

April 1, 2024

Graduate School of Public Policy
The University of Tokyo

Case Study (Public-Private Partnerships)

5140488/5179002†
2024S1S2

Course Syllabus

Time: Period 6 (18:45-20:30) on Mondays, unless otherwise announced
The first class is scheduled for Monday, April 8.

Location: SMBC Academia Hall unless otherwise announced

Instructors: [Toshiro Nishizawa](mailto:tnishizawa@pp.u-tokyo.ac.jp), Professor | tnishizawa@pp.u-tokyo.ac.jp
[KE Seetha Ram](mailto:keseetharam@gmail.com), Visiting Lecturer (Senior Consulting Specialist for Capacity Building and Training Projects, Asian Development Bank Institute; former senior staffer at ADB) | keseetharam@gmail.com

TAs: TBA

Credits: 2 credits

Language: English

Category: Practical training, Capstone project

Office: Room 1120, 11th floor, International Academic Research Building

Office hours: A one-on-one consultation by appointment can be arranged in person or online.

Please email me any questions about the course or if you want to make an appointment. To help me notice your incoming emails, **please start the subject line with the course number 5140488** when you send emails.

Those who complete this course successfully may be allowed on a merit basis to join the ADBI-Stanford University Training Courses on Case Study Writing for Public Policy and Public Policy for Infrastructure after the S1S2 semester as an extracurricular learning. The courses are hosted by the Asian Development Bank Institute (ADBI) and the Stanford University Leadership Academy for Development (LAD).

1. Objectives

This course helps students deepen their understanding of [Public-Private Partnerships \(PPPs\)](#) as a framework for public service provisions—such as economic, social, and institutional infrastructures—essential to the smooth functioning of society and people’s well-being. Students must work in teams under the instructors’ guidance as a practical training course with an active learning approach. Their deliverables are reviewed by and submitted to external “clients”‡ as if the students provided real-world consulting

† The second course number indicates that this case study is also offered as an International Practical Research for doctoral students.

‡ External clients to give consulting assignments and evaluate the quality of deliverables are the [Asian Development Bank \(ADB\)’s Office of Markets Development and Public-Private Partnership](#); [GR Japan](#); and [Japan International Cooperation Agency \(JICA\)](#)’s Private Sector Partnership and Finance Department.

services. The course also serves as hands-on training for professional writing. Overall, the course aims to prepare students for future positions engaged in innovative public services provision in both the public and private sectors.

The key motivation for traditional PPPs is to seek efficiency gains and innovations as well as to fill public-sector funding gaps through private-sector participation. Efficiency gains and innovations are expected to enhance public-sector productivity and improve the quality of public services. Such potential benefits have attracted increasing interest in PPPs over the past decades.

The core task of structuring a PPP project is to reconcile the interests of various stakeholders in the private and public sectors. These stakeholders include investors, lenders, contractors, social entrepreneurs, non-governmental organizations (NGOs), beneficiaries, government, and other public entities.

Challenges remain. PPPs are not immune to moral hazard due to the nature of public services provision, and in reality very complex and can be costly. Risk allocations are challenging because of information asymmetries and inherent uncertainties over the long term. Difficulties also arise from the different attitudes of such stakeholders as investors, lenders, government entities, and potential beneficiaries. PPPs are equipped with commercial contractual structure and operational modalities but, at the same time, are highly political due to their social implications entailed in public services provision.

2. Schedule

Day 1 Mon, April 8 | Introduction and consulting assignments explained by the client representatives (Nishizawa and client representatives)

Day 2 Mon, April 15 | Key characteristics of Public-Private Partnerships (Nishizawa)

... Mon, April 15 – Fri, April 19 | Course registration period

Day 3 Mon, April 22 | Financing aspects, risk allocation, and incentives (Nishizawa); and group work

... Wed, April 24 – Fri, April 26 | Course registration correction period

Day 4 Tue, May 7 | Public-sector perspectives vs. private-sector perspectives (Nishizawa); and group work

... Wed, May 8 | Submission of consultation report outline

Day 5 Mon, May 13 | Outline sharing in the presence of the clients (Nishizawa and client representatives)

Day 6 Mon, May 20 | Group work and consultation (Nishizawa)

Day 7 Mon, May 27 | Guidance, followed by group work and consultation (Nishizawa and Seetha Ram)

Day 8 Mon, June 3 | Guidance, followed by work and consultation (Nishizawa and Seetha Ram)

Day 9 Mon, June 10 | Group work and consultation (Nishizawa)

Day 10 Mon, June 17 | Group work and consultation (Nishizawa)

Day 11 Mon, June 24 | Group work and consultation (Nishizawa)

Day 12 Mon, July 1 | Group work and consultation (Nishizawa)

... Tue, July 2 | Submission of a draft consultation report

Day 13, Mon, July 8 | Group presentation in the presence of the clients (Nishizawa and
client representatives)

... Mon, July 22 | Submission of the complete consulting report

3. Teaching methods

The course consists of interactive sessions and group work. Students must work in teams of three to five under the instructors' guidance. Clients will interact with students in person at least three times and a couple of additional times online or in writing.

