



Australia Awards

Australia Awards Short Course Infrastructure - Financing Structures, Instruments and Incentives

24 November 2020 – 24 March 2022



The Infrastructure: Financing Structures, Instruments and Incentives Short Course participants at the closing ceremony of the Post Course Workshop in Bogor, 24 March 2022.

Course Highlights:

- An online pre-course workshop (24 to 27 November 2020),
- An online training of the APMG Certified Public-Private Partnerships Professionals (CP3P) Program (February to March 2021),
- 12 weeks online Short Course from 29 September – 15 December 2021
- A hybrid mode (face-to-face and online) post-course workshop in Bogor, Indonesia (21 - 24 March 2022).

The purpose of the course was to allow Government of Indonesia (GOI) officials at all levels involved in the development and oversight of infrastructure projects to explore the range of considerations and options for GOI in meeting Indonesia's infrastructure needs. The course also aimed to improve inter-agency collaboration in determining what projects are funded and what financing/contracting models could be applied.

The course was delivered to 24 senior-level staff, including 12 women and 12 men, from a diverse range of institutions including the Ministry of Finance; the Coordinating Ministry for Maritime and Investment Affairs; the National Public Procurement Agency (LKPP); the Ministry of Agrarian and Spatial Planning; Akuo Energy; the Indonesia Infrastructure Guarantee Fund (IIGF); PT Indonesia Infrastructure Finance; the Ministry of Public Works and Housing; Ernst & Young Indonesia; PT Sarana Multi Infrastruktur (Persero); the Procurement Bureau of NTT Province; the Ministry of National Development Planning (Bappenas); and Bandung district government.

The course was delivered by the International Development unit of The University of Queensland. It was designed and led by Course Designer & Course Leader Associate Professor (A/Prof) Neil Paulsen from UQ's Business School, Course Co-Designer & Indonesian Infrastructure Specialist Dr David Ray, former Facility Director of DFAT's Indonesia Infrastructure Initiative, and Course Facilitator, The Honourable Rachel Nolan former Queensland Government Minister for Finance, Transport, Natural Resources and the Arts. They brought extensive experience in the fields of infrastructure financing and development in both Indonesia and Australia, as well as industry links with numerous experts who have worked in the infrastructure space in Australia, Indonesia and/or internationally.

For further info about this program,
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The hybrid Post Course workshop (conducted online and face-to-face) was attended in person by 20 participants and virtually by the Course facilitators and 4 participants.

Session Highlights

- The line-up and calibre of guest presenters. The delivery team was able to draw in leading best practice expertise from the infrastructure sector from across Australia and internationally as presenters in the program.
- Providing additional mentoring support to the Award project groups through connecting them with real-world expertise about their project proposals. Many benefits of this support could be seen in how the groups developed their projects after these sessions, including more realistic mapping and pricing arrangements in the Project proposals.
- While the Award Projects were quite diverse, they all highlighted issues that need to be addressed when trying to engage the private sector to invest in Indonesia. The presentation from Sarah Schick provided detailed information about what investors look for and how they conduct risk assessments on potential investments
- Delivery over a longer period of time provided the delivery team with the flexibility to bring in guest presenters who could deliver sessions related to topics that emerged throughout the course. Examples of this included the team changing one of the sessions to a presentation about waste to energy, as that was the focus of one of the Award Project groups, and including a presentation in the post-course program on the wider economic impacts of infrastructure.
- The enthusiasm and engagement of participants throughout the course despite challenges for many participants of needing to balance their study commitments in the STA with their work and family commitments

Award Projects

As part of the STA, course participants developed and implemented Award Projects which applied learnings from the course to support the GOI to meet Indonesia's infrastructure needs. Participants developed and implemented Award Projects that covered a wide range of topics related to infrastructure financing including developing an appropriate model for a Public-Private Partnership for a waste-to-energy project, developing a policy recommendation on the implementation of a Limited Concessions Scheme for Central Governments, and making recommendations on an effective financial support scheme for Trans Sumatra Toll Road (TSTR) Project.

Some of the most successful projects included:

- Iis Ratna Komala worked alone on her project to find a way to disincentivise car travel and raise money for public transport in Bandung. In the end, Iis delivered a well thought regulatory scheme that could actually work to achieve this critical goal.



Award Project group members were discussing the follow-up activities for their project.

- Group 2 developed a model for the provision of water in the new capital city – a big project which is hard to envisage in a remote site that most have never visited. During the course it became clear this project needed to be considered in two ways – as a physical project involving water supply (dams, desalination or aquifers), distribution and retailing and as a financial model. The group's final presentation drew directly from course content and industry consultations to cover both aspects in-depth and even included maps of what the water scheme would look like and a price path for its delivery.



Participants of the short course during the online course sessions.

Testimonies

"The course had strengthened my competence, capability, and commitment within my job position, as well as within my effort towards a higher position for greater actions and achievement. I keep encouraging my main team and spread the principles to others (colleagues, supervisors, community, public transport operators and enterprises) at every opportunity, about how the system must be planned and run in order, to achieve main goals together." - **Ms Iis Ratna Komala, KABID Angkutan (Head of Public Transport Division), Pemerintah Daerah Kabupaten Bandung**

"This course provides a comprehensive approach to both theoretical and best practices from Australia. Even though the course had been fully organized online but the course leaders and facilitators were working very hard to make the session really interesting. Some of the topics were very topical and critical for Indonesia such as asset recycling, the role of the private sector and PPP with concrete case study from Australia." - **Mr Fakhru Afa, Assistant Vice President - Team Leader, PT Sarana Multi Infrastruktur (Persero)**

"This program has deepened my understanding and knowledge regarding the detailed theories and methods of infrastructure provision using mixed financing. This knowledge is very important since my ministry is responsible to provide analysis and funding regarding infrastructure provision, meanwhile infrastructures are quite expensive to be provided with the government funding solely. This course has provided me with a set of new methods to boost the efficacy of the limited concession scheme, therefore I and my team will propose this policy to policymakers so that it can be implemented through regulation." - **Mr Meiseno Purnawan, Head of Evaluation Services, Ministry of Finance**