



The Booklet of CBH
PPP Advisory Services
for Clients

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Unlocking The PPP Potential Through the CBH Advisory Services



Moses Solemon
Chairman and CEO

At CBH we believe in the power of collaboration to drive sustainable development and catalyze economic growth. Our Public-Private Partnership (PPP) Advisory Service is dedicated to supporting governments, private investors, and development organizations in navigating the complex landscape of infrastructure development through effective partnerships.

About Us

At CBH, we bring together a multidisciplinary team of experts with extensive experience in PPPs, infrastructure finance, project management, and policy advisory. Our team is committed to delivering tailored solutions that address the unique needs and challenges of each client, ensuring the success and sustainability of PPP projects.

Our Approach: Our approach to PPP advisory services is founded on principles of transparency, accountability, and stakeholder engagement. We work closely with our clients to understand their objectives, assess project feasibility, structure partnerships, and mitigate risks, guiding them through every stage of the PPP project lifecycle.

Our Advisory Services

- **Feasibility Studies and Project Structuring:** Assessing the viability of PPP projects and designing optimal project structures to maximize value and mitigate risks.
- **Financial Advisory and Transaction Support:** Providing financial modeling, investment analysis, and transaction support to attract private investors and secure project financing.
- **Legal and Regulatory Advisory:** Ensuring compliance with relevant laws, regulations, and contractual frameworks governing PPPs, and advising on risk allocation and dispute resolution mechanisms.
- **Stakeholder Engagement and Capacity Building:** Engaging with stakeholders, building consensus, and providing training and capacity-building support to enhance understanding and implementation of PPP principles.
- **Monitoring and Evaluation:** Establishing performance indicators, conducting regular monitoring and evaluation, and providing feedback to optimize project performance and outcomes.

Why Choose Us?

- **Expertise:** Our team brings a wealth of experience and expertise in PPP advisory services, spanning diverse sectors and geographies.
- **Creative Tailored Solutions:** We understand that every project is unique, and we provide customized solutions that meet the specific needs and objectives of our clients.
- **Results-Oriented Approach:** We are committed to delivering tangible results and maximizing the socio-economic impact of PPP projects, creating value for both public and private partners.

Get in Touch

Unlock the potential of PPPs with our advisory services. Contact us today to learn more about how we can support your infrastructure development initiatives and drive sustainable growth and development.

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The Scope of CBH PPP Advisory Services for Clients

CBH Inc offers advisory services for governments in the Public Private Partnership (PPP) sector such as is the project feasibility and structuring consultancy. This service involves assessing the viability of potential PPP projects, analyzing their financial, technical, legal, and social aspects to determine whether they are feasible and can be effectively implemented through a partnership between the public and private sectors.

Key aspects of project feasibility and structuring consultancy may include:

1. **Financial Analysis:** Assessing the financial viability of the project, including cost-benefit analysis, revenue projections, funding options, and risk assessment.
2. **Technical Assessment:** Evaluating the technical feasibility of the project, including infrastructure requirements, construction timelines, and operational considerations.
3. **Legal and Regulatory Compliance:** Ensuring that the project complies with relevant laws, regulations, and contractual frameworks governing PPPs, including risk allocation mechanisms and dispute resolution processes.
4. **Stakeholder Engagement:** Engaging with various stakeholders, including government agencies, private investors, local communities, and NGOs, to gather input, address concerns, and build consensus.
5. **Project Structuring:** Designing the optimal PPP structure to maximize value for both the public and private partners, considering factors such as project ownership, revenue-sharing mechanisms, performance incentives, and risk mitigation strategies.
6. **Procurement Support:** Assisting in the procurement process, including preparing tender documents, evaluating bids, and negotiating contracts to ensure transparency, fairness, and competitiveness.
7. **Capacity Building:** Providing training and capacity-building support to public officials and project stakeholders to enhance their understanding of PPP principles, processes, and best practices.

CBH inc offers comprehensive feasibility and structuring consultancy services, consulting firms can help governments and private investors navigate the complexities of PPP projects, mitigate risks, and maximize the success of infrastructure development initiatives.

