



# Technical Assistance Report

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Project Number: 49166-001  
Policy and Advisory Technical Assistance (PATA)  
August 2015

## People's Republic of China: Municipality-Level Public–Private Partnership Operational Framework for Chongqing (Financed by the Public–Private Infrastructure Advisory Facility)

This document is being disclosed to the public in accordance with ADB's Public Communications Policy 2011.

**Asian Development Bank**

## CURRENCY EQUIVALENTS

(as of 20 July 2015)

Currency unit	–	yuan (CNY)
CNY1.00	=	\$0.0.1610
\$1.00	=	CNY6.2110

## ABBREVIATIONS

ADB	–	Asian Development Bank
PDF	–	project development facility
PPP	–	public–private partnership
PRC	–	People’s Republic of China
TA	–	technical assistance

## NOTE

In this report, "\$" refers to US dollars.

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## POLICY AND ADVISORY TECHNICAL ASSISTANCE AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number: 49166-001</b>	
<b>Project Name</b>	Municipality-Level Public-Private Partnership Operational Framework for Chongqing	<b>Department /Division</b>	EARD/EAPF
<b>Country Borrower</b>	China, People's Republic of Not applicable	<b>Executing Agency</b>	Chongqing Municipal Finance Bureau
<b>2. Sector</b>		<b>Subsector(s)</b>	
✓ Public sector management	Public administration	<b>Financing (\$ million)</b>	
			0.35
		<b>Total</b>	
		<b>0.35</b>	
<b>3. Strategic Agenda</b>		<b>Subcomponents</b>	
Inclusive economic growth (IEG)	Pillar 1: Economic opportunities, including jobs, created and expanded	<b>Climate Change Information</b>	
		Climate Change impact on the Project	Low
<b>4. Drivers of Change</b>		<b>Components</b>	
Governance and capacity development (GCD)	Institutional development	<b>Gender Equity and Mainstreaming</b>	
Knowledge solutions (KNS)	Organizational development	No gender elements (NGE)	
Partnerships (PAR)	Public financial governance	✓	
	Pilot-testing innovation and learning		
	Bilateral institutions (not client government)		
Private sector development (PSD)	Official cofinancing		
	Conducive policy and institutional environment		
	Promotion of private sector investment		
<b>5. Poverty Targeting</b>		<b>Location Impact</b>	
Project directly targets poverty	No	Not Applicable	
<b>6. TA Category:</b>		B	
<b>7. Safeguard Categorization</b>		Not Applicable	
<b>8. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>0.00</b>	
None		0.00	
<b>Cofinancing</b>		<b>0.35</b>	
Public-Private Infrastructure Advisory Facility		0.35	
<b>Counterpart</b>		<b>0.00</b>	
None		0.00	
<b>Total</b>		<b>0.35</b>	
<b>9. Effective Development Cooperation</b>			
Use of country procurement systems		No	
Use of country public financial management systems		No	

## I. INTRODUCTION

1. The Government of the People's Republic of China (PRC) requested policy and advisory technical assistance (TA) from the Asian Development Bank (ADB) for the Municipality-Level Public–Private Partnership Operational Framework for Chongqing. Following a mission in April 2015, ADB and the government reached an understanding on the objectives, scope, implementation arrangement, costs, and terms of reference for the TA. The design and monitoring framework is in Appendix 1.<sup>1</sup>

## II. ISSUES

2. The economy of the PRC has undergone fundamental change as it transforms from a reliance on state-owned and collective enterprises to a mixed economy where private enterprises play an increasing role. The private sector now plays a pivotal role in spurring innovation and raising productivity and competitiveness. Private sector development has nonetheless been constrained. For example, it has generally been difficult for the private sector to engage in infrastructure, given the extensive presence of state-owned enterprises. The delivery of social services, such as education and health, also remains dominated by the state.

3. New opportunities for the private sector emerged following the Third Plenary Session of the 18th Central Committee of the Communist Party of China held in November 2013. This set out the next phase of reform in the PRC in what is known as the Decisions.<sup>2</sup> The decisions aim to further restructure the economy and foster inclusive growth by allowing the market to play a decisive role in the PRC's development. Among other initiatives, the decisions committed to allow the social capital sector, which comprises the private sector and state-owned enterprises, to participate in urban infrastructure investment and operation through concessions. Concessions are to be a vehicle for broadening urbanization financing channels, accelerating the transformation of government functions, and improving fiscal investment and management.

