



Investment Opportunity Identification Webinar Series

Theme A: Understanding Investment Opportunities and Identifying Bankable Opportunities

October 2021

wavteq

recomp
REGIONAL ENTERPRISE COMPETITIVENESS
& ACCESS TO MARKETS PROGRAMME
Vitalising Value Chains

RIA COMESA
REGIONAL
INVESTMENT
AGENCY

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Partnership Details

The COMESA Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP) is implemented by the COMESA Secretariat in collaboration with the following COMESA institutions: the Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA), the Africa Leather and Leather Products Institute (ALLPI), the COMESA Business Council (CBC), the Federation of National Associations of Women in Business in Eastern and Southern Africa (FEMCOM) and the COMESA Regional Investment Agency (RIA).

The 10 Euro million project runs until 2023 and is funded by the European Union under the 11th European Development Fund (EDF). RECAMP focuses on improving competitiveness and market access of SMEs and other firms in targeted value chains in the COMESA Member States and on generally improving the business environment for SMEs (including the women and youth) in this region.

Overview of this Training Series

Objectives

The objectives of the online capacity building program for IPAs during and post COVID-19 foresees to **strengthen the capacity** of COMESA National Investment Promotion Agencies (NIPAs) in **identifying, collecting data and information, packaging and promoting comprehensive investment project/opportunity offers (IPROs) for potential investors**. Some of the expected topics to be covered include:

- Defining investment opportunities vis-à-vis national country objectives
- How IPAs can detect opportunities created through COVID and scale up their impact both with new and with existing investors
- Importance of investment opportunity/project profiling including practical examples globally and in the COMESA region
- IPRO project templates to be used through various investment promotion and facilitation stages
- Packaging investment opportunities and projects
Tools and techniques necessary to promote investment project in post-covid era (e.g digital techniques)

Outcomes

The main **expected outcomes** are the following:

- **Increased institutional collaboration** among NIPAs and promoting opportunities in respective member states
- **Increase knowledge** on the identification, data mining, sourcing and packaging IPRO
- Building up knowledge for **scaling up effective IPRO promotion efforts**

Overview of Webinar Themes



THEME A:

Understanding Investment Opportunities and identifying bankable opportunities

- **Module 1:** Understanding an Investment Opportunity
- **Module 2:** IPA strategies in identifying bankable investment project opportunities in line with country agenda
- **Module 3:** Best practices from COMESA region and worldwide of bankable opportunities

Call to action exercise:

IPAs will identify 1-2 project opportunities in their country and present raw data in the next webinar

THEME B

Data mining: gathering the right data for IPROs and investor-centric positioning

- **Module 1:** Location determinants and investment – decision making process (post-covid 19)
- **Module 2:** Data mining checklist and feasibility studies
- **Module 3:** Expert knowledge on tools and systems to use for data mining

Call to action exercise:

IPAs will use data mining checklist to do research on opportunity identified and present at next webinars as well as position as best as possible

THEME C

Positioning the right opportunity: Packaging and Promotion .

- **Module 1:** Reinventing value proposition for IPRO and positioning
- **Module 2:** Best practice guideline on positioning the opportunity (region & worldwide)
- **Module 3:** The digital future I What is the future role of IPROs and tools and techniques to use

Call to action exercise:

Prepare final version of IPRO for project identified for 1:1 consultation

Training Personnel



THEME A:
Understanding Investment Opportunities and identifying bankable opportunities



Alex DiPaola

Project Coordinator,
FDI Expert



Mariana Brenes

IPRO Expert



THEME B
Data mining: gathering the right data for IPROs and investor-centric positioning



Mehrdad Rahmanifar

Financial Expert



THEME C
Positioning the right opportunity: Packaging and Promotion .



Matt Harvey

Consultant,
IPRO Expert



Sergio Costa

Senior IPRO Expert

Wavteq Expert Presenter: Dr Henry Loewendahl



With over 25+ years of experience, Henry is recognized as a leading global expert in FDI and investment promotion with over 50 publications, training manuals and presentations on how to attract FDI. Henry is a key FDI expert and trainer for Caribbean Export, Columbia Vale Center on Sustainable Development, IDAB, FT, AfDb, UNCTAD, USAID, UNESCAP, WAIPA, and World Bank. He is currently advising the WTO on investment facilitation. Henry pioneered the development of the industry-leading FDI tools including: fDi Markets, fDi Benchmark, IncentivesFlow, InvestmentFlow, InvestmentMap, Wavteq Influencers, and Amplify CRM.

Henry has over 100 presentations and publications which are widely considered authoritative guides for how to attract FDI, including his landmark “Framework for Investment Promotion” (published by UNCTAD) and “Handbook for Investment Promotion” (published by Columbia University). He has recently published papers on FDI and investment promotion with the World Trade Organization and Inter-American Development Bank.

Henry is invited on several occasions as a Key note speaker to major events (WAIPA, UNCTAD, WTO, AIM, FT, WAIPA, ILO etc) as well as leading IPAs such as IDA Ireland’s annual FDI strategy away day with IDA’s Board and Executive teams in April 2019 where Henry gave a focused training on “The Future of Foreign Direct Investment”. Henry has delivered over 50 FDI training workshops to EDOs/IPAs in all regions of the world and provided FDI consulting services to >150 EDOs/IPAs in >60 countries.

- His key expertise include:
 - Investment Promotion & FDI Strategy development
 - Benchmarking & sector/market analysis
 - Incentive negotiation & investment facilitation/enquiry handling
 - Aftercare & Supply-Chain Linkages
 - Sustainable development & FDI
- Most recent experience in Emerging Markets includes:
 - Gambia, Liberia, Sierra Leone – Full FDI attraction and capacity building program (2021-2023)
 - Ghana, Kenya, Nigeria, and Senegal – Aftercare strategy, benchmarking and capacity building (2020-21)
 - Ethiopia Investment Commission – Ethiopia Aftercare Strategy (2020)
 - Dominica and Trinidad & Tobago – national investment promotion strategies & capacity building (2020-21)
 - Indonesia – tourism investment promotion and institutional coordination program (2019-2022)

Henry has a PhD on Japanese and German FDI with a VW scholarship, Masters Degree with Distinction in International Political Economy with an ESRC scholarship, and First-Class Honors Degree in Economics & Politics

Wavteq Expert Presenter: Alex DiPaola



Alexander DiPaola joined Wavteq in July of 2020 and has several years of experience in International Development.

His last position, based in Washington DC, was for an International Development organisation where he assisted project operations on a profile of Capacity Building and Civil Society grants worth over \$40 million USD. During this time he gained experience working with funding from USAID (United States Agency for International Development) as well as from USDOL (United States Department of Labor) and other European International Development agencies. Such projects allowed Alexander gain experience across Africa with project countries including South Africa, Malawi, Mozambique, Senegal and Burkina Faso.

He has also worked with the OECD (Organisation of Economic Cooperation and Development) in Paris, France on an aviation infrastructure project funded by the UK government.

At Wavteq Alex has worked with a range of IPAs and EDOs to develop their Investment Promotion Strategies. Alex has also worked on IPRO development for projects in Eastern Europe and the Caribbean.

Alexander holds two Masters degrees, an MSc from the London School of Economics (LSE) and an MA from Sciences Po – the Paris School of International Affairs. His MSc is in International Political Economy, with a focus on FDI in Emerging Markets, and his MA is in International Public Management, with a concentration on Emerging Economies. He also holds a BA *Magna Cum Laude* in Government and International Politics.

External Expert Presenter: Mariana Bernes



Mariana Bernes holds 12 years of professional experience in economic development consulting. Her areas of expertise include economic promotion, business climate, Foreign Direct Investment (FDI) promotion, entrepreneurship and international B2B matchmaking. She has supported Investment Promotion Agencies in Colombia, Central America and the Caribbean in the identification and profiling of ready to invest investment opportunities, resulting in sustainable pipelines of IPROs in a wide range of sectors from infrastructure investment to light manufacturing and niche tourism. This work included providing support to IPAs and domestic firms to translate project concepts to sound business cases and pitch decks to potential investors.

Since 2012 she has been responsible of implementing and managing over 30 projects in economic and private sector development in Latin America and the Caribbean, Europe and Africa. She has also supported private companies, public sector and donor agencies of over 20 countries (including Namibia, South Africa and Botswana) in the challenge of increasing foreign investment inflows, boosting and diversifying their exports and developing competitive industrial clusters. Mariana also has extensive experience leading international cooperation projects funded by multilateral organizations such as the World Bank, the Inter-American Development Bank (IDB), IDB Lab, the European Union and the Millennium Challenge Corporation (MCC).

Mariana has previously worked in strategic consulting in GDP Global, Ambrosetti SpA and PwC. As a management consultant, she provided strategic advice to enterprises in their internationalisation processes, by analysing business opportunities in foreign markets, formulating global expansion strategies and supporting site selection.

She graduated with Honors in Public Accounting from the Universidad Marista de Mérida, in Mérida, México. Additionally, she holds a Master's Degree in Finance from Universidad de Alcalá in Madrid, Spain. Her working languages are Spanish and English.

Wavteq company overview

Wavteq was established in 2010 and has one of the largest FDI consulting teams with the most global presence.

Wavteq has its global headquarters in the UK with FDI consulting offices globally.

Wavteq is co-owner of International Investment Services (Germany) which is Wavteq's European lead generation division.

Operating Systems



We develop the leading databases and operating systems for economic development organizations

Wavteq Institute



Wavteq Institute is the thought leader in FDI with the leading knowledge and e-learning platform

fDi intelligence



We are the technology, consulting & sales partner of fDi Intelligence, Financial Times and have a global franchise agreement

1,500
Organizations

1,500 EDOs and IPAs currently using our services

15
Worldwide Offices

80 FDI consultants across 15 major source countries

\$50 billion
Project Successes

Facilitated over \$50 billion of Greenfield investments for IPAs

Agenda for Theme A

THEME A: UNDERSTANDING INVESTMENT OPPORTUNITIES AND IDENTIFYING BANKABLE OPPORUNITIES

Module 1: Understanding an investment opportunity (Presenter: Alex DiPaola)

- Opening statements and Introduction to training series (15 mins)
- Introduction to IPROs (10 mins)
- IPRO examples, relevance and impact (10 mins)

Module 2: IPA strategies in identifying bankable investment project opportunities in line with country agenda (Presenter: Alex DiPaola)

- Definition of bankable project and relevance in the context of foreign investment promotion (10 mins)
- Essential elements for identifying bankable projects for economic development (10 mins)
- Main challenges IPAs face when identifying bankable investment projects (5 mins)
- Coffee Break (15 mins)

