

Comment Matrix for the Program Concept Note for the UEMOA Regional PPP Support

Donor Comments	PMU Response
DFID comments	
<p>We welcome the joint work between (WB/AFD/PPIAF) on this proposal – but concerned that AfDB does not appear to have been consulted at this stage (though suggest might be involved in the Steering Committee)?</p> <p>☐ Table 2 shows poor Private Public Investment in 3 out of 4 sectors but begs the question why has performance in the transport sector been much better than other RECs - some lessons to be learned here?</p> <p>☐ Have established a PPP Unit at regional level and suggest that might set up a project development facility – I understand that SADC set up a similar</p>	<p>Overall, Donor comments have been taken into account when designing activities under the UEMOA program. There is also regular communication between PPIAF/ WBG colleagues and the AfDB/ALSF to update on new activities/ supports in the region. So far, there is no duplication but a complementary support. A good example of complementary work done by both institutions is the support to the PPP unit in Senegal.</p> <p>The proposed program is an outcome of a close partnership between the WBG and AFD on several requests from countries and regional entities in the UEMOA region to promote PPPs in the Region. While this partnership draws in part on existing resources such as AFD programs and existing PPIAF grants, it is clear there are still many gaps in the region’s current provision. A coherent programmatic attempt to address these gaps is needed for the development of PPPs region-wide. The African Development Bank is not mentioned in the concept note. However, during implementation, we will coordinate and partners with AfDB.</p> <p>PPIAF is currently developing an application with the WBG to complement AFD support at the regional level and therefore, the activity will include lessons learnt per sectors/ type of PPP. This activity represents the regional support component of the program and will strengthen the capacity of regional bodies to identify, prepare and implement PPP projects.</p> <p>The aim of this proposed regional PPP support is to support the two regional entities (UEMOA Commission and BOAD PPP Unit) to develop a PPP program that enables the</p>

<p>facility DBSA, so assume, again, there are plenty of lessons to be learned?</p> <p>☐ Also, on the possibility of setting up a project development facility – would remind PPIAF of the recommendations of the ICA G20 mandated review of Project Preparation Facilities http://www.icafrica.org/en/knowledge-publications/article/ica-assessment-of-project-preparation-facilities-for-africa-197/</p> <p>☐ Concern that no direct reference to any pan-African related initiatives, such as the Programme for Infrastructure Development in Africa (PIDA) or Africa 50 – this is important context while coordination and understanding/interpreting the impact of these on the proposal is an important issue.</p> <p>☐ Given the fact that PPP approaches have not worked well in the past, this is an ambitious undertaking – would like to see more detail on risks and associated mitigation measures.</p>	<p>region to identify, develop and implement infrastructure projects that support sustainable economic growth and equitable access to basic services. While this support is targeted to regional entities (BOAD PPP Unit and UEMOA Commission), it is anticipated that it will indirectly support national entities, other regional entities as well, further complementing the country-specific support. This activity aims to achieve its objective through the following components:</p> <ul style="list-style-type: none"> • Component 1: Assessment of Institutional Capacity and Needs • Component 2: Regional Project Pipeline Development • Component 3: Regional PPP Financing Strategy • Component 4: Contribution to AFD and ALSF Regional Capacity Building Programs. <p>The recommendations of the report will be taken into consideration during the preparation of the activity.</p> <p>This is a good point which will be looked into during the next step of the development of the initiative.</p>
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<p>② While understand the Expected Results Framework is a tool that will improve as the proposal is developed – is the current format agreed, as the terminology/definitions (eg. Goal/Outcome/Intermediate Outcome) and the current rather lengthy text could be a lot “sharper”?</p>	<p>The point is well taken, a detailed risk framework combined with lessons from experience will be developed.</p>
<p>German</p> <p>“In General, we agree that a regional approach is adequate in order to improve the PPP framework conditions in the UEMOA member countries”</p>	
<p>Indications of departing points, particularly according to past PPIAF activities and AFD / Adetef (Assistance Technique France) activities are lacking. We propose to submit futures concept notes for PPIAF activities with and annex indicating the past respective activities.</p> <p>How to deal with infrastructure projects without or with little PPP potential but high priority. Will PPP projects receive a preferential treatment (setting a bias towards PPP approaches via BOAD)? It seems that PPIAF proposes to enter in an ongoing AFD program</p>	<p>Adding information on past and related project is an extremely pertinent point.</p> <p>To provide some background on this proposal, the request and ongoing collaboration with AFD is an outcome of the two regional workshops in Lome (September 2013) and Brazzaville (December 2013), where these countries developed an action plan to move forward their PPP agenda. These action plans were based on the Heads of States recommendations to the UEMOA commission and the BOAD. It is within this context that we propose a programmatic PPIAF engagement for the UEMOA region in partnership with AFD and the World Bank. Going forward we will add annexes on past/ ongoing PPIAF activities.</p> <p>The purpose of this concept note is not only to provide some over-arching structure and consistency to our funding to the individual member states; but also to try and flesh out the donor partnership between PPIAF, World Bank and AFD.</p> <p>The UEMOA region is an economic and monetary union, formally created in January 1994, but based on the pre-existing West Africa Monetary Union of the CFA franc zone. The institutional structure of UEMOA includes the UEMOA commission and</p>

