

INTER-AMERICAN DEVELOPMENT BANK

Public Private Partnerships in Latin
America and the Caribbean

IDB Group

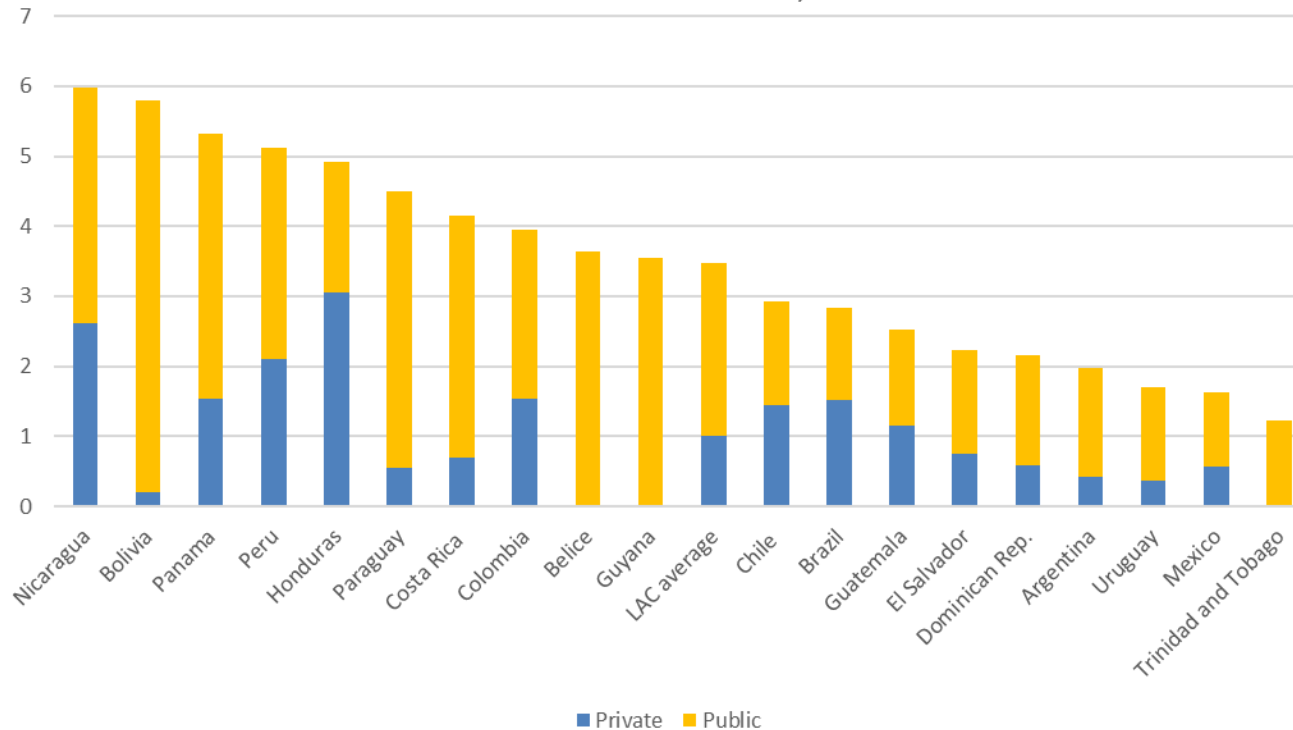


Latin America and The Caribbean (LAC) Does Not Invest Enough in Infrastructure

- LAC Countries invested on average 2.7% of their annual GDP in Infrastructure from 1992-2015
- Lower than China (8.5%), India and Japan (5%) and Korea, Australia and Canada (4%)
- This low level of investment in Infrastructure generates a lack physical assets, inadequate maintenance and poor provision of infrastructure services

