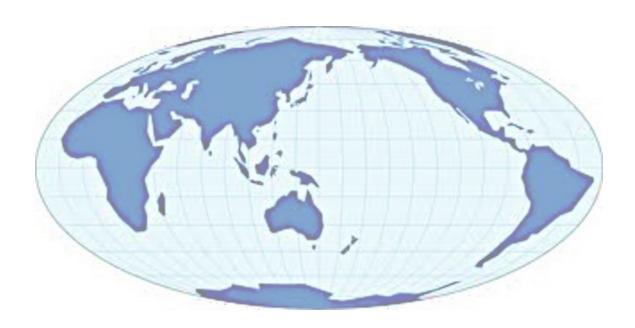


# **Annual Activity Report**

(From April 2020 to March 2021)



# Asia PPP Institute (APPPI) TOYO University

#### Organization of Asia PPP Institute (APPPI)

#### **Honorary Advisors**

Tun Dr. Mahathir bin Mohamad, the fourth and the seventh Prime Minister of Malaysia His Excellency Yasuo Fukuda, the ninety-first Prime Minister of Japan

#### **Evaluation Committee Members**

Dr. Frank Schnidman, the former professor at Florida Atlantic University (FAU) in the United States

Professor Sr. Dr. Khairuddin Abdul Rashid, Center of Studies in Quantity Surveying Faculty of Architecture, Planning & Surveying, Universiti Teknologi MARA, Malaysia

#### Staff

Director: Prof. Sam Tabuchi, Professor of Toyo University, Chair of Working Party on PPP under the United Nations Economic Commission for Europe (UNECE)

Senior Staff: Mr. Yoji Ishii

#### APPI Members (FY2020)

#### <In Japan>

- Chodai Co., Ltd.
- Daiwa Lease Co., Ltd.
- Fukuyama Consultants Co., Ltd.
- Eight-Japan Engineering Consultants Inc.
- Toyama City, Toyama Prefecture

## <Overseas>

- Butuan City, the Philippines
- Iriga City, the Philippines

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#### I. Executive Summary

Since its establishment in 2011, APPPI has been continuing to grow as a global driver to promote PPP frameworks and PPP-based business development across Asia. Its activities have been broadening steadily among APPPI targeted countries. In 2020, due to the worldwide spread of coronavirus (COVID-19) infection, several field surveys as originally planned in the Philippines, Indonesia and the United Nations High Commissioner for Refugees (UNHCR) in Geneva have been canceled. Although this caused a serious delay for the progress of our research, we made efforts to contact with related organizations through the online to collect significant information and to exchange opinions as much as possible. The main activities in FY2020 are as follows.

- A study on UNHCR vehicle management was conducted. We connected Tokyo with Geneva and Budapest via online, where UNHCR vehicle management offices are located, and exchanged opinions on UNHCR vehicle management in June, August, and October. An interim report (evaluation report) was prepared that analyzed the current situation of vehicle management for UNHCR, and a final draft related to the vehicle management for UNHCR was prepared.
- The director Sam Tabuchi presented as a panelist at the workshop on "Renewable Energy for Climate Change Mitigation" via online hosted by United Nations Economic and Social Commission for Asia and the Pacific.
- The minutes of a meeting for joint research for Earthquake-Resistant Housing projects for Low-income Communities in Indonesia" with the Bandung Institute of Technology (ITB) and Daiwa Lease Co., Ltd. was signed.
- The province of Capiz, Philippines was selected as a candidate site for Regional Development Advisory Program (RDAP), and several online meetings were held with the provincial officials and advisors of the governor's office, and the RDAP seminar using PPP for the provincial officials was held via online. We have prepared a draft that

includes the economic and industrial information related to the province and the strategic industries that should be targeted in RDAP. When things return to normal, a field survey will be conducted to complete the final report.

- The open seminars hosted by APPPI were held four times. At the most recent open seminar in February, Dr. Frank Schnidman, APPPI's evaluation committee member gave a keynote speech "Challenges and Opportunities for PPP in the U.S. under the New President Biden Administration".
- A follow-up seminar for RDAP conducted in 2018 was held via online for the city of Iriga, Philippines. In addition, a draft for position paper for economic development of the city based on exchanges of opinions was prepared and submitted to the city.

