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Infrascope 2023/24

Measuring the enabling environment for
public-private partnerships in infrastructure
in Latin America and the Caribbean

Commissioned by



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About this report

The analysis and content of this index cover the period from August 2023 to December 2023.

This document is the eighth edition of an informational tool and benchmarking index that assesses the capacity of countries in Latin America and the Caribbean to carry out sustainable, impact-driven and efficient public-private partnerships (PPPs) in infrastructure. The first study was developed in 2009 and updated in 2010, 2012, 2015, 2017, 2019 and 2021/22.

The index was built by Economist Impact and is supported financially by the Inter-American Development Bank (IDB). The views and opinions expressed in this publication are those of Economist Impact and do not necessarily reflect the official position of the IDB. Any comments, corrections or questions can be directed to Economist Impact.

To cite this report, please use:

Economist Impact. 2024. Infrascope 2023/24: Evaluating the environment for public-private partnerships in Latin America and the Caribbean. New York, NY.

Explore the index

The complete index, as well as detailed country analyses and methodological information, can be viewed on the Infrascope 2023/24 website: economistimpact.com/infrascope

2023/24 methodology updates

As best practices, needs and information about infrastructure PPPs have continued to evolve, Economist Impact with IDB has made minor updates to the methodology to ensure the continued rigor and accuracy of the information in the Infrascope, reflected in the latest 2023/24 report.

These updates primarily affect 18 indicators, most often through clarifications to scoring guidance and terminology. As a result of these updates, retrospective revisions are shown for the 2021/22 scores cited in this edition, ensuring a consistent reference frame for comparison between 2021/22 and 2023/24. However, the original 2021/22 website and PDF reports (as published) have not been revised or reissued, so those should not be considered comparable with this edition.

To view a summary of the changes, visit impact.economist.com/new-globalisation/infrascope-2024/en/about/

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About Economist Impact

Economist Impact combines the rigor of a think-tank with the creativity of a media brand to engage an influential global audience. We work with corporations, foundations, NGOs and governments across big themes including sustainability, health and the changing shape of globalization to catalyze change and enable progress. With the power of The Economist Group behind it, Economist Impact crafts bespoke engagements using a potent portfolio of capabilities including:

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- global and bespoke events

We conduct research through interviews, regulatory analysis, quantitative modelling and forecasting, and display the results via interactive data visualization tools. We bring a 75-year track record of evidence-based policy research across 205 countries. Our global team sheds light on policy choices through benchmarks, economic and social impact analysis, white papers, forecasting and scenario modelling.

For more information, visit impact.economist.com

About the Inter-American Development Bank

The Inter-American Development Bank's mission is to improve lives. Founded in 1959, the IDB is one of the main sources of long term financing for economic, social and institutional development in Latin America and the Caribbean. The IDB also conducts cutting-edge research projects and provides policy advice, technical assistance, and training to public and private clients throughout the region.

The IDB PPP Single Window works to improve the development of PPP projects in the economic and social infrastructure sectors in the region. Its main goal is to strengthen the capacity of countries to implement well-prepared, socioeconomically profitable, fiscally responsible, sustainable, efficient and bankable PPP projects. The IDB PPP Single Window focuses its activity in three main areas:

- supporting the development and improvement of regulatory and institutional frameworks for PPPs, including policies, regulations, manuals, planning processes and project prioritization activities, among others;
- supporting the preparation and structuring of PPP projects in economic and social infrastructure sectors, collaborating hand in hand with governments to prepare PPP projects with the highest standards of efficiency and sustainability; and
- generating and disseminating PPP analyses, best practices, information, knowledge products and evidence that result in practical policy recommendations that support both regulatory and institutional strengthening, as well as the preparation and structuring of PPP projects.

The IDB Group's Institutional Strategy renews the Bank's mission to be the partner of choice for Latin America and the Caribbean, with a commitment to addressing the region's vulnerabilities and unlocking its potential to foster transformative social and economic progress while actively combating climate change. It sets the Group's strategic direction through 2030 to bring a new level of impact and scale in the region, defining a new chapter in our history that we call IDBImpact+.

For more information, visit www.iadb.org

Acknowledgments

The following researchers, country analysts and specialists contributed to this report. We thank them for their participation.

