Marketing the PPP

Full Description



Marketing the PPP helps attract bidders and investors. This is particularly important in the early stage of a PPP program—governments need to make a positive effort to build bidder interest to increase competitive pressure. Marketing also helps identify who might be the potential bidders. This can feed into designing qualification criteria to avoid a situation where no firms qualify—as described in **Kerf et al** (Kerf et al. 1998, 114).

At a minimum, marketing the PPP requires advertising the launch of the tender process. Many governments have requirements for how PPP tenders should be advertised. For example, the **EPEC Guide to Guidance** (EPEC 2011b, 27) notes that EU governments must publish a notice in the *Official Journal of the European Union*. The **South Africa PPP Manual** (ZA 2004a, 24) describes that the procurement must be advertised in the *Government Gazette*, on the institution's website, and through press advertisements. The **Caribbean PPP Toolkit** (Caribbean 2017, Module 5, Section 5) discusses the marketing of PPPs and presents practical examples.

Some governments take a more proactive approach to marketing to generate investor interest prior to the official project launch. This could include:

- Conducting investor presentations, meetings, or road shows to present the project. The scale and location of meetings can be tailored to the expected interested investors—for example, whether likely to be local or international.
- Releasing teaser material about the project. This could include publishing material in industry publications, such as Global Water Intelligence, or dedicated project development platforms, such as Zanbato.

There is limited guidance material available on marketing PPP projects. **Farquharson et al** briefly describes the advantage of releasing information about the project prior to the formal launch, to attract bidder interest (<u>Farquharson et al. 2011</u>, 10). It also describes the value of marketing a pipeline of projects, rather than a single opportunity. Particularly for new PPP programs, this gives investors a stronger incentive to engage.

The GI Hub has developed the freely-available *Global Infrastructure Hub Project Pipeline* (GIH 2016b) to assist governments in marketing PPP projects. The Pipeline allows governments to provide the market with early visibility of their projects and choose at what stage of a project's development the marketing campaign should begin. The Pipeline also gives the governments the ability to demonstrate the progress of their projects through different stages of development.

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