



# PRIF Week 2021 National Infrastructure Investment Pipelines

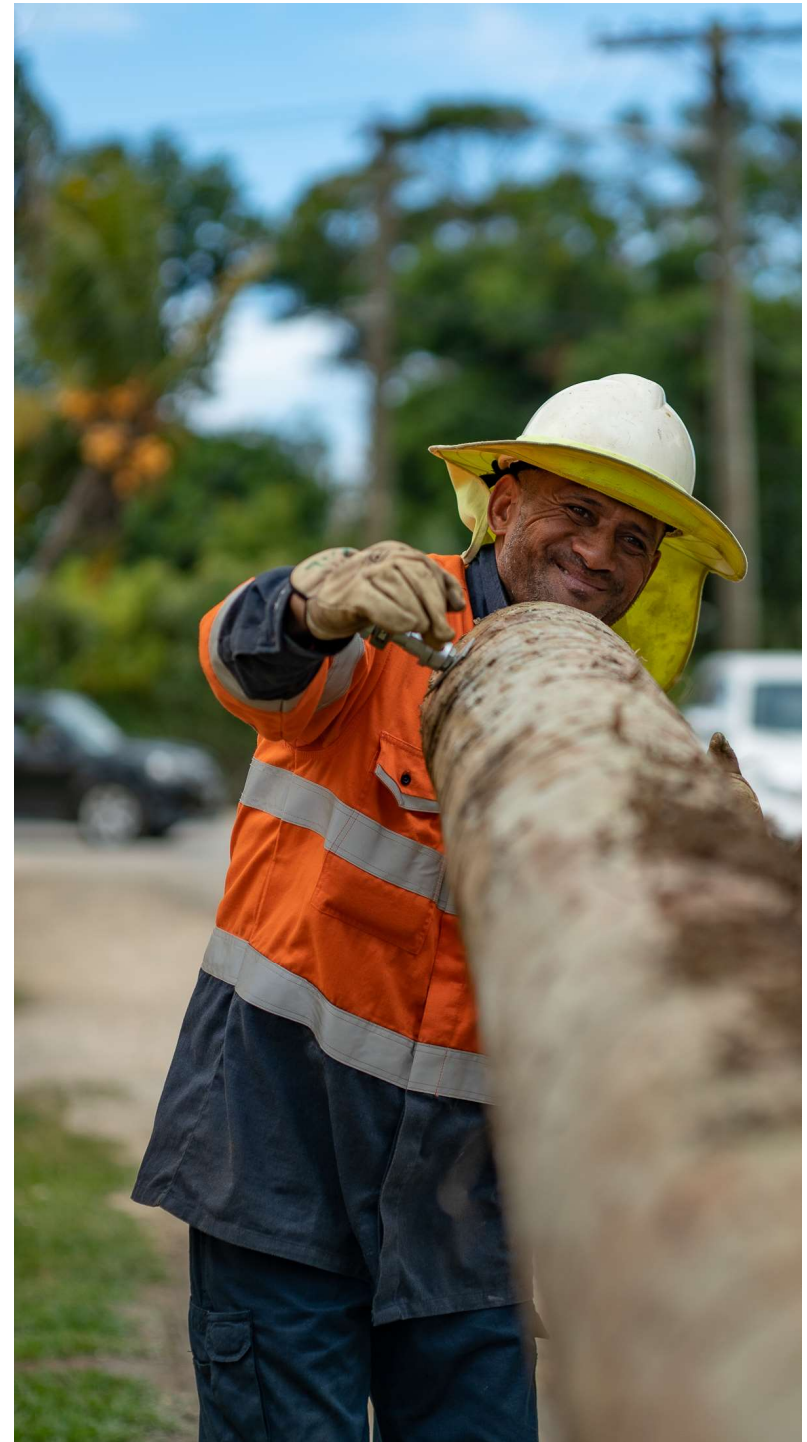


Pacific Region Infrastructure Facility

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# Role of Infrastructure and COVID Recovery

