



JAMAICA: FOUNDATIONS FOR COMPETITIVENESS AND GROWTH PROJECT

Loan No.:8408-JM – Component: 2B

Assignment Title: PUBLIC PRIVATE PARTNERSHIPS & PRIVATISATION ANALYST – DEVELOPMENT BANK OF JAMAICA

Reference No. (as per Procurement Plan): FCG/CON/070

Terms of Reference

1. Introduction

The Jamaica Foundations for Competitiveness and Growth (FCG) Project was approved by the International Bank for Reconstruction and Development (the World Bank) on July 25, 2014. The Project is being implemented by the Planning Institute of Jamaica (PIOJ) in collaboration with the Jamaica Promotions Corporation (JAMPRO) and the Development Bank of Jamaica (DBJ). It is aimed at strengthening the business environment in Jamaica for private sector investment through:

- **Component 1:** *Enhancing competition in the business environment through an improved business climate - (JAMPRO)*
- **Component 2:** *Facilitating strategic private investments through a Project Preparation Facility (PPF) for public-private partnerships (PPP), divestments and other strategic investments - (DBJ)*
- **Component 3:** *Supporting small and medium enterprises (SME) capabilities and finance through matching grants to facilitate supply chain linkages, a line of credit and SME skills upgrading - (DBJ)*

Relative to Component 2 above, the FCG Project aims to facilitate strategic private investments through financing feasibility and other related studies and technical assistance to enable the government to prepare for and close investment transactions with private sector participation in a way that enables transformational growth impacts.

2. Background

According to the GOJ's 2012 Public-Private Partnership (PPP) Policy, which is an addendum to the GOJ's Privatisation Policy, the Government of Jamaica aims to increase the stock of public infrastructure and improve the delivery of public services using the Public-Private Partnership modality. The Policy was revised in December 2017 to include the roles of the Public Investment Management Secretariat and the Public Investment Management Committee. The Government of Jamaica received multilateral support to facilitate the development of draft PPP Manual and Policy and to commission the PPP program and institutional framework. These are:

- a) Support from IDB to develop the PPP Policy 2010/2011
- b) Support from IDB to assist with operationalizing the PPP Unit in 2014/2015

The Jamaican PPP Policy sets out the principles that should guide decision-making by Ministries, Departments and Agencies (MDAs), which are considering utilizing PPPs to improve infrastructure and the delivery of public services.

Consistent with these principles, the DBJ plays a key role in the overall GOJ PPP Programme. While the DBJ is the central implementing agency for the GOJ's PPP and Privatisation Programme, it works closely with the PPP Unit at the Ministry of Finance and the Public Service (MoFPS) which coordinates, evaluates and manages the fiscal implications of PPPs. Other critical GOJ stakeholders in the PPP development process include the Public Sector Transformation and Implementation Unit (PSTIU), the Public Investment Management Secretariat (PIMSEC), the Attorney General's Chambers (AGC) and the Cabinet.

The Government of Jamaica has mandated the DBJ to improve the pace and efficiency with which PPP and Privatisation (P4) Unit transactions are executed. In response, the DBJ has commenced a review of its P4 project development process and has identified the need to establish standard operating procedures. The DBJ has commenced the process of drafting certain SOPs and templates which will require review, updating and finalization. With assistance from the PIOJ through the FCGP, the DBJ is seeking to increase the DBJ's capacity to implement process initiatives and to achieve improved efficiency.

3. Objectives of the Consultancy

To assist the DBJ's PPP and Privatisation (P4) Unit to improve the overall efficiency with which PPPs are assessed and implemented through standardization and execution of PPP and Privatisation procedures to align with global best practices and the P4 Policy.

4. Scope of Work

The Consultant will support the DBJ as necessary, to assess and execute PPP transactions and to undertake the standardization of PPP and Privatisation procedures to align with global best practices and the PPP Policy and Draft Manual. Project assessment will include the viability and marketability assessments undertaken by the DBJ as outlined in the PPP Policy (PPP Assessment Criteria -financial and commercial viability, environmental, social and economic assessments). Execution will include assisting DBJ project teams in all aspects of the investor engagement and tender process (transaction document reviews, due diligence, bid evaluation).