4. Wide-ranging policy announcements and regulatory releases from the central government subsequently set out a new operational framework for public–private partnerships (PPPs).<sup>3</sup> Many international practices have been introduced which will improve on past practices for preparing and implementing PPP projects. PPPs can now be used across urban economic and social infrastructure. The central government initiatives have been mirrored by local governments, including through the establishment of demonstration projects and PPP centers (e.g., in Chongqing Municipality and Fujian, Hebei, Henan, Hunan, Jiangsu, and Sichuan provinces). In May 2015, the National Development and Reform Commission released a project library containing 1,043 local government PPP projects, with a total investment of CNY1.97 trillion.<sup>4</sup>

5. While substantial progress has been made in strengthening the PRC's operational framework for PPPs, follow-up action is needed. Much more work is required to broaden the

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<sup>1</sup> The TA first appeared in the business opportunities section of ADB's website on 27 July 2015.

<sup>2</sup> Government of the Peoples' Republic of China, Chinese Communist Party Central Committee. 2013. *Decisions on Important Issues Concerning Comprehensive and Far-reaching Reform: Third Plenum of the 18th Central Committee of the Communist Party of China*. Beijing.

<sup>3</sup> ADB. 2012. *Public–Private Partnership Operational Plan, 2012–2020*. Manila. ADB presents a PPP operational framework as comprising four pillars: pillar 1: advocacy and capacity development; pillar 2: the enabling environment; pillar 3: project development; and pillar 4: project financing. Under ADB's PPP operational framework, concessions are one type of PPP.

<sup>4</sup> National Development and Reform Commission. PPP Project Library. [http://www.ndrc.gov.cn/xwzx/xwfb/201505/t20150525\\_693168.html](http://www.ndrc.gov.cn/xwzx/xwfb/201505/t20150525_693168.html)

understanding of the new initiatives among central government agencies and local governments, potential service providers and their financiers, and advisors. The application of good practices, such as the selection of partner entities that are independent of the government and through a competitive process after a project has been fully prepared, should become routine. This requires continued efforts to build the skills, experience, and tools required for effective implementation. Legal and institutional reforms need to be deepened.

6. Much of the responsibility for ensuring a successful PPP program rests with local governments, which deliver about 85% of public expenditure in the PRC.<sup>5</sup> The PRC's local governments must rapidly build their ability to use PPPs well if the increase in PPP activity now under way is to succeed. For most of the PRC's local governments, PPPs are still a new management tool, and the development of institutional and staff capacity is in its formative stages. It is particularly important that local governments now complete high-quality PPPs.<sup>6</sup> In addition to improving public services, the completion of projects that are prepared well and provide value for money will provide a tool for (i) building the understanding and capacity for PPPs, (ii) strengthening the enabling environment, and (iii) refining approaches to project preparation and financing. The PPP centers being established provide a platform for strengthening the operational framework for PPPs at the local government level.

7. ADB is a long-standing partner in the PRC's PPPs. Under the country partnership strategy for the PRC, ADB's public sector operations aim to strengthen the enabling environment for private sector development by financing infrastructure, supporting policy and regulatory reforms, and improving access to finance. Urban development is identified as a priority area for support for private sector participation and PPPs. The focus is on meeting the demands arising from urbanization in the cities of the less-developed central, western, and northeastern regions. The country partnership strategy also provides for complementary support for knowledge sharing to promote best practices.<sup>7</sup>

8. ADB's recent assistance for PPPs in the PRC has focused on providing a firm basis for PPPs by supporting advocacy and capacity development (pillar 1 of ADB's PPP operational plan). Significant progress has been made with more than 2,000 participants joining ADB-supported PPP events since 2013, and the government is now independently implementing a large number of pillar 1 initiatives. ADB is also helping strengthen the enabling environment (pillar 2 of ADB's PPP operational plan), notably by supporting preparation of a national PPP law, the strengthening of the China Public-Private Partnership Center, and the updating of sample PPP agreements.<sup>8</sup> The significant progress combined with the strong pick up in PPP activity has led to demand for ADB support to transition to project development and project financing—pillars 3 (project development) and 4 (project financing) of ADB's PPP operational plan. Discussion is ongoing with executing and implementing agencies of ADB-supported projects with potential to encompass PPPs, and TA is under way to explore the potential for viability gap funds and other schemes of providing government financial support to PPPs that warrant it.<sup>9</sup>

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<sup>5</sup> ADB. 2014. *Money Matters: Local Government Finances in the People's Republic of China*. Manila.

<sup>6</sup> For this TA, a high-quality project is one that is prepared in accordance with Ministry of Finance guidelines.

<sup>7</sup> ADB. 2012. *Country Partnership Strategy: People's Republic of China, 2011–2015*. Manila.

<sup>8</sup> Support is provided by staff resources, TA subprojects, and ADB. 2014. *Technical Assistance to the People's Republic of China for Preparing a Concession Law for Infrastructure and Public Services*. Manila (TA 8717-PRC).

