Appendix I - G20 Principles for the Infrastructure Project Preparation Phase

Appendix I: Existing Project Preparation Platforms, Tools and Instruments

There is a wide range of platforms, tools and instruments that address the work involved in preparing infrastructure projects internationally and within jurisdictions. Many of these resources are also present in the G20/OECD/WB Stocktake of Tools and Instruments Related to Infrastructure as an Asset Class. This annex identifies those that have already been operationalized in different countries and jurisdictions, specifically addressing implementation of the project preparation phase. Stakeholders should familiarize themselves so as to coordinate and raise awareness, promote and drive greater usage of relevant tools or instruments where feasible and avoid duplication.

G20/IWG related Platforms, Tools and Instruments

Sustainable Infrastructure Foundation - SOURCE

SOURCE is a unique online project preparation and data management platform, led and funded by multilateral development banks (MDBs) through the jointly created and managed Sustainable Infrastructure Foundation. Its servers are under United Nations jurisdiction to ensure data sovereignty and security. SOURCE operates at two different levels: as a project preparation and management software platform and as a global delivery platform.

SOURCE covers issues from project definition to implementation, providing public sector project teams with best practices, guidance and capacity support as well as data and project management tools. SOURCE also includes a communication platform across teams that enables engagement and information exchange between government agencies, private sector contractors, bidders, financiers and civil society. This helps reduce preparation and transaction costs, improves disclosure, and promotes transparency and consistency across the project cycle. It also acts a multilateral repository for data across the project cycle, and is able to interface or connect to other databases, initiatives, and tools, such as those developed by, such as those developed by national governments, MDBs, OECD and other international organizations.

Global Infrastructure Hub Annotated Public-private Partnership Risk Allocation Matrices

The Global Infrastructure Hub report Annotated Public-private Partnership Risk Allocation Matrices develops a set of 12 sample annotated risk allocation matrices for public-private partnership (PPP) transactions, in a variety of sectors including transport, energy, and water and sanitation. In each sample risk matrix, there is a detailed listing of project risks, along with a discussion of risk allocation, mitigation measures and government support arrangements. Each matrix is accompanied by annotations, explaining the rationale for allocations, mitigation measures, any government support arrangements, and describing alternatives for countries with differing levels of PPP market maturity.

World Bank Infrastructure Prioritisation Framework (IPF)

The World Bank has developed a methodology which is currently in its pilot phase, named Infrastructure Prioritization Framework (IPF). Many countries lack the capacity and resources to provide extensive economic analysis based on Social Cost-Benefit Analysis across full project sets or are challenged with having to make decisions based on incomplete or information. In response to this situation, the IPF is a quantitative multi-criteria prioritization approach that synthetizes project-level financial, economic, social, and environmental indicators into two indices – social-environmental and financial-economic – and considers these alongside the public budget constraint for a particular sector. The variables that make up the indices are selected according to the political context and therefore adapt to the governments’ policy goals, which can address non-economic issues (promoting social cohesion, honoring culture, redistributing wealth to the poor, etc.)

World Bank Framework for Disclosure in PPP Projects
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The Framework provides a systematic structure for proactively disclosing information pertaining to PPP Projects. The Framework is a collaboration of the World Bank Group, the Construction Sector Transparency Initiative, PPIAF, and OECD.

**World Bank Guidance on PPP Contractual Provisions**

The Guidance, a collaboration of PPIAF and the World Bank Group, assists contracting authorities, particularly in emerging PPP markets, to obtain a better understanding of selected provisions typically included in a PPP agreement. It sets out several contractual provisions typically encountered in PPP agreements. At the same time, it details key considerations for public contracting authorities to bear in mind when developing contracts for specific PPP projects.

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**MDBs and International Organisations Platforms, Tools and Instruments**

**OECD Principles for the Public Governance of Public-Private Partnerships**

The OECD Principles for the Public Governance of Public-Private Partnerships provide concrete guidance to policy makers on how to make sure that Public-Private Partnerships (PPP) represent value-for-money for the public sector. It consists of 12 core principles focused around three objectives: establish a clear, predictable and legitimate institutional framework supported by competent and well-resourced authorities; ground the selection of Public-Private Partnerships in value-for-money; and use the budgetary process transparently to minimise fiscal risks and ensure the integrity of the procurement process.

