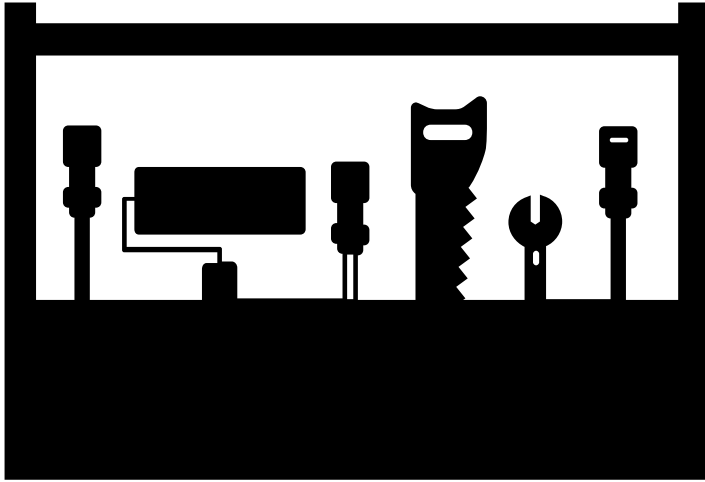




PUBLIC-PRIVATE PARTNERSHIPS in
INFRASTRUCTURE
TOOLKIT

Informed Decision-Making



PUBLIC-PRIVATE PARTNERSHIPS in INFRASTRUCTURE TOOLKIT

The World Bank Group is committed to helping governments make informed decisions about improving access and quality of infrastructure services. This includes, when appropriate, using Public-Private Partnerships (PPPs) as one delivery option. This approach is all encompassing to include strengthening data, building capacity, developing and testing tools, promoting disclosure and transparency, and encouraging all relevant stakeholders to engage in the process.

The tools presented here showcase our efforts as well as those of our development partners to enable the most appropriate decisions around infrastructure delivery and PPPs by empowering better decision-making. In some cases, PPPs are the answer, while in others, they may not be the right approach to deliver infrastructure services.

These tools, therefore, allow stakeholders to move one step closer to making informed decisions. We are committed to the goal to develop the most resourceful tools for our stakeholders, continually inspired and informed by your needs and feedback from ongoing consultations.

To explore these tools, go to: pppknowledgelab.org



APMG PPP CERTIFICATION PROGRAM

The Certification Program, sponsored by several multilateral development banks, aims to enhance PPP performance globally, especially in emerging markets and developing economies, while building a unified capacity in their respective public sectors for planning, preparing, procuring, and delivering PPPs. Individuals awarded the Certified PPP Professional credential (CP3P) demonstrate to peers that their abilities align with global PPP good practices.

www.pppknowledgelab.org/mdb-joint-activities

How can this tool help you?

Governments in emerging markets and developing economies (EMDEs) often have limited access to resources and knowledge on how to identify, prepare, and structure a successful and sustainable PPP. The certification program aims to foster commonality in PPP principles and practices globally and strengthen capacity in EMDEs.

How it works

Individuals involved in PPP projects attain a working knowledge of the PPP process by completing the program. At the center of the program is the PPP Certification Program Guide, called the “Body of Knowledge,” an MDB-endorsed encyclopedic guide on PPPs, which can be downloaded for free. The Body of Knowledge is a collection of good practices structured by PPP life-cycle stages. The three exams to earn the CP3P credential are based on the program guide. Training to prepare for the Foundation exam is available on the website as well as from these accredited training organizations: PA Consulting; CIPFA; and K-Infra. Financing for participants is available from MDBs. APMG also provides discounted pricing for the exam.

Status

The certification program was launched in June 2016 in three countries: Chile, Germany, and South Korea.

