



Public-Private-Partnerships Fiscal
Impact Management Course



Public-Private-Partnerships Fiscal Impact Management Course

Introduction:

Through this course, we aim to provide an overview of fiscal management and potential fiscal costs and risks arising from PPPs. Furthermore, it is set to introduce participants to international standards for accounting and reporting on PPPs, as well as good practices for managing them while safeguarding fiscal sustainability.

Target Audience:

- All levels of government officials working in 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:

Upon completion of this course, participants should be able to:

- Understand good practices in managing and mitigating fiscal costs and risks from PPP projects.

Targeted Competencies:

- Understanding of public-private partnerships PPPs and their significance in fiscal impact management.
- Knowledge of key competencies required to effectively manage fiscal impacts of PPP projects.
- Analytical skills to evaluate the financial implications and risks associated with PPP initiatives.
- Ability to identify and mitigate fiscal risks while maximizing benefits for both public and private sectors.
- Familiarity with best practices in fiscal impact assessment and management within the context of PPPs.
- Proficiency in financial modeling and forecasting techniques tailored to PPP projects.
- Capability to develop strategies for optimizing fiscal outcomes and ensuring the long-term sustainability of PPP investments.
- Awareness of regulatory frameworks and governance structures influencing PPP fiscal management.
- Skills to communicate effectively with stakeholders and facilitate collaboration between public and private entities in PPP projects.
- Competence in monitoring and evaluating fiscal performance throughout the lifecycle of PPP ventures.

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 Istina'a.
 - Procurement Istina'a.
 - 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.