

RG-T4699

Improving the regulatory, institutional, and planning PPP frameworks in LAC

I. Basic Information for TC

▪ Country/Region:	REGIONAL
▪ TC Name:	Improving the regulatory, institutional, and planning PPP frameworks in LAC
▪ TC Number:	RG-T4699
▪ Team Leader/Members:	Suarez Aleman, Ancor (INE/PPP) Team Leader; Castrosin, Maria Pilar (INE/PPP) Alternate Team Leader; Cavallo, Eduardo (INE/INE); Banda Mendez Miryam Editha (INE/PPP); Leduc, Denis (INE/PPP); Rivas Amiassorho, Maria Eugenia (INE/TSP); Menezes Martinelli Guilherme (INE/PPP); Becker Seco Rosario Paz (LEG/SGO); Valente Lins Paula (INE/PPP); Bagnoli, Lisa Serena (INE/INE); Chirinos Herrera Alejandro (INE/PPP); Bertolin Schetinger Isadora (INE/PPP); Perez Urdiales, Maria (INE/WSA); Pacheco, Eduardo (INE/PPP); Balza Angulo, Lenin Humberto (INE/ENE)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	.04/09/2025
▪ Beneficiary:	Regional
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC SDP Window 2 - Economic Growth(W2F)
▪ IDB Funding Requested:	US\$1,300,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	06/06/2025
▪ Types of consultants:	Individuals and consulting firms
▪ Prepared by Unit:	INE/PPP-Public Private Partnerships Single Window
▪ Unit of Disbursement Responsibility:	INE/PPP-Public Private Partnerships Single Window
▪ TC included in Country Strategy (y/n):	N
▪ TC included in CPD (y/n):	N
▪ Alignment to the Update to the Institutional Strategy 2024-2030:	Sustainable, resilient, and inclusive infrastructure; Productive development and innovation through the private sector

II. Objectives and Justification of the TC

2.1 Investment in economic and social infrastructure in the region has been insufficient and inefficient to date. Alongside the development of an agenda that implies efficiency improvements to public investment processes, there is a need to develop mechanisms that encourage more active private sector participation. The infrastructure gap in Latin America and the Caribbean (LAC) is estimated to be 3.12% of the region's GDP in terms of investment effort relative to the size of the economy. This figure represents

over a 70% increase compared to the current level of investment.¹ Additionally, there are investment needs in social infrastructure. For hospitals, the estimated investment required in the sector is around USD 153 billion, which is designated solely for new hospital construction and the modernization of existing facilities and equipment.²

2.2 Infrastructure investment has a direct impact on economic growth as part of gross fixed capital formation, and an indirect impact to increase productivity.³ Investing in resilient infrastructure has an estimated net benefit of four dollars for every dollar spent.⁴ Although developing infrastructure and delivering related services can be costly and carry certain risks, failing to invest has negative repercussions not only on GDP growth but also disproportionately affects the poorest individuals in the income distribution.³

2.3 Public investment in LAC has been insufficient to address the region's infrastructure gap. Historically, the public sector has contributed two-thirds of total infrastructure investment, with some economies experiencing a more significant involvement from the private sector. However, public investment in infrastructure has proven to be highly inefficient. According to studies by the Inter-American Development Bank (IDB), the efficiency of infrastructure spending in LAC is below the international average. The region effectively wastes one out of every two dollars allocated to public infrastructure investment due to issues such as cost overruns, time delays, and poor planning, among other factors (Suárez-Alemán, Serebrisky, and Perelman 2019; IDB 2020). This inefficiency is especially challenging given the current fiscal constraints.⁵

Closing infrastructure gaps and achieving growth goals cannot rely solely on increased public investment. Instead, a more effective approach focuses on improving the efficiency of public spending while promoting active and diversified participation from the private sector. Well-structured and properly implemented Public-Private Partnerships (PPPs) offer a valuable opportunity to address both of these issues. By enhancing innovation and efficiency in infrastructure development and service delivery, PPPs can ultimately drive economic growth and productivity.

