



Contingent Liabilities and Fiscal Risks in PPPs

October 23 - 27, 2017 | Washington, DC (3.0 CEUs)

Course Description

As public-private partnership (PPP) projects have proliferated throughout the world, governments are often required to assume contingent liabilities related to, for example, early contract termination, debt and revenue guarantees. These guarantees and contingent liabilities, often in the tens or hundreds of millions of dollars, present challenges to government planners and finance ministries that must track and score these obligations in accordance with sound legal and financial practices.

This course, developed by the Institute for Public-Private Partnerships, A Tetra Tech Company (IP3), will examine international best practices for measuring and managing government contingent liabilities arising from PPP contracts.

Course Offering

Dates: October 23 - 27, 2017

Location: Washington, DC

Code: 2736-WA

CEUs: 3.0

Tuition: \$3,750

Learning Outcomes

- Using modern accrual accounting standards for optimum transparency and reporting contingent obligations
- Analyzing and identifying the contingent obligations as part of the project appraisal and assessment of value for money
- Developing and incorporating risk management in the PPP project cycle
- Deploying risk managers and evaluate the insurance and risk management practices of private companies in PPP projects
- Factoring uncertainty into the measurement of contingent PPP obligations
- Using risk tolerance lines for tracking contingent obligations during project execution
- Budgeting and reserving for contingent obligations and examination of processes followed in key PPP countries such as South Africa, Australia, Chile, and Colombia

Become a Specialist

IP3 is an authorized provider of Continuing Education Units (CEUs) as sponsored by the International Association for Continuing Education and Training (IACET).

Successful completion of this course will award 3.00 CEUs.



Who Should Attend

- Government officials and policy-makers responsible for budget and fiscal management from economic and finance ministries
- Federal and State Government officials
- PPP unit officials
- Officials from auditor general's office
- Staff of bilateral and multilateral institutions

Course Tuition Includes

- All training sessions/materials
- Presentations
- New computer for each participant
- Web-based course content/software
- High-speed internet access
- Receptions and tours
- Daily refreshments and lunch voucher
- Enrollment in professional certification program
- Professional certification counseling

Course Contents



Evaluating and Measuring Contingent Liabilities as Part of Project Appraisal

- Understanding the rationale for government assuming contingent liabilities in PPP Projects
- Determining how contingent liabilities are reflected in the project risk matrix
- Understanding how contingent liabilities serve to make PPP projects bankable
- Avoiding hidden risks in PPP projects through back-to-back risk allocation

Documenting and Disclosing Contingent Liabilities

- Utilizing the various accrual accounting techniques to reflect government contingent obligations
- Reviewing IMF financial reporting guidelines and International Financial Reporting Standards for contingent liabilities
- Developing the best ways of structuring key contingent liabilities to limit government's exposure
- Interpreting the dangers involved in using PPPs to conceal government contingent liabilities

Financial Modeling Techniques to Measure Contingent Liabilities in PPPs

- Determining financial modeling techniques that can be used to measure contingent liabilities
- Planning for how contractual provisions dealing with revenue guarantees can be converted into financial formulae for a spreadsheet
- Developing how probability analysis can be used to measure likely outcomes and the fiscal impact of contingent obligations

Managing Contingent Risks During Project Execution and the PPP Risk Management Unit

- Understanding the procedures for managing contingent liabilities within the PPP project cycle
- Examination of case studies of benchmark countries and the institutional processes for reviewing and budgeting contingent obligations
- Lessons learned from failed projects and mismanagement of contingent liabilities

About the Institute for Public-Private Partnerships

The Institute for Public-Private Partnerships, A Tetra Tech Company (IP3), is a leading, global provider of PPP consulting and capacity building services. IP3 provides institutional support to public and private sector entities engaged in PPP projects around the world, helping mobilize private sector expertise and resources to enhance the quality and availability of infrastructure for public services.

IP3 has trained more than 35,000 officials from over 175 countries on PPP programs and opportunities, regulation operations and management initiatives, competitive utility management reform, and public policy and good governance.

Our experts have worked with more than 600 government agencies, ministries, and organizations, including some of the world's most influential institutions.



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