

**SIF** SUSTAINABLE  
INFRASTRUCTURE  
FOUNDATION

**ANNUAL REPORT**

2014





**SIF**

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INFRASTRUCTURE  
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# INTRODUCTION



## The Sustainable Infrastructure Foundation (SIF) is the Executive Agency for the project preparation platform (IISS)

Originally developed by the Asian Development Bank under a technical assistance programme funded by the Republic of Korea, the National Infrastructure Information Systems ('NIIS') is a project preparation platform in the form of online guidelines from general to sector-specific criteria centred on project data templates in a secure multi-user online platform. NIIS' objective was to offer governments ("public sector sponsors") a secure and standardized basis for preparing infrastructure projects, and sharing of project information. NIIS provided an approach that enabled greater access to best in class infrastructure project preparation guidelines and inputs across a wide range of sectors of infrastructure. NIIS was identified in the MDB Action Plan (2011) as one of the key solutions to the issues raised by the G20.

The Sustainable Infrastructure Foundation (SIF) was created originally by leading global public and private stakeholders in the infrastructure space to co-ordinate the provision of the NIIS service to global

users on a long term and sustainable basis. SIF is a not-for-profit foundation headquartered in Geneva, Switzerland, under the supervision of the Swiss Federal government. During a Development Roundtable on Project Preparation convened in Manila in December 2013, it was agreed that SIF could act as a partner to MDBs in order to undertake the NIIS pilot and coordinate its further development and global use as a platform. As such, NIIS was renamed IISS: International Infrastructure Support System.

SIF's promotion, management and development of this global online project development tool seeks to address the huge and growing global infrastructure demand, through the establishment of an agreed set of principles. SIF aims to follow the global commonly agreed principles set by the Advisory Committee (Development Banks) and leading private sector operators and investors through the Infrastructure Working Group.

# INTRODUCTION

This level of investment will have little chance of being achieved without a strong and clear pipeline of projects delivered in a cost effective and timely manner. McKinsey identified rigorous project development processes as a key element ensuring efficient realisation of needed infrastructure assets.

Practitioner- and peer- reviewed standardized documentation and a more consistent approach to project development, will improve not only the quality and transparency of project preparation but also the ultimate interface with financiers and funders enabling a better range of public, PPP and private funding options. Maximising and optimising options for public sector sponsors to deliver sustainable infrastructure is the ultimate goal of IISS.

SIF's stewardship role in expanding the use of IISS through a number of multilateral and regional development bank (collectively "MDB") portals will be crucial to more consistent project preparation globally, which is regularly cited as a bottleneck for greater infrastructure investment by the private sector.

Developing, establishing and maintaining IISS will be supported from the outset by

private sector donations, development banks technical assistance (TA) and/or public sector contributions provided through SIF and/or other partners. The proposition presented herein is such that SIF within 4 years will be self-funding for the sustainable promotion, management and maintenance of IISS.

SIF thus aims to achieve the following impact, outcome and outputs:

*Impact:*

- Greater economic benefit of increased number of higher quality projects prepared on IISS by public sponsors.

*Outcome:*

- More well-prepared public projects incorporating private sector investment – maximising and optimizing public sponsors' financing options, including PPPs.

*Outputs:*

- Development of commonly agreed principles (CAP) templates for project preparation on a sector and sub-sector basis.



# MESSAGE FROM THE SIF COUNCIL

## The Council is very pleased with the progress made by the Foundation over the past year.

The Council is very pleased with the progress made by the Foundation over the past year. The Council congratulates the Executive on its proactive and considered approach to building the core systems and relationships required for the Foundation to fulfil its mission – of providing a platform for the standardised sharing of infrastructure project and program information.

Major advances have been made in the areas of technology and systems development and in piloting these systems, of content development, of building the coalition of partners needed to implement the systems, and of engagement with project sponsors. The underlying IT of the International Infrastructure Support System (IISS) has been developed with the advice of Capgemini into a user-friendly tool now being pilot tested in 4 global regions under the auspices of major development banks. Harmonized templates describing specific infrastructure types have been developed and peer-reviewed, providing the content for IISS.