The Consultant is expected to develop new standardized templates and procedures for PPP and Privatisation Transactions for incorporation into the P4 Unit's Standard Operating Procedures, in addition to reviewing and refining existing ones. The Consultant is expected to liaise closely with the PPP Analyst engaged to support the MOFPS PPP Unit and will be required to participate in joint discussion/review sessions with them to ensure harmonization of PPP processes and procedures.

The specific tasks of the Consultant under this assignment will include the following:

- 4.1 Undertake a review of all policies, draft procedures manuals, draft How-to- Guides and SOP templates related to the GoJ PPP project development and execution process, including but not limited to the GoJ PPP Policy and PIMSec Operational Guidelines in order to establish the existing context within which the assignment will be undertaken.

- 4.2 Understand any policy reviews or updates being undertaken by the GoJ during the assignment to ensure that such updates are taken into consideration for effective completion of the assignment.
- 4.3 Review the Government of Jamaica PPP & Privatisation Unit's Draft PPP Manual, Draft How-to-Guides and Standard Operations Procedures (SOP) framework, the Caribbean PPP Toolkit and produce an updated and comprehensive SOP Manual which includes all standard templates for the Unit's operations incorporating the full gamut of the PPP and Privatisation Modalities. The SOPs should take into consideration reports and analyses that are to be provided to our external stakeholders being, Ministries, Departments and Agencies (MDAs), PSTIU, PIMSec, Cabinet and MOFPS.
- 4.4 Develop and produce Standardized Tools and Templates for assessing the viability of potential PPP projects and specifically areas of PPP Criteria assessment executed by the DBJ as outlined in the PPP Policy – economic, social, environmental, legal, financial and commercial viability of PPP and Privatisation Projects.
- 4.5 Demonstrate the financial and commercial (and other PPP Criteria) viability assessments of projects, using the developed tools and templates on current PPP & Privatisation projects throughout the various stages of the project development process. This will involve estimating, modelling and forecasting to effectively undertake cost estimates for PPP transactions;
- 4.6 Review the existing draft comprehensive general PPP risk register, to include fiscal risk and risk mitigation strategies including risk allocation and related cost and make any recommendations to improve same.
- 4.7 Develop a comprehensive Environmental & Social Impact Assessment (ESIA) template document that will outline the minimum information required for the assessment/screening of projects throughout the different phases of the PPP and Privatisation project life cycle. This should include, pre-feasibility phase, the feasibility phase, the transaction phase and the monitoring and evaluation phase.
- 4.8 The Consultant will be required to conduct a series of discrete consultation and review sessions with clusters of P4 group members to provide comments, inputs and feedbacks to inform the final SOP, Standardized Tools and Templates Risk Register and ESIA documents (estimated 8 sessions over the 4 week period).
- 4.9 Develop relevant training materials, including pre and post assessments, and facilitate a 2-day training session with members of the Development Bank of Jamaica's PPP and Privatisation Unit and other key GOJ stakeholders, related to the SOPs developed.
- 4.10 Assess potential PPP opportunities in Jamaica and provide a detailed Report (draft and final versions) on the findings. To include at a minimum, a road map of practical strategies to implement the identified potential PPP opportunities.
- 4.11 Assist the Development Bank of Jamaica Limited PPP and Privatisation Unit on the review and analysis of Business Case and Financial Models for PPP & Privatisation projects, tender documents, Concession Agreements/Contracts and any other relevant documents and provide a detailed assessment within a 2-week turnaround time period, using the agreed templates.
- 4.12 The Consultant is expected to support and assist the PPP & Privatisation Unit in coordinating and administering procurement activities relating to at least five (5) project implementations.
- 4.13 Participate, where necessary, at meetings of Enterprise Teams and Project Teams; and provide inputs and guidance where necessary to support the DBJ.
- 4.14 Identify any existing PPP project assessment software/tools that will enhance the PPP Unit's capacity to screen and develop PPPs and then assist in its practical implementation.

