



UNECE PPP Specialist China Centre of Excellence
College of Business, City University of Hong Kong
School of Public Policy and Management, Tsinghua University

10-day Training Program

on Public-Private Partnership and One Belt One Road

Organized by:



UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE
PPP SPECIALIST CHINA CENTRE OF EXCELLENCE
聯合國歐洲經濟委員會
PPP 中國專家中心



清華大學
公共管理學院
School of Public Policy & Management
Tsinghua University

About Us



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UNECE PPP Specialist China Centre of Excellence

The Centre will play a high-profile role in leading the development and dissemination of knowledge and global best-practice in the delivery of PPP projects and education programs in public transport logistics.



College of Business

The College of Business at City University of Hong Kong aims to be a globally-oriented business school at the forefront of business ideas and knowledge: a key business education hub - in China for the world.



School of Public Policy and Management

The School of Public Policy and Management of Tsinghua University was founded in 2000. As the first graduate school of public administration in China, the School's mission is to become a world-class institution that actively engages in teaching, research, and consulting in global public affairs.





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Press Releases

Rebuilding the 'ancient silk road' and transforming global trade routes through Public Private Partnerships

Published: 20 January 2016

China's 'One Belt, One Road' initiative, aimed at improving the connectivity between China and Europe along the ancient Silk Road as well by sea, will require massive investments in infrastructure. This will considerably improve infrastructure in both China and in neighbouring countries. Public-Private Partnerships (PPPs) are expected to play a key role in mobilizing the resources needed for these investments.



At the same time, a number of conditions need to be met in order for PPPs to deliver their full potential:

- A robust legal framework;
- Improved coordination of economic and infrastructure policy by participating countries;
- Commitment to open markets and policy predictability;
- Favourable financial system conditions including stability and currency policy; and
- An enhanced capability in governments- both local and national - to prepare infrastructure projects that both fulfill public service needs and are attractive to private sector investors.

In order to facilitate the efficient use of PPPs for the 'One Belt, One Road' initiative, UNECE and the Government of China are joining forces to establish an international PPP Centre of Excellence that will be jointly hosted by Tsinghua University in Beijing and City University in Hong Kong. This Centre will be...

Preamble

▶ What is PPP?

Public-Private-Partnership (PPP) is a long-term contract between a government entity and a private party for the provision of public service and/or development of public infrastructure in which responsibilities and rewards are shared. Common types of PPPs include concessions, Build-Operate-Transfer (BOT), Design-Build-Finance-Operate (DBFO).

- Governments worldwide have increasingly turned to the private sector to provide infrastructure services that were once delivered by the public sector. The World Bank estimated investment commitments to private infrastructure projects totalled US\$111.6 billion in 2015.
- In China, PPP has been identified as an effective mechanism to improve the efficiency and quality of public infrastructure projects and is being implemented as a major reform of public financing and governance (budgeting) policy of local governments. By the end of June, 2016, the Ministry of Finance has approved 232 pilot PPP projects, with a total investment of RMB 802.54 billion, while the total number of registered PPP projects in local governments has reached 9,285 with a total investment of RMB 10.6 trillion. Among these investments, the share of private capital has achieved 40%.
- The partnership between private and public sectors has a long history. For example, during the 16th and 17th centuries, European sovereigns, and particularly in France, began concession programs in canal construction, road paving, public transportation, and etc. The industrialization in Europe of the 19th century marked the golden age of concessions in Europe. The creation of railways took place under concessions in all European countries.

▶ What makes PPP different from other business models?

Compared to public provision and privatization, PPP promotes the in-depth collaboration between the public and the private sectors by sharing risks, revenues, and responsibilities. The unique advantages of PPPs include:

- increased efficiency in project planning, delivery, operation and management,
- additional resources and investment from the private sector, and
- access to advanced technologies.

▶ How to develop good PPPs?

PPP's need to be well designed to outperform other business models.

- PPP may be better than public provision when quality standards can be defined, measured, enforced and are thus contractible. Otherwise, as in the case of many public services, the performance of PPPs is mixed. To sum up, the efficiency gains associated with PPPs do not come naturally.
- The risk allocation between the partners is at the heart of the PPP contract design. Risks should be allocated to maximize the project value and be borne by the party that is best to control them.
- A PPP contract generally has a much longer tenure than a conventional construction contract. Strong institutions are necessary to make PPPs attractive to private firms.

▶ Why do we offer this program?

