

BENCHMARKING PPP PROCUREMENT 2017 IN HONDURAS

Regulatory and Institutional Framework for PPPs	
Does the regulatory framework in your country allow procuring PPPs?	Yes
Yes. If yes, please specify the relevant regulatory framework and the year of adoption:	The public-private partnerships regulatory framework in Honduras is composed of the following laws on which our analysis will be based: Legislative Decree 143 of 2010 - Public-Private Partnership Promotion Law "PPP Law"; Executive Decree No. 02073-2010 of 2010 - public-private partnerships Promotion Law General Regulation "PPP Regulatory Decree"; Decree No. 24-2012 "Decree 24 of 2012"; Decree No. 51 - 2011 - Law for the Promotion and Protection of Investment; and Decree No. 58-2011 - Special Law to the Simplification of Public Infrastructure Investment Procedures. Article 36 of the PPP Law sets an express exclusion in the following terms: "In accordance with the provisions of the Law on State Contracts, last paragraph of Article 1, the processes regulated by the present Law, as well as those related to the implementation will not be subject to the standards contained in such Law on State Contracts."
and provide a link to a government-supported website where the mentioned regulatory framework is available or provide an electronic copy of it:	http://coalianza.gob.hn/es/app/marco-legal-de-la-app/leyes-y-reglamentos
Besides national defense and other matters of national security, does the regulatory framework explicitly prohibit or restrict PPPs in any of the following sectors? Transportation.	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Water and irrigation	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Energy generation and distribution	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Telecom	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Health	No
If yes, please provide the relevant legal/regulatory provisions:	n/a

Education	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Other	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Please identify the PPP procuring authorities in country_name and provide their website(s) (if available):	According to article 13 of the PPP Law, COALIANZA exclusively manages the contracting processes that allow public-private participation in the implementation, development and management of public works and services of public interest for the State, both at the national and the local levels.
In addition to the PPP procuring authorities listed above, is there a specialized government entity that facilitates the PPP program (PPP Unit)?	Yes
If yes, please indicate its name, and its website (if available):	It is important to mention that for the case of Honduras, the PPP Unit is also COALIANZA. Likewise, although it does not facilitates the PPP Program, the PPP Superintendence is in charge of the regulation, oversight and monitoring of the PPP contracts and projects. Its website is http://sapp.gob.hn/
If yes, what are the main responsibilities of the PPP Unit (check all that apply). PPP regulation.	Yes
PPP policy guidance and capacity building for other public authorities.	Yes
PPP promotion among the public and/or private sectors in national and international forums.	Yes
Technical support in implementing PPP projects.	Yes
Gatekeeping (approval of PPP projects).	Yes
Procurement of PPPs.	Yes
Oversight of PPP implementation.	Yes
Other	No
please specify:	n/a
Preparation of PPPs	Score:58
Does the Ministry of Finance or Central Budgetary Authority approve the PPP project before launching the procurement process?	Yes

If yes, please provide the relevant legal/regulatory provisions (if any):	The PPP Law in its articles 24 and 26 requires the participation of the Secretariat of State in the Office of Finance (SEFIN, in Spanish) in the PPP project processes to ensure the fiscal sustainability of the projects.
If yes, is a second approval by the Ministry of Finance or Central Budgetary Authority required before signing the PPP contract?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Practice
Besides the procuring authority and the Ministry of Finance or Central Budgetary Authority, does any other authority(s) approve the PPP project before launching the procurement process?	No
If yes, please specify the relevant authority	n/a
and provide the relevant legal/regulatory provisions (if any):	n/a
If yes, is a second approval by the same authority required before signing the PPP contract?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	According to Article 11 of the PPP Law, the President of COALIANZA is authorized to sign the contracts resulting from the contract awarding procedures, prior approval of its content by the President of the Republic in Council of Ministers. Likewise, when required according to the Constitution of the Republic Honduras, upon their signature, the contracts shall be approved by the National Congress of the Republic.
Does the government integrate the prioritization of PPP projects with all other public investment project prioritization? (e.g. in the context of a national public investment system)?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	According to the Article 18 of the PPP Law, that regulates the feasibility analysis for public imitative projects, the projects will be incorporated to the National Public Investment System under public-private participation models and shall have a previous feasibility assessment, including the cost-benefit analysis and feasible financing schemes to assure the implementation of the project, works and/or delegable services. These analysis shall be conducted by COALIANZA. The Public Administration entities or bodies that initiate Public Private Participation projects shall request the collaboration of COALIANZA to formulate the projects, prior to their incorporation to the National Public Investment System. Likewise, article 19 of the same law as amended by Decree 115 of 2014, SEFIN must select and determine, based on the assessment of the technical studies, which projects are those that may be executed under the PPP scheme, and that

