

FINANCING IN PUBLIC-PRIVATE PARTNERSHIP AGAINST THE PUBLIC FUNDS

Strategies and policies for the deployment of broadband in developing countries

Luc MISSIDIMBAZI
Agence de Régulation des Postes et
Communications Electroniques



SOMMAIRE

- 1. Introduction et contexte**
- 2. PRINCIPLE AND STRUCTURING**
- 3. OPEN ACCESS MODEL**
- 4. PPP Construction**
- 5. Conclusions**



ITU-D Study Groups **INTRODUCTION AND CONTEXTE**



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Introduction et contexte

- Significant growth of optical fiber networks
- Main public financing in the construction of networks
- Difficulties of management of financial infrastructures by the state
- Need national sovereignty, security and integrity of networks
- Need for good management and maximization of revenue on behalf of the state
- Guarantee fair competition

Introduction et contexte

Two fundamental principles to consider

- Open Access to Networks (Open Access), For Fair Management
- Public-Private Partnerships ("PPPs") for Lower Risk Financing

Creation of the SPN and its governance structure

- The National Heritage Company (SPN), as the entity owning the infrastructures and the licensing authority for the exploitation of these infrastructures
- SPN contracts works contract for construction of telecommunications infrastructure

Work plan

- Take over public telecom assets built in the framework from public funds by a National Heritage Company (SPN)
- Signature of a contract between SPN and one or more public / private operators selected on a transparent and competitive basis for the exploitation and marketing of these infrastructures