- II. APPPI Activities from April 2020 to March 2021
- 1. Regional Development Advisory Program (RDAP) / PPP Applicability Study

#### 1) RDAP in the Caraga region of Mindanao, Philippines

A draft for economic development in the Caraga region of Mindanao was prepared based on materials provided by the city of Butuan. First, we focused on the energy business, which is one of regional infrastructures. In this regard, the importance of effective use of contribution funds (about 1 billion yen / year) that contribute to regional development, which is obliged to mining companies by the mining business law of the region, was recognized. However, it was also confirmed that it is important to leverage the bank loan and use it as the initial fund. Another proposal was to shift the power consumption of mining companies from coal-fired power generation to hydroelectric power generation. Possible future projects mentioned that the glass eel aquaculture industry, tourism-related projects (utilization of gold mines in the region), and biomass projects including the production of wood pellets using tropical early-maturing tree species.

#### 2) RDAP in the province of Capiz, Philippines

The province of Capiz in the Philippines was chosen as the target of the newly RDAP site. We have had several online meetings to discuss the provincial economic situation and economic development goals for the province. The main industries are primary industries such as agriculture and fisheries, and the main source of income for the province depends on these primary industries. First, we paid attention to the High Value Commercial Crops (HVCC) listed in the Agriculture and Fisheries Strategic Plan Province of Capiz (2018-2022). Especially, we paid attention to the international trade products such as coffee, cocoa, and banana, which were also considered for overseas export. Regarding coffee, some mountainous areas of the province have been identified

to be suitable for coffee cultivation in terms of climate and soil, and the provincial government has been promoting coffee cultivation as part of official agricultural promotion. It was also found that it is suitable for cocoa cultivation in some agricultural lands in the province.

It was also found that the provincial government would like to commercialize cacao based on cacaos originated from Capiz and strongly desire investment from inside and outside of the country. Regarding the fisheries industry, fisheries infrastructure in the province is inefficient due to the large number of small landings are scattered over a wide area in the province. Normally, all related facilities to a fishing port are centralized to manage the port efficiently. It was speculated that the current situation where the landing sites are dispersed causes many issues. The catching amount of milkfish is outstanding in the province of Capiz, which accounts for about 67% of the total amount. However, there is a problem of reducing seed stock for milkfish and lacking of the seeds. It is necessary to develop a stable and sustainable seedling production system in order to continue to keep milkfish as one of the main fish species for local foods.

# 3) <u>JICA's project "SDGs Business Model Formulation Study for Earthquake-Resilient Houses for Low Income Communities"</u>

The study has been conducting with Daiwa Leasing Co., Ltd. under a contract with JICA from May 17, 2019 to the end of February, 2022 (The contract period has been extended to the end of February 2022 due to the impact of the Coronavirus diseases). The purpose of the study is to understand the necessity to develop the housing more secure and reliable by the governments and the relevant parties involved in the housing projects in Indonesia. The aim is to develop housing products for low-income communities and to develop PPP business model for housing for low-income communities, which includes the development of public housing by local governments. The role of Toyo University in

this current project is to (1) examine a proposed PPP business model, (2) develop a logic to contribute to the SDGs, and (3) check consistency with our ideas proposed for existing disaster recovery policies in Indonesia. Although we could not go to the field study this year due to the global coronavirus disease, we prepared a draft related to above (1) and (2) based on the existing materials and data.

#### 4) Vehicle Management Project for UNHCR

Online meetings for Vehicle Management Project for UNHCR were held with the section of Vehicle Management in UNHCR in June (Geneva), August (Geneva and Budapest) and October (Geneva and Budapest). Those meetings included a wide range of topics associated with operational implementation system in order to grasp the details of the current status of UNHCR's Vehicle Management. Based on the results of those meetings, an interim report (Assessment report) and a final draft on Vehicle Management Project for UNHCR were prepared.

#### (1) Significant points that should be improved in terms of Vehicle Management

Optimizing the transportation cost from the location of vehicles production, optimal vehicle allocation management using ICT to reveal required number of vehicles and appropriate vehicle allocation, appropriate fuel consumption, optimal maintenance of vehicles to improve the maintenance system including storage of sufficient stock of the parts in Africa, optimization of vehicle selection (selection of vehicle type according to working conditions) were proposed. Currently, the vehicles are retired after 5 years of use or beyond the mileage of 150,000 km. It is supposed to reduce the cost through optimization of this retirement timing. There are similar organizations to UNHCR in the United Nations and one of them is World Food Program (WFP), and there could be a possibility that similar vehicle operational management are being carried out in WFP. Therefore, there could be a possibility for UNHCR to share the owned vehicles with WFP.

(2) Advantages of leasing vehicles using PPP in the Vehicle Management for UNHCR. There could be some advantages of leasing vehicles in Vehicle Management for UNHCR. The leased vehicle cannot be easily sold to a third party because it is "owned by the leasing company" until the leasing contract ends. Therefore, the leased vehicle user is obliged to take good care of the vehicle. Furthermore, since the management under leasing contract is effective, the condition of the vehicle can be relatively good, and it can be expected that the selling price may increase at the time of resale. Other merits of leasing may include the possibility of reducing personnel and welfare costs for central management by improving the efficiency of Vehicle Management Operations.