Infrastructure Investment in LAC

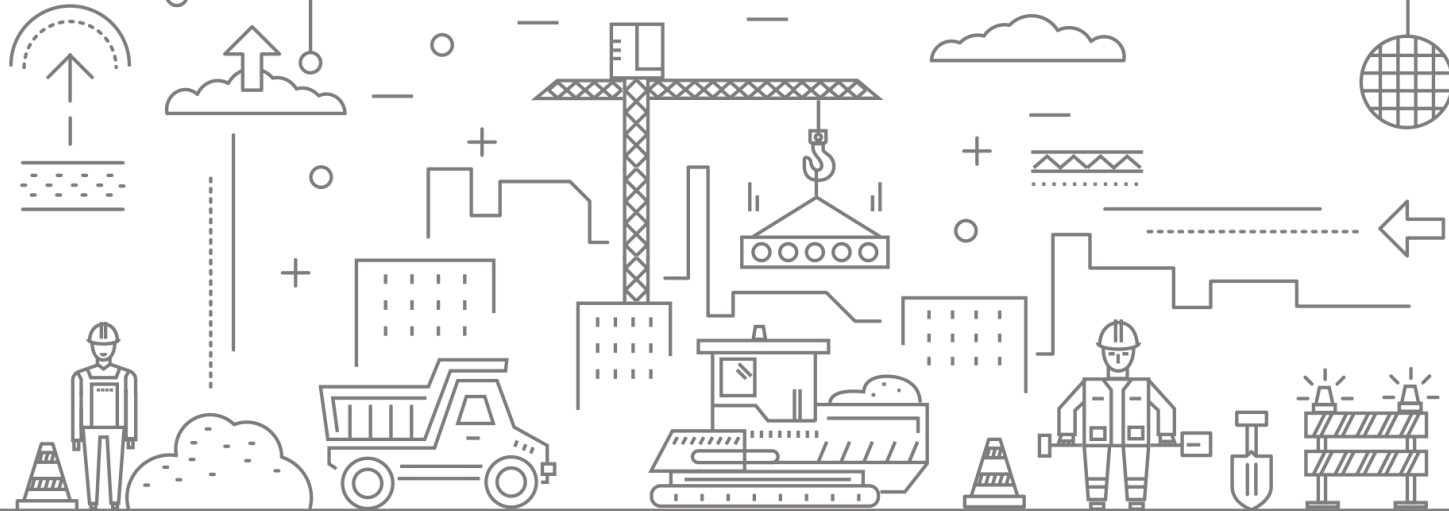
Figure 3. Average public and private investment in infrastructure as share of GDP in selected countries, 2008–2015



THE “INFRASTRUCTURE GAP” IN LAC

US\$ 100 MM

Investment Gap/
year

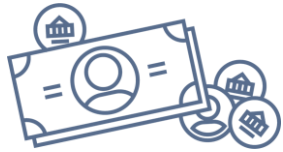


US\$ 6-10 MM

pre-investment/
year



OBJECTIVES OF PPP



Provide
**ADDITIONAL
FINANCING**
options



Harness private
sector
INNOVATION and
EFFICIENCY



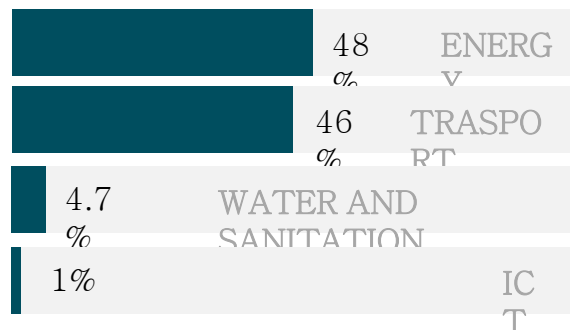
Improve
ACCOUNTABILITY
and **SUSTAINABILITY**
of delivery and
maintenance of
services



