9:00 am		Registration
9:00 am – 9:25 am		<p>Opening Remarks:</p> <ul style="list-style-type: none"> • Mr. Vu Dai Thang, Vice Minister, Ministry of Planning and Investment (MPI) • Mr. Kunio Umeda, Ambassador of the Embassy of Japan in Vietnam
9:30 am – 9:40 am		Photo Session
9:40 am – 9:45 am		<p>Presentation of the Seminar Agenda Mr. Fabien Gonguet, Economist, IMF Fiscal Affairs Department (FAD)</p>
9:45 am – 11:15 am	S-1A	<p>Setting the Context for Infrastructure Development and Governance in Southeast Asia</p> <p><i>This session will provide participants with an overview of recent trends of public investment and public-private partnerships (PPPs) in Asia. It will introduce a comprehensive framework for infrastructure governance covering the whole public investment cycle (Public investment management assessment (PIMA) methodology). It will identify common infrastructure governance challenges in Asia, based on the results of the first PIMAs conducted in the region.</i></p> <p>Moderator: Mr. Fabien Gonguet, Economist, IMF FAD</p>

		<p>Presentations (60 min)</p> <ul style="list-style-type: none"> ○ <i>Recent Trends in Public Investment and PPPs in Asia</i> Mr. Chishiro Matsumoto, Advisor, IMF Fiscal Affairs Department (FAD) ○ <i>Getting Infrastructure Right: A Framework for Better Governance</i> Mr. Andrew Blazey, Deputy Head of Division, Budgeting and Public Expenditures, Organization for Economic Co-operation and Development (OECD) ○ <i>Introduction of the PIMA Framework and First Results in the Region</i> Mr. Fabien Gonguet, Economist, IMF FAD <p>Discussion (30 min)</p>
11:15 am – 11:30 am		<p>Coffee Break Venue: Ballroom Foyer</p>
11:30 am – 12:30 pm	S-1B	<p>Infrastructure Governance in Practice: The Case of Vietnam <i>This session will shift the focus to Vietnam and discuss the government's recent endeavors in the field of infrastructure development, as well as ongoing infrastructure governance reforms.</i></p> <p>Moderators: Mr. Fabien Gonguet and Ms. Anja Baum, Economists, IMF FAD</p> <p>Presentations (30 min)</p> <ul style="list-style-type: none"> ○ <i>Infrastructure Development and SDG Implementation in Vietnam</i> Ms. Anja Baum, Economist, IMF FAD ○ <i>Enhancing Public Investment Efficiency: Experience from peers in Asia and recommendations for Vietnam</i> Mr. Fabien Gonguet, Economist, IMF FAD <p>Discussion (30 min) <i>A representative from the following respective ministry will respond to the presentations by the IMF FAD team.</i></p> <ul style="list-style-type: none"> • Mr. Trần Minh Phương, Deputy Director, Planning Department, Ministry of Transportation • Ms. Mai Thị Thùy Dương, Deputy Director, Department of Investment, Ministry of Finance

		<ul style="list-style-type: none"> • Mr. Tăng Ngọc Tráng, Deputy Director, Department of Investment Supervision & Appraisal, Ministry of Planning and Investment
12:30 pm – 1:45 pm		<p>Lunch (Buffet) Venue: 3 Spoons Restaurant</p>
1:45 pm – 3:15 pm	S-2	<p>Innovative Infrastructure Financing <i>Infrastructure financing in Asia has historically come from governments' budgets and borrowing from bilateral agencies and multilateral banks. This session will reflect on the opportunities and challenges associated with these traditional financing sources, as well as with modern, more private-sector oriented financing modalities, from bond finance and infrastructure funds to public-private partnerships.</i></p> <p>Moderator: Mr. Kiwan Kim, Executive Director, Public and Private Infrastructure Investment Management Center (PIMAC), Korea Development Institute (KDI)</p> <p>Presentations by Experts (20-30 min)</p> <ul style="list-style-type: none"> ○ <i>Opportunities and Challenges Associated with Traditional Infrastructure Financing Modalities</i> Ms. Anja Baum, Economist, IMF FAD ○ <i>Financing Infrastructure in Asia and the Pacific: Capturing Impacts and New Sources (including the private sector and regional financing initiatives)</i> Mr. Matthias Helble, Economist, Economic Research and Regional Cooperation Department, Asian Development Bank (ADB) <p>Presentations by Country Participants (20-30 min)</p> <ul style="list-style-type: none"> ○ <i>JBIC Activities in "Power Sector / IPP Projects" in Asia</i> Mr. Kenichi Aso, Resident Executive Officer, Regional Head for Asia and Pacific, Japan Bank for International Cooperation (JBIC) ○ <i>Newly-established Infrastructure and Project Financing Agency (advice over the whole investment cycle)</i> Mr. William Brummitt, Managing Director, Infrastructure and Project Financing Agency (IPFA) <p>Discussion (30-45 min)</p>

