

Appointing and Managing Advisors

Full Description

Where a government agency has little experience in managing and coordinating such advisors and/ or where it only wants to have to manage one main advisor, it may consider appointing a transaction advisor that will be a consortium of the various types of advisors, but with one lead advisor. This has the advantage that the government then only needs to deal with one entity rather than a number of entities and any differences of opinion and advice between the different advisors will be managed internally within the transaction advisor consortium. Potential disadvantages include the possibility that the advice of one advisor may be watered down or tempered to meet the interests of another advisor and/or that the overall fees may be higher.

The South African PPP Unit has developed a useful [Module on Appointing Transaction Advisors](#). The UK Treasury has developed a note on [How to Appoint and Manage Advisors to PFI Projects](#). See also the [World Bank/PPIAF Toolkit on Hiring and Managing Advisors for Private Participation in Infrastructure](#) (PDF).

A Terms of Reference (TORs) should be clearly drafted with the scope of work and the fee structure set out in detail. If fee payments are dependent on deliverables or stages being achieved, then these should be clearly defined and be capable of being easily evaluated.

3RD Party Related Content

Tools

[Sample Terms of Reference \(TORs\) for PPP Advisors](#)