

GOVERNMENT OF THE PUNJAB



PPP CALL CIRCULAR 2025-26

PUNJAB PUBLIC PRIVATE PARTNERSHIP AUTHORITY
FINANCE DEPARTMENT



No. P4A/Projects/2024-06-458
GOVERNMENT OF THE PUNJAB
FINANCE DEPARTMENT
PUNJAB PPP AUTHORITY – P4A

Dated: 30th January, 2025

To:

1. The Senior Member, Board of Revenue, Punjab
2. The Additional Chief Secretary, South Punjab, S & GA Department.
3. All Administrative Secretaries to the Government of Punjab.
4. All Heads of Attached Departments in Punjab

SUBJECT: PPP CALL CIRCULAR FOR ANNUAL BUSINESS PLAN 2025-26.

Issuance of the first PPP Call Circular for the formulation of Annual Business Plan 2025-26 in the history of the province, is a matter of great satisfaction for Punjab Public Private Partnership Authority. Public Private Partnership (PPP) in Punjab had been working under the umbrella of Punjab Public Private Partnership Act 2019, however, it was strongly felt that the aforementioned law poses serious gaps in providing an enabling framework for undertaking Public Private Partnership projects in Punjab.

2. The Chief Minister had constituted a Special Committee with the Senior Minister, Planning & Development as its Convener to review the PPP framework in the province and propose a robust and promising legal framework for the purpose. The Special Committee held a series of meetings and reviewed PPP frameworks of more than ten countries from around the world. In the light of the recommendations of the Committee, a Draft Bill has been prepared, which has obtained the approval of the Cabinet and is being laid before the Provincial Assembly for consideration and enactment. Work on draft PPP Rules is currently underway and the draft will be placed before the Provincial Cabinet as soon as the Draft Bill is approved for enactment by the provincial assembly.

3. In the proposed law, Administrative Departments and Implementing Agencies are being assigned, the much needed leadership role in conception and implementation of PPP projects. Under the Draft Bill, the PPP Authority in consultation with Administrative Departments shall formulate an Annual Business Plan for each Financial Year, starting from FY 2025-26. A concept of PPP Calendar on the analogy of Budget Calendar is being proposed. The proposed PPP Calendar for FY 2025-26 is included in Section-I of this circular. The proposed PPP Calendar requires Administrative Departments and Implementing Agencies to prepare the PPP Concepts before **25th February 2025** and obtain their approval before **31st March 2025**.

4. The proposed legal framework also provides for the establishment of PPP Nodes in Administrative Departments, which intend to undertake multiple PPP projects, out of which the cost of at least one project is more than 800 million rupees. The PPP Node may comprise such human resource which possesses requisite expertise as is required for implementing PPP projects. The Administrative Departments which, intend to undertake multiple projects out of which at least one project falls under the aforementioned category and, consider the establishment of PPP Nodes necessary for the implementation of the projects, may submit their proposals to the Finance Department through the Public Private Partnership Authority, with details of the posts, their job description, eligibility criteria and pay package, for consideration and creation of posts of PPP nodes.

5. Under the Draft Bill, a Project Development Facility (PDF) and a Viability Gap Fund (VGF) are being established to support PPP initiatives. The Project Development Facility (PDF) shall be utilized for hiring of Transaction Advisors for the development of Project Proposals and preparation of Bidding Documents along with other ancillary matters in case of PPP projects costing more than 800 million rupees; and, the Viability Gap Fund (VGF) shall provide Project Support to PPP projects, costing more than 800 million rupees, which have significant social and economic benefits but require Project Support to make them commercially viable. The PPP Authority and Finance Department have to finalize the yearly requirement of Project Development Facility (PDF) and Viability Gap Fund (VGF) with the finalization of Annual Business Plan so the Administrative Departments and Implementing Agencies are requested to indicate their initial requirement of funds out of Project Development Facility (PDF) and Viability Gap Fund (VGF) for FY 2025-26 by **25th February 2025**.

6. The timelines in the proposed PPP Calendar require Administrative Departments and Implementing Agencies to adopt a very proactive approach towards the preparation of PPP Concepts. This PPP Call Circular is therefore, being issued with a purpose to timely inform the Administrative Departments and Implementing Agencies about their roles and responsibilities in this connection.

7. This PPP Call Circular has three sections:

- **Section-I** - Contains the proposed PPP Calendar, which will introduce the Administrative Departments and Implementing Agencies to the timelines of various activities, they would be required to undertake with regard to PPP projects in FY 2025-26.
- **Section-II** - Includes the guidelines for the preparation of PPP Concepts for inclusion in Annual Business Plan 2025-26.
- **Section-III** - Contains the forms and templates for preparation of PPP Concepts and development of Project Proposals.