The Executive has built relationships with virtually all major development banks and

infrastructure initiatives, and with key private sector players in the infrastructure space, to effectively position IISS as the internationally-accepted IT backbone for documentation of infrastructure projects. Finally, the Foundation has established good links with national project sponsors, the ultimate clients and beneficiaries of the work of the Foundation. The Council is confident that the basis for the further development of the Foundation and for the sustainable operation have been laid.

SIF is particularly grateful to its public and private sector donor partners who have provided not only financing but invaluable advice on the strategic direction of the Foundation and for IISS platform and content development. It looks forward to the successful conclusion of pilots and to the roll-out of the IISS system over the coming year.

SIF Council

# FUNDING

The agreed business case shows a funding requirement of over US\$1m for 2014-2015 which has been approved by the stakeholders.

Over the course of 2014, commitments were obtained from the following institutions to fund SIF for the initial three years of operations:

- Asian Development Bank
- Development Bank of Southern Africa
- African Development Bank
- Inter-American Development Bank
- European Bank for Reconstruction and Development
- International Finance Corporation (World Bank Group)

The following strategic private sector partners have been engaged over 2014:

- Meridiam Infrastructure
- PwC
- Capgemini
- Veolia Environment

The Advisory Committee was arranged to cover the various target geographies for pilot projects as follows:

- BNDES-IFC-IDB (Latin-America)
- AfDB and DBSA (Africa)
- EBRD (Europe)
- AsDB and CDIA (Asia)



# SIF PARTNERSHIP WITH CAPGEMINI



**In 2014 SIF partnered with Capgemini to deliver a mock-up of the IISS future system.**

As agreed at the Manila meeting in 2013, an in depth workshop was held in mid 2014, designed by Capgemini to deliver a mock-up of the system providing a clear visualisation of its main features and usability.

Elements of the technical development of the system were based on the 2 year pilot with AsDB. This formed the basis for the template of questions at the heart of the system. This template was reviewed and very detailed comments were received from the workshop participants from Meridiam, WEF, IFC, InfraLynx, EBRD, CDIA, AsDB, Piron Consulting and The Infrastructure Consortium for Africa. The exercise enabled the design of a benchmark for all the 38 existing templates but also the streamlining of questions. This was a crucial process as it provided the opportunity for SIF to develop a tool to accurately meet the needs of the main stakeholders and wider international development community by directly involving them in the process.

Throughout this process of 2014, the following milestones were also met:

- identification by the development banks of 4 sector specific projects;

- review with operators, investors and development banks of the IISS interface and of sector and sub-sector specific templates; and
- build up of IISS features for the pilots.

The wider stakeholders involved in this development of the system included:

- Caisse de depot et placement de Quebec
- SMBC
- Allianz Global Investors
- Lazard
- Veolia Environnement
- Bombardier Transportation
- Bouygues Construction
- Prudential
- ICC
- FIDIC
- Global Green Growth Initiative

# TEMPLATE DEVELOPMENT

The templates for the pilot were reviewed by PwC to identify gaps, generic project risks and to review the templates for clear, systematic and consistent flow of information.

The task of getting the 38 templates all detailed correctly was significant and ran from October 2014 through to April 2015. This work was undertaken alongside PwC with leading private sector investors and sponsors (partners, Strategic Partners Committee, WEF) providing input.

Following the validation of the templates, subsectors for focus were agreed with the Advisory Committee (Road, Carparks and Waste Management).

From this process, the system now accommodates three infrastructure subsectors for the pilot:

- Transport - Highway
- Transport - Carparks
- Waste Management - Solid Waste

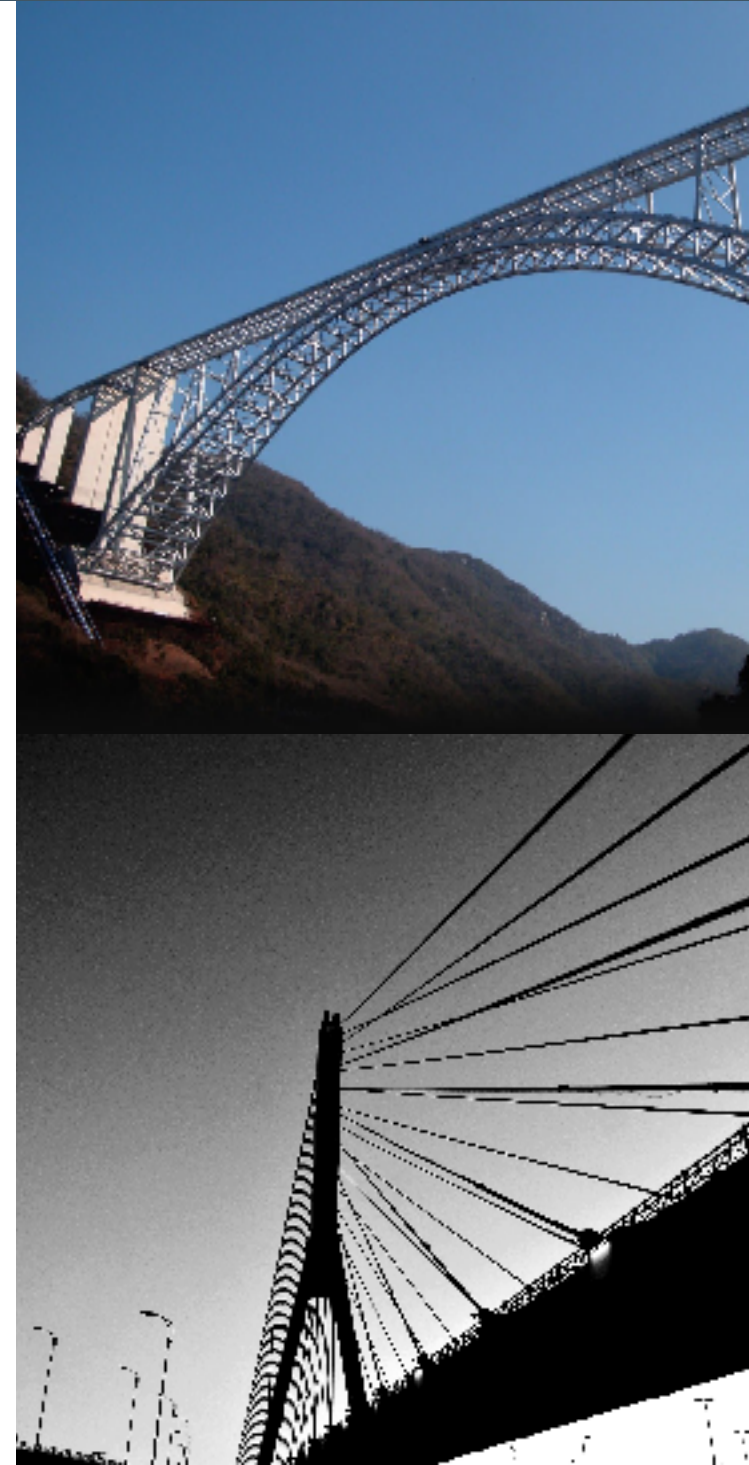
The templates encompass approximately 160 questions covering the following thematic issues:

- Governance
- Technical
- Legal

- Financial
- Environmental & Social

Further to this work, the Advisory Committee selected appropriate pilot projects in each specific area (Latin-America, Africa, Eastern Europe & Asia).

The pilots are due to start in May 2015.



# ANNUAL MEETING NOVEMBER 2014

**The 2014 Annual Meeting was held in London on 4th November 2014 at the European Bank for Reconstruction and Development. The aim of the Annual Meeting was to allow stakeholders to share operational knowledge and strategic expertise with regard to SIF-IISS.**

## KEY OBJECTIVES WERE:

- Provide participants with updated information on the online platform project development process
- Discuss the stepping-stones of the next design and implementation phase, in particular the pilot phase.

## IISS EXISTING AND FUTURE FEATURES

IISS could also be an infrastructure knowledge platform both in terms of utilizing the templates and in linking existing references to project preparation (PPP reference guide, Infrascope, Guide to Guidance, Checklist for PPP projects, etc.). A 'peer to peer' interactivity within the online platform, using social media network approaches, could be valuable and developed even though interactivity among the project preparation teams as well as between private sector and public sector are planned on IISS.

