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PPP Execution Journey: What follows after Project Conceptualization



ADB Workshop on Capacity Building for Developing Health Sector Public-Private Partnership

**Sog'liqni saqlash sektorida davlat-xususiy sheriklikni (DXSh)
rivojlantirish bo'yicha
OTB-ning salohiyatini oshirish seminari**

22-23 September 2025

Courtyard by Marriott, Tashkent, Uzbekistan



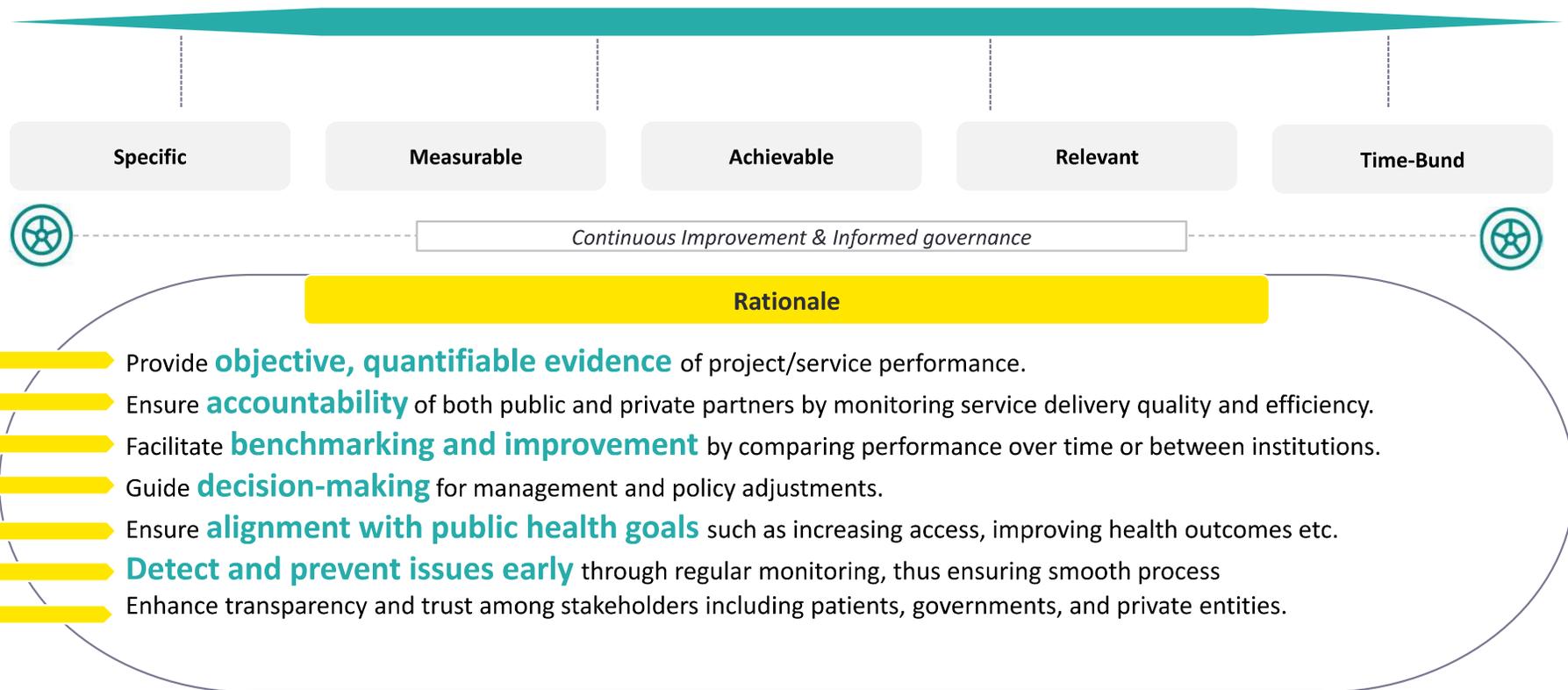
**Performance Indicators
and Accountability in PPP
Concepts**



Shape the future
with confidence

Key Performance indicators (KPIs) and rationale in the PPP health context

Key Performance Indicators are **indicators used to evaluate the performance of the PPP project** against set objectives. When defining KPIs for PPP project monitoring, applying the **SMART framework** ensures that the indicators are effective and actionable.



Examples of KPIs

Case Example: Setting up Radiology Centre (CT/MRI) in existing government hospital

S.No.	Implementation activity/ Operational parameter	Threshold limit	Time for evaluation	Source for Measuring Data	LD/ Compensation / in case of default
1	<p>Equipment Uptime CT / MRI Service is not operational at the advanced diagnostic center. Downtime shall be considered in case of: Non-operation of CT or MRI services due to any technical/ administrative reason on part of the Service Provider</p>	<p>Service Provider to maintain an uptime of 95% in a year. However, in case the machine is out of order/ broken down for period greater than 72 hours, the Service Provider shall make alternative arrangements for provision of services (including free transportation of patients).</p> <p>It is further clarified that if downtime extends beyond 5% in a year due to technical and/or administrative reasons on the part of service provider, may lead to termination of the agreement.</p>	Upon completion of a year	<ul style="list-style-type: none"> Annual Review Quarterly Review 	USD 115 per machine per day
2	<p>Denial of services to free / privileged patients</p>	No instances of denial to free patients per month	1st week of subsequent month for which assessment is being made	<ul style="list-style-type: none"> Records Grievances 	USD 230 for every such instance reported

Examples of KPIs

S.No.	Implementation activity/ Operational parameter	Threshold limit	Time for evaluation	Source for Measuring Data	LD/ Compensation / in case of default
3	Turn Around Time (Upload scan images) Service Provider to upload CT/MRI images on the server	Within 90 mins of completion of each CT/MRI performed	1st week of subsequent month for which assessment is being made	Periodic (monthly) status report	USD 25 for every instance of default in excess of 10 defaults per month
4	Turn Around Time (Report Generation) Service Provider to provide Hard Copy & Soft Copy of the Report and CT/MRI Scan images to the patient/referral doctor	Hard Copy & Soft Copy of the Report and CT/MRI scan images to be submitted to the patient/ referral doctor within 12 hrs	1st week of subsequent month for which assessment is being made	Periodic (monthly) status report	USD 25 for every instance of default in excess of 10 defaults per month
5	Appointment / Investigation slots for free / privileged patients	The appointment/ investigation slot for CT/MRI scans should be given to patient within 48 hrs of registration	1st week of subsequent month for which assessment is being made	<ul style="list-style-type: none"> Periodic (monthly) data reported Grievances 	USD 60 for every instance of default
6	Charge fee from select patients: If fee is collected from free patient for which reimbursement has to be made by Authority	Every instance of default	1st week of subsequent month for which assessment is being made	<ul style="list-style-type: none"> Periodic status report Patient complaints 	USD 100 for every instance of default Monthly 5 instances to be treated as EOD

