Key messages from day 1

Policy dialogue – Infrastructure: improving the coordination of the project cycle

25 August 2017
Kigali, Rwanda

Session 2: coordinating the estimated capital and associated recurrent costs of a project

1) Countries have common challenges and need mechanisms that:

- Provide confidence on project selection, feasibility and quality

- Ensure life cycle recurrent costs of assets are affordable and provided for

2) Across countries, similar approaches to addressing those challenges:

- Supporting good project selection: Public Investment Committees, project documentation requirements, feasibility studies, Public Investment Plans

- Integrating life cycle costs: budget processes that integrate capital and recurrent budget preparation; use of earmarked funds

3) Details of the institutional arrangements of the integration mechanisms are key

- Timing and quality of feasibility studies and project proposals

- Ringfencing of budget allocations through virement rules

- Composition and rules of capital-specific committees

Session 3: financing infrastructure

1) The question of financing is distinct from the question of who pays

- Financing options depend on who pays, owns, regulates, finances and provides assurance.

2) Careful risk analysis is key and one should think ahead about mitigation

- Risks such as revenue shortfall, breach of terms, underestimating costs…

3) There is a variety of financing schemes that can be blended and adapted to the context

- Government budget, donors, banks, financial markets, private sector.

Back to our projects

- In session 7, teams will make a 5 minutes brief on their project and learning. They will have comments from participants and a jury will determine their favorite projects.

- Teams will update their boards in light of yesterday's session on:

Question 2: which line ministries would you have to coordinate with for this project? What challenges might arise in coordinating with them?

Question 3: what could be the financing options and requirements of the project?

Thank you