

## **Summary of Public Private Partnerships (PPPs) Policy**

The Government recognizes that the public and private sectors both have roles to play in delivering the high-quality, responsive, resilient, and sustainable infrastructure services that the Bahamas needs. In recognition of this fact, the Government will engage in **Public-Private Partnerships (PPPs), which are relationships with private sector entities, designed to introduce private sector resources and expertise into public infrastructure projects.** PPPs will be used to support many of the Government's key policy objectives in infrastructure.

The major objective of this Policy is to ensure PPP projects are selected, developed, and implemented according to the following guiding principles:

- a. **Value for Money (VfM)**
- b. **Fiscal responsibility**
- c. **Transparency, probity and competitive procurement**
- d. **Environmental and social sustainability**
- e. ***Partnership and inclusiveness***

The Government will consider PPPs for proposed investment projects that have the following characteristics:

- a. **Assets with significant investment value.**
- b. ***Output requirements that can be clearly specified and monitored.***
- c. **Outputs address stable needs over the contract lifetime.**
- d. **Scope for innovation or improved infrastructure performance.**
- e. **Ability to generate revenues beyond Government payments.**

PPPs will be used to develop new assets and services primarily in the following economic sectors:

- i. Electricity generation and distribution, including the development of Renewable Energy (RE) sources, in the Family Islands;
- ii. Ports;
- iii. Airports;
- iv. Roads and bridges (i.e. toll bridges and roads);
- v. Information and Communications Technology (ICT);

- vi. Urban renewal; and
- vii. Government buildings and facilities with independent income generation.

The Government will ensure that all PPP projects meet the following standards of competition and transparency:

- a. Open market consultations, in which information on the project is shared with the industry;
- b. National and International publication of Requests for Expressions of Interest (RFEoI);
- c. Equal access to data by all Bidders;
- d. Selection of the Winning Bidder on the basis of:
  - Previously announced procedures and objective criteria; and
  - Proper justification and notification of decisions
- d. Publication of the award of the contract and the justification;
- e. Registration of the decisions during the selection procedure (so that they can be referred to in disputes); and
- f. Review procedures (enabling losing Bidders who feel that they have been treated unfairly to file a complaint).

#### WHAT IS NOT A PPP

**Please note** that unsolicited proposals designed to provide development of public projects through an owner-financed mechanism represent short-term “off book” loans to Government. These have not been subject to open or competitive bidding. They have been offered to provide basic infrastructure or community projects with no capacity for independent revenue generation or ongoing articulated cost savings.

Such proposals do not qualify as PPPs under the current approved policy framework, nor would they be consistent with any global best practice in respect to PPPs.

Persons and firms providing unsolicited proposals which may have merit must be advised that the concept must reviewed and made subject to an open procurement process where other qualifying firms will be allowed to bid.