



Government of Syrian Arab Republic

&

United Nations Development Programme

**ENHANCING INFRASTRUCTURES DEVELOPMENT THROUGH PUBLIC PRIVATE
PARTNERSHIP**

Brief Description

The project ultimate goal is to support the Syrian Government's National PPP Programme aiming at developing the infrastructures in Syria. Under the umbrella of the National Strategy for Public Private Partnership, the project will seek the cooperation between the public and the private sector in order to develop the needed infrastructure. Moreover, the project will support the Central PPP Unit, whose main role is to serve as the institutional focal point for the implementation of the PPP programme, and the PPP nodal Units in each Sector Line Ministry that will interact with the Central PPP Unit, and will assist the Central PPP Unit and the nodal Units to become operational. The project will facilitate and help the Central PPP Unit and the Line Ministries in identifying and documenting the criteria for PPP projects, in the areas of Transport and Logistics, Mass Urban Public Transport, Municipal Services, Energy Projects and Social services.

The project envisages a comprehensive training programme for the national authorities on international procurement bidding processes, contractual modalities, supervision of projects implementation within a monitoring and evaluation indicators to help the government assess the performance of the PPP projects.

United Nations Development Programme

Country: Syrian Arab Republic

Project Title: Enhancing Infrastructure Development through Public Private Partnership

UNDAF Outcome(s): 1. A socio economic environment that enables sustainable growth, employment equity and protection in place.

CP Outcome(s): A.2. Structures and climate for enhancing business, trade, investment, and competitiveness in place.

Expected CP Output(s): A.2.2 Liberalization policies improved and legal framework upgraded including competitiveness issues.

Implementation Partner: Central PPP Unit / within the Prime ministry

Responsible Party: State Planning Commission (SPC)

Programme Period: 2007-2011		Total resources required	US\$ 575,000
Key Result Area (Strategic Plan): Promoting inclusive growth, poverty reduction and cooperation with the private sector (47204)		Total allocated resources:	
		• Regular	US\$ 50,000
Project Number: SYR/10/005		• Other:	
		o Programme c-s	US \$ 300,000
Start date: July 2010		Unfunded budget:	US\$ 225,000
End Date: July 2011		In-kind Contributions	
PAC Meeting Date: 16 June 2010			
Management Arrangements: NEX			

Agreed by :

H.E. Dr. Amer Husni Lutfi, Head of State Planning Commission
On behalf of the Syrian Government

Date: 05.07.2010

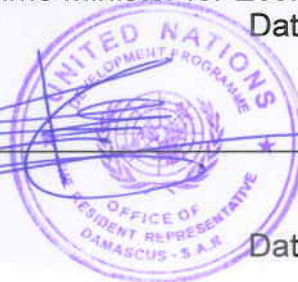
Agreed by:

H.E. Mr. Abdullah Al Dardari, Deputy Prime Minister for Economic Affairs
On behalf of the Implementing Partner

Date:

Agreed by:

Mr. Ismail Ould Cheikh Ahmed
UNDP Resident Representative
On behalf of the UNDP



Date: 1/7/2010

I. SITUATIONAL ANALYSIS:

Whilst Syria's infrastructures are mainly controlled by state-run agencies, and do not match the growing needs of the economy, the Government of Syria (GOS) has recognized the importance of improving and expanding infrastructure services in order to achieve sustainable economic growth and social development. Indeed, experience in many developed and developing countries shows that economic growth and infrastructure development is correlated, it is an excellent developmental mechanism, which help increase productivity, promote inclusive growth, increase work opportunities, and improve social welfare. Like the majority of the countries, GOS cannot alone cover all the necessary financial resources to build a world class infrastructure system, which in the case of Syria are estimated around US\$ 10 billion (ten billion US\$) a year during the period 2011-2015, if the GOS is to sustain an economic growth between 7% - 9%.

The required investment could be provided through the Public Private Partnership (PPP), which requires setting up institutional capacity in order to prepare, implement and regulate PPP projects, as well as a policy and legal framework suitable for PPP arrangements.

Therefore the key objectives of the Syrian National PPP programme are to:

- Promote inclusive social and economic development through the provision of infrastructure.
- Leverage public funds with private financing from local and international markets.
- Protect the interest of all stakeholders, including end users, beneficiaries, government and the private sector.
- Set up efficient and transparent institutional arrangements for the identification, structuring and competitive tendering of projects.

II. STRATEGY:

The framework of the UNDP Country Programme Action Plan (CPAP) clearly stated that the Government of the Syrian Arab Republic and the UNDP – Syria Country office are in mutual agreement to its contents including their respective responsibilities in the implementation of the country programme. This agreement and accordingly commitment of the UNDP and the Syrian Government is based on the 10th Five-Year plan (2006 – 2010) which signaled the transition of Syria from a centrally-planned economy to a social market economy.