- We anticipate that infrastructure will support the COVID-19 recovery effort for Pacific countries
- Infrastructure is also key for long term economic development and productivity
- Infrastructure has multiplier effects for the private sector, employment and the economy
- Infrastructure planning for COVID-19 recovery needs consideration of short-term stimulus for economic recovery and jobs as well as the long-term impacts – this requires different thinking and approaches

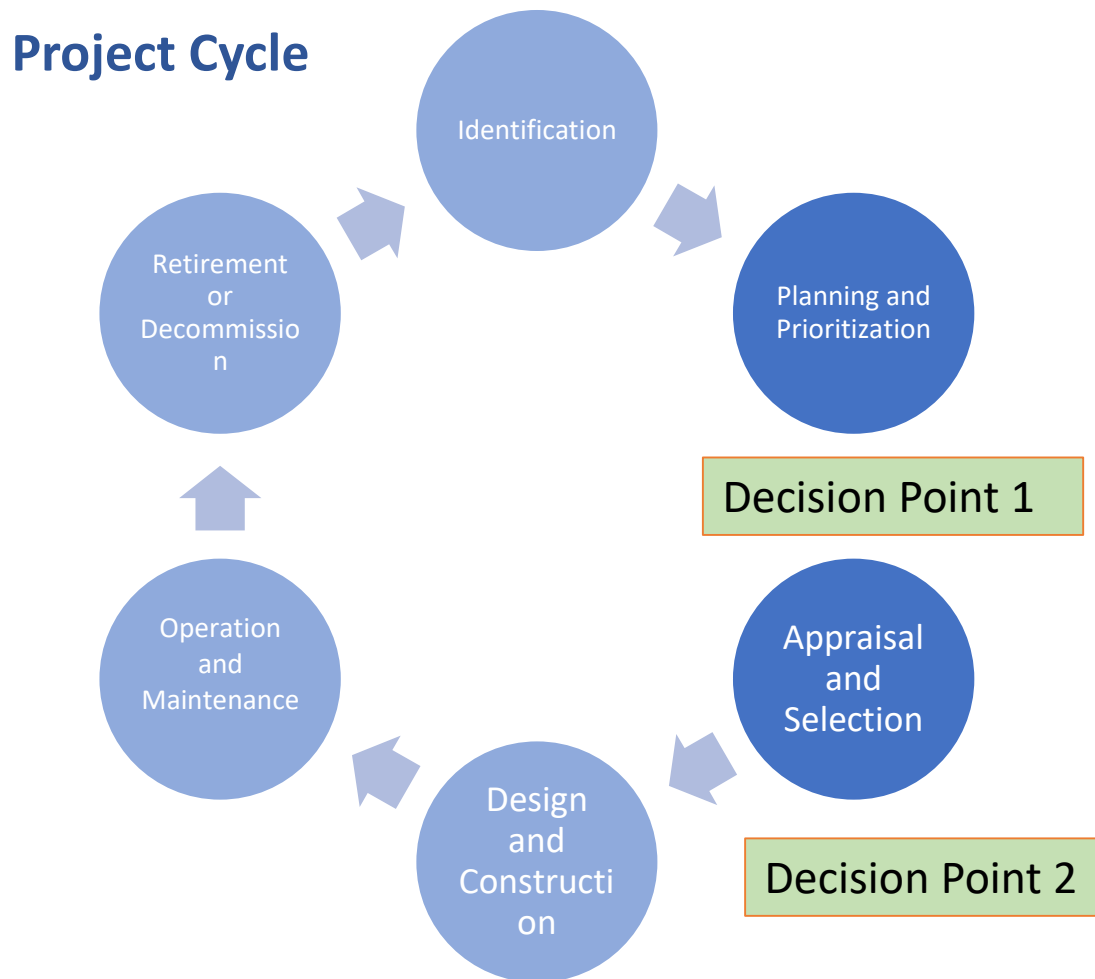


# Actions Required

- Needs good planning to identify, assess and prioritize infrastructure projects
- Use economic recovery and employment as cross-cutting themes in infrastructure planning and implementation
- Build better - enhance resilience of projects in infrastructure programs
- Coordinate proposed investments and approaches between development partners and the private sector