TO BE USED IN STEP

1
SET UP

2
FRAMEWORK

3
DESIGN/BID

4
IMPLEMENTATION

OF THE PPP CYCLE



COUNTRY PPP READINESS DIAGNOSTIC (CRD)

This tool assesses whether a country is ready to implement PPPs by first looking at the respective country's PPP environment and then determining areas requiring change or improvement in view of global good practices. As a result, client countries are provided with strategic advice to help them make informed decisions regarding private sector participation in creating infrastructure.

www.pppknowledgelab.org/tools

How can this tool help you?

A CRD analysis helps guide client countries on how to develop an overarching enabling environment for PPPs with the support of various World Bank tools, instruments, and technical assistance.

How it works

The CRD assessment covers these key areas (among others):

- PPP experience
- Stakeholder support and ownership
- Legislative and regulatory framework
- Institutional framework
- Government support and managing fiscal risk
- Access to finance
- Transparency and accountability

The tool has three phases:

1. Desktop preparation
2. Onsite due diligence
3. Strategic definition

The assessment concludes with a PPP strategy for the respective country.

Status

This tool is now being piloted and may be further refined. CRDs have been completed in Jordan, Pakistan, and Sri Lanka.

TO BE USED IN STEPS

1

SET UP

2

FRAMEWORK

3

DESIGN/BID

4

IMPLEMENTATION

OF THE PPP CYCLE



INFRASTRUCTURE PRIORITIZATION FRAMEWORK (IPF)

This tool was developed by the World Bank Group as an alternative approach to selecting and prioritizing PPP projects. It is a multi-criteria methodology incorporating social, environmental, financial, and economic factors. This tool can help governments, even with limited capacity and public resources, prioritize and select infrastructure investments in order to achieve development goals.

www.pppknowledgelab.org/tools

How can this tool help you?

While social cost-benefit analyses can soundly appraise and help prioritize projects, extensive economic analyses for some governments are not feasible because of limited capacity and resources. The IPF tool, however, improves infrastructure decision-making by providing a simple visual interface, which is easy to use and interpret.

How it works

The IPF assesses data by using two indicators: (1) a social-environmental indicator, synthesizing social and environmental information; and (2) a financial-economic indicator, condensing financial and economic data. To compute these indicators, a statistical and sensitivity analysis is used to establish criteria weights. Together with government budget constraints, the IPF tool then displays proposed infrastructure investments on a Cartesian plane divided into four quadrants:

- High priority
- Social-environmental priority
- Financial-economic priority
- Lower priority

Status

The IPF was piloted in Panama and Vietnam and is now being run in Argentina, Chile, Indonesia, and Sri Lanka.

TO BE USED IN STEPS

1

SET UP

2

FRAMEWORK

3

DESIGN/BID

4

IMPLEMENTATION

OF THE PPP CYCLE



PPP FISCAL RISK ASSESSMENT MODEL (PFRAM)

PFRAM is a tool that assesses potential fiscal costs and risks arising from PPP projects. The assessment entails gathering specific project information and determining a government's role at key stages in the project cycle. This tool is mostly designed to help PPP units in ministries of finance make informed fiscal decisions on PPP projects based on impacts and risks.

www.pppknowledgelab.org/tools

How can this tool help you?

PFRAM quantifies macro-fiscal implications and potential fiscal risks of PPP projects. The model is mostly designed to help PPP units in ministries of finance make informed decisions on projects.

How it works

The tool provides a structured process for gathering information for a project in a simple, user-friendly, Excel-based platform, following a five-step decision tree:

- **Private partner cash flow:** Expected cash flow for the private partner (only to check)
- **Public financial statements:** Government income statement, balance sheet and cash statement (cash and accrual)
- **Macroeconomic impact:** Charts comparing fiscal situation with and without the project
- **Fiscal risk matrix:** Fiscal risk retained by the government (risk heat map)
- **Sensitivity analysis:** NER (nominal exchange rate) and GDP

Status

Though still a work in progress, the latest version (April 2016) can be used to ascertain fiscal impacts and risks of PPP projects. Three pilots have been conducted demonstrating that PFRAM works accurately to assess fiscal impacts and risks and that the resulting analysis provides an accurate risk heat map.



