

IRAQ RECONSTRUCTION INVESTMENT CONFERENCE

STATUS UPDATE

DECEMBER 7, 2017



IFC

International
Finance Corporation
WORLD BANK GROUP



Building a better
working world

Agenda

1

Project Objective and Approach

2

Progress Update

3

Screening Process and Evaluation Criteria

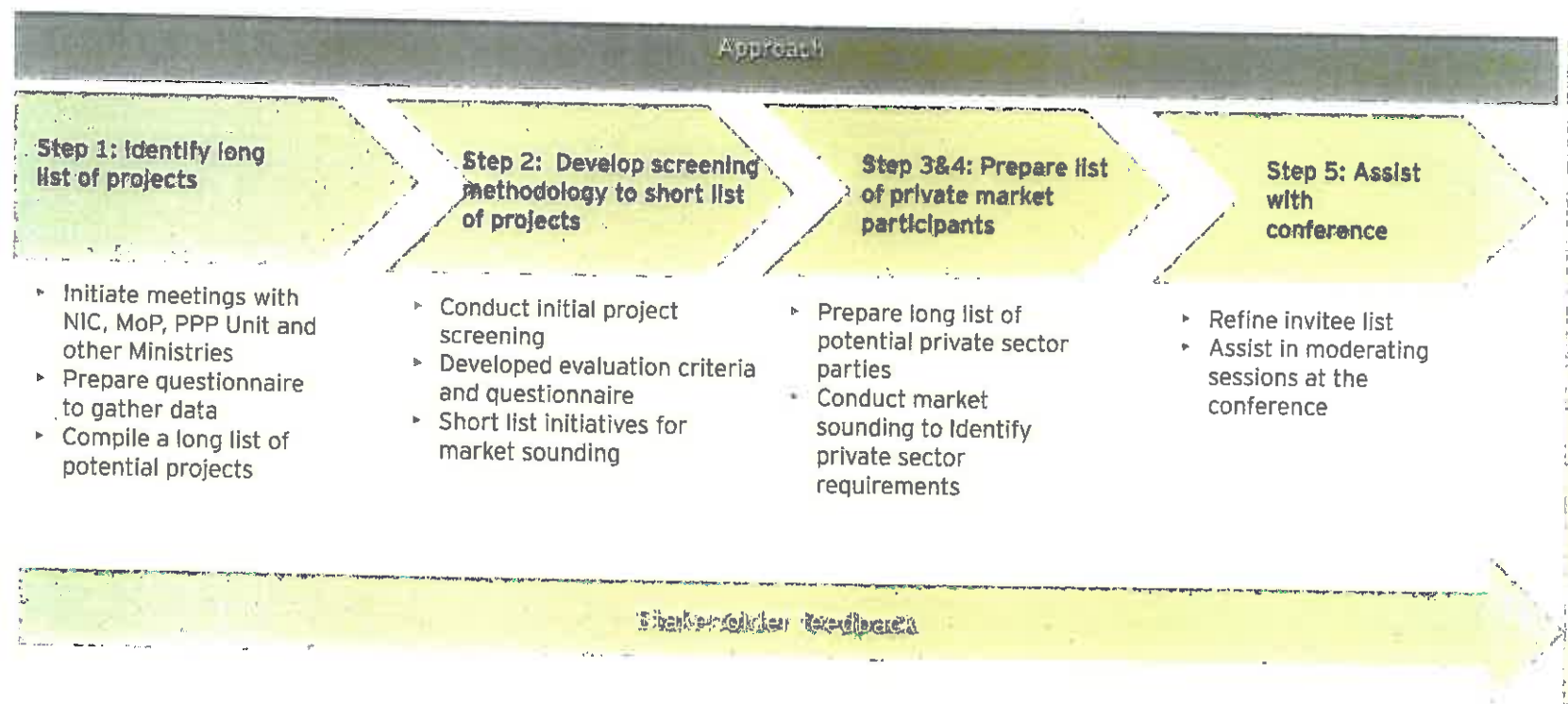
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Next Steps

