

PROJECT STATUS REPORT

JANUARY 2012 - JUNE 2012

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Program to Promote Public Private Partnerships for Infrastructure in T & T

Project Number: TT-M1019 - Operation Number: ATN/ME-12261-TT

Result: To strengthen capacity of the Government of Trinidad and Tobago to structure and oversee the implementation of 2 pilot PPP projects in order to create a demonstration effect

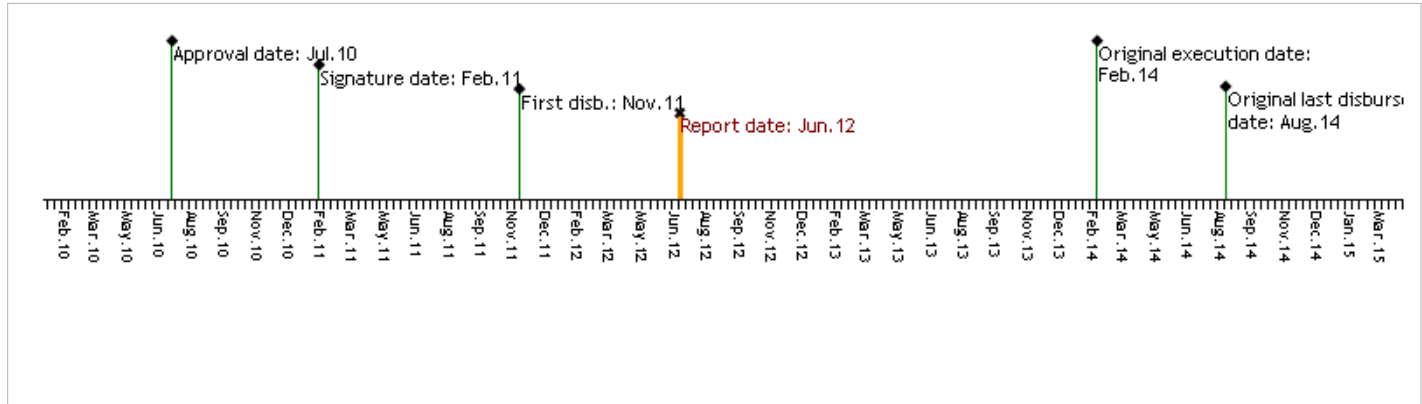
Country Administrator TRINIDAD AND TOBAGO	Beneficiary Country TRINIDAD AND TOBAGO	Group INF - Infrastructure and Public Services	Subgroup PPPA - Public-Private Partnerships
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Executing Agency: MINISTRY OF FINANCE AND THE ECONOMY