The PPP Project Economic Priority Assessment

Assessing the economic priority for a Public-Private Partnership (PPP) project involves evaluating its potential impact on economic development, public welfare, and sustainability. Here are some key steps and considerations:

1. **Cost-Benefit Analysis (CBA):** Conduct a thorough cost-benefit analysis to assess the economic feasibility of the project. This involves comparing the total costs of the project with its expected benefits over its lifespan. Benefits may include increased productivity, job creation, revenue generation, improved public services, and environmental gains. CBA helps in quantifying and comparing these costs and benefits in monetary terms.
2. **Alignment with Economic Development Goals:** Evaluate how the project aligns with broader economic development goals and priorities at the national, regional, or local level. Projects that contribute to strategic objectives such as infrastructure development, poverty reduction, job creation, and economic diversification are likely to be given higher priority.
3. **Social Impact Assessment:** Consider the social impacts of the project on various stakeholders, including local communities, vulnerable groups, and the environment. Assess whether the project promotes social inclusion, reduces inequality, and enhances quality of life. Social impact assessment helps identify potential risks and benefits associated with the project and informs decision-making.
4. **Revenue Generation Potential:** Assess the project's potential to generate revenues or economic returns over time. This may include revenue from user fees, taxes, tariffs, or other sources. Projects with strong revenue-generation potential may be more economically viable and attractive to private investors.
5. **Strategic Importance and Urgency:** Evaluate the strategic importance and urgency of the project in addressing critical infrastructure needs or addressing pressing economic challenges. Projects that address infrastructure gaps, alleviate bottlenecks, or stimulate economic growth in key sectors are likely to be prioritized.

6. **Risk Assessment:** Identify and assess the risks associated with the project, including financial, technical, environmental, and social risks. Evaluate the potential impact of these risks on the project's economic viability and sustainability. Risk assessment helps in designing appropriate risk mitigation strategies and ensuring the project's long-term success.
7. **Multi-Criteria Analysis:** Consider multiple criteria and factors in assessing the economic priority of the project, including financial viability, social welfare, environmental sustainability, and alignment with policy objectives. Use multi-criteria analysis techniques such as scoring models, weighted criteria, or decision matrices to systematically evaluate and prioritize projects based on their overall economic value.

The CBH Advisory team will systematically assess these factors, for policymakers, decision-makers, and stakeholders to enhance their decision making in how prioritize PPP projects that offer the greatest economic benefits, promote sustainable development, and address pressing socio-economic challenges.

Evaluating The PPP Project Economic Viability

Assessing the economic viability of a Public-Private Partnership (PPP) project involves evaluating whether the project is financially feasible and sustainable over its lifecycle. Here's a structured approach to assess economic viability:

1. Financial Feasibility Analysis:

- Revenue Projections: Estimate the project's revenue streams, including user fees, tariffs, subsidies, grants, or any other income sources. This involves analyzing demand projections, pricing strategies, and market dynamics.
- Cost Estimation: Determine the total costs involved in implementing and operating the project, including construction costs, operational expenses, maintenance costs, and any other associated expenses.
- Financial Modeling: Develop a financial model to forecast cash flows, profitability, and financial performance over the project's lifecycle. Consider factors such as inflation, interest rates, taxation, and exchange rates in the financial analysis.

2. Risk Assessment:

- Identify Risks: Identify and assess potential risks and uncertainties that may affect the project's economic viability, including financial, technical, regulatory, environmental, and social risks.
- Quantify Risks: Quantify the potential impact of identified risks on project costs, revenues, and financial returns. Use sensitivity analysis, scenario analysis, or Monte Carlo simulation to analyze the range of possible outcomes under different risk scenarios.
- Risk Mitigation Strategies: Develop risk mitigation strategies to manage and reduce identified risks. This may include insurance, contractual provisions, risk-sharing mechanisms, or contingency plans.

3. Value for Money (VFM) Analysis:

- Conduct a Value for Money (VFM) analysis to compare the financial attractiveness of the PPP procurement option with alternative delivery models (e.g., traditional public procurement). VFM analysis considers factors such as cost-effectiveness, efficiency, quality, and risk transfer.
- Assess the comparative advantages and disadvantages of PPPs in terms of value creation, risk allocation, innovation, and long-term sustainability.

4. Legal and Regulatory Considerations:

- Ensure compliance with relevant laws, regulations, and contractual frameworks governing PPPs. Evaluate the legal and regulatory environment to assess the project's stability, enforceability of contracts, and protection of stakeholders' rights.
- Consider the implications of changes in legislation, policy frameworks, or regulatory requirements on the project's economic viability.