4. Course requirements and grading

The course grade will be based on the following:

Class attendance 10%

Contribution in small-group and full-class discussions 20%

Presentations 20%

Final deliverables 50%

5. References

The World Bank Group. [PPP Knowledge Lab](#).

[Global Infrastructure Hub](#).

Delmon, Jeffrey. 2017. [*Public-Private Partnership Projects in Infrastructure: An Essential Guide for Policy Makers*](#), 2nd Edition. Kindle Edition. Cambridge University Press. US\$28.49.

The World Bank Group. 2017. [*PPP Reference Guide*](#), Version 3. PPP Knowledge Lab.

Yescombe, E.R., and Edward Farquharson. 2018. [*Public-Private Partnerships for Infrastructure: Principles of Policy and Finance*](#), 2nd Edition. Kindle Edition. Butterworth-Heinemann. US\$74.99.

Part III of the following manual is a standard reference for writers with the recommended editorial style based on [*The Chicago Manual of Style*](#).

Turabian et al. 2018. [*A Manual for Writers of Research Papers, Theses, and Dissertations*](#), 9th Edition. Kindle Edition. The University of Chicago Press. US\$12.99.

6. Prerequisite

None

Attachment: Consulting assignments

April 1, 2024

CONSULTING ASSIGNMENT

by [ADB's Office of Markets Development and Public-Private Partnership](#)

PPP approach to enhancing energy transition in Cambodia—early retirement of coal plant and replacement with renewable power

Background

The big challenge facing the world is the need to decarbonize the globe to combat climate change. However, it is not easy from economic, technical, and political perspectives, and doing nothing is not acceptable. The Asian Development Bank (ADB) has been working very closely with Cambodia, one of its developing member countries, to promote energy transition and one of the ideas is through the early retirement of coal plants and replacement with renewable power.

Cambodia has its Power Development Master Plan 2022-2040 (PDP) with renewable energy as an essential component. A Public-Private Partnership approach to renewable power development can be a feasible model for affordable and reliable power and a pathway for just energy transition.

Consulting assignment

Prepare a consulting report with the following components for ADB's Office of Market Development and Public-Private Partnership.

1. The opportunities and challenges for enhancing energy transition in Cambodia through the early retirement of coal plants and replacement with renewable power in terms of affordability, reliability, energy security, and effectiveness in addressing climate change
2. The expected role of the private and public sectors, such as blended finance and carbon markets, in energy transition in the context of Cambodia's Power Development Master Plan 2022-2040 (PDP)
3. Assessment of the PDP from private power producers' perspectives
4. Assessment of the PDP from local power consumers' perspectives
5. Assessment of the PDP from local taxpayers' perspectives
6. Policy recommendations for the Cambodian government to implement energy transition aligned with its PDP

Format of the consulting report (not more than 10 pages, excluding Appendix)

Executive summary (one page)

Introduction

Chapters corresponding to the three assignments

Appendix (for example, any supporting information for the findings and recommendations)

Reference materials

Ministry of Mines and Energy, Royal Government of Cambodia, [Power Development Master Plan 2022-2040](#) (PDP), September 2022

Asian Development Bank, [Cambodia: Energy Sector Assessment, Strategy, and Road Map](#), December 2018

Asian Development Bank. [Sector Assessment \(Summary\): Energy](#). Energy Transition Sector Development Program, Subprogram 1: Report and Recommendation of the President. November 2022.

Asian Development Bank. [Energy Transition Mechanism](#).

Climate Investment Funds. [From Carbon to Competition: Cambodia's Transition to a Clean Energy Development Pathway](#). June 2020.

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CONSULTING ASSIGNMENT

by [GR Japan](#)

Prerequisites for launching ride-sharing services in Japan

Background

A corporate client with an established track record as a ride-sharing services operator abroad is interested in launching such services in Japan as an operator.

Ride-sharing services refer to paid passenger transportation services by ordinary drivers using private vehicles. Ride-sharing operators assist drivers by matching them with passengers using a ride-hailing app and handling fare payments on their behalf.

You work as a consultant for a consulting firm in Japan that specializes in government relations and public affairs consultancy. The firm serves its clients by reviewing regulations that become existing/potential barriers to the client's business and advising and providing necessary support for resolving them. Furthermore, when there is no institutional framework for the client to carry out its business, the firm convinces policymakers and bureaucrats in the legislative and executive/administrative branches to create the necessary institutional framework to support the client's corporate strategy.

Consulting assignments

Assignment 1: You are asked to respond to the following client's inquiries.

1. Our company operates ride-sharing services overseas. What legal obstacles would exist if we tried to launch such services in Japan?
2. Is it feasible to provide such services under the current laws and regulations? What are the relevant laws and regulations? Are there any ongoing cases of ride-sharing businesses by local or foreign operators?