8. The Administrative Departments and the Implementing Agencies are requested to get the PPP Concepts of suitable Projects prepared on the PPP Concept Form included in Section-III before **25th February 2025**. A copy of all such PPP Concepts prepared by Implementing Agencies may be sent to the PPP Authority through their respective Administrative Departments at the address given below as well as at the email address **projects@p4a.punjab.gov.pk**.

9. **Mr. Zahid Hussain** with the contact number **042-99206421**, cell number **0300-7365740** and email **support@p4a.punjab.gov.pk** shall be the focal person on behalf of the Punjab PPP Authority. Administrative Departments are requested to declare their focal persons for PPP Projects and inform this office about the name, designation and the contact details of the focal persons as given above. In case of any clarification, query and question, Mr. Zahid Hussain, the focal person of Punjab PPP Authority may be contacted at the given email address and phone numbers.

10. The PPP Authority will shortly hold a training session, which may be attended by all the focal persons in-person. The detailed schedule will be shared with the focal persons, once finalized.

Note: The Call Circular FY 2025-26, forms and guidelines can also be downloaded from the website of Punjab Public Private Partnership Authority i.e. www.p4a.punjab.gov.pk


30.1.25
(MUHAMMAD USMAN)
CHIEF EXECUTIVE OFFICER

A copy forwarded for information to:

1. Chief Secretary, Punjab
2. Chairman, Planning & Development Board, Punjab
3. Additional Chief Secretary, Punjab
4. Finance Secretary, Government of the Punjab
5. Secretary to the Chief Minister, Punjab
6. PSO to the Senior Minister, Planning & Development

SECTION – I

PPP CALENDAR

This Section contains the proposed PPP Calendar, which will introduce the Administrative Departments and Implementing Agencies to the timelines of various activities, they would be required to undertake with regard to PPP projects in FY 2025-26.

PPP Calendar

SN	ACTIVITY	RESPONSIBILITY	TIMELINES
Annual Business Plan 2025-26			
1	Issuance of PPP Call Circular for preparation of Annual Business Plan 2025-26	Chief Executive Officer PPPP Authority	25 th January 2025
2	Submission of Project Concepts for Annual Business Plan FY 2025-26	Administrative Departments and Implementing Agencies	25 th February 2025
3	Submission of initial requirement of Project Development Facility (PDF) and Viability Gap Fund (VGF) to the Authority	Administrative Departments and Implementing Agencies	28 th February 2025
4	Clearance of the Project Concepts for Annual Business Plan 2025-26	Administrative Departments and Implementing Agencies	31 st March 2025
5	Submission of Cleared Project Concepts to the Authority for inclusion in Annual Business Plan 2025-26	Administrative Departments and Implementing Agencies	7 th April 2025
6	Submission of final requirement of Project Development Facility (PDF) for FY 2025-26 to the Authority	Administrative Departments	7 th April 2025
7	Submission of final requirement of Viability Gap Fund (VGF) for FY 2025-26 to the Authority	Administrative Departments	7 th April 2025
8	Finalization of yearly requirement of Project Development Facility (PDF) for FY 2025-26	PPPP Authority	15 th May 2025
9	Finalization of yearly requirement of Viability Gap Fund (VGF) for FY 2025-26	PPPP Authority	15 th May 2025
10	Preparation, approval and publication of Annual Business Plan FY 2025-26	PPPP Authority	June 2025
11	Submission of Project Proposals and their approval	Administrative Departments and Implementing Agencies	1 st quarter of FY 2025-26
12	1st quarter review	Finance Department	End of 1 st quarter of FY 2025-26