# A systematic approach to Infrastructure Planning, Appraisal and Selection



- Government's aim to maximize socio-economic benefits
- Many sectors and infrastructure demands
- Limited development resources available – budget, donors, private sector
- How does a government decide which projects should proceed to feasibility studies and preparation for financing ?
- How does a government appraise and select a project for implementation?



# Why is Infrastructure Planning Important?

## Identification and Concept Stage

- Limited project-level information available
- Limited technical and institutional capacity available
- Indicative project cost estimates
- Some information on social, environmental, other economic effects

How does a government decide which projects should proceed to feasibility and preparation for financing ?

### Ad-Hoc / Uninformed Project Selection

- Inconsistent use of information
- Decisions based on nontechnical or political considerations
- Donor driven
- No link to national development strategy

OR

### Infrastructure Planning Prioritization Approach

- Objective and systematic method to assess project priority using the limited information available
- Prioritization based on national strategy linked criteria
- Allows cross-sector prioritization

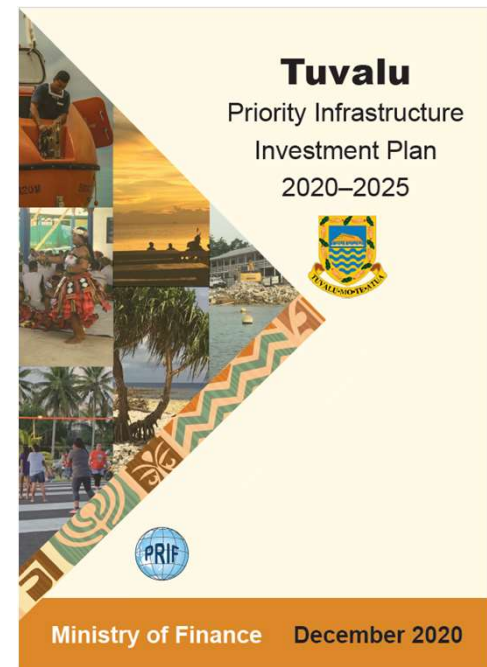
## Appraisal and Selection Stage

- Detailed project-level information available
- Expert technical and institutional capacity available
- Detailed cost estimates
- Extensive quantified and monetized social, environmental, financial and economic effects known
- Funding decision based on extensive information