To that end, the GOS strategic direction in the 10th FYP is to focus on socio-economic transition and addresses the social and economic pressure on the Syrian citizens with especial attention to reducing regional development disparities. The GOS plan aims at achieving human development through promoting good governance, transparency and accountability, a socially responsible economy, sustainable and inclusive economic growth, through poverty reduction leading to generating employment opportunities for the

population. Within this context, giving the private sector a major role at integrating the developing of infrastructures in Syria will contribute directly to socially responsible economic development and poverty reduction. Partnership with the private sector as a well experienced and competent partner is the main reason behind the high interest on the GOS side to embark on the proposed project.

Within the context of a National PPP Programme this project will help to develop and increase the system of infrastructures in Syria through “Public Private Partnership” mechanisms.

Benefits of the Public Private Partnership:

- The public sector can benefit from the national and international business experience of the private sector.
- The public private partnerships enable to reduce the costs and increase the efficiency.
- Limits the government debt and allow government to achieve more infrastructure projects, while concentrating its fund to other pressing social services.
- Risks are allocated to the party best able to manage or absorb each particular risk.
- Innovative solutions to government imperatives.
- The public sector will have the authority to measure the performance of the private sector partner at all stages, especially at its operational phase and its developmental impact.

Project output and how can it be achieved:

The main aim of the project is to create a sustainable and adequate environment where the private sector can collaborate and support the government to increase and create a more efficient network of infrastructures. The private sector has much more experience and can be more efficient in providing and building infrastructures than the public sector. Moreover, the private sector has the financing capacity to fill the budget gaps of public funds, hence allows the government to relocate its resources to address other pressing basic public services.

However, the intervention of the private sector cannot be achieved without the support and collaboration of the public sector to ensure full partnership in the following:

1. Full participation of the relevant Syrian counterpart(s) and stakeholders.
2. Engagement of highly qualified advisors and experts that will contribute to developing the national capacities in international contracting and bidding processes through technical and financial analysis

3. Objective selection of the partnerships through a transparent tendering process. Special focus should be given to the value for money of each project.
4. Efficient monitoring and evaluation mechanisms to the projects to make sure that the objectives are met and positively affect the target beneficiaries. The monitoring and evaluation mechanisms will help identifying major challenges and constraints.
5. Soliciting the support and commitment of various parties to ensure complete adherence to implementing their relevant part of the PPP development as laid out in the strategy document.

Duration of the Project:

The duration of the project is of 12 months.

III. PROJECT OUTPUTS

III.1. CAPACITY DEVELOPMENT PROGRAMME

The main objective of the Private Public Partnership is to develop the Infrastructure and Services in Syria. However the selection of the right partners is a key issue for the success of any development project. This can be guaranteed through a transparent and efficient tendering process set as per the international standards. With the aim to do so, a need of assessment will be conducted by experienced consultants in this field, and as a result of this study a training programme for government officials, members of the Central PPP Units and national staff from the Line Ministries will be developed. The capacity building programme should include at least the following:

Bidding Methodology

The first step in the procurement of infrastructures and services is the bidding process. So as to guarantee a transparent and efficient tendering process that will meet the international standards, besides an appropriate legal framework, a proper definition of the following topics will be needed:

- The criteria to identify which projects are suitable within Public Private Partnerships
- Preparation of the background information and collection of data needed for the bidders
- Evaluate the socio-economic impact of the intended projects
- The criteria for pre-qualification of bidders
- Selection of the appropriate partners

Contractual Management

The Contractual Management will set up the basis for administrative activities associated with handling the different phases of a bidding process, e.g. invitation

to bid, bid evaluation, award the contract, contract implementation measurement of the work completed and computation of the payment. Consequently, it is important to have a well define legal framework.

Different contract modalities should be taken into consideration when announcing for PPP initiative that can be used depending on which option is better suitable for each type of project. Annex 4 shows the different form of PPP contracts and its characteristics

Signing and Managing the Contract

Once the Preferred Bidder is chosen the negotiation of the contract will start. Hence it is relevant to foster the capacities and the knowledge in Risk Management of Contractual Arrangements and the Monitoring and Evaluation of the projects, with the intention of ensuring the correct specification and the achievement of the specified output.

