



**Ministry of Finance and National Planning
Government of Zambia**

**BALANCED SCORECARD FOR PUBLIC-
PRIVATE PARTNERSHIP
DEVELOPMENT IN AFRICA**

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OUTLINE

- **Introduction**
- **Thematic Headings of Scorecard**
- **A Case of PPP readiness status - Malawi**

INTRODUCTION

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- **PPP scorecard assesses country's PPP "readiness"**
 - **Poses critical questions that are systematically organized under 10 thematic headings as spelt out**
- **Result of scorecard reflects state of PPPs**
 - **First step in preparing national PPP action plans to increase national readiness to use PPPs to enhance infrastructure services**
 - **identifies options for structuring a robust and sustainable PPP program**
 - **Lays out the priority areas for improvement**

THEMATIC AREAS INTRODUCTION

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Thematic Headings

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General Environment

- **Macroeconomic and Other Data**
- **Business Climate**
- **Climate Change**

Background

PPP Experience

- **Experience of government in having any successful implementation of PPPs**
- **Zambia has had a very successful track record in this area**

Thematic Headings

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Stakeholder Support And Ownership

- **Government Support and Ownership**
- **Public Support**

PPP Legal & Regulatory Framework

- **General PPP Enabling Legislation and Regulation**
- **Specific Legislation and Regulation Regarding Unsolicited Proposals**
- **Other Specific Legislation and Regulation e.g. to assess fiscal impact of PPPs on the government**

Thematic Headings

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PPP Institutional Capacity

- **Institutions involved**
- **Processes – e. g. transparency, timeliness of PPP project appraisals and approvals**
- **Standardization of documents for different phases of PPP projects**
- **Communication with the general public**
- **Capacity of government staff members involved in PPP institutions to take PPPs through the various stages of the PPP project lifecycle**
- **PPP Unit - that plays a traditional role in PPP decision making**

Funding and Managing Fiscal Risk

- **Budgetary System**
- **PPP Project Preparation Funding to have pipeline projects**
- **Framework for Government Support to PPPs e.g. criteria for evaluating PPP projects under consideration**
- **Framework for Managing Fiscal Commitments and Contingent Liabilities**

**Thematic
Headings**

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Access to Finance

**Transparency
Disclosure** &

People-first PPPs

Regional PPPs

CASE OF PPP READINESS STATUS – MALAWI

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**CASE OF PPP
READINESS
STATUS –
MALAWI**

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- **Diagnostic study was undertaken with scorecard results which showed overall readiness status for PPP projects in Malawi**
- **This laid out priority areas for improvement**

Theme	Readiness question	Yes	No	Priority (for action)		
				High	Medium	Low
Background and environment	Do the economic fundamentals and business climate in the country facilitate successful PPPs)? a		✓		✓	
Experience with the PPP process	Does the government have successful experience implementing PPPs? b	✓			✓	

Theme	Readiness question	Yes	No	Priority (for action)		
				High	Medium	Low
Stakeholder support and ownership	Is there broad support for PPPs from the government, the public, the private sector and other key stakeholders?	√		√		
PPP legal and regulatory framework	Does the existing framework facilitate successful PPPs? Are improvements needed in the PPP framework through amendments to existing legislation and regulations or additional legislation or guidelines? c	√		√		

Theme	Readiness question	Yes	No	Priority (for action)		
				High	Medium	Low
PPP Institutional capacity	Is there a second tier of PPP-related institutions and processes that facilitate the implementation of the law, regulations, rules and policies?		√	√		
Funding and managing fiscal risk	Does the government provide funding support to PPPs through debt, equity, grants or guarantees? Does the government effectively identify and manage financial risk associated with PPPs?		√	√		

Theme	Readiness question	Yes	No	Priority (for action)		
				High	Medium	Low
Access to finance	Are project financing structures and sources available to support PPPs?		√	√		
Transparency and disclosure	Are PPP-related oversight, audit and disclosure procedures and institutions in place? ^d		√	√		

Theme	Readiness question	Yes	No	Priority (for action)		
				High	Medium	Low
People-first PPPs	Is the PPP legal, regulatory and institutional framework consistent with principles established by the United Nations Economic Commission for Europe International PPP Centre of Excellence regarding people-first PPP projects?		√	√		
Regional PPPs	Is the government prepared to identify, develop and manage cross-border PPPs, Programme for Infrastructure Development in Africa Priority Action Plan II PPP projects and other regional PPPs involving benefits for multiple countries?^e		√		√	

- **The readiness assessment highlights several areas that require improvement to deploy PPPs successfully**
- **However, the key to moving PPPs forward is building capacity in the institutions at the heart of PPP processes with main areas recommended for improvement**

CONCLUSIONS

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Priority areas for improvement

- **Enhance and improve the public investment framework to promote successful PPPs by amending existing legislation, regulations and norms and developing appropriate guidelines.**
- **Build capacity for all stakeholders involved in PPP projects (MDAs, PPP Commission and private sector originating PPP projects).**
- **Strengthen PPP institutional capacity inside government to implement the PPP agenda beyond the PPP Commission, which oversees vital institutions and processes that make it easier to implement PPP-related laws, regulations, rules and policies**

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Priority areas for improvement

- **Create a fund that provides support and resources to PPP processes, from supporting project preparation (relationship with PSIP and need for pre-feasibility and feasibility studies for projects) to developing a pipeline of PPP projects ready for investors to consider.**
- **Develop regulations to operationalize the PPP Act to ease more rapid decision-making**

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