Michael Greene, MD

Presentation to Private Sector Workshop on PPPs

VCCI

Wednesday, May 15, 2019

Chairman Vu Tien Loc,

Distinguished guests,

First of all, I would like to thank Chairman Vu Tien Loc and the VCCI team for putting this workshop together to enable us to discuss an important topic which is how Vietnam can leverage private sector resources in delivering public goods and services.

By some estimates, Vietnam has been able to raise over $55 billion through 289 PPP projects, mostly in transportation and power sectors. To maintain the current growth and meet SDG goals, Vietnam will need to invest $26 billion/year in infrastructure between now and 2022. Current public sector investments are constrained and can only support approximately half of the needed investments. We will therefore need to rethink where and how public resources should be deployed most effectively and efficiently.

Many countries have found that the private sector is capable of not just upgrading infrastructure under PPPs but also improving public services. The U.S., UK, and Australia currently contract with the private sector to provide key services to enable public service providers to focus on core activities. There are many good examples for Vietnam to consider as it deploys its resources and seeks to partner with the private sector to promote innovations, expand expertise, and increase investment.

For PPPs to work for the citizens of Vietnam and achieve good value for money, they need to promote true competition on a level playing field through an open and transparent procurement process. Vietnam is developing a new Law on PPPs which is expected to improve the governance of PPPs, to enable Vietnam to attract more domestic and international PPP investors, and create PPPs that are transparent, competitive and serve the interests of Vietnamese citizens.

People have to be an integral part of the PPP equation. Many countries have come to embrace the concept of “[people-first PPPs](https://www.uneceppp-icoe.org/people-first-ppps/what-are-people-first-ppps/)” which emphasizes the need to ensure that the public is the primary beneficiary of any partnership. We hope and believe that the new PPP Law and the work of the new PPP Committee led by Chairman Loc and the VCCI team, will promote this principle of people-first PPPs in Vietnam. USAID is pleased to be able to support this initiative.

I hope that we will have a good discussion today and we will build a lasting collaboration in promoting PPP in Vietnam.

Thank you.