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Namita Karnik, Eve Labalme, Camilo Guerrero

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Website and report production:

Isabel Jimenez, Ben Willers, Mari Danzi, Jacob Spradley, Andrew McClay, Róisín McKenna Crick, GC Design Communication

Country analysis:

Manaus, LLC

Experts interviewed:

As part of the research process for this project, we conducted more than 80 in-depth interviews with policymakers and country infrastructure experts from multilateral and consulting institutions, public sector organizations and the private sector. We would like to express our thanks to all interviewees for their input. A list of these experts is in the Bibliography section of the Methodology appendix.

IDB members providing advice and support:

Carolina Lembo, Daniel Vieitez, Denis Leduc, Diego De Pablos, Eduardo Pacheco, Enrique Dominguez, Jaime Perez, Juan Pablo Mendez, Marcos Siqueira, Miryam Banda, Natalie Rojas Gonzalez, Pablo Pereira, Ricardo Costa Vieira Da Silva, Romina Stawsky Lopez and Shernett Roberts

Infrascope categories and indicators

The 2023/24 Infrascope index consists of 5 categories, 19 sub-categories, 54 indicators and 106 sub-indicators, both qualitative and quantitative.

Data for the quantitative indicators are drawn from The Economist Intelligence Unit, IJ Global, Infralatam, the World Economic Forum and the World Bank Public Participation in Infrastructure (PPI) Database. The qualitative data come from a range of primary sources (legal texts,¹ government websites, press reports and interviews) and industry reports.

The index framework is included on the following pages of this report.

The Methodology appendix also outlines the 2023/24 Infrascope's updated indicator framework and provides detailed definitions for the complete list of sub-indicators.

Methodology appendix [↗](#)



¹ Legal systems across Latin America and the Caribbean include both civil law and common law traditions. Regulatory frameworks governing PPPs have been assessed accordingly.

Category**Sub-category****Indicator***Sub-indicator***1) Regulations and institutions****1.1) Conducive regulatory environment and political support for PPPs****1.1.1) Public procurement and PPP contracts***1.1.1.a) Existence of laws**1.1.1.b) Minimum standards**1.1.1.c) Consistency with national procurement laws***1.1.2) Codification***1.1.2.a) Existence**1.1.2.b) Availability***1.1.3) Inter-agency co-ordination***1.1.3.a) Codification of processes**1.1.3.b) Overlapping jurisdictions**1.1.3.c) Awarding PPPs vs. regulating standards***1.1.4) Political will and support for PPPs***1.1.4.a) High-level support**1.1.4.b) Bipartisan/multiparty support**1.1.4.c) Opposition**1.1.4.d) Political effectiveness***1.2) PPP dedicated agency****1.2.1) Existence of national PPP agency***1.2.1.a) Existence of national PPP agency***1.2.2) Staffing of national PPP agency***1.2.2.a) Capacity**1.2.2.b) Training/certification***1.3) Competitiveness and openness of bidding****1.3.1) Competitive bidding regulations***1.3.1.a) Competitive bidding regulations***1.3.2) Unsolicited bids/proposals***1.3.2.a) Unsolicited bids/proposals***1.3.3) PPP registry***1.3.3.a) PPP registry***1.3.4) Publication of bidding materials***1.3.4.a) Bidding/Q&A documents**1.3.4.b) Contracts**1.3.4.c) Evaluations/debriefs***1.4) Fairness and openness of contract changes****1.4.1) Contract disputes and arbitration***1.4.1.a) Appeal procedures**1.4.1.b) Time for ruling**1.4.1.c) International arbitration**1.4.1.d) Independent tribunal***1.4.2) Renegotiation procedures***1.4.2.a) Transparent system**1.4.2.b) Grounds for termination**1.4.2.c) Compensation***1.4.3) Transparency and oversight***1.4.3.a) Disclosure of renegotiations**1.4.3.b) Signoff*

