

**MAKERERE**



**UNIVERSITY**

**COLLEGE OF ENGINEERING, DESIGN, ART AND TECHNOLOGY  
(CEDAT)**

**SCHOOL OF THE BUILT ENVIRONMENT**

**DEPARTMENT OF ARCHITECTURE AND PHYSICAL  
PLANNING**

**EXECUTIVE CERTIFICATE OF TRAINING COURSES IN  
Public Private Partnerships - PPP  
Course Code: PPP 9000 series**

**TWO BLOCK WEEKS IN CLASSROOM  
DAY (9AM-5PM)**

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**Course Team Leader**

Arch. Kenneth Ssemwogerere, PhD  
Senior Lecturer, Department of Architecture & Physical planning  
Certified Public-Private Partnership Specialist, IP3, USA

# 1 RATIONALE

## 1.1 BACKGROUND

The Public Private Partnership (PPP) Act 2015 in Uganda came in force in October, 2015 and the Government of Uganda has already started implementing projects under this arrangement and more are in the pipeline like the Kampala-Jinja Expressway. The process of preparing a PPP from its inception through to final project closure is quite a complex one that requires that all persons involved to be well knowledgeable of the integrities of the arrangement especially on the Government side in addition to the regulatory framework being in place. Therefore there is need for a very structured and sustainable manner to promote PPP training in Uganda and Africa as a whole. It is this need that the Postgraduate certificates come to meet.

An extensive review of the existing Legal frameworks reveals a cross cutting definition of a Public Private Partnerships (PPP) as a *“Performance-based transaction between the Public sector and the private sector where the private party supplies public services over a specified period, and acquires the use of the property for the purposes of executing the agreement; assumes substantial financial, technical and operational risks in connection with the performance of the function of use of the property; or receives a benefit for performing the function through payment from the Public party or charges or fees collected by the private party from the users of the infrastructure or service of both”*.

Worldwide, PPPs are a tool used to deliver much needed infrastructure services. They address many goals such as eliminating extreme poverty and boosting shared prosperity – by enhancing the reach and quality of the delivery of basic infrastructure services. According to the 2016 World Bank report, Governments have long acknowledged the key role infrastructure plays in economic growth and poverty reduction. As countries face growing demand for infrastructure, PPPs continue to play a crucial role in improving efficiencies in delivering public services, one of the key elements to narrowing the infrastructure gap. This becomes even more important as history shows that shifting the development, maintenance, and operational risk on to the private sector often results in higher quality and overall better results than government provisioning.

## 1.2 JUSTIFICATION OF THE PROGRAM IN THE INTERNATIONAL CONTEXT

According to the World Bank Group's Private Participation in Infrastructure (PPI) Database total investment in infrastructure in 2015 remained steady at \$111.6 billion, compared with \$111.7 billion in 2014 and \$124.1 billion over the past five years. In June 2016, the World Bank Group and Public – Private Infrastructure Advisory Facility (PPIAF) released a report on the state of infrastructure PPPs in Emerging Markets and Developing Economies (EMDEs). The report highlights that countries turned to PPPs throughout most of the 1990s, during which time there were massive commitments. PPPs grew steadily from \$7 billion in 1991 to \$91 billion in 1997, when governments felt the repercussions of the Asian financial crisis (1997-1998). After that, there was a period of contraction until investments in PPPs reached a minimum of \$21.9 billion in 2002. When the global economy picked up steam in the mid-2000s, a second growth phase culminated in record investment of \$158 billion in 2012.

The South African Institute of International Affairs, NEPAD Policy Focus Series entitled '*Working Together Assessing Public–Private Partnerships in Africa*' by Peter Farlam highlights building capacities for both public and private sectors as such critical ingredients for PPPs. It asserts that capacity is a serious constraint for African governments to conduct successful PPPs with the private sector. African countries need to develop their capacity to plan, negotiate, implement and monitor successful PPP projects. While the argument can be made that PPPs are too complex for governments lacking adequate capacity, starting with smaller projects and developing such capacity gradually will help to overcome this problem. The lack of a robust private sector in many countries means that governments are unable to solicit the expertise needed to develop projects, which means that raising money for PPPs is more difficult. Part of the reason is that PPP projects are quite complex to prepare, structure and transact, and usually require specialized skills not always available.

To address this, many governments are acknowledging the need for training to build up the skills and experience necessary to benefit from PPPs. This was reaffirmed by the United Nations *Economic and Social Commission for Asia and the Pacific* (ESCAP) PPP Survey, in which limited knowledge and capacity related to PPPs was identified as a major obstacle to PPP development in the respondents' countries. Recognizing these challenges, the Addis Ababa Action Agenda (AAAA) adopted at the Third International Conference on Financing for Development put capacity-building at the core of its

agenda, including in the area of PPPs, and called for UN regional Commissions to mobilize their expertise.