	must be authorized by the Head of SEFIN, being these projects previously contemplated within the Planned Public Investment National System.
If yes, which of the following options best describes the way your government prioritizes PPP projects? (Please select only one). The regulatory framework provides for the inclusion of PPPs in the national public investment system and/or details a specific procedure to ensure the consistency of PPPs with other public investment priorities.	Yes
If yes, please specify:	According to Article 18 of the PPP Law, that regulates the feasibility analysis for Public initiative projects, projects to be incorporated to the National Public Investment System under public-private participation models shall have a previous feasibility assessment, including the cost-benefit analysis and feasible financing schemes to assure the implementation of the project, works and/or delegable services. These analysis shall be conducted by COALIANZA. The Public Administration entities or bodies that initiate Public Private Participation projects shall request the collaboration of COALIANZA to formulate the projects, prior to their incorporation to the National Public Investment System. Likewise, pursuant to article 19 of the same law as amended by the Decree 115 of 2014, SEFIN must select and determine, based on the assessment of the technical studies, which projects are those that may be executed under the PPP scheme, and that must be authorized by the Head of SEFIN, being these projects previously contemplated within the Planned Public Investment National System.
The regulatory framework prescribes the need for PPPs to be consistent with all other investment priorities without establishing a specific procedure to achieve that goal.	No
The regulatory framework does not include any provisions.	No
Other	No
please specify:	n/a
Among the PPP projects procured within the last two (2) years, how many of them were prioritized along with all other public investment projects? Please elaborate:	All of the projects
Which of the following assessments are conducted when identifying and preparing a PPP? (check all that apply): 10.1. Socio-	Yes

economic analysis (cost-benefit analysis of the socio-economic impact of the project)	
Relevant legal/regulatory provision (if any)	The PPP Law in its article 18 and the article 69 of the PPP regulatory decree, says that to determine the private participation in the implementation of the delegable project, work and/or public service, COALIANZA must perform a cost -benefit analysis to determine whether there will be a greater net benefit to society compared to if they were provided by the State through public works. After determining that a project, work or service must be made as a public-private partnership, the feasible financial schemes shall be determined in order to make it viable. Additionally, SEFIN, shall determine the financial and non-financial risks, securities, future commitments and tax contingencies.
Is there a specific methodology?	No
If yes, elaborate.	n/a
Affordability assessment, including the identification of the required long term public commitments (explicit and implicit)	Yes
Relevant legal/regulatory provision (if any)	The PPP Law establishes in its article 18 that the project that will be incorporated to the National Public Investment System under public-private participation models shall have a previous feasibility assessment, including the cost benefit analysis and feasible financing schemes to assure the implementation of the project. Likewise, the PPP regulatory decree indicates in its Article 7 that contributions of the public administration can be classified in firm commitments, and contingent commitments, and the articles 8 and 9 defines each of them respectively.
Is there a specific methodology?	No
If yes, elaborate	n/a
Risk identification, allocation and assessment (risk matrix)	Yes
Relevant legal/regulatory provision (if any)	The PPP Law in its article 9 establishes the following regarding risks: Inherent risks and costs distribution between the parties shall be agreed according to what is best for the specific needs of the Public-Private Partnership, which could be, among others, financial, commercial, operations risks as well as extraordinary risks attributable to non-foreseen causes. In any case, risks should be clearly defined for both parties and the State's participation in the PPP should always be, of limited liability according to its contributions to the Partnership. Article 25-A of Decree 115-2014 indicates that in order to comply with what is established in articles 24 and 25 of the PPP law, it will be created "La Unidad de Contingencias Fiscales" UCF - Fiscal Contingency Unit as an entity dependent of the Secretary of State. UCF will be in charge of identify, analyze, quantify, manage, and establish the fiscal costs and risks derived from the PPP project, establishing action plans in case of possible activation of those contingencies.
Is there a specific methodology?	No
If yes, elaborate	n/a
Financial viability or bankability assessment.	Yes