<sup>9</sup> ADB. 2014. *Technical Assistance to the People's Republic of China for Financing Public-Private Partnerships*. Manila (TA 8869-PRC).

### III. THE POLICY AND ADVISORY TECHNICAL ASSISTANCE

#### A. Impact and Outcome

9. The impact will be increased private sector participation and operations in urban infrastructure investment. The proposed TA is aligned with the decision of the Third Plenary Session of the 18th Central Committee of the Communist Party of China to increase private sector participation in urban infrastructure investment and operations. The outcome will be an improved operational framework for PPPs in Chongqing Municipality, with performance assessed by the completion by 2017 of at least one PPP agreement for urban economic or social infrastructure that passes a value-for-money test and fiscal affordability assessment.<sup>10</sup>

#### B. Methodology and Key Activities

10. The TA will strengthen the operational framework for PPPs in Chongqing Municipality. Chongqing in central PRC is one of the country's four largest municipalities and is well advanced in achieving a market-oriented economy.<sup>11</sup> It is both ready for an expanded PPP program and can provide a rapid demonstration of good PPP practices at the local government level in ADB's regions of focus—the less-developed central, western, and northeastern regions. The TA will help officials prepare a strategic plan and work plan for Chongqing's PPP center.<sup>12</sup> The plans will provide a coherent set of sequenced and resourced actions that will deepen the reform of the local PPP program. Good-practice project preparation procedures and other management tools needed by a PPP center will be put in place. These tools will include a project development facility.

11. **Output 1: Public-private partnership center strengthened.** Chongqing has established a multiagency coordination arrangement as the starting point of a PPP center. Drawing on a mapping of the roles and responsibilities for PPPs of different levels of government, government agencies, and sections within agencies, the TA will help officials and stakeholders identify the best location, functions, and structure of the PPP center in Chongqing. A multiyear strategic plan and annual work plan will be prepared. The strategic plan and work plans for the PPP center will provide (i) a definition of the goals, roles, and responsibilities of the center; (ii) an organizational chart; (iii) work schedules with targets, activities, and required resources; (iii) job descriptions and employment arrangements; and (iv) auditing, reporting, and performance assessment requirements. Initial versions of the strategic plan and annual work plans will be prepared early in TA implementation and renewed during TA implementation as required.

12. The preparation of the strategic plans and work plans will draw on recent advise from Infrastructure UK on the development of PPP centers in the PRC. The TA will help officials and stakeholders examine the location, powers, and responsibilities of PPP centers, taking into account the benefits, costs, and feasibility of sharing functions across multiple PPP centers or consolidating functions in one center. The role of a PPP center in capacity development, strengthening the enabling environment, project development, providing government financial support, and supervising operations will be explored, along with linkages of the unit's activities

<sup>10</sup> A sound operational framework for PPPs will deliver value-for-money public investment that is fiscally affordable, and its performance can be assessed by the number or value of PPPs completed with these characteristics.

<sup>11</sup> The Government of the PRC has five levels: central, provincial (comprising 22 provinces, 5 autonomous regions, and 4 special municipalities), prefecture, county, and township. Chongqing Municipality is one of the four special municipalities and includes four county-level cities.

<sup>12</sup> The term "center" is used in a broad sense and may include a unit, center, office, or a coordination arrangement.

to planning, approval, and budget systems. Ways of ensuring the effective participation of stakeholders from within and outside government will be considered. Close attention will be paid to whether the PPP center has the financial resources and career structure needed to recruit and retain experts as permanent staff, and the adequacy of project databases, information technology, and portals required to support communication, monitoring, and evaluation.

**13. Output 2: Tools for the preparation and management of public–private partnerships improved.** The TA will support (i) improvements to how projects are identified and how their readiness is assessed by officials; (ii) the development of guidance on the leadership and composition of project teams; (iii) preparation of a detailed project cycle, and the checklists and forms required to standardize its application; and (iv) the elaboration, as necessary, of guidance for local officials on key issues facing PPPs, such as (a) the procurement of PPP projects, (b) risk allocations, (c) the conduct of value-for-money and fiscal risk assessments, (d) the incorporation of environmental and social safeguards in PPPs, and (e) ensuring that projects are gender responsive. The TA will help develop a template for an annual declaration of the fiscal risks arising from PPPs and assist in an initial release through the budget process. It will also examine the principles of and mechanisms for government procurement of services delivered by PPP projects and the government contribution of land resources to PPP projects.