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| | |
|---------------|---|
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| 2.1.1.a) | National infrastructure plan |
| 2.1.1.b) | Prioritization strategy |
| 2.1.1.c) | Needs assessments |
| 2.1.2) | Economic principles for project selection |
| 2.1.2.a) | Cost-benefit analysis |
| 2.1.2.b) | Fiscal affordability |
| 2.1.2.c) | Value for money |
| 2.2) | Project preparation facilities |
| 2.2.1) | Preparation facilities |
| 2.2.1.a) | Standard processes |
| 2.2.1.b) | Standardized tracking platform |
| 2.2.1.c) | Budgeting |
| 2.2.2) | Project support |
| 2.2.2.a) | Project development fund |
| 2.2.2.b) | Viability gap fund |
| 2.3) | Efficiency of project preparation |
| 2.3.1) | Financial close |
| 2.3.1.a) | Financial close |
| 2.3.2) | Level of concentration in the industry |
| 2.3.2.a) | Level of concentration in the industry |
| 2.3.3) | Land administration |
| 2.3.3.a) | Permits, licenses, protections and dispute resolution |
| 2.3.3.b) | Government support |
| 2.4) | Environmental and social sustainability |
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| 2.4.1.a) | Environmental impact statement |
| 2.4.1.b) | Climate regulatory criteria |
| 2.4.1.c) | Consultation with communities |
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| 3.1.2.a) | Performance-based payments |
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| 3.1.3.a) | Project bonds |
| 3.1.4) | Sources of financing (sustainable financing) |
| 3.1.4.a) | Sustainable financing |
| 3.1.5) | Sources of financing (multilateral banks) |
| 3.1.5.a) | Multilateral banks |
| 3.1.6) | Sources of financing (institutional investors) |
| 3.1.6.a) | Institutional investors |
| 3.2) | Access to financing |
| 3.2.1) | Average cost of capital |
| 3.2.1.a) | Average cost of capital |
| 3.2.2) | Government financial support |
| 3.2.2.a) | Government financial support |
| 3.2.3) | Capital portability |
| 3.2.3.a) | Capital portability |
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| 3.2.4.a) | Debt performance |
| 3.3) | Macro environment |
| 3.3.1) | Country risk |
| 3.3.1.a) | Sovereign risk |
| 3.3.1.b) | Currency risk |
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| 3.3.1.d) | Political risk |
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| 3.3.2.c) | Health of local banks |

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| 4.1.1.a) | <i>Risk identification and allocation</i> |
| 4.1.2) | Contingent liabilities |
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| 4.1.3.a) | <i>Lenders' step-in rights</i> |
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| 4.1.4.a) | <i>Government guarantees</i> |
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| 4.1.5.a) | <i>Financial auditing and reporting standards</i> |
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| 4.3.1) | Disaster risk sensitive investment (regulation) |
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| 4.4.2.c) | <i>Indemnities</i> |
| 4.4.2.d) | <i>Procedure</i> |
| 4.4.3) | Regulatory risk |
| 4.4.3.a) | <i>Enforceability of contracts</i> |
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| | |
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| 5.1) | Ex-post evaluation of PPP projects |
| 5.1.1) | Agency and evaluations |
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| 5.1.1.b) | <i>Project evaluations implementation</i> |
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| 5.2) | Maturity and quality |
| 5.2.1) | Project mortality rate |
| 5.2.1.a) | <i>Project mortality rate</i> |
| 5.2.2) | Value of PPP investment |
| 5.2.2.a) | <i>Value of PPP investment</i> |
| 5.2.3) | Quality of infrastructure |
| 5.2.3.a) | <i>Quality of infrastructure</i> |
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| 5.3.1) | Quality monitoring and reporting |
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| 5.4.2) | Progress toward SDGs |
| 5.4.2.a) | <i>Progress toward SDGs</i> |

Introduction

How will Latin America and the Caribbean rise to meet the challenge of sustainable development by 2030?

According to recent projections by the Inter-American Development Bank, the region must invest a staggering US\$2.2trn in critical sectors like water, sanitation, energy, transport and telecommunications. Achieving the Sustainable Development Goals (SDGs) will require a monumental annual investment of 3.12% of GDP—a significant leap from the 1.8% average in 2008-19.²

To bridge this infrastructure financing gap, increased private sector participation is crucial. Fortunately, public-private partnerships (PPPs) are gaining traction, with US\$160bn in transactions recorded between 2014 and 2023. Governments are increasingly aware of PPPs' potential to encourage innovative, sustainable and efficient investments. However, the complexity and risks associated with large-scale, long-term projects necessitate strong institutions, capabilities and robust legislation for effective public-private project development.

This edition of the Infrascope examines the region's recent strides in building solid legal frameworks, enhancing expertise and fortifying institutions to optimize every step of the PPP lifecycle. These foundations are essential for unlocking the full potential of PPPs, and in turn enabling countries to maximize efficiencies and optimize costs and risk management.

Furthermore, as infrastructure needs continue to evolve, so do the factors supporting successful infrastructure development; therefore, this report also pays special attention to the growing need for progress in sustainability and impact assessments.

