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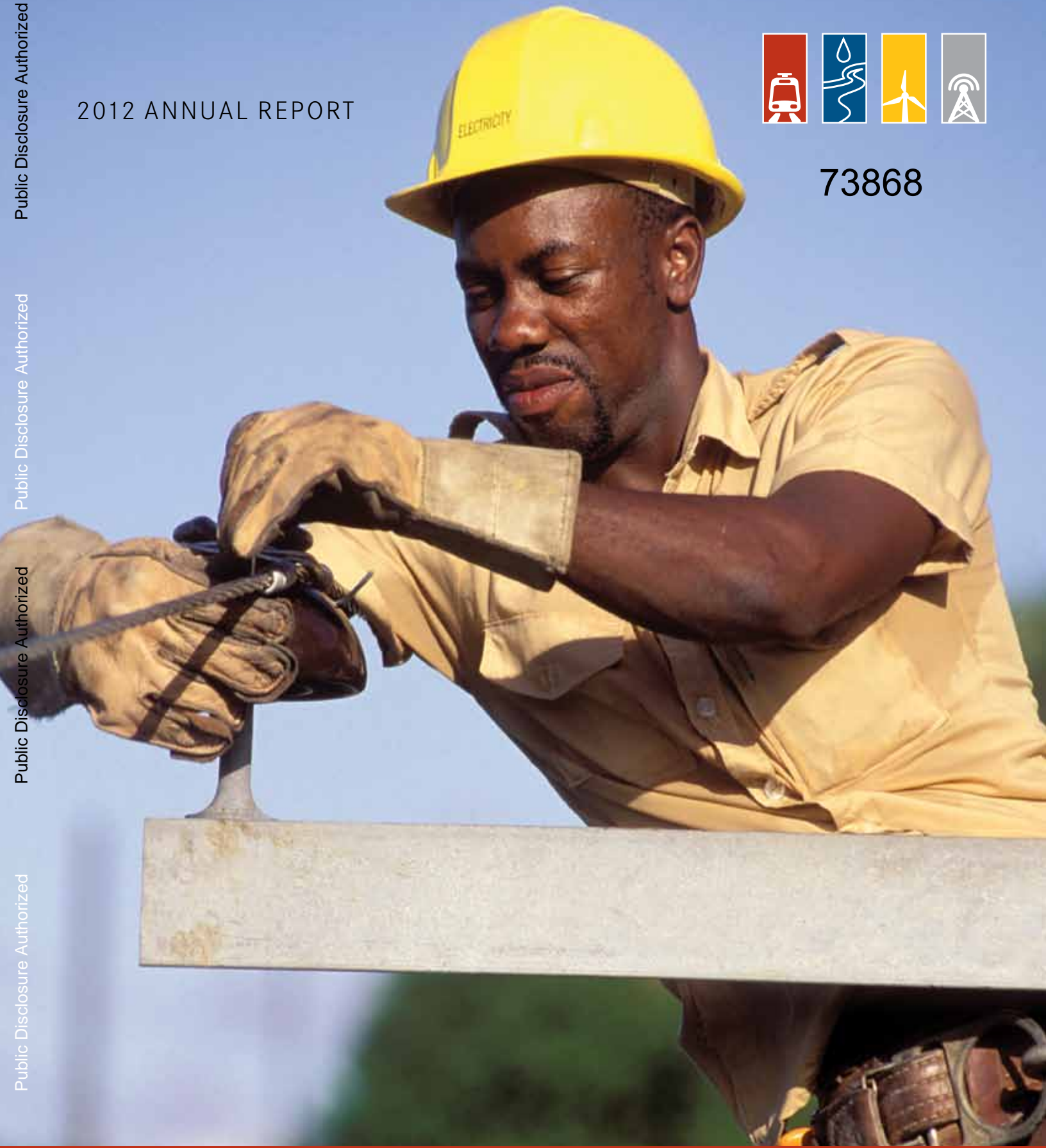
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2012 ANNUAL REPORT



73868



Helping to eliminate poverty and achieve sustainable development through public-private partnerships in infrastructure

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Message from the Program Manager

June 30, 2012

PPIAF is now 13 years old. Although it works upstream, many activities supported by the program since 1999 have produced visible results on the ground.

Dear friends,

We are pleased to present to you the fiscal 2012 Public-Private Infrastructure Advisory Facility (PPIAF) annual report. In this report you will find a summary of the initiatives we undertook in fiscal 2012 and the numerous results achieved by the program. You will also find descriptions of the activities approved in fiscal 2012, summarizing the work PPIAF has been doing in Sub-Saharan Africa, East Asia and the Pacific, Eastern Europe and Central Asia, Latin America and the Caribbean, Middle East and North Africa, and South Asia, with examples of activities that have produced visible outcomes and impacts.

Reporting on the 2010 Strategy for Resource Allocation

After two years of implementing the 2010 PPIAF and Sub-National Technical Assistance (SNTA) Strategy for Resource Allocation, we are pleased to see the results of this Strategy, with smaller, more focused activities. We continue to sequence activities to ensure the beneficiary government accepts the results of the technical assistance provided before proceeding to the next phase: upon the completion of an activity, if the beneficiary government decides to move further, we analyze requests for follow-up technical assistance until a private sector project materializes. This has proven to be an effective process to ensure ownership of the results from the beneficiaries.

We have also been *proactively* and *systematically* developing activities for PPIAF and SNTA support, *according to donor priorities*. This includes: i) attending one-on-one meetings with government officials in many developing countries around the world; ii) engaging daily with our colleagues from the World Bank Group and several of our donor representatives in various countries; iii) expanding the *Help Desk* for the benefit of the Ghana Public-Private Partnership Unit; iv) developing dedicated

calls for proposals, based on our assessment of the needs in various countries and the importance to provide a rapid response; and v) providing Rapid Response expert consultancy services to governments who wish to receive fast-track feedback on their plans to develop and implement various public-private partnership projects, identifying the feasibility of their projects, their readiness, and the steps required to structure those projects.

We continue to emphasize the relevance of our operations to our beneficiaries and donors through increased communications and dissemination efforts:

Communication: PPIAF is now 13 years old. Although it works upstream, many activities supported by the program since 1999 have produced visible results on the ground. To highlight the visible, lasting impacts PPIAF has achieved, we continue to prepare and disseminate our series of *Impact Stories* that give examples of results of PPIAF's interventions in a particular country, *country write-ups* that summarize the results of the technical assistance PPIAF has given, and *Regional Updates* that provide a wider view of the work PPIAF has been supporting in a particular region. We continue to write *Feature Stories* that highlight and comment on current happenings relevant to PPIAF, including selected events and articles that are published on PPIAF's website. We got very good feedback from many stakeholders who benefitted from the readily available information.

Dissemination: In fiscal 2012, we have been more strategic regarding the communication and dissemination of public-private partnership best practices. We have a contact list of over 1,000 people—mostly government officials in developing countries working on matters related to private participation in infrastructure—who receive valuable

information and updates from PPIAF once or twice a month. To accomplish this, we have restructured the PPIAF website and focused on increased communication with our donors, partners, and beneficiary governments.

In October 2011 PPIAF launched a better organized and more substantive website. We spent several months re-designing the website and preparing new content with more detailed information on PPIAF's work in a particular infrastructure sector or theme (e.g., fragile states). Our main objectives are to convey more clearly what PPIAF is and what it has been doing since its founding in 1999, as well as to disseminate in an organized manner the knowledge that has been supported by our donors for many years to make it accessible to client governments and the wider public.

In particular, PPIAF's *Knowledge Center* is a valuable source of up-to-date information on infrastructure and public-private partnerships, with materials and resources that explore current trends and encourage discussion, written by experts in the field. PPIAF's *Library* includes PPIAF publications, PPIAF-funded reports, books, short notes, case studies, lessons learned, and other resources.

We continue to disseminate the various global knowledge products developed by PPIAF to public-private partnership units in developing countries, universities, academia, and other interested people. Our team has attended several conferences, seminars, and other events in Africa and Asia to further disseminate our knowledge products and share our experience on public-private partnerships. We have also participated as speakers at conferences sponsored by PPIAF and at others organized by third parties or other partners.



PPIAF Washington, DC office: Front row left to right: Bini George, Matt Bull, Adriana de Aguinaga, Joshua Gallo and Nozomi Tokiwa, back row (from left to right) Theodora Rodman, Bailo Diallo, Edouard Perard, Lauren Nicole Wilson, Anita Correa and Amsale Bumbaugh.

Work Program 2011–2013

To better target PPIAF's technical assistance, we developed a Work Program in 2010 to be implemented over the 2011–2013 period, structured around three strategic pillars (universal access, climate change, and urbanization) and four cross-cutting themes (sub-national technical assistance, fragile states, regional integration, and capacity building).

The strategic pillars group several key development priorities identified by PPIAF's donors, reflect the "special themes" identified during the International Development Association (IDA)'s sixteenth round of replenishment, and organize by themes the technical assistance that has been provided by PPIAF to date and its priorities for future work. In this annual report you will find a table containing the various activities approved by PPIAF during fiscal 2012, classified according to the strategic pillars and cross-cutting themes.

Monitoring and Evaluation (M&E)

In fiscal 2012 we continued the work begun in fiscal 2011 to capture the results of PPIAF's work in our internal database, based on PPIAF's new refined system of methodically measuring results. In particular, we continue to prepare country write-ups summarizing PPIAF assistance in each country where PPIAF has provided support. This is real "detective work" as we do a "deep dive" to research and analyze the results of PPIAF's activities. We have researched and written about many outcomes and impacts of PPIAF-funded work, including transactions facilitated, legislations passed, infrastructure reform strategies adopted, and institutions created or strengthened. In many cases this has led to additional private investment in various infrastructure sectors, with the corresponding increased access to infrastructure services for people, improved level of services, increased employment opportunities, and fiscal benefits for governments (in terms of reduced subsidies or increased taxes and fees). From a total of 24 countries researched as of June 2011, we have now completed the research for 83 countries. These country write-ups are all available on the PPIAF website.

Strengthening Partnerships

Throughout the year we continued developing partnerships with regional development banks, government development agencies, and other institutions to invite them to join and increase collaboration with PPIAF. We are working closely with the Agence Française de Développement, Millennium Challenge Corporation, and Asian Development Bank to develop new PPIAF and SNTA activities. We also continue working with key players within the World Bank and International Finance Corporation (IFC) such as the Global Partnership for Output-Based Aid, the Water and Sanitation Program, the Energy Sector Management Assistance Program, IFC InfraVentures, and IFC's Conflict-Affected States in Africa initiative to innovate on new and more effective ways of providing technical assistance. These relationships will help us be more strategic and focused, as well as ensure that our interventions are sequenced and achieve results.

With respect to new donor contributions, in fiscal 2012 Austria's Ministry of Finance joined as a new member of PPIAF's Program Council in September 2011, the U.S. Agency for International Development (USAID) made contributions for water and sanitation activities in Sub-Saharan Africa, the Netherlands joined the climate change non-core trust fund, and AusAID became a contributor to the SNTA program.

The Next Year: Looking Ahead

As requested by the donors during the Program Council Meeting in Kampala in June 2012, in fiscal 2013 we will continue to provide support to fragile states, to strengthen partnerships with existing and new partners, and to increase our local presence.

This much-needed funding will enable us to continue providing technical assistance to developing countries. We thank our donors for their support!

Best regards,

Adriana de Aguinaga
Program Manager

PPIAF thanks the donors for their support, which contributes to economic growth and poverty reduction in developing countries.

SECTION 1:
Work Program
2011–2013



Strategic Themes: Looking Ahead

Fragile and conflict-affected states are a strategic priority for PPIAF, given their urgent need to deliver basic infrastructure services to spur economic development and growth.

INTRODUCTION

Since inception PPIAF has provided upstream technical assistance to a range of countries at different development stages and with different needs to remove barriers to private investment and help mobilize private financial resources. PPIAF continues to provide this type of support, but in order to better target its technical assistance and to raise new funds, PPIAF developed a work program to be implemented over the 2011–2013 period, structured around three strategic pillars and four cross-cutting themes. These strategic pillars logically group several key development priorities identified by PPIAF's donors, reflect the "special themes" identified during IDA's sixteenth round of replenishment, and organize by theme the technical assistance PPIAF has provided to date and its priorities for future work. The strategic pillars are outlined below:

- **Universal access:** assisting governments in developing countries expand access to basic infrastructure services. Technical assistance will use innovative approaches to scale up access to services for underserved populations and contribute to poverty reduction.
- **Climate change:** facilitating private financing and public-private partnership arrangements that contribute to infrastructure-related climate change mitigation and adaptation efforts. PPIAF's expertise can help structure arrangements for private support in basic infrastructure sectors.
- **Urbanization:** helping municipal governments and utilities respond to rapid urbanization by developing their capacity to access private expertise and financing in order to extend and improve urban services. Financing might be accessed directly via banks or bond markets, or indirectly via public-private partnership arrangements along with private sector expertise..

A number of themes cut across these strategic pillars and will continue to be areas of focus for PPIAF attention and support. These themes include the following:

- **Sub-national technical finance:** helping sub-national entities improve their creditworthiness to access market-based financing without sovereign guarantees, with the proceeds used to fund improved and increased infrastructure services in all sectors.
- **Fragile states:** strengthening assistance to fragile states, where weak institutions and risks of conflict constrain national poverty reduction efforts and service delivery. Public-private partnerships may not be easily feasible in many fragile states, but legal, regulatory, and policy reforms are often possible and can represent important first steps toward improved infrastructure service provision through private participation.
- **Regional integration:** enabling developing countries, particularly those in Africa, to pursue regional integration by way of joint development projects of sufficient scale to attract private sector interest. Integration also has strong positive regional impacts in terms of trade facilitation and economic development.
- **Capacity building:** providing capacity building for decision makers and technical staff in developing countries. This assistance is critical to help them understand the benefits of increased private sector participation for improved service provision and develop sustainable infrastructure projects.



Fragile States

Fragile and conflict-affected states suffer from low economic growth and development, and citizens of these states lack access to basic infrastructure services. More than 1.5 billion people live in countries affected by fragility, violence, and conflict. No low-income fragile state has achieved a single Millennium Development Goal, and poverty reduction in countries affected by violence is on average nearly a percentage point lower per year than in countries not affected by violence.

Thus fragile and conflict-affected states are a strategic priority for PPIAF, given their urgent need to deliver basic infrastructure services to spur economic development and growth. However, characterized by the negative impacts of conflict, infrastructure service provision in these states is often left underfunded and, in many cases, damaged or destroyed. In addition, fragile and conflict-affected states often have inadequate public revenues and insufficient government capacity to provide these services.

Opportunities exist to leverage the private sector in the financing and operation of vital infrastructure assets and mobilizing private sector financing and expertise can break the cycle of low investment, low productivity, and resurgent conflict. Nevertheless, challenges remain in attracting private investors with the risk appetite inherent in working in fragile and conflict-affected states:

- Higher political and economic risks
- Weak investment climate/enabling environment
- Lack of counterpart agents
- Greater investment needs
- Lower payment capacities on the part of consumers

Experience has shown that establishing an early track record of attracting private investment and demonstrating good contractual faith can have a positive demonstration effect on other potential private investors. In addition, creating a solid enabling environment and investment climate through legal,

regulatory, and policy reforms can represent the first steps on the road to improved infrastructure service provision through private participation.

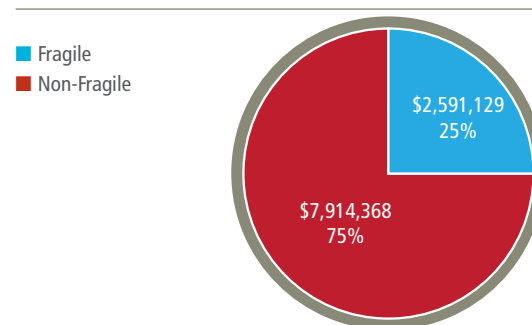
In post-conflict states, mobile telephony has successfully attracted rapid private sector interest due to the sector's short cost recovery period. Investments in other sectors such as power generation and ports have also taken place relatively soon following the end of conflict. Choosing first projects with the highest chance of success can create a signaling effect, with the possibility to sequence further activities in other sectors based on the success of initial projects.

Working in fragile and conflict-affected states is a cross-cutting theme of PPIAF's 2011–2013 Work Program. PPIAF assistance is being provided to help governments develop an appropriate enabling environment for private sector participation, and assist in the selection, design, and implementation of first-mover public-private partnerships.

Ongoing work

In June 2010 the IFC's Public-Private Partnership Transaction Advisory Services (C3P) department provided \$2 million to PPIAF's core multi-donor trust fund, with the funds intended to catalyze private sector participation in IDA-eligible fragile and conflict-affected states, with a focus on Sub-Saharan Africa. This funding was seen as a pilot program to demonstrate the effectiveness of PPIAF funding to fragile and conflict-affected states.

Figure 1: PPIAF AND SNTA COUNTRY- AND REGION-SPECIFIC FUNDING TO FRAGILE AND CONFLICT-AFFECTED STATES, FISCAL 2012



The strategic focus placed on increasing PPIAF support has led to impressive results in fiscal 2012. During fiscal 2012 funding towards country-specific activities in fragile and conflict-affected states across PPIAF and SNTA totaled \$2.6 million, accounting for 25 percent of total funding. This was an 86 percent increase in funding compared to fiscal 2011, when funding towards fragile and conflict-affected states totaled \$1.4 million, or 18 percent of country-specific funding. The majority of the funding towards fragile and conflict-affected states has been provided using IFC C3P funds, but additional activities have also been approved using core and non-core funds.