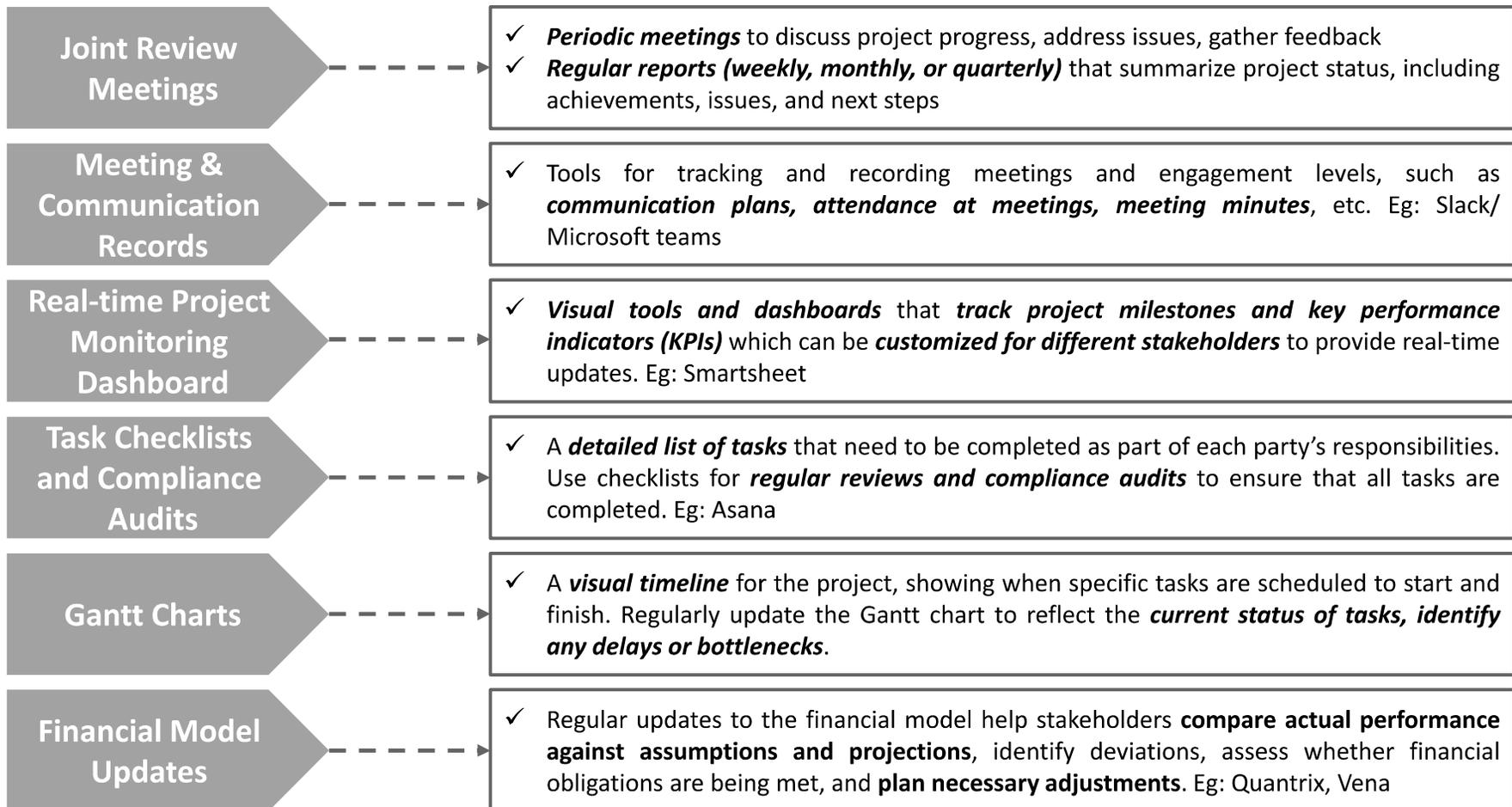
Examples of Directive KPIs

A directive KPI is a performance metric that the private partner must adhere to and track so as to ensure provision of quality services, but these are not directly tied to payments or financial penalties. Its purpose is to enforce standards and guide operational excellence.

Case Example: Operations and Maintenance of an existing public hospital on PPP mode

S. No.	KPI- Measure & Explanation	Baseline Requirements	Source of measuring Data
1	Adherence to Preventive Maintenance Plan	100% adherence	Random audit by Independent Monitor; Report by CMO/Secretary/any other officer deputed by SMPK
2	Re-infection rate	10%	Random audit by Independent Monitor; Report by CMO/Secretary/any other officer deputed by SMPK; Self-reported
3	Needle stick injury	NA	Self-reported
4	Referral service directory	100% referral to be recorded	Random audit by Independent Monitor
5	Master Patient Index with a single, unique Medical Record Number for each patient	100% patient to be recorded and should be traceable in the system	Random audit by Independent Monitor

Tools for Monitoring KPIs



Indicative Tools

Key Activities	Months	1	2	3	4	5	6	7	8	9	10	11	12
Architectural Design		■	■	■									
Engineering Design		■	■	■	■	■							
Approvals and Permits			■	■	■	■							
Review and Finalize Designs					■	■	■						
Site Preparation and Clearing						■	■	■					
Foundation and Structural Work							■	■	■	■	■		
Superstructure and Roofing								■	■	■	■	■	
Interiors and Exteriors										■	■	■	■
Systems Installation											■	■	■
Equipment Installation												■	■
Final Inspections and Quality Checks													■

INDICATIVE

Overall Compliance Status

Key Control Status

267 Key Controls

- 7 Tested
- 0 Planned But Not Tested
- 260 Not Planned

Current Control Test Status

- 97 In-Progress
- 1 Canceled
- 19 On Approval
- Overdue

Key Control Test Results

36 Key Control Tests

- 23 Operating Effectively
- 9 Not Operating Effectively
- 4 Not Applicable

Open Issues

60

8 Critical

Monthly Review Checklist for Independent Engineer

- Track Milestones
- Update Timelines
- Verify Payments
- Check Legal Compliances
- Risks Identified
- Delays Notification
- Issues Documented
- Permits and Licenses obtained and upto date
- Review Safety Protocols
- Review Inspection Test Results
- Report Incidents
- Submit Monthly Report

Compliance Status By Organization

Compliance Status by Area of Compliance

INDICATIVE

INDICATIVE

Indicative Tools



Project Management & Information System

Home | Dashboard | Add/Update Project Plan | Update Progress | Master | ATB | Reports

Welcome Back!

0 Approvals Pending | 0 Tickets Created By You | 0 Tickets Assigned To You

Meeting Calendar

Add/View Meeting | View RoD

March 2023

Sun	Mon	Tue	Wed	Thu	Fri	Sat
26	27	28	1	2	3	4
5	6	7	8	9	10	
12	13	14	15	16	17	
19	20	21	22	23	24	25
26	27	28	29	30	31	1
2	3	4	5	6	7	8

Recent Activities

- 21 Feb,2023 You have updated the Progress from 20 to 50 in the activity Preparation of draft paper
- 21 Feb,2023 You have updated the Progress from 0 to 20 in the activity Preparation of draft paper
- 21 Feb,2023 You have deleted the task Sample Task 2.
- 21 Feb,2023 You have deleted the task Sample Task 1.
- 20 Feb,2023 You have updated the profile image in the profile of Deepika Sani
- 20 Feb,2023 You have updated the A20-Ministry of Agriculture & Farmers Welfare - Sherpa Track, L20-Ministry of Labour & Employment - Sherpa Track, 820-Ministry of Corporate Affairs - Engagement Group, 020 Finance-Ministry of Finance - Finance Track, 020 Digital Economy- Ministry of Electronics & IT - Sherpa Track, 020 Health-Ministry of Health & Family Welfare - Sherpa Track, 020 J&K Tourism - State Track are added in the project in your profile

[View More](#)

Project Management & Information System

Home | Dashboard | Add/Update Project Plan | Update Progress | Master | ATB | Reports

Document Management System

Upload File | Images | Documents | Videos | RoDs

4012 Images | 259 Documents | 100 Videos | 100 RoDs

Project Management & Information System

Home | Dashboard | Add/Update Project Plan | Update Progress | Master | ATB | Reports

Task Activity

Project Name | Project Line | Task Name | Milestone

Task Details: Description, Start Date, End Date, Status, Assignee, Category, Priority, Progress

Attachments:

Comments:

Change History:

Project Management & Information System

Home | Dashboard | Add/Update Project Plan | Update Progress | Master | ATB | Reports

Completed

On Time

Delayed

46 Total Task

Completed

On Time

Delayed

98 Activities

Completed

On Time

Delayed

0 Critical Activities

Project Highlights

- No. of new activities started in the task: 0
- No. of new activities which didn't start but were scheduled to start in the task: 4
- No. of activities completed more than 100%: 2
- No. of activities completed less than 100%: 0
- No. of activities planned but not started: 0
- No. of tasks activity progress updated in the task: 0
- No. of tasks activity progress not updated in the task: 0

Stage Progress

STAGE: Planning | Meetings | Event

Dec | January | February | March | April | May | June | July | August | Sep | October | Nov

1. Zero Draft of Issue Note: Last Updated On: Feb 2, 2023
2. Minus One Outcome document: Last Updated On: Feb 19, 2023
3. Middle Outreach Strategy: Last Updated On: Feb 19, 2023
4. Background Paper 1: Last Updated On: Feb 19, 2023

Visualizations

Task Progress Status (16 Tasks)

Completed Tasks: 27	Not Started: 24
Delayed Task: 25	On Time Task: 14

Task Delay in Days (7)

0% | 100%

- By 1 to 5 Days
- By 6 to 10 Days
- By 11 to 20 Days
- By 21 to 30 Days
- More than 30 Days

Activity Progress (Last Updated)

0% | 100%

- In Last 24 Hours
- In Last 3 to 7 Days
- In Last 8 to 15 Days
- In Last 16 to 30 Days
- More than 30 Days



Project Evaluation Document

Activity

What are the key components of a Project Evaluation Document?

 Evaluation of social-economic benefits & costs, investment and production costs	 Scope of the Concession	 Market Research/Demand Assessment
 Project Structure, Key Indicators and Components	 Force Majeure and Contingency Plans	 Description of the legal framework, governance structure
 Development and implementation timelines for the project	 Roles of key stakeholders	 Termination clause of the Project

Procedure for Approval of Project Evaluation Document

A total value of up to one million US dollars (or its equivalent)

- ✓ Shall be independently approved by the **public partner**.
- ✓ Such a concept shall be developed in accordance with the **methodological guidelines** approved by the authorized state body for PPP projects

- ✓ Concept and PED of a PPP project shall be submitted by the public partner to the **authorized state body (MOEF)** for approval in writing.
- ✓ The authorized state body shall review and approve the concept with the PED within ten days, or may reject it or return it for revision

A total value exceeding one million but not exceeding ten million US dollars

- ✓ Shall be approved by the public partner within five working days after agreement with the authorized state body

- ✓ Shall be submitted by the public partner to the authorized state body, and after agreement with the authorized state body, it shall be submitted to the Cabinet of Ministers for approval within five working days.
- ✓ The Cabinet of Ministers shall review it within ten working days

A total value of exceeding one million US dollars (or its equivalent)

A total value exceeding ten million US dollars (or its equivalent)

Activity

Approval Process of Project Evaluation Document

Match Column I and II.