13	Preparation of Bidding Documents & Draft PPP Contracts and their approval	Implementing Agencies	September-October 2025
14	Invitation of bids and selection of Private Partners	Implementing Agencies	2 nd quarter of FY 2025-26
15	Signing of Contract	Implementing Agencies	December 2025
16	Mid-year review	Finance Department	End of 2 nd quarter of FY 2025-26
17	Achievement of Financial Close and start of Implementation of PPP Contracts	Implementing Agencies	3 rd quarter of FY 2025-26
18	3rd quarter review	Finance Department	By the end of 3 rd quarter 2025
Annual Business Plan 2026-27			
19	Issuance of PPP Call Circular for preparation of Annual Business Plan 2026-27	Chief Executive Officer, PPPP Authority	1 st October 2025
20	Submission of Project Concepts for Annual Business Plan FY 2026-27	Administrative Departments and Implementing Agencies	1 st December 2025
21	Submission of initial requirement of Project Development Facility (PDF) and Viability Gap Fund (VGF) to the Authority	Administrative Departments and Implementing Agencies	31 st December 2025
22	Clearance of the Project Concepts for Annual Business Plan FY 2026-27	Administrative Departments and Implementing Agencies	28 th February 2026
23	Submission of Cleared Project Concepts to the Authority for inclusion in Annual Business Plan 2026-27	Administrative Departments and Implementing Agencies	7 th March 2026
24	Submission of final requirement of Project Development Facility (PDF) for FY 2026-27 to the Authority	Administrative Departments	31 st March 2026
25	Submission of final requirement of Viability Gap Fund (VGF) for FY 2026-27 to the Authority	Administrative Departments	31 st March 2026
26	Finalization of yearly requirement of Project Development Facility (PDF) for FY 2026-27	PPPP Authority	30 th April 2026

27	Finalization of yearly requirement of Viability Gap Fund (VGF) for FY 2026-27	PPPP Authority	30 th April 2026
28	Preparation, approval and publication of Annual Business Plan FY 2026-27	PPPP Authority	May 2026

SECTION – II

DRAFT PPP

GUIDELINES

This Section includes the guidelines for the preparation of PPP Concepts for inclusion in Annual Business Plan 2025-26

GUIDELINES FOR PREPARATION OF PPP CONCEPTS:

PPP Concepts shall be prepared on the PPP Concept Forms attached in the PPP Call Circular. While preparing the Project Concepts, broad stakeholder engagement may be carried out. The need of the project shall be well established. Project objectives should be clear and quantifiable where possible. The objectives of the project should be aligned with sectoral goals and government priorities. The Implementing Agency should clearly specify the needs and challenges, the PPP Project will address. The proposed PPP model should be clearly explained together with the roles and responsibilities of the Implementing Agency and the Private Partner. The project cost estimations should be realistic and bring value for money for the government.

2. The status of land including the Right-of-Way, required for the implementation of the project, should also be included in the PPP Concept, together with the evidence of availability and ownership of land. The implementation schedule of the project should be achievable and based on realistic assumptions. The capacity of the Implementing Agency may be kept in view while preparing the implementation schedule. Where projects are designed to bring revenues, the estimated revenues should be based on realistic and solid assumptions. In case of projects from social sector, the benefits of the project should be preferably quantifiable. Potential risks in the implementation of the project shall be identified by the Implementing Agency. The projects posing significant environmental risks shall not be taken up. The process of the approval of PPP Concepts and their further processing will be notified in due course.

3. The PPP Concepts may include projects from any sector like social sector i.e. education, health etc.; economic sector i.e. industries, skill development, Information Technology, Tourism, infrastructure i.e. roads, energy, transport, urban development, municipal services etc.; production sector including agriculture and livestock etc. The PPP concepts may be based on any suitable PPP modality.

SECTION – III

**SUBMISSION FORMS
AND GUIDELINES**

This Section contains the forms and templates for preparation of PPP Concepts, receipt of Unsolicited Proposals and development of Project Proposals.

FORM-I

PPP Concept Form

(For Project Concepts Initiated by Government Departments)

1. Name of the Project
2. Name of the Implementing Agency
3. Administrative Department
4. Estimated Project Cost <i>(Please indicate the initially estimated project cost, the cost may however be changed at the time of development of Project Proposal)</i>
5. Location <i>(Please mention name of the District, Tehsil, and Area where the proposed project will be executed, also include the location map with geographic coordinates)</i>
6. Why is the Project needed? <i>(Provide background details, specific needs and challenges the project will address)</i>
7. Project Objectives and their Relevance with Sectoral Objective <i>(List clear objectives of the project. Explain how these objectives align with broader sectoral goals and government priorities)</i>
8. Brief Description of the Project <i>(Provide a concise overview covering the scope of project, key components, and expected impact)</i>
9. Proposed PPP Model <i>(Please clearly explain the proposed PPP model and transaction structure)</i>
10. Tentative Implementation Schedule: <ol style="list-style-type: none">Estimated Time for Development of Project ProposalTentative Time of Project Implementation, till the start of operations <i>(Including design, invitation of bids, construction and installation)</i>Estimated Contract Period <i>(Please indicate the estimated contract period on which the project will be feasible, in view of the Implementing Agency, the estimated period may however, be changed at the time of development of Project Proposal)</i>

11. What is the status of Land, including Right of Way, required for the implementation of the project?

- a. Where Land is available with the Implementing Agency for the implementation of the project, please attach a rough map of the land and proof of availability;
- b. Where land belonging to another Government Department or Provincial Government is being proposed, what will be the proposed legal arrangement for the availability of land for the Implementation of Project;
- c. Where acquisition of land is being proposed, please indicate the initial requirement of the land, broad geographical area and tentative cost.