Relevant legal/regulatory provision (if any)	Article 69 of the PPP Regulatory Decree indicates that to determine the private participation in the implementation of the delegable project, work and/or public service, COALIANZA must perform a cost-benefit analysis to determine whether there will be a greater net benefit to society compared to if works were provided by the State through public works. After determining that a project, work or service must be made as a Public-Private Partnership, the feasible financial schemes shall be determined in order to make it viable. Additionally, SEFIN shall determine the financial and non-financial risks, securities, future commitments and tax contingencies.
Is there a specific methodology?	No
If yes, elaborate	n/a
Comparative assessment to evaluate whether a PPP is the best option when compared to other procurement alternatives	Yes
Relevant legal/regulatory provision (if any)	Article 69 of the PPP Regulatory decree indicates that to determine the private participation in the implementation of the delegable project, work and/or public service, COALIANZA must perform a cost-benefit analysis to determine whether there will be a greater net benefit to society compared to if works were provided by the State through public works. After determining that a project, work or service must be made as a Public-Private Partnership, the feasible financial schemes shall be determined in order to make it viable. Additionally, SEFIN shall determine the financial and non-financial risks, securities, future commitments and tax contingencies.
Is there a specific methodology?	No
If yes, elaborate	n/a
Market assessment (showing evidence of enough interest in the market for the project)	No
Relevant legal/regulatory provision (if any)	n/a
Is there a specific methodology?	n/a
If yes, elaborate	n/a
Among the PPP projects procured within the last two (2) years, for how many of them were all of the required assessments conducted? Please elaborate:	All of the projects
Does the procuring authority include a draft PPP contract in the request for proposals?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Article 15 of the PPP Regulatory Decree which regulates the Specification Sheet, indicates that it shall include, as an annex, a draft of the PPP Contract which shall observe as a minimum the contents set forth in the PPP Law.
If no, please elaborate (provide examples):	n/a

Have standardized PPP model contracts and/or transaction documents been developed?	No
If yes, please specify and provide a government-supported website where the mentioned standards are available or provide an electronic copy of them:	n/a
Does the procuring authority obtain the permits necessary to develop and operate the PPP project before calling for tenders in any of the following areas? Environmental permits.	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	According to Article 34 of the PPP Law, before awarding a project, COALIANZA shall have undertaken all procedures and obtained all permits, licenses, authorizations and other administrative actions required by the Central and/or Municipal Public Administration, to operate the Public-Private Partnership. Once the project is awarded, they shall be unconditionally transferred to the private partner.
Urban and zoning permits.	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	According to Article 34 of the PPP Law, before awarding a project, COALIANZA shall have undertaken all procedures and obtained all permits, licenses, authorizations and other administrative actions required by the Central and/or Municipal Public Administration, to operate the Public-Private Partnership. Once the project is awarded, they shall be unconditionally transferred to the private partner.
Other permits.	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	According to Article 34 of the PPP Law, before awarding a project, COALIANZA shall have undertaken all procedures and obtained all permits, licenses, authorizations and other administrative actions required by the Central and/or Municipal Public Administration, to operate the Public-Private Partnership. Once the project is awarded, they shall be unconditionally transferred to the private partner.
Does the procuring authority make available to PPPCo the necessary land or right of way to develop the PPP project (if any)? Land	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	According to article 32 of the PPP Law, for the expropriation of the assets required to construct a public infrastructure, the procedure established in the Law on Regularization of Property for Public Need Purposes, shall be followed. This declaration shall be issued by the COALIANZA. The compensation shall be paid by the one who is in charge of the infrastructure works. Likewise, according to Article 34 of the PPP Law, before awarding a project, COALIANZA shall have undertaken all procedures and obtained all permits, licenses, authorizations and other administrative actions required by the Central and/or Municipal Public Administration, to operate the Public-Private Partnership. Once the project is awarded, they shall be unconditionally transferred to the private partner.
If no, please elaborate (provide explanation):	n/a
Does the procuring authority make available to PPPCo the	Yes

necessary land or right of way to develop the PPP project (if any)? Right of way	
If yes, please provide the relevant legal/regulatory provisions (if any):	According to article 32 of the PPP Law, for the expropriation of the assets required to construct a public infrastructure, the procedure established in the Law on Regularization of Property for Public Need Purposes, shall be followed. This declaration shall be issued by the COALIANZA. The compensation shall be paid by the one who is in charge of the infrastructure works.
If no, please elaborate (provide explanation):	n/a
Does the regulatory framework establish any exceptions where the preparation process described above does not apply or allows for a "fast track" procedure?	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
What is the average number of calendar days that the procuring authority spends on each of the following activities to prepare a PPP project? Conducting the required assessments:	190
Obtaining the required approvals from other relevant authorities:	90
Preparing the draft PPP contract:	30
Obtaining any permits, land and/or right of way that the procuring authority must provide according to the regulatory framework:	75
PPP Procurement	Score: 65
Are the bid evaluation committee members required to meet specific qualifications?	Yes
If yes, please specify and provide the relevant legal/regulatory provisions (if any)	Practice
If no, please elaborate (provide examples):	n/a
If yes, which of the following options best describes the required qualifications of the	No