The contract probably will have the following clauses:

- **Contracting issue:** That will include the design, finance, construction, operation, maintenance, services and facilities, and ownership transfer.
- **Contractual period:** Including the term of contract, effective date, construction period, operation period and early termination.
- **Mutual obligations:** This clause will describe the available services and facilities, and the payment mechanism, as well as the availability of payment.
- **Violations** such change in services and changes in laws and regulations.
- **Settlement of disputes.**
- **Reasons for early termination.**

After the negotiation, and once the final contract is issued and it receive the approval of the Economic Committee, the Line Ministry will be allowed to sign the Contract with the preferred bidder.

Toolkit for procurement (international nodding processes):

The project will support the PPP Unit in setting up a toolkit which is intended to be a key reference guide for public authorities for the development of the PPP program. The toolkit will define and standardize the different phases of the procurement process. The toolkit is likely to include the following:

- **Overview and Diagnosis** provides an overview of PPP, their application within infrastructure and services development programs and the process for the definition of a PPP strategy. It will include the following:

- **Defining the partnership**
 - **Overview of PPP experience**
 - **Key Players and Roles**
 - **Enable PPPs**
 - **PPP Strategy**
- **Key Components** presents the principal characteristics of PPP projects and describes the process of tailoring the PPP project to its environment. It will include the following:
 - **Scope**
 - **Risk**
 - **Revenues**
 - **Finance**
 - **Public Accounting**
- **Policy and Planning** describes the public sector functions under PPP in order to ensure protection of the public interest.
 - **Sector Planning and Strategy**
 - **Promoting and Protecting the Public Interest**
 - **PPP Policy Framework**
- **Laws and Contracts** examine the legal and regulatory environment to PPP. It provides a framework for diagnosis and reform and provides the basis for preparation of PPP contracts.
- **Implementation and Monitoring** provides a comprehensive approach to implementing PPP at the project level through a description of the key stages for development of PPP projects from project identification, preparation, tendering and contract monitoring and renegotiation:
 - **Stage 1:** Identification, Prioritization and Selection of the PPP Project.
 - **Stage 2:** Due Diligence and Feasibility Studies. This process includes activities and studies to ensure the selected project is well designed and can be successfully tendered and implemented.
 - **Stage 3:** Procurement. This stage includes prequalification of bidders, bidding and bid evaluation process and includes a section on Unsolicited Bids.
 - **Stage 4:** Contract Award. This stage gives advice on dealing with the preferred bidder(s).
 - **Stage 5:** Contract Management. This deals with the construction and/or operation periods of a project including transfer back if relevant.
 - **Case studies** present either the specifics of a particular PPP project (project case studies) or the development and application of

policy and strategy for PPP projects and programs (country case studies).

III.2. COMMUNICATION STRATEGY

As part of the strategy and to promote the PPPs, the GOS will announce its intention of use the PPP model to develop the infrastructure network in selected areas and sectors.

The recommended communication tools to keep the stakeholders informed are:

- Create and maintain website for the Central PPP Unit, both in English and Arabic,
- Publish a quarterly bulletin and,
- Organize round table meetings/symposiums between the public and private sector representatives that will serve as brainstorming about the aim of the PPP, the difference between privatization and PPP, the proposed implementation strategy, the 4 sectors that are selected as pilot to start the implementation of PPP.

III.3 Institutional arrangements of the PPP Unit :

The last output of the project is to support the institutional framework of the Central unit of Public Private Partnership, this will include the following:

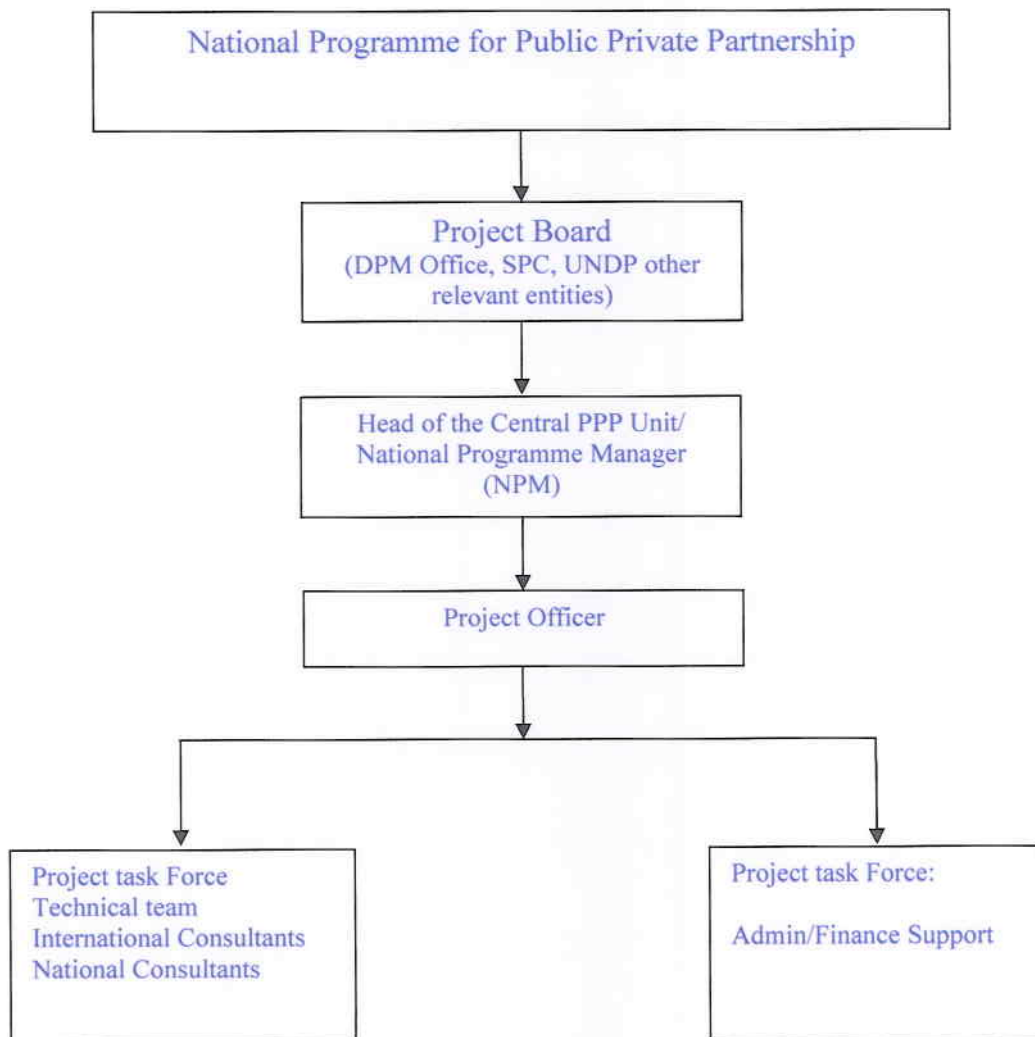
- Recruit international consultant who will be supporting the Head of the Central PPP Unit/ and who's role will be essential in setting up the institutional framework proposed by the World Bank, and the Communication/Capacity Building Advisor
- Create the Project Team and recruit on ad hoc basis consultants in the areas of Finance, Legal and Economy as requested by the Unit.

Annex 1 is the Terms of Reference definition for the international consultant supporting the Head of the PPP Unit, and Annex 3 the Key activities of the Central PPP Unit.

MANAGEMENT ARRANGEMENTS FOR THE GOS/UNDP PROJECT¹

IV.1. Project Organization

The following diagram illustrates the proposed project's hierarchy; it shall be followed by a brief description of the roles of each party, as appropriate:



The Project Board (PB):

The project board shall be responsible for the overall strategic direction and following up on the project development towards achieving its goals, as such, it shall have the representation of the highest management level in each member organization.

¹ Both parties, UNDP and GOS are able to modify the project document

The active role of the PB is highly required at the beginning of the project. The Central PPP Unit role, within Prime Ministry, will therefore invite relevant stakeholders to engage actively in the PB. The Central PPP Unit within Prime Minister's Office could also be the host and secretariat for the PB and should be responsible for mobilizing the GOS requirements to effectively produce the project's output "Operationally Enhance the Central PPP Unit". The PB efforts could continue to support the sector needs at a policy and legislative level.

The PB shall be chaired by the Deputy Prime Minister for Economic Affairs, with membership of UNDP Representative, Head of State Planning Commission, and the Central PPP Unit within the Prime Ministry. Considering the short span of the project, the PB shall convene once every three months to review the targeted outputs for the future period and review accomplishments made for the past period. The PB shall issue its general guidance to the Project task force which will be responsible of following-up and making sure that the tasks are accomplished as planned.

The Project Technical Task Force (PTTF):

The project Technical Task Force shall mirror-image the PB representation but at a technical / operational level. Its membership should include senior technical officers who have direct contact with the members of the PB, in order to facilitate updating the PB members and ensuring fast response to challenges arising with necessary decisions. The PTTF shall be responsible for activity coordination with the Head of the PPP Unit, . The PTTF responsibilities shall include but not be limited to the following:

- Conduct periodic review of the project plan to ensure smooth implementation and raise any red flags for actions needed by the PB
- Acting as a technical secretariat for the project, prepare the detailed agenda for the PB meetings and develop a system for following-up on the plans ahead and the recommendations of the PB
- Participate with the NPM in the technical preparation for policy workshops and workshops and round table discussions
- Undertake logistical arrangement and invitations to various stakeholders
- Participate in technical meetings with technical advisors recruited to undertake specific research/policy assessment assignments and assist in preparing for and conducting field arrangements
- Prepare for the training activities to be conducted within the strategy development projects, including nomination of trainees from stakeholders' organizations, determining the follow-up and/or deliverables required from the trainees that should feed in the strategy
- Provide continuous feedback to the Head of the PPP Unit (NPM) on the development of the project activities and meeting the deadlines for respective deliverables
- Assist the Head of the PPP Unit (NPM) in undertaking his/her responsibilities in an effective and efficient manner, including availing

space and equipment, as will be agreed with the UNDP and the PPP Unit in Prime Ministry.