12. Whether the Project is green field or brown field.

(Clearly state whether the project is a green field (new development) or a brown field (re=development/upgrade of existing infrastructure))

13. What will be the role of Implementing Agency, briefly describe?

14. What will be the role of Private Partner, briefly describe?

15. Whether the project is commercially viable, or its social and other benefits warrant its implementation.

(Analyse and document if the project is commercially viable and whether it's social and other benefits justify implementation)

16. Does the Implementing Agency have an in-house capacity for the development of Project Proposal; or it plans to utilize the services of another Department for the development of Project Proposal; or it will hire a Transaction Advisor for the purpose?

17. Whether funding out of Project Development Facility (PDF) is required for the Project, if so, please indicate the amount in PKR.

(Only in case of Category-A Projects)

18. Whether the Project requires funding out of Viability Gap Fund (VGF) for its implementation? If so, please indicate the estimated amount of VGF that will be required for the Project lifecycle.

(Only in case of Category-A Projects)

19. What other types of Project Support will be required for the project implementation?

(Subject to the limitations under the Rules)

20. What are estimated Revenues from the project, over the contract period, including their types and sources?

<p>21. What are the expected Social & Economic benefits of the project?</p>
<p>22. What are the possible Environmental Risks associated with the project?</p>
<p>23. What are potential Risks, which may challenge the implementation of the Project?</p>
<p>24. What are Potential Direct and Indirect Beneficiaries of the Project? <i>(Analyse potential risks that might challenge project implementation (financial, operational, regulatory, etc. Also propose mitigation or contingency plans)</i></p>
<p>25. Name and Signatures of the Head of Implementing Agency</p> <p>26. Name and Signatures of the Administrative Secretary <i>(only in case of Category-A Projects)</i></p> <p>27. Name and Contact Details of the Focal Person.</p> <p>28. Submission Date:</p>

Enclosures:

Please attach the following documents:

1. Location map
2. Evidence of availability and ownership of land
3. Include any other supporting evidence or data to substantiate analyses and statements

Note: *The Project Concept Form is preliminary and currently under consideration and improvement. The revised Project Concept Form shall be shared upon the approval of the rules.*

FORM -II

Project Proposal Form

(For Project Initiated by Implementing Agencies)

General Information

1. Name of the Project
2. Name of the Implementing Agency
3. Administrative Department
4. Sector (Please mention the name of the relevant sector i.e. Roads, Energy, Transport, Urban Development, Education, Health etc.)
5. Estimated Project Cost *(Please indicate the initially estimated project cost, the cost may however be changed at the time of development of Project Proposal).*
 - (a) Estimated cost of construction / establishment / installation / commissioning
 - (b) Estimated operations and maintenance cost during the proposed contract period
 - (c) Estimated cost of up-gradations required during the project lifecycle
6. Location *(Please mention name of the District, Tehsil, and Area where the proposed project will be executed, also include the location map with geographic coordinates)*
7. Estimated Contract Period *(Please mention the estimated contract period together with the proposed breakup of the entire PPP Contract including construction/rehabilitation, operation, maintenance, and eventual transfer phases).*

Project Description

8. Project Introduction *(Please provide a comprehensive introduction of the project including the project components, services and facilities and how it is suitable for undertaking as a PPP project)*
9. Project Objectives *(Please provide comprehensive objectives of project; explain how they are aligned with general policy objectives and sectoral goals)*

Comprehensive Need Assessment

10. Project Requirement *(Establish the requirement of the project supported by relevant data; how it addresses existing challenges or gaps in achieving sectoral goals?)*