committee members? (Please select only one). The regulatory framework details the qualifications required and/or the specific membership of the bid evaluation committee.	
If yes, please specify:	n/a
The regulatory framework requires generally sufficient qualification without detailing the specific qualifications required to be a member of the bid evaluation committee.	No
The regulatory framework does not include any provisions.	Yes
Other	No
please specify:	n/a
Does the procuring authority issue a public procurement notice of the PPP?	Yes
If yes, please specify the means of publication and provide the relevant legal/regulatory provisions (if any):	Article 16 of the PPP Regulatory Decree establishes that the notice of public tender or public contest shall be published in two newspapers of general circulation in the country for two consecutive days, and on COALIANZA's web page, for at least fifteen (15) days between the second publication and the deadline for the submission of proposals. Notice for an international public tender or international public contest, may also be published in other newspapers, specialized magazines and/or other media where there might be interested parties to a Public-Private Partnership.
If yes, is the public procurement notice published online?	Yes
If yes, please specify the website:	www.coalianza.gob.hn
Does the procuring authority grant the potential bidders a minimum period of time to submit their bids?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Article 16 of the PPP Regulatory Decree establishes that the notice of public tender or public contest shall be published in two newspapers of general circulation in the country for two consecutive days, and on COALIANZA's web page, for at least fifteen (15) days between the second publication and the deadline for the submission of proposals. Notice for an international public tender or international public contest, may also be published in other newspapers, specialized magazines and/or other media where there might be interested parties to a Public-Private Partnership.
and the time in calendar days :	17
Do the tender documents detail the stages of the procurement process?	Yes

If yes, please provide the relevant legal/regulatory provisions (if any):	<p>Article 6 of the PPP Law establishes that procedures shall be developed according to the specific terms and conditions established in the corresponding Specifications Sheet, that will respect the transparency, objectivity and publicity principles. Furthermore, the PPP Regulatory Decree establishes in its Article 13 the Stages of the selection process as follows: Both national and international public contests or national and international public tenders, shall abide the procedure set by in this title. This procedure shall include at least the following stages: a. Approval of the Specification Sheet; b. Publication of Call; c. Prequalification; d. Approval of the final version of the contract of public-private partnership; e. Submission of proposals; f. Award, and g. Subscription of the contract of Public-Private Partnership.</p>
If no, please elaborate (provide examples):	<p>n/a</p>
Does the procurement process include a pre-qualification stage to select a number of qualified bidders to present the full proposal?	<p>Yes</p>
If yes, please provide the relevant legal/regulatory provisions (if any):	<p>Article 22 of the PPP Regulatory Decree establishes that before the submission of proposals, the selection process will include a prequalification stage, which will be developed based on legal, technical, economic and/or financial criteria to be established in the respective Specification Sheet. Only those technical and financial proposals that result prequalified by COALIANZA or by the pre-qualification committee designated by COALIANZA will be received.</p>
If yes, do the tender documents specify the prequalification criteria in order to make them available to all of the bidders?	<p>Yes</p>
If yes, please provide the relevant legal/regulatory provisions (if any):	<p>Article 22 of the PPP Regulatory Decree, establishes that the selection process will include a prequalification stage, which will be developed based on legal, technical, economic and/or financial criteria to be established in the respective Specification Sheet.</p>
Among the PPP procurement processes conducted within the last two (2) years that had a prequalification stage, how many of them included prequalification criteria in the tender documents? Please elaborate	<p>All of the projects</p>
Can interested parties/potential bidders submit questions to clarify the public procurement notice and/or the request for proposals?	<p>Yes</p>
If yes, please provide the relevant legal/regulatory provisions (if any):	<p>Article 21 of the PPP Regulatory Decree establishes that during the selection process, interested parties may formulate inquiries about the Specification Sheet, those inquires shall be resolved no later than fifteen (15) calendar days before the date of receiving the proposals. The answers to the inquiries and modifications to the terms of reference will be made part of the Specification Sheet.</p>

If yes, does the procuring authority disclose those questions and clarifications to all of the potential bidders?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Again the article 21 of the PPP Regulatory Decree establishes that the answers to the inquiries and modifications to the terms of reference will be made part of the Specification Sheet and disclosed to all bidders.
Among the PPP procurement processes conducted within the last two (2) years where questions were submitted, in how many were the questions and clarifications disclosed to all of the potential bidders? Please elaborate:	All of the projects
Besides questions and clarifications, can the procuring authority conduct other types of dialogue with the potential bidders?	Yes
If yes, please specify and provide the relevant legal/regulatory provisions (if any):	Pursuant to Article 24 of the PPP Regulatory Decree, during the ceremony for reception of proposals and during the evaluation process, COALIANZA may request bidders to make adjustments, widening and/or clarifications on specific aspects of the proposals, making it known to all bidders, according to the provisions of the respective bases.
If yes, does the procuring authority disclose the content and the results of the dialogue to all of the potential bidders?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Article 24 of the PPP regulatory decree indicates that during the ceremony for reception of proposals and during the evaluation process, COALIANZA may request bidders to make adjustments, widening and/or clarifications on specific aspects of the proposals, making it known to all bidders, according to the provisions of the respective bases.
Among the PPP procurement processes conducted within the last two (2) years where any other type of dialogue was conducted, in how many was the content and the result of the dialogue disclosed to all of the potential bidders? Please elaborate:	All of the projects
Does the procuring authority require the bidders to prepare and present a financial model with their proposals ?	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
If no, please elaborate (provide examples):	Among the articles of the PPP regime in Honduras, there is not an obligation for bidders to prepare and present a financial model with their proposals. However, article 4 of the PPP Regulatory Decree indicates that initiatives of Public-Private Partnerships that

