



PROCURING INFRASTRUCTURE PUBLIC-PRIVATE PARTNERSHIPS 2018 IN HONDURAS

SURVEY QUESTION	ANALYSIS
PPP Regulatory Framework	
2. Does the regulatory framework in your country allow procuring PPPs?	Yes
If yes, please specify the relevant regulatory framework and the year of adoption:	<p>The Public-Private Partnership regulatory framework in Honduras includes the following laws and regulations in which our analysis will be mainly based: Legislative Decree 143 of 2010 - Public-Private Partnership Promotion Law “PPP Law”; Executive Decree No. 02073-2010 of 2010 - Public-Private Partnership 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. The Article 36 of the PPP Law has 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.”</p>
and provide a link to a government-supported website where the mentioned regulatory framework is available or provide an electronic copy of it:	<p>http://coalianza.gob.hn/es/app/marco-legal-de-la-app/leyes-y-reglamentos</p>
2.1. Are you aware of any reforms (in the regulatory frameworks – laws, regulations, policies, etc.- or in generally followed practices) related to PPPs that: Took place in 2016, are ongoing and/or are planned to be adopted BEFORE June 1, 2017?	Yes
Please describe:	<p>Decree 30-2016 published at the National Gazette on April 28, 2016 in Article 3 reformed Articles 5 and 7. Article 5: Both public and private parties under the PPP model could be organized as joint venture, consortiums, legal entities with or without lucrative means, participation contracts, procurement contracts, trusts or any other form, legally typic or non-typic as long as it is good for the execution of project or rendering of services. Article 7: Public administration contribution. ... Projects subjected to the PPP regime will have the following tax incentives: Exemption for the whole life of the project of sales tax, customs duties, selective taxes, fees, general and special contributions, administrative services, income tax, minimum tax, and all taxes in relation to income tax. Decree 98-2016, published at the National Gazette on July 27, 2016, reformed</p>

	Article 7 that was reformed by Decree 30-2016 and eliminated all exemption granted to PPPA.
2.2 Are ongoing and/or are planned to be adopted AFTER June 1, 2017?	No
Please describe:	n/a
3.1 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
3.2 Besides national defense and other matters of national security, does the regulatory framework explicitly prohibit or restrict PPPs in any of the following sectors?: Water and Irrigation	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
3.3 Besides national defense and other matters of national security, does the regulatory framework explicitly prohibit or restrict PPPs in any of the following sectors?: Energy generation and distribution.	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
3.4 Besides national defense and other matters of national security, does the regulatory framework explicitly prohibit or restrict PPPs in any of the following sectors?: Telecom	No
If yes, please provide the relevant legal/regulatory provisions:	n/a
3.5 Besides national defense and other matters of national security, does the regulatory framework explicitly prohibit or restrict PPPs in any of the following sectors?: Other	No

If yes, specify and provide the relevant legal/regulatory provisions:	n/a
4. Does the regulatory framework provide for a specific tax regime for PPP transactions (i.e. tax incentives, special tax depreciation treatment, etc.)?	Yes
If yes, please specify and provide the relevant legal/regulatory provision (if any):	<p>Article 33 of the PPP Law states that PPP projects are exempt of all taxes relating to the registration of property and/or formalization of all contractual relations directly related to projects under this law. Article 104 of the General Regulation to the Law for the Promotion of Public-Private Partnerships reiterates what was aforementioned regarding to Article 33. Further, Article 7 of Decree 30-2006 states that projects subjected to the PPP regime will have the following tax incentives: Exemption for the whole life of the project of sales tax, customs duties, selective taxes, fees, contributions general and specials, administrative services, income tax, minimum tax, and all taxes in relation to income tax. Finally, note that the Article 32 of the Law for the Protection and Promotion of Investments states that certain pre-operative expenses paid or incurred in projects declared of priority interest for the country may be recuperated in a period of 5 years (accelerated amortization); and Article 22 of the same law declares that investment projects over US\$2,000,000 may apply for stability contracts, which guarantee that no State or local tax increments may affect a project. Other specific tax regimes are contained in special laws such as those pertaining to the energy and agricultural sectors.</p>
5. Please identify the PPP procuring authorities in Honduras and provide their website(s) (if available):	According to the PPP Law, in Article 13, COALIANZA has as one of its functions to exclusively manage 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. Website: http://www.coalianza.gob.hn/en/
6. 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 Honduras, the PPP Unit is also COALIANZA. Likewise, although it does not facilitate the PPP Program, the PPP Superintendence (SAAP) is in charge of the regulation, oversight and monitoring of the PPP contracts and projects. Its website is http://sapp.gob.hn/ . This Superintendence is integrated as part of the Superior Accounts Tribunal (Tribunal Superior de Cuentas or TSC in Spanish) but has technical, administrative and financial independence. Other than COALIANZA and SAAP, the Fiscal Contingencies Unit (FCU), is in charge of identifying, quantifying and monitoring the PPP fiscal risk of every PPP Project. The FCU depends directly on the ministerial office of the Secretary of Finance. The following functions refer to COALIANZA.
6.1 If yes, what are the main responsibilities of the PPP	Yes