Column I:-

- A) A total value of up to one million US dollars (or its equivalent)
- B) Total value exceeding one million US dollars but not exceeding ten million US dollars
- C) Total value exceeding ten million US dollars (or its equivalent)

Column II:-

- 1) Approved by the Cabinet of Ministers in agreement with the authorized state body
- 2) Shall be independently approved by the public partner without the involvement of the authorized state body
- 3) Shall be approved by the public partner within five working days after agreement with the authorized state body

As – Is Assessment

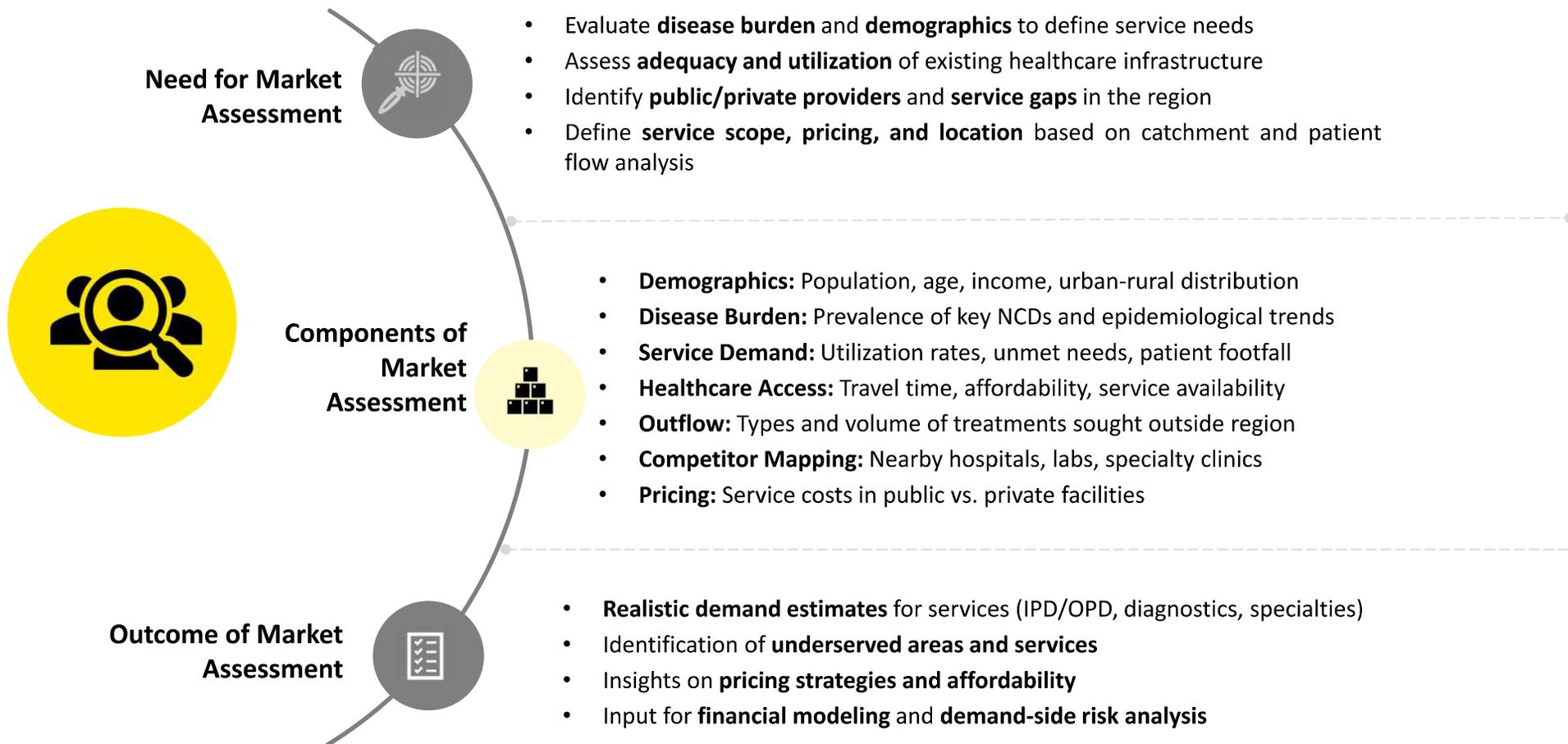
Why conduct an as-is assessment

- ✓ Establishes baseline status of **infrastructure, services, human resources, and equipment**
- ✓ Identifies **key gaps and deficiencies** in service delivery and system capacity
- ✓ Provides **cost estimates** for required capital and operational investments
- ✓ Maps **potential risks** and outlines mitigation strategies
- ✓ Defines the **scope of the PPP model** based on existing needs
- ✓ Sets the **foundation for future KPIs** to track improvements over time

What all it covers ?

- ✓ **Infrastructure** - Physical condition, capacity, utilization, layout , medical equipment and accessibility of existing facilities
- ✓ **Human Resource-** Number, cadres, qualifications, skills, workload, training needs
- ✓ **Service Delivery-** Type and volume of services delivered , patient footfall, quality of services
- ✓ **Clinical Performance-** Health outcomes, service utilization, patient satisfaction, grievance redressal

Market Assessment

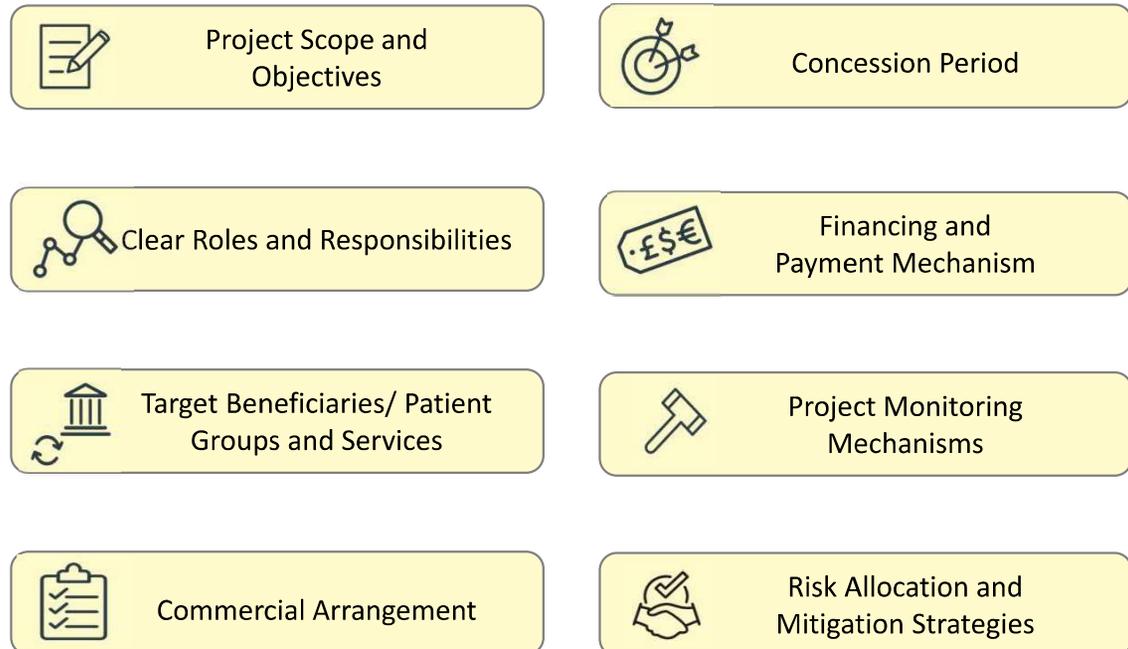


PPP Agreement Structure (1/2)

Need

- To define **roles** and **responsibilities** of public and private entity
- To allocate project **risks** to the party best suited to manage them, minimizing disputes
- To outline **financial structure** including payments, funding, and revenue sharing
- To set key **performance indicators** to ensure service quality and accountability
- To ensure **legal compliance** with clear terms for disputes, termination, and oversight

Components of PPP Project Structure



PPP Agreement Structure(2/2)

PPP Option Analysis

- 1) Identify and evaluate suitable PPP options for the project, such as BOT, BOO, DBFOT.
- 2) This will involve conducting a **project assessment to understand its requirements and engaging with key stakeholders** to gather their insights.
- 3) **Analyse the risk allocation, financing options, operational responsibilities, and revenue-sharing mechanisms** for each option, considering factors like project risks, financial viability, and stakeholder expectations.
- 4) A **comparative analysis** is conducted to assess the **strengths and weaknesses** of each option.
- 5) Based on the evaluation, **most suitable PPP option** is selected, considering project objectives, risk mitigation, stakeholder preferences, and legal requirements



Management Contract

- This option is more focused on input-based activities than output based
- It involves provision of specific services against fixed fee



Operate and Maintain

- This option has greater sharing of risks by way of inter alia Service Provider being obligated to achieve desired output.
- The private player has the flexibility to increase the efficiency of service delivery