With growing environmental pressures and the looming effects of climate change, it is crucial that sustainability and resiliency is embedded in project selection, design and implementation. Infrastructure projects must support communities and ecosystems while demonstrating resilience to climate shifts and extreme weather events. Adopting an impact-driven approach will be essential for ensuring that projects align with national development goals and promote social, economic and environmental advancements—a vision encapsulated in the UN's call for "people-first PPPs."

Ultimately, achieving meaningful impact requires meticulous planning and measurement throughout the project lifecycle. This involves continuous learning from best practices and past experiences, and ensuring that outcomes are comprehensively evaluated in terms of their contribution to climate resilience and advancement of the SDGs.

² <https://publications.iadb.org/en/infrastructure-gap-latin-america-and-caribbean-investment-needed-through-2030-meet-sustainable>

³ https://www.un.org/esa/ffd/wp-content/uploads/2016/01/Promoting-People-first-Public-Private-Partnerships-PPPs-for-the-UN-SDGs_UNECE_IATF-Issue-Brief.pdf

Executive summary



The landscape of infrastructure PPPs in Latin America and the Caribbean has seen remarkable growth over the past decade, with approximately 640 projects totaling US\$160bn in financing recorded between 2014 and 2023.⁴ Since the 2021/22 Infrascope was published, several countries in the region have taken significant steps forward in creating environments conducive to efficient, impact-driven and sustainable PPPs.

Brazil and Chile continue to lead the region with exceptional performance. Notably, this year's top improvers—Belize, Ecuador, Jamaica, Suriname, Barbados and the Bahamas—demonstrate a growing commitment from smaller and emerging PPP markets. Additionally, emerging PPP markets such as the Dominican Republic or Paraguay have seen their PPP programs evolve since the last edition, highlighting the region's potential for dynamic growth.

To capitalize on this momentum and foster greater PPP maturity, countries need to focus on establishing robust project selection processes, strong institutions, effective legislation and rigorous reporting systems.⁵ This edition of the Infrascope explores the region's advancements in these crucial areas, uncovering several key findings about the building blocks of successful PPP development:

Infrascope 2023/24

Overall score

| | | | |
|------------------|---------------------|-------------|---|
| 1 st | Brazil | 77.9 | ● |
| 2 nd | Chile | 76.9 | ● |
| 3 rd | Colombia | 70.3 | ● |
| 4 th | Uruguay | 65.8 | ● |
| 5 th | Peru | 65.2 | ● |
| 6 th | Jamaica | 62.9 | ● |
| 7 th | Panama | 60.3 | ● |
| 8 th | Mexico | 59.4 | ● |
| 9 th | Ecuador | 56.8 | ● |
| 10 th | Costa Rica | 56.3 | ● |
| 11 th | Guatemala | 54.1 | ● |
| 12 th | Honduras | 53.6 | ● |
| 13 th | Dominican Republic | 50.8 | ● |
| 14 th | Paraguay | 50.7 | ● |
| | Average | 46.4 | ● |
| 15 th | El Salvador | 43.2 | ● |
| 16 th | Argentina | 41.6 | ● |
| 17 th | Bahamas | 38.5 | ● |
| 18 th | Guyana | 34.7 | ● |
| 19 th | Nicaragua | 34.2 | ● |
| 20 th | Belize | 33.0 | ● |
| 21 st | Trinidad and Tobago | 25.5 | ● |
| 22 nd | Barbados | 22.1 | ● |
| 23 rd | Bolivia | 21.5 | ● |
| 24 th | Suriname | 17.3 | ● |
| 25 th | Haiti | 16.6 | ● |
| 26 th | Venezuela | 16.0 | ● |



Score 0-100 where 100=best. Rank out of 26 countries across LAC, 1st=best, = before the rank indicates a tie.

⁴ Source: IJ Global, cross-checked with the World Bank PPI database. Data may include projects that are developed under PPP, sectoral or concession laws, with differences among countries. Focuses on greenfield and brownfield projects; excludes asset acquisition, company acquisition, securitization and refinancing transactions.

⁵ https://infrastructuregovern.imf.org/content/dam/PIMA/Forum/IGEUR/Activities/CEF_nov2019/Day3/Understanding%20Fiscal%20Costs%20and%20Fiscal%20Risks%20from%20PPPs.pdf

Investment in infrastructure PPPs has increased by almost 14% across Latin America and the Caribbean. There is a growing appetite for PPPs, with total project investment in the past decade (2014-23) reaching US\$160bn across the region—a 14% increase from US\$141bn during 2011-20 (the period analyzed in the previous edition). Over the most recent decade, PPPs have accounted for 11% of total infrastructure spending, on average, up from 9% during 2011-20.