2.4 Recognizing the positive impact of upstream interventions on mobilizing private resources for public infrastructure development – and subsequently on economic growth, productivity, and competitiveness –⁶the PPP Unit has been actively supporting the enhancement of enabling environments for the implementation of PPPs in three key areas:

2.4.1 The diagnosis of the enabling environment for identifying and implementing PPP, which involves two key components: (i) the regional [Infrascope](#), a tool

¹ <https://publications.iadb.org/es/la-brecha-de-infraestructura-en-america-latina-y-el-caribe-estimacion-de-las-necesidades-de>

² IDB Health Sectorial Framework <https://www.iadb.org/en/who-we-are/topics/health/sector-framework-health>

³ Cavallo, E. and Powell, A., 2019. Building Opportunities for Growth in a Challenging World. Latin American and Caribbean Macroeconomic Report. Washington, DC, United States: Inter-American Development Bank.

⁴ Hallegatte, S., Rentschler, J. and Rozenberg, J., 2019. Lifelines: The resilient infrastructure opportunity. World Bank Publications.

⁵ IDB (2023, 2024) shows how total debt in Latin America and the Caribbean has increased significantly, rising from USD 3 trillion in 2008 to nearly USD 5.8 trillion after the pandemic—almost double that amount. This represents 117% of the region's GDP and up to 140% of the GDP of its five largest economies. Public debt soared to over 70% in 2020, but due to fiscal adjustment efforts in the region, it is now decreasing and approaching pre-pandemic levels of around 60% of GDP in 2023. However, these levels remain high, as prudent debt levels for the region are estimated to be between 46% and 55% of GDP. The elevated debt levels in many countries are also hindering growth. The IDB's flagship report, "Dealing with Debt" (2023), indicates that peaks in debt are associated with significant reductions in growth, with the impact being especially pronounced during more prolonged periods of high debt. This situation can lead to increased financing costs and a decrease in both public and private investment.

⁶ Evidence developed by World Bank confirms significant correlation between PPP regulatory reforms and PPP investments. [World Bank Document](#)

developed by the IDB and Economist Impact to assess the capability of Latin American and Caribbean countries in implementing efficient PPP, which encompasses 26 member countries of the IDB and has been updated and published biannually since 2009, and (ii) the subnational adaptation of the Infrascopes, currently being piloted in Brazil for the first time, with results expected to be presented in 2025.⁷ This has been complemented not only with [country specific diagnosis](#) for each of the 26 IDB member countries, but also with [sector based PPP diagnosis](#), such as [ports](#), [airports](#), [hospitals](#), [environmental assets](#), [water or sanitation](#), among others currently in development (railways, roads, schools).

2.4.2 The development of solutions primarily through the Network for Analysis and Best Practices in PPP (PPP Network). This initiative has effectively systematized knowledge and experiences that were previously scattered across the Region. To date, it has produced a wide range of analytical outcomes and methodological tools that have contributed to generating evidence and best practices for the regulatory, institutional, and planning enhancement of infrastructure development through PPPs in the region. In 2023, the PPP Network shifted its focus to the evaluation of PPP policies, programs, and projects, following the recommendation from the Infrascopes report. This report highlighted that LAC is missing an opportunity to learn from its experiences due to the lack of systematic ex-post evaluation. From 2024 to 2025, the newly formed PPP Evaluation Network has been collaborating with Peru, Brazil, and Colombia⁸, as well as regional universities and think tanks, to improve their capacities for conducting ex post evaluations. Concurrently, the Network is implementing performance evaluations of programs and projects in each country.⁹

⁷ Brazil has been selected as the first pilot for the implementation of the subnational Infrascopes since majority of the PPPs and concession are being developed at the state level and most of the states have its own institutional and regulatory framework with differences in performance that make it worth to analyze and learn from. The methodology of the regional Infrascopes is being adapted to the subnational level and could be used in the future to analyze other countries with similar characteristics.