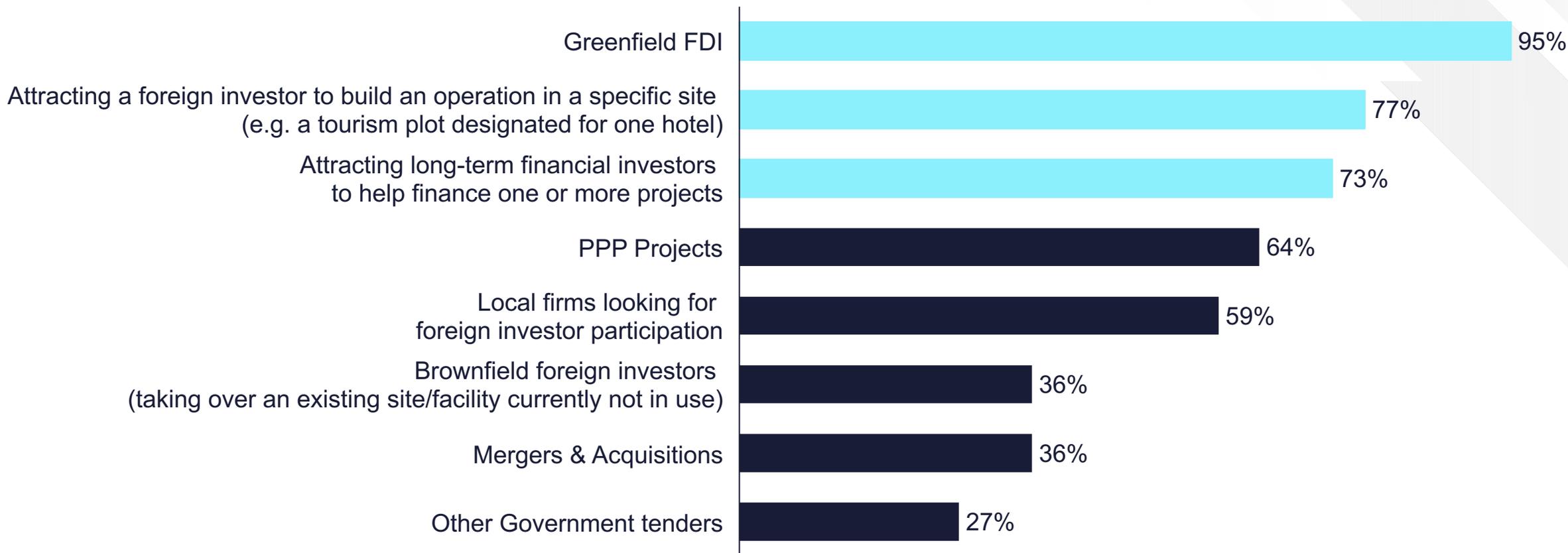
Module 3: Best practices in identifying bankable investment projects in COMESA region and worldwide (Presenter: Alex DiPaola)

- Present some interesting examples of bankable projects in the COMESA region and from around the world (10 mins)
- Practical examples of the process and criteria used for prioritising bankable projects and for PPP potential (10 mins)
- Key takeaways from these case studies and guidelines for identifying bankable projects based on global best practices (5 mins)
- Questions & Answers, explanation of first exercise (20 mins)

Module 1: Opening statements and Introduction to Training Series

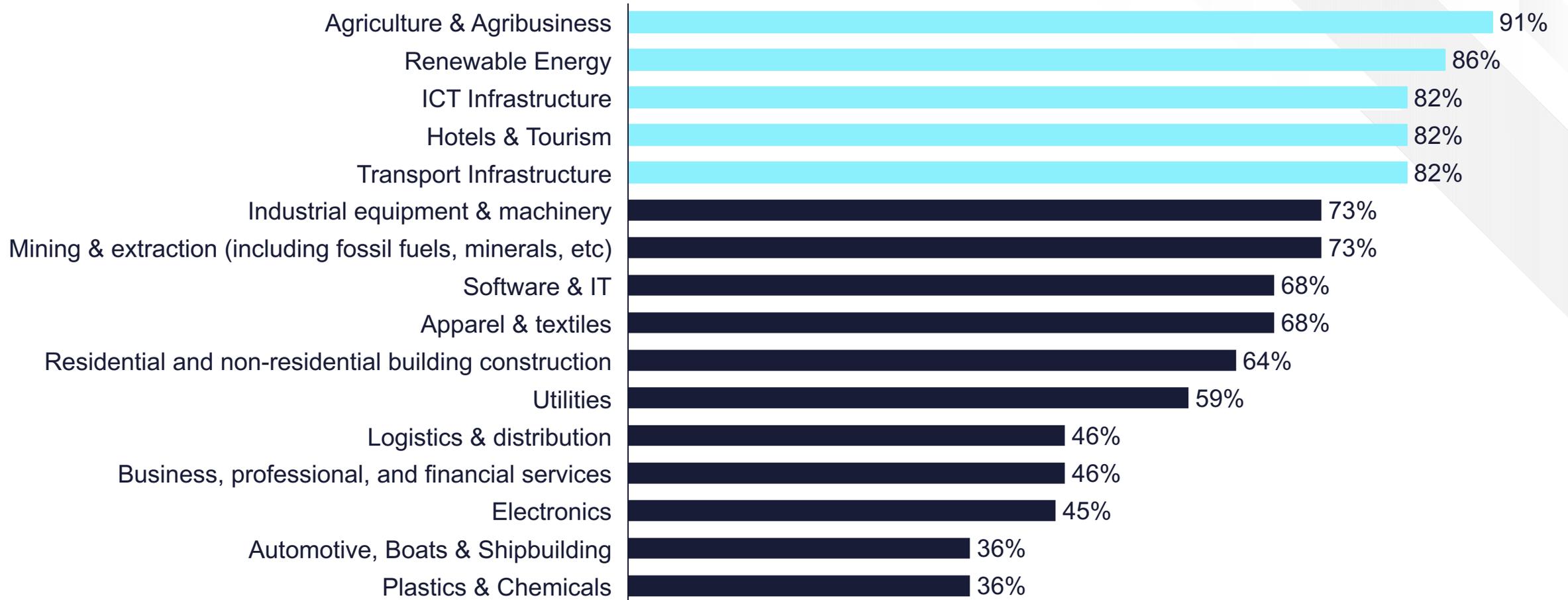
COMESA region IPAs are focused on promoting many different types of IPRO

FDI by type, % of respondents responding “very important”



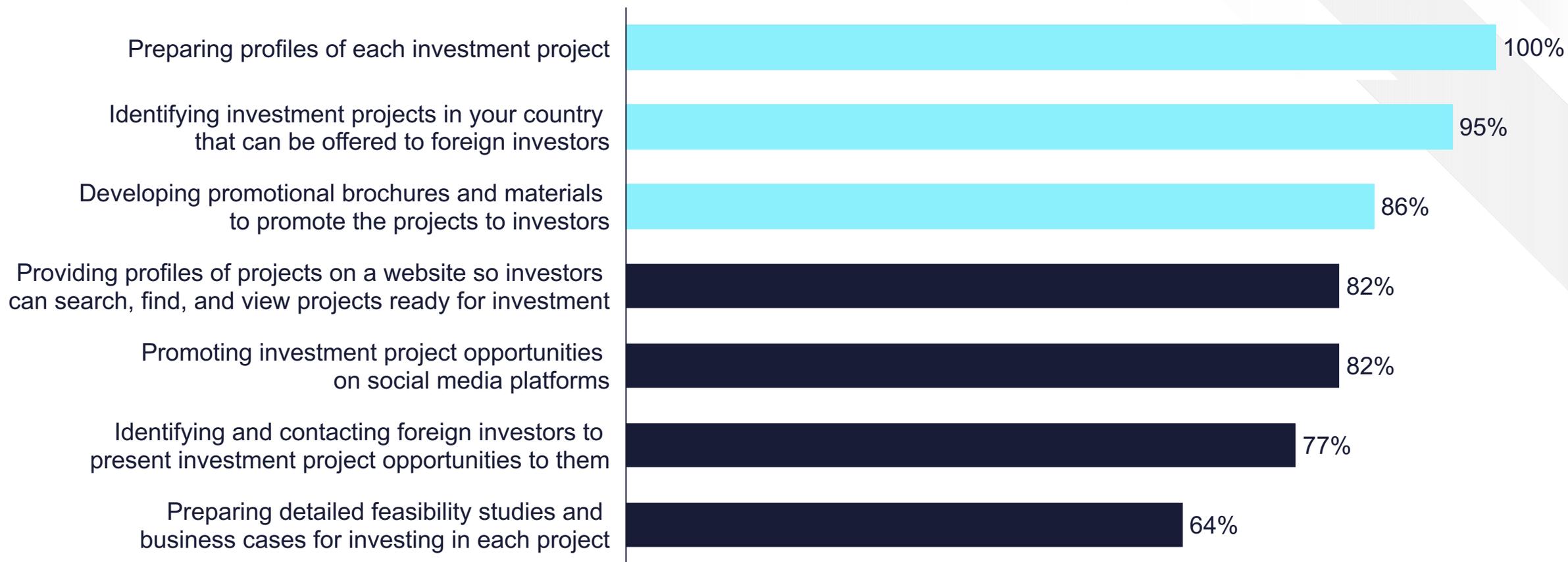
Agribusiness, Renewable Energy, ICT infrastructure, Hotel & tourism and Transport infrastructure are the most important sectors in the COMESA region

FDI by sector, % of respondents responding “very important”



Preparing profiles, identification and promotion & packaging are key IPRO activities for NIPAs in the COMESA region

Key activities to promote IPROs % of respondents already doing or would like to do



What are IPROs?



Definition

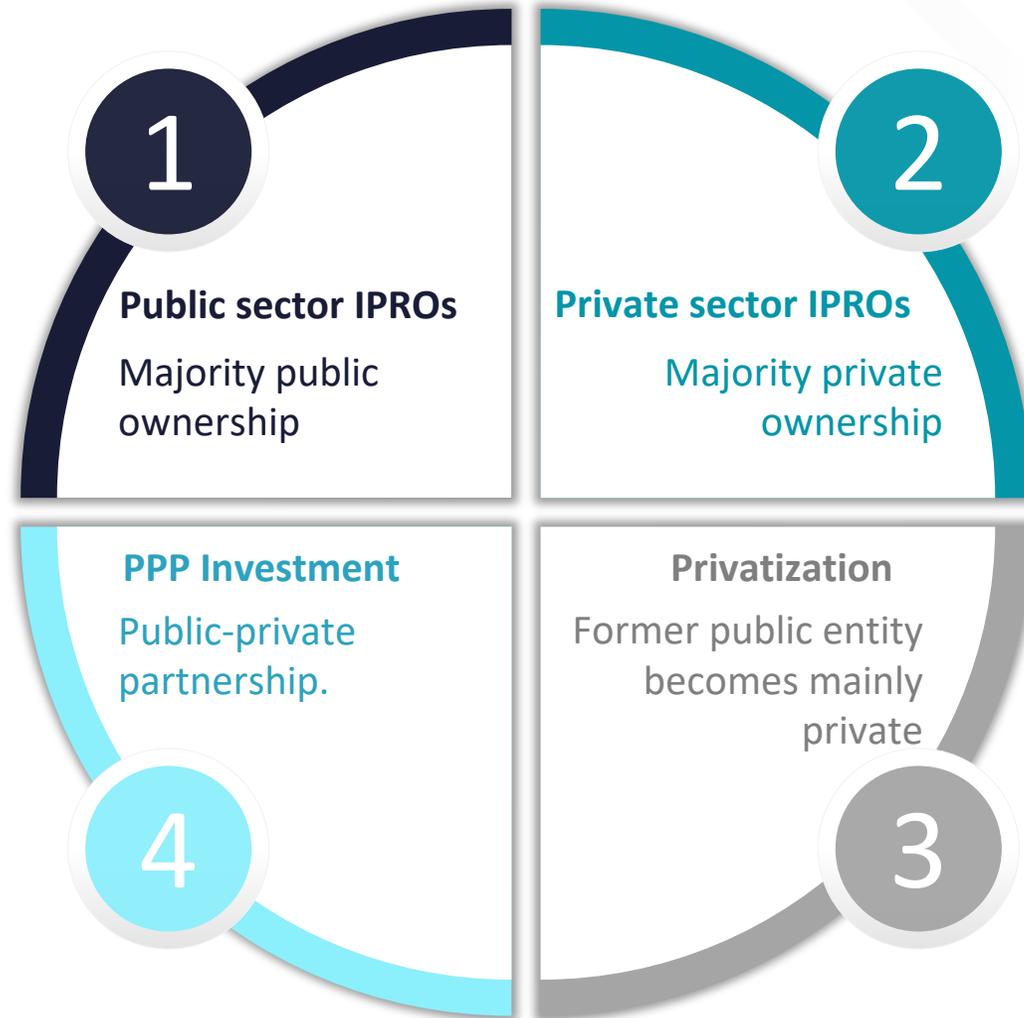
An IPRO (Investment Project Ready to Offer) is a packaged project that has been developed by a private or public entity and which is seeking investment