The number of PPP projects has grown by more than 25% since the 2021/22 Infrascope edition. There were about 640 total PPPs financed in Latin America and the Caribbean in 2014-23 (covered in this edition), up from about 500 during 2011-20 (covered in the previous edition). The transport and renewables sectors make up the largest share of projects, at 37% and 36% respectively.⁶

PPPs are a growing priority in national agendas, especially in smaller countries. Two countries have codified new PPP policies (Belize) or procurement guidance for PPPs (Barbados) for the first time.⁷ Meanwhile, four emerging markets have implemented key PPP updates (Ecuador, Jamaica, Paraguay, and Trinidad and Tobago). Political commitment to PPPs has generally strengthened across the region, but some political obstacles are evident in El Salvador, Honduras and Nicaragua.

Institutional capacity to support PPPs remains a critical and persistent challenge across the region. PPP agencies are fully operational in just half of the region's 26 countries. Another seven have PPP units with limited functionality, jurisdiction or public activity, and six countries have no PPP unit at all.

Across much of the region, the quality of staffing and training remains a concern, but several countries have taken key steps to improve this (the Dominican Republic, Ecuador and Belize, among others). Overall, project preparation capabilities are lacking in 15 countries, and project support funds are similarly uncommon.

The share of tendered PPPs reaching successful financing remains below 60%. Headwinds include rising capital costs, gaps in risk management and inadequate project preparation. Across the region, less than 60% of tendered PPPs reached financial close during the past decade, a rate that has held steady since the previous edition. Elevated borrowing costs in recent years stand out as a key challenge for financing infrastructure projects, with institutional investor participation in PPPs also stagnating in recent years. Further deterrents include gaps in risk management policies and inadequate practices around project prioritization and preparation.

Only a quarter of countries formally integrate lessons from completed PPPs into future projects. This gap puts the region at risk of repeating the same infrastructure mistakes again and again. To accelerate progress toward an impact-driven PPP ecosystem, countries need a disciplined approach to assessing the quality outcomes of operational infrastructure, evaluating results and lessons from completed projects, and integrating those lessons into project selection. However, most countries lack comprehensive practices in these areas.

⁶ Source: IJ Global, cross-checked with the World Bank PPI database. Data may include projects that are developed under PPP, sectoral or concession laws, with differences among countries. Focuses on greenfield and brownfield projects; excludes asset acquisition, company acquisition, securitization and refinancing transactions.

⁷ Barbados's guidance is contained within the country's 2021 Public Procurement Act.