Table 1: Regional breakdown of country-specific PPIAF and SNTA activities approved in fragile and conflict-affected states

Region	Fragile Funding (US\$)	Non-Fragile Funding (US\$)	Percentage Fragile by Funding
Sub-Saharan Africa	2,104,854	3,448,292	38
Middle East and North Africa	361,275	1,192,515	23
Latin America and the Caribbean	75,000	1,204,555	6
South Asia	50,000	514,400	9
East Asia and the Pacific	0	781,506	0
Eastern Europe and Central Asia	0	773,100	0
Total	2,591,129	7,914,368	25



PPIAF has used these funds to attempt to address the development issues that plague fragile and conflict-affected states by supporting an enabling environment for long-term private sector investments in infrastructure and by funding activities in sectors with the highest likelihood of yielding immediate impact, given the importance of early, demonstrable success in developing an effective public-private partnership program.

In managing the funds provided by IFC C3P, PPIAF and IFC C3P teams have worked together to screen activities and provide funding to those activities that have the greatest potential for long-term success. Thus far, this collaboration has yielded impressive results:

- IFC C3P has signed eight mandates directly following support from PPIAF-IFC funds
- One existing mandate used PPIAF-IFC funds to

strengthen the mandate's implementation and chance of success

- One existing mandate used PPIAF-IFC funds to provide a post-transaction communications plan

Support has also been provided for World Bank projects, for example:

- In Chad the government is launching a bidding process to select a private operator for the water sector under a three-year service contract, supported by PPIAF funds
- In Liberia PPIAF support has catalyzed government commitment to launch a public-private partnership program, and projects are currently being identified for further pre-feasibility analysis.

The table below lists IFC C3P signed mandates that have benefitted from PPIAF support using IFC C3P funds.

Table 2: IFC C3P signed mandates that have benefitted from PPIAF support

PPIAF-Funded Activity	Related C3P Mandate	Results
Guinea-Bissau: Public-Private Partnership Training Workshop	Guinea-Bissau: Support to Electricidade e Águas de Guinea-Bissau	Mandate signed 8/4/2011
Guinea-Bissau: Preparation of the Strategy for Private Sector Participation in the Water and Electricity Sector		
Lesotho: Public-Private Partnership Policy	Lesotho: Health Centers ICT Lesotho: Medical Waste Lesotho: Wind	Mandates signed 2/9/2012
Maldives: Solid Waste Management Communication Program	Maldives: Solid Waste	Mandate successfully closed
Rwanda: Kigali Bulk Water Supply Project—Technical Assistance and Capacity Training	Rwanda: Kigali Bulk Water	Mandate signed 10/14/2010
South Asia: Leveraging Public-Private Partnerships for Development—Workshops on Building Awareness and Strengthening Capacity for Public-Private Partnerships	Bhutan: Urban Transport	Mandate signed 4/27/2011
Timor-Leste: Implementation of Public-Private Partnership Program	Timor-Leste: Dili Airport Timor-Leste: Tibar Bay Port	Mandates signed 05/31/2012
West Bank and Gaza: Southern West Bank Solid Waste Management Project	West Bank and Gaza: West Bank Solid Waste Management	Mandate signed 12/19/2011



Box 1: Implementation of Public-Private Partnership Program in Timor-Leste

PPIAF funding: \$74,750



Timor-Leste is a low-income post conflict country. Much of the country's infrastructure was destroyed during the conflict which began post-independence in 1999. Due to the scale and urgency of the needs, the Government of Timor-Leste was interested in developing key infrastructure through public-private partnerships. In 2011 PPIAF provided support to the Government of Timor-Leste to define and launch its public-private partnership program, including the development and implementation of initial public-private partnership pilot transactions. The PPIAF activity

complemented the initial screening of 22 infrastructure projects as potential public-private partnerships, undertaken jointly by IFC's C3P and Investment Climate business lines in cooperation with the Asian Development Bank.

PPIAF's Contribution: PPIAF provided support for preliminary business cases for the four most likely public-private partnership projects, and discussed with the client and other stakeholders. The intent of the business cases was to quickly assess the financial viability of the candidate projects as public-private partnerships, including recommendations on sequencing and required actions to strengthen the enabling environment in order to implement the projects.

Results: Following the completion of the business case analyses, the results of the feasibility assessments were presented to the Government of Timor-Leste for consideration and a decision on whether to proceed to the transaction stage. On May 31, 2012, the Government of Timor-Leste signed two mandates with the joint IFC C3P and Investment Climate teams to structure public-private partnership transactions for the Tibar Bay Port and Dili Airport, both of which were analysed under the PPIAF activity. These are the first public-private partnership transactions to be undertaken by Timor-Leste and PPIAF is currently in discussion to provide follow-up support for the transaction advisory phase of both projects.

Looking forward

Looking forward, PPIAF proposes to scale up the pilot project and increase its support to fragile and conflict-affected states. Proposed PPIAF technical assistance would include, but not be limited to, support for the following activities:

- Developing of sector strategies and policies related to private participation in infrastructure
- Capacity building support to strengthen knowledge and technical capacity on private sector participation strategies
- Quick screening of potential projects with private sector investment

- Preparation of a pre-feasibility or feasibility study for a specific project
- Payment for legal counsel

It is envisaged that PPIAF will provide significant in-depth upstream support to assist governments of fragile and conflict-affected states to place a sharper focus on identifying infrastructure projects that could be realized under a public-private partnership mode, and unblock any impediments towards implementation by providing enabling environment and capacity building support.

Work Program in Action: Fiscal 2012

The table below contains the activities approved during fiscal 2012, classified in accordance with the three strategic pillars

and four cross-cutting themes of PPIAF's 2011–2013 Work Program.

Table 3: Work Program in action: fiscal 2011

Sectors	Power	Transport	Water
Pillar I Universal Access	<ul style="list-style-type: none"> • Burundi Pipeline Screening and Feasibility Assessment of PPPs in the Energy Sector • Djibouti Energy Sector Assessment • Lighting Africa Expansion • Mozambique Preparation of a Gas Sector Master Plan • Niger Evaluation of Rural Energy Projects with Private Sector Participation (PSP) • Nigeria Support for PSP in the Power Sector • Tanzania Support to Biomass Power through Development of Sustainable Forestry Practices • South Sudan Power Distribution System Diagnostic 	<ul style="list-style-type: none"> • Albania Advisory Support for Private Sector Involvement in Operation of Regional Bus Stations • Guinea Mining Ancillary Infrastructure • Laos Transport Sector Enabling Environment Assessment and Pipeline Screening • Latin America and Caribbean Infrastructure PPP Road Map • South Africa Pre-feasibility Study for Johannesburg Cycling Program • Uruguay Financing Options for Road PPPs • Vietnam Strengthening Performance-Based Contracts for Road Maintenance 	<ul style="list-style-type: none"> • Armenia Supporting an Enhanced Management Contract for Water and Sanitation Services • Cameroon Support to Water Sector • Haiti Transaction Support for InfraVentures Investment in DloHaiti • Lebanon Improving Water Utility Performance • Liberia Developing Cost Recovery Mechanisms in Private Sector Provision of Solid Waste Management • Maldives Contract Management Support for Solid Waste Management PPP • Morocco Contract Management Support in the Solid Waste Sector • Mozambique Pilot Private Sector Fecal Sludge Management in Maputo • Nigeria Workshop on Water Utility Reform • Panama Preparation of a Performance-Based Efficiency Improvement Contract for IDAAN's Colón Business Unit • West Bank and Gaza Solid Waste Management Project
Pillar II Climate Change	<ul style="list-style-type: none"> • Albania Technical Assessments of Bistrice 1, Bistrice 2, Ulza, and Shkopeti Hydropower Plants • Brazil Improving the Sustainable Forestry Concession Model in the Amazon • Djibouti Feasibility Assessment for Solar Rural Electrification • Kenya Assessment of Geothermal Development Company for Enhanced Access to Finance • Kenya Lake Turkana Wind Due Diligence Project • Mali Capacity Building and Legal Advisory Support to the Scatec and Kenie Solar Projects 		
Pillar III Urbanization			<ul style="list-style-type: none"> • Ghana Institutional Options for Improving Urban Water Supply

Sectors	Irrigation	Telecom	Multi-sector
Pillar I Universal Access	<ul style="list-style-type: none"> • Peru PPP Options for Irrigation Infrastructure • Philippines Options to Expand PSP in the Irrigation Sector 	<ul style="list-style-type: none"> • Albania ICT Universal Access and Service Policy Framework • Bhutan Telecom Sector Policy Roadmap • Cameroon Digital Switch Over Guide to Bring Converging Services to All • Comoros Supporting the Liberalization of the Telecom Sector • Comoros Telecom and Options Evaluation and Strategic Roadmap • Djibouti Options for Telecoms Sector • Ethiopia Expanding Rural ICT Access • Lesotho Legal Advisory Support to ICT and Facilities Management PPP • Moldova Feasibility Study for Cloud-Based Shared Infrastructure PPP • South Sudan Regulatory and Strategic Support for the Telecoms Sector • Thailand Leveraging Broadband Access for Accelerated Rural Development Phase 2 • Vietnam Feasibility Study and PPP Options for a Nationwide e-ID System for the Delivery of Public Services 	<ul style="list-style-type: none"> • Bhutan Pre-feasibility Assessment of PPP Projects • India Assistance in the Finalization of a PPP Policy • Malawi Project Pipeline Screening and Initial Assessment of Potential PPPs • Mali Supporting an Enabling Environment for PSP in the Electricity and Water Sectors • Nepal Screening and Initial Feasibility Assessment of Potential PPP Projects • Sri Lanka Pre-feasibility Assessment of PPPs • Tajikistan Drafting a New Investment Law
Pillar III Urbanization			<ul style="list-style-type: none"> • Colombia Private Financing for Low-Income Housing Projects • Sri Lanka PPP for the Environmental and Economic Valorization of Beira Lake • The Governance of Basic Local Public Services – 3rd Global Report on Decentralization and Local Democracy • Sri Lanka Identifying PPP Opportunities for Local Governments

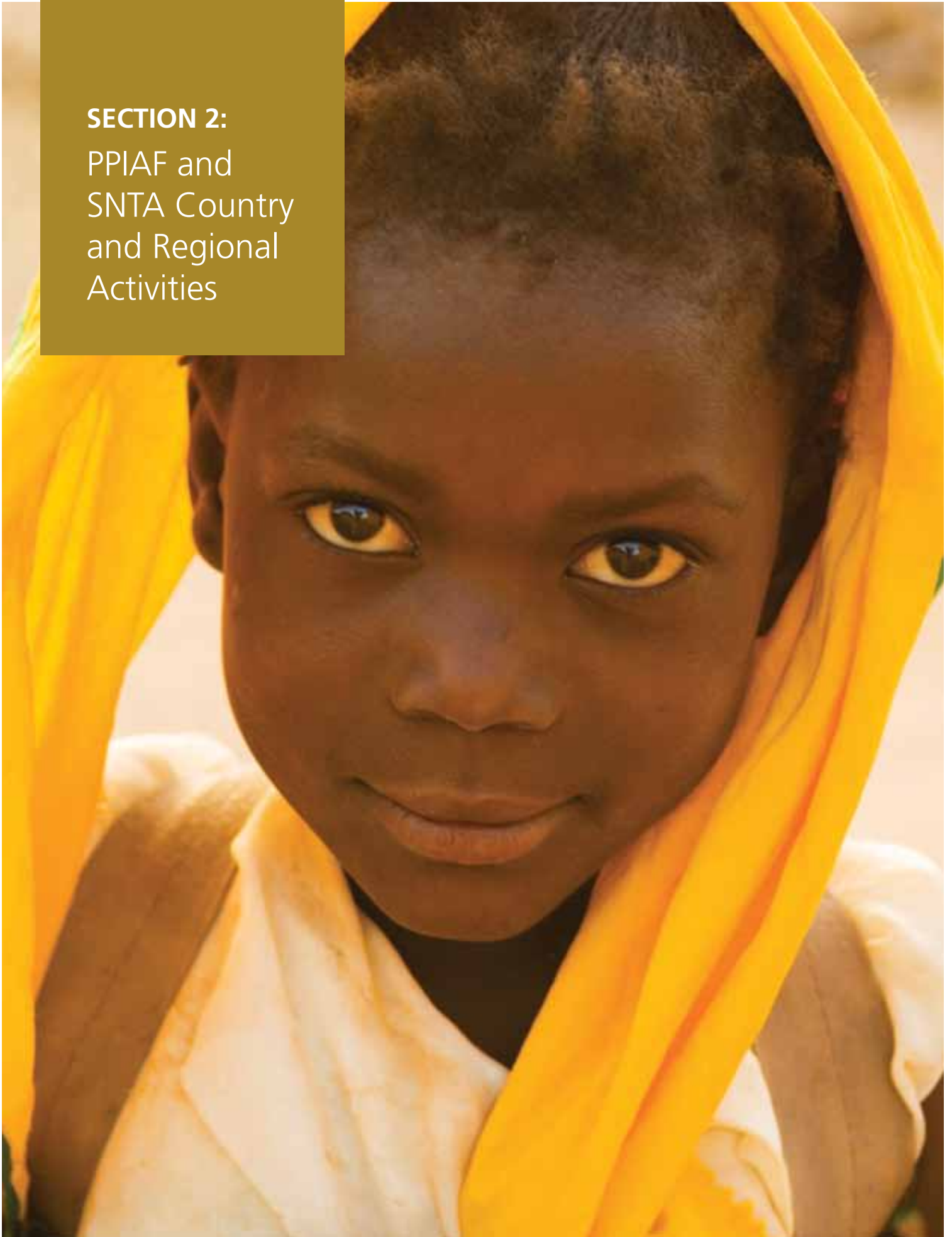


Table 3: Work Program in action: fiscal 2012 (continued)

	Cross-Cutting Themes
Sub-National Technical Assistance	<ul style="list-style-type: none"> • Africa Regional Capacity Building Workshop on Revenue Management • Belize Improve Municipal Creditworthiness for Municipalities • Botswana Support to Innovation Hub Development • Burkina Faso Strengthening Fiscal Revenues for the Municipality of Ouagadougou • Colombia Feasibility Study for Tradable Air Rights Instruments for Bus Rapid Transit Corridor • Ghana Increasing Access to Market-Based Financing for Municipalities in the Greater Accra Area • Indonesia Jakarta Credit Rating • Kenya Assessment of Geothermal Development Company for Enhanced Access to Finance • Kenya Enhancing Municipal Revenue in Nairobi • Lebanon Facilitating Sub-National Government Access to Commercial Credit and Capital Markets • Mauritania Public Expenditure and Financial Accountability Study for the Communauté Urbaine de Nouakchott • Mexico Strengthening Lending Market for Small Municipalities • Philippines Assisting Tanauan City in Enhancing the City's Creditworthiness • Sierra Leone Financial Management Assessments for the Districts of Tonkolili, Koinadugu, and Bombali • West Bank and Gaza Improving Municipal Revenue Generation Policies and Framework
Fragile States*	<ul style="list-style-type: none"> • Burundi Pipeline Screening and Feasibility Assessment of PPPs in the Energy Sector • Comoros Options Evaluation and Strategic Roadmap for the Telecoms Sector and Supporting the Liberalization of the Sector • Côte d'Ivoire Improving Users' Awareness on Cost Recovery for Sustainable Infrastructure Development • Côte d'Ivoire PPP Pipeline and Enabling Environment Support • Guinea-Bissau PPP Training Workshop • Guinea Mining Ancillary Infrastructure • Guinea PPP Training Workshop • Haiti Transaction Support for InfraVentures Investment in DloHaiti • Liberia Developing Cost Recovery Mechanisms in Private Sector Provision of Solid Waste Management • Nepal Screening and Initial Feasibility Assessment of Potential PPP Projects • Sierra Leone Financial Management Assessments for the Districts of Tonkolili, Koinadugu, and Bombali • South Sudan Power Distribution System Diagnostic • South Sudan Regulatory and Strategic Support for the Telecoms Sector • West Bank and Gaza Solid Waste Management Project • Zimbabwe Assessment of Enabling Environment and PPP Pipeline
Regional Integration	<ul style="list-style-type: none"> • Africa Legal Services in Support of the West African Power Pool's Inter-connector Project for Côte d'Ivoire, Liberia, Sierra Leone, and Guinea • Middle East and North Africa Developing Alternative Broadband Networks
Capacity Building	<ul style="list-style-type: none"> • Africa Energy Ministers' Conference • Africa Regional Conference on PPPs in Water and Sanitation • Gabon PPP Program • The Governance of Basic Local Public Services – 3rd Global Report on Decentralization and Local Democracy • Leaders in Urban Transport Program • Middle East and North Africa Training Course on PPPs in the Water Sector • Private Participation in Infrastructure Database Funding for Fiscal Years 2012 and 2013 • Rwanda Capacity Training for Kigali Bulk Water Supply Project • Showcasing PPPs in Emerging Markets • South Asia Regional PPP Conference • Sri Lanka Identifying PPP Opportunities for Local Governments

*Several of the activities listed in the cross-cutting themes also appear among the three strategic pillars

SECTION 2:
PPIAF and
SNTA Country
and Regional
Activities



PPIAF Portfolio

PPIAF approved \$10.9 million in funding for 74 activities in fiscal 2012. This represents a 40 percent increase in funding as compared to fiscal 2011, and a 21 percent rise in the number of activities approved.

Throughout fiscal 2012, PPIAF has continued to support developing country governments in their efforts to attract and sustain private sector investment and participation in the delivery of key infrastructure. Over the course of the year, the infrastructure needs of developing countries have continued to grow in line with the need to increase and sustain nascent global economic growth. There is unprecedented pressure on existing infrastructure provision in many developing countries, which is increasing due to global trends such as urbanization.

Meanwhile, government budgets remain under pressure as the residual impacts of the financial crisis and global economic downturn have increasingly resulted in unsustainable government deficits. Consequently, governments must use the limited public resources that are available to help leverage private capital to help share in meeting this growing infrastructure need.

To this end, PPIAF has provided invaluable technical assistance to governments throughout another challenging year. The predominate focus of this PPIAF support has continued to be in helping to generate a suitable enabling environment that will allow governments to attract private sector investment and participation in the delivery of infrastructure. This has mostly focused on strengthening the legal, institutional, and regulatory frameworks of countries so that potential infrastructure projects can be realized with sufficient private sector interest and appetite. Throughout fiscal 2012 PPIAF has also provided early-stage project preparation and transaction assistance to pioneering infrastructure projects in various developing countries.

