

## Analysis of PPP Model Development of Big Data Industry in Guizhou Province

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**Abstract.** Public private partnerships (Abbreviation as PPP) as an important measure of supply side reform, which play a positive role in the development of large data industry. In PPP mode, the government encourages private enterprises, private enterprises to carry out the government's public investment in infrastructure construction, to solve the development of large data industry with the government's problems. The relevant data based on literature data collection of PPP project in Guizhou Province, study the status quo of Guizhou Province, the big data industry and the PPP project, and the analysis of Guizhou big data industry PPP mode and this paper puts forward some feasible suggestions.

### Introduction

In the investment demand of the rapid expansion of the moment, traditional land financing and fiscal general budget expenditure based financing methods in the past cannot meet the demand, the local government to build a new financing platform has become increasingly prominent. Compared with the traditional loan based indirect financing platform, PPP is the main mode of direct financing to equity, new varieties of bonds mainly. In the PPP mode, government financing will open. PPP mode of direct financing era" the government and private enterprises, private enterprises, the concession agreement for the whole cooperation foundation, to ensure the successful completion of cooperation. On the one hand, using PPP model in the transformation of government functions at the same time, but also conducive to the protection of the government, enterprises in the interests of both sides, the risk coefficient and reduce project investment; on the other hand, the model can also promote the diversification of investment promotion of the subject, the government departments and other sectors from each other, in order to optimize the allocation of resources, so as to achieve win-win situation. Guizhou province shows the new characteristics in the aspects of the construction of public infrastructure. Local government debt financing through regulation, the proportion of debt financing decreased; in addition, the traditional land as the main source of income for the financing model is restricted to a certain degree.

This paper will discuss the present Guizhou province big data industry PPP project development and its status, analysis of the existing problems in Guizhou province PPP mode key. The article combined with the province actual project case to analysis mechanism of industry PPP mode in Guizhou province, which pointed out that present situation of big data industry PPP mode in Guizhou. The risk sharing mechanism and income distribution mechanism and the government supervision, poor management and how to handle the financing of the cooperation between the government and the social capital in the big data industry development. Finally, the paper puts forward some feasible suggestions that related to funding problems.

## **The Present Situation of Guizhou Big Data Industry PPP Development**

### **The Overall Development of PPP Project in Guizhou Province**

According to the latest Treasury PPP center data show that as of July 30th, 2016, the number of the country launched PPP project has reached 10170, the total investment of about 12 trillion and 40 billion yuan. In Guizhou province into the national PPP comprehensive information platform for the project, there are 188 for the stock of the project, the total investment of about 484 billion yuan, and 1477 for incremental projects. Projects with a total investment of about 852 billion 700 million yuan. Moreover, according to the project's stages: identify the stage of the project is 1511, the investment amounted to approximately 10110 million yuan; the preparation phase of the project is 100, the amount of investment of about 75 billion yuan; the purchase stage of the project is 18, the investment amounted to approximately 22 billion 500 million yuan; 36 for the implementation phase of the project, the amount of investment of about 228 billion 300 million yuan.

Guizhou province has a nationwide PPP projects up to 1719, the number has entered the project in the first in the country. In addition, the Ministry of finance of government and social capital cooperation center has also established a comprehensive information platform for the PPP project, and built the finance system of PPP project information manager contact mechanism, the Guizhou Province Department of Finance 111 information platform administrator, through the mail in the range of various management methods, WeChat etc. To carry out the information management platform. Guizhou province PPP project covers transportation Ecological and environmental protection, and other 19 industries. According to the PPP project database at September 2th, 2016, the number of province agriculture project is 21, and 44 for the construction of water conservancy facilities, 152 for traffic facility project, 431 for municipal facilities, public service facilities' projects of 605. Shows from the database, Guizhou province PPP most in the construction of public service facilities project amount, the second is the construction of municipal facilities. At present, Guizhou province is actively declaring national PPP demonstration project, to October 13th, 2016, the province has a total of 33 projects, that selected a batch of PPP project third Single.