Unit (check all that apply): PPP regulation and policy guidance.	
6.2 PPP capacity building for other public authorities.	Yes
6.3 PPP promotion among the public and/or private sectors in national and international forums.	Yes
6.4 Technical support in implementing PPP projects.	Yes
6.5 Identification and selection of PPP projects from the pipeline.	No
6.6 Revision of fiscal risks born by the Government.	No
6.7 Consultation with affected communities on potential impact of PPP projects.	No
6.8 Approval of PPP projects.	Yes
6.9 Undertaking the procurement of PPPs.	Yes
6.10 Oversight of PPP implementation.	Yes
6.11 Other	No
6.11 please specify:	n/a
Please provide the relevant legal/regulatory provisions:	<p>According to Art.13 of the PPP Law, COALIANZA is to fulfill the following roles:- To lead the contracting process for public-private participation, including developing and managing public works and services projects of interest to the country, both at the national and local level.- To coordinate with Government Ministries, private institutions, Regional Councils for Development, municipalities, as well as other decentralized organizations and State dependencies, the necessary permits and licenses required to carry out the projects with technical, operative, and financial feasibility.- To coordinate with the various dependencies of Public Administration all the steps required for selecting public investment projects that qualify within the prioritized areas.- To collaborate with the municipalities in evaluating projects which have been assigned to be part of the National System of Investment.- To provide appropriate follow-up to the projects and services provided through the PPP model in coordination with the regulating organizations.- To provide technical assistance on using private investments to local governments and other public institutions, prior to presenting projects for a feasibility study.- To insure that the PPP projects are consistent with the Objectives and Goals of the Country Vision and Nation Plan.- To guarantee that the activities which are considered essential to the partnership relationship are carried out. - To approve the internal regulations that may be necessary to improve the Agency's operations.- To propose regulations that are deemed necessary in order to apply the current Law.- To approve the Annual Operating Plan and Budget.- To authorize an audit, and to understand and approve the reports generated from such audits.- To</p>

	<p>have knowledge of and pronounce itself on the reports which have been requested or presented by the Executive Secretary.- To approve the naming, hiring and termination of the Agency's personnel.- To establish appropriate directives and guidelines for the Executive Secretary.- To adopt within the sphere of its operations, any measure that is esteemed pertinent to accomplish its objectives and to resolve all the issues that do not expressly need to be resolved by the Executive Secretary.- All other roles or functions that are appointed by the prevailing legislation or any other issued regulations.</p>
PPP Preparation	
8. 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 Articles 24 and 26, requires the participation of the Secretary of State in the Office of Finance (SEFIN, in Spanish) in the PPP project processes to ensure the fiscal sustainability of the projects.
8.1. Does the Ministry of Finance or Central Budgetary Authority approve the PPP project before signing the PPP contract?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Article 18 of Decree No. 115-2014 states that the Secretary of State through the Office of Finance will participate in the entire life of the PPP including in the evaluation of the budgeting capacity for that project. Further, the Unit of Fiscal Risk (within the Office of Finance) will be the one who authorizes or prohibits the beginning and continuation of the PPP project.
8.2. Does the Ministry of Finance (or government more broadly) have a specific system of: Budgeting for PPP projects.	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
Accounting liabilities (explicit and implicit, direct and contingent) arising from PPPs.	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Article 26 of the PPP Law states that the amounts and limits of quantifiable firm and contingent commitments, undertaken by the State in Public-Private Partnership (PPP) contracts, estimated at present value, shall be established in the Multi-Annual Budget formulation based on the public debt sustainability analysis. The General Provisions of the Budget of the Republic shall establish the necessary budget reserves or provisions to cover possible guarantee claims or acquired commitments for each corresponding Fiscal Year. A limit equivalent to five per cent (5%) of the Gross National Product (GNP) is established, for all quantifiable firm and contingent commitments undertaken by the non-financial public sector in Public-Private Partnership (PPPs) Contracts, calculated at a present value. This percentage can be modified every three (3) years by the President of the Republic in Council of Ministers, and in consultation with the

	Secretary of State in the Office of Finance, in order to being congruent with the country's capacities.
Reporting liabilities (explicit and implicit, direct and contingent) arising from PPPs.	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
8.3. If yes to question 8.2, which of the following alternatives best describes the regulation?: Accounting and reporting according to International Public Sector Accounting Standards (IPSAS).	No
Accounting and reporting according to other international standard (e.g. European System of Accounts).	No
Please specify:	n/a
Other.	No
Please specify:	n/a
9. 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 (e.g. Cabinet, Cabinet Committee, Parliament, Supreme Audit Office, etc.)?	Yes
If yes, please specify the relevant authority	The President of the Republic in Council of Ministers and the National Congress
and provide the relevant legal/regulatory provisions (if any):	This provision is an amendment to the PPP Law, according to Decree No. 115-2014, published in Diario Oficial La Gaceta as of December 30, 2014. This decree reform the Article 18 of the PPP Law and establishes that the draft Decree must be presented to the President of the Republic in Council of Ministers, for approval.
9.1. Besides the procuring authority and the Ministry of Finance or Central Budgetary Authority, does any other authority(s) approve the PPP project 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 to approval of its content by the President of the Republic in Council of Ministers or