14. Output 2 will include the design of a project development facility. This facility will be suitable for operation by the PPP center to fund external advisors and studies. The design will address the objective of the facility and the activities it will support, contractual arrangements and the flow of funds, eligibility criteria, application and processing procedures, and auditing and evaluation systems. An accompanying staff manual will be prepared and any required legislative amendments will be identified. The project development facility is expected to operate on a revolving basis, i.e., the cost of developing (post-screening) successful PPPs will be recovered from the concessionaire. Key issues expected to be addressed include the allocation of decision-making responsibilities, the prioritization of funds, the level of funds needed, and the checks and balances required to ensure financial sustainability and transparency.

**15. Output 3: Understanding for public–private partnerships among decision makers, government officials, and stakeholders enhanced.** Awareness-raising events will be supported and widely accessible knowledge products (e.g., reports, working papers, guidance notes) will be published in Chinese. The events and knowledge products will draw on other outputs of the TA with the aim of encouraging informed inputs from stakeholders, fostering support for implementation, and disseminating key findings. Other provinces will be invited to attend events on an observer basis (and at their own cost).

16. The design and implementation of key initiatives will be led by officials, with TA consultants playing an active supporting role. In this way the TA will provide an important learning-by-doing exercise that will build the internal capacity to continue strengthening the operational framework and sustaining the TA results. Accordingly, the TA will employ a participatory approach to the preparation of outputs, such as through support for focus group discussion and workshops among officials and stakeholders. The work of the TA will draw on successful examples from other countries and the lessons from ADB support for PPP strengthening programs (including in Indonesia, India, Pakistan, and the Philippines). Maximum use will be made of assistance from ADB and other development partners so as to add value to earlier work and to avoid duplication.



### **C. Cost and Financing**

17. The TA is estimated to cost \$400,000, of which \$350,000 will be financed on a grant basis by the Public–Private Infrastructure Advisory Facility and administered by ADB. The government will provide counterpart support in the form of office space, counterpart staff and other services to the consultants, assistance in arranging meetings with counterpart agencies, and other in-kind contributions. The cost estimates and financing plan are in Appendix 2.

### **D. Implementation Arrangements**

18. The TA will be implemented over 24 months from 15 August 2015 to 15 August 2017. The Chongqing Finance Bureau will be the executing and implementing agency. An international PPP advisor will provide a total input of 2 person-months. National consultants, including a team leader, PPP specialist, institutional specialist, legal specialist, and coordinator, will provide total input of 14 person-months. As a single firm is likely to find it difficult to provide the diversity of skills and experience required, and timeliness in recruitment is important, consultants will be recruited individually. As TA implementation will make extensive use of participatory workshops, and as a wide range of skills and experience will be required to support these workshops, a substantial provision is made for resource persons. The outline terms of reference are in Appendix 3.<sup>13</sup>

19. The TA will be undertaken with the active participation of all relevant departments and agencies of participating governments. The TA will also be implemented in close coordination with related ADB-supported projects and other development partners supporting PPPs in the PRC. Outreach activities will help ensure understanding and engagement of these partners.

20. The TA will be monitored and evaluated based on the implementation of activities and satisfactory delivery of outputs following the agreed timeline and budget allocation. To support monitoring and evaluation, the consultant team will submit an inception report, a midterm report, a draft final report, and a final report to the government and ADB. The main mechanism to monitor progress, assess performance, and ensure relevance will be TA review missions.

21. The key risks are that (i) government support for the delivery of public services through PPPs weakens, (ii) the private sector and potential financiers are deterred from PPPs by poor project design, (iii) support for institutional reforms cannot be secured, (iv) PPP units cannot obtain or retain sufficient human resources to be effective, (v) participating governments lack the budget to consider providing financial support for PPPs, (vi) weak public sector capacity delays TA implementation, and (vii) suitable consultants cannot be identified in a timely manner.

## **IV. THE PRESIDENT'S DECISION**

22. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$350,000 to the Government of the People's Republic of China to be financed on a grant basis by the Public–Private Infrastructure Advisory Facility for the Municipality-Level Public–Private Partnership Operational Framework for Chongqing, and hereby reports this action to the Board.

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<sup>13</sup> ADB will engage consultants as well as resource persons in accordance with its Guidelines on the Use of Consultants (2013, as amended from time to time). The proceeds of the TA will be disbursed in accordance with the *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). Consultants and resource persons will be engaged on a fixed-price and/or lump-sum basis wherever feasible.