⁸ The selection of Peru, Brazil and Colombia on how advanced the PPP programs are in those countries, the availability of data and the support of the government to the evaluation initiative

⁹ In 2020, the IDB, with the support of governments and research institutions across Latin America and the Caribbean, successfully established the Network for Analysis and Best Practices in Public-Private Partnerships (PPP Network). This initiative was recognized as a Regional Public Good, aimed at enhancing infrastructure development in the region by improving quality and efficiency. Prior to its creation, valuable knowledge and experiences related to public-private partnerships were scattered throughout Latin America and the Caribbean. Since then, the PPP Network has conducted three annual cycles. These cycles involve identifying key public policy issues in the area of PPPs that require practical, applied knowledge. This identification process is carried out through public consultations with regional governments and is organized into five thematic categories: 1) regulation and institutional framework; 2) preparation of sustainable projects; 3) project financing; 4) risk management, monitoring, and supervision; and 5) evaluation, impact, and performance. The Network has launched open calls for proposals, inviting knowledge institutions capable of addressing these challenges. It has also produced more than twenty analytical documents and methodological tools, contributing to the generation of evidence and best practices for strengthening regulatory, institutional, and planning frameworks related to infrastructure development through PPPs in the region. The Network has established a strong community of practice, comprising over 2,000 participants. Additionally, it has launched the First Knowledge Portal on PPP Analysis and Best Practices (www.reddeapps.org) for Latin America and the Caribbean. Initiated under Technical Cooperation RG-T3545, this initiative has been recognized as a success, both in terms of its impact and scope. It has not only motivated engagement from numerous stakeholders but has also laid the groundwork for a Technical Assistance agenda focused on Upstream PPP, which includes enhancing regulatory and institutional frameworks, and project planning. Notable examples of this agenda include TC RG-T4199, CH-T1285, and CH-T1326. Moreover, the efficient use of resources has been demonstrated, with analytical outcomes nearly tripling expectations. Recently, the PPP Network has concentrated on evaluation initiatives, leading to the creation of the PPP Evaluation Network, funded by RG-T4644.

The work of the PPP Network is currently active with a focus on evaluation of PPP projects in Latin America and the Caribbean through the technical cooperation RG-T4344.

2.4.3 The **implementation of PPP Upstream technical assistances to LAC countries**, with more than 20 technical assistance solutions across 15 economies in the region encompassing both mature environments, such as Brazil, Peru, Colombia, and Chile, and those with relatively less experience, like Guatemala, Trinidad and Tobago, Paraguay, and Belize. In mature economies for instance, following the diagnosis and recommendations from the *Infrascope*, the Chilean government with IDB support has been actively working to enhance its project preparation process aimed at mobilizing sustainable financing for concession projects. Meanwhile, in less experienced economies as an example, the IDB has supported the Belizean government in developing its PPP policy, which was approved in 2021 and is now being utilized to attract private investment in the transport sector.

2.5 Results so far and challenges. The latest edition of *Infrascope* 2023/2024¹⁰ highlights significant progress. Investment in infrastructure PPPs across LAC has reached \$160 billion in the period 2014-2023, marking a 14% increase from \$141 billion during the 2011-2020 period analyzed in the previous edition. Additionally, the number of PPP projects has grown by over 25%¹¹. Although most of these projects are concentrated in the transport (37%) and energy sectors (52%), there is a notable increase in interest and activity in areas such as water and sanitation (6%) and social infrastructure (4%).¹² In the inaugural edition of the *Infrascope* in 2009, only one country had a developed regulatory and institutional framework for the preparation, implementation, and supervision of PPP.¹³ By 2024, the majority of the countries analyzed have established some regulatory framework to facilitate PPP implementation, and 13 of these countries have fully operational PPP units in place.

2.6 On a country level, Brazil and Chile continue to excel, followed by more established countries like Colombia, Uruguay, and Peru. Other nations are also making progress; for instance, Panama is strengthening its regulatory framework and improving its PPP project preparation process. Jamaica has demonstrated outstanding leadership in developing resilient PPPs, while Ecuador has made recent advances in planning and prioritizing PPP projects. Paraguay has seen positive developments in its PPP program as well. Additionally, countries like Belize and Suriname are working on establishing a PPP regulatory framework, showcasing a growing commitment from smaller and emerging markets.

2.7 However, and despite the overall positive trends in the region, challenges and disparities still exist. *Infrascope's* results indicates that there is still considerable room for improvement, which could significantly benefit their citizens, especially in developing economies.

2.7.1 Regulations and Institutions - Strengthening institutional capacity: The ability of institutions involved in the PPP process to effectively support project identification, preparation, and implementation is a critical and ongoing challenge across the

¹⁰ To know about the *Infrascope* visit: <https://impact.economist.com/new-globalisation/infrascope-2024/en/about/>

¹¹ The data comes from the *Infrascope* 2023/2024 and correspond to the period 2014 – 2023.

