

# PPP Canada

*Build Infrastructure Better*

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# Outline

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- ❖ Facilitating P3's with PPP Canada
  - About PPP Canada and the P3 Canada Fund
  - Review/approval process
  - Support available from PPP Canada
  - P3 as an option for projects – why and how?

# What is PPP Canada?

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- Federal Crown Corporation
- Board of Directors reporting to the Minister of Finance
- Budget authority of \$1.2 billion to support public infrastructure projects if done through a P3 approach

# P3 Canada Fund – Eligible Recipients

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- A province, territory, or a municipal or regional government established by or under provincial or territorial statute
- A public sector body that is established by or under provincial or territorial statute or by regulation or is wholly owned by a province, territory or municipality
- First Nations
- A private sector body, including not-for-profit organizations, whose application has been sponsored and submitted by a provincial, territorial, municipal or regional government, or First Nations

# P3 Canada Fund – 16 Eligible Project Categories

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- Water
- Wastewater
- Public Transit
- National Highway System
- Green Energy
- Disaster Mitigation
- Solid Waste Management
- Brownfield remediation and redevelopment
- Connectivity
- Local roads
- Short line rail
- Short Sea Shipping
- Sports infrastructure
- Regional and Local Airports
- Tourism infrastructure
- Cultural infrastructure

# PPP Canada Project Merit Considerations

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- Definition of P3
  - Project will need to have meaningful private sector involvement in at least two of design, build, operate, maintain or finance, one of which must include operate, maintain or finance
  - Typical structure is DBFO or DBFOM
- Need to achieve appropriate risk transfer to private sector
- Project must offer value to taxpayers as a P3 compared to traditional procurement (identified through VFM)
- Long-term contract

# Support from PPP Canada

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- Potential capital funding: up to 25% of eligible costs
  - Paid at substantial completion or a combination of SC payment and a small number of milestones
  - Stacking limit of 25% for total Government of Canada capital contributions (except INAC capital contributions to a First Nation)

# Why P3?

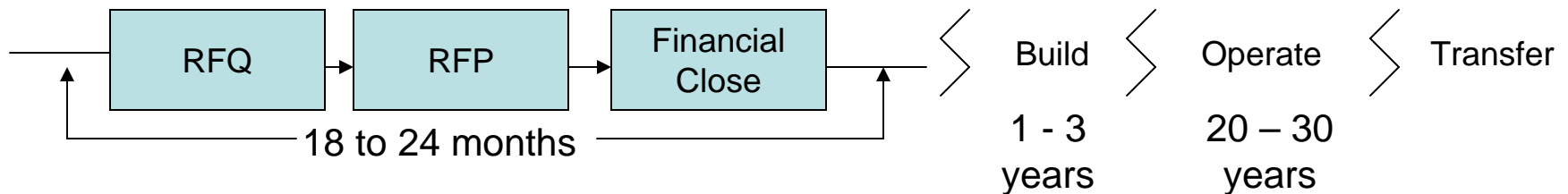
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- Need for specialized skills not available within government
- Seeking innovative approaches
- Lever private sector investment
- Improve performance by shifting certain risks to private sector
  - Scheduling and cost
  - Certainty of long-term operations

# Typical P3 Life Cycle

## ❖ Multi-Step Procurement Process

- Request for Expression of Interest
- Request for Qualification (RFQ)
- Request for Proposal (RFP)
- Long-Term Contract



# Next Steps

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- P3 Canada funding calls will occur each year
- Planning for a project can take 18 months
- P3 Canada willing to assist with advice, examples and possible planning and consultative support where appropriate.



Contact us

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