## DESIGN AND MONITORING FRAMEWORK

**Impacts the project is aligned with:**

Private sector participation in urban infrastructure investment and operations increased. (Decisions on Important Issues Concerning Comprehensive and Far-reaching Reform)<sup>1</sup>

Project Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
<b>Outcome</b> Operational framework for PPPs in Chongqing Municipality improved	Completion by 2017 of at least one PPP agreement for urban economic or social infrastructure that passes a value-for-money test and fiscal affordability assessment (2014 baseline: 0)	a. Budget papers and reports and government websites b. World Bank Private Participation in Infrastructure database	Government support for the delivery of public services through PPPs weakens The private sector and potential financiers are deterred from PPPs by poor project design
<b>Outputs</b> 1. PPP center strengthened	a. PPP center strategic plan submitted for approval to the finance bureau (initial version by month 12 and a revised version by month 24) b. PPP center annual work plan submitted for approval to the finance bureau (initial version by month 12 and revised by month 24) (2014 baseline: 0)	a–b. Local government announcements, and the website of the CPPPC	Support for institutional reforms needed for PPPs cannot be secured from higher authorities within government.  The PPP center cannot obtain or retain sufficient human resources to be effective.
2. Tools for the preparation and management of PPPs improved	a. Detailed project cycle with checklists and forms published by the finance bureau (by month 12) b. At least two guidance notes on key issues facing PPPs published by the finance bureau (by month 15) c. Design of a project development facility submitted for approval to the finance bureau (by month 15) d. Declaration of fiscal risks from PPPs circulated with the budget (by month 18) e. Confirmation that the majority of projects are following the detailed project cycle (by month 24) (2014 baseline: 0)	a–e. Budget papers, local government announcements, consultation with government agencies, and the website of the CPPPC	Participating governments lack the budget to develop PPPs or consider providing financial support.  Weak public sector capacity delays TA implementation.
3. Understanding of PPPs among decision makers, government officials, and stakeholders enhanced	a. At least 200 person-days of awareness-raising events completed and at least 75% of participants report an enhanced understanding (by month 24) b. At least two knowledge products published by the finance bureau and disseminated among decision makers, government officials, and stakeholders (by month 24) (2014 baseline: 0)	a. Participant lists and evaluations b. The website of the local PPP center, local print media, and social media	Suitable consultants cannot be identified in a timely manner because of competing demands.

<sup>1</sup> Government of the People's Republic of China, Chinese Communist Party Central Committee. 2013. *Third Plenum of the 18th Central Committee of the Communist Party of China*. Beijing.

**Key Activities with Milestones****1. PPP center strengthened**

- 1.1 Map the roles and responsibilities for PPPs of different levels of government, government agencies, and sections within agencies (by month 6)
- 1.2 Prepare a strategic plan and annual work plan through participatory workshops (by month 12)
- 1.3 Finalize a multiyear strategic plan and annual work plan (by month 18)
- 1.4 Revise the multiyear strategic plan and annual work plan (by month 24)

**2. Tools for the preparation and management of PPPs improved**

- 2.1 Improve approaches used to identify projects and assess their readiness (by month 12)
- 2.2 Provide guidance on the leadership and composition of project teams (by month 12)
- 2.3 Prepare a detailed project cycle with checklists and forms (by month 12)
- 2.4 Examine principles of and mechanisms for government procurement of services delivered by PPP projects and the government contribution of land resources to PPP projects (by month 12)
- 2.5 Carry out the design of a project development facility (by month 15)
- 2.6 Prepare a template for the declaration of fiscal risks and its initial submission (by month 18)
- 2.7 Prepare guidance notes on key issues facing PPPs, such as the conduct of value-for-money and fiscal risk assessments (throughout the TA)

**3. Understanding of PPPs among decision makers, government officials, and stakeholders enhanced**

- 3.1 Consult with decision makers, government agencies, potential concessionaires, investors, and other stakeholders to strengthen the operational framework for PPPs (throughout the TA)
- 3.2 Conduct awareness-raising events with decision makers, government agencies, potential concessionaires, investors, and other stakeholders (throughout the TA)
- 3.3 Prepare and release widely accessible knowledge products, such as reports, working papers, and guidance notes (throughout the TA)

**Inputs**

**Public–Private Infrastructure Advisory Facility: \$350,000**

ADB = Asian Development Bank, CPPPC = China Public–Private Partnership Center, PPP = public–private partnership, TA = technical assistance.

Sources: Asian Development Bank.

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

Item	Amount
<b>Public-Private Infrastructure Advisory Facility<sup>a</sup></b>	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	55.0
ii. National consultants	170.0
b. International and local travel	20.0
c. Reports and communications <sup>b</sup>	10.0
2. Training, seminars, and conferences	
a. Seminars and workshops <sup>c</sup>	30.0
b. Resource persons	30.0
3. Miscellaneous administration and support costs	10.0
4. Contingencies	25.0
<b>Total</b>	<b>350.0</b>

Note: The technical assistance (TA) is estimated to cost \$400,000, of which contributions from the Public-Private Infrastructure Advisory Facility are presented in the table above. The government will provide counterpart support in the form of office space, counterpart staff and other services to the consultants, assistance in arranging meetings with counterpart agencies, and other in-kind contributions. The value of government contributions is estimated to account for 12.5% of the total TA cost.