	<p>specialized institutions as the common central bank - Banque Centrale des Etats de l’Afrique de l’Ouest (BCEAO), The BOAD (<i>Banque Ouest Africaine de Développement</i>).</p> <p>While this program will support the capacity of the PPP unit at BOAD, BOAD and the Commission will continue the implementation other infrastructure projects that are not suitable for PPPs with support from other donors.</p>
<p><u>Role of UEMOA</u></p> <ul style="list-style-type: none"> • Has UEMOA already provided and effectively implemented directives? • State of common economic policy at UEMOA respective other issues? • Does UEMOA also generally have a mandate respective infrastructure or will there be a bias on PPP approaches? 	<p>UEMOA has already implemented several directives such as:</p> <ul style="list-style-type: none"> • Directive No. 04/ 2005 / CM / UEMOA procurement process, implementation and regulation of public procurement and public service delegations; • Directive No. 05/ 2005 / CM / UEMOA control and regulation of public procurement and public service delegations in the UEMOA region; • Regulation No. 08/2007 / CM / UEMOA adopting the Common External Tariff of the UEMOA region in force since 1 January 2000. <p>In addition, several initiatives have been undertaken to harmonize taxation, budget law and government accounts. The common regulation on excise taxes is being implemented in all countries with minor deviations. Please note that, in principle, UEMOA directives are enforceable.</p>
<p>State of common economic policy at UEMOA respective other issues?</p>	<p>Some of the major goals of UEMOA include reinforcing the economic and financials competitiveness of the member states and assuring the convergence of the performances and economic policies of the member states.</p> <p>With respect to its mandate, issues that UEMOA is working on include: convergence criteria; external stability including balance of payments and price competitiveness; official reserves adequacy; structural competitiveness; and customs union/common market.</p>
<p>Does UEMOA also generally have a mandate respective infrastructure or will there be a bias on PPP approaches?</p>	<p>Until recently, there was no clear mandate for PPPs. It was the UEMOA directive on public procurement that were used for PPP projects. During the 16th Head of States conference in June 2012 member states acknowledge the importance of PPPs and</p>

	asked the UEMOA Commission to promote PPPs in the region. Moreover, during the Zone Franc Ministries summit in October 2012, they convened to further elaborate on regional propositions within a year to promote PPPs with the region. As a result, a PPP unit was created under the BOAD.
<p><u>PPP Unit of BOAD</u></p> <p>What are the current annual budget and personal resources?</p>	<p>This PPP unit was established in January 2014. According to the head of the PPP unit, the 2014 annual budget was 75,000,000 FCFA. This budget was not be entirely executed due to the small size of the unit. With the new business plan, the budget is expected to increase in future years.</p> <p>The proposed staffing plan includes a lawyer, an economist, a financial analyst, a representative of the BOAD, a civil engineer, a procurement specialist, a public accountant and a secretary. Currently the PPP unit is composed of a director, a financial analyst and a secretary.</p>
<p>Given that the Unit already has been founded and that Adetef (Assistance Technique France) is already selecting long term consultants, what strategies and documents are already available?</p>	<p>The ADETEF Technical assistant became effective on September 1st, 2014 and ADETEF is working on the action plan and other required documents.</p> <p>A monthly report is produced by the advisor and communicated with AFD who can share the report with PPIAF as needed.</p>
<p>How does this connect to the PPIAF activities on the UEMOA member country level?</p>	<p>As indicated in the concept note, this is a twin track program. UEMOA includes eight countries with different levels of understanding and implementing PPPs. The country level support will facilitate an accelerated implementation of the regional program as it will allow countries to better understand PPPs issues and enable the PPP environment at both national and regional levels. Moreover, the regional PPP unit has a mandate to promote the PPP agenda within the region as well as assist the member states in their specific agenda. By training the Regional PPP unit, this will allow the unit to play its role as a coordinator and help support national and regional projects.</p>

<p>P 9: “PPIAF to assist World Bank and AFD in developing the individual PPP strategy and policy framework” – reformulate. PPIAF assists governments and not donors (see charter “technical assistance to governments in developing countries”)</p>	<p>The concept has been revised to take into account these comments. PPIAF is in essence partnering with AFD and the World Bank Group with each partner supporting complimentary activities geared towards the objective of the program.</p>
<p>Role of existing national PPP units in UEMOA member countries</p>	<p>At the national level, just few countries have dedicated PPP units - Niger, Senegal and Cote D’Ivoire. In the other countries, the institutional framework is not clear, that is one of the tasks that is undertaken under the development phase. Essentially, these PPP units are in charge of implementing the PPP agenda. These PPP units have a mandate to: i) serve as a center of expertise and assist line ministries and districts in reaching financial close of PPP projects; ii) ensure PPP general oversight and make sure that efficient contract monitoring systems are in place; iii) advise on resolving any obstacles to the wide use of PPP including legal, taxation, financial and other issues. However, most of them are not well-functioning due to lack of capacities.</p>
<p>P. 9: The proposed governance seems to be very heavy and costly for a 6 Million TA program</p>	<p>This being the first in the programmatic support and also given the large funding (in comparison to past PPIAF support) as well as the multi-faceted nature of the program the governance structure proposed is a good measure to ensure coordination as well as quality of outputs. Activities funded under the program would also be phased and therefore the reason that every phase request would go through the usual donor non-objection. We would welcome suggestions on alternate models as we develop the programs.</p>
<p>MCC comments</p>	
<p>From Stephen B. Gaul</p> <p>“I am very supportive of this initiative, and am quite interested in seeing how to operationalize regional projects through this mechanism”.</p>	<p>PPIAF team (Serah and Bailo) had a phone call with Stephen on 09/18/2014 to discuss in detail the concept note.</p>