- 4.15 Assist the DBJ to collect and input project data for PPP Project Assessment tools identified by the DBJ and/or the Consultant, if required under the agreed fiscal analysis process to be developed in conjunction with the MoFPS.
- 4.16 Using the SOPs developed, review the current ToRs for transaction advisors and ensure that these ToRs captures the data to be collected for the Government of Jamaica thorough assessments.
- 4.17 Produce presentations, reports as required

5. Schedule of Deliverables

| Name of Deliverable | Minimum Content | Proposed Submission Timeline | Review Period | Payment % |
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| D1. Inception Report | (i) To include the findings of the reviews relative to SOW 4.1 to 4.3, indicating the gaps and SOPs that will be produced. (ii) Detailed methodology and workplan to achieve timelines of the scope of services and contractual deliverables. | 1 month after contract start date | 2 weeks after receipt | 10% |
| D2. P4 Standard Operations Procedures Manual | Relative to SOW 4.3 to 4.8, a comprehensive SOP Manual including templates for the Unit's operations incorporating the full gamut of the P4 Modalities, including: <ul style="list-style-type: none"> - Financial & Commercial Viability Tools & Templates for P4 Projects. - Updated PPP & Privatisation Risk Register - Comprehensive Environmental & Social Impact Assessment (ESIA) criteria - Report on findings from review sessions and how comments and recommendations were addressed. | 8 weeks after approval of D1 | 4 weeks after receipt | 30% |
| D3. Training Workshop at the DBJ | 2-Day PPP & Privatisation Training and knowledge sharing workshop on SOPs, Operational Manual and on PPP and Privatisation Financial and Commercial Viability Assessments – SOW 4.9 | 2 weeks after approval of D2 | N/A | 10% |
| D4. Assessment Report on Potential PPP Opportunities | A road map of practical strategies to implement the identified potential PPP opportunities – SOW 4.10. | 12 weeks after D3 | 4 Weeks | 20% |

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| Monthly Monitoring and Progress Reports | <p>The Consultant is required to submit monthly progress reports detailing completed and on-going activities on consultancy scope of services including implementation of the P4 SOPS and the PPP & Privatisation Manual on live P4 projects relative to SOW 4.11 to 4.15.</p> <p>The Final Monthly Report should include a compendium of lessons learnt during the execution of the assignment, final versions of the SOPs and templates which incorporate lessons learnt, where applicable, and recommendations for future consideration.</p> | 1 week after the end of each month | 1 week after receipt | 30% |
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6. Characteristics of the Consultancy

Terms

- Duration: Twelve (12) months
- Location: Kingston, Jamaica
- Type of Consultancy: Individual
- Language: English

7. Institutional Arrangements

The Planning Institute of Jamaica is the Contracting Authority and is responsible for final approval of any contractual amendments and/or payment requests.

The Supervising Entity, the Development Bank of Jamaica Limited will handle all day-to-day operations and communications regarding the implementation of activities under the contract.

The Consultant will report to the General Manager of the PPP and Privatisation Unit at the DBJ or designate, who will oversee and coordinate his/her work. The General Manager is responsible for approving contractual reports and making recommendations for payments. All reports should be copied to the FCG Project Manager at the Planning Institute of Jamaica. The Consultant will be accommodated at the DBJ offices. Services, facilities and property to be made available to the Consultant by the DBJ includes office space, internet, desk telephone, and fax, to carry out the assignment.

8. Qualifications and Experience

- Master's Degree in Economics, Public Policy, Finance, Business and/or other related fields;
- The consultant should have at least 10 years' experience providing similar services including developing Standard Operating Procedures for PPP Units;
- The consultant should have at least 10 years' experience in developing and successfully executing PPP and Privatisation transactions; experience in structured finance,

including hands-on experience in originating, structuring, and executing PPP transactions and structured finance transactions for infrastructure projects;

- Strong project/program management experience;
- International experience working in PPP infrastructure development with knowledge of international best practice trends in PPP assessment, project development and transaction execution process;
- At least 2 years' experience in an English Speaking environment.