¹² For example, Chile has already three PPP programs of hospital including 14 different projects of individual and hospital networks. Also, Colombia is leveraging its experience in the transport sector to implement PPP in the social sector.

¹³https://impact.economist.com/new-globalisation/infrascope-2024/downloads/Latin-Americva_Infrascope_Report_2009_English.pdf

region. Currently, only half of the 26 countries in the region have fully operational PPP agencies, 27% have a PPP Unit but with limited activity and the rest of the countries don't have a formal unit. The situation with the availability of dedicated resources to facilitate project preparation or to assist with the associated costs is even more complicated with only 11 countries having such facilities. As an example, Guatemala needs to improve their capacity for contract management and monitoring and their coordination mechanisms between the different institutions involved in the PPP process (EI, IDB, 2024).¹⁴

- 2.7.2 *Planning and Preparation* - Improving project structuring: The percentage of tendered PPP that have achieved successful financial closure is under 60%. The primary obstacles include increasing financing costs, deficiencies in risk management, and insufficient project preparation. As an example, Dominican Republic needs to enhance its planification process and technical capacities for project preparation aiming to improve the success rate of their PPP (EI, IDB, 2024).¹⁵
- 2.7.3 *Monitoring and Evaluation* – Developing Performance and impact measurement capabilities: Many countries in the region are not actively learning from past experiences, which limits their ability to create impactful projects. As an example, Ecuador has a mandate to perform evaluations of PPP process, but these are not being conducted, losing the opportunity to include the lessons learned into the projects under preparation (EI, IDB, 2024).¹⁶

2.8 Recognizing these challenges and building on the success of previous technical cooperation projects ([RG-T3545](#), [RG-T4199](#), [RG-T4344](#)), the aim of this initiative is to enhance the enabling environment for PPP in the 26 IDB countries. This will support regional economic growth, productivity, and competitiveness by fostering the development of efficient infrastructure. To achieve this, the initiative will be structured around a solid diagnostic approach at regional, country and sectorial levels to keep track of the advance of the challenges presented above and identify new ones. This will lead to the identification of specific areas for improvement in each country and regional needs that will guide our agenda for development of evidence and tools. As illustrated in the previous examples, the Infrascopes provides detailed information through 106 specific indicators that assess how countries can effectively develop PPP by enhancing regulatory, institutional, planning, and evaluation frameworks. This information will establish roadmaps for potential improvement in each of the 26 IDB countries. This updated diagnosis will serve as the basis for implementing technical assistance through this Technical Cooperation.

- 2.8.1 **Regional, Country-level, and Sector PPP Diagnosis:** The Infrascopes is the primary diagnostic tool for LAC countries to assess the enabling environment for PPP. Continuing to implement the Infrascopes at regional and subnational levels, as demonstrated in the pilot case in Brazil, is a priority since this approach not only

¹⁴ For a detailed overview of PPP-specific challenges and opportunities in Guatemala, see Infrascopes's assessment of the PPP enabling environment in the Country. <https://impact.economist.com/new-globalisation/infrascopes-2024/en/countries/GTM/>

¹⁵ For a detailed overview of PPP-specific challenges and opportunities in the Dominican Republic, see Infrascopes's assessment of the PPP enabling environment in the Country. <https://impact.economist.com/new-globalisation/infrascopes-2024/en/countries/DOM/>

¹⁶ For a detailed overview of PPP-specific challenges and opportunities in Ecuador, see Infrascopes's assessment of the PPP enabling environment in the Country. <https://impact.economist.com/new-globalisation/infrascopes-2024/en/countries/ECU/>