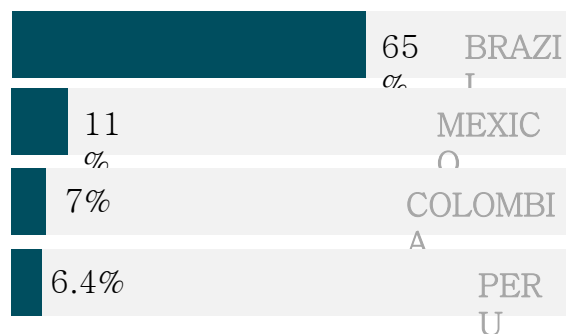
Foster local
**ECONOMIC
DEVELOPMENT**

PPPs IN LAC

PPPs BY SECTOR 2006-2015

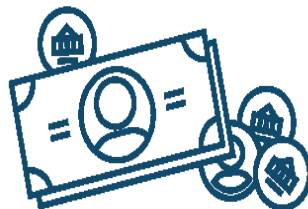


PPPs BY COUNTRY 2006-2015



MARKET OPPORTUNITY

National Level



Sub-National Level



FROM 2006-2015

\$361.3 billion

1000 projects

were carried out in LAC

LAC has 35% of the
global PPP investments

BY 2050

90%

OF THE REGION'S
POPULATION WILL LIVE
IN CITIES

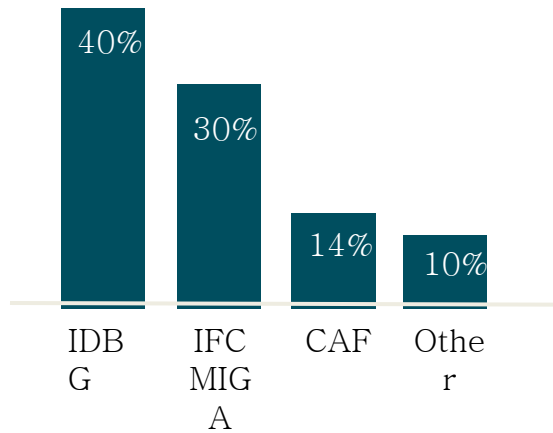
PPP can provide a
solution to meet the
need in infrastructure

IDBG'S SUPPORT FOR PPPS IN LAC

MDBS PPP FINANCING

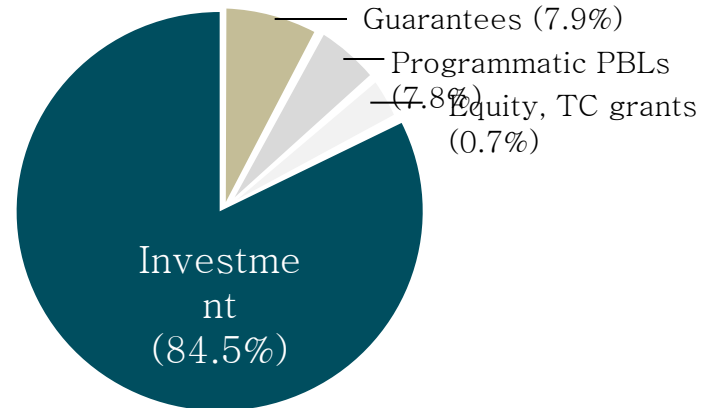
MDBs financed 3.5% of total PPP investments in LAC from 2006-2015

Multilateral PPP financing

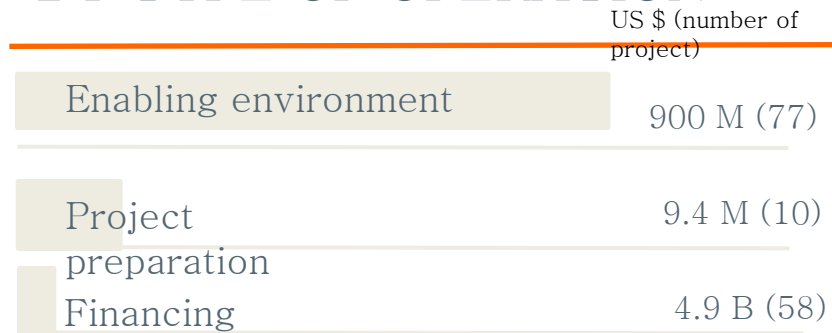


145 infrastructure PPP operations for US\$5.8 billion

BY INSTRUMENT



BY TYPE OF OPERATION



IDBG'S KEY PPP PROJECTS IN LAC

Guatemala

(Transportation)

Light rail transport in
Guatemala city
(Structuring)

Peru

(Transportation)

Lime Metro Line 2 and
Line 4 (construction)

Argentina

(Energy)

Energy projects
through the Renovar
program (structured)

Colombia

(Transportation)

Perimetral Oriental de
Bogotá highway (operation)

Uruguay

(Energy)