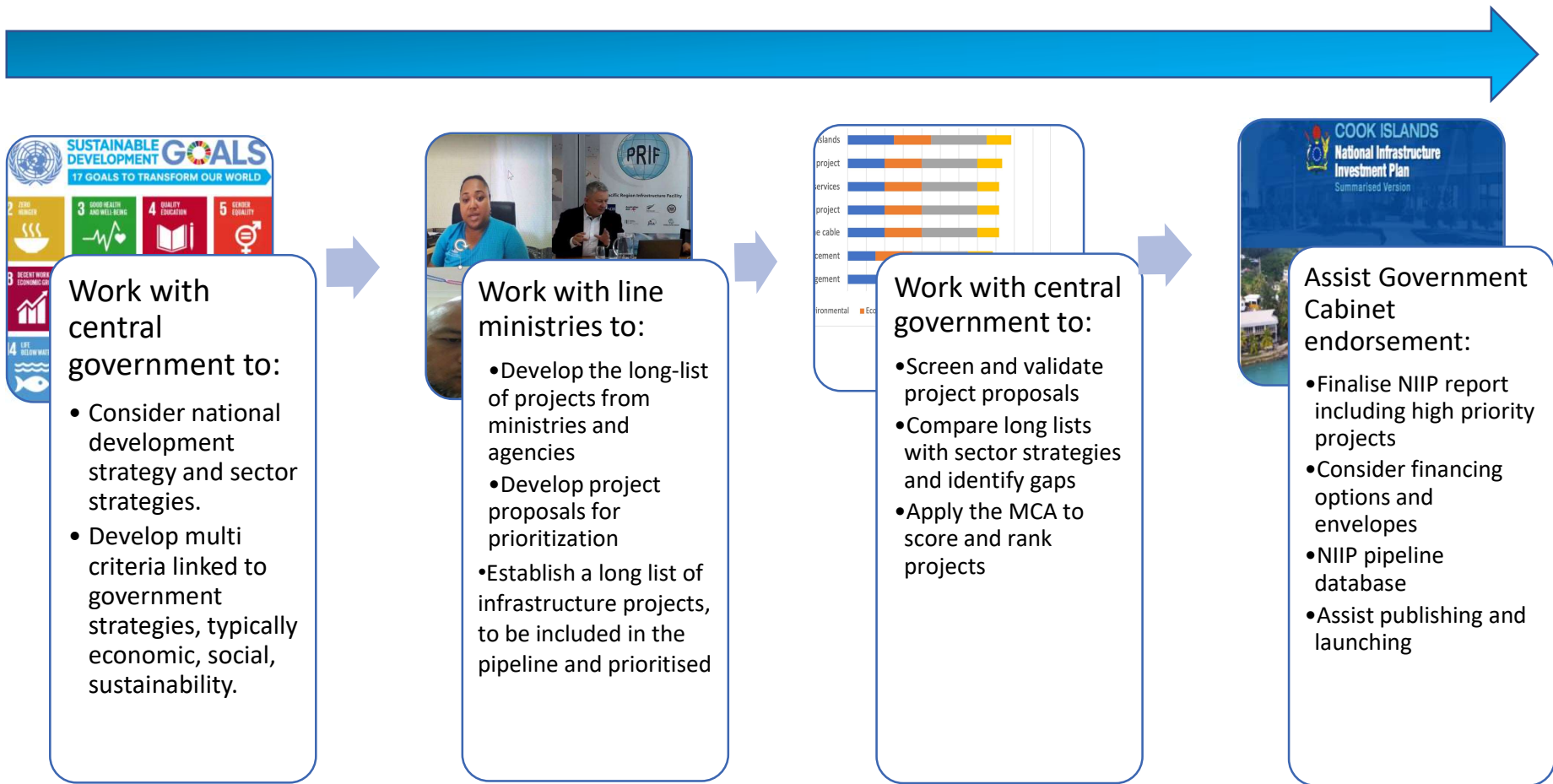
Planning and Prioritizing

# PRIF National Infrastructure Investment Planning Services

- Approved a \$2.9 million program for national infrastructure planning for member countries in June 2020
- Provide consultants to support the government develop plans, mainstream processes and build capacity
- PRIF can help develop priority infrastructure investment plans considering asset management, disaster resilience and climate change
- Also post COVID-19 infrastructure planning for economic stimulus and jobs
- Assist with coordination of priority pipelines among PRIF donor partners and private sector