Over the past year, PPIAF has responded to increased demand from the Sub-Saharan Africa region as needs continue to increase and become ever more acute. In addition, PPIAF has continued to show its commitment to providing its technical assistance to the fragile and conflict-affected states. In these countries, the fundamental conditions for private sector investment are typically missing, and yet it is here where need is at its highest and where PPIAF support is most required. PPIAF also remains committed to the very different, yet no less important, needs of our middle-income country constituents who are looking to move from a project-by-project approach to private sector infrastructure investment to a more systematic and programmatic approach to investment.

Fiscal 2012 Performance

PPIAF approved \$10.9 million in funding for 74 activities in fiscal 2012. This represents a 40 percent increase in funding as compared to fiscal 2011, and a 21 percent rise in the number of activities approved. This sharp increase in PPIAF support carried on the momentum from fiscal 2011, when fourth quarter funding represented over 56 percent of total fiscal 2011 funding. Much of the fiscal 2012 increase can be attributed to a significant effort from the PPIAF team to enhance support to activities in Sub-Saharan Africa, where \$5.3 million was committed in fiscal 2012, a 195 percent increase on fiscal 2011's Sub-Saharan Africa portfolio.

The fiscal 2012 results are illustrative of PPIAF's 2011–2013 Work Program, which focuses on increased engagement with clients and collaboration with colleagues across the World Bank Group to support sequenced, results-focused activities that support PPIAF's objective of increasing access to infrastructure services and poverty alleviation through private sector participation.

Sub-Saharan Africa, where infrastructure needs are greatest among developing country regions, was again the largest recipient of PPIAF support in fiscal 2012.

The 74 activities approved in fiscal 2012 were funded with donor contributions from both the Multi-Donor Trust Fund II and Non-Core Funds. The breakdown of the Trust Funds is included within the Program Finances report found in Section 3 of this report, and a full list of approved activities is presented in Annex 1.

Distribution of PPIAF Activities in Fiscal 2012

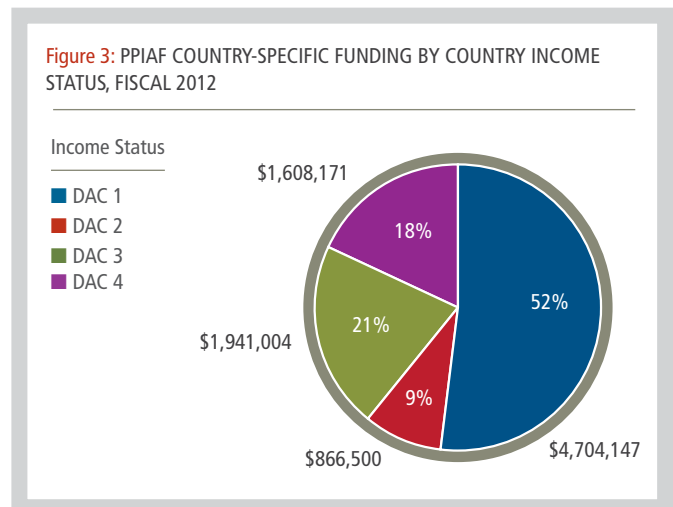
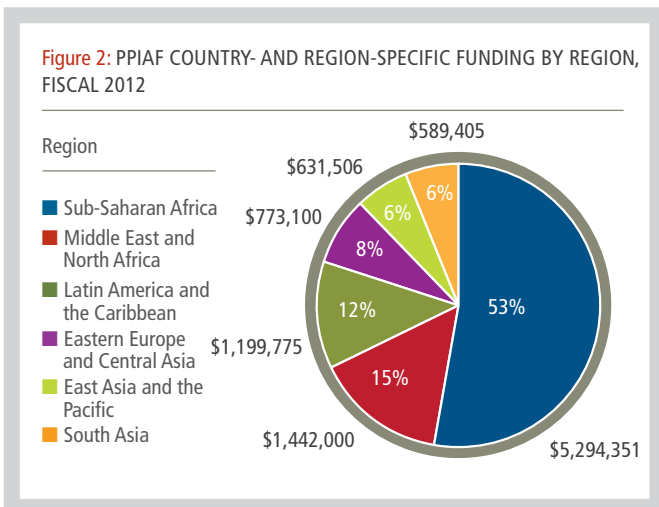
Sub-Saharan Africa, where infrastructure needs are greatest among developing country regions, was again the largest recipient of PPIAF support in fiscal 2012. Support to Sub-Saharan Africa accounted for 53 percent of approved country- and region-specific activities in fiscal 2012. This is significantly higher than the figure reported in fiscal 2011, in which Sub-Saharan Africa accounted for approximately one-third of PPIAF funding. In Sub-Saharan Africa 84 percent of funding for country-specific activities was focused on low-income countries, defined as those in columns one and two on the Organization for Economic Cooperation and Development’s Development Assistance Committee list of official development assistance recipients.

Demand for PPIAF services grew strongly in Middle East and North Africa despite the political upheaval caused by the Arab Spring, where \$1.4 million of funding, a 49 percent rise on fiscal 2011 funding, accounted for 15 percent of PPIAF’s fiscal 2012 country- and regional-specific portfolio. Support was focused particularly in IDA countries such as Djibouti and West Bank and Gaza. In Latin America and the Caribbean, PPIAF support was also highly solicited, and \$1.2 million of funding was committed, a 264 percent rise on funding in fiscal 2011.

PPIAF monitors the distribution of funding commitments by country income status in order to ensure a continued emphasis on funding pro-poor activities in low-income countries (Figure 3). In fiscal 2012 PPIAF directed 62 percent of country-specific funding to low-income countries. This focus on low-income countries was attained despite the graduation of eight countries from low-income to middle-income status. Combined funding to these eight countries represented over ten percent of approved country-specific funding.

Energy activities accounted for 26 percent of PPIAF commitments in fiscal 2012 (Figure 4), marginally less than in previous years, although the \$2.8 million committed to the 15 approved activities represented a 34 percent increase in funding compared with fiscal 2011. As part of PPIAF’s universal access pillar, energy is a key strategic sector because of electricity’s impact on economic growth. Huge gaps in access to electricity services, especially in Sub-Saharan Africa where frequent power cuts occur, severely impede economic activity and private investment. Energy is also critical for PPIAF’s focus on climate change adaptation and mitigation. For example, in Djibouti PPIAF is funding an activity to analyze the technical, economic, and financial feasibility of solar rural electrification options to determine the most viable and sustainable roll-out option available to electrify 25 villages. PPIAF also provided support to a gas sector master plan in Mozambique, and is assisting the development of two bio-mass power plants in Tanzania.

Multi-sector activities typically provide broad-based support to the public-private partnership enabling environment



across infrastructure sectors. They remain a particularly strong priority for governments focused on capacity building initiatives and institutional reforms such as the creation of public-private partnership units, policy and strategy frameworks, or infrastructure development funds. In fiscal 2012 multi-sector activities totaled \$2.8 million, representing 25 percent of the PPIAF portfolio, a slight drop from fiscal 2011. Several multi-sector activities were also approved further downstream, such as in Bhutan, Côte d'Ivoire, Malawi, Nepal, and Zimbabwe, where PPIAF is supporting the development and appraisal of a public-private partnership project pipeline.

Telecommunications has traditionally received the smallest share of PPIAF funding as much of the market's needs are already met by the private sector on a purely commercial basis. In fiscal 2012 PPIAF provided support for activities targeting specific gaps in the market, especially involving service to rural populations. In Ethiopia PPIAF is assisting the government to design and execute a rural information and communication technology access program under a public-private partnership model through a study to determine the feasibility of scaling-up the establishment of telecenters within existing postal premises. In Lesotho PPIAF is supporting legal consultants in support of an IFC advisory mandate to implement an information and communication technology and facilities management public-private partnership transaction to connect over 165 rural health centers throughout Lesotho, upgraded with funds from the Millennium Challenge Corporation.

Funding for activities in the water and sanitation sector increased from \$1.1 million in fiscal 2011 to \$1.8 million in fiscal 2012, accounting for 17 percent of the fiscal 2012 portfolio. Although the water and sanitation sector has traditionally been the hardest sector in which to encourage private sector participation, PPIAF is providing transaction

support to a bulk water project in Rwanda, a potable water project in Haiti, management contracts for water distribution in Armenia and Cameroon, a sanitation project in Mozambique, solid waste projects in Liberia, the Maldives, and Morocco, and irrigation activities in Peru and the Philippines.

In fiscal 2012 PPIAF approved seven transport activities for total funding of over \$1.1 million, a slight increase on the fiscal 2011 figures. Activities across the transport sub-sectors were approved, including a strategy to support mining ancillary infrastructure in Guinea, a pre-feasibility study for a cycling project in South Africa, and assistance to strengthen the use of performance-based contracts for road maintenance in Vietnam.

PPIAF also tracks the specific types of activities approved, based on the Program Management Unit's judgment as to the primary focus of each activity.

Infrastructure development strategies are PPIAF's most widely used activity types as governments seek advice, expertise, and funding to develop the requisite enabling environment to facilitate public-private partnerships. In fiscal 2012 infrastructure development strategies accounted for 46 percent of PPIAF funding, for close to \$5 million of funding.

Pioneering transactions, support to which has grown as client governments increasingly request support further downstream, increased in fiscal 2012, accounting for 27 percent of the portfolio. Support to policy, regulatory, and institutional reforms totaled \$1.2 million, 11 percent of the portfolio.

Capacity building, consensus building, and emerging best practices accounted for the smallest share of PPIAF grant assistance in fiscal 2012, representing a combined 16 percent of the portfolio.

Figure 4: PPIAF FUNDING BY SECTOR, FISCAL 2012

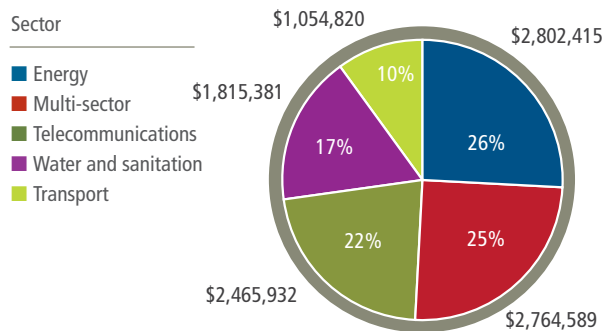
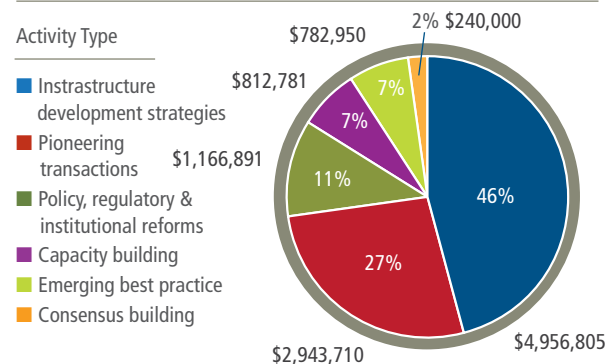


Figure 5: PPIAF FUNDING BY ACTIVITY TYPE, FISCAL 2011





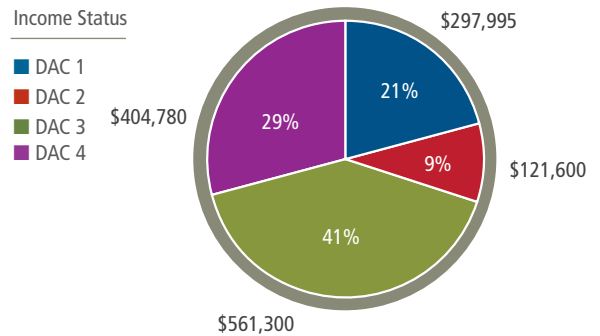
Sub-National Technical Assistance Program

Results from PPIAF’s Sub-National Technical Assistance (SNTA) program were thoroughly assessed between fiscal 2011 and 2012. At the request of the donors, an independent evaluation was carried out in January 2012 and documented SNTA’s strong performance in terms of efficacy, relevance, and cost-effectiveness. In addition to an impressive set of outputs and outcomes, the evaluation reported over \$900 million of financing raised and around 6 million people receiving improved infrastructure services as a result of SNTA assistance.

SNTA provides technical assistance grants to help sub-national entities improve their creditworthiness in order to access market-based financing without sovereign guarantees. In doing so, the program increases the funds available for improved and increased infrastructure services such as water and electricity provision, treatment of wastewater, and efficient transport systems.

Over the course of fiscal 2012, a clear focus has been placed on low-income countries, where significant constraints in supply for sub-national financing persist. After five years of operation, the program is now committed to transferring more of its successes and best-practices to lower-income regions. To meet this challenge, SNTA has widened the nature of its support so that low-income countries’ sub-national entities can receive technical assistance that is reflective of where they are on the journey towards accessing

Figure 6: SNTA PROGRAM FUNDING BY COUNTRY INCOME STATUS, FISCAL 2012



sub-sovereign finance. This new approach was developed in fiscal 2012 and has already been applied in countries such as Sierra Leone. Activities under the new strategy focus on increased upstream assistance (e.g., revenue management improvements) and are more flexible regarding concessional finance as a first step to commercial finance. Such an approach, limited to contexts where capital markets are severely under-developed and sub-national entities are far below investment grade, is intended to support the creation and development of more mature capital markets.

Fiscal 2012 Performance

Fifteen SNTA activities were approved in fiscal 2012, for a total of \$1.5 million in funding—a slight decrease from the \$1.9 million committed in fiscal 2011. During the year, the team increased its efforts to re-orient the SNTA program towards supporting activities in low-income countries, where the approach has focused on supporting smaller step-by-step activities that help sub-national entities improve their financial management and creditworthiness over time, rather than targeting commercial bank financings or bond issuances, as experience indicates that sub-national entities in low-income countries for various reasons are not willing or able to borrow on commercial terms, but rather are in need of creditworthiness improvements. More information on these activities can be found in the regional overview sections that follow.

Distribution of SNTA Activities in Fiscal 2012

The strategic reorientation of the SNTA portfolio has led to increased support to low-income countries. In fiscal 2012 31 percent of SNTA funding was approved in low-income countries. This was an increase on fiscal 2011, when 27 percent of SNTA funding was directed towards low-income countries. Activities in low-income countries were typically smaller in funding amount, reflective of the trend to try to sequence and approve smaller activities in these countries. In terms of number of activities, 36 percent of activities were approved in low-income countries.

Sub-Saharan Africa attracted the highest regional share in fiscal 2012, attracting 51 percent of total funding as the portfolio shifted focus to low-income countries, compared with 22 percent in fiscal 2011. Demand for SNTA services remained strong in Latin America and the Caribbean, and two activities were approved in the Middle East and North Africa, the first time that SNTA funding was provided to this region.

The SNTA portfolio shifted significantly in terms of the nature of activity supported. In fiscal 2012 activities focused on specific performance improvements accounted for 52 percent of total funding, totaling \$0.76 million, while activities categorized as supporting financings represented 26 percent of the portfolio. In comparison, in fiscal 2011 the SNTA portfolio was more heavily oriented towards downstream activities, with 53 percent of activities helping to prepare the financing of transactions. This shift in support towards specific performance improvements that enhance creditworthiness reflects SNTA's new orientation towards lower-income countries.

Figure 7: SNTA PROGRAM FUNDING BY REGION, FISCAL 2012

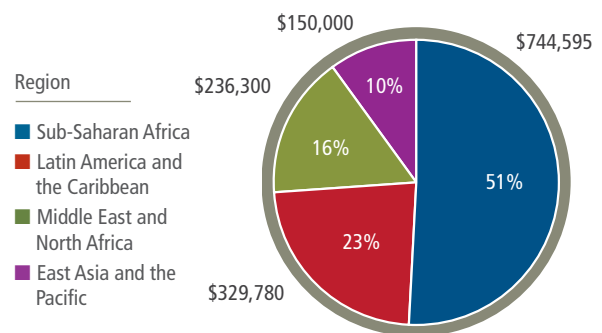
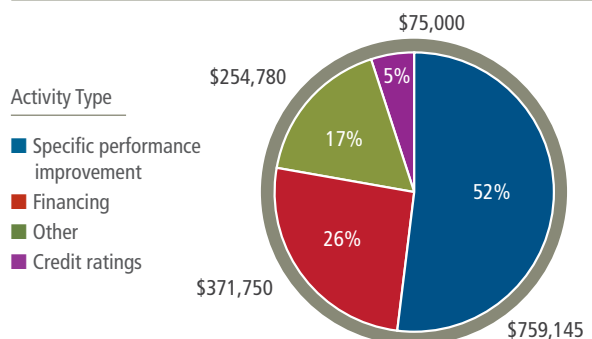


Figure 8: SNTA PROGRAM FUNDING BY ACTIVITY TYPE, FISCAL 2012





Sub-Saharan Africa

Requests for PPIAF assistance in the region continue to be high, as governments seek support to help develop the appropriate enabling environment for private sector participation.



Overview

Sub-Saharan Africa's economies have improved markedly over the past decade. The continent's real GDP grew by roughly 5 percent per year from 2000 to 2008, reaching \$1.56 trillion in 2008 prior to the financial crisis. Although the financial crisis slowed the economic boom, Sub-Saharan Africa has showed significant resilience, and economic growth climbed back to 5 percent in 2011. This growth story has been built on sound macro-economic principles that have reduced inflation from the highs of the 1990s, brought about tax reforms and the privatization of state assets, and energized the market through private-sector friendly policies and sector strategies.

Nevertheless, many Sub-Saharan Africa countries continue to face serious infrastructure deficits that negatively impact economic growth across the continent. As a result, many of the region's governments are recognizing that mobilizing the required investment to support the development of infrastructure will be a major challenge. To address this, governments are looking to engage the private sector through public-private partnership arrangements to close the gaps in investment capital, technology, and know-how needed to improve the efficiency and delivery of public infrastructure services. PPIAF continues to provide significant assistance to the region to support these efforts.