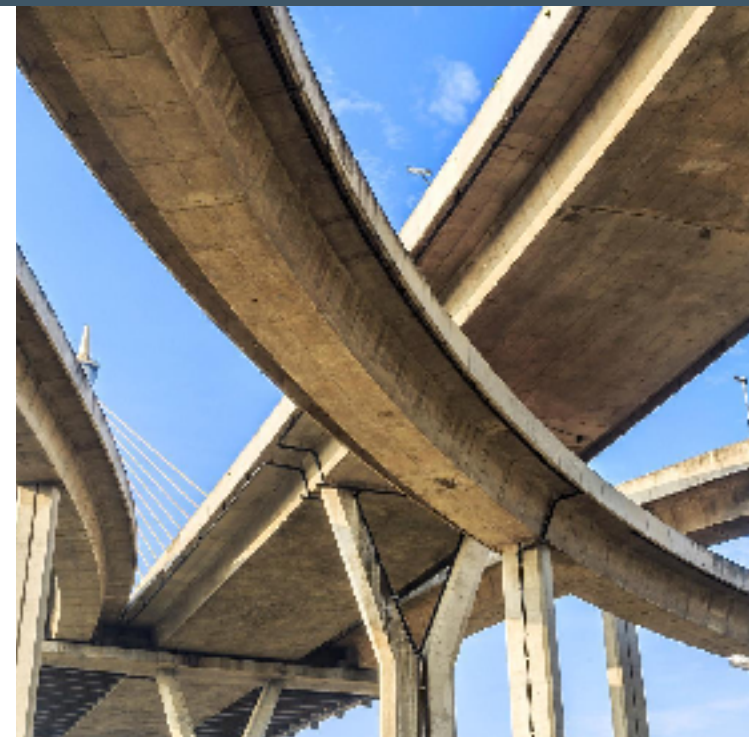
The use of IISS for advertisement for new projects was discussed, with the agreement that there would be no replacement of official tenders published in existing official journals.

## SELECTING THE PILOT PROJECTS

The Advisory Committee agreed on certain criteria and prepare a shortlist of pilot projects by end of January. IISS needs to focus on quality, vetted projects for the pilot phase (see below criteria mentioned during the meeting) that will however be the easiest identifiable projects to be realized – 'low hanging fruit' with strong sponsorship support from the public sector.

## BENCHMARKS AND DELIVERY MECHANISMS

It was proposed that benchmarks may be delivered but more work is necessary to ensure the use of harmonized results indicators that can serve as benchmarks of progress for IISS.



# 2015

## WORK PLAN

### PILOTS' PREPARATION

In order to test IISS, pilot projects were selected and prepared by the Advisory Committee based on criteria identified during the Annual Meeting.

In order to make sure that the public-sector, project managers, consultants, representatives of development banks and PPFs, fully understand the functionality and usability of IISS, training - both onsite and virtual - will be provided by SIF. Once completed, pilot projects will be ready for launch.

### THE IISS PLATFORM AND DELIVERY MECHANISMS

IISS will continuously be upgraded based on users' feedbacks and other features will be implemented such as: Private Cloud Development and link to existing platforms (e.g. PPP Knowledge Hub, Interactive Platform, Benchmark Methodology, and Big Data Features customized by users).

The on-going discussions with the Advisory Committee and the Strategic Partners Committee are providing a consensus over the delivery mechanisms. The global roll-out

of IISS will be launched at the next Annual Meeting in November 2015 at IADB HQ in Washington DC.

### MARKETING

Once the pilots are successfully completed, the promotional efforts will be initiated. Thus, a website including essential information about IISS, its functions and its partners will be created.