Key features

- Contains all **necessary information for an investor to gauge first interest** (financial analysis, sites, partners, costs, risks, profitability, etc.)
- Can be **developed by IPAs, governments or private entities**
- Is specific to a country or location's investment needs
- Can be used to **promote specific investment needs**
- Can be used to **fill financing gaps**
- Is usually **focused on long-term projects**

There are four main types of IPROs



1 Public sector IPROs



Overview

- **Majority public owned**
- Developed/packaged by a public/government entity, **seeking financing from another entity**
- **Risk/return ratio is not attractive** enough for private investors to be interested OR it is a strategic asset to remain in public ownership



Key features

- **Large scale and complex** projects
- **Strategic assets and services** government wants to keep control
- **Top National priorities**
- Projects address **clearly identified socio-economic objectives**
- **Multinational projects** (involving cooperation with other countries, for example border infrastructure)
- **High profile** projects that can be **geopolitical strategic**
- **Benefits to citizens can exceed potential revenue streams** (not attractive for private investors)



Typical sectors

- **Infrastructure** (ports, bridges, railways, airports, etc)
- **Public services** (healthcare, education)
- **Utilities** (energy, water)
- **Oil & Gas**
- **Agriculture**



IPA involvement

Dependent on individual IPA mandates. The IPA would need to have a mandate to attract financing to publicly owned projects

2 Private sector IPROs



Overview

- Majority private owned IPROs
- Developed by government or private entity, **seeking investment**
- **Public entity can still be involved**, but often as a supervisor of the contract
- If the public entity were to leave, this would be a privatization investment
- These forms of IPROs **may not be acceptable in all countries due to regulations** on promotion of private investment opportunities
- Private Investment IPROs are **often developed when it is not strategic/not possible for the government do project alone**, or they need investment or expertise from a private entity



Key features

- Profitability, and an attractive risk-return profile are key
- **Commercially attractive** with positive cash flows
- **Address untapped market** opportunities or value chain gaps
- Usually do not involved public sector assets
- **Private sector is responsible** for the design, construction, and operation of facility or infrastructure asset.



Typical sectors

- **Infrastructure** (industrial parks, logistics hubs, stadiums, convention centers, real estate developments)
- **Tourism**
- **Agriculture**
- **Industrial companies**
- **Other sectors depending on specific country context**



IPA involvement

Dependent on individual IPA mandates, regulations of individual country. The IPA would need to have a mandate to help local privately-owned companies attract investors.

3 Privatization IPROs



Overview

- Often occurs when the **state wishes to transfer ownership and control of a state-owned company to the private sector**
- A **government can maintain a minority stake** after the sale to a private entity
- Privatization is different from PPPs because ownership generally remains with public sector in PPPs



Key features

- Especially common in societies that have moved **from central planning to a market economy**
- Privatization IPROs can be especially useful for economies in transition, where **they can inject fresh capital into existing companies**



Typical sectors

- **Infrastructure**
- **Extractive industries**
- **Telecoms**
- **Utilities** (Energy, Water, etc.)
- **Transport**
- **Financial services**



IPA involvement

Depending on the mandate of the IPA, they may be asked to promote privatization IPROs.

4 Public Private Partnership (PPP) IPROs



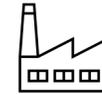
Overview

- A **long-term contract** between a private party and a government entity, for providing a public asset or service, in which the **private party bears significant risk and management responsibility**, and remuneration is linked to performance
- **Intended to get private investment for projects that are usually in public domain**



Key features

- Usually **highly complex and involving a variety of stakeholders**
- Usually for **long-term projects**
- **High budget**



Typical sectors

- **Infrastructure**
- **Extractive industries**
- **Transport**
- **Tourism & Hospitality**



Sub-types of PPP IPROs

- **Build Transfer (BT)**
- **Build Operate Transfer (BOT)**
- **Build Own Operate Transfer (BOOT)**
- **Build Own Operate (BOO)**
- **Rehabilitate Own Operate Transfer (ROOT)**



IPA involvement

Depending on their mandates, IPAs can be involved in such IPROs in various capacities

There are different sources of private investment...

Foreign and domestic investors

- Project developers
- Private companies
- Private equity funds

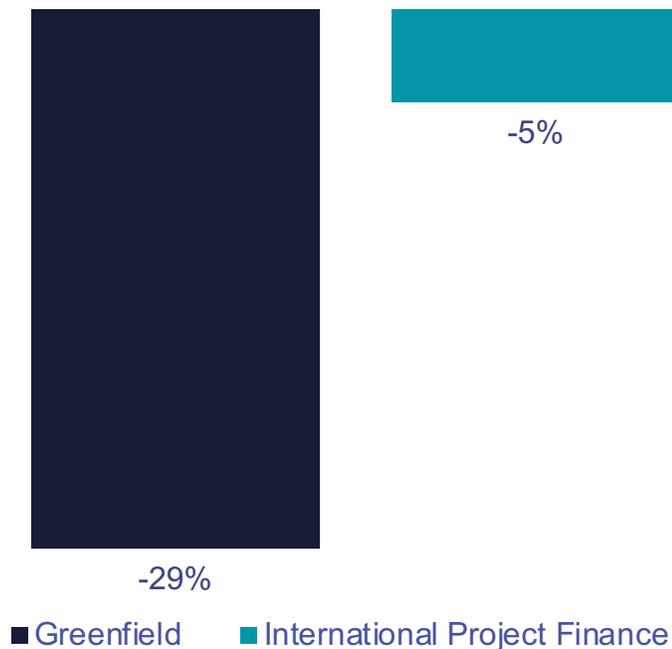
Long-term financial investors

- Institutional investors
- Pension and insurance funds
- Sovereign wealth funds

- A growing institutional investor industry can be tapped for **long-term investments**
 - Institutional investors are increasingly **moving into new assets classes** in search of yield and diversification
- **Pension and insurance funds** due to the longer-term nature of their liabilities, represent a potentially major source of long-term financing for illiquid assets such as infrastructure
 - African pension funds have indicated a strong interest in investing in Africa's infrastructure,
 - Goal of allocating 5% of their investments in infrastructure from 1.5% under management in 2018
- **Sovereign Wealth Funds (SWF)** have followed a similar pattern as pension funds
 - Assets under management amounted \$9.15 trillion as of 27th September 2021

Project finance activity proved more resilient than greenfield FDI during Covid

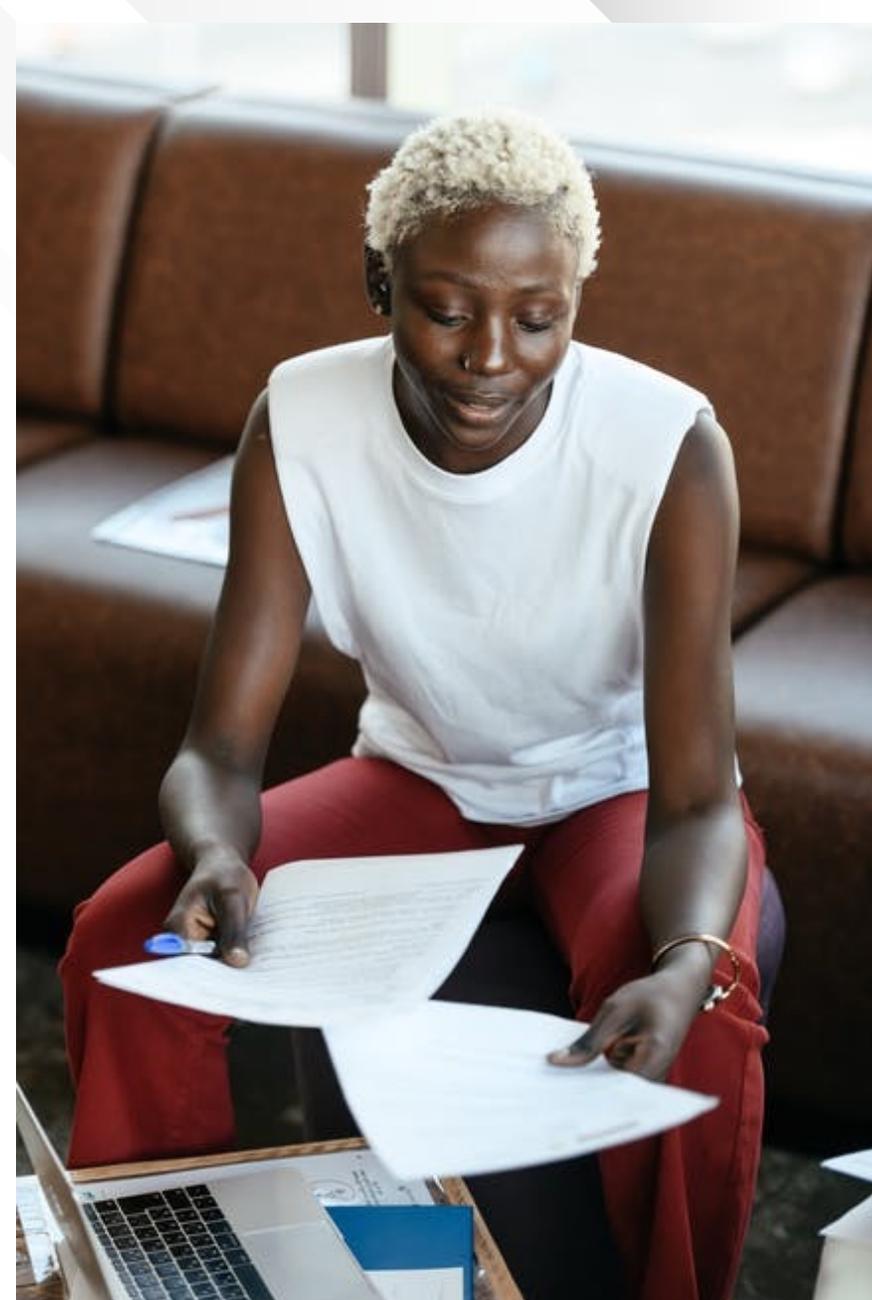
Decline in Announced Greenfield Projects vs. Announced International Project Finance Projects, %, 2019-2020



- International project finance activity was less impacted by COVID-19 than greenfield FDI, with a **decline of only 5% in the number of new projects** (vs. -29% for Greenfield FDI).
- However, such resilience in international project finance activity was only in terms of number of projects and not capex value and largely due to **Renewable Energy projects, which accounted for more than half of such deals.**
- **In terms of value, most project finance is in the infrastructure sector.**

Why do IPROs matter?