<sup>a</sup> Administered by the Asian Development Bank.

<sup>b</sup> Includes the cost of translation and interpretation of reports and other TA outputs.

<sup>c</sup> For training, stakeholder participation, awareness-raising events, and other related workshops within the People's Republic of China. An advance payment facility will be established within the Chongqing Finance Bureau (the implementing agency) to facilitate events and workshops. If Asian Development Bank staff act as resource persons and/or facilitators, travel costs may be charged to the TA with the prior agreement of the implementing agency.

Source: Asian Development Bank estimates.

## OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. The consultants will be responsible for producing the technical assistance (TA) outputs and deliverables effectively and on time, consistent with the design and monitoring framework, and for organizing and carrying out all TA activities, including workshops.
2. The implementing agency will coordinate with government authorities, potential public–private partnership (PPP) partners, financiers, and other stakeholders, and assign counterpart staff to assist the consultants. The implementing agency will supervise the day-to-day work of the consultants and assume overall responsibility for seminars and workshops.
3. The team leader, in cooperation with the implementing agency and Asian Development Bank (ADB) project officer, will oversee, coordinate, and monitor the consultants' work. Accordingly, the consultants will maintain close working relations with the implementing agency and ADB, and will regularly discuss project progress and findings. Meetings involving the implementing agency, consultants, and, as feasible, ADB staff will be held to provide guidance to the consultants and to review their reports. The consultants will help ensure that knowledge products are disseminated (e.g., at workshops, conferences, and on government and ADB websites) and made available to stakeholders.

### A. International Consultant

4. **Public–private partnership advisor** (2 person-months, intermittent). The advisor will have strong expertise, extensive experience, and in-depth knowledge of PPPs and a master's degree or equivalent qualification in finance, economics, management, law, or other relevant field. Experience with PPPs in a number of countries is essential, including in project preparation and implementation. Experience with PPPs in the People's Republic of China (PRC) and financing issues would be an advantage. The advisor must have at least 15 years of relevant work experience. A record in producing publications of international standard is preferred. Proficiency in Chinese would be an advantage.
5. Reporting to the team leader, the advisor will assist in ensuring the quality and timely delivery of TA outputs to ADB and the implementing agency, and ensuring completion of all TA activities. The advisor will be responsible for ensuring that relevant international PPP experience is incorporated into TA deliverables. The advisor will have the general obligations to (i) identify and integrate into the TA deliverables relevant lessons from the international experience; (ii) assist in preparing advice tailored to the PRC; (iii) provide an international perspective on proposals developed for the PRC, including through drafting proposals and participating in workshops; (iv) lead preparation of at least one knowledge product in English on the key findings from the TA within the consultant's areas of responsibility, and as required contribute to or co-author other knowledge products in English on the TA findings; (v) participate in workshops to inform and seek feedback from the implementing agency and stakeholders; and (vi) undertake other tasks as required by the team leader.
6. Detailed tasks will include providing specialist PPP input to the preparation of a multiyear strategic plan and annual work plan of a PPP center and improved tools for the preparation and management of PPPs including the design of a project development facility (PDF). In undertaking these tasks, the advisor will lead the review and application of suggestions from Infrastructure UK on the development of PPP centers in the PRC, and lead (i) improvements to the way local governments identify projects and assess their readiness; (ii) the development of

guidance on the leadership and composition of project teams; (iii) preparation of a detailed project cycle, and the checklists and forms required to standardize its application; (iv) the elaboration, as necessary, of guidance for local officials on key issues facing PPPs; and (v) the development of a template for an annual declaration of the fiscal risks arising from PPPs, as well as assistance in an initial release through the budget process.

## **B. National Consultants**

### **1. Team Leader (3 person-months, intermittent)**

7. The team leader will have strong expertise, extensive experience, and in-depth knowledge of PPPs in the PRC and related financing issues. At least 10 years of relevant work experience is preferred, and a degree or higher qualification in public administration, management, law, or other relevant field is needed. Experience covering the preparation, implementation, and financing of PPP projects in the PRC is highly desirable. A solid understanding of the experience of other countries with PPPs and financing arrangements for PPPs in various countries would be an advantage. Proficiency in written and spoken English is preferred.

8. The team leader will have overall responsibility for ensuring (i) the quality and timely delivery of the TA outputs to ADB and the executing agency; (ii) relevant national and international experience and lessons are factored into the TA deliverables; (iii) completion of all TA activities; and (iv) that team members work in an effective, efficient, collaborative, and timely manner. This encompasses responsibility for assigning and coordinating detailed tasks to all team members, managing all team members to deliver high-quality, timely outputs, and ensuring effective engagement of the consultant team with the implementing agency and stakeholders.