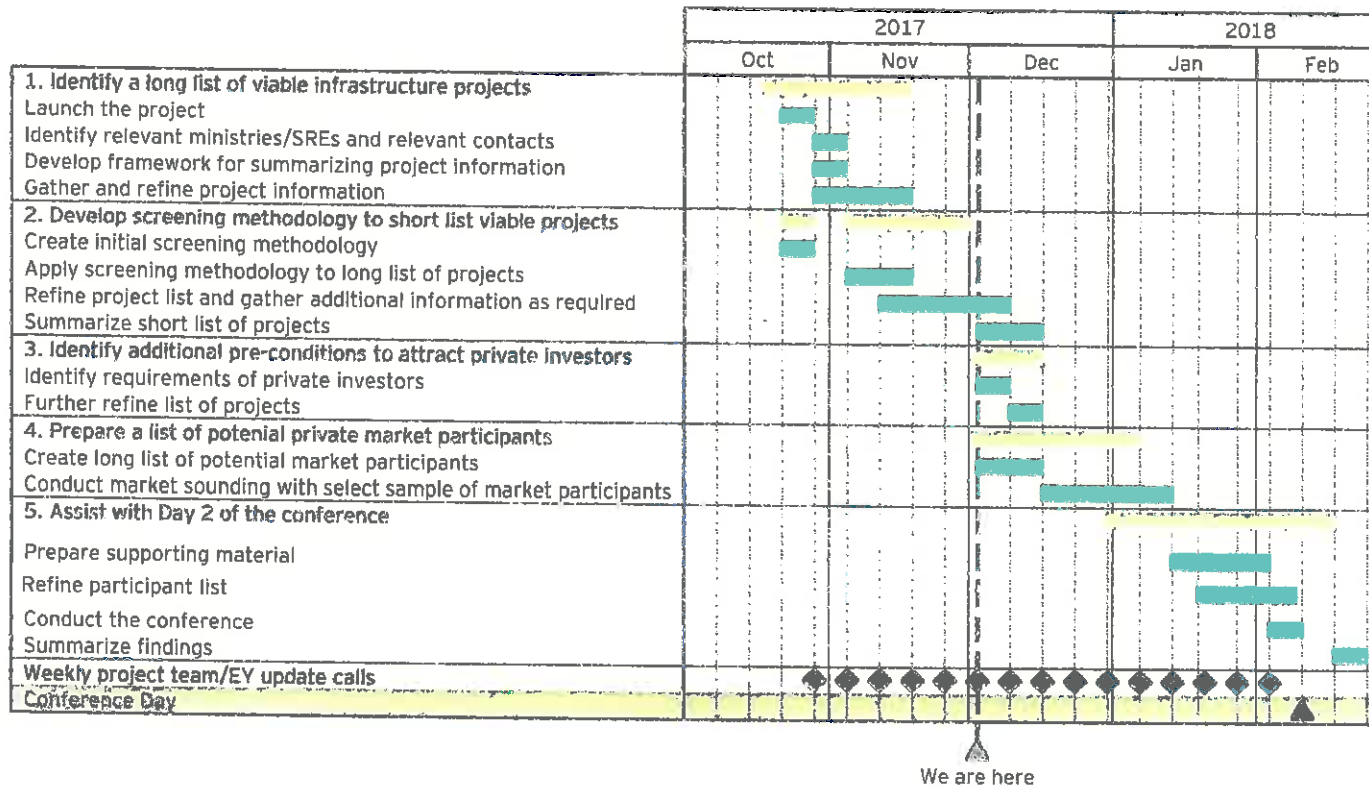
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Appendices