- They can support **expansion of domestic companies**
- They can **raise the profile of a location**
- Act as a strong means of **investment promotion** when IPA resources are limited
- Can be used to **secure investment in supply chain gaps or upgrade industry value added.**
- Are **more resilient during crisis**: project financing was less impacted than Greenfield FDI during Covid
- Are a way **IPAs can support various forms of FDI** (JVs, M&A, etc.)
- Can be used to **promote specific investment opportunities**



Module 2: IPA strategies in identifying bankable investment project opportunities in line with country agenda

About Module 2

- We will discuss what a bankable project is and why they are relevant in the context of foreign investment promotion
- We will review the essential elements for identifying bankable projects:
 - Engaging with project preparation partners
 - Screening viable and valuable projects
 - Assessing bankability
 - Prioritising high potential bankable projects
- Finally, we will look at the main challenges IPAs face when identifying bankable investment projects

“Bankability” definition can vary depending on the perspective of the financier / investor

WHAT MAKES PROJECTS “BANKABLE”?



Private Investors: bankability refers to the costs and benefits of the project, and hence the profitability and potential financial returns of the project



Public sector: a bankable project responds to national priorities (e.g., social impact, employment, economic diversification)



Financial Institutions: projects are commonly named “bankable” if lenders are willing to finance. Higher bankability means access to more funding and/or better conditions, interest rates, and repayment terms



Donor or International Organization: social and economic impact are key when considering funding a project (e.g., positive impact on poverty alleviation, gender equality, environmental sustainability)

Infrastructure provision in Africa is not sufficient, there is a big gap between demand and supply

WHY IDENTIFY BANKABLE INVESTMENT PROJECT OPPORTUNITIES?

Africa's infrastructure **investment needs have increased** over time

- AfDB estimates that the continent **infrastructure needs** amount to **\$130–170 billion a year**, with a financing gap in the range \$68–\$108 billion
- Closing the infrastructure gap —**transport, energy, water, and e-connectivity**—is critical to spur economic growth and reduce intraregional trade barriers

*The investment gap in infrastructure is not the result of a shortage of capital ... The **main challenge is to find bankable and investment-ready projects.** - The Business Twenty (B20) Taskforce*

AfDB Estimates of Annual Infrastructure Investment Needs (USD billion, 2018)

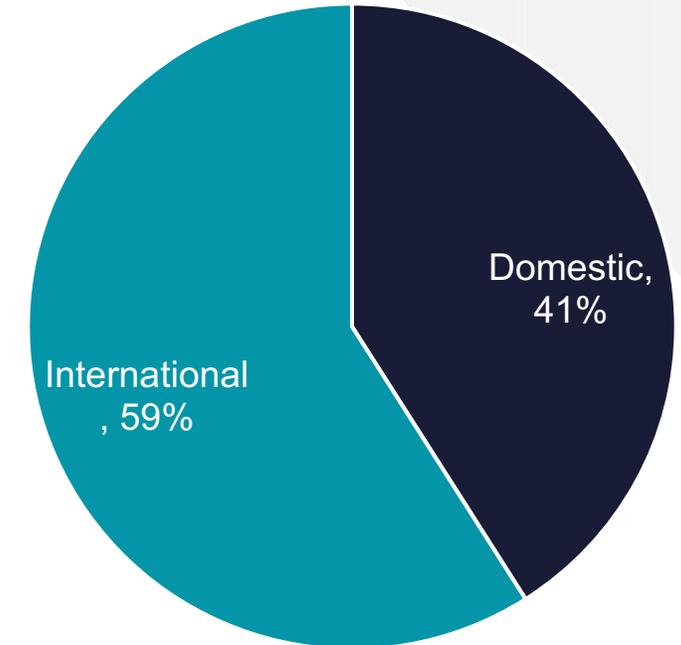


It is difficult for the public sector alone to provide sufficient infrastructure investment, thus private investment is necessary

WHY IDENTIFY BANKABLE INVESTMENT PROJECT OPPORTUNITIES?

- Due to the limited availability of public finance, **private investment** is very relevant to **fill the infrastructure finance gap**
 - Globally, more than **80% of private participation** in infrastructure is implemented by the **form of PPP**
 - About 59% are sponsored by international investors
- Considering immature and limited financial markets in developing African countries, **FDI can play an important role** in providing infrastructure, public services and access to finance to strategic projects across different sectors

Sources of Private Investment into Developing Countries' Infrastructure, 2020



Understanding roles and designing institutional arrangements is key for bankable investment project identification and promotion

WHAT IS THE ROLE OF THE IPA?

Developing and implementing bankable projects require **commitment and a broad range of skills** and expertise:

Ministries and Regional/Local Government: responsible for **identifying, developing and implementing a bankable project** typically falls to the government entity responsible for the delivery of the relevant asset or service:

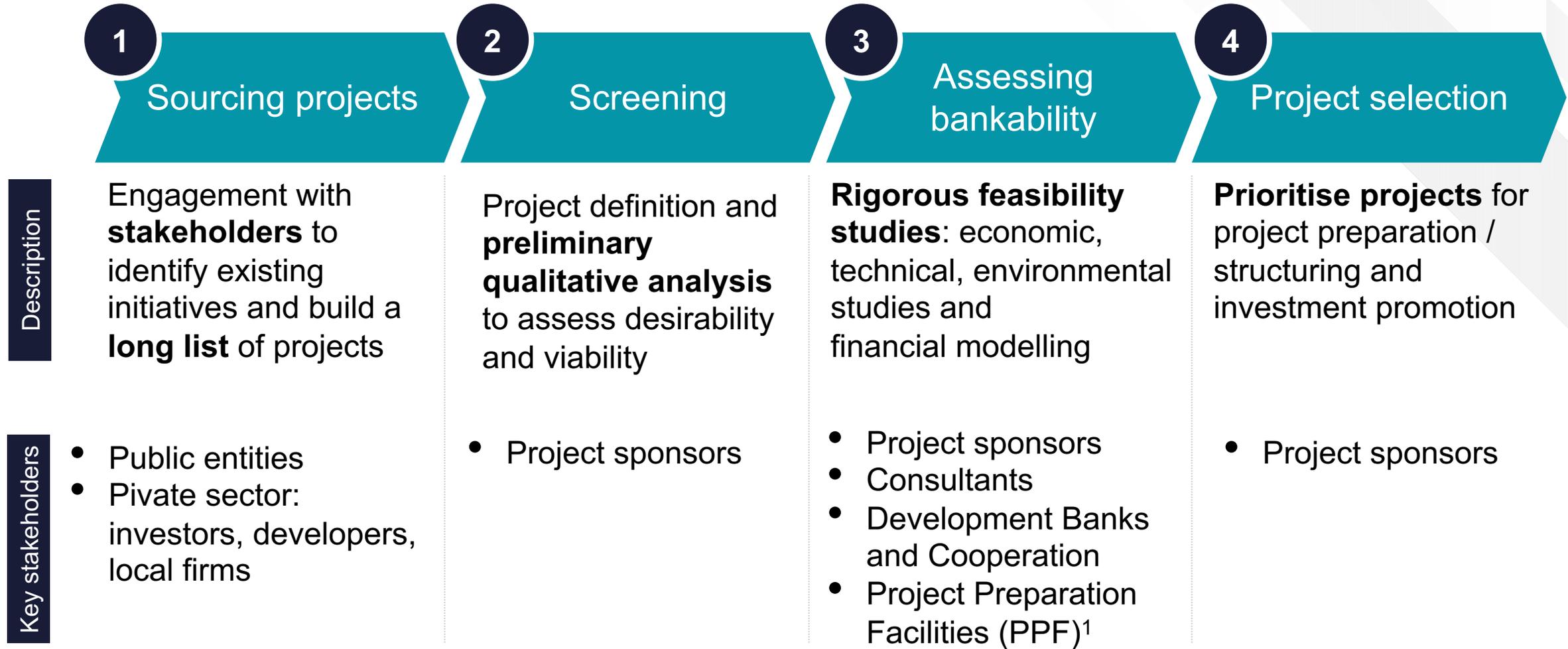
- Planning and programming
- Structuring the project
- Designing the contract and tender process
- Bidding out the transaction
- Managing the contract

Dedicated PPP units: government teams focusing on **promotion and facilitation of infrastructure investment projects**. Functions usually include policy guidance and capacity building, technical support for project formulation, private investment promotion, and overseeing the management of **PPP projects**.

Investment Promotion Agencies: promote bankable investment project opportunities and support government agencies in **screening for bankability potential**. IPAs bring relevant expertise in dealing with the private sector and foreign investors.

Building up a rolling pipeline of bankable projects

KEY PHASES FOR THE IDENTIFICATION OF BANKABLE PROJECTS



Source: Wavteq

¹institutions that offer financial and technical assistance for the preparation of project, and prepare project proposals based on concept notes, particularly in infrastructure. African PPF Network <https://www.icafrica.org/en/project-preparation/project-preparation-facilities-network-ppfn/>

1 Sourcing projects

Mapping and engaging with parties involved in project design and planning



- Source initiatives and privatization of state-owned assets opportunities:
 - **Existing project pipelines**
 - Review **policy documents** and infrastructure master plans
 - **Stakeholder consultations**

- Engage with strong project sponsors or champions that can be pivotal in driving projects from concept:
 - **Unsolicited proposals**
 - **Market studies**
 - Industry **value chain analysis**
 - **Consultations** on specific business opportunities

1 Sourcing projects

Bankable investment projects can originate from various sources and motivations:

Government investment projects: Most projects originate from **broader public investment planning** processes

Sector reforms: Introducing **private participation** to improve competitiveness of **certain sectors**

Policies for industrial development: **Industry development plans**, regulations coupled with investment incentives are used to guide private investment into strategic projects and industries such as tourism.

Broader development goals: projects contributing to the **Sustainable Development Goals (SDGs)**, building climate resilience, reducing inequalities, etc.