In light of a cautious emphasis given to public-private partnerships (PPPs) as a mechanism to finance infrastructure projects and highlighting the need for capacity building and knowledge sharing at the Third International Conference on Financing for Development in Addis Ababa, efforts have to be made to kick start rigorous training in PPPs. An institutional capacity to create, manage and evaluate PPPs is essential to ensure that they become an effective instrument of delivery of important services, such as infrastructure.

The Addis Ababa Action Agenda (AAAA) 2015 made at the *Third International Conference on Financing for Development* recognizes that “both public and private investment have key roles to play in infrastructure financing, including through public private partnerships. However, the AAAA also highlights the need to “*build capacity to enter into PPPs, including as regards planning, contract negotiation, management, accounting and budgeting for contingent liabilities*”. It further stresses the need to “share risks and reward fairly, include clear accountability mechanisms and meet social and environmental standards”. These parameters require expert skill and knowledge on each PPP project. The AAAA confirms the need for private and public partners to be thoughtful in the design and implementation of PPPs to prevent pitfalls from the past, especially in light of the challenges related to the implementation of the ambitious 2030 Agenda for Sustainable Development.

However, for PPPs to become an effective instrument through improvements in service delivery, efficiency and development impact over and above those attainable through public procurement, it is important that the public sector is able to:

- i) correctly identify and select projects where PPPs would be viable,
- ii) structure contracts to ensure an appropriate pricing and transfer of risks to private partners,
- iii) establish a comprehensive and transparent fiscal accounting and reporting standard for PPPs, and
- iv) Establish legal, regulatory and monitoring frameworks that ensure appropriately pricing and quality of service.

The World Bank PPP Reference Guide observes that many infrastructure projects fail due to problems in the planning and selection process: *“the analysis underpinning project selection is often flawed, so projects that appeared to be cost-benefit justified turn out not to be so in practice. Benefits are often overestimated, resulting in projects that are larger or more complex than is justified by demand for services, while costs are often underestimated”*.

The setting in train of a credible, transparent and competitive process for the planning and selection of PPPs needs to be accompanied by the structuring of contracts that appropriately price and transfer risks to the private partner. Achieving value for money depends on the ability of the public and private actors to identify, allocate and price risks appropriately. In particular, adequate risk transfer from the government to the private sector is a key requirement if PPPs are to deliver high-quality and cost-effective services to consumers and the government (IMF 2004). Effective transfer of risk, in turn, depends on sufficient competition in both the bidding process and service delivery (OECD 2008). It would also benefit from the establishment of a transparent and comprehensive fiscal accounting and reporting standard for PPPs that would serve to counter perverse incentives that may lead governments to exaggerate or understate the true value of risk transfer.

An institutional framework for PPPs should also feature legal, regulatory and monitoring frameworks that allow for the enforcement of contracts, as well as appropriate pricing and quality of service. An enabling legal and regulatory framework would need to ensure a competitive environment during the bidding process and, where possible, service delivery in order to ensure an effective quality of service and allocation of risks. In particular, the broader welfare benefits of projects should be taken into account, including social externalities and the implications for sustainable development. In the case of infrastructure, most projects are natural monopolies that call for external regulation. In such cases, independent and professional regulatory authorities are needed to oversee and monitor the functioning of PPPs. Overall, by strengthening transparency and public scrutiny, and by safeguarding the public interest, an enabling institutional framework would also serve to reinforce democratic accountability and popular acceptance of PPPs.

### **1.3 JUSTIFICATION OF THE PROGRAM IN THE UGANDAN CONTEXT**

In order to put this justification for this training in perspective, we hereby reveal what is the latest in PPPs in Uganda. The Government of Uganda is employing Public Private Partnerships (PPPs) in the following major projects: Bujagali Hydro Power Plant; Umeme Electricity Distribution Concession; Eskom Power generation Concession; Kampala Serena Hotel; Kilembe Mines Concession; Jacobsen Uganda Power plant; Kalangala Infrastructure Services and Rift Valley Railways concession. After the enacting of the PPP Act 2015, the Government through the Ministry of Finance, Planning and Economic development established the now operational PPP unit in the Ministry with a fully-fledged office. In addition the highest organ of the Act the PPP Committee is also in place of which the Author sits as the Academia member of the committee. The committee has received several proposals for PPPs from Contracting Authorities and it has become so evident that the lack of training in PPPs is reflected in the caliber of proposals received as almost 70% are deferred back to the Authorities.

The Ministry and its partners like PPIAF( Public-Private Infrastructure Advisory Facility) a have organized several seminars and workshops aimed at capacity building in PPP where training of key stakeholders from major Ministries Departments and Agents is done to raise knowledge and awareness for better processes in PPPs. In the 2017/2018 budget it was revealed that Infrastructure and oil sector investments were expected to significantly contribute to economic rebound to growth rate of 5.5% in FY 2017/18 and eventually to at least 7% in the medium term expected. All Government projects were to be adequately prepared and appraised with feasibility studies before funds are allocated for implementation. This highlights the need for capacity building in the areas handling projects like PPPs.