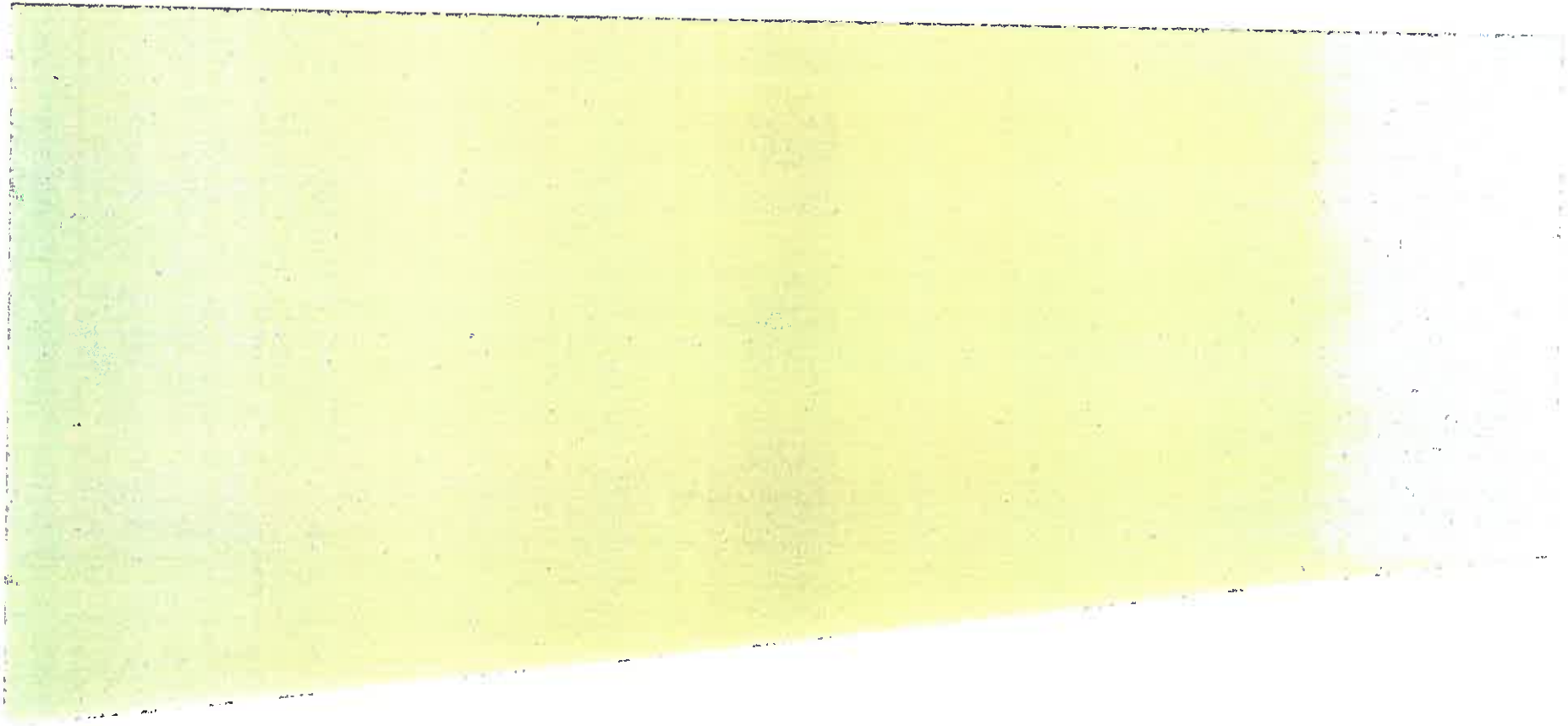
PROJECT OBJECTIVE AND APPROACH



PROJECT TIMELINE



PROGRESS UPDATE



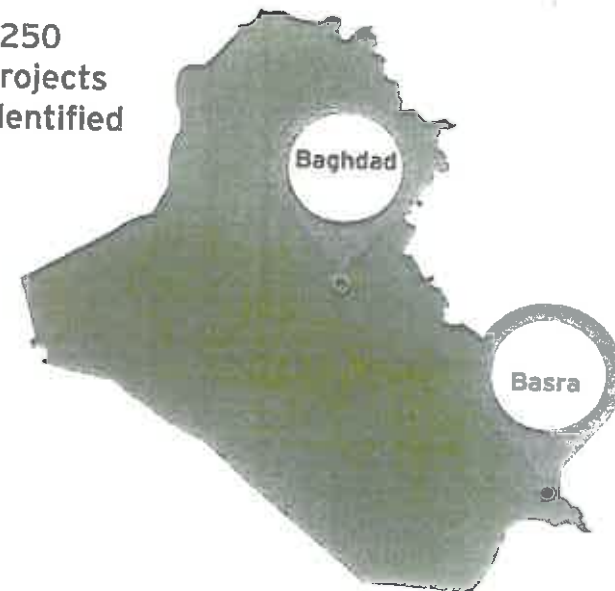
MEETING WITH LINE MINISTRIES MEETINGS EY / IFC TEAM HELD +30 MEETINGS TO GATHER PROJECT DATA

- ▶ Held series of meetings with different line ministries in Iraq to gather a long list of projects
- ▶ Visited ministries with an official letter from National Investment Commission (NIC) to authorize agencies / ministries to share information with the team
- ▶ Met with relevant departments at ministries to share data requirements by providing questionnaire template to request specific data points
- ▶ Met with Damage and Needs Assessment team from the World Bank to coordinate efforts and priorities
- ▶ Held follow-up meetings with ministries to gather further details on projects