A FRAMEWORK FOR **DISCLOSURE IN PPP** PROJECTS (DRAFT)

The Framework provides systematic structure for proactively disclosing information pertaining to PPP Projects. The Framework is a collaboration of the World Bank Group, Construction Sector Transparency Initiative, Public-Private Infrastructure Advisory Facility, and Organisation for Economic Co-operation and Development, and was endorsed by the G-20. This tool can help client-countries create effective policies and practices for public disclosure of PPP transactions.

www.pppknowledgelab.org/tools

How can this tool help you?

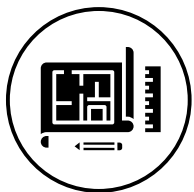
The amount of literature and guidance on policy and practices for PPP disclosure has been inadequate for much too long, creating a wide gap in understanding the mechanics of disclosure by practitioners within governments and the private sector. As requested by the G-20, the World Bank Group has been working on a framework for public disclosure of PPP transactions and has prepared a database on disclosure practices followed in various countries.

How it works

Governments can use this tool to create their disclosure policies and practices by using the guidance in this Framework.

Status

Based on a substantial amount of knowledge amassed over the last few years through reviews and experience gained through technical guidance, the World Bank Group prepared the first draft of the Framework along with two additional documents: Jurisdictional Studies and Good Practice Cases. These provide relevant background and resources complementing the goals of the Framework. We recently held public consultations to obtain feedback, which was reviewed and endorsed by the G-20 in 2015.



INTERNATIONAL INFRASTRUCTURE SUPPORT SYSTEM (IISS)

IISS is an online, secure, multi-user project development tool to promote and facilitate high-quality and efficient global project delivery, accessible to the public and private sectors. IISS is sponsored by the Sustainable Infrastructure Foundation, a non-profit Swiss foundation headquartered in Geneva. IISS is a collaboration of eight development banks.

www.pppknowledgelab.org/tools

How can this tool help you?

IISS enables governments to rapidly develop well-prepared infrastructure projects, with consistency and transparency by using this computer-based tool. IISS gathers and synthesizes information and data for project development that speeds up the procurement process and promotes dialogue between the public and private sectors.

How it works

The system guides public sector agencies through a series of subsector templates via a multi-user, secured, and standardized online workspace. The built-in guidance and templates help public sector teams improve the quality of project preparation outputs and better secure financing from a wider range of sources, particularly from private sector investors. The system's immediate connectivity is tailored to the needs of public contracting authorities on a national and subnational basis and allows up-to-the-minute changes and input of additional data.

Status

Since its global launch in January 2016, IISS has trained more than 100 government officials in over 10 developing nations. IISS has more than 200 active users, 36 projects under preparation, 10 published projects, and 12 governments using the platform.





ONLINE RESOURCES FOR PPPs IN INFRASTRUCTURE

For in-depth information on public-private partnerships in infrastructure, the World Bank Group supports these websites to assist both the public and private sectors in implementing PPPs.

PPP Knowledge Lab

(pppknowledgelab.org)

A curated and comprehensive resource on PPPs and the first ever collaborative site developed by the world's leading development agencies as a place to share PPP resources. It features PPP tools, country profiles for over 141 countries, and sector analysis.

PPP in Infrastructure Resource Center

(ppp.worldbank.org)

A comprehensive site containing sample legal materials including laws, regulations, contracts, toolkits, checklists, and case studies to assist in planning, designing, and legally structuring PPPs.

Private Participation in Infrastructure Database

(ppi.worldbank.org)

An online database that tracks private participation in infrastructure projects in low- and middle-income countries (1984 to the present).