- provides ongoing recommendations to public officials in the region—helping to strengthen enabling environments over the past 15 years—but also enables the tracking of regional development through the collection of comparable data.
- 2.8.2 **Development of evidence and tools to strengthen regulatory, institutional, planning, and project preparation PPP frameworks:** We are focusing our efforts on two major challenges identified by the Infrascopes. The first challenge is to enhance the region's capacity for ex-post evaluation practices. These practices aim to learn from past experiences in order to improve future PPP. The second challenge involves a deeper analysis of the capabilities of PPP Units in the region. This analysis will help us assess whether these units are utilizing their resources efficiently, which is crucial for the successful implementation of PPP.
- 2.8.3 **Implementing PPP Upstream Technical Assistance,** aiming to enhance the regulatory, institutional, planning and project preparation frameworks and processes in emerging PPP programs in Latin America and the Caribbean. This will be based on the findings from regional and country-specific diagnostic exercises (Component 1), and through the application of best practices and evidence generated in Component 2.¹⁷

2.9 Strategic Alignment

- 2.9.1 This TC aligns with the IDBG Institutional Strategy – IDB Impact+ (2024-2030) (CA-631), which prioritizes Public-Private Synergies as a key component of our value proposition, positioning the Group as the partner of choice for our borrowing member countries and clients. Specifically, this initiative is aligned to the goal of enhancing sustainable regional growth by developing a robust institutional, legal, and regulatory framework for implementing PPPs. This framework is essential for mobilizing private capital for infrastructure projects and developing more efficient infrastructure that positively impacts economic growth. In terms of operational focus, the TC is connected to the sustainable, resilient, and inclusive development of infrastructure. By creating and strengthening the enabling environment for PPP implementation, we can help countries close their infrastructure gap in both quantity and quality. Furthermore, this initiative is aligned with the operational focus on productive development and innovation through the private sector. The proposed activities aim to foster the development of more efficient infrastructure that enhances productivity.
- 2.9.2 The recently approved IDB Group Synergies Framework (GN-3159-3) recognizes that PPP are crucial for enhancing IDB Group synergies. To support this initiative, the Bank has established a dedicated team to implement PPPs in the region. This approach has proven effective in helping countries develop strong institutional, legal, and regulatory frameworks to attract private investment in infrastructure through transactional advisory services and transparent procurement processes. This TC will help maintain the successful trajectory of the PPP Unit by focusing on strengthening regulatory and institutional capacities in the countries involved and developing valuable knowledge products. This proposal also aligns with the IDB Infrastructure Strategy (GN-2710-5), which underscores the importance of enhancing countries' abilities to establish public-private partnerships. It also

¹⁷ The Infrascopes, developed jointly by Economist Impact and IDB, includes a Country Profile for each country that identifies the key recommendations to enhance the regulation and institutional frameworks and planning process for the successful implementation of PPP. <https://impact.economist.com/new-globalisation/infrascopes-2024/en/countries/>

emphasizes the need to create a well-defined portfolio of substantial and high-quality infrastructure projects, supported by a clear and predictable regulatory framework.

- 2.9.3 Additionally, this TC aligns with the ONE Caribbean Regional Strategic Framework (GN-3201-5). The Caribbean region presents both opportunities and challenges in developing effective PPP for economic and social infrastructure. Infrascopes indicates that while Caribbean countries vary significantly from one another, there is potential to strengthen their PPP programs in several key areas, including policy development and project preparation. This TC aims to facilitate large-scale investments to bridge the infrastructure gap through PPPs. The PPP unit has already collaborated with One Caribbean Management to identify specific opportunities for upstream interventions. [PPP interventions play a special role in the One Caribbean implementation](#), and the development of a regional Project Preparation Facility, which states how "Strengthening technical capabilities and institutional capacity will contribute, among other issues, to building the local technical expertise necessary to implement impactful projects in the Caribbean".
- 2.9.4 It is also aligned with America en el Centro Program that mentions that building on the supported provided to several program's beneficiary countries, the Bank will increase its support for PPP project preparation in Central America, Panamá and Dominican Republic (CAPDR), with a focus on integration-infrastructure projects aligned with América en el Centro. To achieve this, technical assistance resources will be used to finance increased upstream and downstream PPP support, considering each country's challenges and PPP-market development stage. Alternative mechanisms for strengthening project preparation capacity will also be considered, such as supporting or creating PPP Project Preparation Facilities at a national level.
- 2.9.5 Finally, the TC aligns with the Window 2 of the Ordinary Capital Strategic Development Program (W2F) priority area, *inclusive economic growth*. This TC aims to create opportunities for public-private partnerships in economic and social infrastructure within Latin America and the Caribbean (LAC). Additionally, it focuses on improving the quality and performance of infrastructure services, sharing lessons learned in the sector, and promoting best practices in infrastructure. The development of more and better infrastructure and the improvement of the quality of the services due to the efficiency and innovation that the private sector can bring have a direct impact on economic growth and the reduction of inequality.