5. Stakeholder Engagement:

- Engage with key stakeholders, including government agencies, private investors, lenders, local communities, and other relevant parties, to gather input, address concerns, and build consensus on the project's economic viability.
- Foster transparency, accountability, and stakeholder participation throughout the project lifecycle to ensure alignment with stakeholders' interests and objectives.

6. Independent Review:

- Consider conducting an independent review or due diligence of the project's financial and economic viability by hiring external consultants, financial advisors, or auditors. Independent review provides an objective assessment of the project's feasibility and helps identify potential risks and opportunities.

CBH Advisory experts systematically evaluate these factors, to clarify the deciding and quantifying the factors and elements so the stakeholders can assess the economic viability of PPP projects and make informed decisions regarding their implementation, financing, and management.

Assessing The PPP project Synergy and Integration

Assessing the economic synergy and integration for a Public-Private Partnership (PPP) project involves evaluating how effectively the project leverages synergies between the public and private sectors to create value, promote economic development, and achieve broader socio-economic objectives. Here's how you can assess economic synergy and integration:

1. Partnership Alignment:

- Evaluate the alignment of interests, objectives, and capabilities between the public and private partners.
- Assess whether there is a shared vision for the project and a commitment to collaboration and mutual benefit.

2. Complementary Resources:

- Identify the resources, expertise, and capabilities that each partner brings to the project.
- Assess how these resources complement each other and contribute to project success. This may include financial resources, technical expertise, managerial skills, and access to markets or networks.

3. Risk-Sharing Mechanisms:

- Analyze the allocation of risks between the public and private sectors and the effectiveness of risk-sharing mechanisms in mitigating project risks.
- Evaluate whether risks are allocated to the party best able to manage them and whether risk transfer enhances project viability.

4. Value Creation:

- Assess how the partnership creates value beyond what each partner could achieve individually. This may include cost savings, efficiency gains, innovation, and enhanced service delivery.
- Evaluate whether the partnership generates positive economic impacts for stakeholders and the broader economy.

5. Innovation and Technology Transfer:

- Evaluate the extent to which the partnership promotes innovation, technology transfer, and knowledge exchange.
- Assess whether the project integrates cutting-edge technologies, best practices, and innovative solutions that drive economic growth and competitiveness.

6. Supply Chain Integration:

- Analyze the integration of supply chains and value chains between the public and private sectors.
- Assess whether the project stimulates local economic development, creates opportunities for local businesses and suppliers, and promotes inclusive growth.

7. Multiplier Effects:

- Estimate the multiplier effects of the project on the economy, including direct, indirect, and induced impacts.
- Assess how project investments stimulate economic activity, generate employment, increase incomes, and contribute to regional development.

8. Sustainability and Resilience:

- Evaluate the sustainability and resilience of the project's economic benefits over the long term.
- Assess whether the partnership promotes sustainable development, environmental stewardship, and social inclusion, while building resilience to economic shocks and disruptions.

9. Monitoring and Evaluation:

- Establish performance indicators and benchmarks to monitor the economic synergy and integration of the PPP project.
- Conduct regular evaluations to assess progress, identify lessons learned, and to make the necessary modifications to optimize economic outcomes.

By systematically assessing these factors, stakeholders can determine the extent to which the PPP project leverages economic synergy and integration to maximize value creation, promote sustainable development, and achieve socio-economic objectives.

The Key Performance Indices for Measuring a PPP Project Performance

Key Performance Indicators (KPIs) for Public-Private Partnership (PPP) project performance typically encompass various aspects to ensure the project's success and effectiveness. Here are some key performance indices commonly used to evaluate PPP project performance:

1. Financial Performance:

- Return on Investment (ROI): Measures the financial return generated by the project relative to the investment made by the private sector partner.
- Net Present Value (NPV): Assesses the project's financial viability by calculating the present value of future cash flows.
- Profitability Indicators: Include metrics such as net profit margin, gross profit margin, and operating profit margin to evaluate the project's profitability.

2. Operational Performance:

- Service Quality Metrics: Assess the quality and performance of services delivered by the project, such as availability, reliability, responsiveness, and customer satisfaction.
- Efficiency Metrics: Measure the project's efficiency in resource utilization, including labor productivity, asset utilization, and operational efficiency ratios.