+30
Meetings

+14
Agencies

+250
Projects
Identified



LIST OF LINE MINISTRY / AGENCIES MEETINGS THE TEAM MET WITH SEVERAL AGENCIES

Ministry of Electricity

Ministry of Oil

National Investment Commission

Ministry of Housing, construction & public works

Ministry of Water Resources

Ministry of Education

Ministry of Transport

Ministry of Health

Ministry of Higher Education & Research

Ministry of Planning

Baghdad Municipality

Basra governorate

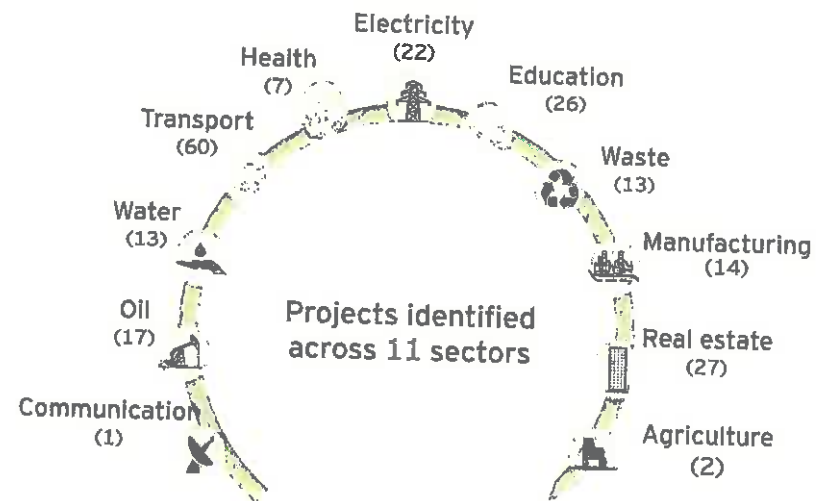
Ministry of Industry

Iraq Fund for Reconstruction

Meeting to be scheduled
(as of Nov 29)

UPDATE ON DATA GATHERING IDENTIFIED OVER 250 PROJECTS ACROSS 11 SECTORS

Requested data	Project team and advisors
	Project capacity
	Investment size / project cost
	Breakdown of project annual operating and maintenance costs (life cycle costs, etc.)
	% of completion for brownfield projects (financial and construction)
	Required funding (budget, multilateral funding, etc.)

