

TASK FORCE 1.1 – WELL-PREPARED PROJECTS

**HOW TO IMPROVE BANKABILITY, ACCEPTANCE, ACCOUNTABILITY AND
TRANSPARENCY?**

TF 1.1.1. Well-prepared projects

Strategies / Objectives

- Review literature and existing project preparation software (e.g. SOURCE, HDM-4, EIPP, GIH) and analyze good practices of project management for improving and optimizing public and private investment.
- Identify how well-prepared projects contribute to a culture of transparency and accountability.
- Establish recommendations on:
 - Definition of strategies to set outcomes, optimize project delivery and project lifecycle.
 - Requirements for road project preparation
 - Management relationship with financiers, with a view to maximizing project economic and possible budgetary return
 - Communication and engagement with stakeholders
 - Continue with the works carried out by *T.C.C.1 – National Road Safety Policies and Programs* and *T.C. C.2 - Design and Operation of Safer Road Infrastructure* within Cycle 2016-2019 to complete the incorporation of pertinent PIARC reports on road safety (from 2003).
- Encourage coordination with other TCs and TFs, such as *T.C.1.1 – Performance of Transport Administrations*, *T.C. 1.2 - Planning Road Infrastructure and Transport to Economic and Social Development*, *T.C. 1.3 - Finance and Procurement*.

It is widely recognized that good preparation of infrastructure projects, first and foremost road projects, is of utmost importance to secure their proper financing, wide acceptance and seamless implementation.

It is nowadays all too common to hear financiers claim that plenty of money is available for project financing, but that what is lacking is good projects.

Whatever the type of country considered (industrialized, emerging, or developing), a good preparation of road projects is of outstanding importance for the following reasons:

- For ordinary projects (e.g. procured on a traditional Design-Bid-Build procedure), there is a need for:
 - Improved acceptability by all stakeholders (e.g. by populations directly affected by social and environmental aspects of the project, or by other donors or public authorities participating in the cofinancing , ...);
 - Improved quality and resilience of the projects, in order to meet Sustainable Development Goals;
 - Reduced risk of delays and cost overruns in construction and its possible impacts on maintenance
 - Improved transparency in the procurement process and ethical behaviour of all parties.
- For complex projects (typically PPP or concession projects), in addition to the above-mentioned reasons, it is necessary to:

- Explain to stakeholders the need to recourse to these complex procedures;
- Minimize transaction costs and standardize contract documentation as much as possible;
- Attract financing at favourable terms and conditions and sustainable funding;
- Overcome project complexity, while accepting innovative solutions.

To sum up, the better a project is prepared, the smaller the risks of seeing the project rejected by various stakeholders, or unable to reach adequate financing, or fraught during implementation with poor quality, delays, cost overruns, maintenance uncertainties and possible unethical behaviours associated with ensuing change orders.

Topics to discuss in the TF will include:

- Are there big differences between the requirements for road project preparation in high- or low-income countries? Is it possible to define a set of minimum standards or recommendations to be observed in each case?
- How do road authorities manage relationship with financiers, with a view to maximizing project economic and possibly budgetary return?
- How do road authorities manage communication with stakeholders?
- Are available regional platforms [e.g. European Investment Project Portal (EIPP), Global Infrastructure Hub (GIH)] and/or tools (e.g. SOURCE platform, see annex) considered helpful? How could they be improved?
- The work will focus on available material and try to analyze best practices.

The T.F. will aim at representing a wide diversity of circumstances, including cases from several countries and continents.

The final report will be based on a collection of case studies and will outline the various aspects analyzed make practical recommendations for road administrations and authorities and will focus on policy issues both in the short- and medium to long term.

The T.F. will make references to other organizations, especially in the bank, contracting and consulting sectors. It will not duplicate their work.

Outputs	Expected Deadlines
● Literature review	● November 2020
● Collection of case studies	● April 2021
● Full report	● September 2021