Areas of PPIAF assistance

Requests for PPIAF assistance in the region continue to

be high, as governments seek support to help develop the appropriate enabling environment for private sector participation, as well as the knowledge and expertise to develop and implement bankable public-private partnership projects. In fiscal 2012 the PPIAF Africa portfolio grew to \$5.3 million, a 195 percent increase on fiscal 2011, representing 49 percent of PPIAF's total portfolio.

The infrastructure gap is most acute in the power sector, where chronic power shortages in many of the region's countries significantly impact economic activity and growth. Although the sector is already the second largest recipient of private sector investment across the continent, it is estimated that Sub-Saharan Africa spends only around one quarter of the amount needed to fulfill demand. The private sector will play a significant role in building Africa's power generation potential.

In fiscal 2012 PPIAF provided support to several projects in the region with this goal in mind. In Nigeria PPIAF approved an activity that will support the government in reaching its Vision 2020 goal of increasing the country's generation capacity from 3,000 MW to 40,000 MW by 2020 by facilitating private sector investment in Independent Power Plants. PPIAF is supporting the due diligence of the proposed Independent Power Producers to ensure that the projects meet internationally established benchmarks for proposed technology and cost efficiency. It is hoped that the Independent Power Plants that will be examined as part of the activity will provide additional generation capacity of more than 2,500 MW. Similarly, in Rwanda PPIAF



PPIAF team members in East and Southern Africa Office (Nairobi, Kenya) Serah Njoroge and Njeri Gicheru.

has provided support to the government to help it better understand where the private sector can contribute to increased electricity access. PPIAF funded an independent diagnostic report of Rwanda's electricity sector that reviews and lists the priority power generation projects. PPIAF follow-up support will focus on the potential projects in the hydropower sector with high development potential.

Several countries in Africa are rich in natural resources and as these countries attempt to embark on a sustainable development path, a key question arises as to how to integrate the infrastructure assets (e.g., roads and power) created to serve mining companies into the policies and plans that aim to improve the provision of infrastructure nation-wide. In recognizing the increasing importance of this question for African countries, PPIAF is supporting the Government of Guinea in its efforts to integrate its mining ancillary infrastructure into the relevant national development plans.

Across infrastructure sectors, private investors in Sub-Saharan Africa are looking to implement public-private partnership projects that provide suitable returns for the risks undertaken. These investors have sometimes complained of the lack of bankable deals in the region, which has made it difficult to invest funds appropriately. In fiscal 2012 PPIAF has approved multiple projects that seek to respond to this challenge by promoting the identification and prioritization of potential public-private partnership projects. In Burundi, Côte d'Ivoire, Gabon, Niger, Uganda, and Zimbabwe, PPIAF



Box 2: Evaluation of the Public Finance Management System of the Municipality of Cotonou, Benin
SNTA funding: \$146,005

Background: Local authorities in Sub-Saharan Africa face growing populations and increased demand for infrastructure services with scarce public resources. Municipalities such as Cotonou are often unable to access loans without sovereign guarantees due to a lack of creditworthiness.

PPIAF's contribution: PPIAF supported an analysis of Cotonou's system of public finance management, using the Public Expenditure and Financial Accountability (PEFA) methodology developed for local municipalities. The analysis measured the city's public finance management performance and developed a baseline for measuring the evolution of this performance. A validation workshop in Cotonou was organized on February 13, 2012.

Results: The study will help Cotonou access resources on financial markets and other sources without sovereign guarantees. One of the city's supporters, the Agence Française de Développement, is considering granting the city a loan (€6 to €8 million) to finance an investment program, including the construction of facilities and infrastructure to support urban mobility.

is providing support to screen and examine infrastructure projects for their suitability to be structured as public-private partnerships. In doing so, PPIAF is helping these governments prioritize first-mover projects and signal to potential investors their commitment to developing a multi-project public-private partnership program. It is hoped that PPIAF can provide second-phase support to the projects identified for more in-depth pre-feasibility studies and

project appraisal. In addition, many of these projects also include a component that assesses the enabling environment for public-private partnerships in general, and for the identified projects in particular. In doing so, the activities are designed to quickly flag legislative and regulatory impediments that need to be addressed before a project can be launched.

Strengthening assistance to fragile states, where weak institutions and risks of conflict constrain national poverty reduction efforts and service delivery, continues to be a priority for PPIAF. In fiscal 2012 PPIAF supported initiatives in various fragile states, including first time support to Burundi. In South Sudan PPIAF is supporting the government in setting up transitional governance arrangements for the telecommunications sector, including the development and implementation of the legal and regulatory framework needed to govern the sector. This will also include a feasibility study for the implementation of an open-access long-haul fiber-optic backbone network connecting South Sudan to the neighboring countries and the international communications infrastructure.

In fiscal 2012 the SNTA program approved activities in Ghana, Burkina Faso, and Mauritania to improve the financial performance of municipalities in those countries. SNTA also supported an Africa-wide capacity building workshop on revenue management, which was co-financed by the Agence Française de Développement's Center for Financial, Economic, and Banking Studies. In addition, SNTA approved an activity in Kenya that supports an assessment of the Geothermal Development Company to enhance its access to finance.

Looking forward

Looking forward, the region still faces a large unmet demand for infrastructure services. The challenge is particularly acute in the provision of power, water, and transport services. PPIAF will continue to support the strengthening of policymakers' capacity to devise clear sector development strategies and engage with the private sector to implement these strategies successfully. PPIAF will also provide support for training and assist with the development and strengthening of public-private partnership units. In addition, PPIAF will continue to support follow-up work from the ongoing screening of project pipelines.







East Asia and the Pacific

The growth of economies in East Asia and the Pacific remains strong but constrained mostly due to weakened external demand, Eurozone uncertainties, and the impact of natural disasters on the production supply chain.



Overview

The growth of economies in East Asia and the Pacific remains strong but constrained mostly due to weakened external demand, Eurozone uncertainties, and the impact of natural disasters (such as the tsunami in Japan and flooding in several countries) on the production supply chain. The slow global growth, however, presents an opportunity to enhance medium- to long-term growth by increasing both the investment in infrastructure (particularly in those sectors that support production) and the quality and efficiency of these investments. The private sector can play a role in financing and improving the delivery of productive infrastructure. PPIAF assistance in the region continues to be centered on building a robust pipeline of public-private partnership projects and improving enabling environments for private sector financing.

Areas of PPIAF assistance

Recent PPIAF assistance in the region focused on developing a pipeline of public-private partnerships particularly in the roads, irrigation, and telecommunications sectors. PPIAF will help the Government of Lao PDR develop the country's potential public-private partnership pipeline in the transport sector, which will serve as an input to the Lao National Strategy for the sector.

The Philippines' agricultural sector lacks experience in implementing public-private partnerships. Thus, the country's Department of Agriculture requested PPIAF support

to address the enabling environment for public-private partnerships and build its capacity to implement its public-private partnership program. PPIAF is currently providing assistance to identify policy, regulatory, and institutional constraints in the sector. In addition, PPIAF has helped the department develop a pipeline of bankable projects.

In Vietnam, PPIAF is providing support to determine options for the design and execution of a public-private partnership e-ID system, which will help increase efficiency and transparency of public service delivery to citizens. The private sector can play a critical role in deploying this e-ID infrastructure, potentially ensuring the financial viability and sustainability of the project.

In Vietnam, where the public-private partnership model has gained significant political support, the Ministry of Transport—through the Directorate of Roads—is taking the lead in setting a strategic vision for the national road system, which will include the use of performance-based contracts in road maintenance. PPIAF is helping to undertake a review of the current approach to performance-based road maintenance contracting in Vietnam and providing recommendations to improve its implementation.

PPIAF has recently approved two SNTA activities that will help local governments access market-based financing in order to support priority projects. The financed projects will enable the local governments to cope with the challenges of rapid urbanization and climate change. The first activity is providing



a credit rating and financial management assessment of the Province of Jakarta. It also supports the strengthening of its newly established Debt Management Unit in assessing and monitoring debt. The Province of Jakarta plans to issue a bond, potentially the first municipal bond issuance in Indonesia. The other SNTA activity is helping the City of Tanauan in the Philippines improve its capacity for fiscal and financial management as it considers a local currency loan from the IFC to finance its capital expenditure program for essential infrastructure. The planned transaction differs from earlier borrowing by the city, as it will not involve traditional inter-governmental transfers (block grants from the national government to local governments) as security.

Looking forward

PPIAF assistance in East Asia and the Pacific will continue in the region's larger economies, though focusing on the least developed economies remains a strategic priority. To date, potential activities in the energy sector in Papua New Guinea and telecommunications sector in Myanmar are being explored. Developing a pipeline for PPIAF's SNTA window will also be a priority starting with follow-up support to local governments that benefitted from initial activities under the SNTA assistance (see box 3).



Box 3: Support for Financial and Credit Rating Assessment for Sub-National Governments in Indonesia

PPIAF funding: \$330,000

Background: About a decade ago, Indonesia implemented a sweeping decentralization reform, which made empowering local governments critical. To help increase the level and quality of local spending for public services and infrastructure, Indonesia embarked on developing a framework for sub-national borrowing, in particular on issuing municipal bonds. In this context, the Ministry of Finance sought guidance from the World Bank on setting up a system for financial assessment and credit ratings, and assisting sub-national governments in attaining credit ratings and issuing of bonds.

PPIAF's contribution: As part of the overall work to support the Ministry of Finance in developing a framework for sub-national borrowing, PPIAF's SNTA program supported financial management assessments and credit ratings for four cities: Surabaya, Makassar, Bandung, and Balikpapan.

Outcomes: In 2011 the financial management assessments and credit ratings were completed for the four cities. The assessments for Surabaya and Bandung were done by Standard & Poor's, while those for Makassar and Balikpapan were done by PEFINDO, a local rating agency. A workshop was conducted on November 21, 2011, in Jakarta to present the results of the assessments and credit rating reports, discuss the legal background of sub-national borrowing, share international experiences with sub-national borrowing, and share the experience of the city DKI Jakarta in preparing for the issuance of Indonesia's first municipal bond. The results of the financial management assessments and credit ratings for the participating cities were very encouraging, and the cities also found the inputs from these reports to be beneficial to improve their fiscal management practices. Follow-up support to Makassar and Surabaya to help them move towards accessing market-based financing is currently being explored.

Eastern Europe and Central Asia



PPIAF support to Eastern Europe and Central Asia has shifted its focus from the Balkan states to a broader pool of countries, including Tajikistan.



Overview

The financial crisis has had an adverse impact on private sector funding flows in Eastern Europe and Central Asia: investment levels have since decreased significantly lower than in previous years, and have decreased at a much higher rate than in other developing regions. However, in 2011 the region saw a 34% increase in investment in infrastructure projects with private participation compared to 2010 levels.

There have been sectoral and regional pockets of appetite for public-private partnerships in Eastern Europe and Central Asia as the global financial crisis lessens in intensity, including in renewable energy. Largely thanks to effective policy support, 2011 saw significant growth in public-private partnerships in renewable energy projects: Bulgaria and Romania public-private partnership deals closed in this sector with values of \$370 million and \$1.3 billion, respectively.

Areas of PPIAF assistance

PPIAF support to Eastern Europe and Central Asia has shifted its focus from the Balkan states to a broader pool of countries, including Tajikistan. With respect to the scope of PPIAF-funded activities, the focus has shifted from regional initiatives to single-country activities, often supporting specific public-private partnership transactions. While PPIAF continues to support the development of a wholesale electricity market in Southeastern Europe in order to achieve greater economies of scale, the large majority of new activities provide interventions strengthening client countries'

capacity to successfully close selected public-private partnership schemes.

In recent months, PPIAF has approved several activities in Albania and Armenia. One activity in Albania is providing technical, environmental, and social impact assessments for three hydropower transactions in the context of shaping the Government of Albania's energy sector privatization strategy; another activity in Albania is aiming to improve the universal access and service policy framework in the telecommunications sector. In Armenia PPIAF is supporting private sector involvement in the operation of regional bus stations through the development of performance standards for bus station operations and an assessment of the operator's financial condition and revenue generation capabilities. In addition, PPIAF is assisting the Armenia Water and Sewerage Company with the design of an enhanced management contract for 2011–2013, which will ensure the contract's compliance with the overall long term economic and financial goals of the sector.

Looking forward

PPIAF intends to continue to engage with countries in the region, and an increased effort to strengthen pro-poor activities will remain a priority as the region continues to deal with the aftermath of the financial crisis. Pre-transaction support to facilitate market access across countries in Eastern Europe and Central Asia and increase regional integration will be also encouraged.



Box 4: Technical Assistance for Albania's Transport Sector

PPIAF funding: \$245,000

Background: In 2005 Albania's road infrastructure was inadequate, as about 63 percent of the national road network was in poor condition, and the sector was in need of major investment. However, given the huge investment needs, the government realized that it could not achieve the targets laid out in its National Transport Plan using only government and/or donor funds. The government was therefore interested in exploring private participation options to support its road infrastructure development goals. In 2005 the government requested PPIAF support to provide a strategy for private participation in the road sector, by identifying obstacles to public-private partnerships and recommendations to increase private sector interest.

PPIAF's contribution: The PPIAF-funded framework report was compiled within the context of huge investment needs in the roads sector in Albania. In assessing available public-private partnership structures, the report assessed build-operate-transfer, rehabilitate-operate-transfer, and maintain-operate-transfer as the best available options to maximize private participation for high priority investments in the sector. The report noted that with low traffic volumes, weak local financial markets, and inexperience with tolling, the government's objective of large-scale private sector investment in roads would be a longer-term objective.

A one-day training session on public-private partnerships in the roads sector was held, and the report's recommendations were presented at a two-day workshop in May 2007. Consensus was achieved on moving forward with the design of performance-based road maintenance contracts for Albanian roads.

Outcomes: Following the recommendations of the PPIAF activity, a World Bank project was launched to support the piloting of four performance-based maintenance contracts in the Tirana and Kukës regions. The three-year contracts were subsequently awarded in October 2009. The total cost of these contracts was \$10 million, with the first two years paid by the World Bank, and the third year financed by the Government of Albania. Since the beginning of the contracts, the contractors have improved their overall performance and built their capacity in the performance-based maintenance approach. As a result, it is likely that the approach will be scaled-up in other regions within Albania.

In addition, enabling legislation was passed in October 2009 to transform the General Roads Directorate into the Albanian Road Authority, which is responsible for national and regional roads. The Albanian Road Authority Board was appointed in September 2010, and the authority will benefit from autonomy and greater responsibility for overseeing the roads sector in Albania, as recommended in the PPIAF-funded report.

Finally, the Government of Albania recently decided to introduce a tolling system on the Durres–Kukës highway. It will be the first highway to charge tolls to cover maintenance costs, and the government intends to introduce tolls to other highways currently under construction. The Durres–Kukës highway was constructed in 2007–2010 to connect Kosovo with the Albanian seaport of Durres. As of July 2012, five international consortia have prequalified and are taking part in the tender to upgrade, operate, and maintain the new Durres–Kukës highway. The bid submission deadline is scheduled for October 2012. The lead financial advisor on the project is the IFC C3P team.



Latin America and the Caribbean

PPIAF is expected to spearhead private participation in infrastructure activities in the region by piloting cutting-edge interventions and consolidating know-how that will benefit initiatives worldwide.



Overview

The Latin America and Caribbean region has consistently led the way in terms of private participation in infrastructure. At the beginning of the 1990s, all developing countries in the region suffered from large infrastructure deficits, dismal service standards, tight fiscal constraints, and deep problems with the traditional mode of public infrastructure service delivery. There were weak incentives for efficiency and infrastructure delivery was often embedded within patronage-drive political systems. In most of these countries, the decline of public finance available for infrastructure investment was larger than the increase of private sector investment in infrastructure. The exception was Colombia, where the decline was slight and, on average, public investment levels remained roughly unchanged (albeit with major fluctuations) throughout the period.

In recent years, privatization has slowed dramatically in the region. Disparities in Latin America and the Caribbean are also reflected by the different maturity levels of private participation in infrastructure markets across the region. Numerous countries in the region are moving towards a second phase of programs for private participation in infrastructure—mostly through public-private partnership schemes—while other countries are just beginning the process. As of 2012, several countries in the region—including Brazil, Chile, Costa Rica, and Peru—have created government departments to foster investment through public-private partnerships. Most recently, in December 2011

the Mexican Congress approved the Public-Private Partnership Act, a piece of legislation that aims to promote public-private partnerships by providing an official framework for public and private entities to enter into such agreements.

Areas of PPIAF assistance

PPIAF is expected to spearhead private participation in infrastructure activities in the region by piloting cutting-edge interventions and consolidating know-how that will benefit initiatives worldwide. A good example of this is a recent activity with the Brazilian Forestry Service, which is in charge of awarding concessions for forest management of federal public forests in Brazil. Forest concessions on publicly-owned land can play a crucial role in the promotion of sustainable forest management and the reduction of illegal logging or forest conversion. The Brazilian federal government's Forest Concession Program intends to create a new paradigm for forestry production in the Amazon, ensuring social control over this activity, fighting illegal land occupation, and inducing operators in the logging sector to adopt a sustainable and business oriented approach.

The track record of urban development projects (e.g., rapid transit systems), coupled with the financial viability of some sub-national governments in Latin America, has led to the need for innovative financial tools to incorporate future gains in land value resulting from the realization of major infrastructure projects. One such financial instrument is tradable development rights originally developed in Brazil.



An SNTA project in Colombia is helping Bogotá tap private sources of financing by auctioning additional building rights to private investors beyond what was initially permitted by the city's zoning legislation. The resulting certificates are freely tradable instruments in the local stock exchange. The development of innovative financial tools allows the public sector to mobilize private financing for such infrastructure investments and frees up much-needed fiscal space to target other pressing social and economic concerns.

Looking forward

PPIAF continued to support Latin America and the Caribbean in 2012, with over \$1.5 million in public-private partnership and SNTA projects. Going forward, PPIAF will continue to leverage its resources to initiate sustainable public-private partnerships and sub-national financing mechanisms while staying focused on crucial regional issues, such as inequality, climate change, and inclusive infrastructure development that benefits all citizens.