Build, Equip, Operate and Maintain

- The private player builds and equips the facility in addition to bearing the life cycle maintenance cost.
- It undertakes construction activities, periodic maintenance and replacement of faulty equipment

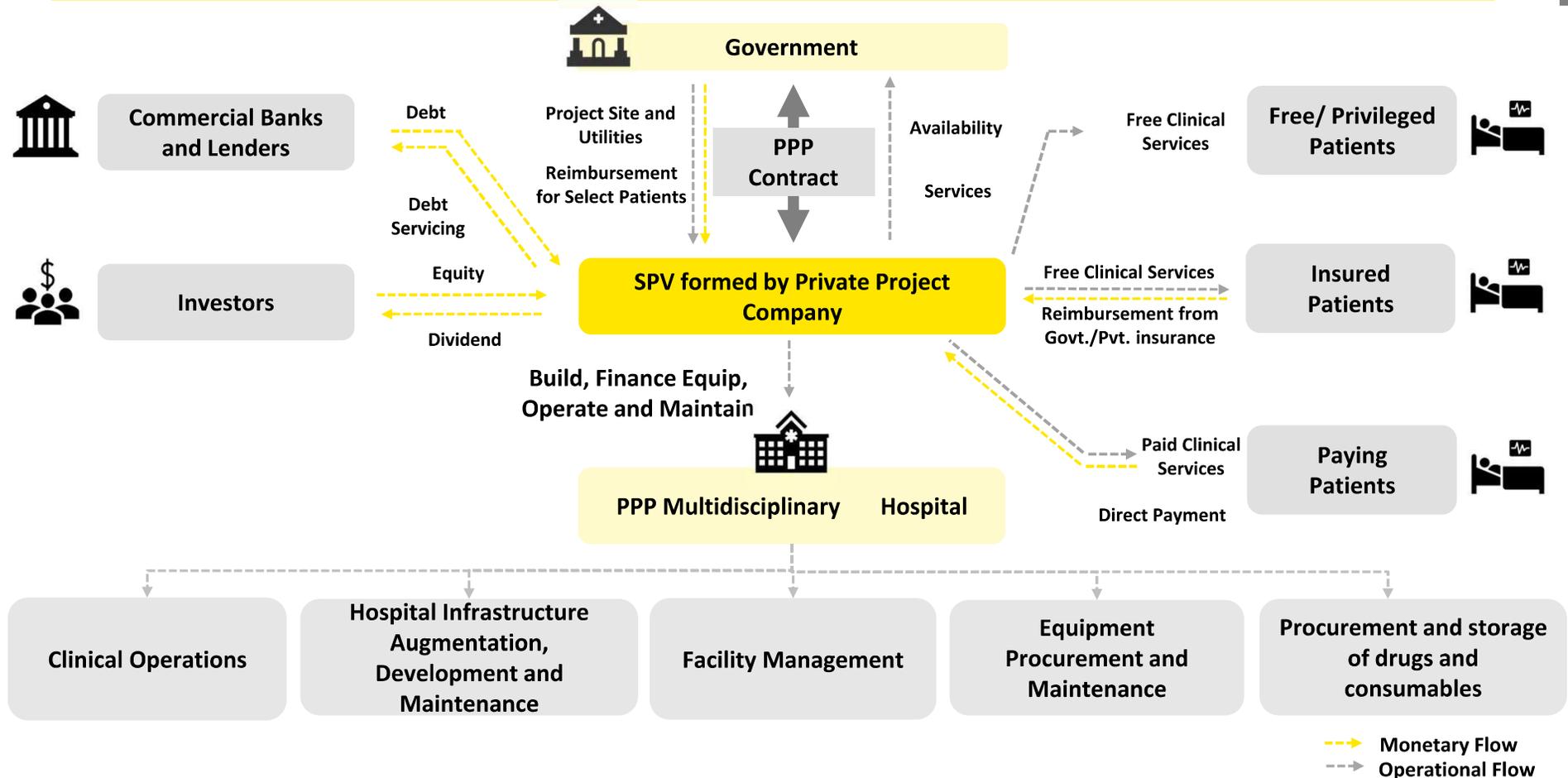
INDICATIVE

Outcome of well defined PPP Agreement Structure

- ✓ A clear, legally viable structure for the PPP project
- ✓ Well-defined roles and responsibilities for all stakeholders
- ✓ **Balanced risk sharing** to attract qualified private partners
- ✓ **Transparent** payment and performance frameworks for long-term sustainability
- ✓ A strong foundation for drafting the concession agreement or contract

Example of Structuring a PPP project

Integrated O&M Implementation Model



Environmental Impact Section

<p>Preliminary Environmental Impact Statement (PEIS) includes:</p> <ul style="list-style-type: none">  Impact of Construction  Manage Toxic Waste  Storm Water  Reduce Impact on Soil & Vegetation  Noise Reduction 	<p style="text-align: center;">Need of Environmental Assessment</p> <ul style="list-style-type: none"> ✓ To confirm alignment with Uzbekistan’s EIA regulations and identifies need for PEIS or full EIA ✓ To assess environmental impacts during construction and operation (e.g., pollution, noise, waste) ✓ To support development of an Environmental Management Plan (EMP) to mitigate impacts ✓ To develop strategies to minimize impacts and consider alternative project designs <p style="text-align: center;">Components of Environmental Assessment</p> <ul style="list-style-type: none"> ✓ Identification and collection of data on current environmental conditions at the project site. ✓ Evaluation of potential impacts on air, water, land, biological, and socio-economic environments. ✓ Design mitigation measures for potential impact and sustainability e.g., insulation, solar energy)
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Architecture and Construction Section

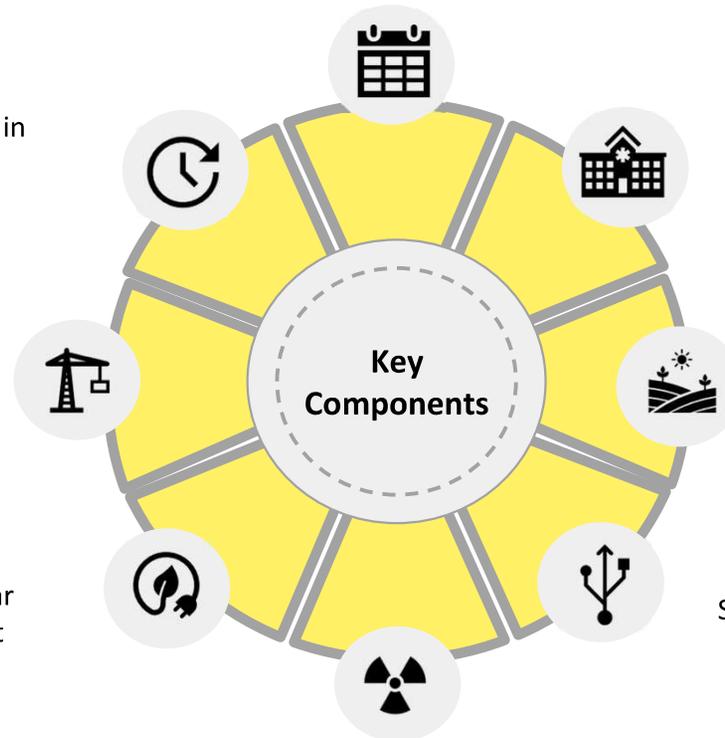


Clear construction schedule with milestones and phased operational readiness

Provisions for future expansion, flexibility in space utilization

Construction phases, use of modular design, material selection, and local sourcing

Inclusion of sustainable features like solar energy, natural lighting, energy-efficient systems, and climate-resilient materials



Building layout, floor plans, load-bearing capacity, seismic safety, and internal zoning

Regulations, site boundaries, access points, landscaping

Systems for electricity, water, sewerage, HVAC, and fire safety

Mitigation measures such as tree relocation, drainage planning, and thermal insulation

Technological Innovations

Need for Technological Innovations

To integrate adept technological solutions that support **sustainability, efficiency, and future scalability** of the healthcare PPP project

What it Includes

- Identify **technological solutions** for project implementation, including structure, key components, and estimated costs
- Use **energy-efficient solutions** (e.g., solar panels, LED lighting) to reduce costs and emissions
- Adoption of **advanced diagnostic technologies** (AI etc.) to improve accuracy and speed of medical evaluations
- Implementation of **integrated health IT systems** for enhanced data storage, sharing, and clinical decision-making

Key Outcomes

- ✓ Optimized **resource use and cost savings** through energy-efficient practices
- ✓ **Improved service delivery** via streamlined diagnostics and digital records
- ✓ Higher **patient satisfaction** and **clinical accuracy**
- ✓ **Strategic technology roadmap** for replication in future PPPs
- ✓ Stronger **public-private synergy** through tech-enabled solutions

What all to Assess?

- ✓ Applicable national laws and regulatory requirements relevant to PPP, health, and construction
- ✓ Legal framework and governance structure for implementation and oversight
- ✓ Capital costs, operational expenses, and revenue flows
- ✓ Potential institutional risks mitigation strategies
- ✓ Public sector capacity to manage, oversee, and enforce the PPP agreement

What will be the Outcome?

