



Pacific Region Infrastructure Facility



Improving the Planning Processes in Pacific Countries

Lorena Estigarribia

Suva - Fiji



Presentation Structure

1. Key Messages and Starting Point – PRIF Assistance
2. **Public investment management** and focus of this session
 - National Investment Management and Planning Phase
 - Asset Management Frameworks and the Implementation Phase
3. PRIF Tools and practices
 - Asset Management Frameworks
4. Conclusion



Key Messages

Planning is crucial to the successful **public investment management**.

The foundation is to have a credible asset register.

PRIF developed building blocks with simple and flexible tools to assist countries in their planning process.

Starting Point

Knowledge Base

Stuff: simple asset inventories for your major infrastructure.

Way: realistic targets and affordable levels of service.

Process: simple quantitative methods to prioritise your investments.



PRIF Working with PICS

	Tonga	Nauru	Samoa	Tuvalu	Solomon Islands	Cook Islands	Vanuatu	FSM	RMI	Fiji	Palau
NIIP	2010	2011	2011	2012	2013	2014	2014	2016*	2016/17		
NIIP Update	2013			2016/17							
NIIP Implementation Review	2015	2013	2014		2016						
Asset Management Framework		2017		2016/17				**		2016	
Public Investment Diagnostic					2017						
MTEF			2016/17								

National Infrastructure Investment Plan (NIIP)

* Developed with ADB support

** Requested as GCF readiness program



NIIP and AMF

National infrastructure investment plans (NIIP) can assist countries in the planning phase to overcome the issue of plans which are not well costed or prioritized.

Asset management frameworks (AMF) and how they help countries in the implementing phase particularly in overcoming the problem of ignoring the existing capital stock.



Basic Principles Questions - Planning Phase

The NIIP process attempts to:

- understand national strategic priorities (what are the goals, objectives and level of service to be provided);
- look at investment proposals and ascertain alignment with national directions whether the proposed new asset is needed to provide the required service; and
- understand whether the project make optimal use of current infrastructure and how maintenance and operations will be funded.



NIIP – The Basic Process and Principles

- Analyse of current capital stock and demand trends. Establish limitations in the quality of infrastructure and bottlenecks that constrain economic growth.
- Develop project proposals (whole of life costs) for rehabilitation and new infrastructure to meet the demand at affordable levels of service;
- Develop screening criteria and indicators based on national strategic priorities;
- Develop a quantitative prioritisation process;
- Establish a pipeline of high priority projects that contribute to the national development strategies to achieve the outcomes and objectives of the nation.



Asset Management Frameworks

PRIF has developed tools to assist countries with the ongoing development of their asset registries. The AMF developed by PRIF provides for a:

- condition assessment;
- performance assessment; and a
- climate resilience assessment.



A tool to assess asset condition

#	Condition Criteria	Weight	Condition Ratings	Maximum Score	Actual Score	Health Index	Interpretation	Required Action
1	Physical Condition Index	5	5,4,3,2,1	25		0-25	Very Poor	Prepare a business case for asset replacement - Include the asset replacement project in Capital Investment Plan with high priority
2	Service Level Index	3	5,4,3,2,1	15				
3	Climate Resiliency Index	2	5,4,3,2,1	10				
	Maximum Score			50		26-45	Poor	Prepare a business case for asset replacement - Include the asset replacement project in Capital Investment Plan
						46-60	Fair	Continue with recommended maintenance - assess the need for life extension and if required include the asset life extension project in investment plan
						61-80	Good	Continue with recommended maintenance
						81-100	Very Good	Continue with recommended maintenance

Health Index = Actual Score / Maximum Score x 100



Lessons Learned by PRIF

- While maintenance costs are significant, they are usually not included in project design stages;
- Some government agencies register their small assets (chairs, tables) yet, national records of significant assets such as ports, roads, etc. is lacking;
- Multi-criteria analysis has been a useful tool for the prioritization of projects in NIIPs and has received strong general support.
- The capacity of the maintenance workforce could be improved. This could be done by involving local contractors in the construction phase.



Conclusion

Public investment management is a process and planning is crucial to it's success.

Asset registers are an ongoing critical requirement, not only for knowing what you have, but the condition of your infrastructure so you can properly maintain, dispose or replace.

PRIF developed building blocks with simple and flexible tools to assist countries in their planning process and asset management frameworks.



Thank you!