	<p>by the Congress in some special cases. According to Article 11 of the PPP Law: “The Commissioners will appoint among them the President of the Commission for the Promotion of Public-Private Partnerships (COALIANZA), position that will be rotated on an annual basis. The President of the Commission for the Promotion of Public-Private Partnerships (COALIANZA) will be the legal representative of the same and 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. When required according to the provisions of Article 205, numeral 19) of the Constitution of the Republic, upon their signature, the contracts shall be approved by the National Congress of the Republic”. Likewise, article 205, numeral 19 of the Constitution of Honduras is applicable in the case of contracts (including PPP contracts) where special tax privileges, incentives or subsidies are being granted, or when a project has an execution timeframe which exceeds beyond a presidential term (4 years).</p>
<p>10. Does the procuring authority use transaction advisors during the PPP project cycle?</p>	<p>Yes</p>
<p>If yes, please provide the relevant legal/regulatory provisions (if any):</p>	<p>No regulatory basis</p>
<p>11. In a case comparable to the case study assumptions, please select the option that best describes the way your government integrates the prioritization of PPP projects with other public investment project prioritization? (e.g. in the context of a national public investment system, multi-year perspective plans, medium-term budgetary framework): The regulatory framework provides for the inclusion of PPPs in the national public investment system/medium term budgetary framework and details a specific procedure to ensure the consistency of PPPs with other public investment priorities.</p>	<p>Yes</p>
<p>If yes, please specify and provide the relevant legal/regulatory provisions (if any):</p>	<p>Article 17 of the PPP Law states that the cycle of projects can have a public or private origin. Furthermore, Article 18 of said Law declares that COALIANZA must make a prior feasibility assessment of public-private initiatives that may be incorporated in the National Public Investment System. This feasibility assessment includes the cost-benefit analysis and the possible financing models. The Public Administration entities or bodies that initiate Public Private Participation projects shall request the collaboration of COALIANZA to formulate projects, prior to incorporating them to the National Public Investment System.</p>

	<p>Likewise, Article 19 of the same law, as amended by Decree 115 of 2014, sets forth that 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. Also, please note that, according to articles 59 to 60 of the Organic Budgetary Law (Ley Orgánica del Presupuesto), Honduras has a Plurianual Public Investment Program that is reviewed annually according to the Public Investment Policy dictated by the executive branch of the Government according to the priorities, objectives, results and orientations of the budget assigned to public institutions (The Plurianual Investment Program for the 2017-2020 term may be consulted in the following web address: http://www.sefin.gob.hn/?p=3704); in the case of public private projects, the prioritization of those initiatives are determined by COALIANZA in coordination with the Public Institutions (Please read Articles 68 and 69 of General Regulation to the Law for the Promotion of Public-Private Partnerships set out below).</p> <p>“ARTICLE 68.- Priority of projects .- In coordination with the competent institutions of public administration, COALIANZA identify 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 priorities, sector and local, as applicable. For this purpose, COALIANZA may engage the services of external consultants to advise the process.</p> <p>ARTICLE 69.- Project Cycle - 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.</p> <p>Additionally, the Secretary of State for Finance (SEFIN), shall determine the financial and non-financial risks, securities, future commitments and tax contingencies”.</p>
<p>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.</p>	<p>No</p>
<p>If yes, please provide the relevant legal/regulatory provisions (if any):</p>	<p>n/a</p>
<p>The regulatory framework does not include any provisions but the procuring authority evaluates the consistency of PPPs with other government investment priorities in practice.</p>	<p>No</p>

If yes, please elaborate:	n/a
The procuring authority does not evaluate PPPs against existing government priorities.	No
Please elaborate and provide examples:	n/a
11.1. Based on your experience, is it always the case that this prioritization is done in practice in accordance with the provisions of the regulatory framework described above?	Yes
If yes, please specify:	Contributors confirm that the aforementioned procedure is conducted in practice
If no, please elaborate:	n/a
12.1 Which of the following assessments are conducted when identifying and preparing a PPP in order to inform the decision to proceed with it? (check all that apply): Socio-economic analysis (cost-benefit analysis of the socio-economic impact of the PPP project)	Yes
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 for the assessment?	Yes
If yes, please elaborate	General methodological guide for the formulation and evaluation of Public Investment Projects (Guía Metodológica General para la Formulación y Evaluación de Programas y Proyectos de Inversión Pública http://www.sefin.gob.hn/wp-content/uploads/2017/07/Guia_Metodologica_General_Version_Final_Segunda-Edicion-2015.pdf
Is the assessment done in practice?	Yes
Details:	Contributors answering the question confirm that the assessment is done in practice

12.2. Affordability assessment, including the identification of the required long term public commitments (explicit and implicit, direct and contingent liabilities)	Yes
Relevant legal/regulatory provision (if any)	The PPP Law establishes in Article 18 that the project which 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 Article 7 that the contributions of the public administration can be classified in firm commitments, and contingents' commitments, and the Articles 8 and 9 define each of them respectively.
Is there a specific methodology for the assessment?	No
If yes, please elaborate	n/a
Is the assessment done in practice?	No
Details:	Contributors did not confirm that this assessment is done in practice
12.3. 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 (PPP), which could be, among others, financial, commercial, operational 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. The Article 25-A of the Decree 115-2014 indicates that in order to comply with what established in Article 24 and 25 of the PPP law, it will be created the "La Unidad de Contingencias Fiscales" UCF - Fiscal Contingency Unit as an entity dependent of the Secretary of State. UCF will be responsible for identifying, analyzing, quantifying, managing, and establishing the fiscal costs and risks arising from the PPP project, establishing action plans in case of possible activation of those contingencies.
Is there a specific methodology for the assessment?	No
If yes, please elaborate	n/a
Is the assessment done in practice?	Yes
Details:	Contributors confirm that the assessment is conducted in practice
12.4. Comparative assessment to evaluate whether a PPP is the best	Yes

option when compared to other procurement alternatives (i.e. value for money analysis, public sector comparator)	
Relevant legal/regulatory provision (if any)	The 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 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 for the assessment?	No
If yes, please elaborate	n/a
Is the assessment done in practice?	Yes
Details:	Contributors confirm that the assessment is done in practice
12.5. 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 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 for the assessment?	No
If yes, please elaborate	n/a
Is the assessment done in practice?	Yes
Details:	Contributors confirm that the assessment is done in practice
12.6. Market sounding and/or assessment (showing evidence of investors' interest in the market for the project)	No
Relevant legal/regulatory provision (if any)	n/a
Is there a specific methodology for the assessment?	n/a
If yes, please elaborate	n/a

