This is a new section of the Public-Private Partnership Resource Center website and is currently in draft form. Your feedback is welcome: If you would like to comment on the content of this section of the website or if you have suggestions for links or materials that could be included please contact us at ppp@worldbank.org.

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Conducting Technical Assessment of CVC

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On this page: *Once the CVC opportunities have been identified, the next step is the technical challenges of CVC. Read more below, visit the Guidelines on Innovative Revenues for Infrastructure section or check the Content Outline.*

Once the CVC opportunities have been identified and it is assessed that there is policy, legal and institutional readiness to implement CVC, the next step will be to conduct technical assessment of CVC.

1. Conduct a technical assessment of the characteristics and requirements of CVC and incorporate it in the technical design.

- The technical challenges of CVC need to be considered. For example, sales of reclaimed water can be identified as CVC. However, the technical feasibility will assess issues such as water standards, proximity from demand sources and a need for a separate pipeline from the main water supply.
- To physically incorporate CVC into the technical design, some considerations for Project Owners are:
    - If physical space is required to implement CVC, comprehensive planning should be done at an early stage to ensure seamless integration between commercial activities and core services to provide a well-rounded user experience. For example, if advertising on urban railways is identified as CVC, incorporating CVC in the technical design will involve identifying which place or space can be allocated for advertisements (e.g. areas in the stations, train bodies, concrete pillars if the train is elevated system) and assessing whether the allocated space for advertisement will impact quality of core services, such as the safety of users.
    - If additional land is required to implement CVC, acquiring land for a project can be a complicated process that requires additional budget. Also, the project may face restrictions on how the land can be used, eg due to the limitations in the Project Owner's mandate, land title or zoning regulations.
    - If additional supporting facilities are required for CVC, it is important to ensure that facilities supporting core services are not adversely affected by the additional demands of non-core services. For example, increased traffic from commercial activities in the project area will require additional parking and utilities.

2. Assess if CVC has any environmental or social concerns

- If the CVC opportunity has environmental or social concerns, include these in the risk register and prepare mitigation measures.
- Engage and communicate with stakeholders and the community in the early stages and throughout the project's development to seek inputs, address community needs in the project design stage and build support to ensure that CVC is politically and socially feasible.

- Social and environmental co-benefits should be considered as a core advantage of CVC and designed into the project indicators.
- Assess GHG emissions from the project as they can be a source of CVC through sales of carbon credits and RECs.

3. Assess if CVC is legally and institutionally feasible, building on the assessment of policy, legal and institutional readiness of in Step 2.

- Review that the policy framework is supportive of CVC.
- Review laws and regulations related to CVC activities, land, the Project Owner's legal mandate and any other legal requirements that may impact CVC implementation.
- Review institutional readiness of Project Owner and key regulators to implement the CVC opportunity.
- Assess market potential, investors' appetite and stakeholders' acceptance of the CVC opportunity.

4. Summarize the overall technical, policy, legal, environmental and social feasibility of the CVC opportunity before moving on to the next step.

Related Content

- **How innovative revenues for infrastructure can fundamentally reshape infrastructure funding**

Additional Resources

- Climate-Smart PPPs
- Finance Structures for PPP

The Guidelines on Innovative Revenues for Infrastructure (IRI) is intended to be a living document and will be reviewed at regular intervals. They have not been prepared with any specific transaction in mind and are meant to serve only as general guidance. It is therefore critical that the Guidelines be reviewed and adapted for specific transactions.

To find more, visit the Innovative Revenues for Infrastructure section and the Content Outline, or Download the Full Report. For feedback on the content of this section of the website or suggestions for links or materials that could be included, please contact the Public-Private Partnership Resource Center at ppp@worldbank.org.

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