Introduction

Establishment of PPPA

The Federal Government through Ministry of Finance initiated Public Private Partnership ("PPP") Programme in 2006 by establishing Infrastructure Project Development Facility ("IPDF") after obtaining approval of the then Prime Minister of Pakistan.

The primary mandate of IPDF was to promote PPP's in Pakistan along with provision of advisory and facilitation services to ministries, autonomous bodies and other government owned entities ("Implementing Agencies"), to help facilitate them to develop, structure and procure PPP projects under PPP modality.

For the convenience of private sector and to govern the role of IPDF, the Federal Government approved “PPP Policy in 2007” and then a revised policy in 2010. IPDF continued the provision of facilitation and advisory services in accordance with the approved policy till 2017.

On 30th March, 2017, the Parliament passed Public Private Partnership Authority Act (No. VIII), 2017 ("Act") through which the IPDF has been converted into Public Private Partnership Authority (the, “Authority”). The Act, inter-alia, mandated the Authority to establish a regulatory framework to attract domestic and foreign private investment in development of public assets and related services through fair, transparent and competitive bidding process ensuring thereby reduction in transactional costs through provision of appropriate regulatory controls.
Board of the Authority

**Board of the Authority comprises the following members:**

- Minister of Planning, Development and Reforms  Chairperson
- Secretary, Finance Division  Vice Chairperson
- Secretary Planning, Development and Reforms  Member
- Secretary, Board of Investment  Member
- Two members from private Sector  Member
- Chief Executive officer of PPPA  Member
- Secretary Concerned division  Co-opted Member

**Mandate of the “Authority”**

The Authority shall be an independent body corporate having perpetual succession. Under the provisions of the Act, the Authority has many statutory mandates and regulatory powers, *inter-alia*, to govern the PPP projects, which succinctly include:

(i) Ensuring that PPP projects are consistent with national/sectoral strategies;
(ii) Conducting analysis for ensuring value for money;
(iii) Adherence to the principle of budget affordability;
(iv) Assessment of fiscal risks and its treatment within the frame work of PPP agreement;
(v) Advise and facilitate the implementing agency to identify, develop, structure and procure the PPP projects; and
(vi) Play the role of gatekeeper at all stages of project cycle such as planning, tendering, bidding and contract.
Ensuring the Continuity of Advisory & Facilitation Services

IPDF during its existence has successfully caused the implementation of four infrastructure projects under PPP modality worth more than PKR 100 Billion.

In order to ensure the continuity of advisory and facilitation services which were being provided by erstwhile IPDF, the Act has provided for the conversion of erstwhile IPDF into an Authority. Therefore, the Authority, under the provisions of the Act, shall continue to provide the advisory and facilitation services to all the “Implementing Agencies” for the development of financial and legal structuring of the PPP projects. The Authority will however assist the Implementing Agencies to carry out the technical studies of the PPP projects.

Presently, the Authority is fully capacitated and has all the requisite expertise and experienced human resource to undertake PPP projects.

The Authority is currently engaged with Pakistan Post, NUST, NHA and Special Communications Organization for their different PPP projects.

Approaching the Authority

The process for engagement of Authority for a PPP project by the Implementing Agencies is very simple. Depending upon the detailed procedural rules and guidelines thereon, the Implementing Agencies need to address the Authority in writing detailing the main features of the PPP project requesting for a meeting.

After the conclusion of the meeting, the Authority will designate a team of professional for further development of the PPP project through its advisory and facilitation services till the execution of the PPP project agreement by the Implementing Agency.

Additionally as per provisions of the Act, the Authority will take the PPP project along with the project team of Implementing Agency to its Board for approval of the PPP project.

Partnerships between government and the private sector have been around for millennia. Some scholars have described ancient Rome’s “bread and circuses” as the world’s first P3s. For others it was Athens. In the 17th century, the Canal du Midi in Toulouse, France, was built and managed by a private sector entity in partnership with King Louis XIV. The first P3 toll bridge in America has been traced back to 1654 and has been jokingly referred to as ‘Ye Old PPP.
MESSAGE OF CHIEF EXECUTIVE OFFICER, PPPA

“The Authority, being a statutory corporate body has been established under the provisions of the PPPA Act, 2017 is operational and fully capacitated to undertake the PPP projects to achieve the development goals set by the Federal Government.”

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