3:15 pm – 3:30 pm		Coffee Break Venue: Ballroom Foyer
3:30 pm – 5:00 pm	S-3	<p>Managing Opportunities and Risks Associated with Public-Private Partnerships</p> <p><i>The use of PPP mechanisms has been on the rise in most Asian countries for the past fifteen years. In a constrained fiscal environment, they open opportunities for infrastructure development, though they also expose the government to new risks. This session will focus on these opportunities and risks associated with PPPs and highlight some of the best legal and institutional practices to manage them efficiently.</i></p> <p>Moderator: Ms. Vu Quynh Le, Deputy Director General, PPP Office, Public Procurement Agency (PPA), Ministry of Planning and Investment, Vietnam</p> <p>Lecture (20-30 min).</p> <ul style="list-style-type: none"> ○ <i>Managing fiscal risks related to PPPs</i> Mr. Rui Monteiro, Technical Assistance Advisor, IMF, FAD <p>Presentations by Country Participants (20-30 min)</p> <ul style="list-style-type: none"> ○ <i>PPP Legal and Institutional Framework, including PPP Unit</i> Mr. Kunta Wibawa Dasa Nugraha, Director of State Budget Preparation, Directorate-General of Budget, Ministry of Finance, Indonesia ○ <i>Risk Management Program for PPPs (Perspectives from Private Sector)</i> Mr. Owen Hayford, Partner, PwC Australia Legal <p>Discussion (30-45 min)</p>
6:30 pm – 8:30 pm		Welcome Dinner (Buffet) Venue: Da Nang Room

The agenda for Day 2 (January 17) follows.

DAY 2: Thursday, January 17 Venue: Hanoi Room Master of Ceremony: Mr. Ken Kashiwase , Deputy Head of IMF Regional Office for Asia and the Pacific (OAP)		
9:00 am – 10:30 am	S-4	<p>Best Practices: Appraise, Select and Monitor Public-Private Partnership Projects <i>This session will highlight good practices in ensuring the transparent appraisal and selection of PPP projects, based on international and regional examples – including the cost-benefit and value-for-money methodologies, the setting up of a “gateway” approach for project selection, and the establishment of transparent PPP selection criteria.</i></p> <p>Moderator: Mr. Agung Hidayat Purwanto, Chief of Section of Fiscal Risk Budgeting, Directorate Budget Formulation, Directorate General of Budget, Ministry of Finance, Indonesia</p> <p>Lecture (20-30 min). <ul style="list-style-type: none"> ○ <i>Best Practices in PPP Project Appraisal and Selection</i> Mr. Rui Monteiro, Technical Assistance Advisor, IMF, FAD </p> <p>Presentation by Country Participant (20-30 min) <ul style="list-style-type: none"> ○ <i>Appraisal of Public-procured and PPP Projects in Korea</i> Mr. Kiwan Kim, Executive Director, Public and Private Infrastructure Investment Management Center (PIMAC), Korea Development Institute (KDI) </p> <p>Discussion (30-45 min)</p>
10:30 am – 10:45 am		<p>Coffee Break Venue: Ballroom Foyer</p>
10:45 am – 12:15 pm	S-5	<p>Monitoring and Managing Ongoing Infrastructure Projects <i>For infrastructure projects to be implemented in a timely and cost-effective way (avoiding delays and cost overruns), governments should ensure that projects are fully funded, transparently monitored and effectively managed. This session will address challenges associated with the implementation phase of the infrastructure development cycle, including in the case of PPPs.</i></p> <p>Moderator: Mr. Moin Uddin Ahmed, Additional Program Director (Deputy Secretary), Finance Division, Ministry of Finance, Bangladesh</p>