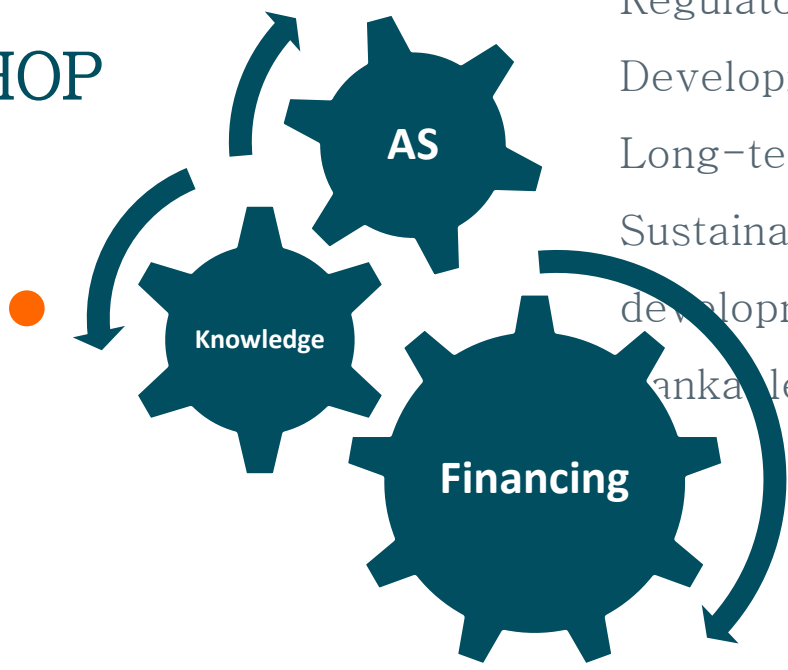
500 Kv transmission line
between the cities of
Melo and Tacuarembó
(closing)

IDBG'S NEW HOLISTIC APPROACH TO

ONE STOP SHOP

KNOWLEDGE SHARING

- InfraScope
- PPP Americas
- Community of Practice
- Knowledge Network
- MOOCs
- (SOURCE)



ADVISORY SERVICES

- Institutional Capacity and Regulatory Framework Development
- Long-term program planning
- Sustainable investment plan development

FINANCIAL PRODUCTS

- Bankable deal structuring support
- Non-sovereign Loans and Guarantees
- Sovereign Loans and Guarantees
- Blended Finance

PPP SINGLE WINDOW: INTEGRATED APPROACH

Responding to LAC's increasing PPP demands

Catalyzing IDBG's specialized capacity in PPP projects

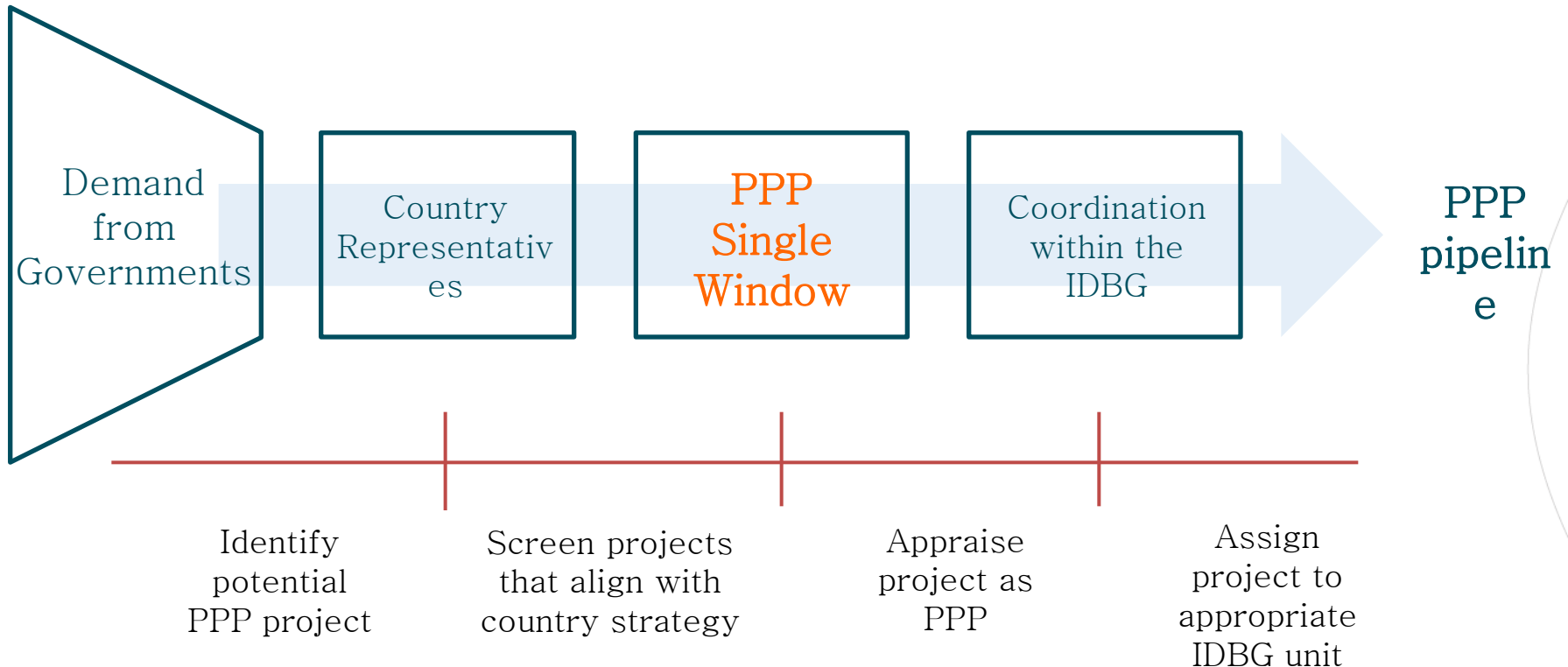
Designing tailored financial and advisory service products for public and private clients