- ✓ Clearly defined institutional framework for project implementation
- ✓ Allocation of roles and responsibilities
- ✓ Identification of legal and regulatory requirements and necessary approvals
- ✓ Assessment of institutional risks and measures to mitigate them
- ✓ Governance structure to support transparency, accountability, and dispute resolution

Socio-Economic Implications

Components	
	Social Benefits
Access to Healthcare: Especially for underserved population	
Health Outcomes: Mortality rates, disease prevalence and quality of life	
Equity and Inclusivity: Ensuring that services are affordable for all segments of society, particularly vulnerable groups	
	Economic Benefits
Job Creation: Number of jobs created during construction and operation phase	
Local Economic Growth: Contribution to local GDP, stimulation of economic activities, and potential for new businesses	
Private Investment Attraction: Potential of the project to attract private investments	

Need for Evaluating Socio-Economic Implications

- To evaluate socio-economic benefits beyond financial returns
- To ensure equity and fairness in healthcare delivery
- To assess whether the PPP is meeting public health objectives and goals
- To inform policy decisions and future project planning
- To identify unintended consequences or gaps in implementation
- Sets the stage for cost-benefit analysis by capturing qualitative & contextual impacts

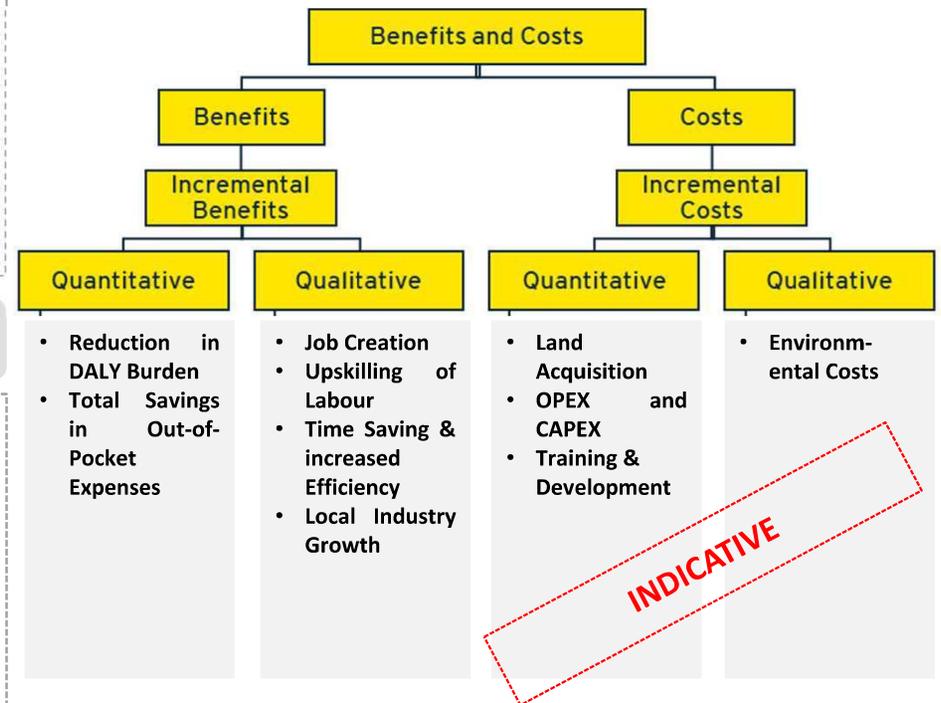
Cost-Benefit Analysis

Features of Cost-benefit Analysis

- Broader **economic benefits**, including job creation, infrastructure development, and improved healthcare access should be assessed
- Measure outcomes such as **reductions in out-of-pocket expenditure (OOPE)** for patients
- Evaluates project profitability and efficiency through key metrics like **Economic Internal Rate of Return and NPV**

Purpose and Impact

- ✓ Evaluates **financial viability**, helping justify public investment and build stakeholder confidence
- ✓ **Guides investment decisions** for both public and private partners through data-driven insights
- ✓ Identifies **cost-saving opportunities**, enabling timely course corrections
- ✓ **Supports project planning**, strengthening long-term sustainability & scalability of the PPP mode



Financial Assessment

Purpose of Financial Assessment

- Assess capital investment needs and financing sources, including debt-to-equity ratio and alternative funding options
- Calculate **capital expenditures** (e.g., construction, equipment) and **operational costs** (e.g., staffing, maintenance)
- Estimate **income** from clinical services, pharmacy, consumables, and other operational streams based on regional benchmarks
- Analyze **key indicators** such as NPV, IRR, discounted payback period and liquidity
- Identifying **financial risks & responsibilities and liabilities**

S.No	Particulars	Sub-components	Cost (in Mn USD)
A	Base Cost (Construction and Refurbishment)	Civil Work and Infrastructure	35.00
		Medical Equipment & Technology	10.00
		Furnishing and IVCT Setup	3.59
	Subtotal (A)		48.59
B	Contingency, Consultation, & Syndication Costs	Technical Consultancy, Legal, Indication Fees	1.46
C	Cost Inflation on TPC	Inflation Adjustments over Project Duration	20.86
D	Interest During Construction	Loan Interest Accruals	7.50
		Financial Charges & Fees	3.83
	Subtotal (D)		11.33
Total Uninflated Project Cost (A+B)			50.05
Total Project Cost (TPC) = A+B+C+D			82.24

Key Outcomes



- ✓ Better **financial planning and control**, ensuring efficient fund utilization
- ✓ **Accurate cost, revenue, and funding estimates** for long-term sustainability
- ✓ **Early detection of overruns and inefficiencies** for proactive risk management
- ✓ **Stronger justification for public spending**, boosting accountability
- ✓ Enhanced **financial transparency**
- ✓ Proven parameters to **scale up or adapt the PPP model** based on performance

Fiscal Impact

The fiscal impact of a Public-Private Partnership project refers to the financial consequences and risks associated with such projects on the government's budget and fiscal sustainability. PPPs involve long-term commitments that can affect public finances in various way

Why It's Needed

- To understand **long-term budgetary implications**
- To ensure **fiscal sustainability** of the project
- To help manage hidden or **contingent costs**
- To assess if the PPP is **economically justified**
- To provide **transparency** for public funds use

What it Entails

- Calculation of the **estimated annual payments** to be made during the project period
- Identification of **contingent liabilities** that may arise from the project
- Account for required **public investment** in roads, transport, utilities, and IT systems to support hospital operations
- Assess potential government obligations under scenarios **like revenue shortfalls, early termination, or force majeure events**

Key Outcomes

- ✓ Improved **fiscal planning and resource allocation**
- ✓ Informed **policy decisions** on future PPP models
- ✓ Identification of **fiscal risks** and mitigation strategies
- ✓ Strengthened **negotiation** position with private partners

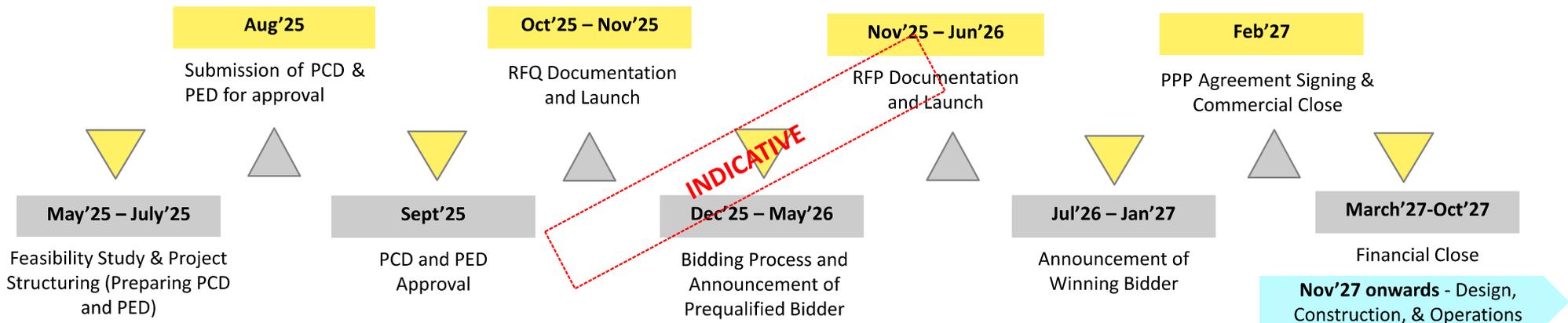
Project Implementation Plan

Components

- Assess **development potential** based on zoning and land availability
- Plan **phased development**
- Define **timelines for implementation** of the project
- Identification of **key stakeholders** and their roles in the project implementation
- Outline **marketing plan**

Purpose of formulating PIP

- Ensures alignment among stakeholders for coordinated and timely execution
- Facilitates effective tracking of milestones, deliverables, and compliance with PPP obligations
- Pre-empts delays, cost overruns, and operational risks through structured planning
- Enables performance-based, accountable execution with streamlined resource management
- Enhances service readiness and patient access through timely infrastructure and system rollout
- Establishes a documented roadmap for transparency, monitoring, and future scaling or replication





**Bid Process
Management**

Tender Process

If a private partner expresses interest in the project, the public partner runs a tender process. The tender process is **single-stage** for projects with a value of **less than \$1 million**, and **two-stage** for projects with a value of **more than \$1 million**.