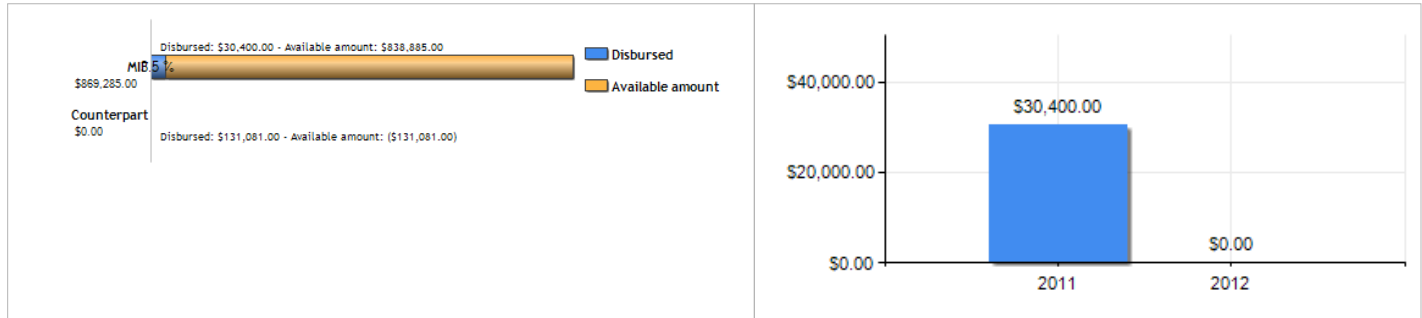
Design Team Leader: Bloomgarden, David

Supervision Team Leader: Dookiesingh, Vashtie

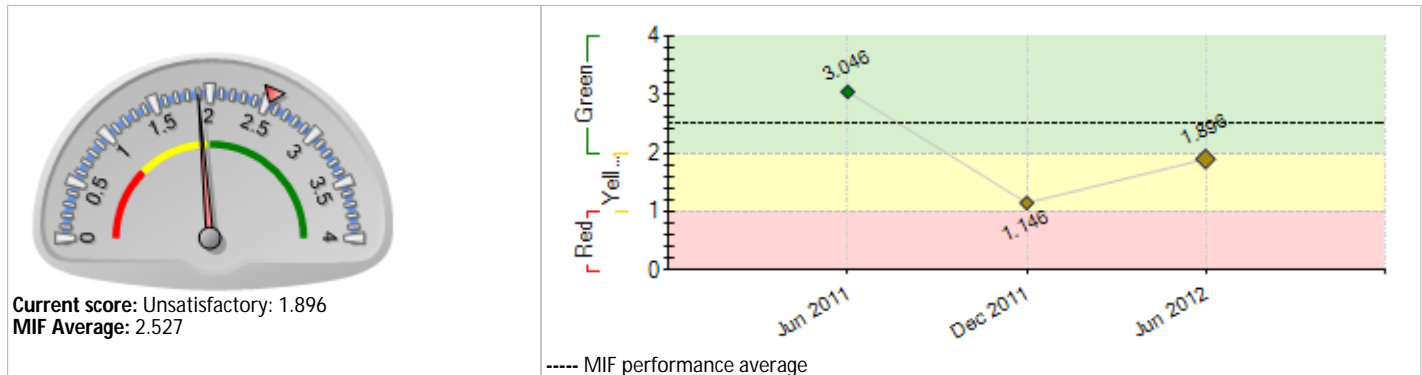
TIMELINE



FUNDS



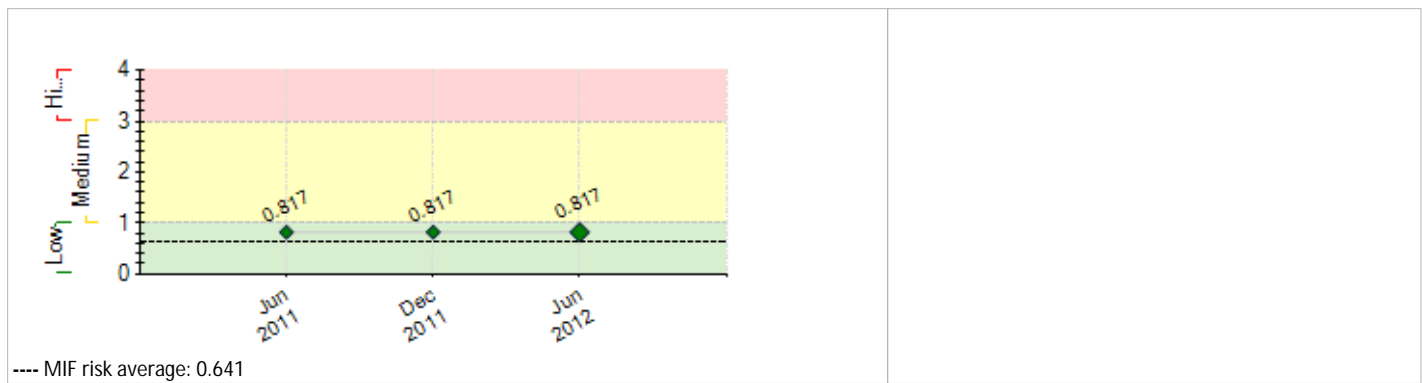
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

	Risk
Financial Management:	Medium
Procurement:	Low
Technical Capacity:	High



SECTION 2: PERFORMANCE

Summary of project performance since inception

The PPP Unit was established within the Investments Division of the Ministry of Finance and the Economy on August 8, 2011 with the hiring of the PPP Project Coordinator. The Project Assistant was hired on December 12, 2011 and the Project Manager was hired on January 3, 2012.