9. Detailed responsibilities will include leading and managing (i) the preparation of a multiyear strategic plan and annual work plan of a PPP center; (ii) the preparation of improved tools for the preparation and management of PPPs, including the design of a PDF; and (iii) enhancement of the understanding of PPPs among decision makers, government officials, and stakeholders.

10. In fostering implementation that achieves government ownership of the TA, the team leader will be responsible for

- (i) implementing the TA under the guidance of the implementing agency and the ADB project officer in accordance with the terms and conditions specified in the TA paper and the agreement between the government and ADB;
- (ii) coordinating and managing the inputs, activities, and outputs of the TA consultants, including allocating responsibilities to consultants and monitoring their performance to achieve the expected TA results outlined in the specified time frames; initiating and leading discussions of key implementation issues; and managing TA quality control and quality assurance;
- (iii) guiding the analytical work, identifying key issues, presenting and analyzing alternative responses and effectively using related ADB TA; identifying relevant literature and international experience and factoring those into the analysis; and explaining and justifying the responses recommended by the consultant team;
- (iv) establishing reporting arrangements with the implementing agency and ADB and ensuring that they and other stakeholders are regularly informed of progress and developments in the work;

- (v) preparing material suitable for publication and other information releases in Chinese and English, as appropriate to the audience(s), and facilitating its release;
- (vi) organizing the meetings, consultations, or workshops with the implementing agency, resource persons, and other stakeholders;
- (vii) preparing and submitting all reports on time, and assisting with TA reviews undertaken by the implementing agency and ADB; and
- (viii) consulting, as relevant, with any development partners working on related activities so that they are informed of activities and that a high level of coordination is maintained to avoid duplication or overlap of work.

## **2. Public–Private Partnership Specialist (2 person-months, intermittent)**

11. The specialist will have strong expertise, extensive experience, and in-depth knowledge of PPPs. Experience with PPPs in the PRC is essential, such as in project preparation and implementation. Experience with PPPs in other countries and with financing issues facing PPPs in the PRC would be an advantage. At least 10 years of relevant work experience is preferred, and a degree or higher qualification in public administration, management, law, or other relevant field is needed. Proficiency in English would be an advantage.

12. Reporting to the team leader, the specialist will assist in ensuring the quality and timely delivery of TA outputs to ADB and the implementing agency, and completion of all TA activities. The specialist will be responsible for ensuring that relevant national PPP experience is incorporated into TA deliverables. The specialist will have the general obligations to (i) identify and integrate into the TA deliverables relevant lessons from the national experience; (ii) assist in preparing advice tailored to the PRC; (iii) provide a national perspective on proposals developed by the TA, including through the drafting of proposals and participation in workshops; (iv) lead preparation of at least one knowledge product in Chinese on the key findings from the TA within the consultant's areas of responsibility, and as required contribute to or co-author other knowledge products in English on the TA findings; (v) participate in workshops to inform and seek feedback from the implementing agency and stakeholders; and (vi) undertake other tasks as required by the team leader.

13. Detailed tasks will include working with the PPP advisor to contribute inputs from a PPP perspective to the preparation of a multiyear strategic plan and annual work plan of a PPP center, and improved tools for the preparation and management of PPPs, including the design of a PDF. In undertaking these tasks, the specialist will contribute to the review and application of suggestions from Infrastructure UK on the development of PPP units in the PRC, and contribute to (i) improvements to the way local governments identify projects and assess their readiness; (ii) the development of guidance on the leadership and composition of project teams; (iii) preparation of a detailed project cycle and the checklists and forms required to standardize its application; (iv) the elaboration, as necessary, of guidance for local officials on key issues facing PPPs; and (v) the development of a template for an annual declaration of the fiscal risks arising from PPPs, as well as assistance in an initial release through the budget process.

## **3. Public–Private Partnership Financial Specialist (1 person-month, intermittent)**

14. The specialist will have strong expertise, extensive experience, and in-depth knowledge of the PRC's finance sector. Experience with infrastructure financing and/or investment funds in the PRC is strongly preferred. At least 10 years of relevant work experience is preferred, and a

degree or higher qualification in public administration, management, law, or other relevant field is needed. Proficiency in English would be an advantage.