Market potential: **growth of demand**, real incomes expansion and/or **unsatisfied market demand** (e.g. import substitution) creates attractive areas of growth and opportunity for bankable investment projects

Technology advancement: Innovative and more advanced processes and equipment may suggest new or **modernisation projects**

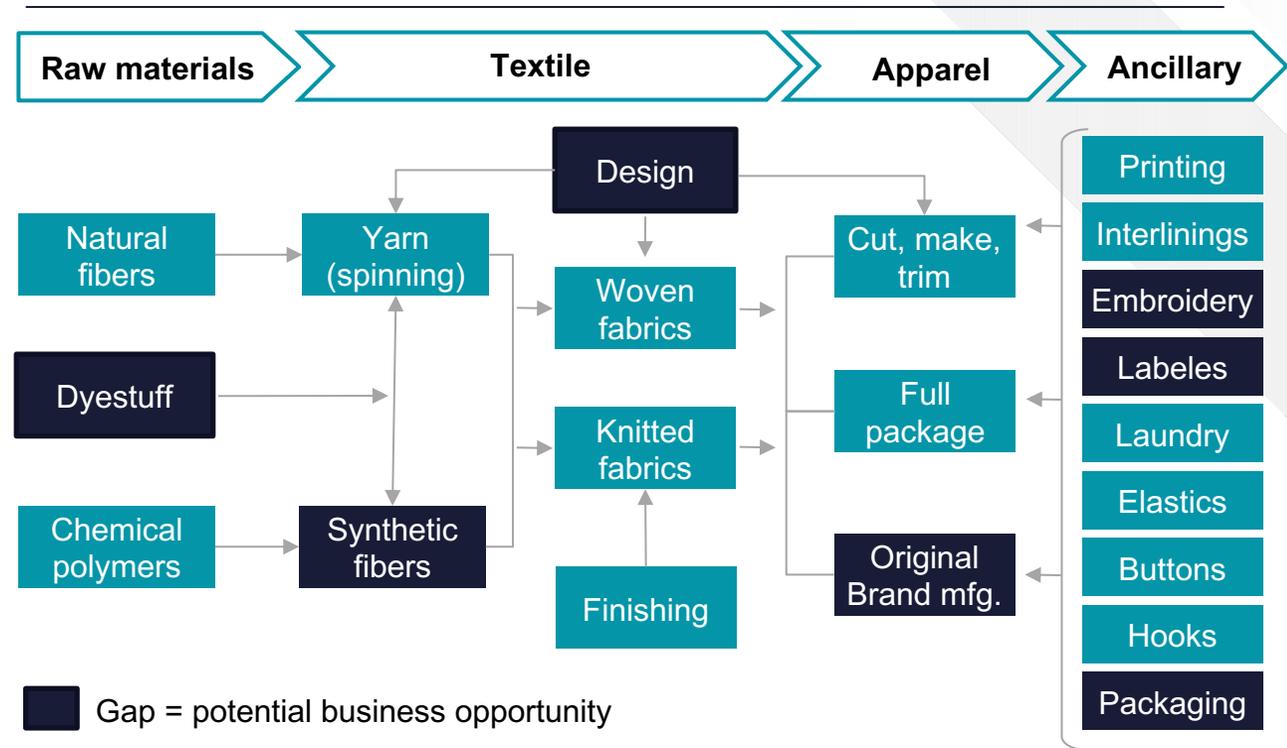
Local enterprises initiative: **Companies' interested in expanding** into vertically integrated product lines or diversification

1 Sourcing projects

Local firms looking for foreign investors can be a good source of bankable business projects

- Industry and company **value chain analysis** can help uncover **untapped opportunities**
 - Development of local supply chains
 - Create / strengthen industry clusters
 - Substitute imports
 - Increase exports
 - Support diversification
- **IPAs can discuss** these untapped business opportunities with **major industry players**
- IPAs can also **request local companies to submit projects** they have already identified
 - Expansion plans and funding needs that could be filled by foreign capital

Illustrative simplified example of Textile and Garment value chain analysis



2 Screening

Specific objectives of the screening phase



- Select strategic projects most likely to **attract private sector interest** (as PPP or non-PPP mechanisms)
- Help responsible authorities decide if **the project requires a detailed analysis**
- Help identify **deal-breakers** and project definition gaps (e.g. land ownership disputes)
- **Flag the key elements required** in the project profiles (e.g., risk profile, economic and financial returns)

2 Screening

Key screening steps

Build a project database

2.0

Project name, sector, project status, location, investment, stakeholders, sources, etc.

Develop project concepts

2.1

Review and develop concepts with projects sponsors based on: e.g., project description, need assessment scope and expected outcomes

Select your screening criteria

2.2

Screening criteria:

- Investor requirements
- Enabling environment
- Country agenda

Screen and select high potential projects

2.3

Reject or reconsider at a later stage

Short list of high potential projects

2.4

Move to Phase 3

2.0 Screening: Building a project database

- As a joint outcome of phase 1 (Sourcing) and as an initial step in Phase 2 (screening), a detailed **project database needs to be developed**
- The project database should include a **long list of potential IPROs** that are going to be screened and evaluated
- Key information that should be included: **project name, concept, sector, investment value, investment type, location, project status, key sources and stakeholders**

Sample Project database

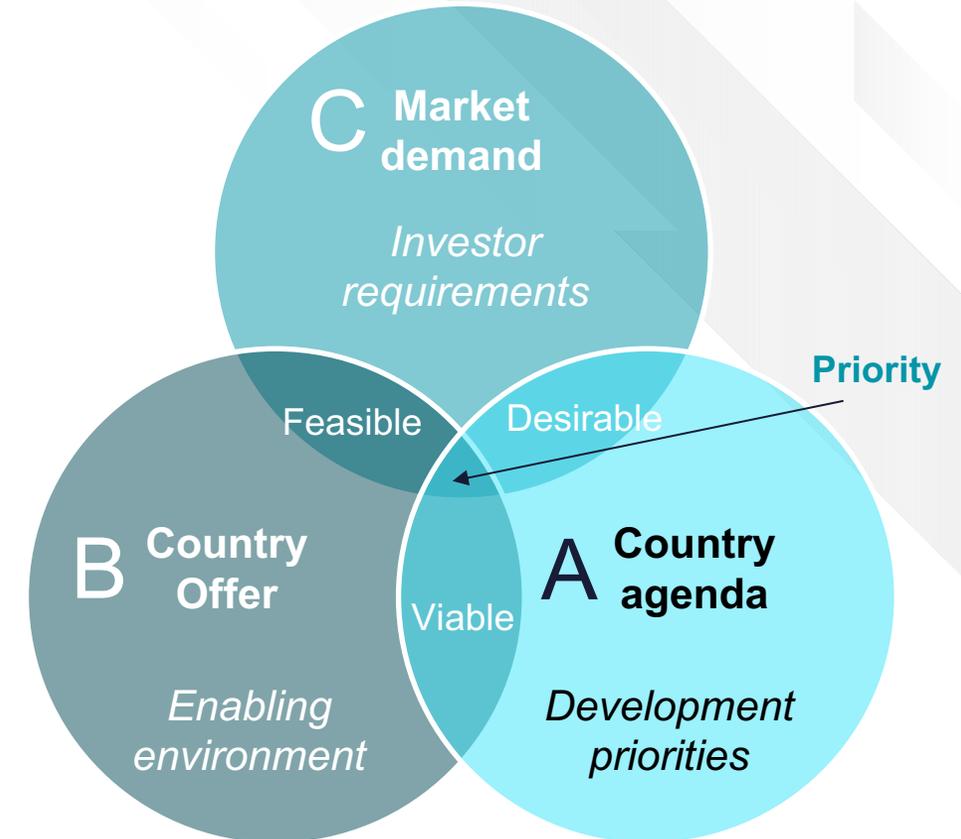
ID	Project Name	Concept	Sector	Investment value	Type of investment	Location	Project status	Key sources	Key Stakeholders
Example	Inland Port	<i>Uganda Railways Corporation is seeking a partner to expand inland ports services to less advantaged rural communities in order to enhance mobility and foster development. In its initial stages, the project considers the critical need to restore the port services at two existing inland ports of Port Bell and Jinja which are currently operating at a low level. The demand for the port services is growing exponentially with huge potential.</i>	Infrastructure	USD 444 million	PPP - Brownfield	Lakes Uganda	Concept	Railway Infrastructure Project Pipeline	Uganda Rail Corporation African Development Bank
1									
2									
3									

2.2 Screening: Criteria

Candidate bankable projects screening criteria

- The screening framework looks at opportunities through three different lenses:

- A Country agenda:** Potential to promote development, sectorial, social, and environmental objectives in line with overall development priorities
- B Country offer:** Economic and political environment and sector value propositions are important considerations. The relevance given to enabling environment may differ depending on the investor and the risk-return ratio
- C Market demand:** What investors are looking for, project scales and risk-return profiles that interest investors



2.2A

Screening criteria: Country Agenda

- Determining whether potential **bankable investment projects contribute to longer-term socio-economic impact**

Examples of criteria

Main criteria	Sub-criteria
National priority	<ul style="list-style-type: none"> • Alignment with National Strategy • Mentioned in the Industrial Development Strategy • Clear benefits to civil society • etc...
Specific objectives	<ul style="list-style-type: none"> • Address the Sustainable Development Goals • Positive impacts on social inclusion or vulnerable groups • Contribution to regional integration • Climate action impact • etc...
Strategic infrastructure (if applicable)	<ul style="list-style-type: none"> • Linkages with Master Plan • etc..

Check points for bankable project promoters:

- Is the project justified?
- Does it link development strategies?
- Does it benefit citizens?
- Does it support increased sector competitiveness?

2.2B

Screening criteria: Enabling environment factors

Examples of criteria

Main criteria	Sub-criteria
Economic environment	<ul style="list-style-type: none"> • Sustainable GDP growth • Expanding middle class • Low and stable inflation rate • Stable local currency and exchange rate • etc...
Political environment	<ul style="list-style-type: none"> • Favourable and stable tax regime • Supportive legal and regulatory framework • Efficient procurement process (for PPP) • Broad political support for the project • etc...
Sector value proposition	<ul style="list-style-type: none"> • Industry growing at an acceptable rate • Sector participation in GDP • FDI inflows • etc....

Check points for bankable project promoters:

- Is there an enabling economic and political environment?
- Is the regulatory framework supportive?

2.2C

Screening criteria: Investors requirements

The review of project specifications requires a completed project concept or pre-feasibility study that clearly present rationale and identifies technical and financial challenges

Examples of criteria

Main criteria	Sub-criteria
Project specification	<ul style="list-style-type: none"> • Clear definition of the project • Sound pre-feasibility completed • Commercially attractive • Technically viable • Potential financial returns • Acceptable risk allocation • Etc
Investment facilitation	<ul style="list-style-type: none"> • Site acquisition and land access • Existence of offtake agreements¹ and guarantees • Availability of tax incentives or other investment incentives • Workforce availability • Etc

Check points for bankable project promoters:

Has the project been clearly defined?

Does it identify and allocate risks?

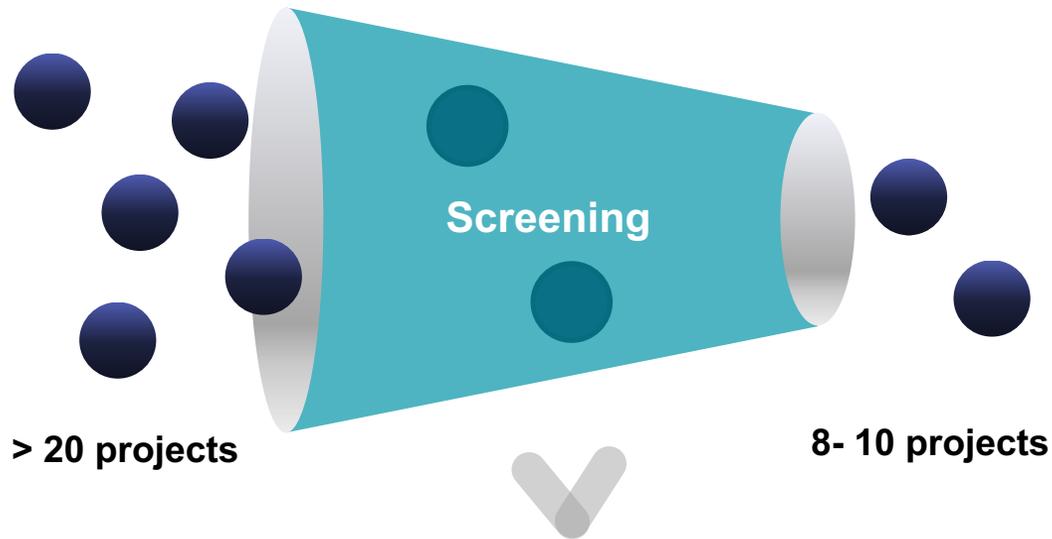
Is it technically and commercially viable?