PPP Unit advertised and conducted interviews for the positions of Senior Legal Officer and Senior Financial Analyst without success.

Castalia Strategic Advisors was engaged in February 2012 through the International Financial Corporation (IFC) using Canadian International Development Agency (CIDA) funding to assist the PPP Unit with the development of a PPP Policy and identify and conduct initial screening of potential PPP projects via consultation with ministries.

Meetings/stakeholder awareness sessions were held with several ministries to discuss the benefits, challenges and opportunities for PPPs in Trinidad and Tobago

Cabinet approved a National PPP Policy on May 31, 2012. The Policy provides, inter-alia, an institutional framework for the development and implementation of PPP projects in Trinidad and Tobago.

PPP Project Coordinator attended the Commonwealth Secretariat's 2nd CP3N Meeting and International PPP & Infrastructure Summit 2012, Malaysia during April 2012 and Euromoney training on PPPs in June 2012.

PricewaterhouseCoopers Advisory Services Limited (PwC) was selected as the preferred PPP Technical Advisor on June 27, 2012 following the IDB international competitive bidding process

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Summary of project performance in the last six months

The PPP Project Manager was hired on January 3, 2012

PPP Unit advertised and conducted interviews for the positions of Senior Legal Officer and Senior Financial Analyst without success.

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Cabinet approved a National PPP Policy on May 31, 2012. The Policy provides, inter-alia, an institutional framework for the development and implementation of PPP projects in Trinidad and Tobago

PPP Project Coordinator participated in an international exchange on PPPs and a PPP training course

PwC was selected as the preferred PPP Technical Advisor on June 27, 2012 following an international competitive bidding process to execute the following scope

of works:

1. Development of an organizational and institutional guidelines and PPP project implementation procedures
2. Review of the current legal framework and prepare a diagnosis with recommendation for the enabling regulatory environment for PPPs
3. Development of training requirements for the PPP programme
4. Screen pipeline of potential PPP projects and select PPP pilots

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Result: To strengthen capacity of the Government of Trinidad and Tobago to structure and oversee the implementation of 2 pilot PPP projects in order to create a demonstration effect	P.11 Two pilot infrastructure projects using the PPP model are awarded	0				2 Jan 2015	0	
Component 1: Strengthening Government Capacity to Engage in PPPs Weight: 50% Classification: Unsatisfactory	C1.11 Organisational and institutional guidelines for PPP investments	0				1 Jan 2013	1 May 2012	Finished
	C1.12 A specialized technical PPP unit in charge of identifying, formulating and managing PPP projects in full operation.					Aug 2012	Yes Dec 2011	Finished
Component 2: Establishing an Enabling Regulatory Framework for PPPs Weight: 15% Classification: Unsatisfactory	C2.11 Methodologies and operational guidelines for planning, designing, and managing PPPs developed.					Mar 2013	No Jun 2012	
	C2.12 Proposal for any required regulatory reforms in financial, fiscal, environmental, accounting, procurement and other elements related to the regulatory framework for PPP projects developed					Mar 2014	No Jun 2012	
Component 3: Prepare and award 2 pilot PPP projects Weight: 25% Classification: Unsatisfactory	C3.11 Pilot PPP projects identified and preliminary evaluation of the projects conducted	0				2 Jan 2014	Jun 2012	
	C3.12 High level approval of 2 pilot projects for implementation	0				2 Jan 2015	Jun 2012	
Component 4: Stakeholder Outreach and Project Dissemination Weight: 10% Classification: Unsatisfactory	C4.11 Participation in 1 local and 1 regional forums on PPPs	0				2 Jan 2015	Jun 2012	

