

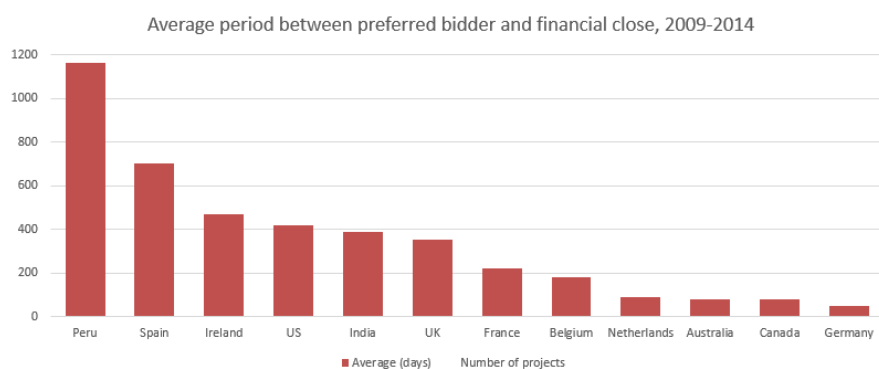
Data Analysis: The pace of financial close

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Germany, Canada and Australia average the shortest periods between preferred bidder and financial close among countries with PPP programmes, according to *IJGlobal* data between 2009 and 2014.

Germany closed six PPP projects in that six-year period, and averaged a swift 49 days between preferred bidder and financial close. No country topped Germany's average. Canada had a heavier load – 53 projects – and averaged 78 days to reach financial close after preferred bidder. Canadian provinces Ontario and British Columbia juggle several in-procurement PPPs at once, though most of these projects are modest-sized social PPPs. Australia – another experienced PPP country – averaged 81 days between preferred bidder and financial close for 21 projects.



Source: *IJGlobal Database* (ijglobal.com)

Spain, meanwhile, averaged 705 days for 10 projects between 2009 and 2014. But three deals skewed the average, including the Murcia Corvera International Airport PPP and the C-25 Eix Transversal toll road PPP. These three projects had been at the preferred bidder stage in 2007, months before the global financial collapse. Spain's average would fall below 500 days if those three projects were exempted. Neither average is sterling, but the country's gradual recovery appears to be improving its pace of procurement. In a five-year period through mid-May 2015, [Spain boasted the quick average](#) among European countries between tender launch and financial close.

Peru averaged 1,163 days between preferred bidder and financial close – the worst among countries with PPP regimes. But Peruvian projects are nonetheless well-received by the market, and often feature innovative bond financings, and mounting risk transfer to the private sector. Neighbour Chile tied Spain for the second-worst average, at 705 days. Chile's PPP programme suffered from lack of political support or inconsistent policy, but a small pipeline of projects, including the expansion of [Comodoro Arturo Merino Benítez International Airport in Santiago](#), is in procurement or nearing financial close.

The US and UK fall between the two extremes. The US averaged 419 days for 19 projects between 2009 and 2014, while the UK averaged 353 days for 106 projects – the most PPPs of any country globally in that period. The US lacks a national procurement body, or a semblance of standardisation across the 33 states that allow PPPs. Some states are more

experienced than others.



Australia 81 days / 21 projects	Greece 614 days / 3 projects	Portugal 211 days / 4 projects
Belgium 178 days / 10 projects	India 386 days / 9 projects	Russia 439 days / 4 projects
Canada 78 days / 53 projects	Ireland 470 days / 7 projects	Spain 705 days / 10 projects
Chile 705 days / 4 projects	Mexico 504 days / 3 projects	Turkey 1,000 days / 3 projects
France 222 days / 30 projects	Netherlands 88 days / 13 projects	UK 353 days / 106 projects
Germany 49 days / 6 projects	Peru 1,163 days / 5 projects	USA 419 days / 19 projects

Source: IJGlobal Database (ijglobal.com) from 2009 to 2014

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