



PPP Public-Private Partnerships Fiscal Impact Management Course



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Introduction:

This PPP public-private partnerships fiscal impact management course aims to provide an overview of fiscal management and potential fiscal costs and risks arising from public-private partnerships PPPs. Furthermore, it will introduce participants to international standards for accounting and reporting on PPPs and good practices for managing them while safeguarding fiscal sustainability.

Fiscal management plays a critical role in planning and executing PPP projects. It includes defining fiscal management principles, understanding fiscal management skills, and highlighting their importance. Fiscal management ensures that resources are allocated efficiently and public services are delivered while maintaining fiscal sustainability.

Public-private partnerships PPPs are essential for mobilizing private investment and expertise in public infrastructure and services. Defining PPPs and understanding how they work provides the foundation for enhancing the effectiveness of a PPP training program. It also highlights why PPPs are important and underscores the principles that guide their successful implementation.

Fiscal impact refers to the financial implications of PPP projects on a government's budget and financial statements. Participants will learn the meaning of fiscal impact and examine methods to quantify and manage these impacts. Evaluating fiscal impact is central to maintaining fiscal discipline and ensuring that PPPs deliver value for money for both the public and private sector partners.

Developing competencies via a PPP training program includes acquiring fiscal management training emphasizing analytical and strategic skills. It also covers fiscal management principles and the need for robust fiscal management to handle the complex financial arrangements inherent in PPPs.

Target Audience:

- All government officials are working in the ministries of economy and finance.
- Professionals in the economic and finance sector.
- PPP Management professionals.
- Public investment professionals.
- Fiscal risk management professionals.
- Fiscal planning and management professionals.

Course Objectives:

At the end of this PPP public-private partnerships fiscal impact management course, participants should be able to:

- Understand good practices in managing and mitigating fiscal costs and risks from PPP projects.
- Understand the fiscal implications of PPP projects.
- Analyze financial risks associated with PPPs.
- Develop strategies for effective fiscal management in PPP agreements.
- Learn methods for assessing the economic benefits of PPPs.
- Gain skills in budgeting and financial planning for PPP projects.
- Explore best practices for monitoring and controlling PPP expenditures.
- Enhance decision-making abilities regarding PPP investments.
- Study frameworks for evaluating the long-term fiscal impact of PPPs.
- Understand the role of public sector accounting in PPP projects.
- Learn to negotiate financial terms in PPP contracts.
- Develop an understanding of the regulatory environment affecting PPPs.
- Assess the fiscal sustainability of PPP projects.
- Enhance knowledge of financial reporting standards for PPPs.
- Understand the importance of transparency and accountability in PPP fiscal management.

Targeted Competencies:

Participants competencies in this PPP public-private partnerships fiscal impact management training will:

- Fiscal Analysis.
- Financial Risk Assessment.
- Strategic Fiscal Planning.
- Budgeting Skills.
- Economic Impact Evaluation.
- Expenditure Monitoring.
- Investment Decision-Making.
- Regulatory Compliance.
- Financial Negotiation.
- Public Sector Accounting.
- Fiscal Sustainability Analysis.
- Financial Reporting.
- Transparency and Accountability Practices.

Course Content:

Unit 1: PPP Introduction and Overview:

- Private Participation in Public Infrastructure and Services: What is and is not a PPP:
 - Types of PPP and Terminology Issues.
 - Where PPPs are Used - Infrastructure Sectors?
 - When to Use PPPs: Motivations and Caveats?
 - Typical Basic Structure of a PPP Project.
 - How a Private Finance PPP Project is Financed: Where the Money to Pay Construction Costs Comes From?
 - Causes of Project Failure: The Need for Sound Process Management and Preparation of Projects.
 - Introduction to the PPP Framework Concept and Initial Framework Considerations.
 - Private Sector Concerns About Frameworks and Markets.
- An Overview of the PPP Process Cycle: How to Prepare, Structure, and Manage a PPP Contract.
- Project Finance:
 - Basic Considerations of PPP Project Finance.
 - Ideologies of Project Finance.
 - A Basic Description of Major Sources of Funding.
 - Project Finance Benefits and Limitations.
- Sharia Finance:
 - Traditional Istinaa.
 - Procurement Istinaa.
 - Ijara.
 - Supporting Agreements.
 - Making Payment to the Islamic Funders.
 - Reversion of the PPP Project Asset to the SPV.
 - Islamic Financing in Practice.
 - Tangible and Intangible PPP Project Assets.

Unit 2: Establishing a PPP Framework:

- Objectives of the PPP Framework.
- Scope of the PPP Framework.
- Choice of Legal and Administrative Instruments to Create a PPP Framework.
- Defining the PPP Process.
- Institutional Responsibilities.

Unit 3: Public Financial Management of PPPs:

- Types of Fiscal Commitment to PPPs.
- Identifying and Quantifying Fiscal Commitments to a PPP Project.
- Ensuring Fiscal Commitments are Affordable.
- Budgeting for Fiscal Commitments.
- Accounting for and reporting on Fiscal Commitments.
- Controlling Aggregate Fiscal Exposure to PPPs.

Unit 4: Project Identification and PPP Screening:

- Screening Report:
 - Executive Summary and Recommendation.
 - Project Description.
 - Need/Benefits of the Project and Suitability of the Proposed Solution. Economic Feasibility.
 - PPP Suitability.
 - Affordability.
 - Project Readiness and Status.

Unit 5: Appraising PPP Projects:

- Procurement Procedures.

Unit 6: Structuring and Drafting the Tender and Contract:

- Importance of Contract Management.
- Contract Management Framework.
- Describing main risks.

Unit 7: Tendering and Awarding the Contract:

- Bid Preparation and Submittal of the Private Sector Perspective.

Unit 8: Strategy Delivery and Commissioning:

- Overview of the Construction Phase.
- Monitoring Tasks during the Construction Phase.
- Change Management in the Construction Phase.
- Claims Management in the Construction Phase.
- Dealing with the Private Sector's Underperformance and Non-Compliance during the Construction Phase.
- Issue Management and Dispute Resolution during the Construction Phase.
- Knowledge Management and Succession Planning.