Box 5: Support for Non-Revenue Water Performance-Based Contracting in Honduras

PPIAF funding: \$75,000

Background: Access to water and sanitation services improved in Honduras in the 1990s, in both rural and urban areas. However, the sector's weak institutional framework and competition between national, state, and municipal actors led to a lack of planning, inadequate regulation of operators, and poorly-defined policies. In 2003 the government of Honduras passed the Drinking Water and Sanitation Sector Framework Law, which created a central policy-making council and an independent regulatory agency. The law also decentralized water and sanitation services, shifting the responsibility for operations from the national water and sewerage agency (SANAA) to municipalities.

PPIAF's contribution: PPIAF assistance was requested in 2008 to support a non-revenue water performance-based management contract for SANAA's operations in Honduras' capital city, Tegucigalpa Metropolitan District. The contract was piloted by a World Bank project to demonstrate how the private sector can be used as an efficient means to achieve significant improvements in operational and financial performance. PPIAF funded several elements to ensure the contract design reflected international best practice in non-revenue water management, including training for SANAA staff on management and non-revenue water contracts and a report on the lessons learned from the design and bidding process.

Outcomes: The \$6.5 million non-revenue water contract went into effect July 1, 2011, and was awarded to a consortium made up of ACC Ingenieria SAS, Radian Colombia SAS, and Veritec Consulting Inc. The consortium's obligations under the contract include: assessing the current conditions of the water supply; implementing minimum cost interventions to improve service reliability and hours of service; and reducing both physical and commercial losses to improve the utility's income.

Middle East and North Africa



PPIAF's portfolio in low-income and fragile states in the Middle East and North Africa region has grown in fiscal 2012.



Overview

Political turmoil has swept the Middle East and North Africa region since the Arab Spring. The upheaval has had political and economic consequences across the region. Economic growth rates in the region have fallen, unemployment has risen, and fiscal deficits and government debt levels in the Middle East and North Africa region have grown as governments responded to the unrest by increasing spending on subsidy programs and cutting tax rates. The quality and quantity of infrastructure provision in the region lags behind others, and it also suffers from the lowest private participation in infrastructure by financing volume. Given the region's infrastructure needs, PPIAF support has been highly solicited in fiscal 2012 to help governments identify, design, and implement public-private partnerships.

Areas of PPIAF assistance

As regional governments work towards economic development and growth, the provision of adequate infrastructure services has grown in importance. Middle East and North Africa countries have a critical need to upgrade their infrastructure stock to address past underinvestment and new demand, and a link was drawn between the Arab Spring and lack of access towards adequate infrastructure services. However, with state budgets stretched thin, regional governments face a serious challenge of increasing the quality and quantity of infrastructure services in Middle East and North Africa. Since the global financial

crisis, governments in the region are increasingly looking to leverage private sector management expertise and/or financing to expand and improve infrastructure services.

PPIAF's portfolio in low-income and fragile states in the Middle East and North Africa region has grown in fiscal 2012. In Djibouti, PPIAF approved three activities in the energy and telecommunications sectors. The first activity is assisting the government of Djibouti to assess the cost of refurbishing its existing generation plant and identify least cost infrastructure investments that can be effectively financed and managed through a public-private partnership. This analysis will help the government to define a sector strategy that suits its energy and investments needs, and is cognizant of the potential for geothermal energy, which is currently being explored. A second energy activity is analyzing the technical, economic, and financial feasibility of rural electrification options to determine the most viable and sustainable roll-out option available to electrify 25 villages in rural Djibouti using solar energy. In the telecommunications sector, PPIAF is assessing liberalization options to help the government transform the sector into an engine of economic growth and employment.

Two activities were approved in fiscal 2012 in the West Bank and Gaza. PPIAF is providing funding for legal advisory transaction support for the Southern West Bank Solid Waste Management Project, potentially the first public-private partnership to be awarded in the West Bank and Gaza. The project is being structured by the IFC to attract private sector



PPIAF team member in Middle East and North Africa (Dubai, UAE), Andrew Jones.

participation for the operation and maintenance of the new Al-Minya Landfill that will provide improved solid waste management services to approximately 780,000 inhabitants. The landfill is expected to open in early 2013 and will process approximately 34 percent of the solid waste in the West Bank. The second activity is also innovative as it is one of the first examples of support to the Middle East and North Africa region through PPIAF's SNTA program. The activity will work with municipalities across the West Bank and Gaza to improve and expand municipal revenue generation in order to improve municipalities' creditworthiness. In the medium-term it is hoped that some of the best performing municipalities may be able to gain a credit rating, which will enable them to access market-based financing to fund infrastructure development.

Looking forward

Following the Arab Spring, political upheaval has ushered in a wave of new governments focused on responding to citizens' demands. Ensuring access to adequate infrastructure services will be crucial to spurring economic development and growth in the region, and providing jobs for an ever-growing labor force. Demand for PPIAF technical assistance is expected to grow as governments face the challenge of balancing fiscal constraints with the need to provide significant investment to meet the infrastructure needs of the region.



Box 6: Public-Private Partnership Unit in Morocco

PPIAF funding: \$245,700

Background: The World Bank Group's Country Partnership Strategy 2010–2013 for Morocco underlines the challenges related to underinvestment in infrastructure and the need to improve the quality and sustainability of infrastructure provision in Morocco. The Government of Morocco, aware of these challenges, sought PPIAF support for assistance in launching its public-private partnership program, designed to scale up infrastructure investments in sectors including energy, transport, water, health, and education. The government's commitment to exploring the public-private partnership modality also related to the country's current economic context, where fiscal constraints and the impact of the global financial crisis have limited the ability of the government to finance critical infrastructure investments.

PPIAF's contribution: PPIAF provided support to assist the Government of Morocco in launching its public-private partnership program through the design of a dedicated public-private partnership unit within the Directorate for State Enterprises and Privatization, a specialized department within the Moroccan Ministry of Finance. The second component of the activity assisted in the identification and screening of pilot public-private partnership transactions. The activity also strengthened the Directorate for State Enterprises and Privatization's public-private partnership expertise via the organization of seminars. The medium-term goal of the activity was to identify public-private partnership transactions that could be implemented within the framework of transaction advisory mandates to be led by the IFC's C3P department.

Outcomes: In May 2011, with assistance from PPIAF and the IFC, a central public-private partnership unit was established within the Directorate for State Enterprises and Privatization. The public-private partnership unit is responsible for promoting public-private partnerships in Morocco through coordination with sector ministries, and assisting in the development and implementation of public-private partnership projects. The public-private partnership identification exercise launched under the PPIAF activity is also showing signs of success. Despite decision-making delays caused by the November 2011 parliamentary elections, several potential projects are being analyzed in the transport, health, and education sectors.



South Asia

In fiscal 2012, PPIAF has successfully focused its South Asia portfolio to support the development of public-private partnerships in the region's lowest income countries.

Overview

South Asia—home to 1.5 billion people with over one billion living on less than \$2 per day—has the largest global concentration of poor people. In fiscal 2012, PPIAF has successfully focused its South Asia portfolio to support the development of public-private partnerships in the region's lowest income countries. PPIAF focused on rebalancing its assistance across the region and committed \$589,405 to nine projects in fiscal 2012.

Areas of PPIAF assistance

PPIAF has continued to support the development of strong public-private partnership policies, programs, and pipelines across South Asia. In Bhutan, PPIAF approved an activity with the Ministry of Information and Communications to develop a strategic policy roadmap to guide the development of Bhutan's telecommunications sector on the introduction of competition, divestment by the existing operators, and government transformation agenda to use the sector for cost-effective service delivery. In the Maldives, PPIAF provided management contract support to Malé City Council to structure and implement a viable tariff structure for waste





management services, develop a mechanism for tariff collection, develop an information system to maintain user data, and monitor the performance of the concessionaire.

In India, PPIAF is providing assistance to the Department of Economic Affairs in the Ministry of Finance with the preparation of a national public-private partnership policy statement, to serve as guidance to the states as well as to central ministries as they pursue public-private partnerships in the provision of infrastructure. In Sri Lanka, PPIAF approved an activity to develop the capacity of the Ministry of Economic Development and selected provincial and local governments through a series of local workshops. This activity will contribute to identify a list of potential local infrastructure projects that could be implemented under a public-private partnership model in the future. PPIAF also approved another activity in Sri Lanka to advise the Urban Development Authority and the Colombo Municipal Council on a public-private partnership pilot model for the urban land development of the Beira Lake. This activity will also assist the authority and municipality to develop the instruments and processes to implement the public-private partnership.

PPIAF has also supported a number of screening activities and initial feasibility assessments of potential public-private partnership infrastructure projects in Bhutan, Nepal, and Sri Lanka. In Bhutan, the PPIAF-funded public-private partnership feasibility assessment focuses on a dry port facility in Toribari and a new inter/intra-city bus terminal in Thimphu. In Nepal, PPIAF is helping to identify potential urban and transport projects that are suitable for financing under a public-private partnership arrangement. In Sri Lanka, PPIAF assistance is focusing more specifically on three potential public-private partnerships: the redevelopment of railway stations in Colombo, a bulk water supply and transmission project in Bandarawela, and a solar park and wind farm in Mannar.

Looking forward

PPIAF will continue to engage countries throughout the South Asia region while strengthening its results-oriented focus on new activities. In India PPIAF is exploring projects in the transport sector to advise city authorities on selecting right options for mass transport system. In Pakistan, PPIAF is looking to support provincial public-private partnership units by assessing their needs and building capacity. In Bhutan PPIAF will continue supporting institutional reforms for the operationalization of the public-private partnership policy.



Box 7: Supporting Private Sector Participation in the Solid Waste Sector in Maldives

PPIAF funding: \$145,000

Background: The Maldives, a country of 192 inhabited islands with a population of 395,000, is known for its white-sand beaches and pristine environment. But its poor waste management practices were threatening its tourism industry, Maldives' largest economic activity. Waste was collected in an ad-hoc manner and dumped at the shore, disposed of in the ocean, or transported to Thilafushi Island, where it was burnt openly. This combination of dumping and open burning destroyed the marine environment, polluted the air, and put the health of the country's population at risk.

PPIAF's contribution: To address this problem, the Government of Maldives turned to PPIAF in 2009 to review options to introduce best practices in solid waste management through private sector participation in conjunction with the IFC's mandate as lead transaction advisor to implement a waste management public-private partnership project.

PPIAF technical assistance recommended an institutional and regulatory framework to promote public-private partnerships; an optimal collection, segregation, treatment, and disposal technology; measures to enhance the project's financial viability; and public-private partnership options for the management of the solid waste services. The due diligence work also included drafting technical sections and performance obligations for the bidding process, pre-qualification, and evaluation of the award of the waste management contract.

Outcomes: In May 2011, the government successfully implemented a solid waste management public-private partnership following PPIAF's recommendations and with the help of IFC as lead transaction advisor. In September 2011, PPIAF approved a follow-up activity to help the Malé City Council structure and implement a viable tariff structure for waste management services provided under the management contract.

Impacts: The solid waste management public-private partnership mobilized \$50 million in private investment that will improve waste collection, transportation, and disposal; reduce marine and air pollution; and generate power through a 2.7 MW waste-to-energy plant. The project will benefit 120,000 people, process up to 70 percent of the country's solid waste, and reduce annual greenhouse gas emissions by 16,000 tons.

Global Knowledge Portfolio

As a global platform for the generation and dissemination of knowledge on private sector participation in infrastructure, PPIAF can help developing countries leverage emerging best practices to improve and expand the provision of infrastructure services through efficient public-private partnerships. PPIAF funded four new global knowledge activities worth \$973,000 in fiscal 2012, mostly related to multi-sector topics and transport projects.

Overview

PPIAF supports a robust global knowledge agenda that complements its grant-funded technical assistance within countries. The program supports the development of new knowledge through research and helps make existing knowledge more accessible to policy makers and other stakeholders. Research findings are disseminated through books, user guides, notes, toolkits, workshops, videos, and specialized websites.

PPIAF's knowledge products and training resources contribute to developing countries' efforts to create an enabling environment for efficient and sustainable public-private partnerships in infrastructure and strengthen local capacity to undertake sound sector reforms. They cover multi-sector as well as sector-specific issues in gas, transport, electricity, telecommunications, and water and sanitation. They also focus on key themes that together constitute a reference framework for achieving significant and sustainable improvement in the delivery of infrastructure services.

Areas of PPIAF assistance

PPIAF's global knowledge portfolio sponsors research and knowledge development to support governments and local authorities to create an enabling environment for private investment in infrastructure. In fiscal 2012 PPIAF provided support to the Third Global Report on Local Democracy and Decentralization, which focuses on the local delivery of basic services. The report will identify the needs of local authorities to meet their responsibilities towards their citizens and map the role of different stakeholders, including the private sector.

Toolkits and interactive websites from PPIAF's global knowledge portfolio make the latest knowledge and case



studies in public-private partnerships available to a wide audience, which would otherwise not have access to such information. The Private Participation in Infrastructure Database, which provides data on private sector investment in infrastructure projects in low- and middle-income countries, is one such website. The database is the leading source for trends in private participation in infrastructure and covers projects in the energy, telecommunications, transportation, and water and sanitation sectors. In fiscal 2012 with contributions from the World Bank Group, PPIAF supported the maintenance and consolidation of the website, including the development of a methodology to collect and analyze government support and funding to public-private partnership projects.

In addition, PPIAF-sponsored workshops foster and encourage capacity building dialogues and knowledge dissemination on best practices on private sector participation in infrastructure. In fiscal 2012 PPIAF provided additional support to the Leaders in Urban Transport program for the translation of self-study materials and case studies into French. The translation permitted the program to target low- to middle-income French-speaking countries, particularly in West Africa, in addition to the workshops that have been delivered in English. Workshops have been conducted in Singapore, Marseilles, and India, with additional sessions planned for the upcoming fiscal year.

Looking forward

In fiscal 2013 PPIAF will continue its efforts to disseminate existing PPIAF knowledge products in client countries and provide capacity building through seminars and training events for senior government officials and technical staff in charge of implementing infrastructure reform agendas.

SECTION 3:
Results and
Program
Finances



Results

Many outcomes have been obtained in each country as a result of PPIAF's technical assistance: specific laws passed, regulations adopted, institutions created or strengthened, and in some cases, infrastructure projects structured as public-private partnerships.

In fiscal 2011, to more accurately and thoroughly reflect the nature of the technical assistance it provides, PPIAF refined its system for methodically capturing and measuring results. PPIAF has since been researching the results of its closed activities and preparing comprehensive summaries of the technical assistance PPIAF has provided since inception. These summaries contain the results that have arisen as a result of PPIAF's technical assistance, in terms of actual outcomes obtained, and can be found on PPIAF's website (www.ppiaf.org).

As seen in these summaries, many outcomes have been obtained in each country as a result of PPIAF's technical assistance: specific laws passed, regulations adopted, institutions created or strengthened, and in some cases, infrastructure projects structured as public-private partnerships. All of these outcomes are evidence that PPIAF is achieving its mission and objective to help developing country governments improve the quality of their infrastructure through private sector involvement. PPIAF is thus contributing to removing obstacles to private sector investment and establishing the foundations necessary to give confidence to private investors to invest in a specific country.

Monitoring and Evaluation Methodology

Upstream nature of PPIAF's work

The distinctive nature of PPIAF's work—advisory work in the early stages of, or actually preceding, the project cycle—can make it difficult to track outcomes and impacts. The work is “upstream” from actual transactions and typically involves developing enabling environments, providing project cycle related assistance, and capacity and awareness building. Many of these activities do not immediately lead to visible outcomes, let alone impacts. Attributing the associated results of a particular infrastructure project directly and exclusively to PPIAF's intervention is also difficult, because other causal factors are usually involved. Additionally, as PPIAF's interventions normally occur early in the project cycle, it is often many years before any physical infrastructure services are finally available and the “impact” of PPIAF's intervention in this sense is realized.

Updated standardized output and outcome categories

In 2011 PPIAF revised its output and outcome categories and indicators and developed a standardized way of defining them for both PPIAF and SNTA activities, to more accurately track their results and thoroughly document the causal chain from outputs to outcomes to impacts.

Although the categories and indicators of outputs, outcomes, and impacts have been revised, their respective definitions remain the same:

- **Outputs** are the direct deliverable(s) as mandated in the terms of reference for the activity being funded by PPIAF.
- **Outcomes** are the action taken as a direct result of the outputs. These outcomes can usually be expected to occur within two to three years of completion of the outputs.
- **Impacts** are the changes at the government and/or direct beneficiary level resulting from implementation of the outcomes. Impacts usually take much longer to materialize, particularly in PPIAF's case, and usually are the result of several interventions.

The new output and outcome categories group the indicators by type of advisory assistance PPIAF can provide: enabling environment reform, project cycle-related assistance, and capacity and awareness building. These are indicators common to *advisory work*, which is the nature of the technical assistance PPIAF provides. *Investment* projects have other indicators as their objective is to develop specific assets; investment projects have direct impacts on beneficiaries, associated with the direct investment in the asset and the delivery of a service.

By more clearly distinguishing between the different types of results, this new methodology ensures that every output, outcome, and impact is accounted for, and makes the results of PPIAF and SNTA activities consistent between programs and thus easier to aggregate and thus report.

New output and outcome categories

Table 4 contains the revised output and outcome categories. These new categories clarify the link between outputs and outcomes, and make them consistent for both PPIAF and SNTA activities. Furthermore, grouping them by the type of

assistance PPIAF can provide makes it easier to track PPIAF's work in each area. The indicators for impacts have not changed.

New internal system to track outputs, outcomes, and impacts

In fiscal 2010 PPIAF application forms, along with other internal documents (e.g., semi-annual portfolio review and close-out sheet), were revised to focus more sharply on expected outputs, outcomes, and impacts as well as the risks of obtaining these results. In fiscal 2011 these PPIAF documents were again revised to reflect the refined output and outcome categories, to better capture the expected and actual results from activity implementation to completion, as well as to streamline and integrate them more efficiently into PPIAF's activity database.