**Multi-lateral Development Banks APMG PPP Certification Program**

The Multi-lateral Development Bank APMG PPP Certification Program is sponsored by the ADB, EBRD, IaDB, IsDB, Fomin, PPIAF and the World Bank Group. This certification program aims to enhance PPP performance globally. Individuals awarded the Certified PPP Professional (CP3P) credential demonstrate to peers that their abilities align with global PPP good practices.

**World Bank Country PPP Readiness Diagnostic**

The World Bank Country Readiness Diagnostic tool assesses whether a country is ready to implement PPPs by first looking at its PPP enabling environment and then determining areas that require change or improvement in view of global good practices.

**World Bank Benchmarking PPP Procurement**

The Benchmarking PPP Procurement report benchmarks government capabilities in 82 economies across four key areas: PPP preparation, PPP procurement, unsolicited proposals, and PPP contract management. Many economies have yet to adopt broadly-recognised good practices to prepare, procure, and manage PPPs. This report compares countries against these criteria so that governments can take actions to provide better PPP procurement.

**World Bank PPP Screening Tool**

The PPP Screening Tool is a spreadsheet-based tool assists PPP practitioners in preliminary screening of potential PPP projects using a combination of qualitative and quantitative inputs. The tool can be customised for country-specific requirements. It enables practitioners to identify deficiencies, roadblocks, and areas for improvement in the next stage of development of shortlisted projects. It can also be used as a decision-making tool or a checklist at any stage of project development prior to initiation of procurement to ensure that a project is sound.

**World Bank PPP Fiscal Risk Assessment Model**
The PPP Fiscal Risk Assessment Model, developed by the World Bank and IMF, is an excel based tool that quantifies macro-fiscal implications and potential fiscal risks of PPP projects. The assessment entails gathering specific project information and determining a government’s role at key stages in the project cycle. It is mostly designed to help PPP units make informed fiscal decisions on PPP projects based on impacts and risks.

**World Bank Project Readiness Assessment**

The Project Readiness Assessment is a tool developed by the World Bank that assesses the quality of project preparation, identifies weaknesses, and recommends actions for client governments to strengthen their projects. The tool is designed to help governments make informed decisions about projects and strengthen preparation prior to procurement. The assessment can be done in two stages: Stage 1, an early stage, pre-feasibility assessment; and Stage 2, a more detailed feasibility-stage assessment for projects close to procurement.

**PPIAF Policy Guidelines for Managing Unsolicited Proposals**

The Policy Guidelines for Managing Unsolicited Proposals, developed by the Public-Private Infrastructure Advisory Facility (PPIAF), is a set of guidelines that provides dedicated recommendations on how to address the challenges related to unsolicited proposals in infrastructure projects.

**OECD Recommendation on Public Procurement**

The OECD Recommendation on Public Procurement is the overarching OECD guiding principle on public procurement that promotes the strategic and holistic use of public procurement. Since public procurement frameworks apply to most infrastructure projects it represents a crucial variable in their effective development. It is an international reference for modernising procurement systems and can be applied across all levels of government and state owned enterprises. It addresses the entire procurement cycle while integrating public procurement with other elements of strategic governance such as budgeting, financial management and additional forms of services delivery.

**OECD Recommendation on Fighting Bid Rigging in Public Procurement**

The Recommendation on Fighting Bid Rigging in Public Procurement that calls for governments to assess their public procurement laws and practices at all levels of government in order to promote more effective procurement and reduce the risk of bid rigging in public tenders. The Recommendation is a step forward in the fight against collusion in public procurement that the OECD has been leading for a long time especially through the 2009 Guidelines for Fighting bid rigging in Public Procurement and the work related to its dissemination worldwide. In 2016, the OECD issued a report to show how competition and procurement authorities have been implementing the 2012 Recommendation, enhancing the usefulness of this tool.

**European PPP Expertise Centre Guide to the Statistical Treatment of Public Private Partnerships**

The European PPP Expertise Centre has published in collaboration with Eurostat the "Guide to the Statistical Treatment of Public Private Partnerships". It explains how the features of typical PPP contracts may influence the statistical treatment of a PPP as "on" or "off" the balance sheet of government.

**European Investment Advisory Hub Cooperation Platform**

The European Investment Advisory Hub offers a cooperation platform between the EU, the EIB, public sector entities and National Promotional Banks (NPBs) that links the EIAH advisory services and existing platforms with the expertise of NPBs and relevant entities at national and regional level. The platform provides a peer-to-peer exchange and sharing of know-how.