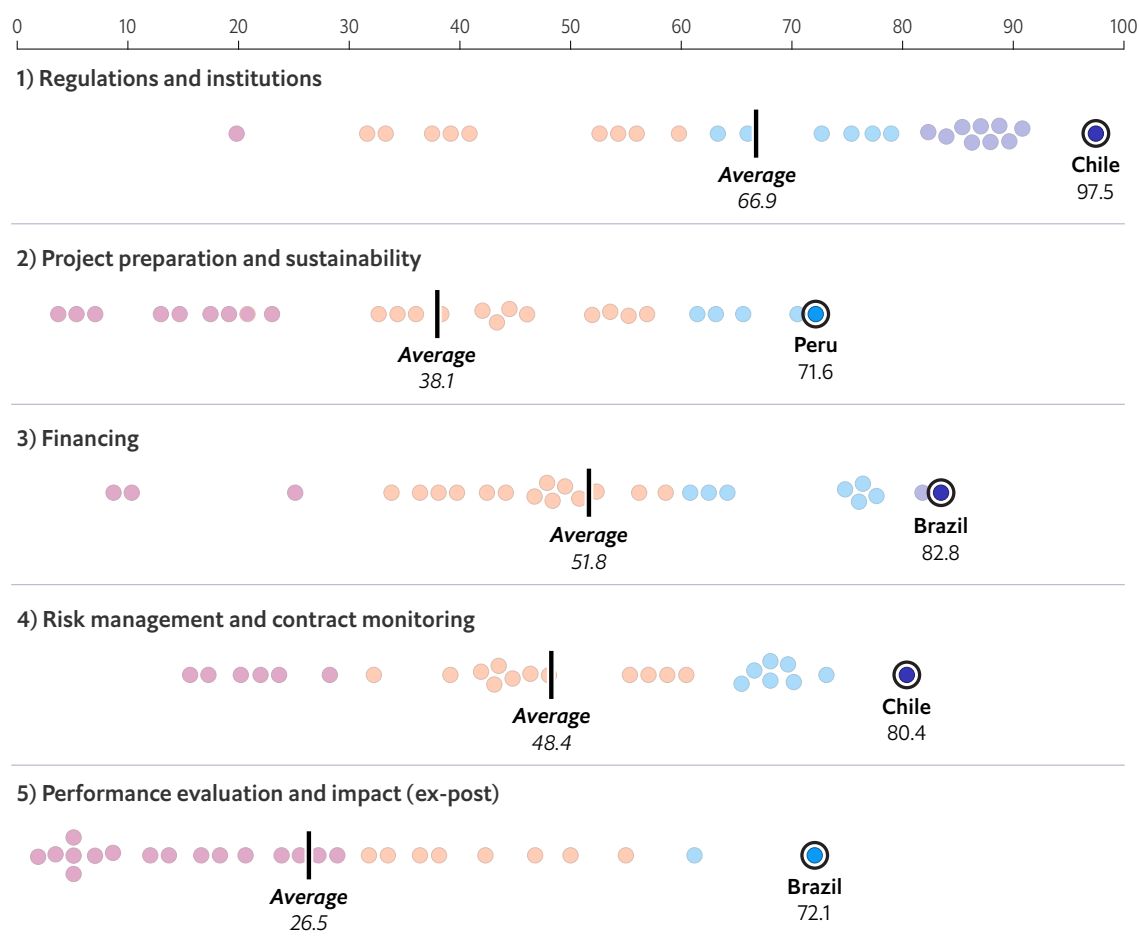
Incorporating sustainability criteria in PPP frameworks is still a major gap, with only three countries showing improvement since 2021/22.

Performance across the index's sustainability-related indicators is generally low, with only Brazil reaching an average score of 50 on these indicators, which span multiple categories. Progress also remains slow, with just three countries (Ecuador, Jamaica and Paraguay) showing improvement in this edition. Key gaps include transparency requirements, social sustainability criteria and disaster risk.

In summary, this edition of the Infrascope reveals a region with marked disparities in its readiness to conduct efficient, sustainable, and impact-driven PPPs. The best-performing markets, such as Brazil, Chile and Colombia, lead in financial maturity and in developing strong regulatory frameworks and institutions. However, the region still faces a long road ahead in strengthening areas such as project preparation support, sustainability criteria, risk management, contract monitoring and impact evaluation (see figure 1).

Figure 1

Top performers and average regional scores across the Infrascope's five categories



Source: Economist Impact

Key findings

Investment in infrastructure PPPs has increased by almost 14% across Latin America and the Caribbean

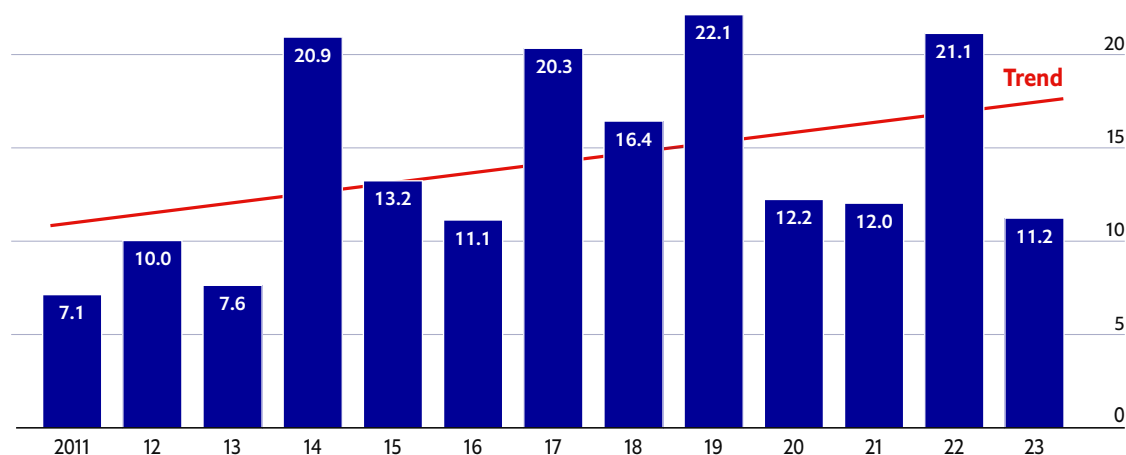
The landscape of infrastructure PPPs in Latin America and the Caribbean has witnessed significant growth in the past decade, reflecting a growing appetite for PPPs. Total project investment in the region reached more than US\$160bn in this edition of the Infrascope (covering 2014-23), up by 14% from the US\$141bn registered in the previous edition (covering 2011-20).⁸ In year-on-year terms, the investment trend between 2011 and 2023 has risen steadily at a rate of about 3.8% per year (see figure 2).