Has a business case / feasibility study been carried out?

¹ An offtake agreement is an arrangement between a producer and a buyer to purchase or sell portions of the producer's upcoming goods. It is normally negotiated before the construction of a factory or facility to secure a market and revenue stream for its future output

2.3

Screening: Pre-selecting bankable projects



Projects	Sector	Stage	Country Agenda	Enabling environment	Investor requirement	Score
Feed production	Agribusiness	Project concept	High	Medium	Low	Medium
Metro	Transport infrastructure	Pre-feasibility	High	High	Medium	High
...						

- Using a **defined screening technique** provides a structured mechanism for objectively ranking the viability and value of the project pipeline
- Widely used options for **prioritisation** include:
 - Ranking method
 - Weighted scoring method
 - Compliance checklist
 - Multi-voting based on group discussions
- **Potential projects** coming out of the screening process are **further developed** and undergo an **appraisal process for feasibility and bankability**
- **Projects that fall out** of the screening process can be further **studied and developed at a later stage**, or to be considered for **traditional public investment**, fully funded by taxpayers

2.3

Screening: Practical example with a weighted scoring approach

Illustrative example of an investment project screening

Country offer: Enabling environment

Scale of 1 – 5: 1 = very poor, 5 = very attractive

Country offer	Market demand	Country Agenda			
Enabling Environment criteria	Legislation and regulatory framework supportive of project implementation	Buy-in from key stakeholders	Industry GDP growing at an acceptable rate	Strong concentration and linkages of related industries	Total score
Service and maintenance of onshore wind power	● 5	● 5	● 5	● 5	● 5
Design and manufacturing of wind turbines control systems	● 5	● 5	● 4	● 5	● 5
Construction and operation of grain storage silos	● 5	● 5	● 3	● 5	● 5
Electric car charging infrastructure	● 4	● 3	● 2	● 2	● 3
Manufacturing of eco-friendly and biodegradable packaging for the food industry	● 2	● 4	● 5	● 3	● 3
Repowering of onshore wind power farms	● 2	● 3	● 4	● 5	● 3
Construction of a canal to transport water for the irrigation of 60,000 new hectares	● 3	● 2	● 4	● 3	● 3
Logistic platform and operation located in the agribusiness industrial park	● 3	● 2	● 3	● 2	● 2
Product extension to pre-prepared convenience food range of fresh vegetables and legumes	● 5	○ 1	● 3	● 2	● 3
...

Sector	Long list of investment opportunities	Investment type	Market demand	Country offer	Country Agenda	Total score
			25%	30%	45%	100%
Renewable Energy	Service and maintenance of onshore wind power (Independent Services Provider - ISP)	Joint Venture	● 5	● 5	● 5	● 5
Renewable Energy	Design and manufacturing of wind turbines control systems (hardware + software)	Greenfield	● 5	● 5	● 5	● 5
Agribusiness	Construction and operation of grain storage silos	Greenfield	● 5	● 5	● 5	● 5
Cleantech	Electric car charging infrastructure	PPP	● 5	● 3	● 5	● 4.4
Agribusiness	Manufacturing of eco-friendly and biodegradable packaging for the food industry	Joint Venture	● 5	● 3	● 5	● 4.4
Renewable Energy	Repowering of onshore wind power farms	Brownfield	● 3	● 3	● 3	● 3
Agribusiness	Construction of a canal to transport water for the irrigation of 60,000 new hectares	PPP	● 3	● 3	● 3	● 3
Logistics	Logistic platform and operation located in the agribusiness industrial park (construction of warehouses, lifts and multimodal freight infrastructure)	PPP	● 3	● 2	● 3	● 2.7
Agribusiness	Product extension to pre-prepared convenience food range of fresh vegetables and legumes	M&A / Private Equity	● 3	● 3	○ 1	● 2.1
...	○ 1	● 3	○ 1	○ 1.6

Pre selected projects

3 Assessing bankability

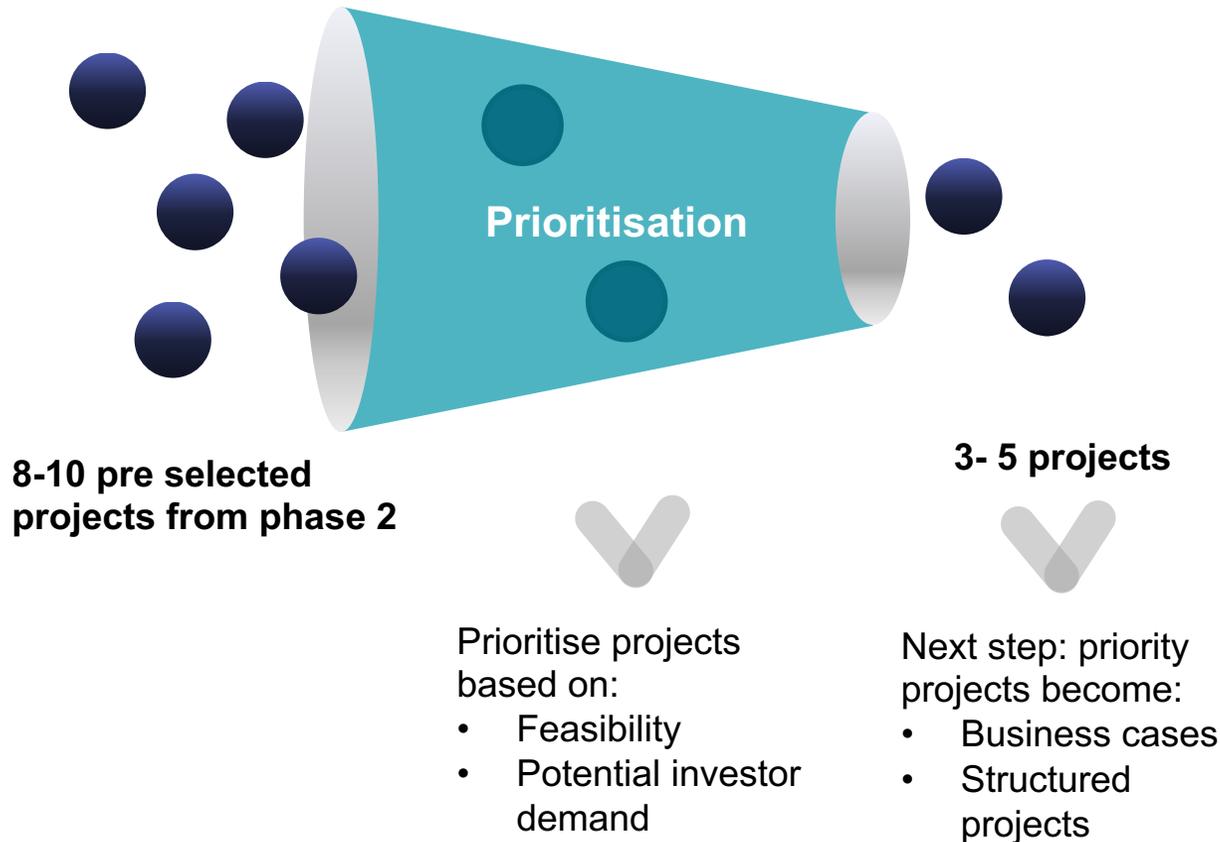
Specific objectives on why to assess bankability



- Conduct an **in-depth assessment** on whether a project is bankable and ready to invest based on different feasibility dimensions: **economic, financial, technical, legal, environmental and social sustainability**
- Help authorities **identify funding mechanism for projects**: public, private, PPP, etc.
- Identify projects with highest potential

3 Assessing bankability

Checking feasibility is important when prioritising projects most suitable for private investment promotion



A Feasibility is essential when assessing a project's **bankability potential**:

- **Key factors:** market, technical, economic, financial, social, environmental, and managerial factors
- An upfront **financial modelling** is needed in determining which projects offer an **attractive risk-return** profile and can generate enough revenue to attract private investment

B Potential investor demand to test **market demand** and determine projects that are most ready to go to market

3A

Feasibility

A **feasibility study** is an analysis of the ability to complete a project successfully

- Answering these questions to assess project bankability involves obtaining and reviewing several detailed studies
- Project preparation including feasibility studies is usually the responsibility of government agencies, PPP units, planning authorities, or commissioned to independent technical experts. **Theme B will go deeper into the feasibility study preparation**

Assessment area	Objective	Question to Answer
Project rationale	Assess the need for and rationale for the project, outlines its scope and outcomes	Is the project needed?
Compliance with legal regulations	Identify any constrains or conflicts with legal requirements	Are there any legal barriers ?
Technical feasibility	Establish the technical characteristics of the project: demand, project size, related capital, project costs.	Can it be implemented as planned?
Economic viability	Provide analysis of available options to determine if it is the best balance of costs, benefits and risks In PPP cases it should include a comparative assessment of private investment, PPP vs traditional public investment	Is it a strong value for the money?
Financial viability	Demonstrate affordability and how the project will be funded over its life-cycle	Is it affordable?
Social and environmental impact	Identify potential adverse social and environmental consequences of undertaking the project and suitable mitigation measures	Does it comply with environmental standards? Does it negatively impact citizen livelihood?
Roadmap for implementation	Describe how the project will be deliverable, the time frame required and how risk will be managed	Is the schedule reasonable?

3B

Potential market demand

- Understand **market trends and FDI inflows** in the sector and project type
- Compile a **list of potential investors**
- **Conduct consultations with corporations and/or possible investors**
 - Present the project briefing and test response to specific concerns
 - Request comments on the project concept, commercial and technical viability
- This focused market demand analysis brings an **investor perspective to the design of business case** at an early stage, **improving the marketability of the investment opportunity**



3 Assessing bankability: Practical example

Illustrative example of investment project prioritisation

3^a - Assessing Bankability

Rationale	Legal	Technical	Economic	Financial	Social & Environmental
<p>● No = 0 ● Neutral = 1 ● Yes = 2</p>					
Bankability check-list: Economic viability		ISP ¹	Wind turbine control	Grain silos	...
Current and future demand justify the project		●	●	●	
Cost-benefits are estimated and acceptable		●	●	●	
Sufficient return on equity		●	●	●	
Risks are quantified and reasonable		●	●	●	
Total points		6	3	7	...

3B- Assessing potential demand

Potential demand	ISP	Wind turbine control	Grain silos	...
High investment inflows into the sector	●	●	●	
Favorable industry trends in the region	●	●	●	
Positive feedback from investor community	●	●	●	
Total points	6	2	4	...

