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<td>1: Executive Summary</td>
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|                         | A review of the construction industry in the year 2005-06 including:  
|                         | 1. Macro-economic overview  
|                         | 2. Summary of construction activity - value of construction contracts classified into:  
|                         | • Private sector - residential building  
|                         | • Private sector - non-residential building  
|                         | • Private sector - civil engineering  
|                         | • Private sector - other infrastructure & heavy engineering construction  
|                         | • Public sector - residential building  
|                         | • Public sector - non-residential building  
|                         | • Public sector - civil engineering  
|                         | • Public sector – other infrastructure & heavy engineering construction  
|                         | 3. Sources of funds for  
|                         | • Private sector building  
|                         | • Private sector civil engineering  
|                         | 4. Domestic banking sector and capital markets  
|                         | • Size (absolute and relative) of bank loans for property development/investment, construction, and mortgages.  
|                         | • Market capitalization of property and construction firms in domestic stock and debt markets, and performance of their stocks (for example, average annual turnover and price-earning ratios)  
|                         | • Property and construction related securitization including real estate investment trusts (REIT), mortgage-backed securities (MBS).  |
| 2: Industry Review      | A survey of investment needs for building and infrastructure projects in the next 5 years in the following sectors:  
|                         | 1. Private building works.  
|                         | 2. Privatized public building works.  
|                         | 3. Privatized public infrastructure works, further classified into:  
|                         | • Toll roads and bridges.  
|                         | • Others (including utilities, airports and railways).  
<p>|                         | 4. A comparison between maintenance and new investments expenditures in the various sectors.  |
|                         | 3 pages                                                                                                                                  |
| 3. Investment Opportunities |                                                                                           | 2 pages                  |</p>
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| **4. Institutional Frameworks for PPP/PFI Projects** | Regulatory framework of privatized public projects including PFI schemes.  
1. Government’s organizational structure overseeing PPP programmes.  
2. Long term and short term strategies on privatization.  
3. Government financial support and participation.  
   - For examples: Grants and subordinated loans. Sovereign guarantees given by government to protect lenders against borrower defaults, and to consortium against their exchange rate and political risks. Shadows tolls (tolls paid by government based on traffic volume to consortium) and revenue guarantees (so that consortium will be compensated by the government when revenues fall short of the estimates). Concessions and revenue enhancements. Other risk mitigation and assurances measures given by host government.  
4. Legislation and laws  
5. Operational policies and procedures.  
   - For examples: Bid selection criteria (competitive and open bidding process? evaluation criteria?). How long the concession terms usually are? Toll rate regulation?  
6. Relevant reforms in the banking sector and capital markets, and in the insurance industry. | 3 pages |
| **5. Case studies** | Case studies on financing major projects, preferably 2 cases, one for a building and one for an infrastructure project  
   - Including economic growth, country risk and sovereign debt ratings.  
2. Insurance, and risk management and sharing in construction.  
   - Highlighting also the roles of clients, consortium, insurers and financiers.  
3. Project economics: the estimated NPV/IRR and its implications on the access to and cost of capital.  
4. Financing structure and sources, and costs of capital.  
   - Highlighting the reliance on bank loans, and accessibility to capital markets, and split of local and foreign capital.  
5. The lessons learnt. | 2 pages |
| **6. Future Developments** | Future developments concerning construction financing:  
1. Regulation and supervision.  
2. Banking and financial sector reforms.  
3. Bidding policy and process.  
4. The roles expected of ADB, JBIC and World Bank.  
5. Conditions conducive to further privatization,  
   - Including, for examples, continuing trends of privatization and commercialization of state-owned enterprises, better accessibility to capital markets, advances in tolling technology and reforms in the insurance industry.  
6. Social-economic and political constraints of privatization.  
7. Risk management applications development.  
8. Deriving maximum impact of construction development. | 1 page |
| **7. Conclusions** | Conclusions | Half a page |