PPP mode of transportation in Guizhou province accounted for relatively large, for the economic development of Guizhou province plays a positive role in promoting the transportation construction in Guizhou Province, BOT+EPC ("build - operate - transfer" + "Excogitation - Procurement - Construction") investment in government procurement construction mode, the resources of PPP mode into smaller however, output is larger. In addition to the transportation industry, Guizhou province environmental protection PPP project is also increasing for social capital attraction in Guiyang city using PPP mode to improve the water quality of Nanming River governance, was named one of the 8 PPP demonstration project. The first national government investment in public infrastructure Risk, PPP model construction is the government to better play to their functions, reduce risk, thereby reducing the cost of the important measures, Guizhou province attaches great importance to the use of PPP integrated information platform construction work, relying on the development of large data industry, improve the system function of the platform. As the standardization process, is the key to the success of PPP project Guizhou Province, is the first process tool of the implementation of the PPP project, the standardization of the provinces, the Provincial Department of Finance multi power PPP project industry subdivision combing, released PPP project value evaluation template, PPP project financial capacity argument template, the introduction of financial gold Financial field. And recently in other provinces and cities held PPP conference, the traditional way of investment will be different in Guizhou Province, using social capital prequalification tool series of standards for PPP project development and to establish effective cooperation mechanism and investment mechanism and social capital, and social capital can see the real target and the cooperation process in PPP project investment, the scale of social product introduction.

PPP project in Guizhou province to promote the strong, wide coverage, high level of innovation. The government attaches great importance to PPP project financing construction, actively build a

service platform for the exchange of PPP industry is closely related to. PPP project construction in Huimin engineering investment, this improvement is helpful to improve the living standards of the people of the province and the residents' happiness index. The PPP project in Guizhou Province in the country plays a leading role, which has important reference significance for other provinces of our country, the positive development of the PPP project.

### PPP Development Status of Big Data Industry in Guizhou Province

With the rapid development of large data industry, new media has also increased rapidly. The Internet in Guizhou Province as an example, the number of mobile Internet users of your province for 7 million 510 thousand people in 2010, to 2013, increased to 11 million 460 thousand. In 2015, Guizhou Province, the number of Internet users reached 13 million 460 thousand, which accounted for almost 1/3 of the total population in Guizhou Province, and the number of access Internet users reached 3 million 868 thousand in 2011, broadband access of the Internet users of 2 million 48 thousand households in Guizhou province, 2015 increased to 3 million 868 thousand households. In addition, broadband Internet users in Guizhou Province in 2015 The year-on-year growth rate of 24.41%. compared to 6.33% in 2014, an increase of nearly two times three times. At the same time, the Internet and other industrial integration, the era of "big data" has become an irresistible trend. Combined with the big data industry and PPP mode of operation of the big data industry in financing the new innovation of export.

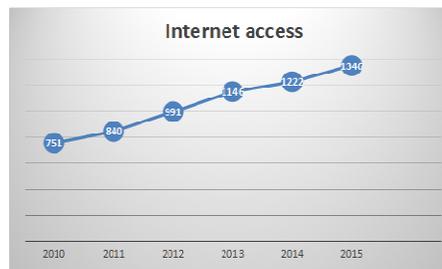


Figure 1. 2010–2015 years the number of Internet users.

PPP large data in ecological and road construction, the Nanming river is the most representative of Guiyang city environmental remediation project and the use of two PPP The BOT+EPC model built from Guiyang to Tuyun highway. The project to rely on the credibility of the government, on the one hand to absorb social capital, on the other hand, is conducive to the improvement of social capital operation efficiency. This transaction structure clear and reasonable, fully embodies the fairness of PPP project implementation and competition, make more capital to enter into a positive. It is a daring attempt by Guizhou to introduce social capital (China delivery Corporation). The China Construction Corporation completed the project in just 2 years and invested 7 billion 500 million. It solved the problem of lack of traffic construction funds by the government. At the same time, the BOT+EPC model can effectively save construction cost, shorten the construction period, the Department of the government can coordinate with the item company, to make the maximum benefits of the project, to achieve a win-win situation. Large data of PPP also has an important performance in the tourism industry, one of the most typical is to sign Qiandongnan Development Investment Group Limited company and Chinese asset management limited to PPP mode supports the strategic cooperation agreement of tourism development project construction.

Overall, the central and provincial governments attach great importance to the promotion and operation of the big data PPP model in Guizhou, and the provinces are actively building and strengthening the operation of big data PPP, The province for the development of big data industry is a very good opportunity for Guizhou Province, stimulating investment and financing growth, enhance the stability of the financing market with good condition. Although the development of large data industry benefit PPP model for many but we are also beneficial to the people's livelihood, should clearly understand that the current it also exists many deficiencies.