Head of the PPP Unit (National Project Manager-NPM) :

The Head of the PPP Unit will have a central role for setting up the Institutional Framework designed by the World Bank and will be the focal point for the implementation of the PPP programme in Syria. Besides his/her role as project manager, he/she will be involved in all the process required to strength the GOS capability to manage the PPP programme.

The Head of the Central PPP Unit will have the following responsibilities²:

- Finalization of the Policy and Legislative Framework for PPPs
- Establishing and Operationalizing the CPPPU
- Develop a Pipeline of Projects
- Hands on Technical Assistance
- Act as interface between the Economic Committee, Steering Committee, Line Ministries and the Transaction Advisors.
- Supervise the implementation of a PPP awareness program
- Coordinate multilateral and donor assistance
- Monitor and report on the process of each assigned project to the Deputy Prime Minister.

As project manager for the National Programme for Public Private Partnerships he/she is the back-bone of the project and should be assisted by a Project Officer, in order to achieve the project output "Operationally Enhance the Central PPP Unit". To that end, and due to the characteristics of the proposed project, the PPP Head will ensure the access to the expertise needed in due time and with high technical capacity, being able to participate as a technical team member in specific assignments based on his/her technical area of expertise.

It is recommended that the he/she be a well recognized person within the PPP Unit in The Prime Ministry (being the major partner). One of the main his/her tasks is to realize the results sought by the proposed project. The proposed terms of reference (TORs) for the Head of PPP Unit is included in Annex 1.

Project Officer (PO):

The Project Officer will assist the Head of the PPP Unit during the proposed project life. The nature of the project implies a diverse range of technical expertise working for short-term assignments, mainly to prepare assessments / researches / policy papers on specific issues that include Financial, Legislations and Procedures among others. It is therefore expected that the PO should assist

² Responsibilities as stated in the World Bank's document *Public Private Partnership Institutional Framework – Final Draft*, August 2009

the Central Unit in guaranteeing access to expertise needed in the required time and with high technical capacity, while being able to participate as a technical team member in specific assignments based on his/her technical area of expertise. The Project Officer should serve as a link between the Head of PPP Unit and the Technical and Operational Support Teams.

The major task of the PO is to assist and keep the PPP Head updated in the realization of the results sought by the proposed project. The proposed terms of reference (TORs) for the PO is included in Annex 2.

IV.2. Summary of inputs expected from project partners

The inputs expected for the project could be classified into financial, in-kind, technical and advocacy work. The PPP Unit at The Prime ministry is the executing and implementing agency for the project; UNDP role is to technically support the Unit. Within this context UNDP is covered its role within the Country Programme Action Plan (CPAP); and the roles of each of the PPP Unit and UNDP shall follow the same framework including the contribution to its activities. The proposed inputs from project partners are as follows:

Inputs from the Central PPP Unit within at The Prime ministry:

- In-kind contribution (office space for PO and visiting experts, PPP Unit in Prime Ministry staff time within the PTF, hosting conferences and workshops)
- Political Support with all concerned governmental agencies
- Promote the involvement of civil society organizations and the private sector in the formulation, implementation of the partnership projects

Inputs from UNDP:

- Technical assistance in the area of capacity development and provision of highly technical experts.
- Assisting in donor coordination functions and technical resources identification
- Co-leading with the PPP Unit in Prime Ministry advocacy initiatives and policy dialogues
- Complimenting and supporting the Government's resource mobilization efforts
- Guarantee proper dissemination of information to various stakeholders, as well as their endorsement to the strategy vision and contents and the developed guidelines\ manual.
- Cash Contribution to the project budget

IV.3. Monitoring, Evaluation and Audit Arrangements

Given the standard requirements called for in the CPAP, Monitoring, Evaluations and Audits will be an integral part of the financial and administrative management of the UNDP accountability framework.