In addition, PPIAF developed an improved customized internal web-based database, which includes a section dedicated solely to M&E, to enable PPIAF to better monitor its activities and keep the outcomes and impacts up-to-date. With this new database, PPIAF can also prepare customizable summary reports to better aggregate and view the results by region, country, sector, fiscal year, etc. In particular, these reports enable PPIAF to list each individual output, outcome, and impact, and view them in detail.

With over 1,000 PPIAF-funded activities, 850 of which are closed, this database is a valuable source of information on public-private partnerships in developing countries, and will be easier to maintain and disseminate. PPIAF's new web-based database, once complete, will be linked to PPIAF's website, which in turn will enable PPIAF to disseminate its findings to a broader audience.

Since fiscal 2011, PPIAF staff has been populating the M&E portion of the database, reviewing all outputs obtained, and researching the corresponding outcomes and impacts. The team is thus able to include details such as the exact name of the legislation that was passed as a result of a PPIAF activity, as well as the actual credit rating given to a utility and funded by SNTA, when available.

Starting with the donor priority countries, which we identified through online research, PPIAF staff is going activity by activity, country by country, to thoroughly research and organize the results of the activities according to the updated output, outcome, and impact categories. At present,

Table 4: Categories and indicators of outputs, outcomes, and impacts

	Outputs	Outcomes
Enabling environment reform	Analysis/assessment prepared PPIAF: e.g., PPP Option Study, PPP structuring recommendations SNTA: e.g., credit rating preparation advice, credit rating or FMA, legal/regulatory assessment, transaction structuring recommendations	Institution created or strengthened PPIAF: e.g., PPP unit able to appraise projects, regulatory commission, rural electrification agency SNTA: e.g., creditworthiness enhanced
	Policy prepared or legal or regulatory changes recommended PPIAF: e.g., PPP or sector policy or law, PPP unit deal approval steps, tariff reform SNTA: e.g., sub-national debt management policy, law authorizing sub-national borrowing, revisions to sub-national debt limits	Policy adopted, legislation passed/amended, or regulation issued/revised PPIAF: e.g., PPP or sector policy law adopted, PPP procurement regulations adopted, revised PPP procurement regulations SNTA: e.g., sub-national debt management policy, revised sub-national debt limits
	Plan/strategy prepared PPIAF: e.g., sector PPP strategy, country strategy, PPP project action plan SNTA: e.g., capital investment plan, borrowing plan, creditworthiness improvement plan, credit rating action plan	Plan/strategy adopted PPIAF: e.g., PPP sector strategy SNTA: e.g., borrowing plan
Project cycle-related assistance	Transaction support PPIAF: e.g., feasibility studies, bidding documents, model contracts, transaction structuring, advice during PPP contract negotiation SNTA: e.g., advice during negotiations with lenders, transaction legal advice	Transaction facilitated PPIAF: e.g., PPP transaction SNTA: e.g., sub-national borrowing, capital raised (i.e. loan amounts)
Capacity and awareness building	Workshops/seminars PPIAF: e.g., PPP project appraisal training SNTA: e.g., credit rating trainings	Technical capacity enhanced PPIAF: e.g., government (PPP unit or ministry) staff with improved capacity SNTA: e.g., utility staff with improved capacity
	Knowledge product disseminated PPIAF: e.g., PPP toolkits SNTA: e.g., guide to credit ratings	Consensus achieved PPIAF and SNTA: e.g., popular support for targeted transaction or reform

IMPACTS
Additional private investment in the sector (US\$)
Increased number of people with infrastructure services This includes both expanded access for new customers and improved service for existing customers.
Improved level of services (% change; include unit) Will this activity ultimately lead to improved infrastructure services (e.g., % reduction in losses for water)?
Increased employment opportunities Please specify short-term (e.g., construction period) or long-term (e.g., operation and maintenance)
Fiscal impact on government (US\$) (Will this activity lead to investments that would reduce government subsidies in the sector (i.e., subsidies avoided) and/or result in new income to the government through fees, taxes, or other economic activity?)

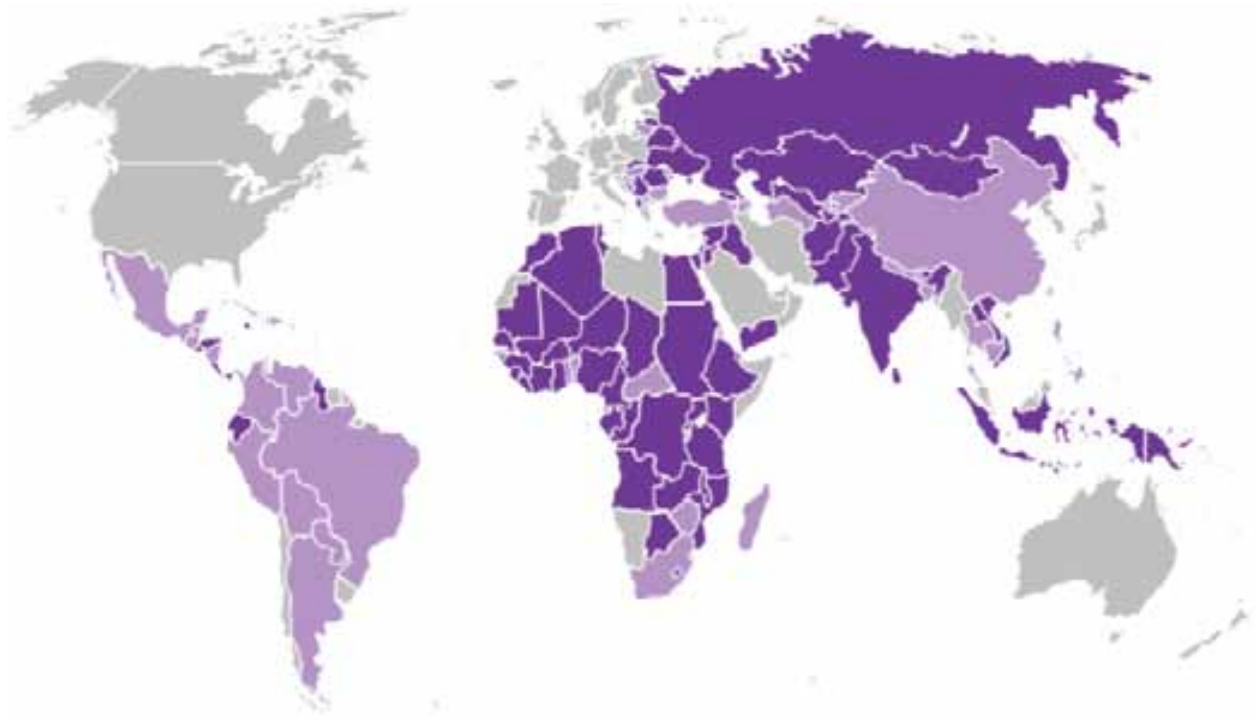


Figure 9: Countries Researched as of June 30, 2012*

* Countries in dark purple have been researched by PPIAF staff and have a complete country write-up. Countries in light purple remain to be researched; these are countries to which PPIAF has provided technical assistance.

83 countries with 406 completed activities have been researched.

In addition to populating the database, the PPIAF team is preparing country write-ups that consolidate the results of all closed PPIAF and SNTA activities in a particular country in one comprehensive summary. The country write-ups (available at www.ppiaf.org) are powerful tools that describe the outputs, outcomes, and impacts achieved so far by PPIAF over the past 13 years. They can be used to draw lessons from what has worked and what hasn't, which can be a tool for governments and the international development community to use in designing future technical assistance activities. Furthermore, the write-ups will help PPIAF internally when making decisions regarding selecting activities to support.

As can be seen in the country write-ups, many outcomes have been obtained in each country as a result of PPIAF's technical assistance: specific laws, regulations, institutions, and in some cases, infrastructure projects. All of these outcomes are evidence that PPIAF is achieving its mission and objective to help developing country governments improve the quality of their infrastructure through private sector involvement. PPIAF is thus contributing to removing obstacles to private sector investment and establishing the foundations necessary to give confidence to private investors to invest in a specific country.

This is real "detective work" as the entire PPIAF team does a "deep dive" to analyze, on a portfolio basis, the results of PPIAF's past work and enter it into the new web-based

database. We are finding many outcomes of PPIAF-funded work, which have in many cases led to measurable impacts. This M&E exercise is the most comprehensive and thorough look at PPIAF's work and results since PPIAF was created in 1999.

In addition to thoroughly researching the results of its activities, PPIAF works hard to validate them, either by: 1) contacting the World Bank Group (including the IFC) staff involved in a particular activity; 2) looking at other World Bank Group organizations' websites and available materials; 3) searching the web for outcomes, including legislation or regulations passed; or 4) by contacting or meeting with people in each country, including government officials.

External independent review of PPIAF M&E system

In fiscal 2012, the Public-Private Partnership in Infrastructure Resource Center (PPPIRC) team was asked to review PPIAF's recently developed online database of PPIAF-funded activities. The review's primary objective was to determine whether any legal precedents, contracts, laws, regulations, or documentation related to the establishment of public-private partnership units could be further disseminated through the PPPIRC. After a thorough review of the database, a total of 25 projects were found to have legally relevant documents, which the PPPIRC team made available in their online library, either by publishing the approved law, summarizing selected legal analyses, or annotating sample agreements. In addition to extracting useful legal materials, the review by PPPIRC confirmed some outcomes already obtained by PPIAF.

In fiscal 2012 PPIAF hired consultants to perform an external review to validate its M&E indicators and system. The consultants found that overall the data PPIAF has been collecting is “high quality” (i.e., valid, precise, and timely), and that PPIAF’s “data gathering system is reliable and has integrity.” They also found that PPIAF’s results-measurement “indicators are useful” (i.e., they broadly

satisfy the requirement to be SMART—specific, measurable, accurate, realistic, and timely). In terms of the sustainability of PPIAF’s M&E system, the consultants found that it is indeed sustainable and reliable. “The M&E system is deeply imbedded in PPIAF systems and processes.” It has also “been formalized and is consistently used throughout PPIAF’s operations.”

Results

PPIAF program

As of June 30, 2012, out of the 83 countries and 406 activities researched so far, PPIAF has provided funding for the following outputs:

Table 5: PPIAF outputs captured as of June 30, 2012

Enabling environment reform
379 analyses/assessments prepared
101 policies prepared or legal or regulatory changes recommended
129 plans/strategies prepared
Project cycle-related assistance
Advice given related to 96 transactions, including model legal documents related to transaction support prepared
Capacity and awareness building
328 workshops/seminars with 7,646 participants
19 knowledge products disseminated

As a result, the following outcomes have been achieved and captured in PPIAF’s internal database so far:

Table 6: PPIAF outcomes captured as of June 30, 2012

Enabling environment reform
108 institutions created or strengthened
82 policies adopted, legislation passed/amended, or regulation issued/revised
81 plans/strategies adopted
Project cycle-related assistance
86 transactions facilitated worth a total of \$7,278,246,588
Capacity and awareness building
157 activities with technical capacity enhanced reported to PPIAF, with a total of 1,134 participants
91 activities leading to consensus achieved

SNTA program

As of June 30, 2012, PPIAF's SNTA program has facilitated the following outputs:

Table 7: SNTA outputs captured as of June 30, 2012

Enabling environment reform
121 analyses/assessments prepared, including 68 credit ratings
3 policies prepared or legal or regulatory changes recommended
30 plans/strategies prepared
Project cycle-related assistance
Advice given related to 14 transactions, including model legal documents related to transaction support prepared
Capacity and awareness building
37 workshops/seminars with 577 participants

As a result, the following outcomes have been achieved and captured in PPIAF's internal database so far:

Table 8: SNTA outcomes captured as of June 30, 2012

Enabling environment reform
84 institutions strengthened
4 policies adopted, legislation passed/amended, or regulation issued/revised
29 plans/strategies adopted
Project cycle-related assistance
17 transactions facilitated that raised \$1,098,981,676 in loans from non-sovereign sources
Capacity and awareness building
4 activities with technical capacity enhanced reported to PPIAF, with a total of 85 participants
4 activities leading to consensus achieved

PPIAF can contribute to producing impacts when the private sector invests in specific infrastructure projects, either by supporting the more downstream development of such projects (i.e., through feasibility or prefeasibility studies, by supporting either legal or financial transaction advisors, or by preparing the corresponding bidding documents or information memorandum); or by providing more upstream

technical assistance to governments to create or strengthen the corresponding enabling environment, build capacity, etc. While it is difficult to attribute impacts directly to PPIAF, PPIAF's work certainly contributed to them, as indicated above. Many activities supported by PPIAF to date have generated impacts.



Program Council

PPIAF's 13th Program Council Meeting was held on June 6, 2012 in Kampala, Uganda, following joint workshops with Cities Alliance, the Global Partnership on Output-Based Aid, and the Private Infrastructure Development Group on June 4–5, 2012. The theme of the June 4 workshop was

“Strengthening Support to Clients through Collaboration” and included discussions of the four programs, addresses by the Ministers of Finance, Planning and Economic Development and Lands, Housing, and Urban Development, and a panel discussion with stakeholders on private participation in infrastructure financing, the delivery of services, and other urban topics. The June 5 forum on



managing a secondary city was held in Jinja, Uganda, and included a panel discussion with mayors of secondary cities, a site visit to the National Water and Sewerage Corporation for a presentation on PPIAF's past support to the company, and site visits to recipients of a Cities Alliance grant.

TAP Report

The 2012 Technical Advisory Panel (TAP) review of PPIAF Activities report is the TAP's annual independent evaluation of PPIAF and its portfolio, and includes detailed reviews of a sample of individual activities. As part of its regular responsibility for independent evaluations, the panel conducted an ex post review of completed and ongoing activities, and presented their findings at the PPIAF Program Council Meeting in Kampala, Uganda on June 6, 2012.

For the most part, this year's report maintained last year's focus on Africa in recognition of the priority attached to the region by the Program Council. Two TAP members, Robin Simpson and Aboubacar Fall, worked together on reviewing the PPIAF-funded Africa Infrastructure Country Diagnostic (AICD), a PPIAF activity in Guinea, and Chinese investment in Africa. The appointment of John Cooney in spring 2011 also made possible the review of six PPIAF activities in Asia.

To conduct the AICD review, the team carried a mixture of direct face-to-face and telephone interviews with PPIAF and project staff based in Washington, DC and elsewhere. The review of the Guinea activity involved a field visit to Conakry. The Asian reviews were mainly based on desk studies of available documentation, supplemented where possible by communications with World Bank staff and government officials who had been involved with the projects and, where relevant, with the operations that developed from them.

In the TAP report, several themes emerged that reveal the utility and effectiveness of PPIAF's upstream technical assistance and structure, as well as some constraints.

First, PPIAF's speed at responding to requests for funding is greatly appreciated by clients, and is a "keystone" when putting together a complex consortium of funders. This proved to be valuable particularly in the context of PPIAF's timely response for the AICD.

Secondly, PPIAF was seen as objective in not pushing particular models of private sector participation, and relatively free of bias towards particular types of contract. Once again the fact that several projects presented options (even with



preferences) was consistent with this quality of objectivity. It was notable that in one case, Vietnam, the government decided against the preferred option, but as the reviewer points out, the information gathered remained valid whatever the precise option chosen.

Finally, despite the high quality of reports and advice delivered as a result of PPIAF-funded activities, limits exist to their influence over government actions. A tendency emerged from those reports reviewed—the six national reports for Asia and the single African national report (Guinea). Only two of the seven—Mongolia and Indonesia—could be said to have been succeeded by government action as recommended by PPIAF. This suggests that a portfolio of project-specific activities could be studied in more detail, from the perspective of whether or not the PPIAF grants resulted in a follow-on operation and, if not, why not. The objectives of such a study could include defining a medium-term results-based assessment for future PPIAF activities, also outlining an approach for PPIAF to provide transition support between study and subsequent investment.

Regardless, the TAP felt that many of the papers reviewed contribute and provide value to the global debate, even when highly region-specific like the AICD.

Program Finances

PPIAF derives its resources from donor contributions, which are channeled through trust funds administered by the World Bank Group. The World Bank Group recovers an administrative fee for costs associated with this task.

Contributions

In fiscal 2012, PPIAF received cash contributions from its donors totaling \$18.31 million. Of this, the contribution for PPIAF Core activities received through its Multi-Donor Trust Fund II amounted to \$9.04 million. Non-Core trust funds for 1) Integrating the Climate Change Agenda with a Public-Private Partnerships Program, 2) Middle-Income Countries, 3) Water and Sanitation in Sub-Saharan Africa, and 4) the Sub-National Technical Assistance Program received \$9.26 million during the fiscal year (Table 9).

Table 9: Member contributions receipts, fiscal 2010, 2011, and 2012	Fiscal 2012 (US\$)	Fiscal 2011 (US\$)	Fiscal 2010 (US\$)
PPIAF Core fund			
Australia	4,622,450	1,491,280	460,700
Austria	2,739,600	n.a.	n.a.
France	656,650	n.a.	n.a.
Germany	335,825	317,750	361,975
International Finance Corporation	162,000	488,000	2,250,000
Italy	n.a.	281,700	n.a.
Millennium Challenge Corporation	250,000	250,000	250,000
Netherlands	n.a.	1,500,000	n.a.
Sweden	279,099	317,682	1,661,051
United Kingdom	n.a.	4,855,004	11,123,900
World Bank	n.a.	600,000	250,000
Sub-total	9,045,624	10,101,416	16,357,626
Non-Core funds			
Netherlands: Climate Change	2,000,000	n.a.	n.a.
Norway: Climate Change	n.a.	161,142	951,590
Switzerland: for Middle-Income Countries	2,864,344	2,604,166	2,353,827
Switzerland: for Global Financial Crisis	n.a.	n.a.	2,809,778
United Kingdom: for Global Financial Crisis	n.a.	4,698,140	n.a.
USAID: Water for Sub-Saharan Africa	245,450	n.a.	n.a.
Sub-total	5,109,794	7,463,448	6,115,195
SNTA program			
Australia	983,500	n.a.	n.a.
France	672,100	n.a.	429,240
Switzerland	2,499,573	n.a.	1,878,463
United Kingdom	n.a.	4,869,600	3,520,125
World Bank	n.a.	n.a.	1,850,000
Sub-total	4,155,173	4,869,600	7,677,828
Total contribution receipts	18,310,591	22,434,464	30,150,650
Net investment income	369,233	392,673	609,899
Total funding	18,679,824	22,827,137	30,760,549

Contributions received in fiscal 2012 brought cumulative donor contributions received since PPIAF's inception to \$261.86 million (\$229.99 million for PPIAF and \$31.86 million for SNTA) as indicated in Table 10.