Is the assessment done in practice?	n/a
Details:	n/a
12.7. Environmental impact assessment	No
Relevant legal/regulatory provision (if any)	n/a
Is there a specific methodology for the assessment?	n/a
If yes, please elaborate	n/a
Is the assessment done in practice?	n/a
Details:	n/a
12.8. Consultation process with affected communities on potential impact of the PPP project	No
Relevant legal/regulatory provision (if any)	n/a
Is there a specific methodology for the assessment?	n/a
If yes, please elaborate	n/a
Is the assessment done in practice?	n/a
Details:	n/a
13. Does the procuring authority include the assessments (indicated in Question 12 above) in the request for proposals and/or tender documents (for example, as part of an Information Memorandum to the bidders)?	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
and specify which of the assessments are included in the request for proposals and/or tender documents:	n/a
13.1. Are the assessments published online?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	No regulatory basis
specify the website	http://coalianza.gob.hn/dataroom/

please specify which of the assessments are published online:	All assessments conducted are available for bidders who pay the participation right.
14. 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 General Regulations of the PPP Law, indicates that the sheet of terms and conditions in the request for proposals shall include, as an annex, a draft of the PPP Contract. This draft shall contain, at least, all the contractual provisions set forth in Article 8 of the PPP Law. Also, Article 8.3 of COALIANZA's Operative Manual of Contracts and Acquisitions confirms that a draft of the contract shall be included in the request for proposals.
If no, please elaborate	n/a
14.1. Are the tender documents published online?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	No regulatory basis
and please specify the website:	http://coalianza.gob.hn/dataroom/
15. In a case comparable to the case study assumptions, 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
16.1 In a case comparable to the case study assumptions, who is the responsible party for each of the following requirements? Obtaining the required urban permits: Procuring authority (or other Government entity)	No
Private Partner	No
Private partner with facilitation role assigned to the procuring authority (or other Government entity)	Yes
To be established in the contract	No
Relevant legal/regulatory provision (if any)	Article 3, subsection 3 of the PPP Law, established that COALIANZA has to coordinate efforts with all the Secretaries of State, institutions, and different government entities to manage everything related to authorizations, permits,

	licenses, and any other requirement to make the execution of PPP projects happen. Also, the second paragraph of Article 34 of the PPP Law states that, COALINZA must assist the private partner in processing and obtaining all the relevant permits, licenses and administrative acts required by public authorities of any level in order to operate the PPP.
16.2. Obtaining the required environmental permits: Procuring authority (or other Government entity)	No
Private Partner	No
Private partner with facilitation role assigned to the procuring authority (or other Government entity)	Yes
To be established in the contract	No
Relevant legal/regulatory provision (if any)	Article 3, subsection 3 of the PPP Law, established that COALIANZA has to coordinate efforts with all the Secretaries of State, institutions, and different government entities to manage everything related to authorizations, permits, licenses, and any other requirement to make the execution of PPP projects happen. Also, the second paragraph of Article 34 of the PPP Law states that, COALINZA must assist the private partner in processing and obtaining all the relevant permits, licenses and administrative acts required by public authorities of any level in order to operate the PPP.
16.3. Obtaining the required operational permits: Procuring authority (or other Government entity)	No
Private Partner	No
Private partner with facilitation role assigned to the procuring authority (or other Government entity)	Yes
To be established in the contract	No
Relevant legal/regulatory provision (if any)	Article 3, subsection 3 of the PPP Law, established that COALIANZA has to coordinate efforts with all the secretaries of state, institutions, and different government entities to manage everything related to authorizations, permits, licenses, and any other requirement to make the execution of PPP projects happen. Also, the second paragraph of Article 34 of the PPP Law states that, COALINZA must assist the private partner in processing and obtaining all the relevant permits, licenses and administrative acts required by public authorities of any level in order to operate the PPP.
16.4. Obtaining the required land: Procuring authority (or other Government entity)	No
Private Partner	No
Private partner with facilitation role assigned to	Yes

the procuring authority (or other Government entity)	
To be established in the contract	No
Relevant legal/regulatory provision (if any)	No regulatory basis
16.5. Obtaining the required right of way: Procuring authority (or other Government entity)	No
Private Partner	No
Private partner with facilitation role assigned to the procuring authority (or other Government entity)	Yes
To be established in the contract	No
Relevant legal/regulatory provision (if any)	No regulatory basis
PPP Procurement	
18. Which of the following options best describes the required qualifications of the bid evaluation committee members? (Please select only one): The membership of the bid evaluation committee is specified and/or its members are required to meet detailed qualifications.	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
The bid evaluation committee members require sufficient qualification without specific details.	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	No regulatory basis
The bid evaluation committee members are not required to have any specific qualifications.	No
Please elaborate and provide examples:	n/a
19. Does the procuring authority issue a public procurement notice of the PPP project?	Yes

