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**ESCAP**  
Economic and Social Commission for Asia and the Pacific



Forum on Public Private Partnership (PPP) Policy Frameworks for Myanmar  
co-organized with the Ministry of National Planning and Economic Development

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*Describing Typical PPP Process and  
Capacity Building Requirements*

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## PPP Project Cycle

*Four Phases*


- Key steps in the development of a PPP project:

Identification

Preparation

Transaction

Management



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## 1. Identification

### *Project Cycle – 4 Phases*

- Government Contracting Agencies (GCAs) with PPP Unit's support
- **Pre-Feasibility Analysis** :
  - ✓ To appraise broad **viability** of the PPP project
  - ✓ To define the main project characteristics
  - ✓ To assess whether PPP is the best procurement method (**value-for-money** assessment)
- Development of an **Outline Business Case** (the content of which can be defined in guidance documents to be produced by the PPP Unit)
- Once the Outline Business Case is **approved**, the GCA could proceed to the project preparation phase.

*Avoid spending money on projects not worth it*



## 2. Preparation

### *Project Cycle – 4 Phases*

- Full-scale **feasibly analysis**
- External **consultants** support (legal, financial, technical)
- **Business Case** development
- **Bid document** preparation (including the draft PPP contract and the feasibility study).
- **Approval** by the PPP Committee before proceeding with the PPP transaction.
- Overtime the Government should develop **standardized** terms for the PPP contracts.



### 3. Transaction

#### *Project Cycle – 4 Phases*

- **Good governance principles:** Transparent, accountable, non-discriminatory, competitive + timely **procurement** processes
  - maximum participation by private sector / public confidence
- **PPP procedures** defining norms, timelines and responsibilities for procuring PPP projects (e.g. clarification of the level of interaction with the bidders, which might be necessary in complex projects like PPPs).
- **Final approval** before the contract award (PPP Committee)



### 4. Management

#### *Project Cycle – 4 Phases*

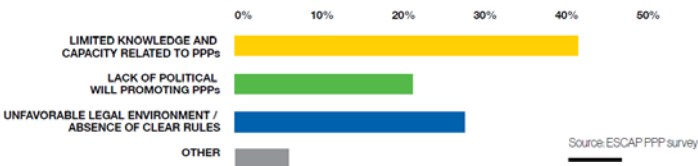
- GCAs shall ensure effective monitoring of PPP Projects over the whole lifecycle + allocate sufficient resources to monitor the private partner performance, and to enforce penalties if required.
- Management procedures should establish efficient communication channel (e.g. clear reporting requirements so the public authority remains informed and can identify potential problems early on).
- Protocols to implement the continuous adjustments that are likely to be required throughout the life of a long-term project.



## Capacity Building

### Requirements

- Development of PPP is complex / Change of mindset required
- Existing capacity to deal with PPPs is inadequate



- Capacity needed in negotiations, feasibility analysis, procurement, management and other implementation aspects.

**!!! National PPP Capacity Building Programme !!!**  
including online toolkits, manuals & draft documentation



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