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PRINCIPLE AND STRUCTURING

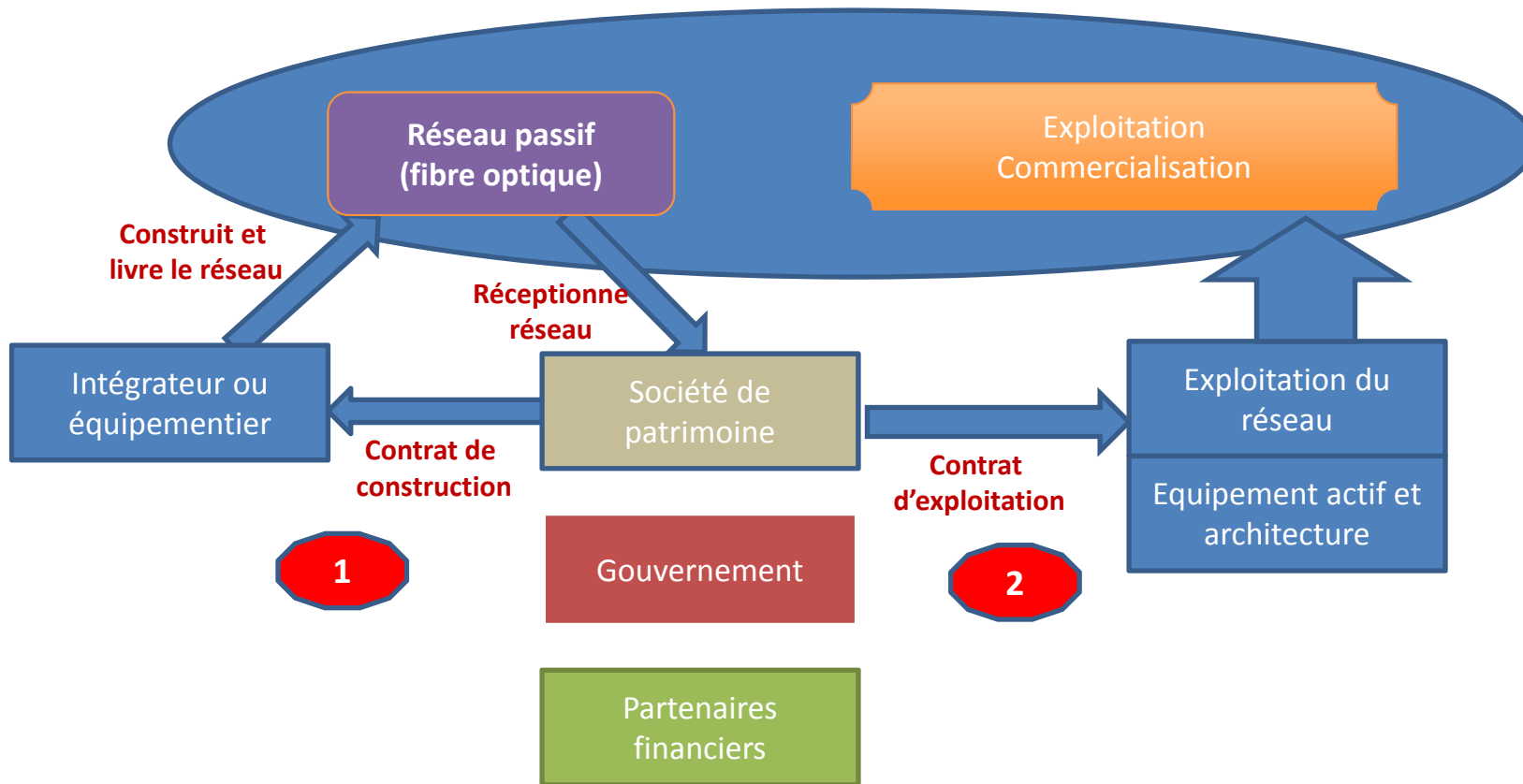


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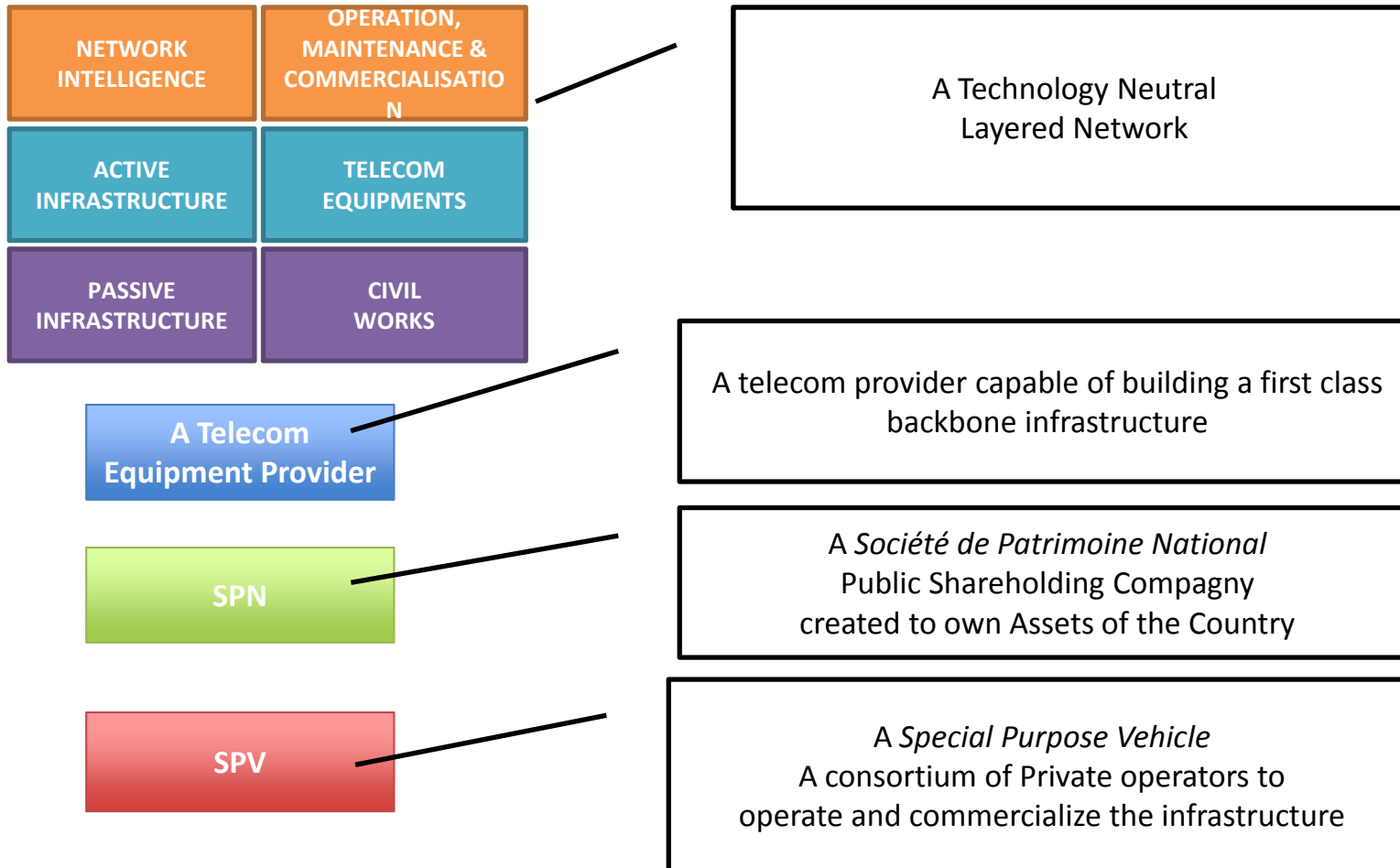
PRINCIPLE OF PPP