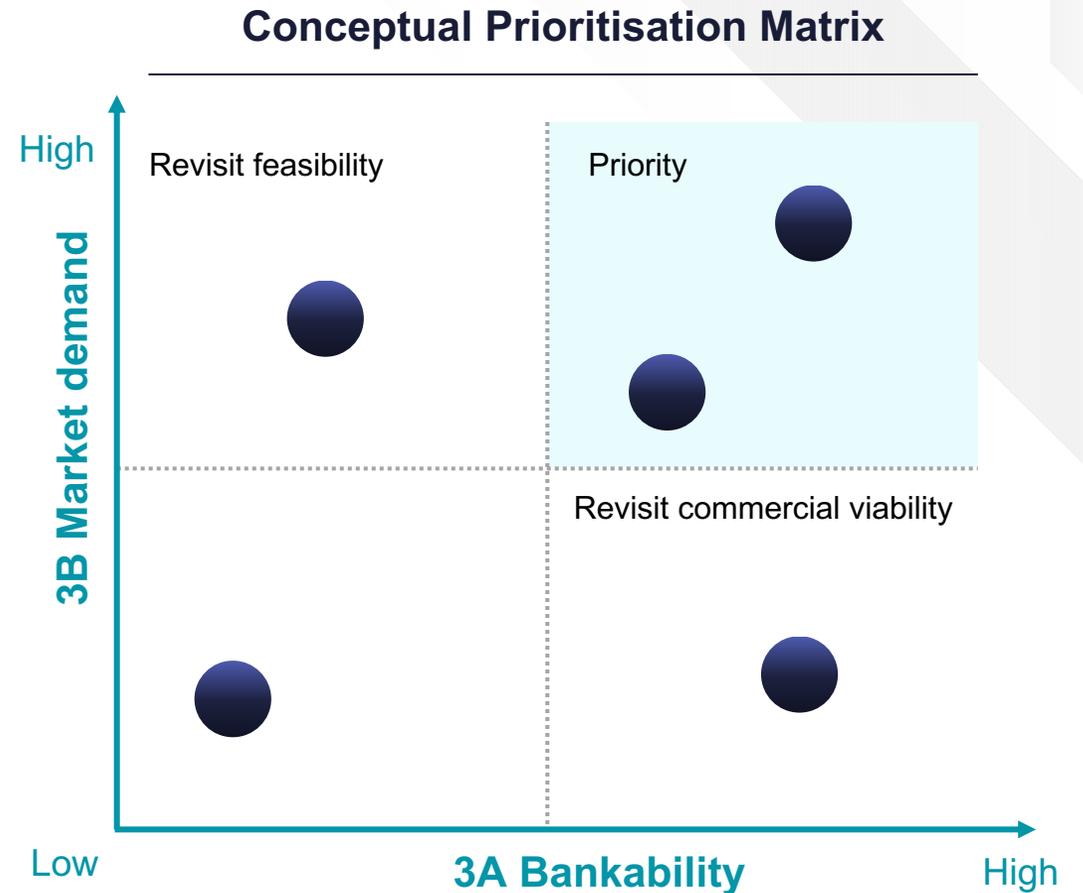
Source: Own elaboration based on an actual case

¹ ISP: Independent Service Provider

4 Selection of priority projects

Prioritise projects that are bankable and considered most ready to go to market

- Project prioritisation provides a **consistent approach to identify high potential bankable** projects according to **bankability (3A)** and **market demand (3B)**
- For priority projects, prepare the Business case that encompasses all market and feasibility information (**Theme B**), that when packaged and presented together provides a convincing and solid case to investors (**Theme C**)



4 Selection of priority projects: Practical example

Short list of investment opportunities	Investment type	3A Bankability	3B Market demand
Service and maintenance of onshore wind power (ISP)	Joint Venture	●	●
Design and manufacturing of wind turbines control systems	Greenfield	◐	◐
Construction and operations of grain storage silos	Greenfield	●	●
Electric car charging infrastructure	PPP	◐	●
Manufacturing of eco-friendly and biodegradable packaging for the food industry	Joint Venture	◐	●

 Priority projects

High = ● Low = ○

Challenges of identifying bankable investment projects

- Requires more time and effort due to **extensive stakeholder engagement**
- Institutional arrangements and **coordination** between stakeholders **can be difficult**
- **Shortage of bankable projects**, coupled with poor project preparation and deficient value for money assessment
- Converting project proposals into **economically attractive** investment opportunities depends on several factors **beyond IPA control** (e.g. cost-benefit of the project)
- **Lack of data and feasibility studies**, which may lead to a high level of misinformation about feasibility, cost, and benefits
- Sometimes Government entities **lack capacity and knowledge in economic and financial appraisal** of bankable projects
- Preparation, procurement and management of PPP contracts can be a **complex and resource-intensive** undertaking

What can IPAs do to begin the promotion of bankable projects?

- **Facilitate cooperation** between ministries, regional and local government, multilateral banks, and the private sector
- **Improve investors' understanding** of the country's **economic opportunities** and strategic **sectors**
- **Raise awareness of project bankability** in the context of investment promotion and help Government agencies understand **investors motivations and requirements**
- **Engage in policy advocacy** for improving enabling environment and the development of a stronger PPP regulatory framework
- Ensure that technical and financial **feasibility embeds** economic **development priorities and investment determinants**
- **Assist Government** entities with **project identification** and flag project preparation gaps
- **Offer experience and specialist skills** in dealing with private investors
- **Target investors** and continue promotion of current and upcoming investment opportunities

Coffee Break – 15 minutes



Module 3: Best practices in identifying bankable investment projects in COMESA region and worldwide

About Module 3

- We will review some interesting examples of bankable projects in the COMESA region and from around the world
- We will present practical examples of the process and criteria used for prioritising bankable projects, particularly for PPP potential
- We will discuss key learning points from these case studies and provide guidelines for identifying and developing bankable projects based on global best practices

Bankable project examples from COMESA

Zambia and DR Congo: Kasomeno – Mwenda Toll Road

- Launched on April 2021
- Strategic project: **Regional integration**
- The project **preparation studies** were funded by the **Development Bank of Southern Africa (DBSA)**
- **PPP Project, specifically BOT.** The toll to be operated on a 25-year concession between international and local contractors and the Government
- **Road pricing** proved to be a **sustainable way of funding road infrastructure** in COMESA countries and a good way of attracting the private sector as development partners



Bankable project examples from COMESA

Zimbabwe: Beitbridge Border upgrade and Freight Terminal

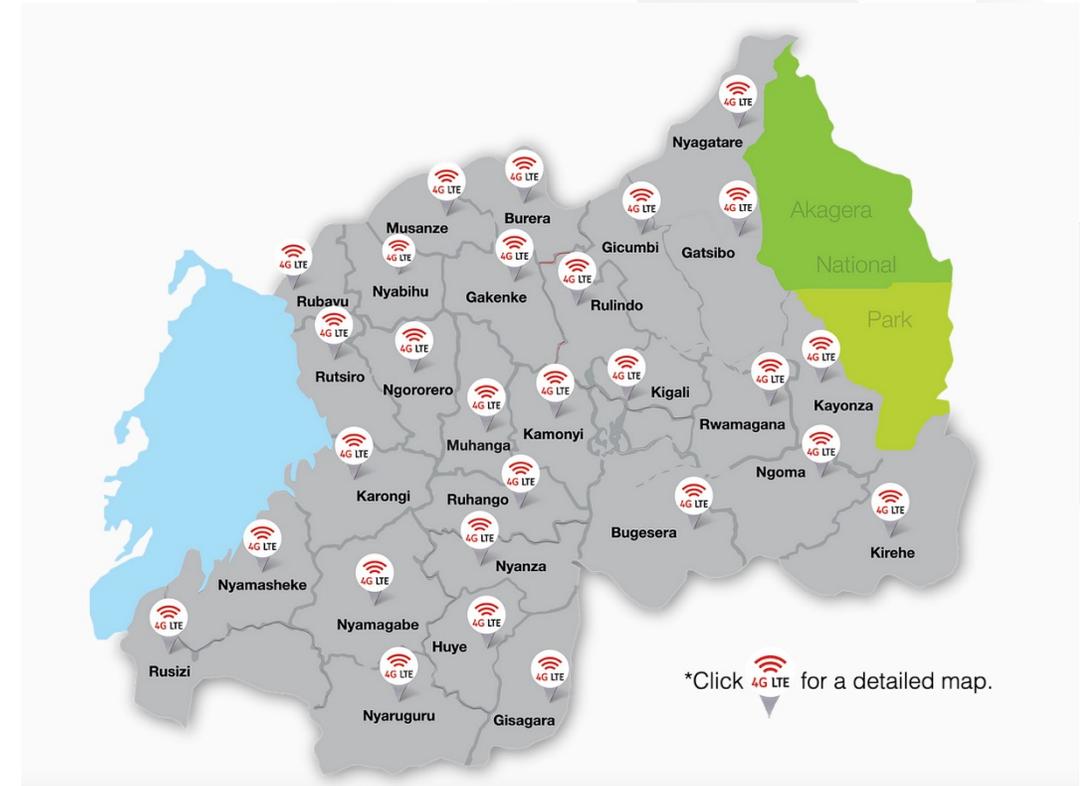
- Strategic project: Beitbridge border post is one of the **busiest border posts in Africa**.
- High traffic was key in making the project bankable
- **17-year BOT** arrangement between the Government and Zimborders Consortium
- **Brownfield** investment: existence of the bridge makes **easier to accurately forecast** future demand and revenues
 - The current border is expected to carry **its capacity five-fold** upon full completion next year



Bankable project examples from COMESA

Rwanda: High-capacity national optic fiber backbone

- **Priority project aligned** with the country vision “Smart City Masterplan” to transform Rwanda into a **knowledge-based society** by 2020
- **25-year PPP (joint venture) project** between Korea Telecom (KT) and the government, established in 2013
- Involved the development of a 2,300 km of fibre network
- In 2016 population coverage was about 30%, in 2020 Rwanda achieved 4G network coverage for 97% of the population





Uganda: Industrial sector

- **Example of a bankable opportunity** to exploit the mineral resources from Uganda
- Promoted by Invest Uganda
- Local companies have developed viable investment projects and look for partnerships to implement them
- This is promotion of a **PPP** through a Special Purpose Vehicle (Joint Venture)

Iron and Steel Development Project

Proposed Investment:	IRON AND STEEL DEVELOPMENT PROJECT	
Project Site/ Location:	KANUNGU, KABALE AND KISORO DISTRICTS	
Sector:	Mineral Development	
Investment Promoter:	Name:	Martin Muhangi
	Email:	mmuhangi@ugandainvest.go.ug info@ugandainvest.go.ug
	Telephone:	+256-313-301000 +256-414-301154
	Company:	Uganda Investment Authority
Project Contact:	Name:	Ministry of Energy and Mineral Development (MEMD)
	Email:	psmemd@energy.go.ug , dgsm@minerals.go.ug
	Telephone:	+256-414-23021 +256-414-250105 +256-414-344414
Project Description:	<p>Ministry of Energy and Mineral Development (MEMD) seeks an investor to explore, evaluate and develop iron ore in South Western Uganda estimated at over 350 metric tonnes of hematite iron ore. The investment in exploration, evaluation and processing of iron ores is a viable investment given the demand for regional and international construction and technological infrastructural projects. Government is addressing energy and road/ railway needs for the project. Similarly, the export of raw iron ores is banned with the view of reserving the resources for investment in value addition, to be able to harness and increase value for socio-economic development. This government strategy amplifies the viability of the project.</p>	
Project Details:	Investment Amount Required (US\$)	Initially USD \$4 Million (Four Million Dollars) for exploration and evaluation

Project Type	<input checked="" type="checkbox"/> Greenfield	<input type="checkbox"/> Brownfield	<input type="checkbox"/> Expansion
Investment Type	<input type="checkbox"/> PPP	<input type="checkbox"/> Joint Venture	<input checked="" type="checkbox"/> Private <input type="checkbox"/> Public
Project Status	<input type="checkbox"/> Feasibility Completed	<input checked="" type="checkbox"/> Pre-Feasibility	<input type="checkbox"/> Feasibility Started

South Australia

Sourcing bankable and ready-to-invest opportunities in the private sector

- Invest in South Australia investment attraction strategy **focuses on the promotion of investment ready projects**
- Source bankable project concepts from local companies with plans to expand and need investment support
- ConnectPlus is an **online tool** that allows domestic companies to **submit investment ready projects**. After approval and listing, the project is promoted to investors across the globe.