#### 2. PPP short-term seminars

#### 1) Follow-up seminar for RDAP in the city of Iriga, Philippines

We had a follow-up seminar for RDAP conducted at Iriga city in 2018 to exchange opinions on the future economic development of the city. Based on those exchanges of opinions, a short draft for future economic development was submitted to the city of Iriga.

#### 2) RDAP seminars for local officials in Capiz, Philippines

RDAP seminars were held via online in November 2020, December 2020 and March 2021 to introduce previously proposed RDAP and PPP schemes. We also exchanged opinions on the future development in the province of Capiz based on "Agriculture and Fisheries Strategic Plan" for the province of Capiz (2018-2022).

#### 3. Other Activities

United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)
 Renewable Energy for Climate Change Mitigation Workshop (held online on September 24th and 25th, 2020)

Director Sam Tabuchi presented the current status and future prospects of PPP in Asia, including examples of PPP in Japan as a panelist.

2) <u>Joint research on earthquake-resistant housing projects for low-income communities</u> in Indonesia :

11 online meetings with Bandung Institute of Technology (ITB) and Daiwa Lease Co., Ltd. have been held from July 2020 to March 2021 and the minutes of a meeting for joint research was signed.

Currently, we are in the process of concluding MOU (Memorandum of Understanding) for our joint research among concerned parties. We plan to construct test houses on campus of ITB after concluding this MOU.

#### 3) Consulting for private companies

APPI advised several Japanese companies how to expand overseas by taking advantage of PPP scheme.

#### 4) Interviews from mass media

(1) An interview offered from "TV Saitama"

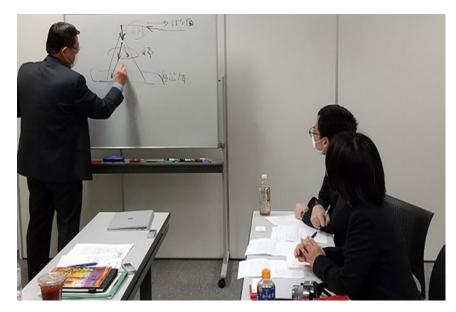
The director Sam Tabuchi lectured the concept of PPP and the future prospects of PPP in the world.



The director Sam Tabuchi to be interviewed with TV Saitama

### (2) An interview offered from the magazine "The Liberty"

The director Sam Tabuchi lectured the concept of PPP and the future prospects of PPP in the world.



The director Sam Tabuchi lectured the concept of PPP.

#### 5) APPPI Open Seminar

APPPI Open seminars were held in June and October 2020 and February 2021. 1st Open Seminar on "RDAP for Luang Namtha Province, Laos" was held. The 2nd Open Seminar on "UNHCR Vehicle Management Project" and "JICA's project for Earthquake-Resilient Houses for Low Income Communities in Indonesia" were held in Japanese and English. The latest seminar in February was held under the theme of "Next challenges and opportunities for PPP in the USA under the New President Biden Administration". More than 30 people concerned actively participated in this seminar.



President Joe Biden

46th President of the United States (January 2021)

#### III. APPPI Evaluation Committee Members and APPPI Visiting Researchers

#### 1) APPPI Evaluation Committee Members

The following two experts kindly accepted to become members of the APPPI Evaluation Committee, which provided advice and suggestions on APPPI's activities.

- -Dr. Frank Schnidman, the former professor at Florida Atlantic University in the United States
- -Dr. Khairuddin Abdul Rashid, Center of Studies in Quantity Surveying Faculty of Architecture, Planning & Surveying, Universiti Teknologi MARA, Malaysia

#### 2) APPPI Visiting Researcher

In order to promote APPPI's activities, the following five people have been appointed as APPPI visiting researchers. Dr. Kato, Mr. Oura and Mr. Minobe have been involved in the development projects in Butuan City, Philippines, which conducted RDAP in 2011. Mr. Fujiki is an expert for financial analysis of the PPP business. Mr. Aono has had business experiences in the Surigao region in the Mindanao, and is expected to give influential advice about development in the Mindanao, Philippines.