Table 10: Member contributions received, inception to June 30, 2012

	Fiscal 2000–2012 (US\$)
PPIAF Core fund	
Asian Development Bank	1,750,000
Australia	9,447,130
Austria	2,739,600
Canada	2,134,000
European Bank for Reconstruction and Development	In kind
European Commission*	1,254,610
France	3,424,851
Germany	3,421,480
International Finance Corporation	3,650,000
Italy	1,178,840
Japan	10,435,000
Millennium Challenge Corporation	750,000
Netherlands	5,249,970
Norway*	2,849,975
Sweden	4,807,406
Switzerland	9,554,431
United Kingdom	90,479,709
US Agency for International Development	1,000,000
World Bank	18,723,235
Sub-total	172,850,237
Non-Core funds	
Japan	5,608,000
Netherlands	2,000,000
Norway	2,028,006
Sweden	9,178,182
Switzerland	13,714,118
United Kingdom	24,374,000
US Agency for International Development	245,450
Sub-total	57,147,756
Total	229,997,993
* Norway and the European Commission are no longer contributors to the Multi-Donor Trust Fund II effective 2007 and 2009, respectively.	
SNTA program	
Australia	983,500
France	1,101,340
International Finance Corporation	4,100,000
Italy	647,140
Switzerland	6,144,596
United Kingdom	13,039,125
World Bank	5,850,000
Total	31,865,701
Grand Total	261,863,694

Disbursements

In fiscal 2012 \$11.04 million was disbursed for PPIAF activities. Disbursements were made for activities approved in fiscal year 2012 as well as for activities approved in prior years, which are implemented over multiple years. In accordance with the administration agreements entered by the World Bank and PPIAF donors, \$0.3 million was collected as an administration fee.

In fiscal 2012 the Program Management Unit incurred a total of \$2.31 million in administrative costs as indicated in Table 11. This included \$1.41 million in expenses of the Program Management Unit in Washington, DC such as staff salaries, benefits, overhead, travel, office space, administration, evaluation of proposals, and governance and coordination of donor relations. Regional coordination offices incurred expenses amounting to \$0.12 million, which included regional office staff salaries, benefits, overhead, office space, administration, and portfolio monitoring. Other expenditures amounted to \$0.77 million and included expenses for the Technical Advisory Panel, annual meetings, communication, IT, and monitoring and evaluation.

Table 11: Disbursements for fiscal years 2011 and 2012	Fiscal 2012 (US\$)	Fiscal 2011 (US\$)
Disbursements		
Activity disbursements	11,045,888	10,787,159
Administration fee	368,674	509,234
Program Management Unit expenses:		
1) Program Management Unit headquarters	1,410,968	1,479,588
2) Regional coordination offices	129,133	357,093
3) Other expenditures	774,285	510,105
Total Program Management Unit expenses	2,314,386	2,346,786
Total Disbursements	13,728,948	11,045,888

Single Audit Process

The World Bank Group has instituted an annual "single audit" exercise for all trust funds. As part of this exercise the PPIAF Program Manager signs a trust fund representation letter attesting to the correctness and completeness of the financial process for all PPIAF trust funds. The task manager for each approved activity is required to confirm that due diligence has been exercised with respect to the administration, management, and monitoring of the funds awarded for the activity; and has ensured that all expenses and disbursements are made in accordance with World Bank procurement and administrative guidelines.

Annex: Activities Approved in Fiscal 2012

Table A.1: Summary of PPIAF activities approved in fiscal 2012, by region and sector

Region	Number of Activities	Funding (US\$)	Share of Activities (%)	Share of Funding (%)
Sub-Saharan Africa	35	5,294,351	47	49
Middle East and North Africa	8	1,442,000	11	13
Latin America and the Caribbean	7	1,199,775	10	11
Global	4	973,000	5	9
Eastern Europe and Central Asia	6	773,100	8	7
East Asia and the Pacific	5	631,506	7	6
South Asia	9	589,405	12	5
Total	74	10,903,137	100	100
Sector				
Energy	15	2,802,415	20	26
Multi-sector	22	2,764,589	30	25
Telecommunications	13	2,465,932	18	22
Water and sanitation	17	1,815,381	22	17
Transport	7	1,054,820	10	10
Total	74	10,903,137	100	100

Table A.2: Summary of SNTA program activities approved in fiscal 2012, by region and nature of activity

Region	Number of Activities	Funding (US\$)	Share of Activities (%)	Share of Funding (%)
Sub-Saharan Africa	8	744,595	54	51
Latin America and the Caribbean	3	329,780	20	23
Middle East and North Africa	2	236,300	13	16
East Asia and the Pacific	2	150,000	13	10
Total	15	1,460,675	100	100
Nature of Activity				
Financing	4	371,750	27	26
Specific performance improvements	8	759,145	53	52
Credit ratings	1	75,000	7	5
Other	2	254,780	13	17
Total	15	1,460,675	100	100

Activities Approved in Fiscal 2012

Activities approved from PPIAF non-core funds or for a specific donor objective have been shaded using the key below; all other activities were approved from PPIAF's core fund. Activities funded by the SNTA program are indicated separately under each region.

- Austria Climate Change
- IFC Fragile States/IDA countries
- Sweden Sub-Saharan Africa
- Japan Trust Fund for East and South East Asia
- Norway-Netherlands Integrating Climate Change Agenda with Public-Private Partnerships
- SECO/DFID: Response to the Global Financial Crisis
- SECO: Middle-Income Countries
- USAID for Water, Sanitation, and Hygiene in Sub-Saharan Africa

Table A.3: PPIAF and SNTA program activities in Sub-Saharan Africa approved in fiscal 2012

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Burundi	Project Pipeline Screening and Initial Feasibility Assessment of Potential Infrastructure PPPs in the Energy Sector	Providing advisory support to improve energy sector investment planning and provide pipeline screening of potential PPPs.	\$74,500	Infrastructure development strategies
Cameroon	Digital Dividend: A Digital Switch Over Guide to bring converging Services To All	Supporting the realization of a digital dividend on a technology and service neutral basis, taking into account the potential benefits of a coordinated Central African approach as well as individual national situations, with the aim of promoting competition and innovation in the provision of wireless services to citizens and consumers.	\$199,676	Infrastructure development strategies
Cameroon	Support to the Water Sector	Helping the government identify and propose solutions towards more effective cooperation between the government, Camwater, and Camerounaise des Eaux that will improve the implementation of the water PPP and restore the financial equilibrium of the sector.	\$40,000	Infrastructure development strategies
Comoros	Supporting the Liberalization of the Telecoms Sector	Supporting the technical and communications consultant for the liberalization of the Comoros telecoms sector. This activity is supporting an IFC program to assist the government in finding a suitable investor that will purchase the shares of Comoros Telecom, and invest in and operate the company. This would assist with the liberalization of the telecoms sector in Comoros, increase telephony and Internet coverage, and connect Comoros to regional communications infrastructure, with positive impacts in terms of economic development and growth.	\$400,000	Pioneering transactions

Table A.3: PPIAF and SNTA program activities in Sub-Saharan Africa approved in fiscal 2012 *(continued)*

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Comoros	Options Evaluation and Strategic Roadmap for the Telecoms Sector of the Union of Comoros	Analyzing the options to facilitate competition in the telecoms sector, identifying the necessary steps to develop robust competition in the sector, and preparing a sector roadmap for the government. The proposed activity and sector roadmap will provide critical inputs to the preparation of an investment project. The investment project will enable Comoros to join a regional connectivity adaptable program loan program for Eastern and Southern Africa.	\$75,000	Infrastructure development strategies
Côte d'Ivoire	PPP Pipeline and Enabling Environment Support	Strengthening the enabling environment in Côte d'Ivoire through targeted policy recommendations and identifying a pipeline of PPPs that could be prepared now and brought on the market in the immediate future.	\$74,640	Policy, regulatory, and institutional reforms
Côte d'Ivoire	Improving Users-Awareness on Cost Recovery for Sustainable Infrastructure Development—Additional Funding	Supporting the government's efforts to raise awareness, build a users' coalition, and demonstrate concrete improvements in the lives of its citizens, a critical step for sustaining social and political stability in the country. This activity will educate infrastructure users on the urgent need for their participation in funding the development of the country's infrastructure to improve its sustainability.	\$67,438	Infrastructure development strategies
Ethiopia	Expanding Rural ICT Access in Ethiopia	Assisting the government of Ethiopia to design and execute a rural ICT program under a PPP model. This activity has two main components: i) a feasibility study to determine the feasibility of scaling-up the network of telecenters; and ii) capacity building activities to help strengthen the government's project management skills.	\$199,690	Pioneering transactions
Gabon	PPP Program	Enabling the government to advance its PPP agenda from both a transaction and enabling environment standpoint. This activity will include an enabling environment assessment, PPP pipeline diagnostic, and options for creating institutional capacity on PPPs.	\$74,640	Policy, regulatory, and institutional reforms
Ghana	Institutional Options for Improving Urban Water Supply in Ghana (Phase 2)	Conducting a detailed options analysis for institutional reform of the urban water sector in Ghana, in an attempt to improve the performance and financial sustainability of the sector. It is hoped that such reform will lead to the commercialization of the sector and increased private sector investment.	\$68,431	Policy, regulatory, and institutional reforms

Table A.3: PPIAF and SNTA program activities in Sub-Saharan Africa approved in fiscal 2012 *(continued)*

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Guinea	Mining Ancillary Infrastructure	Supporting the government in creating an enabling environment for the realization of PPPs in mining ancillary infrastructure development.	\$490,000	Infrastructure development strategies
Guinea	PPP Training Workshop	Supporting a two-day PPP training workshop that will be a learning platform for approximately fifty key stakeholders to share best practices and emerging lessons regarding the design, implementation, and monitoring of PPPs, focused on sectors that are directly relevant to Guinea.	\$57,763	Capacity building
Guinea-Bissau	PPP Training Workshop	Supporting a three-day PPP training workshop to build the capacity of stakeholders involved in PPP project development and increase awareness of PPPs.	\$49,963	Capacity building
Kenya	Lake Turkana Wind Due Diligence Project	Providing technical, commercial, legal, and financial expertise to the Kenya Power Company to support the development of the Lake Turkana Wind Project. This activity includes a review of project documents, providing strategic inputs, and supporting the Kenya Power Company in Power Purchase Agreement negotiations.	\$294,900	Pioneering transactions
Lesotho	Legal Advisory Support to ICT and Facilities Management PPP	Providing legal consultant to support the IFC's work in the development and implementation of an ICT and Facilities Management PPP transaction.	\$301,160	Pioneering transactions
Liberia	Developing Cost Recovery Mechanisms in Private Sector Provision of Solid Waste Management	Assisting the government in developing cost recovery mechanisms in the delivery of solid waste services in Monrovia and sustain the use of PPPs in the sector.	\$368,950	Infrastructure development strategies
Malawi	Project Pipeline Screening and Initial Assessment of Potential Infrastructure PPPs	Supporting the government in developing a pipeline of priority projects to be implemented through PPPs.	\$50,000	Infrastructure development strategies
Mali	Capacity Building Support to the Scatec and Kenie Projects	Providing transaction support to the government to review and negotiate the Scatec solar and Kenie hydropower projects as PPPs.	\$49,890	Pioneering transactions
Mali	Legal Advisory to the Government of Mali for the Scatec Solar Project	Assisting the government in reviewing and negotiating the legal documentation for the Scatec Solar PPP project.	\$49,950	Capacity building

Table A.3: PPIAF and SNTA program activities in Sub-Saharan Africa approved in fiscal 2012 *(continued)*

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Mali	Improving Governance and Accountability to Foster an Enabling Environment for Private Sector Participation in the Electricity and Water Sectors	Assisting the government to restructure the energy and water sectors by reviewing existing regulatory framework and practices, including the role of key stakeholders, evaluating existing and envisaged PPP arrangements, and formulating guidance on avoiding and/or managing potential risks.	\$74,890	Policy, regulatory, and institutional reforms
Mozambique	Pilot Private Sector Fecal Sludge Management in Peri-Urban Maputo, Mozambique	Developing and piloting a model for provision of domestic fecal sludge management services by small-scale private firms in periurban neighborhoods as part of the municipal sanitation system.	\$173,000	Policy, regulatory, and institutional reforms
Mozambique	Preparation of a Gas Sector Master Plan	Supporting the development of a gas sector roadmap in Mozambique with an emphasis on stimulating private sector participation. This activity will develop a gas master plan, identify sector reforms necessary to attract private investment, and prepare policy decisions to help the government of Mozambique meet its petroleum objectives.	\$250,000	Infrastructure development strategies
Niger	Evaluation of Projects with Private Participation for Production and Supply of Electricity in Rural Areas	Supporting the government in the preliminary assessment of potential infrastructure projects to develop a pipeline of feasible projects with private sector participation. The result of the assessment will serve to inform future government decisions on which projects to prioritize for further development as Independent Power Plants or PPPs.	\$60,000	Infrastructure development strategies
Nigeria	Support for Private Development of the Power Sector	Supporting the creation of an investment environment conducive for private sector generating companies to sell power to the bulk trader, and building capacity among local stakeholders in developing, financing, and contracting for Independent Power Producers.	\$402,500	Pioneering transactions
Nigeria	Workshop on Water Utility Reform	Supporting a workshop to examine the core issues that confront management of underperforming utilities in Nigeria on a daily basis.	\$32,450	Capacity building
Rwanda	Kigali Bulk Water Supply Project- Technical Assistance and Capacity Training	Assisting the Energy, Water, and Sanitation Authority to identify the best organizational structure, develop a long-term master plan, and strengthen its monitoring and management capacity.	\$207,700	Capacity building
South Africa	Pre-feasibility Study for a Cycling Program in the City of Johannesburg	Supporting a pre-feasibility study to determine the steps and projects that would make up a comprehensive, sustainable, and integrated cycling program in the city of Johannesburg.	\$74,820	Pioneering transactions

Table A.3: PPIAF and SNTA program activities in Sub-Saharan Africa approved in fiscal 2012 (continued)

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Sudan	South Sudan Regulatory and Strategic Support for the Telecoms Sector	Strengthening telecoms regulation and developing a medium-term strategy for the sector. This activity will carry out a preliminary assessment of legal and regulatory issues involved in developing a fiber-optic backbone network to connect South Sudan to neighboring countries.	\$243,600	Policy, regulatory, and institutional reforms
Sudan	South Sudan - Diagnostic of Power Distribution System	Conducting a diagnostic study to determine the investment and energy requirements to upgrade/rehabilitate the power distribution system in Juba, South Sudan.	\$75,000	Infrastructure development strategies
Tanzania	Support to Bio-mass Power through the Development of Sustainable Forestry Practices for Sao Hill Forest Plantation	Promoting the sustainable development of forest resources in order to support over 40 MW of sustainable and renewable bio-mass based power in the vicinity of Sao Hill Forest Plantation and the development of a bankable Power Purchase Agreement.	\$250,000	Pioneering transactions
Zimbabwe	Assessment of PPP Enabling Environment and PPP Pipeline	Supporting the government in developing and implementing its PPP program in the transport, electricity, telecoms, and water sectors.	\$53,000	Infrastructure development strategies
Regional	Legal Services in Support of the West African Power Pool's Power Inter-connector Project for Côte d'Ivoire, Liberia, Sierra Leone, and Guinea	Assisting the task team to further develop and finalize the various legal agreements involved in establishing the Special Purpose Companies and providing the appropriate framework for commercial and private sector transactions on the line. This work complements other studies that are underway to prepare an institutional business plan and the legal framework for the inter-connector project.	\$70,800	Pioneering transactions
Regional	Conference on Public-Private Partnerships in Water and Sanitation in Sub-Saharan Africa.	Explaining what the private sector has to offer in the delivery of water and sanitation services in Sub-Saharan Africa. The conference was held in Dakar, Senegal on June 5–8, 2012.	\$50,000	Emerging best practices
Regional	Lighting Africa Expansion	Increasing access to off-grid lighting and micro-energy systems for the poor in eight African countries by replicating the successful market-development pilots implemented previously in Kenya and Ghana with PPIAF support. This activity is co-financed with AFREA, Norwegian Trust Fund, ESMAP, GPOBA and CDKN.	\$250,000	Infrastructure development strategies
Regional	African Energy Ministers' Conference	Promoting the dissemination of knowledge on technical and financial solutions for expanded access to low-carbon sources of energy. This activity will facilitate the formation of consensus on priorities for supporting Africa's low carbon, climate resilient energy development agenda, including in the context of climate change negotiations.	\$40,000	Capacity building

Table A.3: PPIAF and SNTA program activities in Sub-Saharan Africa approved in fiscal 2012 *(continued)*