IV. MONITORING FRAMEWORK AND EVALUATION

In accordance with the programming policies and procedures outlined in the UNDP user Guide, the project will be monitored through the following:

Within the annual Cycle:

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below
- An issue log shall be activated in Atlas and updated by the project manager to facilitate tracking and resolution of potential problems or requests for change
- Based on the above information recorded in Atlas, a Quarterly progress report (QPR) shall be prepared by the PO in full coordination with the PTF and submitted to the PB through project assurance, using the standard report format available in the Executive snapshot
- A project documentation function for all problems noted and stories of successes shall be initiated and maintained by the PO and regularly updated to ensure on-going learning and adaptation for future actions, and to facilitate the preparation of lesson-learned Report at the end of the project
- A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

Annually:

- Annual Review Report: An annual review report shall be prepared by the PO and shared with the PB. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each of the above mentioned elements of the QPR, as well as a summary of results achieved against pre-defined annual targets at the output level
- Annual Project review: Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after. It should be noted that the technical interventions of the project include a specific task/activity to be performed before the end of the project as a "Future Looking Assessment" to agree on the take-over

mechanism for the national strategy follow-up and assess institutional sustainability. It is expected that the final assessment could serve both purposes from an efficiency stand point. That is to serve as an assessment to the project performance to-date and provide recommendation to the future.

V. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of the S.A.R. and the United Nations Development Programme, signed by the parties on 12 March 1981. The host-country implementing unit shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government cooperating agency described in that document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP's property in the executing agency's custody, rests with the executing agency.

SCHEDULE OF PAYMENT:

One installment:

Total Amount: USD 50,000.- to be allocated from UNDP TRAC resources upon the signature of the PD.

Total amount of USS 300,000.- shall be allocated through Government cost-sharing funds to the project budget.

Financing Gap : State Planning Commission and the Office of the Deputy Prime Minister for Economic Affairs will be ensuring the necessary funds from the line ministries who are benefitting from the project.

VI. PROJECT RESULT AND RESOURCES FRAMEWORK (RRF) MATRIX

<p>Intended Outcome as stated in the Country Programme Results and Resource Framework: Outcome 2: A socioeconomic environment in place that enables sustainable growth, employment equity and protection of vulnerable groups</p> <p>Partnership Strategy: The major partner in the project implementation shall be the Central PPP Unit located within the Prime Ministry in addition to other focal units in selected line Ministries</p> <p>Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: A socio economic environment that enables sustainable growth, employment equity and protection in place.</p> <p>Project title and ATLAS Award ID: Enhancing Infrastructure Development through Public Private Partnership</p>			
<p>PROJECT RESULTS AND RESOURCES FRAMEWORK</p>			
Intended Outputs	Indicative Activities	Responsible parties	Inputs
<p>1- Capacity Development in International Procurement and bidding processes</p> <p>Baselines : -very modest experience in international procurement - No Toolkit for international procurement mechanisms</p> <p>Target : # of national staff received substantive training on international</p>	<p>1) Recruit a group of consultants with experience in international bidding to train national cadres in the following areas:</p> <ul style="list-style-type: none"> a) Drafting of TORs for transaction advisors in different sectors (hand-on training) b) Methodology for international tendering processes (hands-on training) c) Finance: The private sector and the banking system d) Type of guarantees e) Contracts types modalities and Contract Management f) Negotiation & communications skills g) Conducting Value for Money 	<p>PM/UNDP</p>	<p>\$ 333,333</p>

<p>procurements</p> <p>1st Toolkit for intl. procurement methodologies</p>	<p>(VfM) and Public Sector Comparator for identification of PPPs</p> <p>2) Create a Toolkit and database for the different tendering modalities intended to be a key reference guide to define and standardize the procurement process. Prepare manuals in the guidelines of international bidding, process and sample contracts will be annexed for the Line Ministries use.</p>		
<p>Output 1 Subtotal</p>		<p>US\$ 16,667</p>	
<p>2- Communication Strategy</p>		<p>Facilities and Administration fees</p> <p>1) Orientation workshops for the media, line ministries staff, private sector on the concept of PPP as a tool for development and its difference from privatization.</p> <p>2) Organize the 2nd PPP conference /workshop as start point for launching the PPP strategy in Syria and to set up an open dialog with the private sector about the strategy mechanism</p> <p>3) Set a mechanism for promoting the sectors which are selected by the Government as pilot projects for PPP implementation.</p> <p>4) Organize Sector Investment conferences for promoting the projects that are subject for PPP /sector.</p> <p>5) Create the website for the Central</p>	<p>PM/UNDP</p> <p>US\$ 350,000</p> <p>\$ 23,810</p>