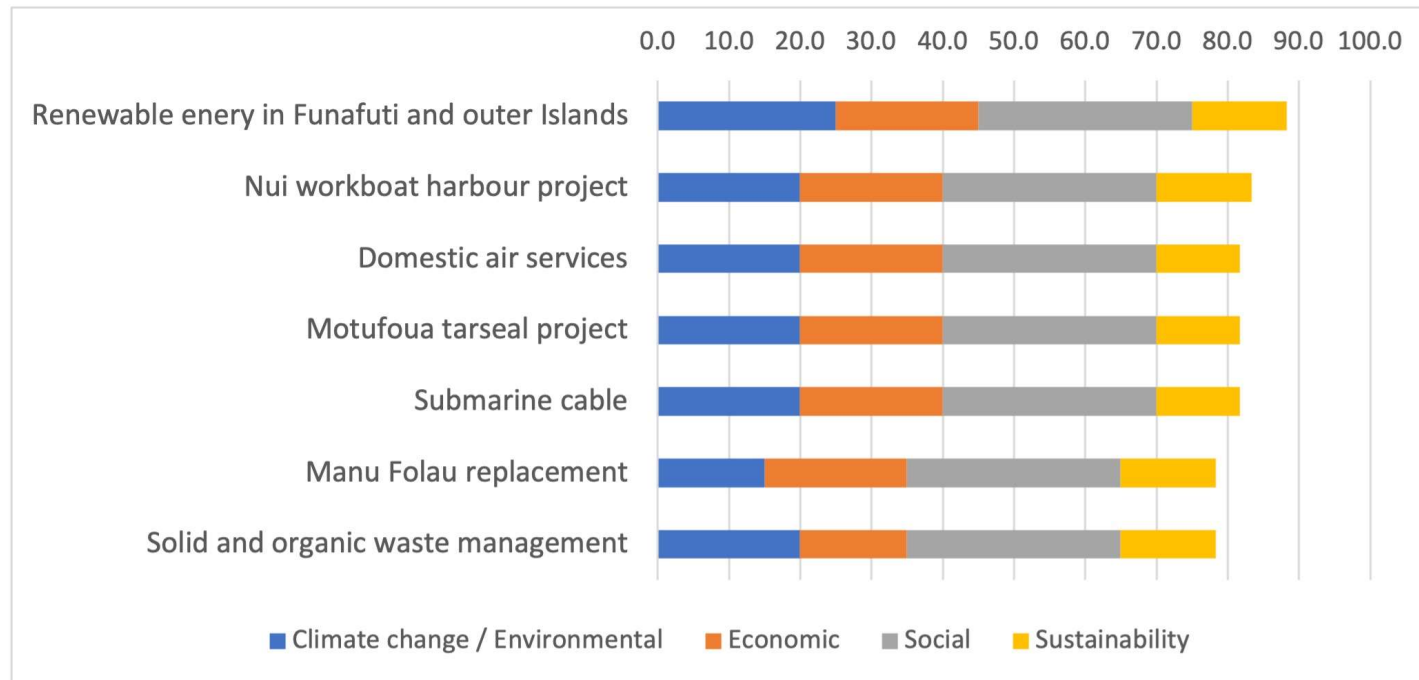
# Decision Point 1 – Prioritization of Project Pipelines



# Project Ranking Example

Weights applied to the four criteria groups were:

- climate change/environment: 30%
- economic: 20%
- social: 30%
- project sustainability: 20%







# Project Preparation and Appraisal

Line ministries and public enterprises develop the priority projects further often with the assistance of development partners:

- Preliminary designs
- Technical feasibility
- Institutional assessment
- Environmental and safeguard assessment
- Economic and financial analysis