An overall scheme of structuring the Project in 2 steps

- 1- Construction contract
- 2- Operating contract



PLAYERS OF STRUCTURATION





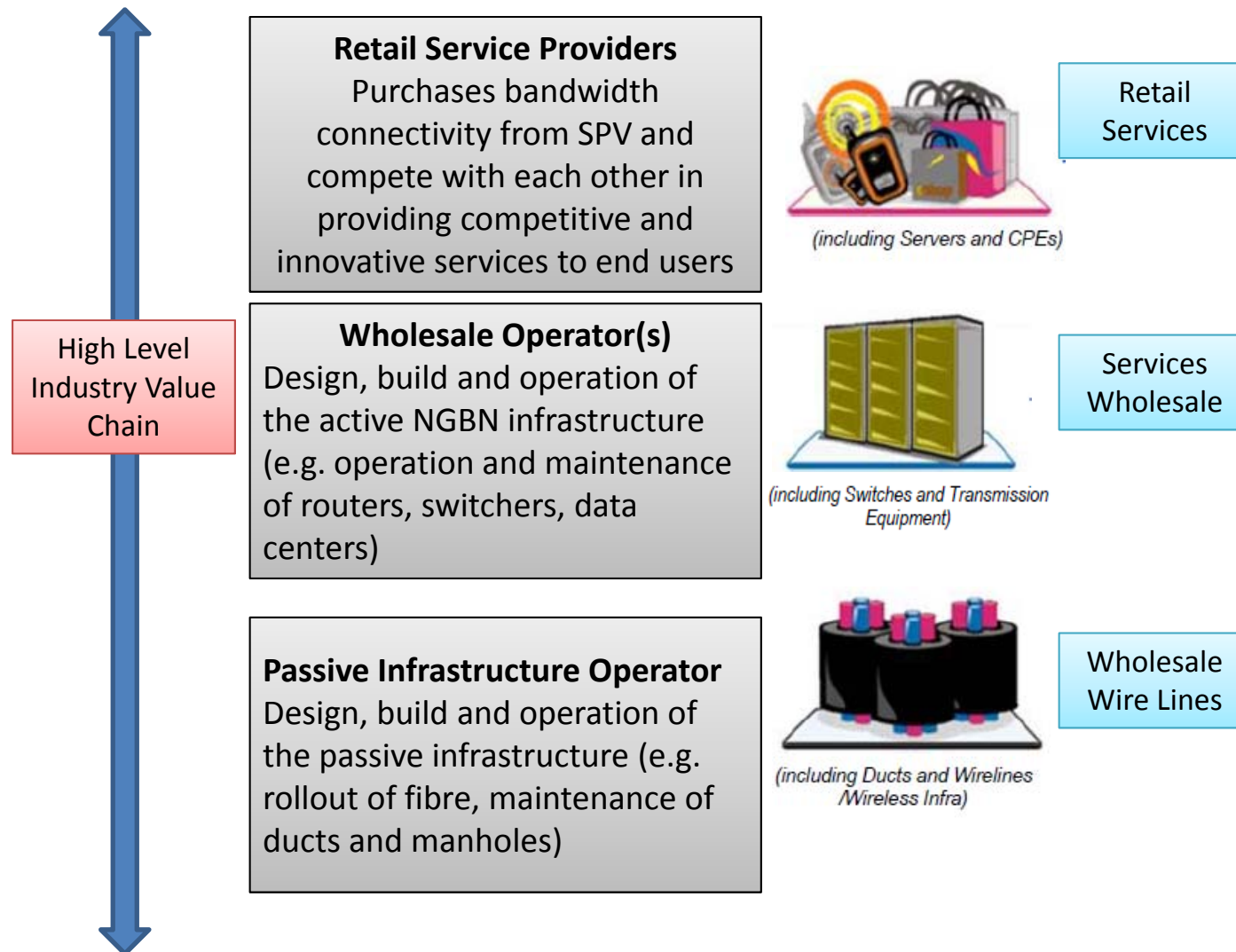
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OPEN ACCESS MODEL