3. Risk Management:

- Risk Exposure: Evaluates the level of risk exposure associated with the project, including financial risks, operational risks, legal risks, and reputational risks.
- Risk Mitigation Effectiveness: Assesses the effectiveness of risk mitigation strategies implemented to manage and mitigate project risks.

4. Compliance and Governance:

- Regulatory Compliance: Measures the project's compliance with relevant laws, regulations, and contractual obligations governing PPPs.
- Governance Indicators: Evaluate the effectiveness of project governance structures, including transparency, accountability, and stakeholder engagement mechanisms.

5. Social and Environmental Impact:

- Social Impact Indicators: Assess the project's contribution to social development, including job creation, poverty reduction, skills development, and community empowerment.

6. Environmental Performance:

- Measures the project's environmental footprint and its adherence to environmental sustainability standards and objectives.

7. Value for Money (VFM):

- Cost-Effectiveness: Evaluates the project's cost-effectiveness compared to alternative delivery models, such as traditional public procurement.
- Value Creation: Assesses the value created by the project in terms of economic, social, and environmental benefits relative to the resources invested.

8. Timeliness and Project Delivery:

- Project Timeline Adherence: Measures the project's adherence to scheduled timelines and milestones, including construction deadlines, operational launch dates, and service delivery targets.
- Project Delivery Efficiency: Assess the efficiency of project delivery processes, including procurement, contracting, and implementation phases.

9. Stakeholder Satisfaction:

- Stakeholder Feedback: Solicits feedback from project stakeholders, including government agencies, private investors, end-users, local communities, and other relevant parties, to assess their satisfaction with project outcomes and performance.

By tracking these key performance indices, stakeholders can monitor and evaluate the success of PPP projects, identify areas for improvement, and make informed decisions to optimize project performance and maximize value creation.

Creating an Effective Sustainable and Circular with PPP Projects

Measuring the effectiveness of a Public-Private Partnership (PPP) project in creating a sustainable and circular economy involves evaluating its impact on resource efficiency, waste reduction, environmental conservation, and economic resilience. Here are several approaches to measure the effectiveness of a PPP project in fostering sustainability and circularity:

1. Resource Efficiency Metrics:

- Resource Consumption Reduction: Measure the reduction in resource consumption (e.g., energy, water, raw materials) achieved through the project's initiatives or technologies compared to baseline levels.
- Resource Productivity Improvement: Assess improvements in resource productivity, such as output per unit of input, to gauge the project's efficiency gains.

2. Waste Reduction and Recycling Rates:

- Waste Diversion Rate: Measure the percentage of waste diverted from landfills or incineration through recycling, composting, or other waste management practices implemented by the project.
- Recycling Rates: Evaluate the percentage of materials recycled or reused within the project, including construction materials, packaging materials, and end-of-life products.

3. Circularity Indicators:

- Circular Economy Performance Indicators: Adopt circularity indicators such as material circularity rate, reuse rate, remanufacturing rate, and product lifetime extension to assess the project's contribution to circular economy principles.
- Circular Procurement Practices: Evaluate the project's adoption of circular procurement practices, such as sourcing recycled materials, selecting products with extended lifecycles, and prioritizing eco-design principles.

4. Environmental Impact Reduction:

- Greenhouse Gas Emissions Reduction: Measure the project's contribution to reducing greenhouse gas emissions through energy efficiency improvements, renewable energy adoption, and carbon sequestration initiatives.
- Air and Water Pollution Reduction: Assess the project's impact on reducing air and water pollution, including emissions of pollutants, contamination of water bodies, and preservation of biodiversity.

5. Economic Resilience and Value Creation:

- **Circular Business Model Viability:** Evaluate the viability and scalability of circular business models implemented by the project, including product-as-a-service models, sharing platforms, and closed-loop systems.
- **Value Retention and Economic Benefits:** Measure the project's ability to retain economic value within the local economy through job creation, income generation, and fostering local supply chains and markets.

6. Social Impact Assessment:

- **Social Equity and Inclusion:** Assess the project's impact on promoting social equity, inclusion, and community empowerment, particularly among vulnerable populations affected by environmental degradation or resource depletion.
- **Community Engagement and Participation:** Solicit feedback from project stakeholders, including local communities, NGOs, and civil society organizations, to assess their involvement in project planning, implementation, and decision-making processes.