Assignment 2: You are asked to provide helpful information for the client in a briefing that covers the current arguments on ride-sharing businesses in Japan and the steps required to enact a new law.

1. Who are the stakeholders? What are each stakeholder's arguments for and against the launch of ride-sharing services in Japan?
2. Which ministries and agencies are public-sector stakeholders in policy design and implementation for ride-sharing services in Japan? If more than one ministry is involved, please explain the role of each.
3. Who are the stakeholders within the ruling party, and what is the status of the party's consideration of ride-sharing services?
4. What is the process for the National Diet to enact a new law on ride-sharing business in Japan? What steps must the responsible ministries and agencies go through to submit a bill to the Diet? How does the Diet go through for deliberation of the bill?

Assignment 3: Suppose the ruling party considers it an important policy issue to discuss the pros and cons of creating a new institutional framework for ride-sharing services in Japan. As a ride-sharing advocate, you are asked to communicate the legislative facts (i.e., facts that underpin the rationale for legislation and policies) to policymakers and convince them to introduce a new institutional framework for promoting ride-sharing services in Japan. You are asked to prepare policy proposals based on legislative facts.

1. What legislative facts are most suitable and adequate to convince policymakers considering the argument against ride-sharing services? Please note that legislative facts should include discussions of necessity, such as societal benefits and appropriateness (social acceptability) and mitigation of societal losses and risks in a new institutional framework promoting ride-sharing services in Japan.
2. Please raise at least one serious/convincing oppositional argument to the legislative facts you mentioned in question 1 above and prepare your counterarguments to them.
3. Suggestions of an institutional framework appropriate for promoting ride-sharing services based on successful examples in other countries and the local context in Japan. When you discuss the institutional framework, please also consider what elements (“spirits” of the system) make ride-sharing beneficial to people and society with sustainability as a business.

Format of the consulting report (not more than 10 pages, excluding Appendix)

Executive summary (one page)

Introduction

Chapters corresponding to the three assignments

Appendix (for example, any supporting information for the findings and recommendations)





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CONSULTING ASSIGNMENT

by [JICA](#)'s Private Sector Partnership and Finance Department

Strengthening healthcare and hospitals through private investments

Background

The COVID-19 pandemic has underscored the need to strengthen healthcare and hospital investments. Under the mission to realize [Human Security and Quality Growth](#), JICA has launched the [Initiative for Global Health and Medicine](#) to enhance its cooperation in developing countries through a focus on treatment, precaution, and prevention.

The public sector faces serious resource constraints with a growing number of patients and the demand for quality healthcare in many countries. Private-sector participation in healthcare can strengthen the delivery of quality health services to patients needing care.

JICA has been working on two [Private Sector Investment and Finance \(PSIF\)](#) projects—one in Cambodia (project finance loan) and the other in Bangladesh (equity investment) to support hospitals—which include a technical assistance component for human resource development targeting hospital staff. JICA gathers lessons from these ongoing projects and aims to find ways to improve the delivery of healthcare projects through mobilizing finance, innovation, and technology in the private sector.

JICA asks you as its consultant to provide a consultancy report covering the status and prospects of private investments in healthcare and hospitals in Bangladesh.

Consulting assignment

Provide a consulting report to JICA on the prospects of strengthening healthcare and hospitals through private investments in Bangladesh. Based on the findings, prepare recommendations with the following considerations in mind.

1. Stakeholder mapping and analysis, including the current status, challenges, and trends, for private investments in healthcare and hospitals in Bangladesh.
2. Comparison of the characteristics and actual projects of Development Finance Institutions (DFIs), both multilateral and bilateral, supporting the private sector in healthcare and hospitals in Bangladesh.
3. Analysis of the current status, challenges, and prospects of the JICA PSIF hospital project in Bangladesh
4. Recommendations on how JICA and the Bangladesh hospital can strengthen the project outcome and maximize its development impact in Bangladesh.

Format of the consulting report (not more than 10 pages, excluding Appendix)

Executive summary (one page)

Introduction

Chapters corresponding to the three assignments

Appendix (for example, any supporting information for the findings and recommendations)

Reference materials

<Investing in healthcare and hospitals>

- [IFC's Work in Health](#)
- [DFI health investments as a Covid-19 response: the need for more risk-taking and innovation](#)
- [Health | PPP Knowledge Lab](#)
- [EIU+Briefing+Paper PPPs FINAL.pdf \(ifc.org\)](#)

<JICA's approach and Private Sector Investment Finance projects for healthcare and hospitals>

- [JICA's Initiative for Global Health and Medicine | Our Work | JICA](#)

<Bangladesh: East-West Medical College Hospital Project (July 2018) >

- [Opening Ceremony for Ship International Hospital Held in Bangladesh: Contributing to the improvement of local medical services through Japanese expertise | Press Releases | News & Features | JICA](#)
- [JICA's first-ever remote treatment support for COVID-19 in developing countries | News | News & Features | JICA](#)
- https://www2.jica.go.jp/en/evaluation/pdf/2018_1838_1_f.pdf

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