If yes, please specify the means of publication and provide the relevant legal/regulatory provisions (if any):	<p>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 of the country for two consecutive days, and in COALIANZA web page, with a time period of at least fifteen (15) days between the second publication and the deadline for the submission of proposals.</p> <p>The summon for an international public tender or international public contest, may also be published in newspapers, specialized magazines and/or other media in those countries where there might be interest parties in a Public-Private Partnership.</p>
19.1. If yes, is the public procurement notice published online?	Yes
If yes, please specify the website:	www.coalianza.gob.hn
20. Are foreign companies prohibited from participating in the bidding process?	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
21. In a case comparable to the case study assumptions, 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):	<p>Article 16 of the General Regulation to the Law for the Promotion of Public-Private Partnerships 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 in the web page of COALIANZA, with a time period of at least fifteen (15) days between the second publication and the deadline for the submission of proposals.</p> <p>The summon for an international public tender or international public contest, may also be published in newspapers, specialized magazines and/or other media in those countries where there might be interested parties in a Public-Private Partnership.</p>
and the time in calendar days:	17
22.1. In a case comparable to the case study assumptions, which are the procurement procedures available and/or set as default for PPP projects? Open tendering: Available	No
Default	No
Relevant legal/regulatory provision (if any)	n/a
22.2. Restricted tendering (with pre-qualification stage): Available	No

Default	Yes
Relevant legal/regulatory provision (if any)	Article 22 of the PPP Regulations states: Prior to 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.
22.3 Multi-stage tendering (with shortlisting of final candidate(s)): Available	No
Default	No
Relevant legal/regulatory provision (if any)	n/a
22.4. Competitive dialogue: Available	No
Default	No
Relevant legal/regulatory provision (if any)	n/a
22.5. Direct negotiation with more than one candidate: Available	No
Default	No
Relevant legal/regulatory provision (if any)	n/a
22.6. Direct negotiation with only one candidate: Available	No
Default	No
Relevant legal/regulatory provision (if any)	n/a
22.7 Other. Specify:	No
Available	n/a
Default	n/a
Relevant legal/regulatory provision (if any)	n/a
22.8. Do the tender documents detail the procedure of the procurement process providing the same information to all the bidders?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Article 6 of the PPP Law establishes that the 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 or international public contests or national or 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.
If no, please elaborate:	n/a
22.9. Do the tender documents specify the prequalification/shortlisting criteria (when applicable) in order to make them available to all the bidders?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	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.
22.10. Based on your experience, is it always the case that the specified criteria are respected in practice?	Yes
If yes, please specify and provide the relevant legal/regulatory provisions (if any):	n/a
If no, please elaborate:	n/a
23. Can interested parties/potential bidders submit questions to clarify the public procurement notice and/or the request for proposals?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	According the Article 21 of the General Provisions of the PPP Law “Inquiries to the Specification Sheet and suggestions to the draft of the Contract. -During the selection process, the 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”.
23.1. If yes, notwithstanding confidential information pertaining to the bidders, does the procuring authority disclose those questions and clarifications to all potential bidders?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	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 disclose to all bidders.
23.2. Based on your experience, is it always the case that this disclosure of	Yes

information is done in practice?	
If yes, please specify:	Contributors confirm that this is done in practice
If no, please elaborate:	n/a
24. Besides questions and clarifications, can the procuring authority conduct pre-bidding conference?	No
If yes, please specify and provide the relevant legal/regulatory provisions (if any):	n/a
24.1. If yes, notwithstanding confidential information pertaining to the bidders, does the procuring authority disclose the content and the results of the pre-bid conference to all bidders?	n/a
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
24.2. Based on your experience, is it always the case that this disclosure of information is done in practice?	n/a
If yes, please specify:	n/a
If no, please elaborate:	n/a
25. In a case comparable to the case study assumptions, 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:	Among the Articles of the PPP regime in Honduras, there is no obligation for the bidders to prepare and present a financial model with their proposals. However, Article 4 of the PPP Regulatory Decree indicates that the initiatives of Public-Private Partnerships which originate from the public sector shall be accompanied with the preliminary feasibility tests, which shall include the cost-benefit analysis and possible financing schemes.
26. 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.
Evaluation criteria is not set in the tender documents	No
27. In the case where only one proposal is submitted (sole proposals), which of the following options best describes the way the procuring authority deals with them? (Please select only one)?: The procuring authority follows a specific procedure before awarding a PPP contract where only one proposal is submitted.	No
Please specify and provide the relevant legal/regulatory provisions (if any):	n/a
The procuring authority considers sole proposals valid as long as they meet the conditions outlined in the tender documents.	No
Please provide the relevant legal/regulatory provisions (if any):	n/a
The procuring authority does not award a PPP contract if only one proposal is submitted.	No
Please provide the relevant legal/regulatory provisions (if any):	n/a
The regulatory framework does not include any provisions.	Yes
28. 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):	No regulatory basis
28.1. If yes, is the public procurement award notice published online?	Yes
If yes, please specify the website:	www.coalianza.gob.hn

29. 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):	No regulatory basis
If no, please elaborate:	n/a
29.1. 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):	No regulatory basis
30. Is there a standstill (or pause) period after the contract award and before the signing of the contract in order to allow unsuccessful bidders to challenge the award decision?	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
and the time in calendar days:	n/a
30.1. Is the standstill period set out in the notice of intention to award?	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
31. Does the regulatory framework restrict negotiations with the selected bidder between the award and the signature of the PPP contract in order to prevent an unfair disadvantage to the other bidders?	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
31.1. Based on your experience, is it always the case that this restriction is respected in practice?	No
If yes, please specify:	n/a
If no, please elaborate:	n/a

32. Does the procuring authority publish the PPP contract?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	No regulatory basis
32.1. If yes, which of the following options best describes this publication (choose only one)?: Publication of the full PPP contract including all its annexes and appendixes	Yes
Publication of the full PPP contract without including all its annexes and appendixes	No
Publication of a summary of the PPP contract without publishing the full PPP contract	No
Publication of a summary of the PPP contract along with the full PPP contract including all its annexes and appendixes	No
Publication of a summary of the PPP contract along with the full PPP contract without including all its annexes and appendixes	No
32.2. If yes, is it published online?	Yes
If yes, please specify the website:	www.coalianza.gob.hn
32.3. If yes, does the procuring authority also publish any subsequent amendment made to the PPP contract?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	No regulatory basis
PPP Contract Management	
41. Has the procuring or contract management authority established a system to manage the implementation of the PPP contract (e.g. attributing responsibilities or establishing specific management tools)?	Yes