11. Significance of the Project (*How the project will contribute in achieving specific sectoral goals in quantifiable terms?*)
12. Project Benefits: (*Explain the anticipated economic, social, and environmental advantages of the project, including measurable outcomes of the project. e.g. revenue generation, job creation etc.*)
13. Proposed PPP Model of the Project:
- (a) Explain the proposed PPP model in detail. How it is suitable the project.
 - (b) Describe the roles and responsibilities of Implementing Agency and Private Partner, including design, financing, construction, and maintenance.
 - (c) Provide in detail the revenue generation mechanism, such as user charges, tolls, or government payments.
 - (d) Provide a comprehensive list of potential risks involved in the project implementation including financial, operational, and regulatory risks. Explain the risk assessment, allocation and apportionment between the Implementing Agency and Private Partner. Please provide a comprehensive mitigation strategy, how these risks will be managed?
 - (e) Provide the key contractual terms, including contract period, performance benchmarks, and payment structures.
 - (f) Establish that the model is financial sustainable, brings value for money, and efficient project implementation.
14. **Appetite of Private Sector for entering into such PPP contracts** (*Please, explain the private sector appetite and the willingness of Private Partner to enter into such contract and assume the project risks*)

Comprehensive Technical Feasibility

15. Technical Feasibility

- (a) **for infrastructure projects** (*Please include topographic surveys, geotechnical investigations, hydrological studies, design parameters including necessary surveys, tests, and structural frameworks, reference structural designs, EPC cost estimates, and, where applicable, detailed structural designs with BOQ-based cost estimates, traffic counts for road projects, identification of potential technical risks with proposed mitigation measures etc.*)
- (b) **for non-infrastructure projects** (*Please describe the scope of services including processes, technology and resources, set performance standards for quality and efficiency, define the roles of the Implementing Agency and the Private Partner,*

identify risks with proposed mitigation strategies, ensure the project alignment with the legal framework, where required etc.).

- (c) Where a PPP project is a combination of an infrastructure and non-infrastructure project the Technical Feasibility may include all relevant components mentioned at (a) and (b) above.

16. Environmental and Social Safeguard *(Please include Environmental Impact Assessment (EIA)/Initial Environmental Examination (IEE) under the relevant laws and social impact assessments (where required).*

17. What is the status of Land, including Right of Way, for the implementation of the project?

- (a) Where Land is available with the Implementing Agency for the implementation of the project, please attach a rough map of the land and proof of availability;
- (b) Where land belonging to another Government Department or Provincial Government is being proposed, what will be the proposed legal arrangement for the availability of land for the Implementation of Project;

18. Where acquisition of land is being proposed, please provide requirement of the land, location, revenue map and estimated cost.

Comprehensive Financial Feasibility Study

19. Financial Feasibility *(Describe economic and financial viability of PPP project by cost estimation, revenues, transaction structure for invitation of bids, financing, option analysis and risk management. Also include nature of Project Support, contingent liability, key assumption such as inflation and tax rate; financial analyses (NPV, IRR, Payback Period), market demand, and Value for Money (VfM) analysis etc.*

20. Please attach a detailed Financial Model in the form Microsoft Excel *(Model may also be provided in the soft and editable form in the USB)*

21. Whether the end users be able to afford the charges / tariffs proposed under the project? *(Explain how tariffs, charges, or fees remain affordable for end users. Attach the findings of the affordability surveys of the end users of facilities, being established under the PPP project.)*

Financial Model

22. Financial Model includes

The financial model may include cost estimates for construction, operation, maintenance, and upgradation, with clear inputs, calculations, and outputs; key assumptions include inflation, tax rates, and demand forecasts, and NPV and IRR. (Soft copy of Financial Model should be provided).

23. Draft Bidding Documents - (to be prepared after the approval of project proposals)

(Please, include Request for Expression of Interest (REOI), Pre-Qualification Document (PQD), Request for Proposal (RFP), draft PPP Contract, and all ancillary documents etc.)

24. Draft PPP Contract (to be prepared after the approval of project proposals)

Enclosures, where relevant:

- Feasibility studies
 - Technical Feasibility
 - Financial and Economic Feasibility
- Financial Model
- Option analyses for undertaking the Project
- Technical specifications, drawings, surveys, where relevant
- Legal and regulatory framework assessment
- Findings of the affordability survey
- Risk assessments, risk matrix, risk apportionment and allocation and mitigation strategy for addressing the risks.
- Environment Impact Assessment /Initial Environmental Examination
- Assessment of likely Social and other impacts
- Draft Bidding Documents (to be prepared after the approval of project proposals)
- Draft PPP Contract (to be prepared after the approval of project proposals)
- Include any supporting documents or data to substantiate analyses

Note: *The Project Proposal Form is preliminary and currently under consideration and improvement. The revised Project Proposal Form shall be shared upon the approval of the rules.*