Mobilizing private and public resources to projects

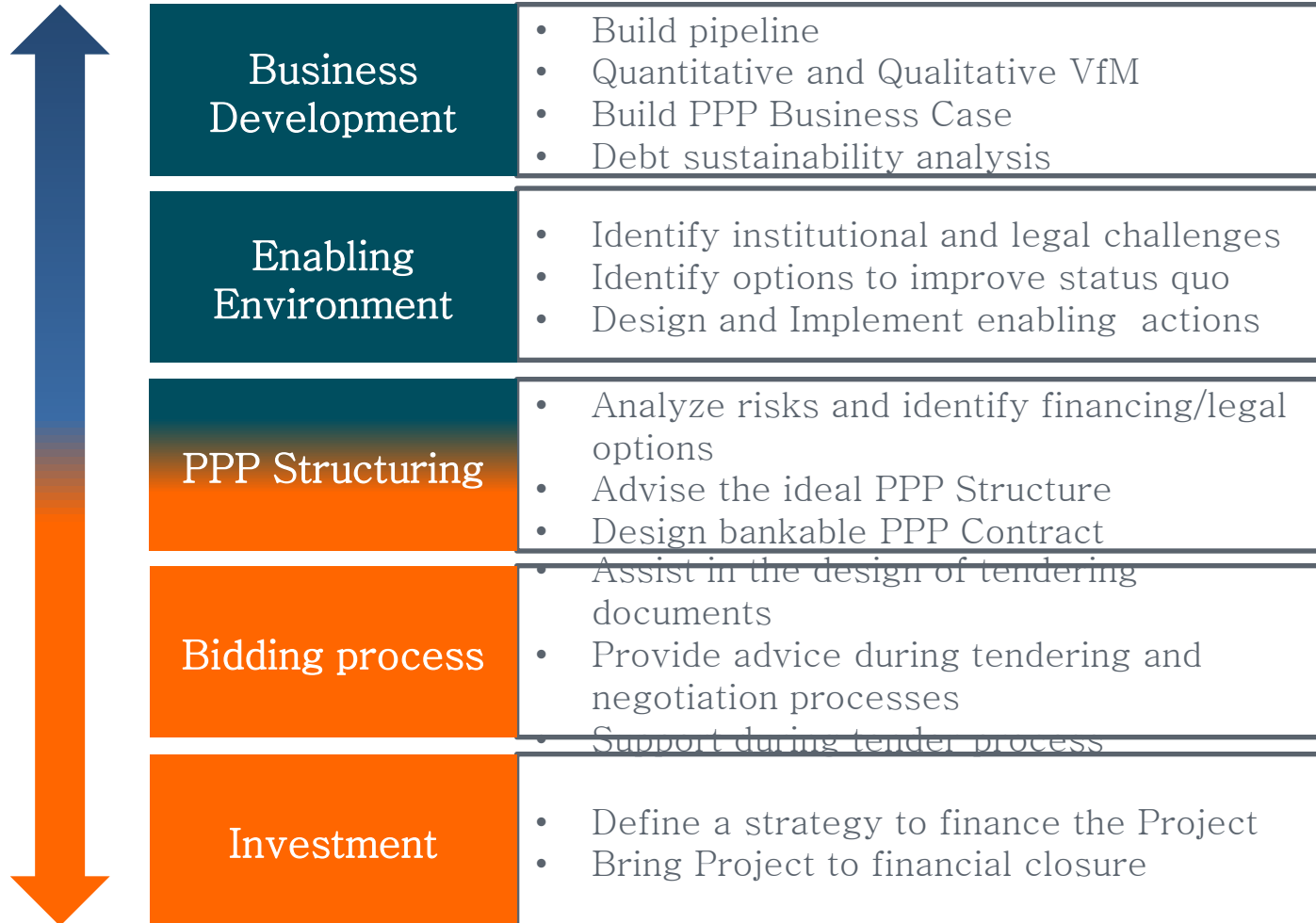
Developing lessons learned and knowledge products