	originate from the public sector shall be accompanied with the preliminary feasibility tests, which shall include the cost-benefit analysis and possible financing schemes.
Does the procuring authority evaluate the proposals strictly and solely in accordance with the evaluation criteria stated in the tender documents?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	According to Article 25 of the PPP Regulatory Decree, PPPs shall be awarded to the bidder with the most convenient technical and economic proposal, which is determined according to the evaluation system set in the Specification Sheet.
Among the PPP procurement processes conducted within the last two (2) years, in how many of them was the evaluation of the bidders conducted in accordance with the criteria stated in the tender documents? Please elaborate:	All of the projects
In the case where only one proposal is submitted (sole proposals), does the procuring authority follow any special procedure before awarding the PPP?	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
If yes, what of the following options best describes the way the procuring authority deals with sole proposals? (Please select only one). The regulatory framework details a specific procedure that the procuring authority must follow before awarding a PPP contract where only one proposal is submitted.	n/a
Please specify:	n/a
The regulatory framework considers sole proposals valid as long as they meet the conditions outlined in the tender documents.	n/a
The regulatory framework does not allow the award of a PPP contract if only one proposal is submitted.	n/a

The regulatory framework does not include any provisions.	n/a
Other	n/a
please specify:	n/a
In practice, what is the average number of calendar days between the initial publication of the PPP public procurement notice and the award of the PPP? Number of calendar days:	241.3
Does the procuring authority publish the award notice?	Yes
If yes, please specify the means of publication and provide the relevant legal/regulatory provisions (if any):	Practice
If yes, is the public procurement award notice published online?	Yes
If yes, please specify the website:	www.coalianza.gob.hn
Does the procuring authority provide all the bidders with the result of the PPP procurement process?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Practice
If no, please elaborate (provide examples):	n/a
If yes, does the notification of the result of the PPP procurement process include the grounds for the selection of the winning bid?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Practice
Does the regulatory framework restrict or regulate in any way negotiations with the selected bidder between the award and the signature of the PPP contract?	No
If yes, please provide the relevant legal/regulatory provisions:	n/a

Among the PPP procurement processes conducted within the last two (2) years, in how many of them were the terms and conditions changed between the award and the signature of the PPP contract? Please elaborate:	Some of the projects
Does the procuring authority publish the PPP contract?	Yes
If yes, please specify the means of publication and provide the relevant legal/regulatory provisions (if any):	Practice
If yes, is it published online?	Yes
If yes, please specify the website:	www.coalianza.gob.hn
Does the regulatory framework establish any exceptions where the procurement process described above does not apply or allows for a “fast track” procedure?	Yes
If yes, please provide the relevant legal/regulatory provisions:	In 2011, was enacted the Law for the Simplification of Procedures of Investments in Infrastructure - Decree No 58 of 2011, which simplifies and expedites the execution process of public investment projects.
Unsolicited proposals	Score: 75
Does the regulatory framework allow for the submission of unsolicited proposals? (if no, skip to section F)	Yes
If yes, please provide the relevant legal/regulatory provisions:	Title II, Chapter IV of the PPP Regulatory Decree establishes the Private Initiative Regime (articles 34 - 52).
If yes, please specify, to the best of your knowledge, the percentage of PPP investments in your country approved as unsolicited proposals during the last five (5) years:	6
Does the procuring authority conduct an assessment to evaluate unsolicited proposals?	Yes
If yes, please specify and provide the relevant	The PPP Regulatory Decree in its Article 40 establishes Unsolicited Proposal's Evaluation as follows: COALIANZA will evaluate private initiatives taking into consideration the following criteria: a. Protected public interest; b. Social Purpose; c. Object and purpose of