In the last PPP workshop held in September, 2017 on Unsolicited proposals for PPPs by PPAIF, more than 20 Government Ministries, Departments & Agencies (MDAs) sent officials and they showed such interest in using PPPs to execute projects in their organisations. However it came out clearly that there is a general lack of knowledge of how PPPs are handled and also the lack of understanding of the new PPP Act 2015 together with the regulations. The PPP Unit officials at the Ministry of Finance & Economic planning confirmed the need for capacity building at the workshop.

## 2.0 Target Persons

- i. The target persons are the **middle level managers in Government MDAs** who are charged with carrying out the detailed preparation of documents for Government projects particularly in PPPs. Several MDAs have already expressed interest in trainings to the PPP Unit at the Ministry of Finance, Planning and Economic Development. Such bodies include: Kampala Capital City Authorities; The Uganda Police Force; The Uganda Prisons; Ministry of Justice & Constitutional Affairs; Ministry of Health; National Council of Sports; Uganda National Cultural Centre. They have already identified PPP projects. Professional bodies like the Uganda Institute of Professional Engineers (UIPE) and Uganda Society of Architects (USA) have also expressed interest in taking these courses.
- ii. The other group will be **bundle trainings where various Organisations running PPP projects (ongoing)** shall be discussed with the option of having their Project officers and teams taken on a crash program for all the critical aspects of PPPs so that to increase their knowledge base in PPPs. Such arrangements shall be agreed on with the various Module facilitators and a package shall be worked out for them in an agreed period during the year. It is critical to note that the course is intended to teach the PPP principles and facets from first principles and the trainers will be required to do quite some extensive reading.

## 2.1 Admission requirements

Given the responsibility that the persons who complete these courses will be required to carry, the minimum admissions requirements will include

- i. An **Undergraduate degree** in any field from a recognised university.
- ii. At least **TWO years working in either Government** or the Private sector.
- iii. Candidate shall prepare a **Motivational Statement** explaining why they want to do that particular course.

### 3.0 The Program Delivery Strategy

In order to ensure that the training on PPPs achieves that required objectives, we will deliver the components of a PPP in packages at the end of which persons will receive Postgraduate certificates and a number of credit units depending on how long the course will have been and the content thereof. The following **Six Short Courses** are planned **each running to Two weeks in classroom training that shall include Lectures from PPP practitioners and then preparing a graduation report.** Each of the courses will on fulfilling the requirements will lead to an award of a **Certificate of Training** in the specified facet of PPPs.

1. *Certificate in PPP Principles & Regulatory Frameworks.* - **PPR**
2. *Certificate in PPP Inception procedures.* - **PIP**
3. *Certificate in PPP Feasibility studies* - **PFS**
4. *Certificate in PPP Procurement* - **PPP**
5. *Certificate in PPP Project Finance-* **PPF**
6. *Certificate in PPP Agreement Preparation & Management* - **PAM**

### 3.1 MODE OF DELIVERY

The mode of delivery of the Programs shall include provision of Teaching using PowerPoint presentations and flip charts; hand-outs for participants follow up reading; case studies analysis; discussions in groups; site visits to PPP projects and several other approaches as will be agreed by the panel of experts. The high points for this program will be that participants will be given a 'deep dive' into the details of the facets of PPP like *how exactly is a feasibility study done; how does one prepare a process audit report for a PPP.* This will also entail candidates *reading recommended literature* on PPPs.

As such the programs shall be hectic with real impartation of how things must be done in PPPs. The rationale is that over a certain period of time, Uganda and the region shall have a pool of persons who can work as the middle managers that can handle the PPP projects from start to end so well and successfully. These are the persons that will be employed as PPP project Teams as required by the Act.

After the two weeks of in classroom training by experts, the candidates will be required to defend a project report on a PPP project done in the past; critic the way that particular stage was handled and recommend proposals on how better they could have handled that stage had they been on the Project team. The project report shall be marked out of 100% and one must obtain **50% and above** to earn the certificate of training.



## **4.0 The Course content**

### **4.1 Certificate in PPP Principles & Regulatory Frameworks.**

- i. *Short Description.* This Two week programme is meant to really be the eye opener to the participants and all persons intending to pursue a career in PPPs
- ii. *Objectives of the course.* The course shall be intended to re-orient persons to what PPPs are and what they are not. It will be the sort of soft landing for the trainees. It shall educate persons on the new PPP ACT and let them appreciate the spirit of the law and the other regulatory frameworks for the law to be used in the various scenarios.
- iii. *Course Content*

The course content for this program will include;

- Definitions of Public Private Partnerships (PPPs) and how they are used.
- The Uganda policy framework on PPPs
- The PPP regulations and guidelines – with Interpretation for User.
- The Government structures in the PPP law – PPP Unit & PPP Committee.
- Stake holders in PPPs and how they are managed.
- Regulatory environments for PPPs.
- The PPP project cycle from inception to exit.
- PPP structuring options
- Role of Multilateral agencies
- The various government frameworks for PPPs around the world.