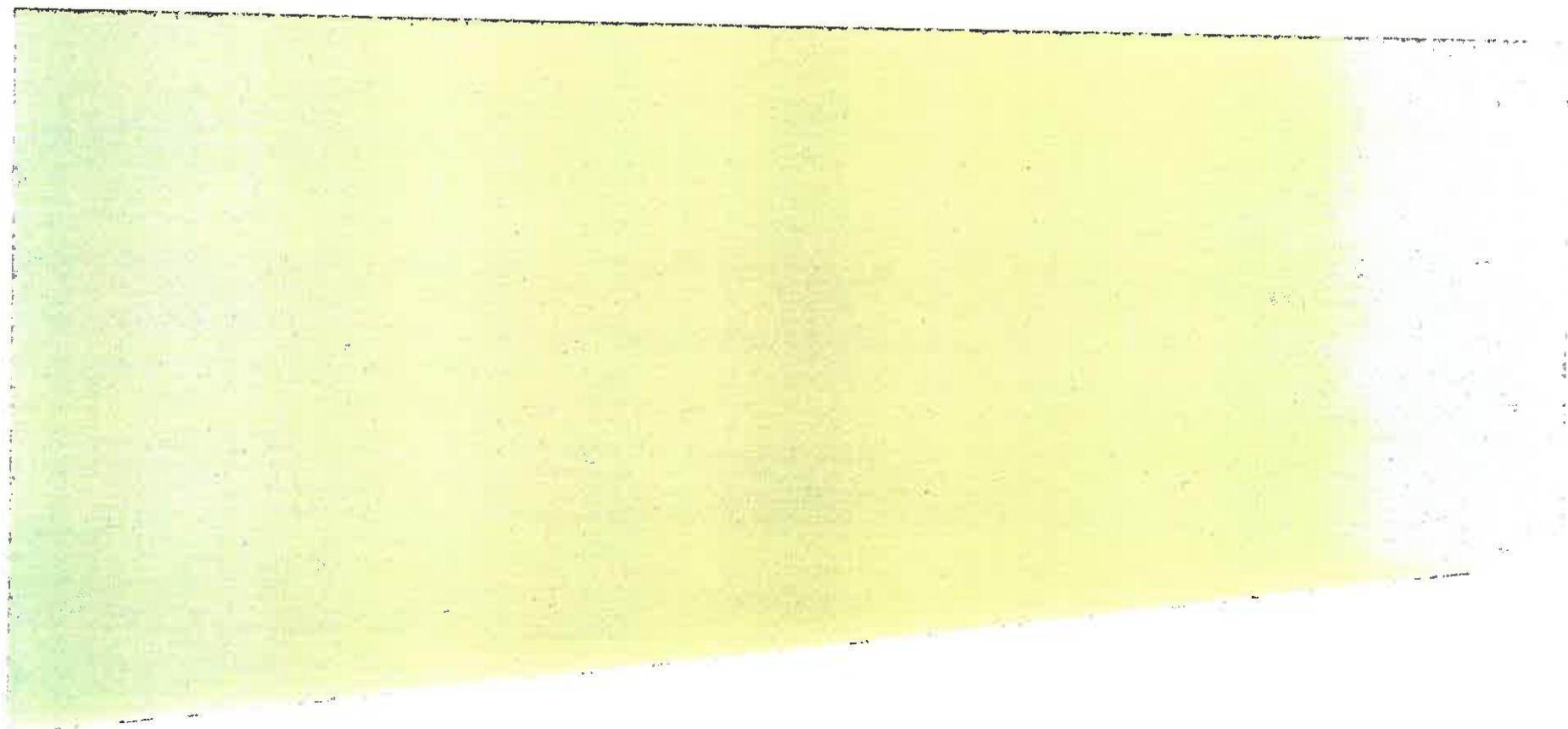


- Challenges for data collection**
- ▶ Limited details available for most projects (i.e., no feasibility studies available, only high level of information, etc.)
 - ▶ Lost time due to the requirement of an official NIC letter
 - ▶ Differing priorities between different agencies / line ministries
 - ▶ Limited understanding of PPP concept among some line ministries

Legend

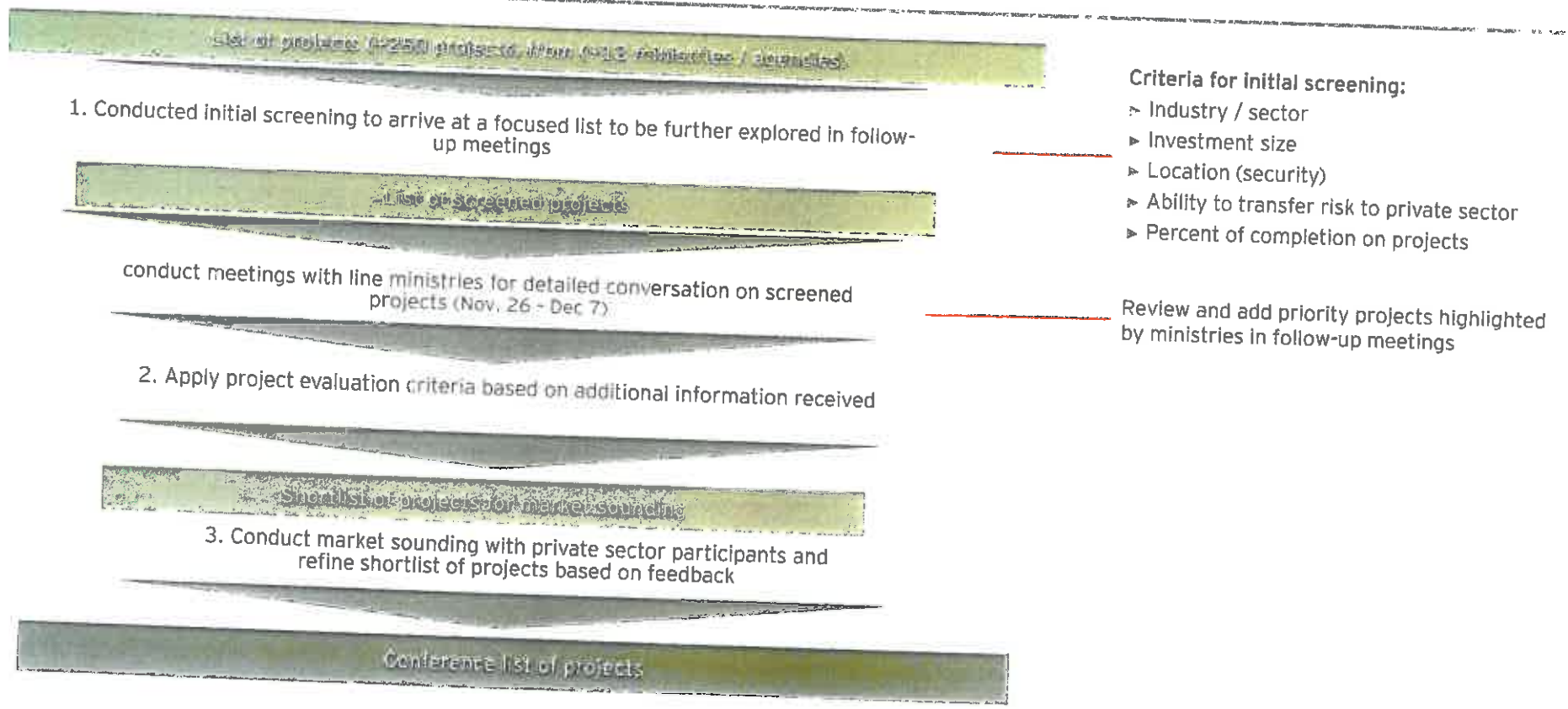
- Data NOT received for any project
- Data NOT received for majority of projects

