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**PPP IN QATAR**  
**UNECE**  
**GENEVA**

# Procurement Strategy

- Overall Prequalification / shortlisting
- Open Tendering
- Direct negotiations

# Procurement Policies-1

- **Projects up to 100 QRM**

- Local Contractors

- **Projects 100 – 200 QRM**

- Local Contractors with sufficient technical and financial capabilities.
- Joint venture companies with Local participation not less than 51% in the project company.

# Procurement Policies-2

- **Projects above 200 QRM**
  - Local Contractors with sufficient technical and financial capabilities.
  - Joint venture companies with Local participation not less than 51% in the project company.
  - Foreign companies
- In foreign companies contracts, company must utilize minimum 30% of the contract price locally as procured works and/or materials.

## Forms of Contracts

- Construct – Re-measured
- Design and Build -Lump sum
- Design, Build, Operate & maintain
- Operate & Maintain
- Engineering Services contracts
- Program/Management services contracts
- Performance and output based contracts

## PPP in Qatar

- PPP in Qatar started in the late nineties when the power generation sector was acquired in the year 2000 by the Qatar Electricity & Water company (QEWC) established back in late eighties.
- All Power stations built since then were designed, constructed, owned, and operated by QEWC under PPP arrangement with the Government of state of Qatar. This has been proven successful.

- However, we do not have yet a legal framework or a regulatory body established for PPPs in general apart from case by case set up as and when required.
- The existing infrastructure projects plan (roads, buildings, and sewerage networks) runs on Government direct financing.
- Recently, our PPP sponsor the Ministry of Business & trade is in negotiations to establish a PPP international center of excellence. (sector yet to be decided

## Comments on the proposed center of excellence

- While appreciating the limited resources available with UNECE, the concept to set up specialist centers of PPP with different specializations in different hosting countries is excellent as it is based on transferring knowledge, building capacities, and providing assistance when and as required.
- The benefits for the hosting countries are not sufficient. I propose to study this further and add other benefits/incentives to ensure sustainability, durability, and long term commitment.

- From operational point of view this module works on a centralization principle. That is all the specialist centers will have to refer to the center of excellence in Geneva for every PPP. Why not those specialist centers provide their services on stand alone basis and only in certain operational assistant they would refer to the center while all information are directly communicated through the center. The role of UNECE international center of excellent should be more of ensuring strategies and policies are being implemented, improving quality of service, auditing, putting forward solutions to the existing challenges of the PPPs rather than processing and approving PPP request.

- The operational module may not be attractive to the member countries to approach the UNECE center of excellence unless for example this process is linked with the financing entities such as WB, ADB, etc. will add a precondition to financing a PPP, is to fulfill the requirements and procedures of the UNECE center of excellence.

## Alternative Financing for PPP

- Why not consider **Islamic Financing** for PPPs?
  - It is a very strong alternative financing tool.
  - This tool may be very attractive to investors as It allows risk sharing (profit and loss).
  - The financier may be a partner until repayment or continue partnership with the investor as per terms of agreement.
  - Know how and procedures needs to be further developed and established.
  - PPP projects need to be inline with sharia's laws.

- **Economic growth is highly dependent on the development and enhancement of infrastructure, particularly in utilities (such as power, water and telecommunications and transport systems).**
- **In many countries there is an urgent need for new social infrastructure such as housing, education facilities, hospitals, and healthcare facilities, safe roads, access to clean water.**

- One of the powerful tools to develop and achieve capital infrastructure programs is the (PPP), especially in limited public financed regions/countries.
- for (PPP) to be successful all the processes such as planning, PPP module selection, bidding, partner selection, risk assessment and allocation, financing, terms and conditions of agreement, financial modeling and cost forecasting assessment and others requires different specializations and expertise which may not be available at any time or location.

- Therefore we would support establishing the PPP specialist center in the different continents of the world due to the very clear benefits which no doubt will contribute to a successful implementation of PPP and avoid an inevitable PPP failures.

## Statement of Interest

- As a representative of the Public Works Authority I would state that The State of Qatar is in support to the United nations programs and inline with the Government development initiatives and the national vision strategies, I declare in principle our interest to host an international PPP specialist center (sector to be decided later) which will be confirmed by a written request to the Director of UNECE.



**Thank You**