



## » About course trainer

### Max Brooker

MBA Strategic Analysis and Change Management, Bristol Business School  
BSc (Hons) Mechanical Engineering Science, University of Salford

With over 33 years post-graduate engineering experience, Max has developed a talent for assessing project technical risks and financial viability together with the development of project risk mitigation strategies that can improve project business performance.

He has managed major projects led consulting assignments in Risk Management and PPP/PFI due diligence assignments across several sectors including; rail, roads, ports, canals, air traffic control, power and defence.

Max originally developed his engineering and project management skills in the UK Defence Industry on Systems Engineering Projects. Notably he was Project Manager Japan for Thompson Marconi Sonar Systems and latterly managed the upgrading of the UK Nuclear Submarine Combat Systems for BAE Systems. After gaining an MBA focused on 'Risk Management in Major Projects' he moved into consultant engineering and specialised in due diligence on project finance deals. Max has developed a good reputation for Project Risk Management and international PPP/PFI due diligence assignments in blue chip UK based Consultant Engineers. His ability has been recognized by the UNECE and he has become a member of their PPP team of specialists.

## » Who Should Attend this training Course

The course will be relevant to a wide range of PPP Stakeholders or interested parties from differing backgrounds including:

- Public Sector Authorities
- PPP Units/Centres
- National Agencies
- Commercial Managers
- Project Managers,
- Construction Managers
- Banking and Finance Professionals
- Legal Professionals
- Consultants and Advisors
- Universities and Educational Authorities

## » PPP Experts Promise

We always ensure that the team taking the course(s) have an appropriate background in the topic that they are covering. All of our delivery team have been responsible for either project managing/ delivering/ managing PFI projects, or providing consulting services to projects.

## » Programme Outline

### DAY ONE

#### Day 1 – PPP Project Uncertainties & Risk Management

##### 1.1 Introductions, Agenda and Day Objectives

##### 1.2 Infrastructure Development through PPP Procurement

- The Procurement Authority's logic for using the PPP project option to develop infrastructure will be discussed.
- Generic PPP structures and project lifecycle will be defined together with the key variables that determine project success or failure.

##### 1.3 Uncertainties in PPP Projects

- The major uncertainties and risk areas in the PPP project will be defined and the normal process for their mitigation, resolution and eventual convergence to achieve key decision stages.

##### 1.4 PPP Developments in Europe

- Recent developments in the European PPP Market will be discussed and these will be contrasted with International Best Practice.

##### 1.5 Risk Analysis and Management

- The process of Risk Allocation and the use of Risk Matrices in PPP contract negotiations will be developed; Case Studies will be reviewed.



#### Day 1 Summary and recap.

### DAY TWO

#### Dimensions of Risk in PPP Projects

##### 2.1 Agenda and Day 2 Objectives

##### 2.2 Market Risks

- The PPP market in each Country is unique as is the Country's Legislative Framework and Political appetite for PPP projects with Inward Foreign Investment.
- The market risks in countries will be compared for various infrastructure sectors; transport, education, hospitals etc.
- The concept of the levels of PPP Market maturity and country risk will be discussed.

##### 2.3 Commercial Risks

- Commercial Risks are those risks inherent in the project lifecycle, their likelihood of occurrence, severity and mitigation will be discussed for various PPP sectors.
- These risks include; overall project viability, construction stage completion to cost, programme and quality, environmental risk, operational performance and revenue generation risk, contractual coherence, supervening events, termination and hand-back stage risks.

##### 2.4 Macroeconomic Risks

- Macroeconomic risks come from the economic environment in which the PPP project operates.
- They are generally financial but include lending bank appetite for PPP deals, demand risk and substitute competing services.
- Economic risks generally include; inflation, interest rates, currency exchange and additional cost facilities.

#### Comments from past programmes

" An excellent programme delivered by a very experienced trainer. I would highly recommend this to anyone working on major PPP projects"  
S.T.-EPC client,UAE

## » Key areas covered on the course

The general structure of PPP Project Finance Deals and the uncertainties involved in their development and delivery will be covered together with appropriate Risk Management techniques used by their various Stakeholders.

We will examine the development of the PPP Market and give case study examples of international success and unsuccessful PPP projects.

The PPP Experts Team have categorised risks into 5 main project areas:

- a) Market
- b) Commercial
- c) Macroeconomic
- d) Political
- e) Regulatory, institutional, legal.

Each risk area will be discussed in some detail together with the application of Risk Management to mitigate the impact of potential risk issues in successful PPP Project delivery.

Risk Management from both the Public and Private participants perspectives will be considered through the lifecycle of PPP Project phases including;

- a) Indemnification
- b) Procurement
- c) Construction
- d) Operation
- e) Hand-back

Case studies of success and failure will be used to illustrate the risk encountered at every stage of a PPP Project lifecycle.

## » Risk Management is Fundamental

The PPP method has been increasingly used to procure large-scale infrastructures such as freeways, railways, tunnels and bridges worldwide. While there have been many successful PPP projects, unsuccessful cases abound and studying them can help people better manage the risks in future PPP infrastructure projects.

To ensure the success of PPP infrastructure projects, it is important for all partners to manage the risks from a project life cycle perspective, in which risks are identified and assessed in the earliest possible project stage and are allocated to the parties who are in the best position to control them. Furthermore, it is also important to continuously monitor the risks and develop proactive risk response strategies throughout the project life cycle.

## » Programme Outline

### DAY TWO

#### Day 2 - Continued

##### 2.5 Political Risks

- Political risks include a Government's appetite for PPP and levels of Private Sector long term participation in public infrastructure.
- The Public Sector investment risks include; currency convertibility/transfer, expropriation of the project by the state and war or civil disturbance.
- This discussion will include the common risk of Changes in Law and Quasi-political risks such as Public Sector breach of terms or creeping expropriation.

##### 2.6 Regulatory, Institutional & Legal Risks

- The context of regulatory, institutional and legal risk areas and events at different stages of the project lifecycle, together with events such as refinancing and equity divestment, will be developed.

##### 2.7 Day 2 Summary and recap

### DAY THREE

#### Day 3 – PPP Project Risk Management

##### 3.1 Agenda and Day 3 Objectives

##### 3.2 Project Identification and Selection

- The strategic risks associated with a Public Authority identifying PPP projects, gaining IFI interest, Private Financing and taking them to market will be discussed.
- The risk associated with a Private Partner selecting PPP project opportunities for business development will be discussed.

##### 3.3 Procurement Stage Risk Management

- Appropriate strategies for Risk Management and negotiation during the PPP project procurement process will be developed together with the tactics of effective Risk Allocation, mitigation, apportionment, reduction, flow down and insurance in gaining Value for Money.

##### 3.4 Construction Stage Risk Management

- This lecture will focus on appropriate Risk Management processes for the Design & Construction stage of the PPP project lifecycle. Including discussion of risks in the management of debt finance drawdown and the management of any cost over-run.
- The achievement of project delivery to time, cost and quality.

##### 3.5 Operational Stage Risk Management

- This lecture will focus on appropriate Risk Management processes for the Operational stage of the PPP project lifecycle.
- The achievement of operational performance and revenue delivery together with the achievement of operational stage cost budgets.

##### 3.6 Hand-back Stage Risk Management

- There are risks associated with the final hand-back stage of the project lifecycle and compliance with these terms of the Project Agreement will be discussed.

##### 3.7 Question and Answers session with additional case studies as requested

##### 3.7 Course Conclusion and Feedback

### Contact us

If you have any questions or would like further information on this or any of our training programmes, please contact us



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