1

One Stage Tender

Held for the equivalent PPP project with a total value of **up to one million** US dollars

- ✓ Publication of the tender announcement and receiving tender offers from applicants for participation
- ✓ Initiate the process for issuing the preliminary qualification and tender documents to all applicants who have indicated their intent to participate in the tender;
- ✓ Opening tender offers of applicants and evaluation
- ✓ Determine the winner of the tender and the reserve winner;
- ✓ Conducting negotiations with the tender winner or a special design company;
- ✓ Concluding a PPP agreement with the tender winner

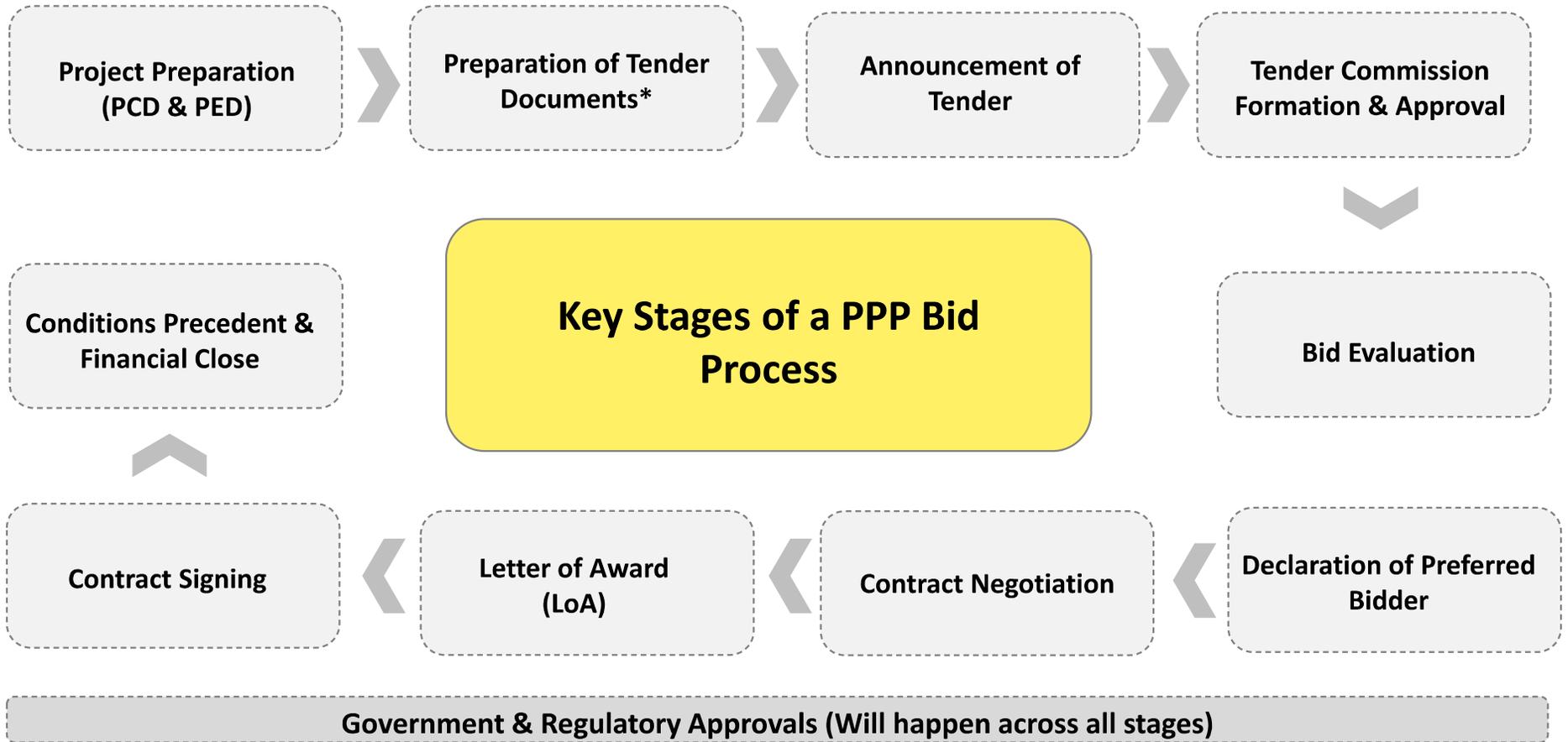
2

Two Stage Tender

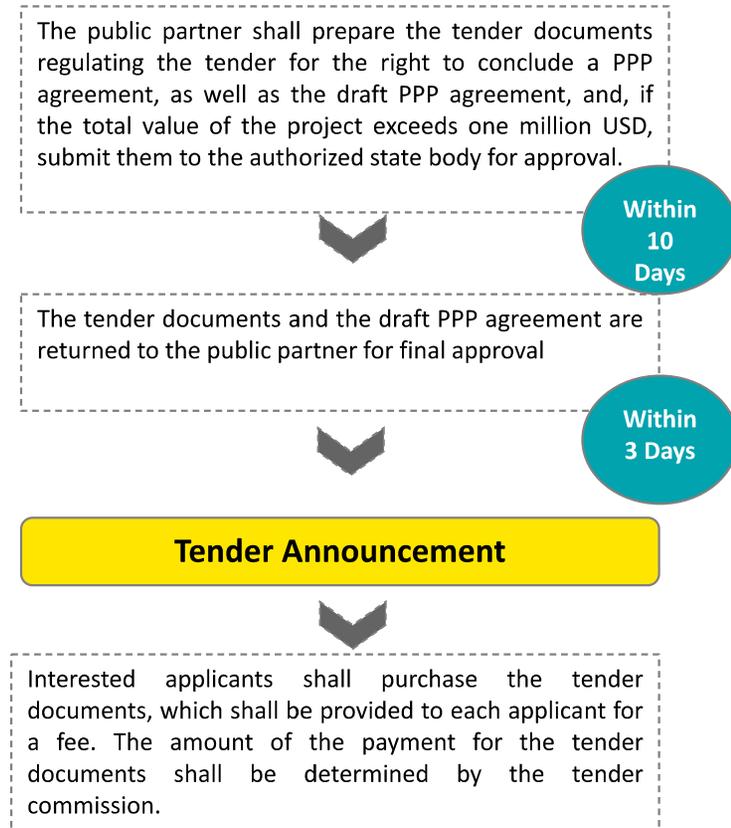
Held for the equivalent PPP project with a total cost of **more than one million** US dollars

- ✓ Publication of the tender announcement; collection and evaluation of preliminary qualification orders confirming the qualifications of applicants; **(RFQ Stage)**
- ✓ Forming a list of applicants who have passed preliminary qualification;
- ✓ Sending a set of tender documents by the state partner to applicants who have passed the initial qualification; **(RFP Stage)**
- ✓ Submission of tender offers by pre-qualified applicants;
- ✓ Evaluation of tender offers;
- ✓ Determine the winner of the tender and the reserve winner;
- ✓ Conducting negotiations with the tender winner.

Key Stages of a PPP Bid Process



Preparation of Tender Document



Navigating Conflict of Interest

- ✓ The tender commission shall maintain records of its meetings, which shall be signed by all members present at the meetings
- ✓ If a member of the tender commission has a **conflict of interest** regarding any matter discussed at the meeting, they must declare their withdrawal from the vote on the issue and refrain from participating in the voting. This shall be recorded in the meeting minutes



Bid submission: Bid submission shall be carried out only after the official announcement of the tender by the public partner in accordance with the established procedure.

Request for Qualification



The Request for Qualification (RFQ) initiates the formal procurement process in a Public-Private Partnership (PPP). Its primary aim is to **identify and shortlist** private entities with the requisite technical expertise, financial strength, and legal standing to undertake the proposed project.

Purpose of RFQ



Screening Potential Bidders

Ensures that only firms meeting predefined criteria advance to the next stage, promoting efficiency



Enhancing Competition

By attracting qualified firms, the process fosters a competitive environment, leading to better project outcome



Risk Mitigation

Early assessment of bidders' capabilities reduces the likelihood of project delays or failures

Key Components of RFQ

- ✓ Project Overview
- ✓ Pre-Qualification Criteria
- ✓ Submission Guidelines
- ✓ Evaluation Process
- ✓ Clarification Procedures
- ✓ Annexures & Formats

Best Practices

Standardized Templates

Utilizing uniform formats for submissions to facilitate objective evaluations

Pre-Qualification Conferences

Organizing sessions to address bidder queries, ensuring a common understanding of requirements

Transparent Communication

Maintaining clear and open channels for information dissemination to uphold fairness

Request for Proposal



Following the RFQ stage, the Request for Proposal (RFP) is issued to shortlisted bidders. It solicits detailed technical and financial proposals, outlining the bidder's approach to project execution. The RFP also defines key project parameters, evaluation criteria, and contractual expectations

Purpose of RFP



Detailed Solution Assessment

Evaluates the bidders' proposed methodologies, technologies, and innovations



Financial Offerings

Assesses the financial viability, proposed investment, and expected returns



Contractual Commitments

Establishes the foundational terms and conditions that will govern the partnership

Key Components of RFP

- ✓ Project Overview & Objectives
- ✓ Bid Evaluation Methodology
- ✓ Instruction to Bidders
- ✓ Bid Security & Validity
- ✓ Qualification criteria
- ✓ Annexures

Best Practices

Pre-bid Conference

Conducting bidder workshops or pre-bid meetings to clarify complex aspects

Transparent Amendments

Any changes to the RFP should be communicated promptly to all bidders

Confidentiality Assurance

Ensuring that proprietary information submitted by bidders is protected

PPP Agreement

A PPP Agreement is a legally binding contract between the public authority and the private partner that defines the rights, responsibilities, and obligations related to a public-private partnership project. It governs aspects such as the design, financing, construction, operation, and maintenance of the project. The agreement enables the private party to recover its investment through mechanisms such as user charges, tariffs, or viability gap funding, depending on the project structure.