legal/regulatory provisions (if any):	<p>the project, work or service; d. Area (s) of influence or coverage of the project, work or service; e. Necessity of the project, work or service; f. Measurement of impact (economic and/or social) of the project, work or service; g. If the same has been projected previously by the State and the reasons for the failure to perform it; and h. Existence and availability of goods and/or public utilities on which the project will be developed that are necessary for the proposal's implementation. In case the same does not indicate the private financing as the single source of resources, if deemed appropriate, COALIANZA may require the proponent to present the information and/or documentation required for the declaration of the private initiative as a matter of public interest, within a reasonable period of time. This period may be postponed if deemed necessary by COALIANZA. If the term established is not respected, COALIANZA may declare the inadmissibility of the petition made by the proponent in consideration that the omission or defect is irremediable by the Public Administration and constitutes a substantive requirement.</p>
If yes, does it ensure that the unsolicited proposal is consistent with the existing government priorities?	<p>Yes</p>
If yes, please provide the relevant legal/regulatory provisions (if any):	<p>The PPP Law indicates in its article 20 that "the presentation, evaluation, admissibility statement, and selection of public and/or private initiative projects will be conducted pursuant to the special provisions and general principles contained in this Law and developed in its Regulations." That includes alignment with government priorities. Article 68 of the same regulatory decree indicates that in coordination with the competent institutions of public administration, COALIANZA identifies priority projects for the development of Public-Private Partnerships. To make this identification, the relevant sector bodies should conduct an assessment of the current status of the project, asset and / or public service, noting its importance in relation to national, sectorial and local priorities, as applicable. For this purpose COALIANZA may engage services of external consultants to advise the process.</p>
If yes, which of the following options best describes how unsolicited proposals are evaluated against existing government priorities? (Please select only one). The regulatory framework details a specific procedure to ensure the consistency of PPPs with other public investment priorities.	<p>No</p>
If yes, please specify:	<p>n/a</p>
The regulatory framework requires unsolicited proposals to be among the existing government priorities without establishing specific procedures to achieve that goal.	<p>Yes</p>

The regulatory framework does not include any provisions.	No
Other	No
please specify:	n/a
Among the unsolicited proposals approved within the last two (2) years, how many of them were a part of the existing government priorities? Please elaborate:	All of the projects
Does the procuring authority initiate a competitive PPP procurement procedure when proceeding with the unsolicited proposal?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	<p>The following articles of the PPP Regulatory Decree regulates the competitive procedure required to procure a PPP originated in an unsolicited proposal:</p> <p>Article 44.- Publication .- Without prejudice to the notification to the proponent, COALIANZA will publish a declaration of interest on its website and in two newspapers of greater circulation in accordance to the instructions of COALIANZA, whose costs will be assumed by the proponent. Publication of the declaration of interest must contain at least the following information: a. Summary of the project of the private initiative that includes: i) Purpose and scope of the investment project; ii) Goods and/or public services on which the project will be developed; iii) Contractual modality and term of the contract iv) Referential Amount of the investment; v) Tentative schedule of the investment project. vi) Proposed form of payment. b. Indicators of the quality of the service that shall be provided, if applicable. c. Essential elements of the draft contract, according to criteria established by COALIANZA. d. Guarantee of true compliance to contractual obligations. (...) f. Model of a letter of expression of interests to be submitted by third parties interested in the execution of the project. g. Term for the submission of expressions of interest, which must not be less than thirty (30) days nor more than ninety (90) calendar days counting from the date of publication. h. Sum of the guarantee of presentation of offer, which shall not be less than five percent (5%) nor more than ten percent (10%) of the value of the project.</p> <p>Article 45.- Expression of Interest.- After the publication of the declaration of public interest has been made, interested parties may submit their expressions of interest regarding the implementation of the investment project within the term specified in the publication, and add to their application of expression of interest, if applicable, additional documentation required by COALIANZA and the guarantee that ensures the submission of the offer. If there are one or more third parties interested in implementing the investment project, they must have the respective studies that assure the project feasibility and COALIANZA must submit a written communication to the proponent, within a period not greater than ten (10) days following the expiration of the period prescribed in the preceding paragraph. In this communication, COALIANZA will notify about the existence of third parties in the project. Similarly, COALIANZA shall convene a selection procedure according to the mechanisms and procedures in the Law.</p>
Does the procuring authority grant a minimum period of	Yes

time to additional prospective bidders (besides the proponent) to prepare their proposals?	
If yes, please provide the relevant legal/regulatory provisions (if any):	According to Article 44 of the PPP Regulatory Decree, the term for submission of expressions of interest, which must be not less than thirty (30) days nor more than ninety (90) calendar days counting from the date of publication.
and the time in calendar days:	30
Does the procuring authority use any of the following mechanisms to reward/compensate the presentation of unsolicited proposals? (check all that apply): Access to the best and final offer.	No
Developer's fee (reimbursing the original proponent for the project development cost).	Yes
Bid bonus.	No
Swiss challenge (If unsuccessful, the original proponent has the option to match the winning bid and win the contract).	Yes
Other	Yes
please specify:	In case the award of the contract for the execution of the investment project was granted to a third party other than the author of the private initiative, the costs incurred in the elaboration of the initiative, which in accordance to COALIANZA criteria are reasonable and are properly supported, will be refunded by the awardee of the investment project. The refund of expenses will not proceed when it: a. Does not meet the conditions mentioned above. b. In case that the selection process does not take place or is not completed for reasons that are not attributable to COALIANZA. c. In case the proponent does not participate in the selection process referred to in article 48. d. In case the owner of the private initiative does not submit a valid financial offer in the corresponding selection process.
Please provide the relevant legal/regulatory provisions (if any):	Article 49 of the PPP Regulatory Decree
PPP Contract Management	Score: 46
Has the procuring or contract management authority established a system to manage the implementation of the PPP contract?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any)	The PPP Law in its article 21 creates the Public-Private Partnerships Superintendence, ascribed to the Supreme Audit Institution, from which it will operate with technical, administrative and financial independence. The regulation, control and follow-up of the implementation of the works and service provision through the Public-Private Partnerships, will be the responsibility and conducted by sector regulating entities