ConnectPlus BETA
Invest in —
South Australia

Step 1

● ● ● ●

Registering a project for the catalogue

Register your project as an investment opportunity and we'll help you promote it to investors across the world. We do this for free, at no cost to you. You may be seeking equity or debt finance or you may need anchor clients or off-take contracts to secure finance. Either way we'll help you get your project moving. We attract international investors via our digital channels and our Business Development Managers (BDMs) will work together with you to match the right investor to your project and help connect you to make a deal happen.

The process

1. Register as an Investee with ConnectPlus

Register a ConnectPlus account and select the **Investee** User Type. If you are already registered but not an investee we will update your profile when you click start below.



 <p>Investment: Greenfield</p> <p>Renascor Resources' Siviour Project – Purified Spherical...</p> <p>Development of a vertically integrated graphite mine and production of purified spherical graphite for batter...</p> <div style="display: flex; justify-content: space-between; align-items: center;"> Energy and mining Renascor Resources </div> <div style="text-align: center; margin-top: 5px;"> View details </div>	 <p>Investment: Brownfield</p> <p>Quantum Graphite's Uley 2 Project – Graphite</p> <p>Quantum Graphite's Uley 2 project will focus on ultra high-purity coarse flake graphite of approximately 55,000...</p> <div style="display: flex; justify-content: space-between; align-items: center;"> Energy and mining Quantum Graphite </div> <div style="text-align: center; margin-top: 5px;"> View details </div>	 <p>Investment: Greenfield</p> <p>Lincoln Minerals' Kookaburra Gully Project – Graphite</p> <p>A graphite resource prospect.</p> <div style="display: flex; justify-content: space-between; align-items: center;"> Energy and mining Lincoln Minerals Limited </div> <div style="text-align: center; margin-top: 5px;"> View details </div>
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Peru: Railway

Priority projects have **dedicated micro-sites for investment promotion with all relevant information and easily available bidding documents**

PROJECT DESCRIPTION

- Final studies elaboration and environmental Certification
- Existing railway infrastructure rehabilitation & improvement
- Stations and train stops restoration & modernization
- Procurement of rolling stock
- Operation and maintenance

Bidding relevant documents

- Call for tenders
- Bid terms Single text ordered (TUO)
- Seventh draft of the Contract
- Project Teaser
- Informative Report
- Infographic
- Notices
- Other documents of the process

HUANCAYO - HUANCAVELICA railways connecting regions

WHAT IS THE FHH?
It is one of the highest railways in the world, reaching 3,680 meters at its highest point (Huancavelica). It has provided service since October 1926. In its 128.7 km, it has a total of:

- 7 stations
- 20 train stops
- 15 bridges
- 38 tunnels

WHAT BENEFITS WILL THE PROJECT BRING?
The FHH will have a renewed infrastructure, with new rolling stock and a signaling and control system, which will guarantee a safe, efficient and comfortable rail transport service with 7 journeys per day in each direction.

Estimated investment amount (w/o VAT)
US\$ 233 million (real figures)

CIVIL WORKS

- Enlargement of tunnel clearance gauges
- New railroad bridges
- Works on the drainage system
- Slope-related work (rock removal, drainage, walls and rock fill)
- Rehabilitation of the existing superstructure

Other features: Station, Rehabilitation of stations and stops, New rolling stock, Train stop, New repair and maintenance shops.

Logos: PERÚ Ministerio de Economía y Finanzas, ProInversión Private Investment Promotion Agency - Peru, EL PERÚ PRIMERO

Cuba: Biotechnology and Mining

► BUSINESS OPPORTUNITIES IN ZED MARIEL

BIOTECHNOLOGY AND PHARMACEUTICAL INDUSTRY SECTOR



DESCRIPTION: Building a complex to produce medication derived from human plasma using state-of-the-art techniques with designed capacity for 150 tons of plasma per year in the initial stage and 250 tons of plasma per year in the second stage. The project includes the creation of a national network of plasmapheresis centers and three (3) regional centers for viral analysis using molecular biology (PCR) techniques. Product assortment includes: albumin, immunoglobulin i.m., immunoglobulin i.v., immunoglobulin Anti-Rho, tetanus immunoglobulin, Hepatitis B immunoglobulina and we foresee incorporating blood coagulation Factor VIII and Factor IX.

INVESTMENT TYPE: Joint Venture

CUBAN PARTY: Empresa de Sueros y Productos Hemoderivados Adalberto Pesant

ESTIMATED INVESTMENT: 155 million USD

LOCATION: Sector A. Zone A-3.

CONTACTS: Name: Yohandy Ramírez
Position: Director, Planta de Hemoderivados
Email: yramires@pesant.biocubafarma.cu
Cell phone: (53) 52799080



REOPENING THE SERRANO GREEN MARBLE QUARRY IN VILLA CLARA



DESCRIPTION: Reopening the quarry for extracting blocks and processing them, preferably in the central region of Cuba; a new production line for slabs in the marble industry should be installed for this purpose.

INVESTMENT TYPE: International economic partnership agreement

CUBAN PARTY: Empresa de Mármoles Cubanos Roca Real.

ESTIMATED INVESTMENT: 10 million dólares.

LOCATION: Yacimiento Pelo Malo, 10 km from Santa Clara, Placetas municipality **Villa Clara** province.

MARKET POTENTIAL: This is an ornamental rock, green with gold veins, differentiating it from other green marble on the world market. Serrano Green Marble has become the second exportable item among all the most commercialized marble types. When this quarry is reopened it will be able to supply the national and international markets.

ANTICIPATED RESULTS: Green marble is one of the most prized in the world. This business opportunity could net around one million dollars of exports per year. The investment recovery period is foreseen at between 7 and 10 years, always associated with the capacity of penetrating external markets.

CONTACTS: Name: Ing. Jaime Hernández Herrera
Position: Director General, Empresa Mármoles Cubanos
Email: jaime@rocareal.cu
Cell phone: (53) 52124600

Name: Ernesto Juncosa Durán
Position: Director for Development, Grupo Empresarial de Materiales de la Construcción, Geicon
Email: juncosa@oc.geicon.cu
Tel.: (53) 78838357

- Cuba’s investment attraction strategy focuses on bankable opportunities
- IPROs in Biotechnology (Joint Venture) and Mining (Brownfield) include the following:
 - Project description
 - Investment type
 - Cuban counterpart
 - Estimated investment
 - Market potential
 - Anticipated results in terms of revenues and investment return
- A detailed business case and/or company valuation is provided to interested investors

Key takeaways

MODULE 3: BEST PRACTICES IN IDENTIFYING BANKABLE INVESTMENT PROJECTS

- Projects **must prove bankable** in order **to attract private sector investment**
 - Successful bankable projects align with long-term development priorities
 - Clear need and demand are relevant bankability factors
 - Demonstrable long-term reliable revenue stream is a key aspect for private investors
- In most cases, identification of **bankable projects** includes determining the **funding mechanism**: standard public investment, blended finance (PPP), or fully private investment
- Private sector seems to be **attracted to brownfield projects**, that provide a basis for the analysis on profitability and potential returns
- Agencies with an **explicit mandate** to promote infrastructure investment and PPPs, are **more proactive** in the identification and screening of projects
- **Bankable opportunities** help locations with small markets or challenging economic environments to be **more attractive to investors**

Appendix: Glossary

MODULE 2: STRATEGIES IN IDENTIFYING BANKABLE INVESTMENT PROJECT OPPORTUNITIES

- **Public Private Partnerships (PPP):** A long-term contract between a private party and a government entity, for providing a public asset or service, in which the private party bears significant risk and management responsibility and remuneration is linked to performance.
- **Build Transfer (BT):** A private company finances and builds the infrastructure. Upon completion of construction, the infrastructure is transferred to the government. The Government pays the private company on an agreed schedule the total cost, plus a reasonable markup
- **Build Operate Transfer (BOT):** the government finances the facility and a private company builds the facility. A private company operates the facility on a concession. At the end of the O&M (Operation and Maintenance) concession, the facility is transferred to the government
- **Build Own Operate Transfer (BOOT):** a private company finances and builds the facility. A private company operates the facility on a concession, at the end of the concession the facility is transferred to the government. Also known as Develop-Build-Finance-Operate (DBFO)
- **Build Own Operate (BOO):** Similar to BOOT, except that the facility is not transferred to the government. O&M typically outsource to another private company
- **Rehabilitate Own Operate Transfer (ROOT):** Same as BOOT/BOT, but for the rehabilitation of an existing facility rather than the construction of a new one

Appendix: Glossary

MODULE 2: STRATEGIES IN IDENTIFYING BANKABLE INVESTMENT PROJECT OPPORTUNITIES

- **Greenfield:** investment projects that entail the establishment of new entities and the setting up of offices, buildings, plants and factories from scratch
- **Brownfield:** an investment project involving refurbishment of an existing facility or building on a site where there previously were major infrastructures
- **Mergers and Acquisitions (M&A):** taking over or merging of capital, assets and liabilities of existing enterprises
- **Joint venture:** a contractual agreement between two or more parties for the purpose of executing a business undertaking in which the parties agree to share in the profits and losses of the enterprise as well as the capital formation and contribution of operating inputs or costs
- **Privatisation:** initial public offer (IPO), wholly or partly of a state-owned company. It also refers to the full transfer of public infrastructure to the private sector, as compared to PPPs where ownership generally remains in the public sector
- **Private equity:** an alternative form of private financing, away from public markets, in which funds and investors directly invest in companies or engage in buyouts of such companies. Private equity can take on various forms, from complex leveraged buyouts to venture capital.
- **Venture capital (VC):** a form of private equity and a type of financing that investors provide to startup companies and small businesses that are believed to have long-term growth potential

Appendix: References

MODULE 2: STRATEGIES IN IDENTIFYING BANKABLE INVESTMENT PROJECT OPPORTUNITIES

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Questions & Answers