- -Dr. Satoshi Kato (6th graduate of PPP School at Toyo University, Visiting professor of PPP school at Toyo University, Chodai Co., Ltd.)
- -Mr. Masayuki Ohura (6th graduate of PPP School at Toyo University, President, CHODAI Philippines Corporation, Chodai Co., Ltd.)
- -Mr. Hideaki Fujiki (3rd graduate of PPP School at Toyo University, Visiting professor of PPP School at Toyo University)
- -Mr. Junichiro Minobe (10th graduate of PPP School at Toyo University, Head of Manila Representative Office, Chodai Co., Ltd.)
- -Mr. Fuminori Aono (9th graduate of PPP School at Toyo University, Kiso-Jiban Consultants Co., Ltd.)

## IV. APPPI Activity Plan for 2021

The table below shows the tentative plans from April 2021 to March 2022.

Date	APPPI Research/Study	APPPI Activity
April 2021	<ul> <li>Drafting of a final report on Vehicle Management Project for UNHCR</li> </ul>	<ul> <li>1st APPPI open seminar (Online)</li> <li>RDAP seminar to introduce Butuan projects to Capiz, Philippines (Online)</li> </ul>
May	<ul> <li>Drafting of SDGs business model for high value-added commercial crops in Capiz, Philippines</li> </ul>	<ul> <li>RDAP seminar for the province of Capiz in the Philippines (Online)</li> </ul>
June	<ul> <li>Research on housing on PPP in Indonesia</li> <li>Research on local zoo in Chiba prefecture</li> </ul>	- 2 <sup>nd</sup> APPPI Open Seminar (Online)
July	- Field survey in Mindanao and Capiz in the Philippines	
September	- Business trip to report a final report on Vehicle Management Project for UNHCR (Geneva and Budapest)	- 3 <sup>rd</sup> APPPI Open Seminar (Online)
October		- International PPP Forum
November	- Field research on PPP	- 4 <sup>th</sup> APPPI Open Seminar
December		- UNECE PPP Working Party (Geneva)
January 2022		- 5 <sup>th</sup> APPPI Open Seminar
February	- Submission of a final report of "SDGs business model formulation survey for earthquake resilient houses for Low income communities in Indonesia" to JICA	
March		- 6 <sup>th</sup> APPPI Open Seminar

Appendix 1: Major Activities from September 2011 to March 2021

Date	APPPI Activity		
2011			
September	RDAP/PPP Applicability Study in Butuan City, the Philippines		
November	<ul><li>Establishment of APPPI</li><li>Dr. Mahathir and Chancellor Shiokawa inaugurated as APPPI honorable advisors</li></ul>		
2012			
January	PPP seminar held in International Islamic University Malaysia (IIUM) and Karjasama Awam Swasta (UKAS) in Malaysia		
February	Prof. Tabuchi named Vice Chair of the Executive Board to UN PPP Team of Specialists		
March	PPP seminar held in Butuan, the Philippnes		
August	RDAP/PPP Applicability Study in the Republic of Kyrgyz		
September	RDAP/PPP Applicability Study in Mandaue City, the Philippines		
	2013		
February	PPP seminar held in Manila, the Philippines		
April	PPP research conducted for rehabilitation of Palais des Nation (PdN)		
September	PPP seminars held in the MPI and NUCE in Hanoi, Vietnam		
November	PPP seminars held in Bandung and Surabaya, Indonesia		
	2014		
February	TOYO PPP held International Academic Competition for TOUHOKU recovery		
September	PPP seminar held in Japan for government officials from the Republic of Kyrgyz		
2015			
February	RDAP/PPP Applicability Study in Cebu Province, the Philippines		
March	PPP seminar held in Hanoi, Vietnam (MPI and NUCE)		
August	RDAP/PPP Applicability Study in Surigao del Norte, the Philippines		

2016				
February	- RDAP/PPP Applicability Study in the State of Kedah, Malaysia - PPP seminar held in Ho Chi Minh, Vietnam			
May	PPP seminar held for the officials of the Ministry of Finance, South Africa			
June	RDAP/PPP Applicability Study findings reported to the State of Kedah officials at the 34 <sup>th</sup> JAMECA-MAJECA Joint Conference			
August	The 1st field visit to Indonesia on JICA Policy Recommendation Research			
	2017			
February	PPP seminar held in Pretoria and Cape Town, South Africa			
March	<ul> <li>RDAP/PPP Applicability Study in Iriga City in the Philippines</li> <li>The 2<sup>nd</sup> field visit to Indonesia on JICA Policy Recommendation Research</li> </ul>			
June	- Meeting between Dr. Mahathir bin Mohamad and Mr. Yasuko Fukuda, APPPI Honorary Advisors			
September	- The 3 <sup>rd</sup> field visit to Indonesia on JICA Policy Recommendation Research			
December	- PPP training and site visits for the government officials from Indonesia in Japan			
	2018			
February	- The $4^{\text{th}}$ field visit to Indonesia on JICA Policy Recommendation Research			
March	- Follow up visit of RDAP/PPP Applicability Study in Cebu province and Mandaue city, the Philippines			
May	- The 5 <sup>th</sup> field visit to Indonesia on JICA Policy Recommendation Research			
June	- PPP seminar held for South African central government officials in Tokyo			
August	- PPP seminar held for local government officials in Cebu, the Philippines			
September	- The 6 <sup>th</sup> field visit to Indonesia on JICA Policy Recommendation Research			
November	<ul> <li>The director of APPPI, Prof. Sam Tabuchi, became the co-chair of UNECE PPP Working Party</li> <li>The 7<sup>th</sup> field visit to Indonesia on JICA Policy Recommendation Research</li> </ul>			
2019				