		<p>Lecture (20-30 min)</p> <ul style="list-style-type: none"> ○ <i>Overview of Best Project Monitoring and Management Practices</i> Mr. Andrew Blazey, Deputy Head of Division, Budgeting and Public Expenditures, OECD <p>Presentations by Country Participants (20-30 min)</p> <ul style="list-style-type: none"> ○ <i>Infrastructure Investment Projects in Thailand</i> Mr. Peerapat Wongchaiwat, Senior Economist, Fiscal Policy Bureau, Fiscal Policy Office, Ministry of Finance, Thailand ○ <i>Malaysia: Monitoring and Evaluation (M&E)</i> Mr. Azrai Yusni Bin Kamarul Zaman (Malaysia), Section Head, Strategic Evaluation Division, Implementation Coordination Unit, Prime Ministers Department ○ <i>Monitoring and Managing Ongoing Infrastructure Projects (Perspectives from Private Sector)</i> Mr. Owen Hayford, Partner, PwC Australia Legal <p>Discussion (30-45 min)</p>
12:15 pm – 1:30 pm		<p>Lunch (Buffet) Venue: 3 Spoons Restaurant</p>
1:30 pm – 3:00 pm	S-6	<p>Successful Implementation of Infrastructure Governance Reforms <i>Reforming public investment management is a complex endeavor, as reform priorities are often several, and needs for capacity development are significant. This session will discuss the main challenges associated with public investment management reforms based on recent examples in the region and highlight the types of assistance offered by IMF and other development partners in supporting these reform efforts.</i></p> <p>Moderators: Messrs. Rui Monteiro and Fabien Gonguet, IMF, FAD</p> <p>Lecture (20-30 min)</p> <ul style="list-style-type: none"> ○ <i>PIMA Deliverables and Follow-up Technical Assistance</i> Mr. Fabien Gonguet, Economist, IMF, FAD <p>Panel Discussion (60 min) Experts and participants from the countries which have undergone a PIMA exercise will take part in the discussion on the implementation of infrastructure governance reforms.</p>

		<ul style="list-style-type: none"> ○ Mr. Azrai Yusni Bin Kamarul Zaman (Malaysia), Section Head, Strategic Evaluation Division, Implementation Coordination Unit, Prime Ministers Department ○ Mr. Mohamed Imad (Maldives), Chief Project Executive, Fiscal Affairs Division, Ministry of Finance ○ Ms. Mary Joy Oliveros De Leon (Philippines), OIC-Chief Budget and Management Specialist, Fiscal Planning and Reforms Bureau, Department of Budget and Management ○ MPI Representative (Vietnam) MPI representative [TBD] ○ Mr. Andrew Blazey, Deputy Head of Division, Budgeting and Public Expenditures, OECD ○ Mr. Holger van Eden, PFM Advisor, IMF Capacity Development Office in Thailand (CDOT) ○ Mr. Kai-Alexander Kaiser, Senior Economist, World Bank Office in Vietnam
3:00 pm – 3:15 pm		Coffee Break Venue: Ballroom Foyer
3:15 pm – 4:45 pm (3:20 pm – 4:10 pm) (4:10 pm – 4:45 pm)	S-7	<p>Concluding Roundtable</p> <p>Moderator: Mr. Sukhwinder Singh, Director, IMF South Asia Regional Training and Technical Assistance Center (SARTTAC)</p> <p>Part 1: Group Discussions (50 min) Venues: Main Room (Group 1) Hanoi Room 4 (Group 2) and Nha Trang (Group 3) Participants will be broken down into three groups, and each group will prepare a short presentation (5 min per group), based on a set of three questions. Please kindly refer to the slides for Session 7.</p> <p>Part 2: Group Presentations (35 min) Each group will give a presentation on main takeaways of the seminar.</p>
4:45 pm – 5:00 pm		<p>Closing Remarks</p> <ul style="list-style-type: none"> • Mr. Ngo Van Tuan, Vice Chairman of Central Economic Commission • Mr. David Cowen, Director, IMF Capacity Development Office in Thailand (CDOT)
6:00 pm – 8:00 pm		Concluding Dinner Venue: Sai Gon Room