Not only has investment in PPPs grown, but other maturity attributes show progress too. For instance, the value of infrastructure PPPs signed in the past ten years has risen from 9% to 11% of total infrastructure spending since the last edition, growing especially in Ecuador, Colombia and Brazil. The latter two feature the highest share of PPPs as a percentage of infrastructure spending, at 25% and 30% respectively.

Figure 2

PPP investment is rising in Latin America and the Caribbean

PPP investment, US\$bn



Source: IJ Global, cross-checked with the World Bank PPI database. Data may include projects that are developed under PPP, sectoral or concession laws, with differences among countries. Focuses on greenfield and brownfield projects; excludes asset acquisition, company acquisition, securitization and refinancing transactions.

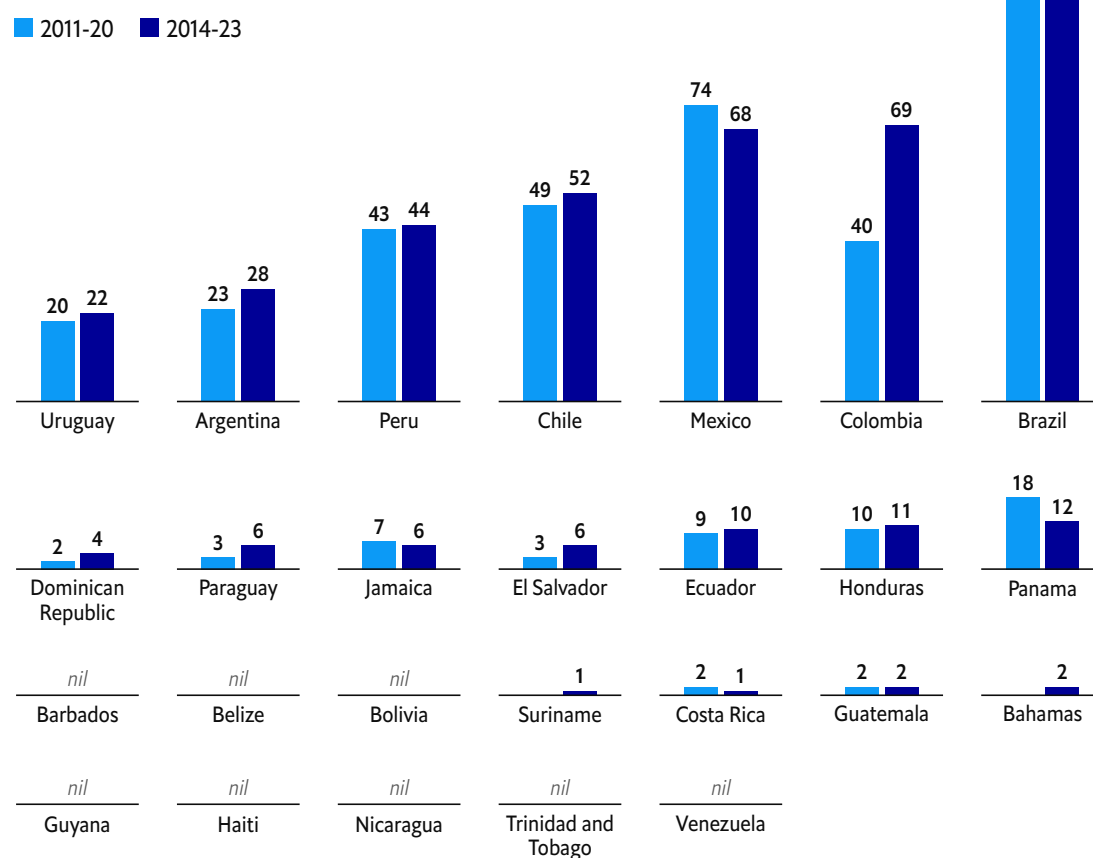
⁸ These periods correspond to the years analyzed in the 2023/24 and 2021/22 Infrascope

The number of PPP projects has grown by more than 25% since the 2021/22 Infrascope edition

The region has successfully financed about 640 projects in 2014-23. This also represents a significant increase compared with 2011-20, when around 500 projects were reported.