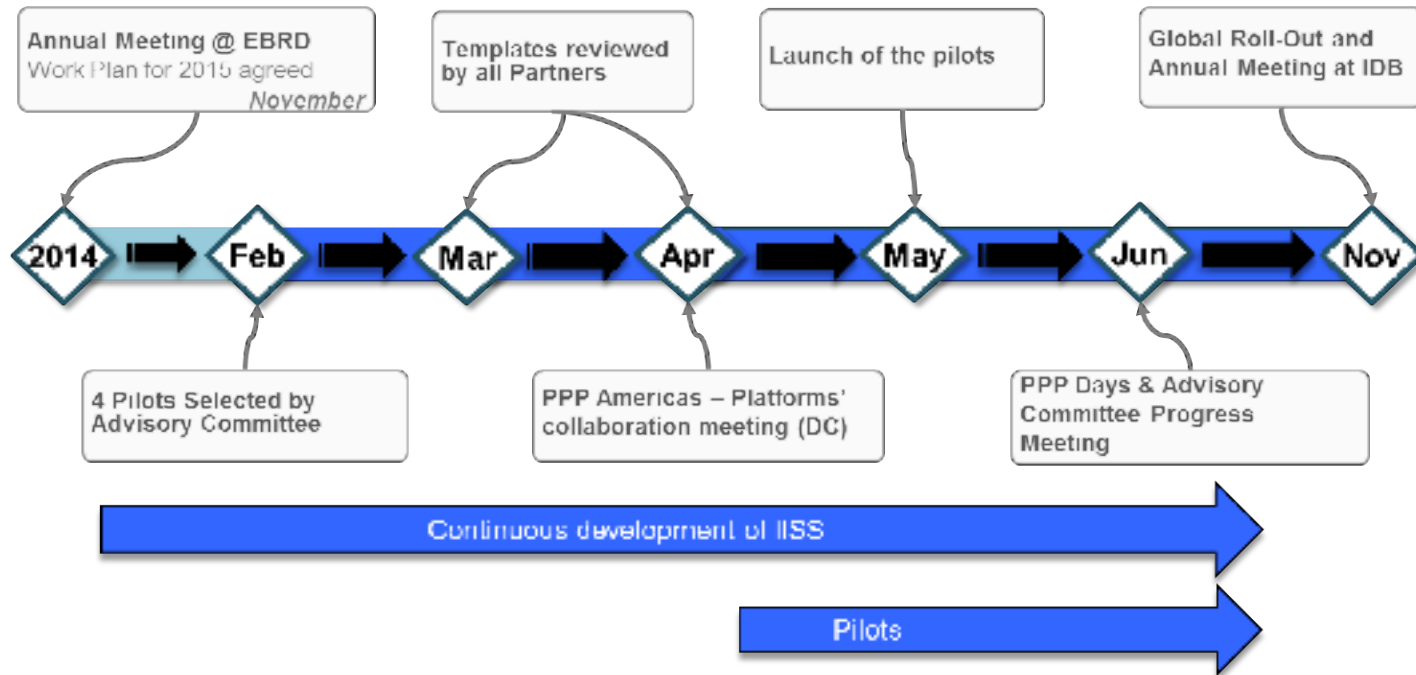
### SUSTAINABILITY AND PROJECT MANAGEMENT

It was agreed at the Annual Meeting to utilize the public and private sector grants to develop a sustainable IISS model by improving the existing business case and identifying sustainable sources of revenue such as training (e.g. FIDIC model), licensing use of the system, charging subscription fees for the private sector once the system can be demonstrated to be robust and effective.



# 2015

## WORK PLAN



# WE ARE GRATEFUL

FOR THE INDIVIDUALS AND BUSINESSES WHOSE  
SUPPORT MAKES OUR WORK POSSIBLE.

EBRD	FIDIC	Prudential
BNDES	Vinci Concessions	Bouygues Construction
DBSA	SMBC	World Economic Forum
WBG	ICA	Capgemini
IDB	ICC	Allianz Global Investors
ADB	Egis	Corporacion America
AfDB	Lazard	GDF Suez
CDIA	PwC	Piron Consulting
PPIAF	Meridiam	Caisse de depot et placement du Quebec
WBG	Veolia Environment	Bombardier Transportation
WEF	Infralinx	Global Green Growth Institute
OECD	Siemens	
The Graduate Institute	White & Case	



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