

Flare: Please tell us about yourself, education and professional life?

Agha Waqar Javed: I am basically a finance professional, holding a degree in MSc. finance from the University of Strathclyde, Glasgow; an MBA from Bahauddin Zakriya University and Advance Corporate Finance course from London Business School, United Kingdom. I carry a more than 20 years of domestic and international experience in management, banking and finance, policy reform, privatisation and public-private partnership. I started my career in early 1997 with NCR Corporation, which primarily dealt with financial solutions for the financial markets. I moved to the Privatisation Commission that was early year 2005, where I stayed up till year 2010.

Thereafter, I went abroad and worked for the International Union, up until year 2013. In year 2014, I joined as member P&D Board and head of the Public-Private Partnership (PPP) Cell. So it has been about four exciting years at the PPP Cell. In the past three to four years, we totally revitalised the cell in fact revitalised the PPP initiative.

Flare: Does the private sector understand what PPPs really are, and are their expectations about PPPs reasonable?

Agha Waqar Javed: I think private sector is now more importantly beginning to realize the benefits of these partnerships not only for the government but for itself. So it is a win-win situation for both government and the private sector. The reason is that the private sector gets the profitability and the government gets the service delivery because our work starts from where the government finances end.

Flare: Are public private partnership projects bankable?

Agha Waqar Javed: I think this is an extremely important question because the 'bankability is at the very heart of any successful PPP transaction'. Like I said in response to your previous question that private sector is primarily driven by profit motive and unless they find profitability in any project, it is difficult for them to justify their investments. And it also is a universal truth that private sector investments are not totally equity investments, so they have to have that element of debt into it and debt is provided by banks. So any project which we structure has got bankability at the very, you know, centre of its development because without bankability, banks would not finance any private party and without the banks' finance available, it is very rare to find

PPP Cell plays vital role in public-private partnership growth



AGHA WAQAR JAVED
Head Public Private Partnership Cell
Government of Punjab

“Flare panel talked to Agha Waqar Javed, Member Planning & Development Board and Head Public Private Partnership Cell, Government of Punjab. He says that he carries more than 20 years of domestic and international experience in management, banking and finance, policy reform, privatisation and public-private partnership. “I started my career in early 1997 with NCR Corporation, which primarily dealt with financial solutions for the financial markets. I moved to the Privatization Commission that was early year 2005, where I stayed up till year 2010.””

parties which will finance a project totally from their owner's equity.

Flare: What are the aims and objectives of Public Private Partnership Cell?

Agha Waqar Javed: It is extremely important that we realise that governments have got everything to do with providing good governance, a level playing field, the right investment environment and with providing the regulatory framework, in which businesses flourish and also providing the essential elements, which we call the public good, which no private sector individual would intervene, e.g. roads/bridges, public schools and public hospitals. These are not typically profitable ventures for the private sector, so government has a role to develop this and to augment this role, the PPP Cell plays a role of a pivot in the whole development paradigm, which is focused towards private sector-led growth.

Flare: Share the achievements of PPP Cell?

Agha Waqar Javed: We have completed a number of projects worth about Rs30 billion and

awarded projects worth Rs79 billion in sectors like roads, afforestation, housing, health and transport. We have an elaborate pipeline of approximate Rs200 billion worth of projects, which is spread over almost 15 sectors, including, water & sanitation, roads & bridges, food, recreation & tourism and number of projects in health sector and also looking into developing more projects in education sector.

The 'Lahore Ring Road' (southern loop, SL I & II) is one of our flagship projects which has attracted an investment of about Rs20 billion. 'Kahna Flyover' is another key project under PPP mode. Similarly, 'Vehicle Inspection Certification System' (VICS) in Punjab has been awarded to a Swedish company, Opus International. Under this project, commercial vehicles are tested for fitness and certification.

Flare: How do you see future of PPP projects in Pakistan?

Agha Waqar Javed: I see a very promising future for PPP projects. The reason is that going forward, there is a huge infrastructure development demand, which is to be met. We have, in the past five years, done a lot, as the government done a lot in reducing the blackouts by providing more energy and as we go forward, we will be providing energy at more cheaper and more affordable rates, which essentially means that, you know, our exports and our products will become more competitive in the international markets because of the reduced cost of production in terms of inputs. I think there is a

huge infrastructure in terms of industrial estates, road networks, more affordable electricity, renewable electricity and especially in the backdrop of CPEC also, when you know these routes will become operational.

Flare: Brief us about your future plans for PPP Cell Punjab?

Agha Waqar Javed: I think like I said, we understand the potential opportunities that are being created, like I spoke previously also in the backdrop of CPEC, in the backdrop of the huge surge in demand of infrastructure facilities that we are perceiving to be met in future. And I think, for that what we are doing is, we are working very closely with our development partners also. We are working with International Finance Corporation, the World Bank and the Asian Development Bank to break the success story across the borders and in destinations where international investors come in very regularly to look for investment opportunities, e.g. Dubai, Malaysia, Singapore. ■