#### *iv. Course Outcomes,*

The 'take away' expected to be delivered to the participants at the end of the two weeks:

- An understanding of PPP concept and the rationale.
- How a private party is defined.
- Clarity of what PPPs entail and what they are not.
- PPPs project execution its peculiarities in the various sectors as per the Act.
- An understanding of the PPP regulations and critical requirements by the PPP Unit.
- An interactive session with the PPP Unit to understanding their operations
- What is at stake if a PPP fails – challenges & experiences from Past PPP projects
- Have insight into the rationale for selecting a particular PPP type based upon the contractual obligations.

- v. *Teaching and Learning Pattern*, The course shall be taught by use of PowerPoint presentations and flip charts; hand-outs for participants follow up reading; case studies analysis; discussions in groups. Sessions will run from *9am to 5pm Monday to Friday for the two weeks*.
- vi. *Assessment methods*. The assessment methods shall include personal questions and answer sessions, presentations as a group and as individuals and finally a report that is to be marked out of 100%.
- vii. *The core Facilitators* for this program will be majorly 3 persons; *A certified PPP specialist; Two persons who were the core staff when the PPP Act was being prepared* and so they will be explaining the even un written spirit that was behind the law, regulations and Policy. In addition one the Legal experts in PPPs will also have a session. ***The Lead Module Instructors will be Counsel Oundo Bernard.***
- viii. Reference materials.
  - *The PPP Act 2015*
  - *The PPP regulations*
  - *The PPP policy framework.*
  - *PPP projects in Infrastructure. An essential guide for Policy makers by Jeffrey D.*
  - *Public-Private partnerships: Case studies on infrastructure development by Sidney M. Levy*
  - *Attracting Investors to African PPP projects; a preparation guide by PPIAF.*
  - *PPP programs. Creating a framework for Private Sector Investment in Infrastructure by Jeffrey Delmon. PPIAF and World Bank.*

**NOTE:** This course shall be a pre-requisite for attending all the other courses. Participants **must have attended this course before they can be admitted to all the other five courses successive courses.** As this course sets the foundations for the entire PPP practice and management both in Uganda and abroad.

## 4.2 Certificate in PPP Inception procedures.

*i. Short Description.* It is critical for any Contracting Authority (CA) to understand the project they intend to undertake before even they hire the Transaction Advisors for the project. In line with this, this course shall equip the participants with the PPP inception procedures which shall enable them prepare competent submissions to the PPP Unit for their projects.

*ii. Objectives of the course.*

**Under section 21 – Project Inception of the PPP Act, 2015**, it is highlighted that “Where a Contracting Authority identifies a project for implementation as a PPP, the Contracting Authority shall conduct a Preliminary economic cost-benefit analysis of the project. In essence this is the very first step in any prospective PPP project.

This course is intended to train the participants on how to craft the strategic objectives of implementing the project as a PPP; deriving projected cost of the project; reveal how the project will benefit the contracting authority; crafting the rationale for the project; projected policy outcomes of the project and how the project will be managed by the CA.

**Under section 21(c) ...where necessary, appoint a Transaction Advisor.....** In this course the participants will be taught how to go about the whole process of hiring a Transaction Advisor and how to manage them in order to achieve value for money.

**In Section 21 (4) ... the CA shall before registering a project ... appoint a project officer and establish a project team.** The course intends to highlight how to go about this process as well.

*iii. Course Content.*

The following will be the content for this program

- Preparing a Project preliminary Economic cost-benefit analysis.
- Crafting a PPP Project Strategic Objectives & Policy outcomes
- Calculating Net present value of PPP investments.
- PPP Unit requirements for registering the project
- The Project Officer and team roles and responsibilities.
- The Transaction costs of PPP projects
- Defining the Terms of reference for Transaction Advisory (TA) services
- Components of Transaction Advisor Bid package.
- Evaluation of TAs bids received, evaluated and final decision making.
- Managing transaction Advisors
- Getting Value for Money from a TA.

iv. *Course Outcomes*

The 'take away' expected to be delivered to the participants at the end of the one week:

- How to forecast the economic effects of a project
  - Monetizing them, wherever possible, using conventional techniques for monetizing the economic effects
  - Calculating the economic return, using a concise indicator that allows an opinion to be formulated regarding the performance of the project.
  - How to justify that an investment project tallies with the feasibility and economic performance.
  - Steps in a cost-benefit analysis: Identification of the project, technical & demand analyses; financial analysis; correction for the fiscal effects; calculation of the positive and negative externalities.
  - An understanding of the project officer's roles and responsibilities spanning the whole PPP project cycle.
- v. *Teaching and Learning Pattern*, The course shall be taught by use of PowerPoint presentations and flip charts; hand-outs for participants follow up reading; case studies analysis; discussions in groups. Sessions will run from *9am to 5pm Monday to Friday for the ONE week*.
- vi. *Assessment methods*. The assessment methods shall include personal questions and answer sessions, presentations as a group and as individuals and finally a report that is to be marked out of 100%.
- vii. *The core Facilitators* for this program will be majorly 2 persons; A certified PPP specialist and one of the leading Economist in the country today and who has been advising on the economy of Uganda to the leaders.. ***The Lead Instructor will be Dr Kenneth Ssemwogerere.***
- viii. *Reference materials*.
- *Cost benefit analysis (4<sup>th</sup> Edition) The Pearson series in economics by Anthony Boardman.*
  - *PPP: Principles of Policy & Finance by E.R. Yescombe.*
  - *The Economics of PPP: A basic guide by Eduardo Engel.*
  - *The Role & Use of Advisers in preparing & implementing PPP projects- March 2014. European PPP expertise center.*
  - *World Bank Transaction Advisors terms; PPP in Infrastructure resource center for contracts, Laws & regulations. (PPPIRC)*

### 4.3 Certificate in PPP Feasibility studies.

*i. Short Description.* **Under section 22 it is required that the CA undertakes of cause to be undertaken a feasibility study to assess whether the project is feasible as a PPP.** In this course, we will be working through the feasibility study stages step by step will ensure that participants' institutions provide the PPP Unit with enough information in a systematic format when they submit the feasibility study report for consideration and onward approval.

*ii. Objectives of the course.*

The course objective is to teach the Participants how to assess whether conventional public procurement or a PPP is in the best interests of the institution for the delivery of the service. It should be noted that an institution cannot have definitively chosen a PPP before it has done the feasibility study. A PPP is still just a possible procurement choice and must be explored in detail and compared with the possibility of delivering the service through a conventional public sector procurement. Also vital to note that a feasibility study needs to be authentic and thorough. It is the basis for government's making an important investment decision, not just a bureaucratic requirement. Hence the justification of this course.

*iii. Course Content.* The following will be the content for this program

- How to prepare a needs analysis ( how project aligns with the institutions strategic objectives; institutions commitment & capacity; output specifications; project scope etc)
- Preparation of an Options analysis (deriving the options; evaluation of each and choice of the best solution)
- Project Due Diligence ( Legal, site)
- Value Assessment (Deriving the Public Sector comparator PSC; Risk Adjusted PSC model; Sensitivity analysis; demonstration of affordability; Value for money; procurement choice etc)
- Economic valuation (valuation approaches; assumptions and results)
- Conducting Value for money (VfM) analyses for PPPs
- Conducting a risk appraisal methodology;
- Risk adjusted VfM and PSC
- Procurement plan for the project.
- How to prepare a feasibility study report; its sections and details
- Risk management (risk matrix preparation; Net present value)

iv. *Course Outcomes*

The 'take away' expected to be delivered to the participants at the end of the TWO weeks shall include:

- an understanding of the factors that determine whether PPP is an appropriate option for providing a given public service or project;
- Understand the basic concept of a PPP feasibility study;
- Have insight into why feasibility studies are a critical part of the overall PPP project cycle;
- Understand the principles of PPP risk identification, analysis, and allocation; and
- Understand basic PPP payment structuring options.
- Be able to prepare a feasibility study for a PPP project.

v. *Teaching and Learning Pattern*, The course shall be taught by use of PowerPoint presentations and flip charts; hand-outs for participants follow up reading; case studies analysis; discussions in groups. Sessions will run from 9am to 5pm Monday to Friday for the two weeks.

vi. *Assessment methods*. The assessment methods shall include personal questions and answer sessions, presentations as a group and as individuals and finally a report that is to be marked out of 100%.

vii. *The core Facilitators* for this program will be majorly 3 persons; a certified PPP specialist; Two persons who have worked on PPPs in Uganda particularly the Kampala Jinja express way and the Entebbe express way. ***The Lead Instructor will be Dr. Ndandiko***

viii. Reference materials.

- *Feasibility studies made simple – Rodney Overton, 2007*
- *Strategic PPP: Innovation & Development by David J Murrasse*
- *The PPP Handbook: how to maximize value from Joint working by Malcolm Morley*

#### **4.4 Certificate in PPP Procurement.**

*i. Short Description.* In Part IV the Act highlights the Procurement rules & methods for PPPs. This part of the act reveals the methods and procedures for procurement of PPPs. This course therefore shall reveal to the participants the process of procuring PPPs successfully and how to manage the entire process to ensure that a level field is assured for all the competitors. The procurement of PPPs goes through distinct stages: pre-qualification; request for proposals (RfP); best and final offer, where appropriate; negotiations and financial closure. PPP Procurement explains how to proceed through the stages, with a focus on getting the documentation right. The outcomes of the feasibility study are absolutely necessary for a solid PPP procurement.