	<p>PPP Unit</p> <p>6) Promote the PPP Strategy at international level in order to attract international investments.</p>		<p>US\$ 1,190</p>
	Facilities and Administration fees		US\$ 25,000
<p>Output 2 Subtotal</p> <p>3- Project Management Unit supported and functional</p>	<p>1) Contract the required experts and personal to assist the Central PPP Unit and the 'nodal' PPP Unit of the Line Ministries to become operational:</p> <p>a) Recruit the Head of the Central PPP Unit/National Programme Manager and the Project Officer</p> <p>b) Create the Project Team that will be supported by a panel of experts (Project Officer/Admin & Finance Assist).</p> <p>c) Recruitment on ad hoc basis consultants in the areas of Financial, Economical , Legal advice (upon Gov request)</p> <p>d) Preparation of PPP project site including procurement of necessary equipment</p>	<p>PM/UNDP</p>	<p>US\$ 192,857</p> <p>(142,857 US\$ GOV)</p> <p>(50,000 US\$ UNDP)</p>
	Facilities and Administration fees		US\$ 7,143
<p>Output 3 Subtotal</p> <p>Grand Total</p>			<p>US\$ 200,000</p> <p>US\$ 575,000</p>

VII. ANNEXES

Annex 1 Terms of Reference for the Head of the CPPPU/National Programme Manager

The Head of the CPPPU will act as its Chief Executive and be the focal point for the implementation of Syria's PPP program.

Responsibilities

- Finalization of the Policy and Legislative Framework for PPPS: The Office of the Deputy Prime Minister in the process of drafting a PPP Policy Note and a PPP Law, with the assistance of the World Bank. The Head of the Unit is expected to provide inputs to these two documents, and ensure that their quality and comprehensiveness is up to international standards. Is also expected to guide these documents through various levels of approval.
- Establishing and Operationalizing the CPPPU: Standard operating procedures: The Office of the Deputy Prime Minister has drafted an Institutional Framework document for the CPPPU with the assistant of the World Bank. The Head of the Unit is expected to finalize the Framework and guide it through various levels of approvals. The Head of the Unit will be responsible for setting up appropriate standard operating procedures for the day to day functioning of the Unit.
- Recruitment of Key Staff Members: The Head of the Unit will finalize the draft TOR developed as part of the PPP Institutional Framework document, and initially advertise, interview, select and appoint the Team Leaders, and will assist them in recruiting their individual teams. The Head of the unit will develop the TOR for establishing a Panel of Experts and recruit on a retainer basis.
- Develop a Pipeline of Projects: The Head of the Unit, with the assistance of the Team Leader, will work closely with the Line Ministries in identifying PPP projects. Will further refine the Project Information Document and assist the Line Ministries with filling in these documents. The Head of the Unit will use this information to develop a pipeline of potentially viable PPP projects.
- Hands on Technical Assistance: The Head of the Unit will work with the Line Ministries to guide, assist and facilitate them in undertaking PPP projects from inception to contract signing
- Act as interface between the Economic Committee, Steering Committee, Line Ministries and the Transaction Advisors.

- Develop and implement a PPP capacity development program: The Head of the Unit will work with the Capacity Building / Communication Advisor and the Project and Legal Teams in developing Guidelines and Standardized Provision documents and organizing training courses, workshops, seminars and Study tours.
- Develop and implement a PPP awareness program: The Head of the Unit will work with the Capacity Building / Communicator Advisor and the Team Leader for the Projects and the IT Expert in developing a dedicated Central PPP Unit website and publishing the Quarterly bulletin to inform the stakeholders.
- Coordinate multilateral and donor assistance: The Head of the Unit will coordinate with the multilateral institutions and donors Technical Assistance, Capacity Building and funding for developing Guidelines, Standardized documents holding for training courses, workshops, seminars, conferences and study tours.
- Develop a comprehensive Management Information System: The Head of the Unit, with the assistance of the IT expert, will develop a Management System for the CPPPU that will help to the Unit's performance, tracking of projects and providing timely project implementation information to the stakeholders.
- Monitor and report on the process of each assigned project to the Deputy Prime Minister.

Besides, the NPM is the back-bone of the project and should be assisted by a Project Officer, in order to achieve the project output "Operationally Enhance the Central PPP Unit". To that end, and due to the characteristics of the proposed project, the NPM will ensure the access to the expertise needed in the require time and with high technical capacity, being able to participate as a technical team member in specific assignments based on his/her technical area of expertise.

Supervision exercised: The NPM shall be directly supervising the work of all consultants mobilized under the project.

