



Training Workshop on “Monitoring, Evaluation and Communication for Enhanced Integrated Framework and Trade SWAp Focusing on Public-Private Partnership (PPP) and Tourism”

ACAC Public-Private Partnership

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1. Introduction

What is a Public-Private Partnership (PPP)?

- There is no one widely accepted definition of PPP.
- A public private partnership is a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies.

1. Introduction (Cont.)

Why PPP?

- PPP have developed in part due to financial shortages in the public sector
- PPPs have demonstrated the ability to harness additional financial resources and operating efficiencies inherent to the private sector

1. Introduction (Cont.)

PPP STRUCTURES

- Many forms of PPP exist and are continuously being developed to suit project characteristics
- Main defining feature is the degree of private control over and involvement in financing
- There is no unique model nor do the Guidelines suggest the development of one. Each project will define what is suitable and what is required.

1. Introduction (Cont.)

PPP Type	Main Features	Application
Contracting	<ul style="list-style-type: none">✓ Contract with Private party to design & build public facility✓ Facility is financed & owned by public sector✓ Key driver is the transfer of design and construction risk.	<ul style="list-style-type: none">✓ Suited to capital projects with small operating requirement.✓ Suited to capital projects where the public sector wishes to retain operating responsibility.
Build-Operate-Transfer (BOT)	<ul style="list-style-type: none">✓ Contract with a private sector contractor to design, build and operate a public facility for a defined period, after which the facility is handed back to the public sector.✓ The facility is financed by the public sector and remains in public ownership throughout the contract.✓ Key driver is the transfer of operating risk in addition to design and construction risk.	<ul style="list-style-type: none">✓ Suited to projects that involve a significant operating content.✓ Particularly suited to water and waste projects.

1. Introduction (Cont.)

PPP Type	Main Features	Application
Design-Build-Finance-Operate (DBFO)	<ul style="list-style-type: none"> ✓ Contract with a private party to design, build, operate and finance a facility for defined period, after which the facility reverts to the public sector. ✓ The facility is owned by the private sector for the contract period and it recovers costs through public subvention. ✓ Key driver is the utilisation of private finance and transfer of design, construction & operating risk. 	<ul style="list-style-type: none"> ✓ Suited to projects that involve a significant operating content. ✓ Particularly suited to roads, water and waste projects.
Concession	<ul style="list-style-type: none"> ✓ As for DBFO except private party recovers costs from user charges. ✓ Key driver is the Polluter Pays Principle and utilising private finance and transferring design, construction and operating risk. 	<ul style="list-style-type: none"> ✓ Suited to projects that provide an opportunity for the introduction of user charging. ✓ Particularly suited to roads, water and waste projects.

1. Introduction (Cont.)

REQUIREMENTS OF THE PPP PARTNERS

- PPP requires active participation of all partners
- All partners must recognize and address the objectives and characteristics of each other

THE SUITABILITY AND EFFECTIVENESS OF PPP STRUCTURES

- Each PPP structure has strengths and weaknesses which must be recognized and integrated PPP does not provide a 'quick fix' and should be applied only where suitable and when clear benefits and advantages can be demonstrated
- PPP structures must be adapted to sectoral and project context
- Desired impacts and benefits will influence PPP selection and design.

ACHIEVING SUCCESSFUL PARTNERSHIPS

- Successful implementation depends on recognition of partner's objectives
- PPPs require careful consideration of control and management systems through project agreements.

2. Cambodia PPP

➤ The Government recognizes that PPP is essential to filling in the gap in the financing needs for infrastructure development and has embarked on creating an enabling environment for PPPs through:

1. Policy Support
2. Legal Reform
3. Institutional Arrangement
4. Procedures
5. Financial Support
6. Project Pipelines
7. Capacity Development

➤ The PPP Framework is being drafted by the RGC and it is expected to be ready in 2016.