PPP
Single Window


IDBG'S SINGLE WINDOW: OPERATION



IDBG'S SINGLE WINDOW: COORDINATION WITHIN



IDBG'S SINGLE WINDOW: SECTOR-COUNTRY MATRIX



	PPP Mature Countries	PPP Maturing Countries
TRANSPORT	Innovative Projects	Catalytic projects
ENERGY	Innovative Projects	Catalytic projects
TELECOM	Innovative Projects	Innovative Projects
SOLID WASTE	Pilot Projects	Potential Project Analysis
WATER AND SANITATION	Pilot Projects	Potential Project Analysis
SOCIAL INFRASTRUCTURE	Pilot Projects	Potential Project Analysis
SMART CITIES	Potential Project Analysis	Potential Project Analysis

IDBG'S SINGLE WINDOW: KNOWLEDGE PRODUCTS

Sustainable PPPs



Capacity Building Programs

Enabling environment for institutional and regulatory frameworks in PPPs. Improving readiness of public and private sector to participate in PPPs



PPP Think Tank

Developing knowledge products that facilitate the preparation, tendering, operation and monitoring of PPP Projects for public and private clients



Private Sector Interface

Engaging the private sector in the development and refinement of project preparation activities. Facilitating mobilization of private capital into PPP projects



PPP Database

Providing reliable and accessible PPP resources, including databases of PPP projects with IDBG participation, potential PPP projects and best practices

EXAMPLE OF ACTIVE PPP ADVISORY PROJECTS

GUATEMALA

Providing Technical Assistance for the Metroriel Project

Client: PPP Unit ANADIE

PERU

Building a PPP pipeline in collaboration with Proinversión, government agency for PPP in Peru. Defining the scope of PPP advisory service for future PPP projects in Peru

Client: Proinversión

Hospitals PPP Program Development Support to the Ministry of Health

Client: Ministry of Health and Proinversión

DOMINICAN REPUBLIC

Providing transaction advisory service

Client: DR government

BRAZIL

Providing a technical assistance in designing and structuring PPP framework for transportation projects in the San Paulo State

Client: State government of San Paulo

Reviewing PPP tender documents for public lighting project

Client: Niteroi City

ARGENTINA

Providing transaction advisory service including the preparation of bidding documents and contract for both the road and the electric transmission line projects

Client: Argentinian government



THANK YOU!

Gastón Astesiano

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INFRASCOPE GENERAL RANKING

Infrascope 2017 overall score

(neutral weights)

	Rank		Score / 100
	=1	Chile	74
	=1	Colombia	74
	3	Brazil	72
	4	Jamaica	71
	5	Peru	69
	6	Mexico	68
	7	Honduras	65
	=8	El Salvador	64
	=8	Nicaragua	64
	=8	Uruguay	64
	=11	Costa Rica	62
	=11	Guatemala	62
	13	Paraguay	58
	14	Trinidad and Tobago	56
	15	Panama	51
	16	Dominican Republic	49
	17	Argentina	48
	18	Ecuador	44
	19	Venezuela	8
	AVERAGE		59

■ DEVELOPED (60-79)
 ■ EMERGING (30-59)
 ■ NASCENT (0-29)

Score 0-100 where 100=best.
 Rank out of 19 countries across LAC, 1=best, = before the rank indicates a tie.