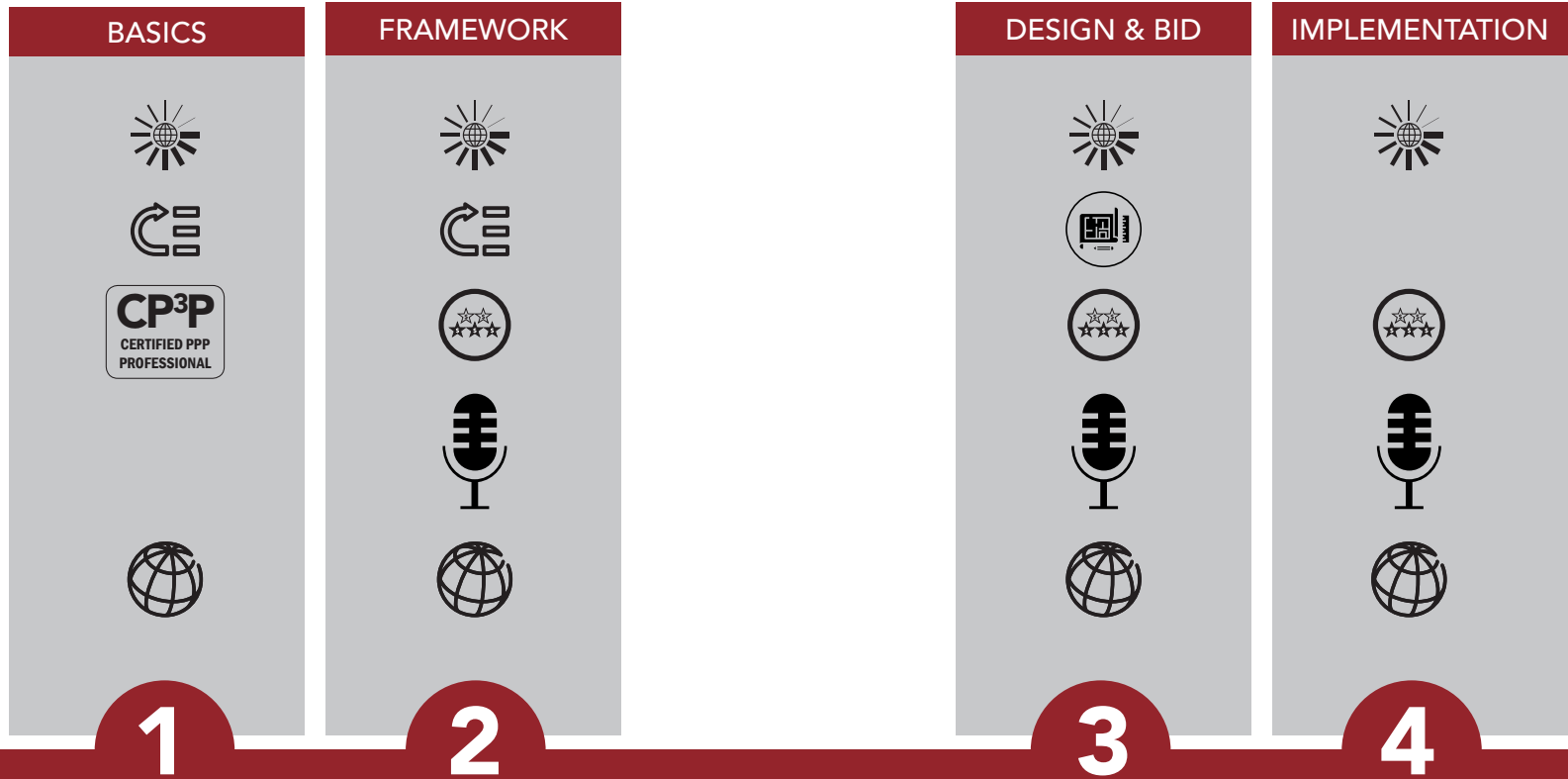
Public-Private Infrastructure Advisory Facility (PPIAF)

(ppiaf.org)

This website highlights PPIAF's breadth of assistance and knowledge. The site showcases close to 300 activities supported by PPIAF over the last five years.

At which PPP stage

do I use each tool?



Find a tool, learn more, or contact us:

www.pppknowledgelab.org



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