	<p>created by special laws for this effect. In the event that a specialized Regulating Entity does not exist to implement a work or provide a specific public service, the Public Private Partnerships Superintendence will be in charge of its regulation, control and follow-up. Likewise, Article 82 of the PPP regulatory Decree establishes the Supervision Function: The supervisory function allows the Superintendent to verify compliance with legal, contractual or technical staff by providing and managing public services, training and infrastructure. Also, the oversight functions to verify compliance with the Public-Private Partnership contracts or any other obligation that is in charge of supervision agents.</p>
<p>If yes, which of the following tools does it include (check all that apply)? Establishment of a PPP contract management team.</p>	<p>Yes</p>
<p>If yes, please provide the relevant legal/regulatory provisions (if any):</p>	<p>The PPP Law in its article 21 creates the Public-Private Partnerships Superintendence, ascribed to the Supreme Audit Institution, from which it will operate with technical, administrative and financial independence. The regulation, control and follow-up of the implementation of the works and service provision through the Public-Private Partnerships, will be the responsibility and conducted by sector regulating entities created by special laws for this effect. In the event that a specialized Regulating Entity does not exist to implement a work or provide a specific public service, the Public Private Partnerships Superintendence will be in charge of its regulation, control and follow-up.</p>
<p>Participation of the members of the PPP contract management team in the PPP procurement process.</p>	<p>No</p>
<p>If yes, please provide the relevant legal/regulatory provisions (if any):</p>	<p>n/a</p>
<p>Possibility to consult with PPP procurement experts when managing the PPP contract.</p>	<p>No</p>
<p>If yes, please provide the relevant legal/regulatory provisions (if any):</p>	<p>n/a</p>
<p>Elaboration of a PPP implementation manual or an equivalent document.</p>	<p>No</p>
<p>If yes, please provide the relevant legal/regulatory provisions (if any):</p>	<p>n/a</p>
<p>Other</p>	<p>No</p>
<p>please specify:</p>	<p>n/a</p>
<p>If there is a contract management team, in how many of the PPP projects procured within the last two (2) years did the management system and tools fully inform the contact management team? Please elaborate:</p>	<p>Some of the projects</p>

Does the procuring or contract management authority establish a monitoring and evaluation system of the PPP contract?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	The PPP Law in its article 21 creates the Public-Private Partnerships Superintendence's association entity, ascribed to the Tribunal Superior de Cuentas, from which it will operate with technical, administrative and financial independence. Likewise, Article 82 of the PPP Regulatory Decree establishes as follows the supervision function: "The supervisory function allows the Superintendent to verify compliance with legal, contractual or technical staff by providing and managing public services, training and infrastructure." Article 23 of the PPP law indicates the Superintendence for Public-Private Partnerships' attributions.
If yes, which of the following tools does it include (check all that apply)? PPPCo must provide the procuring or contract management authority with periodic operational and financial data.	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Practice
The procuring or contract management authority must periodically gather information on the performance of the PPP contract.	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	According to the Article 23 of the PPP Law, the Superintendence for Public-Private Partnerships has the following attributions:"... 8) To require from service providers the necessary documents and data to verify the compliance with this Law, its regulations, thus assuring, the appropriate protection of confidential information."
The procuring or contract management authority must establish a risk mitigation mechanism.	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
The PPP contract performance information must be available to the public.	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Article 95 of the PPP General Regulations establishes that all actions of the PPP Superintendence will be considered public and published on its website.
Other	No
please specify:	n/a
Is PPP contract performance information publicly available online?	Yes