Minimal Qualification:

- 1) Will preferably have 10-15 years of successful veritable experience in implementing project finance and PPP projects,
- 2) Must be a good leader and manager,
- 3) Must be able to analyze and solve complex problems,
- 4) Must have a balanced personality with excellent communication and interpersonal skills,
- 5) Must be able to work independently as well as part of a team, must be comfortable with analyzing complex financial models for infrastructure projects and

- 6) Will have qualifications in Finance and / or Economics (preferably MBA).
- 7) Experience in handling multi-task jobs and excellent time and deliverables management skills
- 8) Ability to work with a multi-disciplinary team and highly sensitivity to cultural differences when dealing with expatriate advisors
- 9) Excellent command of oral and written Arabic and English languages

Annex 2 Terms of Reference for the
Project Officer (PO):

The Project Officer will assist the NPM during the proposed project life. The nature of the project implies a diverse range of technical expertise working for short-term assignments, mainly to prepare assessments / researches / policy papers on specific issues that include Financial, Legislations and Procedures among others. It is therefore expected that the PO should assist the NPM in guaranteeing access to expertise needed in the required time and with high technical capacity, while being able to participate as a technical team member in specific assignments based on his/her technical area of expertise. The Project Officer should serve as a link between the NPM and the Technical and Operational Support Teams.

The major task of the PO is to assist the NPM in the realization of the results sought by the proposed project. He/she will be also responsible for the preparation of the project Annual & quarter work Plans , progress reports and reporting to UNDP and NPM.

Minimum Qualifications:

- 1) Advances University Degree in related discipline, post graduate studies are preferred
- 2) 10 years experience in development of infrastructures and services through PPP
- 3) Experience in handling multi-task jobs and excellent time and deliverables management skills
- 4) Ability to work with a multi-disciplinary team and highly sensitivity to cultural differences when dealing with expatriate advisors
- 5) Excellent command of oral and written Arabic and English languages

Annex 3 Key activities of the Central PPP Unit³:

- 1. Developing Standard Benchmarks for Undertaking PPPs:** The CPPPU will develop Guidelines and Standardization documents to help Line Ministries and Transaction Advisor in various phases of the project life circle (Feasibility Studies, Procurements of PPP Projects, Standardized common provisions in PPP Contracts).
- 2. Capacity Building:**
 - Foundation and advance training courses on undertaken various phases of PPP project life cycle.
 - Foundation and advance training courses on project finance.
 - Sector specific PPP workshops and seminars.
 - Improving communication and negotiation skills.
- 3. Communication:** CPPPU will inform stakeholders on the development in Syria's PPP program thorough: bilingual website (Arabic and English), quarterly bulletin and PPP forum with key stakeholders, private sector and public sector (in order to create consensus in the implementation of PPPs and to identify constraints and the solutions for the constraints).

Annex 4 Forms of PPP contracts:

Features	Service Contracts	Management Contracts	Lease Contracts	Concessions	BOT
Scope	Multiple contracts for a variety of support service such as meter reading, billing etc.	Management of entire operation or a major component	Responsibility for management, operations and specific renewals	Responsibility for all operations and for financing and execution of specific investment	Investment in and operation of a specific major component, such as a treatment plant
Asset Ownership	Public	Public	Public	Public/Private	Public/Private
Duration	1-3 years	2-5 years	10-15 years	25-30 years	Varies
O&M Responsibility	Public	Private	Private	Private	Private
Capital Investment	Public	Public	Public	Private	Private
Commercial Risk	Public	Public	Shared	Private	Private
Overall level of Risk Assumed by Private Sector	Minimal	Minimal/ Moderate	Moderate	High	High

³ Public Private Partnership Institutional Framework – Final Draft, World Bank, August 2009

Features	Service Contracts	Management Contracts	Lease Contracts	Concessions	BOT
Compensation Terms	Unit prices	Fixed fee, preferably with performance incentives	Portion of tariff revenues	All or part of tariff revenues	Mostly fixed, part variable related to production parameters
Competition	Intense and ongoing	One time only; contracts not usually renewed	Initial contract only; subsequent contract usually negotiated	Initial contract only; subsequent contract usually negotiated	One time only; often negotiated without direct competition
Special Features	Useful as part of strategy for improving efficiency of public company; Promotes local private sector development	Interim solution during preparation or more intense private participation	Improves operational and commercial efficiency; develops local staff	Improves operational and commercial efficiency; Mobilizes investment finance; Develops local staff	Mobilizes investment finance; Develop local staff
Problem and Challenges	Requires ability to administer multiple contracts and strong enforcement of contracts laws	Management may not have adequate control over key elements, such as budgetary resource, staff policy, etc.	Potential conflicts between public body which is responsible for investments and the private operator	How to compensate investments and ensure good maintenance during last 5-10 year of contract	Does not necessarily improve efficiency of ongoing operation; May require guarantees

Source: Heather Skilling and Kathleen Booth, 2007