Why is it Central to PPPs?

- ✓ Converts bid into a binding legal-commercial framework
- ✓ Defines risk, responsibility & reward sharing
- ✓ Ensures service standards, monitoring & dispute resolution
- ✓ Enables project bankability & private financing

Schedules	
Schedule A	Project Facilities & Services
Schedule B	Standards and Specifications
Schedule C	Payment Terms / Fee Schedule
Schedule D	Format for Performance Security
Schedule E	Key Performance Requirements
Schedule F	Handback Requirements

Article No.	Title
Article 1	Definitions and Interpretation
Article 2	Scope of the Project
Article 3	Grant of Concession
Article 4	Conditions Precedent
Article 5	Obligations of the Concessionaire
Article 6	Obligations of the Authority
Article 7	Performance Security
Article 8	Project Implementation
Article 9	Commissioning and Commercial Operation Date
Article 10	User Charges
Article 11	Operation & Maintenance
Article 12	Insurance
Article 13	Accounts and Audit
Article 14	Force Majeure
Article 15	Events of Default and Termination
Article 16	Liability and Indemnity
Article 17	Dispute Resolution
Article 18	Miscellaneous Provisions

Tender Commission

In accordance with an agreement with the **Cabinet of Ministers**, the public partner shall form the tender commission for the selection of the winning bidder for the right to conclude a PPP agreement at least **10 working days** prior to the tender announcement. The Tender Commission is responsible for overseeing and ensuring a transparent, fair, and competitive selection of private partners for the implementation of Public-Private Partnership projects.



Members of Tender Commission

- ✓ Must include representatives from the public partner and the authorized state body as mandatory members
- ✓ **Two representatives from the authorized state body** shall participate, with one of them having a consultative vote.
- ✓ The representative of the public partner shall be the **chairman of the tender commission**
- ✓ The number of members of the tender commission must be odd



Approval

The Cabinet of Ministers shall review and approve the composition of the tender commission, as proposed by the public partner. It shall be approved within **10 working days**

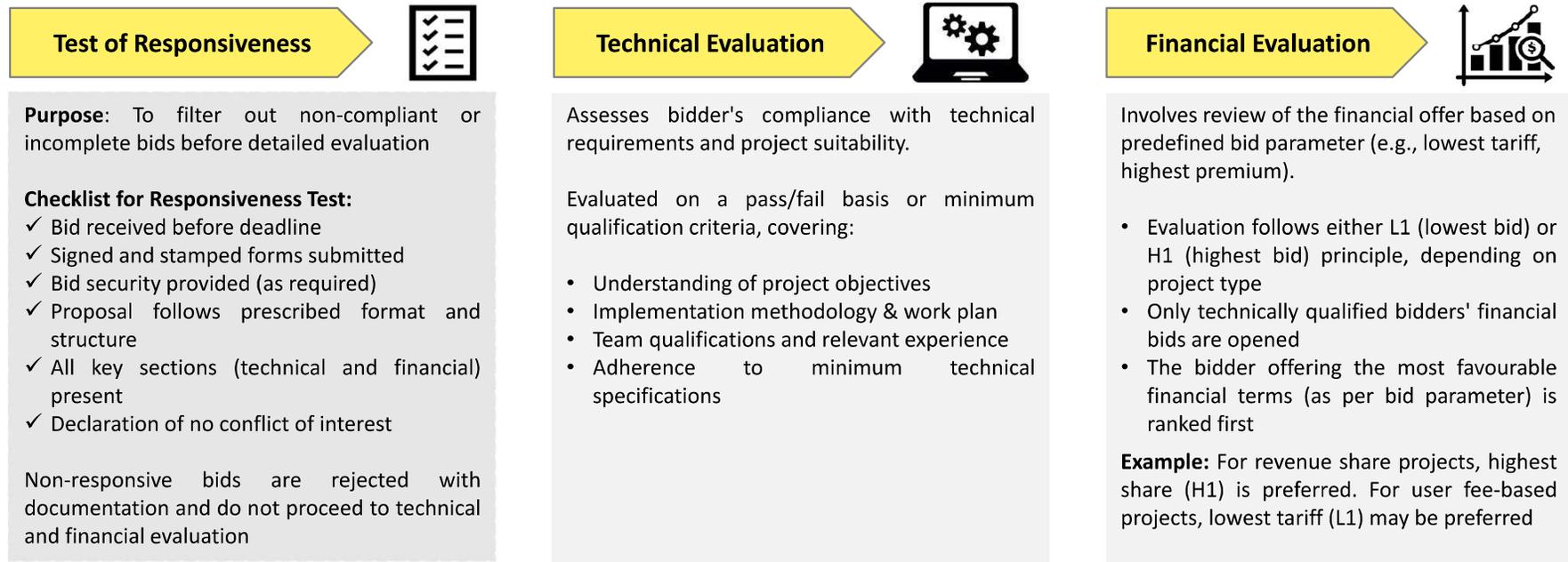
Role of Tender Commission

- Review and evaluate tender proposals submitted by applicants.
- Determine the winning bidder through a structured evaluation process.
- Ensure compliance with the requirements set out in the tender documents.
- Maintain minutes of meetings and decisions, signed by all present members.
- Resolve conflicts of interest by requiring disclosure and abstention from voting when applicable.
- Disqualify applicants that do not meet the tender requirements

Bid Evaluation

Purpose: To assess submitted proposals (technical and financial) against the defined criteria in the RFP and select the most suitable private partner for the project

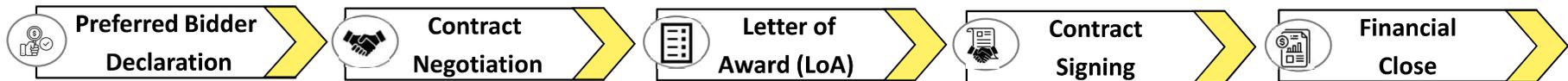
Evaluation Steps:



<p>Key Points to Ensure Fairness:</p>	<ul style="list-style-type: none"> ✓ Pre-published evaluation criteria ✓ Confidentiality of proposals 	<ul style="list-style-type: none"> ✓ Independent scoring by evaluators ✓ Use of evaluation matrix or formula
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Selection, Negotiation & Contract Execution

Post bid evaluation, the PPP journey transitions from selection to formalizing the partnership. This stage involves critical legal, financial, and strategic decisions that lay the foundation for implementation.