*ii. Objectives of the course.*

Due to the extensive timeframes and the transfer of risk towards the preferred private party, there is more value at stake in public-private partnership projects in relation to traditional public procurement projects. The contractual complexity and the high bidding cost are open sesame for inexperienced contractors to refrain from the opportunity. The aim of this course is to equip the participants with an effective method of selection of a long term Developer that is financially, technically and operationally capable of development and long term operation of project under the PPP agreement.

*iii. Course Content.*

The following will be the content for this program

- Principles for Procurement and Managing the Bidding process for a PPP.
- Steps of the PPP bidding process from procurement notice to contract award.
- Critical considerations for managing the bid process
- The PPP Procurement procedures
- Critical considerations for the procurement phase
- Evaluation of PPP bids.
- Contents of the RFP document
- Unsolicited Proposals and their handling.
- Planning for PPP market sounding conferences and seminars
- Setting the evaluation criteria for a PPP project.
- Basic principles of successful negotiations
- Preparing a thorough PPP agreement
- Preparing the TA close out report.

iv. *Course Outcomes*

The following will be the content for this program and the 'take away' expected to be delivered to the participants at the end;

- They will generally come to grips with the Principles for Good Procurement and Managing the Bidding process for any PPP project.
- How to ensure that there is level ground throughout the entire process.
- How to ensure economy and efficiency in the process.
- Strategies to be sure of Integrity and Fairness.
- Managing the bidding process.
- How to use the Transaction Advisors in the procurement process.
- How to plan a successful market sounding for the PPP process.
- Selection criteria and bid evaluation.
- The Prequalification process
- Choosing the bidding process to pursue.

v. *Teaching and Learning Pattern*, The course shall be taught by use of PowerPoint presentations and flip charts; hand-outs for participants follow up reading; case studies analysis; discussions in groups. Sessions will run from 9am to 5pm Monday to Friday for the two weeks.

vi. *Assessment methods*. The assessment methods shall include personal questions and answer sessions, presentations as a group and as individuals and finally a report that is to be marked out of 100%.

vii. *The core Facilitators* for this program will be majorly 3 persons; a certified PPP specialist; procurement specialist in PPPs; a person who have handled PPP project to financial close. ***The Lead tutor will be Dr Frank Sebbowa***

viii. Reference materials.

- Mastering risk & procurement in PPPs. A guide to planning, contracting and resolving unexpected problems by Randal Wilson.
- Rethinking PPP: Strategies for Turbulent times (Routledge critical studies in Public Management) by Carsten Greve.

viii. Reference materials.

- *Request for Proposals (RfP) for TA for PPP projects by O IDC.*



#### **4.5 Certificate in PPP Project Finance**

*i. Short Description.* This course shall be to teach equip persons in PPPs how private finance is sort for and arranged for any PPP project.

*ii. Objectives of the course.* This module will provide participants with an understanding of the techniques for conducting financial analysis of PPP investments and the requirements for raising finance needed for private infrastructure projects. One must have completed a course in Economic cost-benefit analysis and feasibility studies to be eligible for this course.

*iii. Course Content.*

The course content in the program will include:

- The elements for Project Finance.
- Funding requirements and sources of funds for PPPs.
- Fitch rating criteria for Project financing.
- Project Finance & Capital markets
- Forms of PPP project financing.
- Contractual structures for project financing
- Documentation and security for Private finance.
- Challenges of Infrastructure financing.

*iv. Course Outcomes*

The following will be the content for this program and the 'take away' expected to be delivered to the participants at the end;

- Understand the sources of funding for PPP investments
- Recognize the relationship between cost of funds and risk;
- Know what Project Finance is and why to use Project Finance;
- Understand the key fundamentals of Project Finance.
- Discuss the various major banks that are involved in project Financing.
- The cost of Project Finance.
- fundamental forms of lending to infrastructure projects;
- difference between Corporate and Project Finance;
- Equity & Debt financing principles

*v. Teaching and Learning Pattern.* The course shall be taught by use of PowerPoint presentations and flip charts; hand-outs for participants follow up reading; case studies

analysis; discussions in groups. Sessions will run from 9am to 5pm Monday to Friday for the TWO weeks.

*vi. Assessment methods.* The assessment methods shall include personal questions and answer sessions, presentations as a group and as individuals and finally a report that is to be marked out of 100%.

*vii. The core Facilitators* for this program will be majorly 3 persons; a certified PPP specialist; process audits in PPPs; a person who has audited a PPP project before. ***The lead Instructor will be Mr. Kenneth S. Legesi***

#### **4.6 Certificate in PPP Agreements Management**

*i. Short Description.* Once the PPP agreement has been signed it, it is required that there a constant monitoring of the project to ensure that the private party compiles with the performance standards as stipulated in the contract. Managing the PPP Agreement is intended to help the institution put effective mechanisms in place to manage the implementation of the PPP agreement.