March	Submission of the final report for JICA Policy Recommendation Research
May	Attendance for the International PPP Forum (Geneva) by the UNECE PPP Technical committee
June	<ul> <li>Preliminary study on local regeneration support program in Luang Namtha Province, Laos</li> <li>1st field survey on JICA's project "SDGs Business Model Formulation Survey with the Private Sector for Earthquake Resilient Houses with Japanese Prefabrication System for Low Income Communities in Indonesia"</li> </ul>
August	Study tour for PPP in South Korea
September	Study tour for PPP in the United States
November	<ul> <li>Implementation of field survey on local revitalization support program in Luang Namtha Province, Laos</li> <li>Conducted PPP seminars for the officials of Central Government of South Africa</li> </ul>
December	Attended for the International PPP Forum (Geneva) by the UNECE PPP Working party
2020	
February	-PPP seminar (National PPP Conference) was held in Butuan City, Philippines, and the inspection tour for local pilot sites was conducted.  -The debrief meeting on development plan for the public land and Luang Namtha Province.  -Study tour for Miyako City and Shiwa Town in Iwate Prefecture.  -APPPI Open seminar (The relationship between RDAP projects by Toyo University and SDGs in the United Nation).  -2nd field survey on JICA's project "SDGs business model formulation survey for earthquake resilient houses for Low income communities in Indonesia".
June	-Discussions on Vehicle Management Project for UNHCR (Online)APPPI Open Seminar "RDAP for Luang Namtha Province in Laos".
July	Discussions on Joint research for "SDGs business model formulation survey for earthquake resilient houses for Low income communities in Indonesia".
August	Discussions on Vehicle Management Project for UNHCR (Online).
October	-Discussions on Vehicle Management Project for UNHCR (Online).

	-APPPI Open Seminar "Vehicle Management Project for UNHCR" and "SDGs business model formulation survey for earthquake resilient houses for Low income communities in Indonesia" (Online).
November	-Follow-up RDAP and PPP seminar for local government officials in Iriga, Philippines (Online).
	-1st RDAP and PPP seminars for local government officials in Capiz, Philippines (Online).
	-Signed Minutes of a Meeting with Bandung Institute of Technology regarding joint research related to "SDGs business model formulation survey for earthquake resilient houses for Low income communities in Indonesia".
December	2 <sup>nd</sup> RDAP and PPP seminars for local government officials in Capiz, Philippines (Online).
January 2021	Discussions on the procedure regarding joint research related to "SDGs business model formulation survey for earthquake resilient houses for Low income communities in Indonesia" (Online).
February	APPPI Open Seminar" Next challenges and opportunities for PPP in the USA under the New President Biden Administration" (Online).
March	3 <sup>rd</sup> RDAP and PPP seminars for local government officials in Capiz, Philippines (Online).

#### Appendix 2: APPPI's Network

#### Vietnam

National University of Civil Engineering City of Hanoi City of Ho Chi Minh The Ministry of Ministry of Planning and Investment(MPI)

#### Indonesia

Bandung Institute of Technology(ITB)
Surabaya Institute of Technology(ITS)
The Ministry of Finance
Indonesia Infrastructure Guarantee Fund
PT SMI(infrastructure financing
company)

Laos LUANG NAMTHA Province The UNECE PPP Working Party

TOYO PPP SCHOOL APPPI

#### **Philippines**

University of the Philippines
University of San Jose-Recoletos
Cebu Province
City of Butuan
City of Iriga
City of Mandaue

#### Europe

Infrastructure UK
FIN INFRA – France
IESE Business School – Spain
(under International PPP Centre of
Excellence)

#### USA

the National Council of PPP
the International City/County
Management Association(ICMA)
Urban Land Institute(ULI)
Universities
State of Florida
City of Sandy Springs

Malaysia Universiti Teknologi MARA