Photo Credit
Modern glass building

Dealing with Unsolicited Proposals

Download Chatbot

An unsolicited proposal (USP) is a proposal made by a private party to undertake a PPP project, submitted at the initiative of the private firm, rather than in response to a request from the government. By managing USPs appropriately, governments may benefit from this approach while reducing potential risks. However, unsolicited proposals may also create challenges that risk providing poor value for money, particularly if the government chooses to negotiate a PPP directly with the project proponent; and they may risk diverting scarce financial resources to non-priority projects.

- Benefits and Pitfalls of Unsolicited Proposals discusses strengths and weaknesses and describes how some countries have introduced specific policies for dealing with unsolicited proposals for PPPs. These policies are designed to provide incentives to private proponents (to varying degrees) to submit high-quality PPP proposals; to deter poor quality proposals; to introduce competitive tension; and to promote transparency.
- Creating Competitive Tension describes how competition can be introduced, while rewarding the original proponent with some form of advantage or compensation.
- Dealing with Intellectual Property and Confidentiality provides guidance and resources on dealing with requests for confidentiality.
- Defining Clear Policy and Processes describes and provides examples of processes for receiving, appraising, and implementing unsolicited proposals for PPP projects.

Key References

Dealing with Unsolicited Proposals

- WB. 2017d. *Guidelines for the Development of a Policy for Managing Unsolicited Proposals in Infrastructure Projects*. Washington, DC: World Bank and Public-Private Infrastructure Advisory Facility. These guidelines provide advice and recommendations for governments that are considering the development and realization of an unsolicited proposal (USP) policy in infrastructure projects.
- PPIAF. 2014. *Unsolicited Proposals—An Exception to Public Initiation of Infrastructure PPPs: An Analysis of Global Trends and Lessons Learned*. Washington, DC: Public-Private Infrastructure Advisory Facility. Recommends measures that countries can adopt to better manage USPs, recognizing that countries have different levels of capacity to identify, prioritize, prepare and procure projects; competency in PPP project implementation; and maturity of their PPP markets and frameworks.
- WB. 2009a. "Toolkit for Public-Private Partnerships in Roads and Highways." World Bank. URL. Module 5: “Implementation and Monitoring, Stage 3: Procurement” includes a section on unsolicited proposals, which describes their benefits and challenges, and provides examples of both successful and unsuccessful PPPs from unsolicited proposals.
- PPPLRC. "Public-Private Partnerships in Infrastructure Resource Center website." Section on procurement processes and standardized bidding documents briefly describes the World Bank’s view on unsolicited proposals, and provides examples from and links to some countries’ relevant law and policies.

- UNCITRAL. 2001. *Legislative Guide on Privately Financed Infrastructure Projects*. Vienna: United Nations Commission on International Trade Law. Section E provides guidance on both policies and procedures for dealing with unsolicited proposals. Distinguishes between proposals that do or do not require proprietary technology.

Dealing with Unsolicited Proposals (Examples)