*ii. Objectives of the course.*

The course elaborates what actually is entailed in the monitoring and ensuring of compliance by the private sector once the PPP project has become operational. The course is designed to help the CA meet its responsibilities in a number of phases of the PPP project cycle. Managing the PPP agreement starts in the inception phase of the PPP project cycle; is designed in detail towards the end of the procurement phase and is put into practice after the signing of the PPP agreement, for the development, delivery and exit phases. The course is primarily aimed at those persons, who will be responsible for preparing and implementing the PPP agreement management plan.

*iii. Course Content.*

The course content in the program will include:

- Defining PPP Agreement Management
- Functions of PPP agreement management
- Phases of PPP agreement management
- The PPP agreement management framework
- Project Offices competencies and required roles.
- The CA roles and responsibilities
- The PPP agreement management team
- Key dimensions of PPP partnership management or relationship management
- Review of performance based contracts
- Role of the independent engineer
- Service delivery management
- PPP Agreement administration manual.
- PPP and governance structures.
- Guidelines for monitoring PPP projects.
- Key challenges and tasks of PPP Agreement management
- The PPP agreement management plan

iv. *Course Outcomes*

The following will be the content for this program and the 'take away' expected to be delivered to the participants at the end;

- Monitoring principles of the PPP project
- Preparing a Project administration manual
- Working out reporting procedures that work
- Record keeping and data collection on the PPP critical parameters
- Managing conflict among the parties
- Checking the set project performance standards and the real deliverables of the private party.
- How to ensure transparency on both sides
- Managing the relationship – Public and private
- Remedial measures for correcting any defaults
- Preparing periodic reports by the Contracting authority.

v. *Teaching and Learning Pattern.* The course shall be taught by use of PowerPoint presentations and flip charts; hand-outs for participants follow up reading; case studies analysis; discussions in groups. Sessions will run from 9am to 5pm Monday to Friday for the TWO weeks.

vi. *Assessment methods.* The assessment methods shall include personal questions and answer sessions, presentations as a group and as individuals and finally a report that is to be marked out of 100%.

vii. *The core Facilitators* for this program will be majorly 3 persons; a certified PPP specialist; persons who have worked as a project manager on a PPP project before. ***The Lead Instructor will be Eng Muleme.***

ix. Reference materials.

- *Institutional mechanism for monitoring PPP projects by Government of India.*
- *Guidelines for monitoring of PPP projects*

## 7 Facilitators & Quality Assurance strategy

The Certificate Courses will be taught by persons who have been part of the development of some of the PPPs in the country. The facilitators below have been contacted and have confirmed their willingness to be part of this critical intervention to make sure that Ugandans are fully trained to obtain the best from the PPPs.

The facilitators carefully selected to match the demands of the various certificate courses as they will be unveiled. They are a mix of Government officials specialized in PPPs as well as persons with hands-on experience in practical running of PPP projects both in Uganda and Internationally.

1. **Eng. Dr. Frank B. Sebbowa**, a Certified PPP Specialist, former Executive Director, Uganda Investment Authority who also served as a *Member of the Government of Uganda Public private Partnership Committee* at its inception.
2. **Dr Charles Ndandiko**, a Certified PPP Specialist who has handled PPP projects as a *Consultant on PPPs* in several countries in Africa and rest of the world.
3. **Eng Christopher Olobo**, The *lead Investment Advisor for the International Finance Corporation* of the World Bank. They are the transaction Advisor to UNRA on the on Kampala-Jinja Expressway. Handles several PPP projects in the region and internationally. Holds an Msc Engineering from University of Southampton.
4. **Mr. Kenneth S. Legesi**, a *Chartered Financial Analyst and head of the Deloitte Uganda* team that handles all their business as consultants on PPP projects. He was at the helm of Corporate Finance of the Infrastructure Advisory services of Deloitte, Kampala office for a long time.
5. **Mr. Bernard Oundo**, one of the few Lawyers in PPPs in Kampala. He was part of the team that crafted the PPP Act as well as the regulations. He now *consults with the World Bank*. He has been a local representative for Hired International consultants in PPPs.
6. **Dr. Kenneth Ssemwogerere**, a certified PPP Specialist, Lecturer in the department of Architect (Author of the program) at the School of the Built Environment, College of Engineering Design Art & Technology, CEDAT Makerere University. He is a *member of the PPP Committee* representing the Academia. He is certified PPP specialist and holds PhD in Construction management.

7. **Dr Fred Muhumuza**, Senior Economist and Leading researcher at Makerere University. He is a former advisor to the Minister of Finance, Planning and Economic development, in the Government of Uganda.
8. **Eng Muleme Patrick** – The Project officer for the Kampala Jinja express way. Holds a BSc Engineering and a MSc. Works with UNRA.