3. ACAC PPP

ACAC PPP ARRANGEMENTS

1. ACAC Project:

- **ACAC:** is the *First ever PPP project in Trade Sector*,
- **Project Development Objective:** is to train up to 160 professional culinary staffs (Chefs) a year for the hotel and restaurant sectors,
- **Board Approval Date** : 13 May 2015
- **Effective Date/ MoU signed Date** : 15 July 2015
- **Duration** : 3 years

2. Total Project Budget and Sources of Fund (US\$3,590,167)

- ✓ **SIDA** : US\$2,085,000.00
- ✓ **EIF** : US\$950,000.00
- ✓ **Private Sector** (est. in-kind) : US\$270,767.00
- ✓ **RGC Contribution** (in-kind) : US\$144,000.00
- ✓ **MIE** (Shift 360 - In-kind) : US\$140,400.00

3. Fiduciary Management

: UNOPS as Trust Fund Manager,

4. Project Implementation Key Body:

- **NIU** : DICO/MoC
- **Core Team Members** : Line Ministries
- **MIE** : Shift 360 (Swiss NGO)
- **Board of Director** : MoT (Prakas signed on 26 Dec 2014)
- **Project Steering Committee (PSC)** : MoC, Shift 360, SIDA, MoT, Private

5. ACAC Key Partnerships-Signed MoU:

- A partnership with the National Employment Agency (MoU signed 15 Jul)
- A partnership with Friends, a Cambodia-based NGO

3. ACAC PPP (Cont.)

ACAC PPP Arrangements

Public Institutions:

1. Ministry of Commerce
2. Ministry of Tourism
3. Ministry of Economy and Finance
4. Ministry of Education Youth and Sport
5. National Employment Agency

Donors/DPs:

1. EIF (Donor)
2. SIDA (Donor)
3. UNOPS (TFM)

Private Sectors

1. Shift 360 (MIE)
2. Cambodian Restaurant Association (Board Member)
3. Cambodian Hotel Association
4. Building owner
5. Cambodian Chef Federation

MOC ROLE:

- MoC supervises all EIF project implementation in Cambodia and reports to EIF and UNOPS
- Participates in ACAC Board
- Usually chair/co-chairs the component Project St. Comm. (but can delegate)
- Seeks additional funding to support the tourism sector development as per SWAp

ACAC PPP ARRANGEMENTS

DICO/NIU ROLE:

- DICO is the MIE for the CEDEP II M&E component
- DICO prepares semi-annual and annual report on CEDEP II
- DICO forms and organizes core team and core team works, training
- DICO funds core team participation in MIE activities

**Roles and Responsibilities
Of Individual Partners**

MOT ROLE:

- Chairs ACAC Board
- Is the lead government partner for Shift360
- Ensures ACAC activities alignment with the school objectives and vision
- Can co-chair Project Steering Committee
- Promotes ACAC with industry partners, development partners
- Seeks additional funding and support from other sponsors.

SIDA / EIF ES ROLES:

- Ensure ACAC project is implemented as per project document, work plan, budget plan
- Carry out regular supervision missions on both technical and fiduciary aspects
- Ensure disbursement are provided in a timely manner
- Can be a member of the Project Steering Committee
- Provide guidance on school long term development and sustainability.

UNOPS ROLE:

- Signs the MoU with Shift360 for the project implementation
- Acts as the Trust Fund Manager (TFM) for the ACAC projects
- Review and appraise quarterly financial reports provided by Shift360
- Carry out supervision missions (twice a yr.)
- Organizes fund disbursement to Shift360

PRIVATE SECTOR ROLE :

- Are members of ACAC Board
- Play a technical and advisory role: curricula, teachers, students enrollment criteria
- For Cambodia, ensure training and re-training of staff happen at ACAC (for a fee)
- Possibility to take students as apprentice, interns or recruit them after training
- Emulate ACAC example in other hospitality services



ACAC PPP ARRANGEMENTS

SHIFT 360 ROLE:

- Signs the MoU with UNOPS for the project implementation
- Is responsible for project implementation, accountable for objectives and use of funds
- Prepares ACAC board meeting (and is a member of the Board through its director)
- Ensures harmonious partnerships among partners and stakeholders
- Prepares reports to UNOPS and SIDA
- Involves core team in relevant activities by providing indicative training/mission plans
- Seeks ways and means to increase visibility and support to the school in particular with the private sector

ACAC Board, PSC, and Core Team Members Roles.

AS PER AGREED UPON TERMS OF REFERENCES

Conclusion

- Public-Private Partnerships (PPP) arrangements were driven by limitations in public funds to cover investments needs but also by efforts to increase the quality and efficiency of public services.
- Successful implementation of PPP will depends upon the recognition of partner's objectives.
- PPPs require careful consideration of control and management systems through project agreements.
- Each partner to a PPP has roles and responsibilities.