Being aware that there have been many waves of PPPs in history, it is worrisome that the recent wave of PPPs may have run ahead of a clear understanding of the mechanism and the lack of an institutional framework may hinder its further development. In many PPP projects, we have observed a disturbing trend that governments and the private sector just took the opportunities to advance their own interests. There is no doubt that PPPs can contribute to the execution of the infrastructure policy; however, to realize their full potential, deeper questions need to be asked, and more thinking is required.

Armed with modern theories and knowledge about PPPs, one aim of this program is to provide a framework to address the aforementioned questions, in particular, to develop a better understanding of the PPP mechanism and discuss how to design and implement effective PPPs from both theoretical and empirical perspectives.

▶ What is the relationship between PPPs and One-Belt-One-Road (OBOR) Initiative?

The Silk Road Economic Belt and the 21st-century Maritime Silk Road (OBOR) is a development strategy and framework launched by the Chinese government that focuses on enhancing connectivity and cooperation among the more than 60 countries along the Belt and Road routes. Under this goal, the investment on infrastructure such as cross-border railroads and ports lies at the centre of the OBOR initiative, and PPPs emerge as a natural choice for those infrastructure projects. Therefore, a profound understanding of PPP is vital to the success of the OBOR projects and the initiative.

▶ Who should attend this training program?

This program provides a unique opportunity to access a comprehensive introduction to the theories and practices of PPPs ranging from operations and project management, accounting, finance, risk management, arbitration, and public policy, etc., with interactions with top international scholars and experienced business leaders. It is designed for

- senior government officials
- bankers and private investors
- senior project managers
- lawyers
- management consultants
- academic researchers

Selected Training Courses and Activities

▶ Introduction to Public-Private Partnership (PPP)

Public-Private Partnerships (PPPs) as an innovative financing and operating mechanism for public infrastructure or service projects have been promoted throughout the world. According to the nature of PPP projects, they can be implemented in different models: Operate and Maintenance (O&M), Build-Operate-Transfer (BOT), Build-Own-Operate (BOO), Build-Own-Operate-Transfer (BOOT), etc. Different models require different risk allocations mechanism, and governance and incentive structures. In this course, we will introduce these commonly adopted PPP models and conduct case studies to discuss how PPP projects may succeed or fail under different models.

▶ PPP Financing

This module covers two parts of lectures. The first part will review the theory of monopoly and natural monopoly in urban infrastructure, and the Transport Oriented Development (TOD) model in Hong Kong. The second part will introduce PPP development in Mainland China, particularly introduce a successfully PPP financing case on the No.4 metro line in Beijing. Through this lecture, students will have a basic understanding on the opportunities and risks of the PPP financing on urban infrastructures.

▶ PPP Modules and Case Studies, and Selected Events and Visits

Case studies of :

1. China Everbright International Ltd.
2. Freetech Road Recycling Technology (Holdings) Ltd.
3. MTR Cooperate Ltd.
4. Shenzhen Water (Group) Company Ltd.
5. Taiwan High Speed Rail Corporation Ltd.
6. Sample PPP Projects from OBOR Countries

Events and Visits:

1. UNECE Management Introduction Course and Workshop
2. Meeting with Ambassadors to the United Nations (e.g. China, US, Russia, UK, France, Germany, Turkey)
3. Visit to World Trade Organization and Olympic Headquarters
4. Visit to UBS and Zurich Insurance Company

▶ Taxations in PPP Projects

Understanding tax regulations and tax practices is one of the key success factors in doing business in foreign countries. This course is designed to equip participants going into countries along One-Belt-One-Road (OBOR) Initiatives with the basic and fundamental knowledge of the business taxes there. Possible taxes to be discussed include corporate profit tax, value-added tax, sales tax, import tariffs, excise tax, and tax credits, etc. Discussion of the implementation challenges and/or pitfalls, and comparisons among the different OBOR countries will be addressed. The overall objective is to ensure that the participants will acquire enough basic knowledge for each of the country's major business tax issues upon completion of the training.

▶ Economic Landscapes

This module will provide an overview of the economies in the major OBOR countries. After this module, participants will understand the following key aspects of each economy: 1) overall economic development indicators; 2) economic structures; 3) public finance; 4) demographics; and 5) industry policies. The major purposes of this module are to help participants to identify their business strategies, based on the economic reality in the OBOR countries.

▶ Financial Systems in One Belt One Road Countries

This module introduces participants to the financial systems including regulatory framework, institutions, and products. The module will provide sufficient knowledge base to help participants in choosing optimal financing decisions for their PPP projects, as well as in establishing a business in financial services. Major topics covered include: a) overall monetary system and regulatory framework; b) commercial banking; c) investment banking; d) insurance services; e) currency markets; and f) equity and debt markets.