- ZA. 1999a. *Policy of the South African National Roads Agency in Respect of Unsolicited Proposals*. Pretoria: The South African National Roads Agency. Describes the policy and sets out the procedure for dealing with unsolicited proposals for national roads PPPs. Includes a description of the required content of the proposal, the process for detailed preparation of the PPP and tender documents, and the tender process that will apply.
- ID. 2005. *Peraturan Presiden Republik Indonesia Nomor 67 Tahun 2005*. Jakarta: President of the Republic of Indonesia. Chapter IV states that unsolicited proposals will be accepted for projects not already on a priority list, and briefly outlines the process and procurement approach. The English version of regulation 56 is available on Bappenas's website, (ID 2011).
- CL. 2010b. *Ley y Reglamento de Concesiones de Obras Públicas: Decreto Supremo MOP Nº 900*. Santiago: Gobierno de Chile, Ministerio de Obras Públicas. Title II of Regulation Number 956 of the Public Works Concessions describes in detail the process and for dealing with unsolicited proposals, including the required content of initial proposals, how detailed studies will be managed, how proposals will be evaluated, and procured.
- IT. 2006. *Decreto Legislativo 12 aprile 2006, n. 163*. Rome: Presidente della Repubblica. Articles 153–155 describe when unsolicited proposals are accepted, how they are evaluated, and the procurement process that applies.
- Kim, Jay-Hyung, Jungwook Kim, Sunghwan Shin, and Seung-yeon Lee. 2011. *Public-Private Partnership Infrastructure Projects: Case Studies from the Republic of Korea. Volume 1, Institutional Arrangements and Performance*. Manila: Asian Development Bank. Pages 61–69 describe the implementation procedures for PPP projects, including those originated as unsolicited proposals.
- PH. 2006. *The Philippine BOT Law R.A. 7718 and its Implementing Rules and Regulations*. Revised 2006. Manila: Public-Private Partnership Center. Rule 10 states that unsolicited proposals will be accepted for projects not already on a priority list, sets out how proposals should be evaluated, how competing bids will be invited (under a Swiss Challenge process), and how the government may negotiate with the proponent in the absence of competing bids.
- VA. 2005. *Public-Private Transportation Act Guideline*. Richmond: Commonwealth of Virginia, Virginia Department of Transportation. Sets out the process for developing and implementing PPPs, both from solicited and unsolicited proposals. Includes detailed guidance on the required content of unsolicited proposals.
- UY. 2011. *Ley Nº 18.786: Contratos de Participación Público-Privada para la Realización de Obras de Infraestructura y Prestación de Servicios Conexos*. Montevideo: Gobierno de la República Oriental del Uruguay, Poder Legislativo. Article 37 discusses the advantages granted to the proponent submitting an unsolicited proposal.
- VIC. 2001. *Practitioners' Guide*. Melbourne, Australia: Victorian Department of Treasury and Finance, Partnerships Victoria. Section 21: "Unsolicited Proposals" sets out how intellectual property in unsolicited proposals will be dealt with.
- CO. 2012a. *Ley 1508 de 10 de enero de 2012*. Bogotá: Congreso de Colombia. Title III discusses the treatment of unsolicited proposals.
- MX. 2012. *Ley de Asociaciones Público Privadas*. Mexico City: Gobierno de México, Cámara de Diputados. Chapter 3 outlines the unsolicited proposal selection process.

Visit the PPP Online Reference Guide section to find out more.

Related Content

- **INTRODUCTION**
- **PPP BASICS: WHAT AND WHY**
- **ESTABLISHING THE PPP FRAMEWORK**
- **PPP CYCLE**
- **Identifying PPP Projects**
- **Appraising Potential PPP Projects**
- **Structuring PPP Projects**
- **Designing PPP Contracts**
- **Managing PPP Transactions**
- **Managing PPP Contracts**
- **Dealing with Unsolicited Proposals**
- **Key References - PPP Cycle**

Additional Resources

- Procurement Processes and Bidding Documents
- Unsolicited Proposals

Subsections



Benefits and Pitfalls of Unsolicited Proposals



Creating Competitive Tension



Dealing with Intellectual Property and Confidentiality



Defining Clear Policy and Processes

Find in pdf at PPP Reference Guide - PPP Cycle or visit the PPP Online Reference Guide section to find out more.

Disclaimer: *The resources on this site is usually managed by third party websites. The World Bank does not take responsibility for the accuracy, completeness, or quality of the information provided, or for any broken links or moved resources. Any changes in the underlying website or link may result in changes to the analysis and recommendations set forth on the* Public-Private Partnership Resource Center. *The inclusion of documents on this website should not be construed as either a commitment to provide financing or an endorsement by the World Bank of the quality of the document or project. If you have any comments on any of the links provided on the* Public-Private Partnership Resource Center, *please get in touch here*