If yes, please provide the relevant legal/regulatory provisions (if any):	<p>The PPP Law in its Article 21 creates the Public-Private Partnerships (PPP) 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. Likewise, the Article 82 of the PPP regulatory Decree establishes the Supervision Function Definition. - 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>
41.1. If yes, which of the following tools does it include (check all that apply)?: Establishment of a PPP contract management team	<p>Yes</p>
Relevant legal/regulatory provisions (if any):	<p>The PPP Law in its Article 21 creates the Public-Private Partnerships (PPP) Superintendence's association entity, ascribed to the Tribunal Superior de Cuentas, 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>
Participation of the members of the PPP contract management team in the PPP procurement process and/or vice versa	<p>No</p>
Relevant legal/regulatory provisions (if any):	<p>n/a</p>
Elaboration of a PPP implementation manual or an equivalent document	<p>No</p>
Relevant legal/regulatory provisions (if any):	<p>n/a</p>
Establishment of personnel training programs (i.e. initial training and continued training throughout the course of the project)	<p>No</p>
Relevant legal/regulatory provisions (if any):	<p>n/a</p>

Establishment of a risk mitigation mechanism which considers the evolving nature of risks throughout the project lifecycle (guidelines, specific processes, insurance regime, etc.)	No
Relevant legal/regulatory provisions (if any):	n/a
41.2. Which of the following options best describes the required qualifications of the PPP contract management team members? (Please select only one): The membership of the PPP contract management team is specified and/or its members are required to meet detailed qualifications.	Yes
If yes, please specify and provide the relevant legal/regulatory provisions (if any):	Article 22 of the PPP Law states that in order to be Superintendent, the candidates should meet the same requirements the candidates for a position of Commissioned at Coalianza should (Article 11 of the PPP Law).
The PPP contract management team members are required to meet sufficient qualification without specific details.	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
The PPP contract management team members are not required to meet any specific qualifications.	No
Please elaborate and provide examples:	n/a
42. Does the procuring or contract management authority establish a system for tracking progress and completion of construction works under a PPP contract?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	In the case of PPP projects included in the National Public Investment Program, tracking of their progress is done by the General Direction of Public Investments through its Unit of Analysis, Follow-up and Evaluation of Projects (Please consult the following web page link: http://www.sefin.gob.hn/?page_id=3358). Also, pursuant to Article 13.5 of the PPP Law, COALIANZA has to monitor the projects, works or services provided through the PPP model, in coordination with the sectorial regulatory entities. Furthermore, according to article 21 of the PPP Law, the regulation, control and monitoring of works and the provision of services

	provided under PPP contracts is entrusted to sectorial regulatory entities. If there are no such regulating entities, the regulation, control and monitoring will be undertaken by the PPP Superintendence. In this sense, Article 21 PPP Law provide that “The regulation, control and follow-up of the implementation of the works and provision of services through PPPs will be the responsibility and conducted by sector regulating entities created by special laws to this effect. In the event that a specialized Regulating Entity does not exist to, the Public Private Partnerships Superintendence will be in charge of its regulation, control and follow-up”.
42.1. If yes, is the PPP contract construction performance information made available to the public?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	No regulatory basis
42.2. If yes, is the PPP contract construction performance information made publicly available online?	Yes
If yes, please specify the website:	http://sapp.gob.hn ; www.coalianza.gob.hn
43. Does the procuring or contract management authority establish a monitoring and evaluation system of the PPP contract implementation after construction?	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	The PPP Law in its article 21 creates the PPP Superintendence (SAAPs), ascribed to the Superior Audit Court, from which it will operate with technical, administrative and financial independence. Likewise, the Article 82 of the PPP Regulatory Decree establishes the following oversight functions: “The oversight 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 further details SAAPs’ attributions.
43.1. If yes, which of the following tools does it include (check all that apply)?: Performance is assessed against evaluation criteria set in the tender documents and the PPP contract	No
Relevant legal/regulatory provisions (if any)	n/a
The procuring or contract management authority can abate (reduce) payments for non-performance of	No

operating obligations under the PPP contract	
Relevant legal/regulatory provisions (if any)	n/a
The private partner must provide the procuring or contract management authority with periodic operational and financial data	Yes
Relevant legal/regulatory provisions (if any)	No regulatory basis
The procuring or contract management authority must periodically gather information on the performance of the PPP contract	Yes
Relevant legal/regulatory provisions (if any)	According to Article 23 of the PPP Law, SAAP 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 PPP contract performance information must be available to the public	Yes
Relevant legal/regulatory provisions (if any)	Article 95 of the PPP Regulatory Decree - Advertising for compliance with contracts. - The acts issued by the Superintendent of Public-private partnership on monitoring the implementation and enforcement of contracts for public-private partnership have become public information. The Superintendent of Public-Private Partnership will publish on its website all acts or declarations establishing the execution and fulfillment of the obligations of the Public-Private Contracts.
43.2. Is PPP contract performance information made publicly available online?	Yes
If yes, please specify the website:	http://sapp.gob.hn ; www.coalianza.gob.hn
44. Are foreign companies prohibited from repatriating the income resulting from the operation of a PPP project?	No
If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
45. Does the regulatory framework (including standard contractual clauses) expressly regulate changes in the ownership structure (i.e. stakeholder composition) of	Yes