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OPEN ACCESS MODEL





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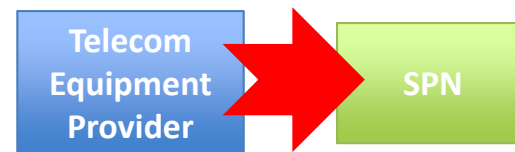
PPP CONSTRUCTION



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- **Step1 : Building the Infrastructure under competitive bidding process**
- **Step2 : Operating the Infrastructure under PPP**

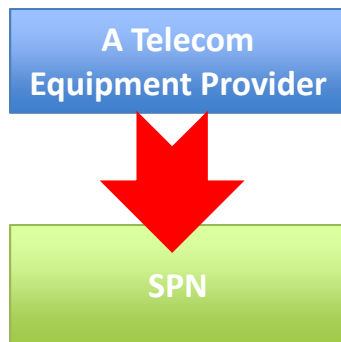
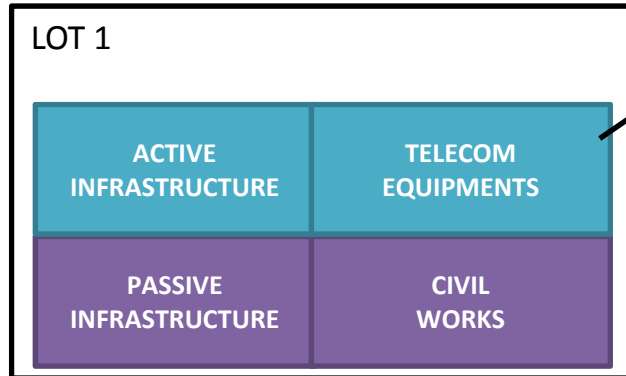
Step1 : Passive Infra. Is build under ICB and incorporated as an equity contribution in the SPN



Step2 : A SPV is recruited to “light”, maintain and commercialize the network on a wholesale basis – Concession contract between the SPN and SPV



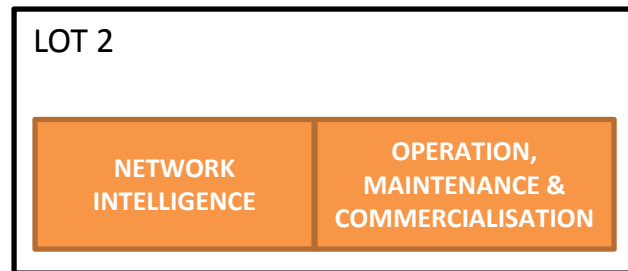
Step1 : Building the Infrastructure under competitive bidding process



STEP 1.1 – An ICB to recruit
A Telecom Equipment Provider
to conduct civil works and provide telecom equipments in the network

STEP 1.2 – Once build, the infrastructure is delivered by the
Telecom Equipment Provider
to be incorporated in the
SPN
as an Equity Contribution

Step2 : Operating the Infrastructure under PPP

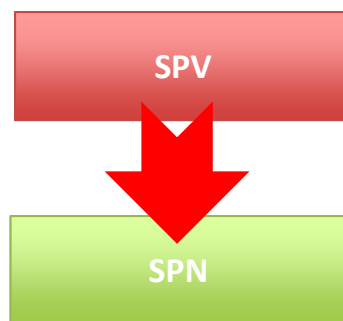


STEP 2.1 – A bidding process is launched to recruit the operator to maintain and commercialize the infrastructure

An

SPV

Is recruited



STEP 2.2 – A concession contract is concluded to link the

SPV

To the

SPN

and a license is granted to the later



CONCLUSIONS

The PPP model help many country to build and manage infrastructures

- **Fastest Project Delivery & Progress on the field**
- **Efficiency in ICB (Lowest bidding process)**
- **Open Access through Concession contract (SLA, KPI, QoS and Prices regulated) & “self –regulation” network**

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