Milestones		Planned	Due Date	Achieved	Date achieved	Status
M0	Appointment of PPP technical advisor	1	Aug 2011	1	Jun 2012	Achieved late
M1	Establishment of PPP unit	1	Aug 2011	1	Aug 2011	Achieved
M2	[*] Conditions Prior	6	Dec 2011	6	Dec 2011	Achieved
M3	Technical staff in PPP unit have received PPP training	1	Feb 2012	1	Jun 2012	Achieved late
M4	PPP Policy developed	1	Dec 2012	1	May 2012	Achieved
M5	Convening of 2 general stakeholder forums on PPPs	2	Feb 2013	1	Jun 2012	
M6	[*] Operating manual for planning designing and managing PPPs developed and approved by the PPP Unit	1	May 2013	0	Jun 2012	
M7	[*] Selection of 1st PPP pilot project by the PPP unit	1	May 2013	0	Jun 2012	
M9	[*] Convening of 1 general stakeholder awareness forums	1	Jul 2013	0	Jun 2012	
M10	[*] Selection of 2nd PPP pilot project	1	Jul 2013	0	Jun 2012	
M11	[*] Proposal for procurement and relevant regulatory reforms submitted to Cabinet	1	Nov 2013	0	Jun 2012	
M12	1 local and 1 regional PPP forum completed	1	Feb 2014	0	Jun 2012	
M13	[*] Contract for 1st PPP pilot project awarded	1	Nov 2014	0	Jun 2012	

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

[X] Others, which?: Delays in hiring of key staff and in contracting of consultants due to need for management of policies and procedures of both government of Trinidad and Tobago and MIF

SECTION 4: RISKS

MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE

	Level	Mitigation action	Responsible
1. Government is not committed to resourcing the PPP unit over the long term	Medium	Focus of the PPP unit is to demonstrate financial and technical benefits and high value added of the unit to line ministries in the structuring negotiation and management of PPPs	Project Coordinator
2. Government is not committed to	Medium	Focus of the PPP unit is to demonstrate financial and technical	Project Coordinator

resourcing the PPP unit over the long term		benefits and high value added of the unit to line ministries in the structuring negotiation and management of PPPs	
3. Partners selected to engage in PPPs do not possess requisite technical, financial and governance capacity	Medium	PPP Unit must engage in intelligence gathering, networking and due diligence on potential PPP providers to ensure quality, integrity and capacity of firms short listed for PPP pilots.	Project Coordinator
4. Lack of support for regulatory changes required to facilitate engagement in and leverage of PPPs	Medium	Focus regulatory changes on the critical areas and engage stakeholders at all stages in development of regulatory frameworks to secure required buy in and support	Project Coordinator
5. Local and regional stakeholders are not interested in replicating and scaling up PPPs	Low	Pilot projects are structured and managed to demonstrate the benefits and associated risks of PPPs and are used to sensitize and inform stakeholders	Project Coordinator
PROJECT RISK LEVEL: Medium TOTAL NUMBER OF RISKS: 7 IN EFFECT RISKS: 7 NOT IN EFFECT RISKS: 0 MITIGATED RISKS: 0			

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - Probable

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

Actions related to sustainability which will be or have been implemented:

Critical Issues that have affected performance:

Inability to hire suitable candidates for the positions of Senior Legal Officer and Senior Financial Analyst—public sector salary, short-term contracts and lack of experience were key issues that affected the appointment of individuals to these positions.

Actions related to sustainability which have been taken in the reporting period:

PPP Unit disseminated the PPP Policy to ministries and has since received favourable feedback

SECTION 6: PRACTICAL LESSONS

[No lessons learned added yet.]