Developing Public-Private Partnerships in Liberia

Zachary A. Kaplan  
Peter Kyle  
Chris Shugart  
Alan Moody
Contents

Acknowledgments .................................................................................................................. v
Acronyms and Abbreviations ................................................................................................. vi
Executive Summary ................................................................................................................ vii

1. Introduction .......................................................................................................................... 1
   An Economic History Reliant on Natural Resource ........................................................... 1
   Emerging from Conflict ....................................................................................................... 1
   Greater Private Sector Investment and Improved Infrastructure Help Generate Jobs ........ 2
   Constraints to Infrastructure Limit Competitiveness and Job Growth ......................... 3
   Objective ............................................................................................................................... 4
   Methodology ......................................................................................................................... 5
   Structure of This Report ...................................................................................................... 5

2. Experience in PPP Transactions and Natural Resource Concessions in Liberia Since 2003 ................................................................. 7
   Some Trends in PPP Experience in Post-Conflict Countries ........................................... 7
   Liberia's PPP Experience ................................................................................................... 8

3. Themes Useful in PPP Project Structuring Based on Experiences and Lessons Learned........................................................................... 19
   Phased Risk-Based Approach Preference from Private Sector toward the Development of PPPs ................................................................. 19
   Preference by the Private Sector for Remuneration by User Charges .......................... 20
   Need to Address Low Capacity to Develop, Monitor, and Evaluate ............................ 21
   Avoidance of Additional Missed Opportunities for Joint Infrastructure Development by Natural Resource Concessionaires .................. 22
   Establishment of Clear Principles for Selecting and Prioritizing PPPs in Liberia ........... 24

4. Deepening PPP Development through Legal and Institutional Reform ......................... 27
   Overview of Legal and Institutional Enabling Environment ......................................... 27
   Weaknesses to the Legal and Institutional Enabling Environment Detailed ................ 28
   Legislative and Institutional Options to Deepen the Links between Natural Resource Concessions and PPPs and Expand PPP Development .... 37
   Recommendations for Implementing Strengthened PPP Framework ............................ 39
   Recommendations for Additional Framework Support ............................................... 41

5. Generating the Next Set of PPP Transactions in Liberia ................................................. 43
   The PPP Short List ............................................................................................................. 43
   Power Projects ................................................................................................................. 47