

Legislation

Every PPP is developed and operated within a legislative and regulatory environment. It can be considered that the contractual framework breathes life into a PPP project whilst the legal and institutional framework of the host country breathes life into the PPP contracts.

Countries which already have such a framework should ensure that it is flexible enough to adapt to the changes in the infrastructure sector concerned, as well as to attract private investors. Adjustment to the framework will therefore be required.

However prior to adjusting their legal framework, Governments will need to assess it, and evaluate its strengths and weaknesses. Also, private investors and lenders may not be familiar with the jurisdiction in which the highway infrastructure will be situated. It will therefore be necessary to examine and gauge the ability of the host country's laws and regulations to provide the environment that will maximize the opportunity for profitability and the long-term success of the project. Several methods are now available to policy makers, investors and lenders to assess a country's legal framework, both in its content and implementation.

This section is thus comprised of the five following sub sections:

- ① Institutional framework;
- ② Legislative framework;
- ③ Regulatory framework;
- ④ Framework assessment.
- ⑤ Framework adjustment;