15. Reporting to the team leader, the specialist will assist in ensuring the quality and timely delivery of TA outputs to ADB and the implementing agency, and completion of all TA activities. The specialist will be responsible for ensuring that relevant national finance experience is incorporated into TA deliverables. The specialist will have the general obligations to (i) identify and integrate into the TA deliverables relevant lessons from the national experience; (ii) assist in preparing advice tailored to the PRC; (iii) provide a national perspective on proposals developed by the TA, including through the drafting of proposals and participation in workshops; (iv) lead preparation of at least one knowledge product in Chinese on the key findings from the TA within the consultant's areas of responsibility, and as required contribute to or co-author other knowledge products in English on the TA findings; (v) participate in workshops to inform and seek feedback from the implementing agency and stakeholders; and (vi) undertake other tasks as required by the team leader.

16. Detailed tasks will include working with the PPP financial advisor to contribute inputs from a financing perspective to the preparation of a multiyear strategic plan and annual work plan of a PPP center, and improved tools for the preparation and management of PPPs, including the design of a PDF.

#### **4. Institutional Specialist (1 person-month, intermittent)**

17. The specialist will have strong expertise, extensive experience, and in-depth knowledge of institutional development and capacity building within the public sector. Experience with public investment would be an advantage. At least 10 years of relevant work experience is preferred, and a degree or higher qualification in public administration, management, law, or other relevant field is needed. Proficiency in English would be an advantage.

18. Reporting to the team leader, the specialist will assist in ensuring the quality and timely delivery of TA outputs to ADB and the implementing agency, and completion of all TA activities. The specialist will have the general obligations to (i) identify and integrate into the TA deliverables relevant lessons on institutional development and capacity development from the national experience; (ii) assist in preparing advice tailored to the PRC; (iii) provide a national perspective on proposals developed by the TA, including through the drafting of proposals and participation in workshops; (iv) lead preparation of at least one knowledge product in Chinese on the key findings from the TA within the consultant's areas of responsibility, and as required contribute to or co-author other knowledge products in English on the TA findings; (v) participate in workshops to inform and seek feedback from the implementing agency and stakeholders; and (vi) undertake other tasks as required by the team leader.

19. Detailed tasks will include working with the team leader to contribute inputs from an institutional development perspective to (i) the enhancement of the understanding of PPPs among decision makers, government officials, and stakeholders; (ii) a multiyear strategic plan and annual work plan of a PPP center; and (iii) the improvement of tools for the preparation and management of PPPs, including the design of a PDF.

#### **5. Legal Specialist (1 person-month, intermittent)**

20. The specialist will have strong expertise, extensive experience, and in-depth knowledge of legal issues faced in financing infrastructure. Experience with PPPs in the PRC is highly



preferred, such as in project preparation and implementation. At least 10 years of relevant work experience is preferred, and a degree or higher qualification in law is needed. Proficiency in English would be an advantage.

21. Reporting to the team leader, the specialist will assist in ensuring the quality and timely delivery of the TA outputs to ADB and the implementing agency, and the completion of all TA activities. The specialist will provide legal input to the preparation of a multiyear strategic plan and annual work plan of a PPP center, and improved tools for the preparation and management of PPPs, including the design of a PDF. The specialist will (i) identify legal issues arising from the proposals prepared; (ii) review the design, staff manuals, and operating procedures; strengthen legal aspects where necessary; and confirm the legal feasibility of the design; and (iii) participate in workshops to inform and seek feedback from the implementing agency and stakeholders. If there is not sufficient time to complete these tasks, the specialist will identify the remaining work and the steps required to complete the work.

#### **6. Coordinator (6 person-months, intermittent)**

22. The coordinator will have a graduate degree in economics, law, accounting, management, public policy, public administration, international development, or a related field. At least 5 years' experience in a business or government environment is preferred. Proficiency in English is required.

23. Reporting to the team leader, the coordinator will have day-to-day responsibility for the timely administration of meetings and events, including assisting with logistical and administrative requirements of resource persons.

#### **C. Resource Persons (national and international, intermittent, up to 10 persons, up to 10 person-days each)**

24. The resource persons will have a degree in finance, economics, law, management, public policy, international development, engineering, or a closely related field. At least 10 years' experience in helping government agencies prepare and implement investment projects is preferred. The resource persons will participate in awareness raising and meetings, consultations, or workshops to provide specific expertise and experience relevant to the issues addressed by the event.

#### **D. Reporting Requirements**

25. The team leader will be responsible for ensuring that all reports, documents, and submissions produced under the TA are of a high professional and publishable standard. The deliverables of outputs 1, 2, and 3 will be provided in either English or Chinese to a publishable standard, and the TA will fund the translation of deliverables as needed.

26. In addition to the deliverables required for each output, the team leader, with the support of the TA consultants, will produce inception, midterm, draft final, and final reports to document, monitor, and assess the TA activities. These reports are to be delivered in English and will generally follow the format of the TA report.