Selected Training Courses and Activities

▶ Globalization Strategy

This half day workshop will cover basic principles in developing cooperative strategies between public and private sectors. Key topics include strategic planning processes, creating a shared vision, success metrics for public versus private partners, and the assessment of critical strengths and weaknesses. Real world examples/cases will be used to illustrate these issues.

▶ Eastern and Western Cultural Value

Who were the prominent thinkers and change leaders in Asian countries for the past 150 years? How would they perceive our cultural traditions inherited and our world? What kind of cultural identity and characteristics will our descendants share? To answer these questions, this lecture will first address how Asia responded to the Western Influence. And then investigate how the development path and cultures evolution of Asia were influenced by Western powers. Finally, we will lead a discussion for the sustainable development of Asia with respect to "One Belt One Road" initiatives" under the Public-Private Partnership models.

▶ PPP and International Business

Charged with leading their organization in a complex world, leaders must know how to navigate the ever-changing international business landscape. This module will deliver analytical tools and critical insights to comprehend the drivers and dynamics of international business. In particular, we explore how country institutions, formal and informal, interact and impact international business conditions. Equipped with current knowledge of international business, this module will examine public-private partnerships (PPP) as an international entry mode, and how organizations partner with the government or for-profit/non-profit organizations of the host country. We will use practical examples to deepen our understanding of managing international PPPs.

▶ PPP in China: From Theory to Practice

PPP (Public-Private-Partnership) is a new project financing model with wide application in infrastructure construction and public services. The government has promoted this model actively since the Third Plenum of the 18th Communist Party of China in 2013, and the Fifth Plenum also mentioned to accelerate the reform of investment and finance system. Local governments have introduced PPP model to local development projects, in hope of bringing more private capital to fund raising. However, PPP is stagnant in China due to the lack of regulations and theoretical guidance. What exactly is PPP? What can we do to benefit from PPP? The Chamber has invited Dr Wang Tianyi to share his views and advises on PPP from theory to practice.

▶ Public Policy on PPP

▶ Business Laws in One Belt One Road Countries



Partial List of Instructors

▶ Professor Brian Boyd

Head and Chair Professor of the Management Department at City University of Hong Kong. He has also lectured at many prominent business schools in North America, Europe, and Asia. He writes on the subjects of decision making by top executives, and optimizing the structure of corporate boards. He has published extensively in scholarly journals, and also served in an editorial capacity at numerous journals. He has been interviewed by news outlets such as the Wall Street Journal, Fox News, and the Chicago Tribune. His research has received a number of awards, and he also serves in leadership roles in several professional societies.

▶ Dr. Zheng Chang

Dr. Chang is currently an assistant professor and associate program leader of the real estate management in the City University of Hong Kong. His research focuses on urban economics, real estate, housing studies and social network analysis. Dr. Chang got his doctor degree in urban planning and public policy from Harvard University in 2012. Previously, he received a master degree in urban planning from Harvard, a master in architecture from Tsinghua University, a minor in economics from Peking University and a Bachelor in architecture in Tianjin University. Professionally, he ever worked as a consultant in the CITIC real estate and the World Bank Group, a project manager in Vanke.Co, and an architect in the Beijing Institute of Architecture Design.

▶ Dr. Lei CHEN

Associate Dean and Associate Professor at the School of Law, City University of Hong Kong. His research focuses on Chinese private and commercial law, particularly contract and property from historical, comparative and empirical perspectives. His writings on these subjects appear in legal journals, edited volumes of multidisciplinary scholarship, and monographs in various jurisdictions: US, UK, China, Germany, Netherlands, Italy, South Africa, Mexico, Singapore, Korea and Hong Kong. He has been awarded three GRF grants from Hong Kong research Grant Committee. He has been the keynote speakers in some international conferences.

He was elected a Fellow of the International Academy of Comparative Law and Fellow of European Law Institute and member of American Associate of Comparative law. He sits on the editorial boards of fine legal journals, attending various international conferences and participating in a number of high-profile transnational research collaborations. Lei is a Fellow of Hong Kong Institute of Arbitrators and also panel arbitrators of CIETAC, HKIAC, Beijing Arbitration Commission and SICA (Shenzhen). He has served frequently as an expert witness, consultant and advisor on issues of expropriation, rural land reform and case management in for PRC Supreme People's Court, HK High Court, ICAC, and NGOs.

