
Objective: Enhance policy decision-making by highlighting key regulatory aspects to achieve more transparent, competitive, and efficient PPP procurement systems.


2017 Scale up: Building on the pilot findings and lessons learned, currently scaling up to cover 82 economies.
Benchmarking PPP Procurement has been inspired by the WBG Doing Business report, which has a recognized track record in measuring laws and regulations in 189 economies and leveraging reforms (2500+ to date) and is housed under the Benchmarking Public Procurement project.
Established and stable institutions and regulatory systems are essential to advance more PPP projects.

Source: PPI database World Bank, Infrascope Economist Intelligence Unit (EIU)

Note: Data cover the projects in energy, transport, and water and sanitation reaching financial closure 1990-2014, excluding telecom, divestitures and merchants.

- Regulatory index measures (i) Consistency and quality of PPP regulations; (ii) Effective PPP selection and decision making; (iii) Fairness/openness of bids, contract changes and (iv) Dispute resolution mechanisms
- Institutional Index measures: (i) quality of institutional design and roles and (ii) PPP contract, hold-up and expropriation risk
**Methodology**

- **Cycle**: Yearly assessment; standardized case study assumptions; data collection from private and public sector experts

- **Stakeholders**: Data meets different stakeholders’ needs for information, analysis, and policy action.

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**Benchmarking PPP Procurement**

- **Policymakers and Government Agencies**
- **Private Sector Operators**
- **Multilateral Institutions**
- **Academics and Research Community**

The image illustrates the cycle, starting with Fall 2015 Survey Development, followed by May Data analysis, April Data verification, and then June Report writing.

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**World Bank Group**
Key aspects throughout different stages of the PPP project cycle: preparation, procurement, and implementation + unsolicited proposals.

- **Regulatory Framework and Institutional Arrangements for PPPs**: Overall view of the regulatory and institutional framework governing PPPs: Existence of specific PPP laws and regulations, PPP Units, etc.
- **Preparation of PPPs**: Assessment of the preparatory activities and approval process taking place before launching the PPP procurement.
- **Procurement of PPPs**: Assessment of the activities and requirements for the selection of the private partner.
- **Unsolicited Proposals**: Assessment of specific regulatory issues when dealing with unsolicited proposals for PPPs.
- **PPP Contract management**: Assessment of activities and contract provisions with an impact on the implementation of PPPs.
Assessment of PPPs within the broader context of public investment

Integration of PPPs in the National Public Investment System
- Peru

PPPs required to be part of a broader investment plan or program
- Ghana
- Nigeria
- Egypt, Arab Rep
- Colombia

Pipeline of expected PPPs
- Kenya

No regulatory mention to assess and prioritize PPPs within the broader context of public investment
- Cameroon
- Tanzania
- South Africa
- Tunisia

Source: Benchmarking PPP Procurement 2015
Lack of competition / Sole Bidder: Is there any specific procedure in place if only one proposal is submitted?

- No regulatory provisions
  - Ghana
  - Kenya
  - Peru

- Sole bidder acceptable as long conditions are met
  - Cameroon
  - Colombia
  - Egypt, Arab Rep.
  - Tunisia

- Specific provisions to deal with sole bidders
  - South Africa
  - Nigeria

In Tanzania according to Section 25(3) (d) of the PPP Regulations, government participation in a PPP requires “a competitive bidding process with a minimum of two compliant tenderers as a condition precedent”.

Source: Benchmarking PPP Procurement 2015
- Assessing the consistency with government investment priorities

<table>
<thead>
<tr>
<th>Category</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsolicited Proposals not regulated</td>
<td>Egypt, Arab Rep.</td>
</tr>
<tr>
<td>Unsolicited Proposals discouraged by the government</td>
<td>South Africa</td>
</tr>
<tr>
<td>Unsolicited proposals permitted but without specific procedure to evaluate their consistency with national priorities</td>
<td>Cameroon, Kenya, Tunisia</td>
</tr>
<tr>
<td>Unsolicited proposals expressly require consistency with national priorities</td>
<td>Ghana, Nigeria, Tanzania</td>
</tr>
<tr>
<td>Evaluation process for unsolicited proposals specifically regulated</td>
<td>Colombia, Peru</td>
</tr>
</tbody>
</table>

Source: Benchmarking PPP Procurement 2015
Renegotiation of PPP contracts: Is renegotiation of PPP contracts limited in the regulatory framework?

- Contractually regulated:
  - Cameroon
  - Egypt, Arab Rep.
  - Tanzania

- Approval of the procuring authorities:
  - Ghana
  - Kenya
  - Nigeria

- Limits expressly regulated:
  - Colombia
  - Peru
  - Tunisia
  - South Africa

Source: Benchmarking PPP Procurement 2015
Next steps

- Data points will be aggregated into indicators.
- Through this initiative, economies will be able to learn from each other’s success stories in establishing efficient PPP procurement policies and practices.
- Empirical Analysis of the database in combination with other databases such as PPI database.
- Possible thematic expansion will be discussed in the Fall with the project’s advisory group.
- Funding permitting, geographical scale-up: from 82 economies to 189 economies by 2017.
Thank you!

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