the private partner and/or assignment of the PPP contract?	
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	Article 32 of the PPP Regulatory Decree regulates the assignment (cession) of a PPP: The private company that has subscribed a PPP contract with the State, may transfer to a third party its contractual position, with prior approval of the SAAP, 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.
45.1. If yes, which of the following circumstances are specifically regulated? (check all that apply): Any change in the private partner during an initial period (e.g. construction and first five years of operation).	No
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
Changes of ownership/contract assignment, at any time during the contract, must preserve the same technical qualifications as the original operator.	Yes
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	Article 32 of the PPP Regulatory Decree regulates the assignment (cession) of a PPP: The private company that has subscribed a PPP contract with the State, may transfer to a third party its contractual position, with prior approval of the SAAP, 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.
In other cases, flexibility to change the ownership structure and/or assign the contract.	Yes
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	The PPP Regulatory Decree in its Article 32 establishes the Cession of Public-Private Partnership: 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 partnership, 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.
46. Does the regulatory framework (including standard contractual clauses) expressly regulate the modification or renegotiation	Yes

of the PPP contract (once the contract is signed)?	
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	The 2017 General Budget Provisions stipulate that any modification of and investment contract including those developed as a PPP must follow the procedure established in the Decree 171-2016 Article 62: ARTICLE 62.- In all investment contracts, including those developed as Public-Private Partnerships or in the possible modifications of these contracts, whenever they involve the State of Honduras issuing guarantees or contingent liabilities, prior to authorization from the Secretariat of State in the Office of Finances will be required.
46.1. If yes, is an approval from a government authority, other than the procuring authority, required?	Yes
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	Any contract modification must first have the approval of the regulatory entity, in this case SAP Likewise, the FCU must review and inform in order to quantify any possible contingency or changes that affect the commitment liabilities acquired by the State, according to the above mentioned Decree 171-2016 Article 62.
46.2. If yes to question 46, which of the following circumstances are specifically regulated? (check all that apply): A change in the scope and/or object of the contract.	No
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
A change in the risk allocation of the contract.	No
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
A change in the financial and/or economic balance of the contract.	No
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
A change in the duration of the contract.	No
If yes, please provide the relevant legal/regulatory/standard	n/a

contractual provisions (if any):	
A change in the agreed price or tariff.	No
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
46.3. Can the procuring authority unilaterally modify a PPP contract?	No
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
47. Does the regulatory framework (including standard contractual clauses) 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/standard contractual provisions (if any):	Article 9 of the PPP Law 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.	Yes
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	Article 8.3.17 of Coalianza's Operative Manual of Acquisitions states that amongst the tender documents there should be a draft PPP contract that should contain: ... consequences and allocation of political risks.
Change in the Law.	Yes
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	Article 8.3.17 states that amongst the tender documents there should be a draft PPP contract that should contain: ... changes in the law.
Refinancing.	No
If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
Subcontracting and replacement of the subcontractors.	Yes

If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):	Article 8.3.8 of Coalianza's Operative Manual of Acquisitions states that amongst the tender documents there should be a draft PPP contract that should contain: subcontracting rights.
48. Does the regulatory framework (including standard contractual clauses) allow for administrative and/or contractual complaint review mechanisms to address disputes arising from the implementation of PPP contracts?	Yes
If yes, please specify and provide the relevant legal/regulatory/standard contractual provisions (if any):	Article 35 of the PPP Law establishes the conflicts that arise due to requests of the Public-Private Partnerships (PPP), initiated by individuals, as well as the Public-Private Partnerships (PPP) awarding, and the associations of this type that are approved, including the challenges to the awarding processes are obligatorily subject to the Arbitration Procedure and will abide by the rules that for this effect are established in the Terms and Conditions.
48.1. If yes, please specify which of the following options are available (check all that apply): Local administrative review body	No
If yes, please specify:	n/a
Local courts	No
Domestic arbitration	Yes
International arbitration	Yes
Investor-State Dispute Settlement (ISDS)	Yes
Mediation	Yes
Please provide the relevant legal/ regulatory/standard contractual provisions (if any)	Article 35 of the PPP Law establishes the conflicts that arise due to requests of the Public-Private Partnerships (PPP), initiated by individuals, as well as the Public-Private Partnerships (PPP) awarding, and the associations of this type that are approved, including the challenges to the awarding processes are obligatorily subject to the Arbitration Procedure and will abide by the rules that for this effect are established in the Terms and Conditions.
48.2. If applicable, are arbitration awards enforceable by the local courts?: Domestic Arbitration	Yes
If yes, please provide the relevant legal/ regulatory provisions/standard contractual provisions (if any):	Article 71 of the Law of Conciliation and Arbitration states that the arbitral awards will be a final decision that can be enforced according to what it is stated in article 78 of the same body of law.
International arbitration	Yes