III. Description of components and budget

3.1 Component 1: Regional, Country-level, and Sector PPP Diagnosis – U\$S 700,000

- 3.1.1 The development of the 2025/2026 edition of Infrascopes for the 26 IDB member countries will follow a similar structure to previous editions. This component's resources will fund the collaboration with Economist Impact, which will be responsible for data collection, application of the methodology, and publication of the results for the new edition. Economist Impact will gather information with the assistance of local specialists in public infrastructure and PPP. The data collected for each country will be shared with the respective governments for review and feedback before publication. This edition will also feature the development of a regional key funding report, along with country profiles and case studies available in English, Spanish, and Portuguese.

3.1.2 The development of the 2026 edition of the Subnational Infrascopes in Brazil is underway. Continuing the subnational initiative of the Infrascopes, which has been implemented in Brazil since 2024 and will have its results published in 2025, this technical cooperation (TC) will provide funding for engagement with Economist Impact. This collaboration will involve the collection of data, the application of the methodology, and the publication of results for the new edition of the Subnational Infrascopes for Brazil.

3.2 Component 2: Development of evidence and tools to strengthen regulatory, institutional, planning, and project preparation PPP frameworks - U\$S 400,000

3.2.1 The PPP Evaluation Network – currently active in Brazil, Colombia, and Peru – is being expanded to include evaluations of the PPP programs in three additional LAC countries that have established PPP programs with projects that are either finalized or in advanced operational stages, which have sufficient and comparable historical data, necessary for effective evaluation exercises. These evaluations will include analyses such as ex-ante versus ex-post assessments of investment decisions, procurement methods, contract characteristics, performance, and impact. According to our Infrascopes results, the eligible countries that meet these criteria include Brazil, Chile, Colombia, Uruguay, Peru, Jamaica, Panama, Mexico, Ecuador, Costa Rica, Guatemala, the Dominican Republic, Paraguay, and Argentina. Notably, Ecuador has officially expressed interest in joining the PPP Evaluation Network and benefiting from a comprehensive evaluation of its PPP program, as well as an in-depth assessment of its port sector. This will help gather evidence for future projects in that sector. The selection of the other two beneficiary countries will be based on the presence of an active PPP program, the advancement of PPP projects, the availability of information, and the government's commitment to pursuing the evaluation agenda.

3.2.2 Resources will be utilized to collaborate with universities and think tanks in the region. This collaboration aims to support the collection of data regarding the country's performance during the preparation, procurement, and implementation of PPP. Additionally, the TC will work on developing indicators to analyze the effectiveness of PPP programs and projects. The main lessons learned from the analysis will be published in collaboration with the participating countries, as these insights can benefit other countries in the region.

3.3 Component 3: Component 3: Implementing PPP Upstream Technical Assistance - U\$S 200,000

3.3.1 The TC aims to provide technical assistance for the development of regulatory and institutional frameworks, as well as to enhance planning processes for nascent PPP programs in Latin America and the Caribbean, based on the diagnosis implemented in Component 1, and applying evidence and best practices identified in Component 2. The resources from the TC initiative will enable us to strengthen our technical assistance teams across various disciplines, including legal, technical, economic, financial, social, and environmental areas, addressing each country's specific needs. This will allow us to effectively offer public policy recommendations aimed at improving upstream PPP frameworks in LAC. Notably, Dominican Republic and Guatemala has expressed interest in improving their enabling environments, through enhanced regulations and capacities for the prioritization, preparation, management, and monitoring of PPP project (including development of manuals, guidelines and tools as well as specific capacity building

exercises). While initial candidates have been identified as beneficiaries of this component, other countries identified as emerging and nascent according to the Infrascopes assessment¹⁸ could be eligible, if officially requested and proven to act on the implementation of best practices to overcome their particular PPP challenges.

Indicative Budget

3.4 The total amount of funding needed to achieve the expected outcomes is U\$S 1,300,000 of non-reimbursable resources to finance through the ordinary capital of the Bank - SDP Window 2 - Economic Growth.