SCREENING PROCESS AND EVALUATION CRITERIA



SCREENING PROCESS

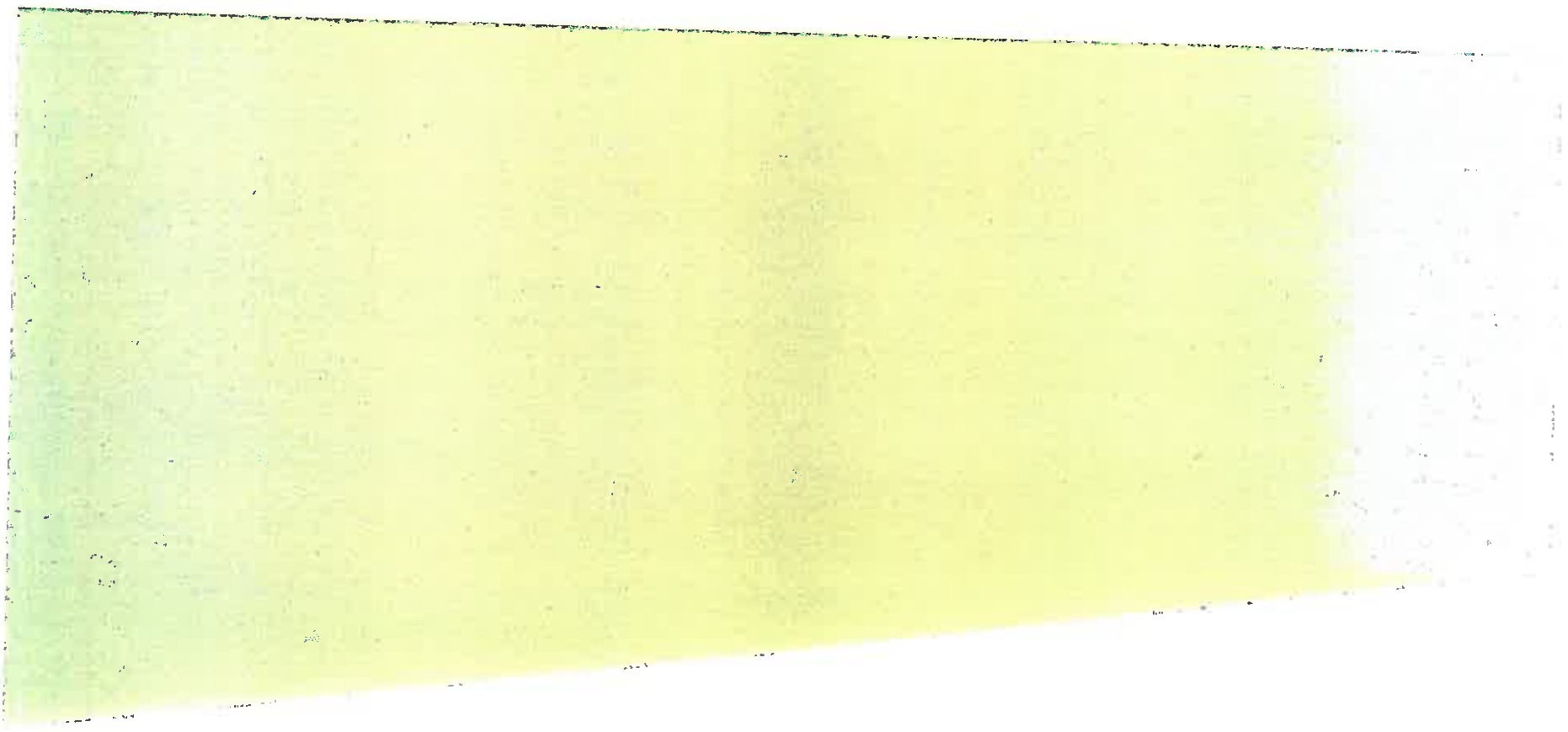
SCREENING PROCESS OVER +3 STEPS



NEXT STEPS

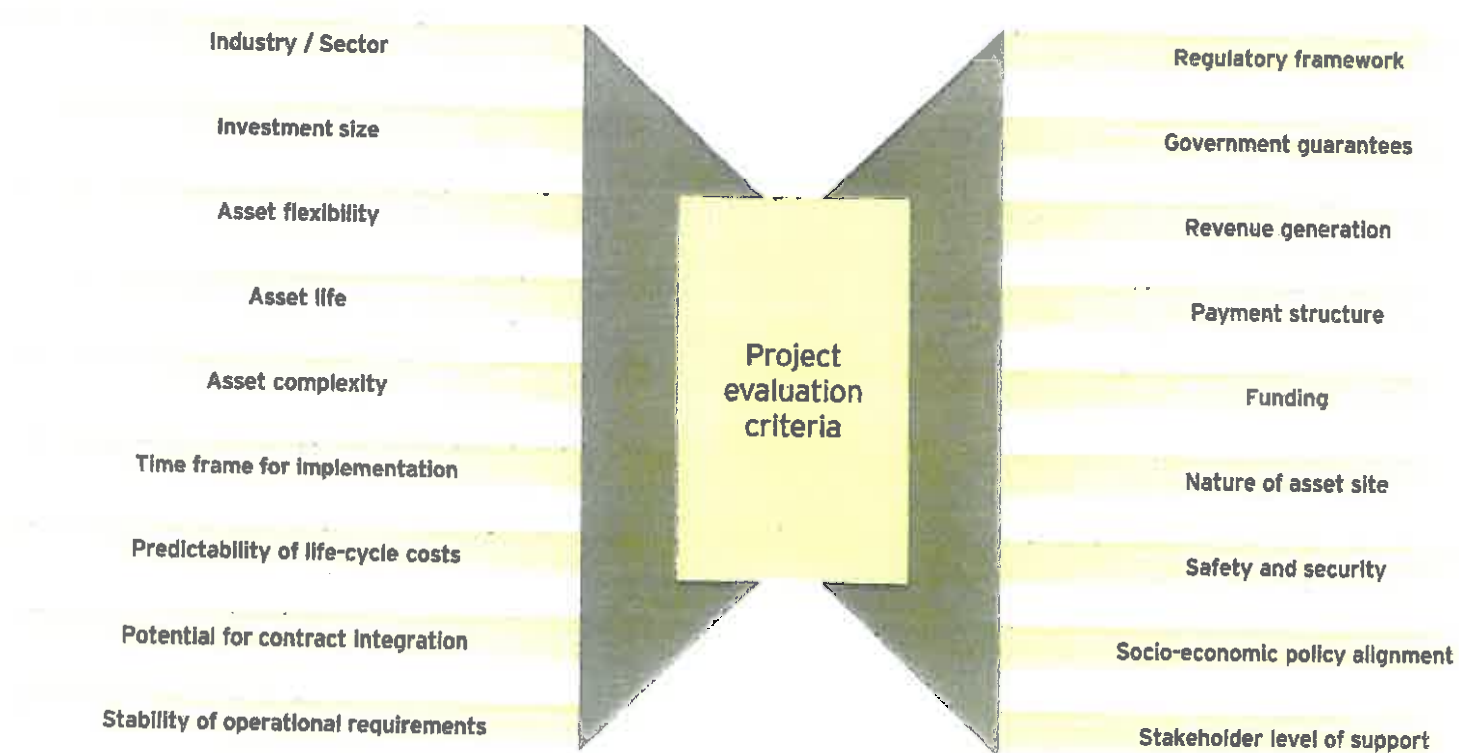
Next steps	Date of completion	
1	Prepare list of private sector participants for market sounding	10 December 2017
2	Create an initial shortlist of potential projects based on data received	17 December 2017
3	Conduct market sounding interviews	11 January 2017
4	Summarize and report market sounding findings	16 January 2017
5	Review and adjust shortlist of projects based on market sounding findings	18 January 2017
6	Finalize list of projects to be presented at Day 2 of the conference	25 January 2017
7	Prepare conference presentation	31 January 2017

