

Review of Asia Pacific Partnership Flagship Projects

**Asia Pacific Partnership on
Clean Development and Climate**

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Overview

- Introduction
- Methodology
- Key Findings
- Recommendations
- Conclusions and Q & A

Introduction

- 7th APP PIC meeting endorsed an Australian proposal to undertake an independent review APP Flagship Projects
- Consulting team included:
 - WSP Environmental Pty; Ltd
 - Baker & McKenzie; and
 - Clean Technology AustralAsia Pty Ltd.
- Key aims:
 - to examine the progress, results and effectiveness of the APP's current portfolio of Flagship Projects; and
 - provide recommendations to the PIC with respect to opportunities to improve the future success of the APP and its Flagship Projects.

Methodology

- Initial project engagement.
- Desk top review
- Assessment criteria developed.
- Project site visits.
- Flagship Project reports.
- Survey.
- Analysis and synthesis.
- Final Report.

Key Findings

- APP is an initiative that has potential for greater success:
 - Proven to be a unique opportunity for public/private collaboration and investment.
 - Important complement to market-based mechanisms.
 - Task Force model effective within sectors.
 - Creation of new networks.
 - Played a catalytic role in new technology development.

Key Findings

- Flagship projects have begun to help APP make progress towards its vision:
 - Diversity of projects.
 - Some Flagship Projects have helped create enabling environments.
 - Knowledge sharing and capacity building across APP countries.
 - Demonstration of new technologies - but not deployed at scale.
 - Some Flagship Projects secured private funding - but not enough.

Key Findings

- Barriers to success of Flagship Projects and APP do exist:
 - Technical challenges to commercialisation are affecting the scaling up of technologies.
 - Stronger alignment between Partner Country policies and frameworks and APP vision is needed in order to create a “level playing field”.
 - Effective communication at project level is affected by language barriers and commercial and IP issues.
 - Capacity building is needed within Taskforce sectors and supporting sectors e.g. finance.
 - Flagship Projects are suffering current funding shortages.

Key Findings

- Greater engagement with the private finance and investment community is needed:
 - Availability of finance is key to scaling up and deployment of technologies.
 - Some Flagship Projects have current financial shortfalls and/or significant capital requirements.
 - APP can potentially align government “green” and infrastructure stimulus packages with private sector financing.
 - Significant capital is needed to achieve APP vision.

Recommendations

- (a). Establish a Finance and Investment Task Force under the APP:
- include private finance and investment professionals;
 - work with and across task forces and projects;
 - focus on overcoming financial barriers;
 - create global network of investors;
 - align public and private sources of finance.
- (b). Identify the specific financing needs of Flagship Projects/all other APP projects and connect with potential financiers:
- review all projects under APP;
 - develop an investment case for each commercially viable project;
 - facilitate commercial deals.

Recommendations

- (c). Conduct and APP “showcase” event for financiers and investors.
- Select most commercially viable projects from Partner Countries
 - Convene global investors, government departments with budgets and other technology financing initiatives
- (d). Develop IP plans for Flagship Projects.
- Plans to include IP protection within Partner Countries
 - Ensure stakeholder benefits are generated
- (e). Increase Capacity Building Initiatives.
- For technology developers to communicate with financiers/investors
 - For financiers and investors to understand cleantech investment opportunities and market

Recommendations

- (f). Continued Policy development to support APP projects
 - APP can help facilitate the development of domestic regulatory policies
 - Promote activities that utilise and exploit APP Flagship Project technologies

- (g). Adopt professional project management practices.
 - Better management of scope, schedule and budget
 - Develop quantifiable success metrics

Concluding remarks and questions...