Country	Activity	Description	Funding (US\$)	Type of activity
SNTA Program				
Botswana	Support to Innovation Hub Development	Identifying feasible options (including the capital market) to finance the construction and operation of the Botswana Innovation Hub's facilities, with a view to achieving long-term financial sustainability.	\$75,000	Specific performance improvement
Burkina Faso	Strengthening of Fiscal Revenues for the Municipality of Ouagadougou	Supporting the analysis of how to optimize fiscal and non fiscal resources for the city of Ouagadougou. The realization of this analysis is part of a series of initiatives that follow the recommendations of the Public Expenditure Financial Accountability assessment, prepared for that city with PPIAF and Agence Française de Développement support, on how to strengthen the financial health of the city.	\$75,000	Financing
Ghana	Increasing Access to Market-Based Financing for Municipalities in the Greater Accra Area	Preparing a diagnostic of the structure of the market for financial tools for the local governments and municipal/state-owned enterprises in charge of public infrastructure to develop urban infrastructure in Ghana. The main objective of this activity is to increase local governments and municipal/state-owned enterprises' access to private credit to finance public infrastructure.	\$175,000	Financing
Kenya	Enhancing Municipal Revenue in Nairobi	Enhancing municipal revenue in Nairobi to increase the ability of the Council to deliver services, and to explore opportunities for the upcoming county government to generate additional revenues in line with the new constitution.	\$74,850	Specific performance improvement
Kenya	Assessment of Geothermal Development Company for Enhanced Access to Finance	Conducting a quick diagnosis of the financial situation and administration of the Geothermal Development Company to identify critical success factors, key performance areas, weaknesses, and the risks. The review will also include a systemic review of the financial management arrangements looking at the budgeting, accounting, financial reporting, internal audit, and internal control.	\$46,750	Financing
Mauritania	Public Expenditure Financial Accountability Study for the Communauté Urbaine de Nouakchott	Conducting a financial management assessment of the Communauté Urbaine de Nouakchott to strengthen the municipality's financial performance.	\$147,995	Specific performance improvement
Sierra Leone	Financial Assessments for the Districts of Tonkolili, Koinadugu, and Bombali	Conducting financial assessments of three municipalities in Sierra Leone to make them eligible for concessional financing using Cash-for-Work and Food-for-Work schemes for small infrastructure (e.g., communications center with internet and cell phone charging stations; rehabilitation of farm-to-market access trails; market stalls; small scale swampland agriculture support; agribusiness units; farmer field schools; etc.).	\$75,000	Financing

Table A.4: PPIAF cross-regional activities approved in fiscal 2012

Country	Activity	Description	Funding (US\$)	Type of activity
SNTA Program				
Regional	Regional Capacity Building Workshop with Agence Française de Développement on Revenue Management	Enhancing the ability of cities to effectively collect their revenues and generate additional resources. Through the improvement of their financial health and performance, the cities will increase their ability to raise funds and invest in infrastructure related to service delivery.	\$75,000	Specific performance improvement

Table A.5 PPIAF activities in East Asia and the Pacific approved in fiscal 2012

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Laos	Transport Sector Enabling Environment Assessment and Pipeline Screening	Supporting the government of Lao PDR to conduct the preliminary assessment of the potential for PPPs in Lao PDR as an input to the Lao National Strategy for Transport Sector.	\$50,000	Infrastructure development strategies
Philippines	Options to Expand Private Sector Participation in the Development of the Irrigation Sector	Supporting the Department of Agriculture to identify and address policy, regulatory, and institutional constraints that limit the recourse to PPPs; develop the capacity to identify viable and bankable projects and to plan and manage the development of the irrigation sector; and identify a pipeline of bankable projects, some of which could be supported during a follow-up phase.	\$100,000	Infrastructure development strategies
Thailand	Leveraging Broadband Access for Accelerated Rural Development—Phase II	Developing practical designs for new or upgraded Ministry of Information and Communication Technology initiatives to leverage broadband access in rural areas in order to contribute to tangible improvements in well-being in Thailand's rural areas. This will include identifying international best practices from other countries, such as India, Chile, Kenya, Korea, Brazil, Indonesia, and Malaysia.	\$210,886	Infrastructure development strategies
Vietnam	Feasibility Study and PPP Options for the Implementation of a Nation-Wide e-ID System for the Delivery of Public Services	Assisting the government of Vietnam to formulate a sound infrastructure development strategy and build capacity in the design and execution of a PPP e-ID system. The activity consists of three major components: a PPP options study and recommendations; a series of capacity building activities; and knowledge dissemination.	\$230,620	Infrastructure development strategies
Vietnam	Strengthening of the Use of Performance-Based Contracts for Road Maintenance in Vietnam	Analyzing the current approach to performance-based contracts for road maintenance in Vietnam and developing a road map to strengthen these contracts.	\$40,000	Infrastructure development strategies

Table A.5 PPIAF activities in East Asia and the Pacific approved in fiscal 2012 (continued)

Country	Activity	Description	Funding (US\$)	Type of activity
SNTA Program				
Indonesia	Jakarta Credit Rating	Supporting the updated credit rating and financial management assessment of DKI Jakarta, and strengthening of Jakarta's newly established Debt Management Unit in assessing and monitoring debt.	\$75,000	Credit rating
Philippines	Assisting Tanuan City in Enhancing the City's Creditworthiness	Supporting the city of Tanuan in enhancing its capacity for fiscal and financial management to improve its bankability and creditworthiness.	\$75,000	Specific performance improvement

Table A.6: PPIAF activities in Eastern Europe and Central Asia approved in fiscal 2012

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Albania	Universal Access and Service Policy Framework in the ICT Sector	Assisting the Authority of Electronic and Postal Communications to develop a comprehensive policy for its Universal Access and Service Program.	\$148,100	Infrastructure development strategies
Albania	Technical Assessments of Bistrice 1, Bistrice 2, Ulza, and Shkopeti Hydropower Plants	Helping the government prepare a privatization strategy for hydropower plants through technical, environmental, and social impact assessments.	\$75,000	Pioneering transactions
Armenia	Support to the Armenia Water and Sewerage Company with the design of the enhanced Management Contract for 2011–2013	Supporting the State Committee on Water Economy to prepare and process an enhanced management contract with the incumbent operator for the Armenia Water and Sewerage Company service area for 2011–2013. This activity will ensure the contract's compliance with the overall long-term economic and financial goals of the sector.	\$75,000	Pioneering transactions
Armenia	Advisory Support for Private Sector Involvement in Operation of Regional Bus Stations	Developing a plan for the improvement of the performance of bus stations operations through private sector involvement. This activity will develop performance standards for bus station operations, assess the operator's financial condition, and identify possible sources for additional revenue.	\$75,000	Infrastructure development strategies
Moldova	Feasibility Study for Cloud-Based Shared Infrastructure PPP	Funding the completion of an M-Cloud feasibility study that will describe various options for developing and managing an M-Cloud PPP, detail relative advantages and disadvantages of each, identify risks, and suggest risks allocation and mitigation strategies.	\$200,000	Infrastructure development strategies

Table A.6: PPIAF activities in Eastern Europe and Central Asia approved in fiscal 2012 *(continued)*

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Tajikistan	Drafting a New Investment Law in Tajikistan	Providing technical assistance to draft a new investment law and conduct an independent valuation of two silver deposits in Tajikistan.	\$200,000	Policy, regulatory, and institutional reforms

Table A.7: PPIAF global activities approved in fiscal 2012

PPIAF				
Global	Showcasing PPPs in Emerging Markets	Identifying innovative PPP projects and creating a report that highlights the impact of these projects in emerging markets. The final report will showcase the top 40 submissions to demonstrate the transformational effects that PPP models can have in providing infrastructure for developing countries. The projects will be selected on the basis of innovation, development vision, and replicability.	\$40,000	Consensus building
Global	Leaders in Urban Transport Program—Translation and Workshop Delivery	Responding to a high demand for the Leaders in Urban Transport Program by translating all the course material in French and by delivering two workshops for an audience of policymakers from low- to middle-income French speaking developing countries.	\$75,000	Capacity building
Global	The Governance of Basic Local Public Services—3rd Global Report on Decentralization and Local Democracy (GOLD III)	Supporting United Cities and Local Governments to produce the 3rd Global Report, which will identify the role of local authorities in providing basic services. The report will focus on better understanding this role, the possibilities of partnering with other stakeholders, and identifying which future developments should be promoted to improve access to basic services.	\$200,000	Consensus building
Global	Private Participation in Infrastructure (PPI) Database Funding for Fiscal 2012 and Fiscal 2013	Supporting the PPI Database to provide critical data and analysis in an objective manner to government policymakers, academia, the donor community, and other stakeholders. The PPI Database disseminates information on trends in the private provision of infrastructure services, provides detailed project-level data, and identifies emerging trends and changing market conditions.	\$658,000	Emerging best practices

Table A.8: PPIAF and SNTA program activities in Latin America and the Caribbean approved in fiscal 2012

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Brazil	Improving the Sustainable Forestry Concession Model in the Amazon	Developing a forestry concession model and advising the concession process of the National Forests ("Flonas") of Itaituba I & II, located in the Brazilian State of Pará. The total area of these two Flonas is 641,105 hectares. The concession comprises a natural production forest with a project area of 416,718 hectares, including 333,000 hectares of net productive area, and is one of the first concessions of the second round of sustainable forestry management concessions carried out by the Brazilian Forest Service.	\$400,000	Pioneering transactions
Colombia	Private Financing Window for Low-Income Housing Projects	Supporting the government in structuring and developing a "window" to evaluate and screen private Second Generation Macroproyectos. This activity will provide important support to the government to successfully harness private sector interest in developing the approximately 7,000 hectares of land identified under the Macroproyectos program.	\$74,800	Infrastructure development strategies
Haiti	Transaction Support for InfraVentures Investment in DloHaiti	Providing technical assistance to develop a pilot project for urban water kiosks in Haiti. This activity will include a market survey and selection of the locations for the pilot kiosks.	\$75,000	Pioneering transactions
Panama	Preparation of a Performance-Based Efficiency Improvement Contract for IDAAN's Colón Business Unit	Supporting the design and preparation of bidding documents for a performance-based contract with a private operator; preparing bidding documents for the supervision contract for the company in charge of monitoring the operator's performance targets and the execution of the contract's activities; and dissemination of the contract and bidding process documentation.	\$74,975	Pioneering transactions
Peru	PPP Options for Irrigation Infrastructure	Advising the government on how to improve the prospects for PPP in irrigation in the country in general and, more specifically, to provide recommendations on how to improve the Chavimochic PPP model in order to achieve a successful deal.	\$75,000	Infrastructure development strategies
Uruguay	Development of Financing Options for PPPs in Roads Sector	Providing transaction assistance to the government to review existing road projects, assess their overall bankability, and identify and develop financial instruments for the PPP structure. This activity will provide guidance on how best to set up an appropriate and sustainable financial scheme for PPP agreements, including commercial and legal aspects.	\$250,000	Infrastructure development strategies

Table A.8: PPIAF and SNTA program activities in Latin America and the Caribbean approved in fiscal 2012 *(continued)*

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Regional	Caribbean Infrastructure PPP Road Map	Identifying potential PPP projects, obstacles to those PPP projects, and possible strategies for overcoming bottlenecks and implementing PPP schemes that can further close the infrastructure delivery gap.	\$250,000	Infrastructure development strategies
SNTA Program				
Belize	Improve Municipal Creditworthiness for Belize Municipalities	Assisting town and city councils implement the recommendations of the Municipal Finance and Revenue Enhancement Report. Using this diagnostic tool, and working with the Local Government Officer based in the Ministry of Local Government and Rural Development, this activity will support each of the councils to implement recommendations to improve their financial management systems, enhance their creditworthiness by increasing their revenue collection, and improve the efficiency of their expenditure.	\$75,000	Specific performance improvement
Colombia	Feasibility Study to Develop Tradable Air Rights Instruments to Mobilize Private Financing for Bogotá's Carrera 7 Bus Rapid Transit Corridor	Analyzing the feasibility of developing and implementing a tradable air rights instrument to increase functional densities in zones adjacent to Bogotá's Carrera 7 "Green Corridor," and mobilize private sources of financing to the project. The specific objectives of this technical assistance are to: i) carry out a market study to explore the developers market's interest, potential demand and willingness to pay for additional building rights in the context of Bogotá's Carrera 7 "Green Corridor" project; ii) establish a clear methodology for setting the face value (initial auctioning price) of additional building rights taking into account current commercial property values; and iii) assess the legal framework to understand what is needed to take to market such an instrument.	\$179,780	Other
Mexico	Strengthening Lending Market for Small Mexican Municipalities	Assessing the development methodology of a credit risk model created by a Mexican non-bank financial institution for portfolio level analysis of a loan book. This activity will review the model's ability to predict ratings and map the model's outputs to a measure of probability of default and/or expected loss.	\$75,000	Other

Table A.9: PPIAF and SNTA program activities in the Middle East and North Africa approved in fiscal 2012

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Djibouti	Options for Telecoms Sector Liberalization in Djibouti	Helping the government develop a strategy to transform the telecoms sector into an engine of economic growth and employment.	\$107,690	Policy, regulatory, and institutional reforms
Djibouti	Energy Sector Assessment	Assisting the government of Djibouti to refine its energy sector master plan, assessing the cost of refurbishing existing generation plants, and identifying least cost infrastructure investments that can be effectively financed and managed through a PPP.	\$459,275	Infrastructure development strategies
Djibouti	Feasibility Assessment for Solar Rural Electrification	Analyzing the technical, economic, and financial feasibility of rural electrification options to determine the most viable and sustainable roll-out option available to electrify each of 25 villages in Djibouti.	\$400,600	Infrastructure development strategies
Lebanon	Improving the Performance of the Beka'a Regional Water Authority	Strengthening the Beka'a Region Water Authority's engagement with the private sector and examining its current PPP to ensure the private operator is able to respond to the utility's needs in an efficient and cost-effective manner.	\$75,000	Capacity building
Morocco	Contract Management Support in the Solid Waste Sector	Providing a diagnostic and recommendations on how to resolve disputes about the management and execution of solid waste management contracts by municipal implementing agencies.	\$74,950	Emerging best practices
Regional	Developing Alternative Broadband Networks	Assessing the potential of activating installed unused fiber optic capacity in the region to form a regional backbone network.	\$74,510	Infrastructure development strategies
Regional	Training Course on PPPs in the Water Sector	Conducting a training seminar to introduce PPPs to water sector professionals in the West Bank and Gaza, Iraq, and Jordan. This workshop will raise general awareness of the PPP process, its advantages and challenges, as well as financing modalities available for PPP development.	\$50,000	Capacity building
West Bank and Gaza	Southern West Bank Solid Waste Management Project	Providing legal support for the development of a solid waste management PPP in the West Bank and Gaza.	\$199,975	Pioneering transactions

Table A.9: PPIAF and SNTA program activities in the Middle East and North Africa approved in fiscal 2012 *(continued)*

Country	Activity	Description	Funding (US\$)	Type of activity
SNTA Program				
Lebanon	Facilitating Sub-National Government Access to Commercial Credit and Capital Markets	Conducting a quick diagnosis of the financial and administrative performance of the Al-Fayhaa Union of Municipalities, and the municipalities of Tripoli, Mina, and Beddawi. Key reforms to improve the municipalities' financial administration and increase access to capital markets will be identified.	\$75,000	Specific performance improvement
West Bank and Gaza	Improving Municipal Revenue Generation Policies and Framework	Formulating and implementing evidence-based policies and programs on municipal finance, with an emphasis on municipal revenue generation.	\$161,300	Specific performance improvement
Regional	Regional PPP Conference	Supporting a forum that will assess the PPP market and needs in the Middle East and North Africa region following the global financial crisis and the Arab Spring, and build an understanding and capacity of regional governments and policymakers, as well as other key stakeholders, to better understand the fundamentals and key ingredients of PPPs.	\$25,005	Capacity building

Table A.10: PPIAF activities in South Asia approved in fiscal 2012

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Bhutan	Pre-feasibility Assessment of Infrastructure Projects Under a PPP Model	Supporting the government in the preliminary assessment of potential infrastructure projects to develop a pipeline of feasible PPP transactions, including preparing a preliminary assessment of the feasibility of several infrastructure projects by providing assistance for pre-feasibility studies.	\$64,450	Infrastructure Development Strategies
Bhutan	Telecom Sector Policy Roadmap	Developing a strategic policy roadmap to guide the development of Bhutan's telecom sector on introduction of competition, divestment by the existing operators, and government transformation agenda to use the telecom sector for cost-effective service delivery.	\$75,000	Policy, regulatory, and institutional reforms
India	Assistance in Finalization of a PPP Policy	Developing a PPP policy framework to clarify existing guidelines and create new policies on developing, contracting, and managing PPPs.	\$75,000	Policy, Regulatory, and Institutional Reforms

Table A.10: PPIAF activities in South Asia approved in fiscal 2012 *(continued)*

Country	Activity	Description	Funding (US\$)	Type of activity
PPIAF				
Maldives	Contract Management Support for Solid Waste Management PPP	Providing management contract support to Malé City Council to structure and implement a viable tariff structure for waste management services, develop a mechanism for tariff collection, develop an information system to maintain user data, and monitor the performance of the concessionaire.	\$74,950	Capacity building
Nepal	Screening and Initial Feasibility Assessment of Potential Private-Public Infrastructure Projects	Identifying potential projects in the urban and transport sector that are suitable for financing under the PPP. This activity will assist the government in deciding modalities for future investments in these sectors.	\$50,000	Infrastructure development strategies
Sri Lanka	PPP for the Environmental, Recreational and Economic Valorization of Beira Lake in Colombo	Advising the Sri Lanka Urban Development Authority and the Colombo Municipal Council on a PPP pilot model that will best valorize the environmental, recreational and urban development potential of the Beira Lake. This activity will also assist the authority and municipality to develop the instruments and processes to implement the PPP.	\$75,000	Infrastructure development strategies
Sri Lanka	Identifying PPP Opportunities for Local Governments	Developing the capacity of the Ministry of Economic Development and selected Provincial and Local Governments in Sri Lanka to identify the potential for private participation in infrastructure development. This activity will also develop a prioritized list of possible projects that could then be translated into PPP transactions with further support in the future.	\$75,000	Capacity building
Sri Lanka	Pre-feasibility Assessment of Infrastructure Projects under a PPP Model	Supporting the government in the preliminary assessment of potential infrastructure projects to develop a pipeline of feasible PPP transactions.	\$75,000	Infrastructure development strategies

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