▶ Professor William Wan

Associate Dean (Research and Faculty) and Professor of Department of Management, research focus on strategic management, international business, entrepreneurship, and research methods. His research has appeared in top tier journals including *Academy of Management Journal*, *Accounting, Organizations and Society*, *Journal of International Business Studies*, *Journal of Management*, *Journal of Management Studies*, *Organization Science*, and *Strategic Management Journal*. Prior to joining City University of Hong Kong, he was an associate professor and Trinity Company Professor of Management at Texas Tech University. Previously, he was an associate professor at Thunderbird School of Global Management. He has industry experiences in Hong Kong and California, and has taught at the undergraduate, graduate, MBA, professional MBA, and Ph.D. level.

▶ Dr. Tianyi Wang

Executive Director and Chairman of China Everbright Water Limited, and the Executive Director and General Manager of China Everbright International Limited. He was formerly the President of Shandong Academy of Science, the Deputy Mayor of Jinan City of Shandong Province, as well as the Vice President of Yantai University, China. Dr Wang is a member of HKTDC Mainland Business Advisory Committee, a member of Advisory Committee of China Business Research Center of National University of Singapore, as well as a member of PPP Business Advisory Board of United Nations Economic Commission for Europe (UNECE) and Chief Interlocutor of UNECE PPP Center in China.

▶ Dr. Raymond Wong

Associate Professor in the Department of Accountancy of the College of Business at the City University of Hong Kong. Dr Wong received his PhD degree in accounting from the Hong Kong Polytechnic University. In addition, he is a qualified accountant and fellow member of the Association of Chartered Certified Accountants (ACCA) and a Certified Public Accountant (CPA) from the CPA Australia. His research interests include Auditing in China, Ethical Issues in Auditing, Financial Statement Frauds, Corporate Governance and Earnings Management Research. He has published in *Contemporary Accounting Research*, *Journal of Accounting and Public Policy*, *Journal of International Financial Management & Accounting*, *Journal of International Accounting Research*, *Journal of Corporate Finance*, and among others.

▶ Professor Houmin Yan

Dean of the College of Business and Chair Professor of Management Sciences at City University of Hong Kong. Prior to joining CityU he was a Professor at the Chinese University of Hong Kong. He was the Associate Director and Science Advisor for the Hong Kong Government R&D Center for Logistics and Supply Chain Management Enabling Technologies. He was also a tenured Associate Professor at the School of Management, University of Texas at Dallas. Professor Yan's main research areas are stochastic models, simulations, and supply chain management. He has published extensively in top-tier international journals and has been awarded the Best Paper Prizes by professional societies such as the Production and Operations Management Society (POMS) in 2004 and Institute of Industrial Engineers (IIE) in 2005 and 2012. He consults a number of international and local enterprises. Professor Yan received his B.S. and M.S. from Tsinghua University and his Ph.D. from the University of Toronto.

▶ Professor Yongheng Yang

Associate Dean and Professor in the School of Public Policy and Management at the Tsinghua University. Professor Yang received his PhD degree in Management Sciences from the City University of Hong Kong. His research interests include Government Performance, Public Service Delivery, Socio-economic Planning Theory and Practice, Multi-Attribute Decision Analysis. His researches have been published in many international journals, including *Public Performance & Management Review*, *Journal of the Operational Research Society*, *Journal of Engineering and Technology Management*.

▶ Professor Wayne Yu

Professor in the Department of Economics and Finance and the Department of Accountancy, and Assistant Dean (Executive Education) of the College of Business at the City University of Hong Kong. Prior to joining CityU he served as Professor at the Hong Kong Polytechnic University.

Professor Yu received his PhD degree in finance from the University of Alberta. In addition, he is a Chartered Financial Analyst (CFA). His research interests include corporate governance, corporate finance, capital markets and financial accounting. He has published in *Annual Review of Financial Economics*, *Journal of Banking and Finance*, *Journal of Empirical Finance*, *Journal of International Money and Finance*, and *Journal of Financial Economics*.

▶ Dr. Pang Zhan

Associate Professor of Management Sciences at City University of Hong Kong. Dr Pang received his BSc and MSc degrees in Mathematics from Nanjing University and PhD in Operations Research from The Chinese University of Hong Kong. Before joining CityU, he served as Senior Lecturer of Management Science at Lancaster University Management School. His research interests include logistics and supply chain management, commodity risk management, pricing analytics and revenue management, and incentive design and performance management in health care systems. He also serves as an independent non-executive director for China Titans Energy Technology Group.