<p>If yes, please provide the relevant legal/ regulatory provisions/standard contractual provisions (if any):</p>	<p>Article 89 of the Conciliation and Arbitration Law states that foreign awards will be enforced according to the international treaties that Honduras is a signatory of. Further, Article 22 of the Law for the Protection of Investment states that investors are guaranteed full recognition of international arbitration awards and those issued under the provisions of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention), the Inter-American Convention on International Commercial Arbitration (Panama Convention) and Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Agreement) and the treaties of reciprocal protection of investments ratified by the State of Honduras.</p>
<p>Investor-State arbitration</p>	<p>Yes</p>
<p>If yes, please provide the relevant legal/ regulatory provisions/standard contractual provisions (if any):</p>	<p>Article 22 of the Law for the Protection of Investment states that investors are guaranteed full recognition of international arbitration awards and those issued under the provisions of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention), the Inter-American Convention on International Commercial Arbitration (Panama Convention) and Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Agreement) and the treaties of reciprocal protection of investments ratified by the State of Honduras.</p>
<p>49. Does the regulatory framework (including standard contractual clauses) allow for the restructuring of a PPP private partner (SPV) in financial difficulty prior to insolvency?</p>	<p>No</p>
<p>If yes, please specify and provide the relevant legal/regulatory/standard contractual provisions (if any):</p>	<p>n/a</p>
<p>50. Does the regulatory framework (including standard contractual clauses) allow for the lenders to take control of the PPP project (lender step-in rights) if either the private partner defaults or if the PPP contract is under threat of termination for failure to meet service obligations?</p>	<p>No</p>
<p>If yes, please provide the relevant legal/regulatory/standard contractual provisions (if any):</p>	<p>n/a</p>
<p>50.1. If yes, which of the following options best describes the lender step-in right? (Please select only</p>	<p>n/a</p>

one): The regulatory framework expressly regulates the lender step-in rights.	
If yes, please specify and provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
The regulatory framework prescribes that a direct agreement should be signed with the lenders.	n/a
If yes, please specify and provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
The regulatory framework prescribes that the lender step-in rights should be regulated in the contract.	n/a
If yes, please specify and provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
Other.	n/a
Please Specify:	n/a
51. Does the regulatory framework (including standard contractual clauses) expressly establish the grounds for termination of a PPP contract?	No
If yes, please specify and provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a
51.1. If yes, does the regulatory framework (including standard contractual clauses) establish the consequences for the termination of the PPP contract?	No
If yes, please specify and provide the relevant legal/regulatory/standard contractual provisions (if any):	n/a

Unsolicited Proposals	
34. Are unsolicited proposals in Honduras: (choose only one): Explicitly prohibited by the legal framework? (If prohibited, skip to section F)	No
Explicitly allowed by the legal framework?	Yes
Not regulated by the legal framework, but do happen in practice?	No
Not regulated by the legal framework, and do not happen in practice? (if not done in practice, skip to section F)	No
If the legal framework explicitly prohibits or allows unsolicited proposals, please provide the relevant legal/regulatory provisions	The title II, Chapter IV of the PPP Regulatory Decree establishes the Private Initiative Regime (Articles 34 - 52). Also, there is an Investor's Guide for the Presentation of PPP by Private Initiative (Document reference No. GIP- 001).
35. Does the procuring authority conduct an assessment to evaluate unsolicited proposals? (if not, skip to question 37)	Yes
If yes, please specify and provide the relevant legal/regulatory provisions (if any)	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 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 necessary for the implementation of the proposal, in the case that 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. In the event that 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.
35.1. If yes, is there any vetting procedure and/or pre-feasibility analysis before fully assessing the unsolicited proposal?	No

If yes, please provide the relevant legal/regulatory provisions (if any):	n/a
36. Which of the following options best describe how the procuring authority ensures that unsolicited proposals are consistent with existing government priorities? (Please select only one): The procuring authority follows a specific procedure to ensure the consistency of PPPs with other government investment priorities.	No
If yes, please specify and provide the relevant legal/regulatory provisions (if any):	n/a
The regulatory framework requires unsolicited proposals to be among the existing government priorities without establishing specific procedures to achieve that goal.	Yes
If yes, please provide the relevant legal/regulatory provisions (if any):	Article 20 of the PPP Law states 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.” Article 68 of the PPP Regulatory Decree indicates that in coordination with the competent institutions, COALIANZA identify 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 priorities, sector and local, as applicable. For this purpose, COALIANZA may engage the services of external consultants to advise the process.
The procuring authority does not evaluate unsolicited proposals against existing government priorities.	No
Please elaborate and provide examples:	n/a
37. Does the procuring authority initiate a competitive PPP procurement procedure when proceeding with the unsolicited proposal?	Yes

<p>If yes, please provide the relevant legal/regulatory provisions (if any):</p>	<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 of the notification to the proponent, COALIANZA will publish the qualification 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. The publication of the declaration of interest must contain at least the following information: a. 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 of the contract, according to the criteria established by COALIANZA. d. Guarantee of true compliance to contractual obligations. e. Requirements of pre-qualification of the Public Bid, Public Tender or Contest of integral projects that is convened. 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 be not 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. 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, having to accompany with 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 in this case 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>
<p>38. Does the procuring authority grant a minimum period of time to additional prospective bidders (besides the proponent) to prepare their proposals?</p>	<p>Yes</p>
<p>If yes, please provide the relevant legal/regulatory provisions (if any):</p>	<p>According to the PPP Regulations, Article 44, g), the term for the 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.</p>
<p>and the time in calendar days:</p>	<p>30</p>
<p>39.1 Does the procuring authority use any of the following incentive</p>	<p>No</p>

mechanisms to reward/compensate the presentation of unsolicited proposals? (check all that apply): Access to the best and final offer (BAFO) process and/or automatic shortlisting.	
39.2 Developer's fee (reimbursing the original proponent for the project development cost).	Yes
39.3 Bid Bonus.	No
39.4 Swiss challenge (If unsuccessful, the original proponent has the option to match the winning bid and win the contract).	Yes
39.5 Other.	No
Please specify:	n/a
Please provide the relevant legal/regulatory provisions (if any):	<p>The PPP Regulatory Decree indicates in its Article 49 the Expense Refund, as follows: 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 República de Honduras be refunded by the awardee of the investment project. The refund of expenses will not proceed when: 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 that 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.</p>