7. Lifecycle Analysis (LCA):

- **Conduct a lifecycle analysis** to evaluate the environmental, social, and economic impacts of the project across its entire lifecycle, from raw material extraction to end-of-life disposal or recycling. LCA helps identify hotspots and opportunities for improvement in resource efficiency and circularity.

By employing these measurement approaches, stakeholders can assess the effectiveness of PPP projects in advancing sustainability and circular economy goals, identify areas for improvement, and enhance the project's positive impacts on the environment, economy, and society.

The Typical Financing Structuring for a PPP Project

The financing structure for a Public-Private Partnership (PPP) project depends on various factors, including project size, complexity, risk profile, and the availability of financing options. However, a typical financing structure for a PPP project often involves a combination of the following sources:

Equity Investment from Private Sector Partner:

- The private sector partner typically invests equity capital in the project, providing financial resources upfront to fund project development and construction.

Debt Financing:

- **Bank Loans:** The project may secure debt financing from commercial banks or financial institutions to cover a portion of the project costs. These loans may be secured by project assets or revenue streams.
- **Bonds:** The project may issue bonds to raise capital from investors, including institutional investors, pension funds, and bondholders. These bonds may be backed by project revenues or guaranteed by the government.
- **Export Credit Agencies (ECAs):** ECAs may provide financing or insurance to support exports of goods and services used in the project, particularly in projects involving international suppliers or contractors.

Government Support:

- **Subsidies and Grants:** Governments may provide subsidies or grants to support PPP projects, particularly in sectors with public policy objectives such as healthcare, education, or renewable energy.
- **Guarantees:** Governments may offer credit guarantees or other forms of financial support to mitigate risks and attract private investment in PPP projects.

User Fees and Revenue Streams:

- **Project Revenues:** PPP projects may generate revenues through user fees, tolls, tariffs, or service charges paid by end-users or beneficiaries. These revenues are used to repay debt, cover operating expenses, and generate returns for investors.
- **Availability Payments:** In availability-based PPPs, the public sector makes periodic payments to the private sector based on the availability and performance of the infrastructure asset, providing a steady revenue stream to investors.

Multilateral and Development Finance Institutions (DFIs):

- Multilateral Banks: Institutions such as the World Bank, Asian Development Bank, European Investment Bank, and African Development Bank may provide financing, technical assistance, and risk mitigation tools to support PPP projects in emerging markets.
- Development Finance Institutions: National and regional DFIs may offer financing and advisory services to promote PPPs and infrastructure development in specific sectors or regions.

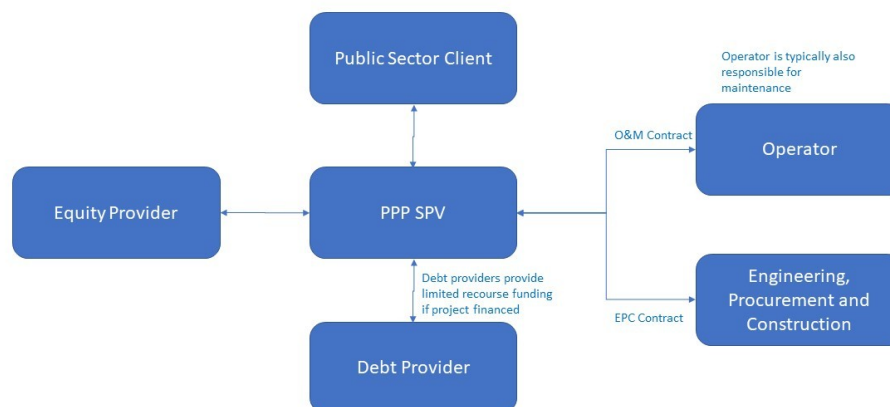
Public-Private Co-Investment Funds:

- Specialized investment funds may be established to co-invest in PPP projects, leveraging both public and private capital to finance infrastructure development and achieve sustainable returns.

Mezzanine Financing:

- Mezzanine financing may be used to fill the gap between equity and senior debt, providing additional capital with flexible terms and higher returns for investors.

By structuring PPP project financing with a combination of these sources, stakeholders can optimize risk allocation, achieve cost-effective funding, and ensure the long-term sustainability and viability of the project. It's essential to carefully assess the financial needs and risk profile of the project and tailor the financing structure to meet its specific requirements. Additionally, collaboration between public and private partners, along with transparent communication and risk-sharing mechanisms, is crucial for successful project financing and implementation.



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