## **Guizhou Big Data Industry PPP Problems**

### **Improper Handling of the Relations between the Government and the Social Capital**

The key problems of industrial development and construction of big data big data industry PPP mode in Guizhou province is how to deal with the government and social capital in the big data industry in the development of investment and financing cooperation. In the big data PPP project operation, because the number of involving the interests of many parties, the relationship is complex. Government run and private enterprises in cooperation in the enterprise, both sides want to risk responsibility to each other, both the lack of risk and responsibility of courage, this may be caused by improper management of two days after the project, to avoid the risk of problems. In the return period, the government and private enterprises, private enterprises hope their purposes, which is the distribution of income The risk of confusion, not sharing interests, cannot share the consequences. Therefore, establishing a reasonable coordination mechanism between the government and the social capital, coordinate the interests of all parties is particularly important.

### **The Big Data Industry PPP Model, the Risk is in Operation**

In the process of industrial PPP model of big data into the market operation, a lot of the risk of different reasons. The main risks are: (1) because of the domestic interest rate and exchange rate changes to make the project cost increase, currency devaluation, inflation and other financial market risk; (2) in the big data industry PPP may appear quality problem of construction project in the process of business, cost overruns, cycle extension, design change, construction funds are not in place and other aspects of the risk; (3) PPP in the industrial model of big data in the operation there may be changes in product prices, the market demand is not stable, the competition of the market risk; (4) in the big data industry PPP In market operation, subjective factors, people resist demolition, natural disasters, customs etc. these natural and social risks also exist.

### **Lack of Supervision in PPP Industry Big Data**

China's regulatory authorities in the lack of experience for the introduction of private enterprises and private enterprises supervision, the supervision of government and private enterprise interests may conflict, which result in benefits and risks. The government in the operation of the project supervision system is not unified, scattered power. Government departments may need to because of the pursuit of performance, and speed up the construction of the project, thus lead to blind commitment, high premium transfer of public equity, resulting in excessive security behavior. In addition, in the process of cooperation mode, social capital may be due to information forces said the terms of the contract is not perfect, the management of ridge Broken and scattered users. These causes evade responsibility or uncooperative behavior and do not actively fulfill their obligations of cooperation, resulting in reducing the quality of public services or reduce the risk of the number. Moreover, the item company will start from their own investment costs and benefits and reduce the investment cost in larger or more remote areas, which leads to the difference of investment area of the project.

## **Feasibility Recommendations**

### **Establish a Risk Sharing Mechanism and a Benefit Sharing Mechanism**

The key of public and private interests of the equalization of public services lies in the rational allocation of risk in the project, and through the rational allocation of risk to ensure the balance of interests of the two sides. In the process of big data industry PPP put into operation in the mechanism of government and social capital should take the risk aversion and risk sharing, advance in the negotiation process, negotiation risks, clear responsibilities and obligations, and the establishment of project benefit sharing mechanism. In the process of government and social capital cooperation, should be considered to maximize the welfare of the public, private enterprises to

achieve a reasonable return on investment. And at the same time, can set up "the government and social insurance + credit" The mode of capital cooperation will build a reasonable system of investment and financing guarantee.

### **Improve the Quality of Large Data PPP Project Library**

The government in the PPP big data audit stage, big data can improve the PPP project access threshold, and set by conditions, for those who do not have the conditions for implementation of the project to veto, set to protect the reasonable amount of value for money, to encourage development and consider the implementation of project feasibility of government funds in the project in the process. The data PPP operations into the market, constantly improving the transparency of project information, integrity, availability and accuracy, constantly optimizing the investment cost structure of the product, and reducing the cost of unit product data industry PPP. For those non operating items or quasi business products, authorization provided Increase social capital gains for supporting services, developing by-products and naming public products.

With the urbanization of Guizhou province to speed up the development of large data industry, city construction investment demand is also rapidly increasing, Guizhou province will face intensified contradiction between fiscal difficulties, in the past, government led investment and not sustainable development. It is based on this background, Guizhou province with large data PPP mode of financing has been has become an inevitable trend. But facing the bottleneck of big data in Guizhou province PPP development still exist. In promoting the development of large data industry PPP at the same time, the government should formulate effective solutions to alleviate the bottle neck facing big data of PPP development, to achieve the development of more long-term and all-round.

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