If yes, please specify the website:	http://sapp.gob.hn ; www.coalianza.gob.hn and www.honducompras.gob.hn
Does the regulatory framework expressly regulate a change in the structure (i.e. stakeholder composition) of PPPCo?	<p>Yes</p>
If yes, please provide the relevant legal/regulatory provisions:	<p>The PPP Regulatory Decree in its Article 32 establishes the Cession of Public-Private Partnerships: The private company that has subscribed a contract of public-private partnership with the State, may transfer to a third party its contractual position, with prior approval of the Superintendence of public-private partnerships, which within a maximum period of thirty (30) days of the submission of the application, will verify if that third party complies with the technical, legal and financial requirements.</p>
If yes, which of the following circumstances are specifically regulated? (check all that apply): Any change in PPPCo during an initial period (e.g. construction and first five years of operation).	<p>No</p>
If yes, please provide the relevant legal/regulatory provisions:	<p>n/a</p>
In case of a change affecting the controlling interest, the replacing entity must meet the same technical qualifications as the original operator.	<p>Yes</p>
If yes, please provide the relevant legal/regulatory provisions:	<p>The PPP Regulatory Decree in its Article 32 establishes the Cession of Public-Private Partnerships: The private company that has subscribed a contract of public-private partnership with the State, may transfer to a third party its contractual position, with prior approval of the Superintendence of public-private partnerships, which within a maximum period of thirty (30) days of the submission of the application, will verify if that third party complies with the technical, legal and financial requirements.</p>
Flexibility to substitute non-controlling interest after the initial period.	<p>Yes</p>
If yes, please provide the relevant legal/regulatory provisions:	<p>The PPP Regulatory Decree in its Article 32 establishes the Cession of Public-Private Partnerships: The private company that has subscribed a contract of public-private partnership with the State, may transfer to a third party its contractual position, with prior approval of the Superintendence of public-private partnerships, which within a maximum period of thirty (30) days of the submission of the application, will verify if that third party complies with the technical, legal and financial requirements.</p>
Does the regulatory framework expressly regulate the modification or renegotiation of the PPP contract (once the contract is signed)?	<p>No</p>

If yes, please provide the relevant legal/ regulatory provisions:	n/a
If yes, which of the following circumstances are specifically regulated? (check all that apply): A change in the scope and/or object of the contract.	n/a
If yes, please provide the relevant legal/regulatory provisions:	n/a
A change in the risk allocation of the contract.	n/a
If yes, please provide the relevant legal/regulatory provisions:	n/a
A change in the investment plan or duration of the contract.	n/a
If yes, please provide the relevant legal/regulatory provisions:	n/a
Does the regulatory framework expressly regulate the following circumstances that may occur during the life of the PPP contract? (check all that apply): Force Majeure.	Yes
If yes, please provide the relevant legal/regulatory provisions:	Article 9 of the PPP states that extraordinary risks attributable to non-foreseen causes shall be agreed in the contract according to what is best for the specific needs of the PPP.
Material Adverse government action.	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Change in the Law.	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Refinancing.	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Other.	No
If yes, please specify and provide the relevant legal/regulatory provisions:	n/a
Does the regulatory framework establish a specific	Yes

dispute resolution mechanism for PPPs?	
If yes, please specify and provide the relevant legal/regulatory provisions	Article 35 of the PPP Law establishes the conflicts that arise due to Public-Private Partnerships, initiated by individuals, as well as the Public-Private Partnerships awarding, and associations of this type that are approved. Disputes related to the award process are obligatorily subject to the Arbitration Procedure and will abide by the rules established in the Terms and Conditions.
If yes, which of the following options best describes the dispute resolution mechanism for PPPs? (Please select only one). The regulatory framework details specific resolution mechanisms for disputes arising during the implementation of the PPP.	No
If yes, please specify:	n/a
The regulatory framework prescribes that a dispute resolution mechanism should be regulated in the contract.	No
The regulatory framework provide the parties with recourse to arbitration but no other alternative dispute resolution mechanism.	Yes
Other	No
please specify:	n/a
Does the regulatory framework allow for the lenders to take control of the PPP project (lender step-in right) if either PPPCo defaults or if the PPP contract is under threat of termination for failure to meet service obligations?	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
If yes, which of the following options best describes the lender step-in right? (Please select only one). The regulatory framework expressly regulates the lender step-in rights.	n/a
If yes, please specify:	n/a
The regulatory framework prescribes that the lender	n/a

step-in rights should be regulated in the contract.	
The regulatory framework prescribes that a direct agreement should be signed with the lenders.	n/a
Other	n/a
please specify:	n/a
Does the regulatory framework expressly establish the grounds for termination of a PPP contract?	No
If yes, please specify:	n/a
and provide the relevant legal/regulatory provisions:	n/a
If yes, does the regulatory framework also establish the consequences for the termination of the PPP contract?	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
Are you aware of any reforms (in practice or in laws, regulations, policies, etc.) related to PPPs that: Took place in 2015, are ongoing and/or are planned to be adopted BEFORE June 1, 2016?	No
Please describe:	n/a
Are you aware of any reforms (in practice or in laws, regulations, policies, etc.) related to PPPs that: 50.2. Are ongoing and/or are planned to be adopted AFTER June 1, 2016?	No
Please describe:	n/a