Launched in April 2015 and supported by the G20, the Global Infrastructure Facility (GIF) is the world’s prime collaboration platform for the preparation and financial structuring of infrastructure projects in emerging markets and development economies (EMDEs).

Working in a strategic manner that seeks to develop infrastructure as an asset class, the GIF brings together the multilateral development banking system, private sector investors, financiers, and governments to increase the quality, volume and affordability of infrastructure investment.
In less than three years of operations, the GIF has become a global platform that fosters standardization and convenes the private sector to build a common view of mobilization.

The GIF has already built a strong portfolio of 38 projects across the globe, which are expected to mobilize over $30 billion in total investment, about two-thirds of it from private capital providers. These projects range from first attempts to mobilize private capital in early-stage IDA and fragile countries, to complex financial solutions in economies with more market experience.

The first GIF project has already reached commercial close, and the second, Clark Airport in Manila, Philippines, is due to be signed in June 2018 with a total private investment of about $300 million. Further closings expected over the next 18 months include bus rapid transit in Senegal, power transmission in Panama, and two ports in Ukraine, totaling close to $2 billion, in addition to a major highway concession program in Brazil.

◆ **MDB and government collaboration platform**

The GIF global platform is built on a unique set of strategic partnerships among multilateral development banks (MDBs), client governments, and the private sector to address infrastructure finance challenges in a coordinated manner.

The MDBs play a fundamental role in the GIF, identifying projects, executing resources and providing governance guidance as members of the GIF Governing Council. This structure allows the GIF to respond to new opportunities to support governments in preparing new generations of public-private investments and mobilizing long-term commercial financing for delivery of infrastructure.

Client governments can apply for support for individual projects and broader programs either directly to the GIF or through one or a group of MDBs.

◆ **Fostering standardization and best practice**

In line with G20 priorities, the GIF uses its unique position to promote good governance and standardization across the spectrum of infrastructure investments.

The GIF’s standardization toolkit includes approaches for assessing potential fiscal costs and risks arising from PPP projects, capacity building, quality and completeness checks of project preparation, and adoption of standardized contractual clauses.

The appropriate use of these standardized tools, analytical frameworks, and standardized bidding documents improves project governance, reduces transaction costs for both the public and private sectors, increases competition, and helps improve long-term project sustainability.

Looking forward, the GIF plans to contribute to standardization by increasing its offer through a Downstream Financing Window accessible through all MDBs. This window aims at covering risks such as foreign exchange, construction, and refinancing where market failures are identified. It will provide the
grounds for MDBs to further roll out more comprehensive and standardized credit enhancement coverage globally.

**The GIF Standardization Toolkit**

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Unsolicited Proposals
Policy Guidelines for Managing Unsolicited Proposals in Infrastructure Projects
Contractual Clauses
Guidance on PPP Contractual Provisions
Capacity Building
PPP Certification Program

◆ **Convening the private sector to align investment expectations**

The GIF has 50 Advisory Partners (APs), representing private providers of long-term finance in the infrastructure sector with over $13 trillion in assets under management. These partners include institutional investors, commercial banks, development finance institutions, regional development banks, and finance associations. At individual project and broader program level, the APs serve as a sounding board to provide countries with market feedback on the viability of proposed investments.

The GIF regularly convenes senior executives from these APs to discuss specific GIF-supported projects as well as broader issues of infrastructure finance such as data initiatives and investment benchmarking; managing environmental, social and governance risks (ESG); and innovations in credit enhancement instruments.

Looking to the future, the GIF is planning regional roundtables for governments to consult with private sector partners, fostering mutual understanding of needs and risk appetite to help make investment opportunities bankable at an early stage.

The GIF’s platform of collaboration has started bearing fruit, as we already see the first closings of GIF-supported projects. By fostering standardization through concrete project preparation and financial structuring activities, the GIF is contributing to the goal of shaping infrastructure as an asset class.
Working with GIF and its Management Unit

The GIF has a straightforward application and approval process. Governments of EMDEs or MDBs can propose projects or infrastructure investment programs directly to the GIF. Housed within the World Bank Group, the GIF’s Management Unit plays a central role in driving this partnership forward.

The team comprises technical experts with significant private sector experience in structured finance, sector reform, and PPP transactions. It is recognized by MDBs, beneficiary countries, and the market for its pragmatic, market-focused contribution to infrastructure development.