It is the top most on the agenda for this course to have the best quality material delivered to the participants in the most well organised and professional manner. As such discussions have been held with several of the facilitators and agreed on the following as a quality management strategy.

- i. **Sufficient notice shall be given to the facilitators** on the confirm dates of the course and these dates shall only be changed at a months prior request by the facilitators in the case of extreme circumstances.
- ii. **The facilitators have indicated the areas of PPPs in which they are most conversant and specialised** in and these are the ones they have been assigned to.
- iii. **Facilitators shall be duly requested for their consent** to be part of the training team, first as a duty to their Nation to develop capacities for PPPs as the remuneration rates are not full commensurate to their expertise in PPPs and later share their expanse wealth of knowledge with others in this fairly new field of expertise in Uganda.
- iv. **Facilitators pledge to prepare thoroughly for their sessions** through detailed research and keeping abreast with the latest trends in PPPs all over the world. Each will be required to submit to the program coordinator their presentation material in both soft and hard copies not later than 2 weeks to their lectures.
- v. During the trainings, **persons pledge to exhibit the highest level of professionalism** ranging from keeping time to delivering captivating and elaborate lectures to the participants.
- vi. The Facilitators shall deliver material with **the objective of having the participants learn the subject manner from first principles**; ‘learn to do it myself’ so that on completion of the course they are able to carry out the functions of the project team as stipulated in the PPP Act.
- vii. **A feedback form shall be given to the participants to evaluate the program** and provide their thoughts on how it can be made better.

- viii. Through the PPP Unit, a **visit shall be planned where possible to a PPP ongoing project**. This shall be planned prior to the start of the course.
- ix. The participants shall be assured of the **utmost ambience and comfort of the training venues** with the accompanying facilities delivered to them on time and in the best quality possible.
- x. This Program shall in next five years become the leading PPP training in the East African Region and get certified by leading Agencies in the World.

### **8.0 Planned Program & Marketing strategy**

Given the pre requisite for participants to have attended the course on PPP Principles & regulatory Frameworks, we intend to first run this course in four admissions during the first half of 2018. Then roll out the various courses then. Below is the proposed program.

<b>Course details</b>	<b>Confirmed Dates</b>
1. Certificate in PPP Principles & Regulatory Frameworks.	<b>2 – 13 May, 2022</b>
2. Certificate in PPP Inception procedures.	<b>27 June - 8 July 2022</b>
3. Certificate in Feasibility studies of PPPs	<b>22 Aug – 2 Sept 2022</b>
4. Certificate in PPP Procurement	<b>26 Sept – 7<sup>th</sup> Oct 2022</b>
5. Certificate in PPP Project Finance	<b>7 Nov – 18 Nov. 2022</b>
6. Certificate in PPP Agreements Management	<b>5 Dec – 16 Dec. 2022</b>
7. Study Trip to CANADA for All students	<b>23 March – 2 Apr 2023</b>

As required by the University the program was presented and received the following critical approvals plus partnership acceptance by the PPP Unit of the Ministry of Finance, Planning and Economic development.

- *Department of Architecture & Physical planning on Monday, 16<sup>th</sup> October, 2017.*
- *The School of the Built Environment Board on 7<sup>th</sup> November, 2017.*
- *College of Engineering Design Art & technology Board – on 5<sup>th</sup> December, 2017.*
- *Partnership acceptance with the PPP Unit in the Ministry of Finance received on 18th January, 2018.*

Capacity building in PPPs is so critical but such an expensive venture due to the caliber of facilitators and instructors required. The marketing strategy so as to obtain the required number of persons for the places for the very first course should be robust and well thought through.

- i. A **captivating well designed flyer** shall be made to be shared in soft copy on electronic media to anticipated interest groups.
- ii. The Makerere University shall **initiate partnership with the PPP Committee** in the Ministry of Finance Planning and Economic Development, the statutory body charged with the efficient implementation of PPPs in the country by the PPP Act 2015. This partnership will then open the door to the various Government MDAs to raise funds through their budgets for personnel to undergo this training.
- iii. In addition the College shall **prepare a funding proposal** to be shared with the various International Agencies who may be interested in funding programs of capacity building in the country.
- iv. The College Program team shall also **arrange meetings with persons who can champion the cause of PPP trainings** in the country as well as the various Human resource or Personnel officers of those already know MDAs that are developing PPPs in their organizations. Given that Makerere University also intends to carry out own PPPs, it is recommended that at least 3 persons be sponsored for the course.

## **10.0 References**

In the preparation of this course outline, the following documents were made reference to and the author wishes to recognize them.

1. The South African National Treasury's PPP Manual, together with Standardized PPP Provisions, is issued by National Treasury.
2. The Australian National PPP Guidelines prepared and endorsed by Infrastructure Australia and the State, Territory and Commonwealth Governments.

**End**