APPENDICES



CREATE A SHORTLIST OF PROJECTS

Screening criteria to applied to create a shortlist of projects (provided that the data is available)



PROJECT EVALUATION CRITERIA

Criteria	Definition
1 Industry / Sector	Identifies specific sectors / sub-sectors as specified by the strategies
2 Investment size	Measures the amount of investment in a project to meet the sector's needs
3 Time frame for implementation	Provides the duration for completion relative to other projects
4 Assets	Measures the anticipated capabilities of the investment relative to other projects
5 Asset complexity	Measures the technical complexity of the investment relative to other projects in the structure of qualified investors
6 Predictability of life-cycle costs	Evaluates the predictability of life-cycle costs of the investment
7 Stability of operational requirements	Evaluates the stability of the operational requirements
8 Potential for contract interaction	Measures the potential for interaction of the project's investment with the strategic and financial markets (quantified)
9 Funding	Measures the ability of the investor to fund the project and the ability of the investor to fund the project

PROPOSED EVALUATION CRITERIA (CONT'D)

Criteria	Definition	
10	Socio-economic-political alignment	Evaluates the asset's alignment with socio-economic, political, and institutional objectives, and assesses the level of alignment with national and local policies.
11	Stakeholder level of support	Assesses the level of support for the project, including various public and government institutions.
12	Revenue generation	Measures the asset's potential to generate revenue.
13	Regulatory framework	Evaluates the regulatory framework of laws and regulations that will govern the project's operation.
14	Government guarantees	Assesses the magnitude of government guarantees to reduce the risk of non-payment.
15	Private sector attractiveness	Measures the level of attractiveness to private sector companies and investors.
16	Safety and security	Evaluates the level of safety and security within the asset's location.
17	Payment structure	Considers the structure of payment stream (e.g., lump sum, annuity, or milestone-based payments).
18	Nature of asset	Considers the nature of the asset's life cycle (e.g., infrastructure).
19	Asset flexibility	Measures the flexibility of the asset's operation over its life cycle.

QUESTIONNAIRE – (1) PROJECTS BACKGROUND, AND (2) PROJECTS TEAM

1. Project background

Project name	
Sponsor (Government/Entity)	
Project decision makers	
Project description	
Industry/sector	
Project purpose/objective	
Project Location (provide map)	
Security	
Key stakeholders	
Project challenges	
Completed studies as available (e.g. pre-feasibility, environmental, market assessment, demand analysis, etc.)	

2. Project team

Name	Title	Position

QUESTIONNAIRE – (3) PROJECT ADVISORS, AND (4) PROJECT COST DETAILS

3. Project advisors

Design consultant	
Cost consultant	
Technical consultant	
Other	
Other	
Other	

4. Project cost details

Project stage	
Construction period duration in years	
Construction costs	
Design costs	
Technical consultant fees	
Project management fees	
Permits, licenses and municipality fees	
% of construction completion	
Costs paid to date	
Total O&M cost per annum	
Capital maintenance costs / life cycle expenditures per annum (average)	
Other costs per annum	
Date of estimates/data preparation	

QUESTIONNAIRE – (5) FUNDING

5. Funding

Required Funding	
Budget status	
Budgeted Amount	
Funding Timeline	
Sources of funding	
Nature of revenue sources (i.e. tariff, user fees)	