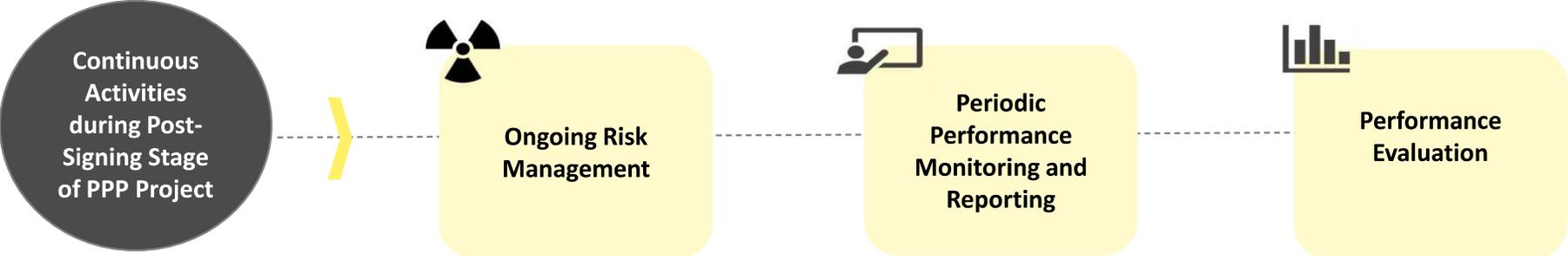
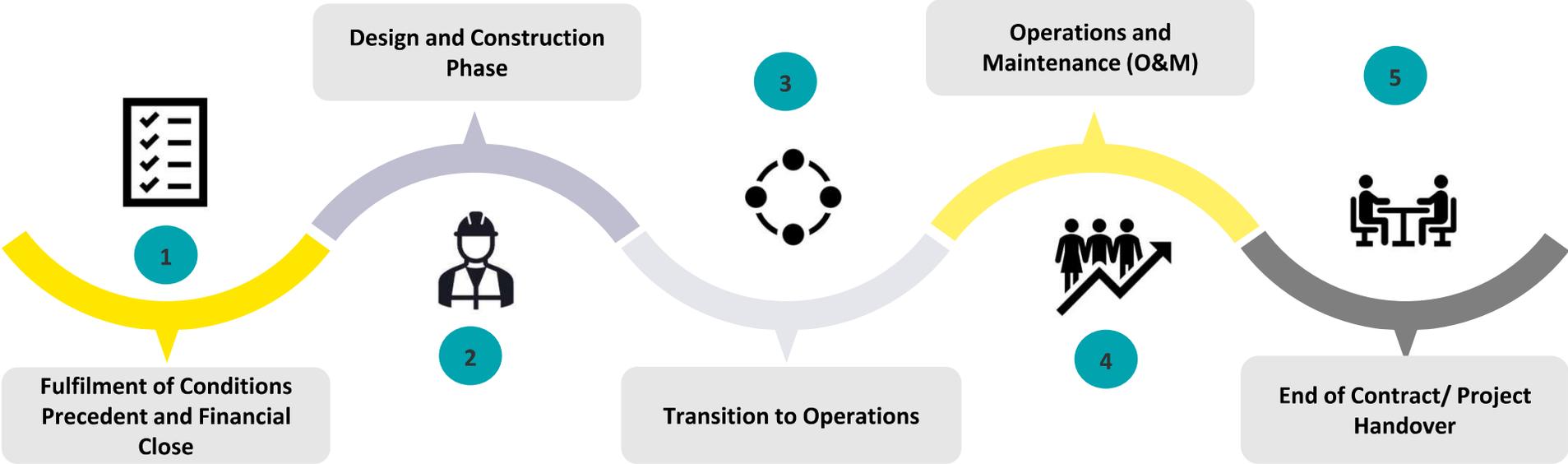
Key Component of each step

Contract Negotiation	Letter of Award (LoA)	Contract Signing	Financial Close
<ul style="list-style-type: none"> ✓ Align final terms with the draft PPP Agreement ✓ Finalize risk, performance, and default clauses ✓ Ensure clarity on financial viability and compliance 	<ul style="list-style-type: none"> ✓ Formalizes selection of preferred bidder ✓ Specifies time to meet Conditions Precedent ✓ Initiates preparation for legal signing 	<ul style="list-style-type: none"> ✓ Executed after fulfilment of Conditions Precedent outlined in the Letter of Award ✓ Legal execution of PPP Agreement ✓ Submission of performance security and other obligations come into effect 	<ul style="list-style-type: none"> ✓ Confirmation of fund mobilization (equity+debt) ✓ Fulfillment of Conditions Precedent under the PPP Agreement ✓ Enables commencement of construction or commercial operations

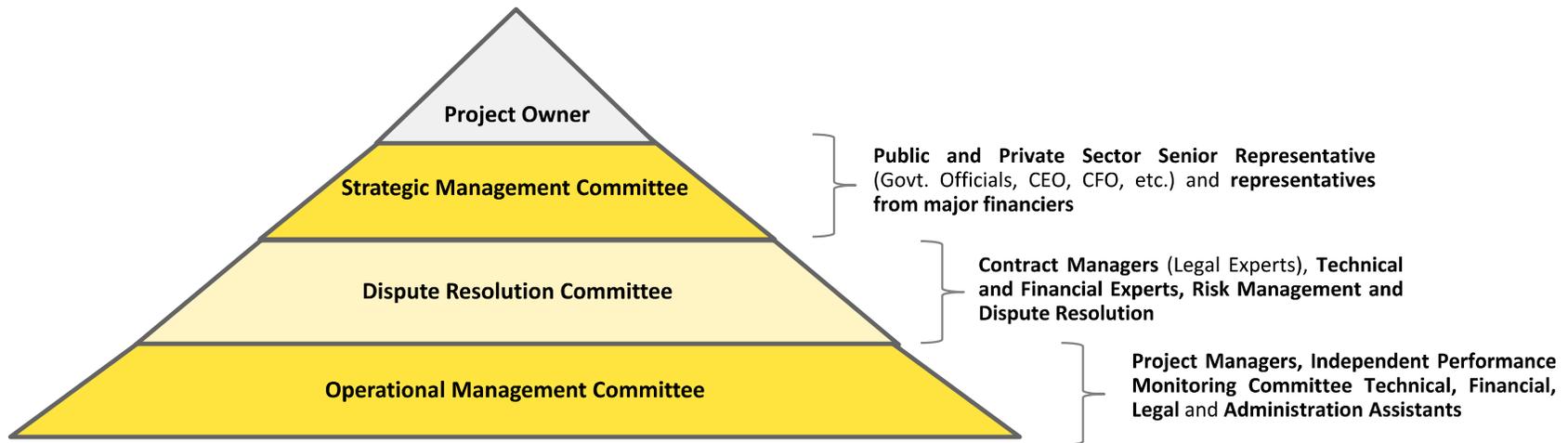


Contract Management and Post-Award Oversight

Key Phases in the Post-Signing Stage of a PPP project



Effective Governance Structure



Key Roles of Different Boards in the Governance Structure

Strategic Management Board	Operational Management Board	Dispute Resolution Board
<ul style="list-style-type: none"> •Set overall strategic direction and goals •Make high-level policy decisions •Manage external stakeholder relationships •Review organizational performance against strategic objectives 	<ul style="list-style-type: none"> •Monitor & evaluate operational performance •Oversee quality assurance and consistency •Ensure compliance with internal policies and regulations •Coordinate internal stakeholder relationships 	<ul style="list-style-type: none"> •Mediate and arbitrate disputes •Oversee conflict resolution processes •Enforce contractual obligations during disputes. •Identify and mitigate risks related to disputes.

Achievement of Conditions Precedent

Conditions Precedent (CPs) would depend on specific project requirements and refers to the **pre-agreed conditions or milestones** that must be **fulfilled by either party before the contract takes effect**. In case of non-fulfilment, **damages could be charged** by either party as per the terms of the bid documents.

CPs for the **Government Authority**

Conditions Precedent
The Authority must procure for the Concessionaire the Right of Way (ensure land acquisition, handover and grant of relevant land use rights) within the stipulated time.
The Authority must provide reasonable assistance in obtaining access to Utilities, and procure shifting (if required) of utilities by relevant operator.
The Authority to procure Environment Approvals, and, grant of fiscal exemptions (if applicable) are approved.
The Authority must appoint an independent engineer ("IE") to oversee construction quality and compliance.

CPs for the **Private Party**

Conditions Precedent
The private party must achieve financial close and furnish digital copy of run-able/responsive and formulae based financial model and financing documents the agreed timeline to secure funding for the project.
The private party must submit the detailed design, health and safety plan and environment management plan for government approval.
The private party must secure all required construction related permits and approvals as per applicable laws.
The private party to participate in appointment of IE through tendering process to be agreed between parties and lenders

Ongoing Risk Management

Ongoing risk management in a PPP project is **crucial for proactively identifying, assessing, and mitigating risks** to ensure project viability and achieve desired outcomes. The **Contract Management Board** with **representatives from both public and private stakeholders** oversees and manages risks throughout the project's lifecycle.

Key Activities for Risk Management

Risk Identification and Assessment	Risk Mitigation	Monitoring and Reporting	Regular Communication, Review and Adaptation
What can go wrong? How critical is it?	How can it be addressed?	How can it be tracked?	How can stakeholder discussions help?

For Example:



Site Allocation Risk

1. Identify site allocation risks, such as delays in land acquisition, legal disputes over land ownership, or issues with zoning and permits
2. Evaluate the probability and impact of site allocation issues on the project's timeline, cost, and overall feasibility (Risk Allocation Category: High)
3. Create a plan to mitigate site allocation risks, which may include securing alternative sites, expediting approvals, or addressing legal challenges proactively
4. Continuously monitor progress on land acquisition, permits, and other site-related issues
5. Engage with relevant government authorities, local communities, and other stakeholders to understand their concerns and requirements related to site allocation
6. Periodically report any delays or obstacles to the committee and key stakeholders. If significant issues arise, escalate them to higher authorities or engage in dispute resolution processes to prevent delays

Areas of Dispute



Common Dispute Areas in PPPs



Contract Interpretation



Contract Termination



Payment & Compensation Issues



Regulatory Changes



Performance and Delivery Service

Common Methods of Dispute Resolution



Amicable Settlement

Direct negotiations between the parties involved to resolve disputes without third-party intervention

Conciliation

A neutral third party, known as a conciliator, helps the parties reach a mutually acceptable resolution

Mediation

A mediator facilitates discussions between the parties to help them reach a voluntary agreement

Arbitration

A formal process where an arbitrator makes a binding decision based on the evidence and arguments

Litigation

The process of resolving disputes through the court system

End of Contract / Project Handover