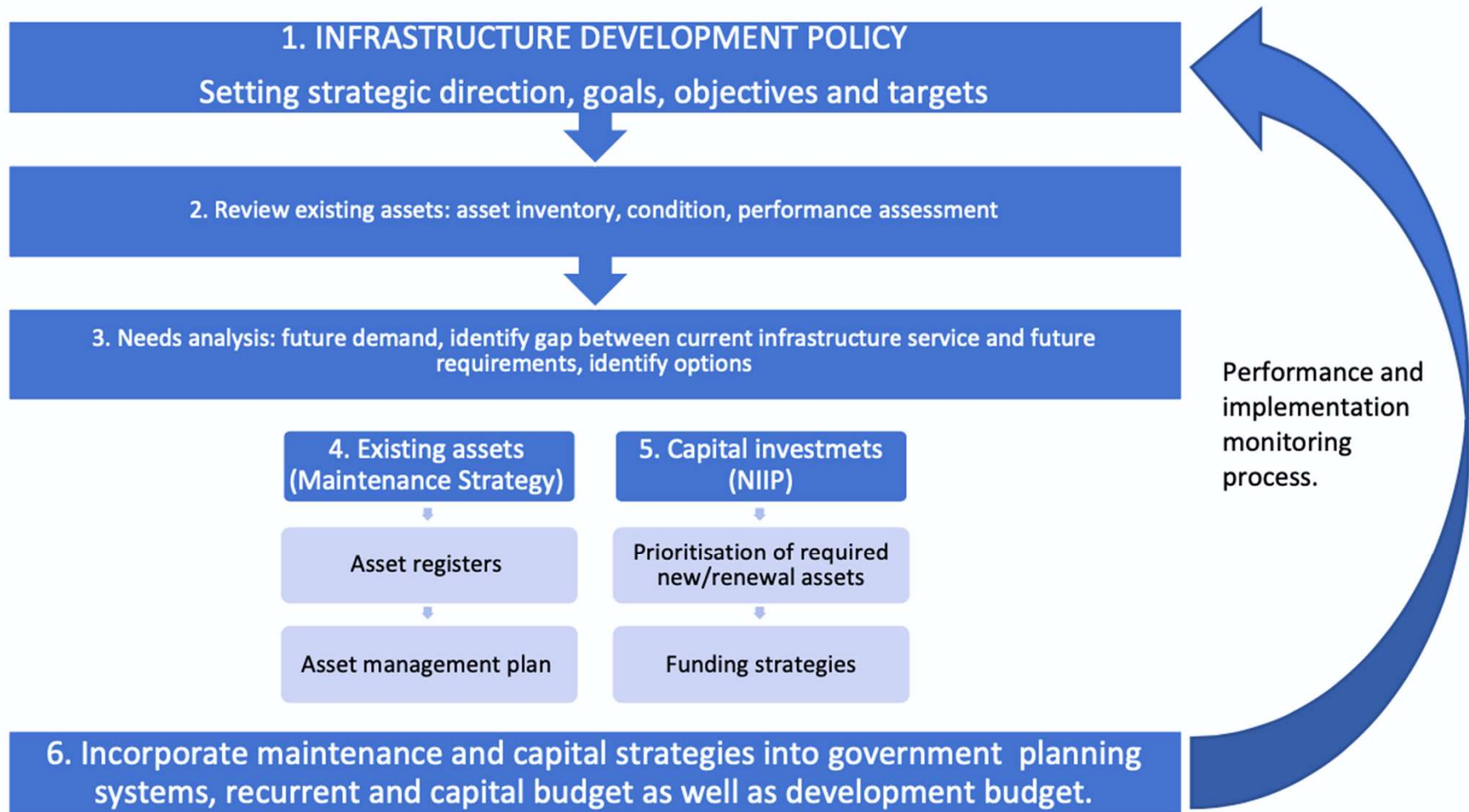
Appraisal  
Document

# Decision point 2 – Project Selection

- Need to have a process by which projects are systematically vetted for inclusion in the budget
- Projects should meet clear criteria such as:
  - ✓ In line with government's development strategy
  - ✓ Technically feasible
  - ✓ Economically viable
  - ✓ Financially viable
  - ✓ Be within the government's capacity to implement, operate and maintain
  - ✓ Have the institutional arrangements in place
  - ✓ Have environmental and social safeguards in place
  - ✓ Sufficient financing available



# Infrastructure Planning Process



# Summary – Key Takeaways

- Infrastructure has a major role to play to tackle COVID19 recovery.
- Adopting two decision points can support effective use of resources towards achieving national priorities
- PRIF has over 10 years of experience and our NIIP program is here to help our member countries.
- We offer tailored support that considers your specific needs, while adhering to best practices.
- PRIF assists coordinate proposed investments and approaches between development partners and the private sector.




# Thank you from the PRIF Team



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