Activity/Component	Description	IDB/Fund Funding	Counterpart Funding	Total Funding
Component 1	Regional, Country-level, and Sector PPP Diagnostics	U\$S 700,000	-	U\$S 700,000
Component 2	Development of evidence and tools to strengthen regulatory, institutional, planning, and project preparation PPP frameworks	U\$S 400,000		U\$S 400,000
Component 3	Implementing PPP Upstream Technical Assistance	U\$S 200,000		U\$S 200,000
TOTAL		U\$S 1,300,000		U\$S 1,300,000

3.5 The Team Leader will be responsible for supervising the TC with the support of the team members. The project team will be responsible for monitoring the execution of the TC and for evaluating the work performed.

IV. Executing agency and execution structure

4.1 The Bank will be the executing agency of the project, through INE/PPP, which has specialized knowledge in helping on topics of interest related to the purpose of this TC. The INE/PPP has been supporting LAC countries since its creation in 2017 providing around 20 technical assistances in 15 countries, developing and improving regulatory frameworks, strengthening the capacities of the institution involved in the PPP process, performing diagnosis of the enabling environment for the

¹⁸ The countries classified in the Infrascopes ranking as emerging and nascent following the Infrascopes methodology are: Mexico, Ecuador, Costa Rica, Guatemala, Honduras, Dominican Republic, Paraguay, El Salvador, Argentina, Bahamas, Guyana, Nicaragua, Belize, Trinidad and Tobago, Barbados, Bolivia, Suriname, Haiti and Venezuela. For more information regarding the methodology and country selection, see: https://impact.economist.com/new-globalisation/infrascopes-2024/downloads/Economist_Impact_Infrascopes_2024_Report_ENG.pdf

implementation of PPP and developing more than 20 knowledge documents about best practices in PPP. The execution and disbursement period will be 36 months, and the UDR will be INE/PPP.

- 4.2** The intellectual property of all knowledge products will belong to the Bank and may be made available to the public under a Creative Commons license. However, at the request of the beneficiary, in accordance with the provisions of norm AM-331, the intellectual property of these products may also be licensed to the beneficiary through specific contractual commitments that must be prepared with the advice of the Legal Department.
- 4.3** The development of specific work in countries will take place once the respective Government's request letter is received. Under no circumstances will any work proceed without first obtaining the Government's no-objection letter, which will be incorporated into the Bank's corresponding systems. Additionally, the Bank, through the PPP Unit, will work together with the corresponding Country Offices, external counterparts, and various internal counterparts, with the aim of ensuring harmonization in the implementation of correct protocols and the efficient development of the requested technical assistance. Finally, the letter from the beneficiary will include that the Bank is the executor of the technical cooperation.
- 4.4** The activities to be executed under this operation have been included in the Procurement Plan (Annex IV) and will be carried out in accordance with the Bank's established procurement methods, namely: (a) Hiring individual consultants, as established in norm AM-650; (b) Hiring consulting firms according to GN-2303-33 and its associated operational guidelines.

V. Major issues

- 5.1** The implementation risks of this TC are low. This TC perfectly aligns with the IDB's objectives, and the work will be carried out under the direct coordination and guidance of the IDB's PPP team leader. Regarding the second and third component, given the unique nature of this TC, the development of the work will take place once the respective Government's request letter is received. Under no circumstances will any work proceed without first obtaining the Government's no-objection letter, which will be incorporated into the Bank's corresponding systems. The key risk in executing the technical cooperation is the uncoordinated action of the public sector parties involved. To mitigate this, the Bank, through the PPP Unit, will work together with the corresponding Country Offices, external counterparts, and various internal counterparts, with the aim of ensuring harmonization in the implementation of correct protocols and the efficient development of the requested technical assistance.

VI. Exceptions to Bank policy

- 6.1** There are no exceptions to the Bank's policies.

VII. Environmental and Social Aspects

- 7.1** This Technical Cooperation is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, this TC does not have applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).

Required Annexes:

[Request from the Client_57886.pdf](#)

[Results Matrix_19522.pdf](#)

[Terms of Reference_61188.pdf](#)

[Procurement Plan_22522.pdf](#)