Program Rundown

Week 1

	SUN	MON	TUE	WED	THU	FRI	SAT	
Location			Hong Kong	City University of Hong Kong			On Plane	
Lecture 1 9:00-10:30am	Arriving Hong Kong, hotel Check-In			Opening Ceremony	PPP Models and Case Studies (1)	PPP Models and Case Studies (2)	Travel to Geneva, Switzerland	
Tea Break 10:30-10:45am				Introduction to Public-Private Partnership (PPP)				
Lecture 2 10:45am-12:15pm				Lunch				
12:15-2:00pm				Taxations in PPP Projects	One Belt One Road Economic Landscapes	Public Policy on PPP		
Lecture 3 2:00-3:15pm						OR		
Tea Break 3:30-3:45pm						Financial Systems in One Belt One Road Countries		
Lecture 4 3:45-5:15pm								

Week 2

	SUN	MON	TUE	WED	THU	FRI	SAT		
Location	Palais des Nations, the United Nations Office at Geneva (UNOG), Geneva, Switzerland								
Lecture 1 9:00-10:30am	Arriving Zurich, Switzerland, hotel Check-In	Field Studies(1): Visit to UBS	PPP Financing and Case Studies (3)	PPP and International Business	Field Studies(5): Visit to Olympic Headquarters	Field Studies (6): Meeting with UNECE Officials	Outdoor training at Jungfrau (Optional)		
Tea Break 10:30-10:45am			OR					OR	
Lecture 2 10:45am-12:15pm		Lunch							
12:15-2:00pm		Field Studies(2): Visit to Zurich Insurance Company	Field Studies(3): Meeting with Ambassadors to the United Nations (eg. China, US, Russia, UK, France, Germany, Turkey)	Field Studies(4): Visit to World Trade Organization	Eastern and Western Cultural Value	Field Studies(7): Meeting with UNECE Officials			
Lecture 3 2:00-3:15pm								OR	
Tea Break 3:30-3:45pm								Issue certifications	
Lecture 4 3:45-5:15pm									
		Arriving Geneva, hotel Check-in							

Modules

■ Public-Private Partnership	■ Management	■ Public Policies
■ National Conditions	■ Field Studies	■ Outdoor Training

Application Information

▶ Participants

This program is designed for senior government officials and business executives in public sectors, private enterprises and multinational corporations in the Greater China region. It is most suitable for those who are interested in developing and implementing Public-Private Partnerships (PPP) and/or One-Belt-One-Road (OBOR) strategies. Participants include:

- Senior Officials of Governments, Public Organizations, or Non-Government Organizations
- Senior Government Policy Makers and Officials in Charge of
 - PPP Projects
 - OBOR Initiatives
- Chief Executive Officers
- Chief Operating Officers
- Members of the Board
- General Managers of Major Business Units (e.g., Chief Finance Officers, Chief Investment Officers, Chief Strategy Officers, etc.)
- Team Leaders of Functional Departments

▶ Cost

RMB 60,000, including:

- Tuition fees
- Instructional materials
- Admission charges for field trips
- Refreshments

▶ Program Dates

This program is designed with flexibility in the timing of delivery.

There are three planned offerings over a year: March/April, July/August, or November/December.

▶ Admissions

Please submit your application at least 6 weeks before the program start date. Since qualified candidates are admitted on first-come-first-served, space-available basis, early application is encouraged. Admission is selective and based on professional achievement and organizational responsibility. We look for senior managements who have demonstrated leadership talent and experience. To complete your application, please click on www.cityu.edu.hk/cb/obor

▶ Payments and Cancellations

No payment is necessary until you have been accepted into the training program. After admission notification, we will send you an invoice via email; payment is due within 30 days of the invoice date. If admission is within 30 days prior to the start of the program, payment is due upon receipt of the invoice. Payment is required prior to the program start date. We accept payment by company check, bank wire transfer, or credit card (UnionPay Card, MasterCard, Visa). Details are included on the program invoice.

If you need to cancel or postpone the participation, you must submit your request in writing more than 30 days before the program started so as to receive a full refund. Due to the pre-program works, cancellations or postponement received 14 to 30 days prior to the start of the program are subject to a fee of 50% of the cost. Requests received within 14 days are subject to full payment.

▶ Language

The official languages of the training program are English and Chinese. Instant translation would be provided for participants.

▶ Upon Completion

Certificates by City University of Hong Kong and United Nations Economic Commission for Europe are awarded to participants upon completion of the program.