The most significant project gains have been concentrated in Brazil and Colombia (see figure 3), but smaller countries are expanding their activity as well, with countries like the Dominican Republic and Paraguay doubling the number of PPPs signed.

Figure 3
Number of PPPs reaching financial close in a ten-year period

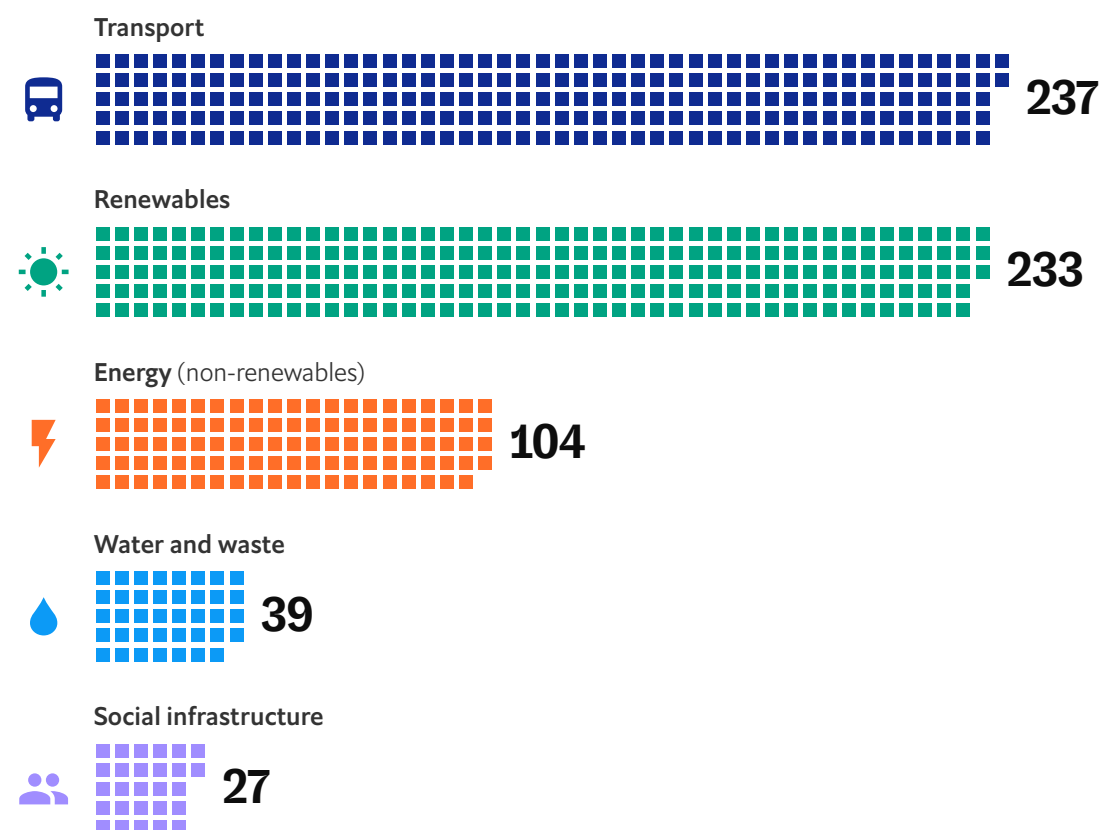


Source: IJ Global, cross-checked with the World Bank PPI database. Data may include projects that are developed under PPP, sectoral or concession laws, with differences among countries. Focuses on greenfield and brownfield projects; excludes asset acquisition, company acquisition, securitization and refinancing transactions.

The transport and renewables sectors account for the largest share of infrastructure PPPs in the region, at 37% and 36% respectively. These are followed by energy (non-renewables) with 16%, water and waste (6%), and social infrastructure (4%).

The distribution of PPPs across sectors has held fairly steady since the 2021/22 Infrascope, with transport and water projects experiencing very slight gains.

Figure 4
Number of PPPs by sector, 2014-23



Source: IJ Global, cross-checked with the World Bank PPI database. Data may include projects that are developed under PPP, sectoral or concession laws, with differences among countries. Focuses on greenfield and brownfield projects; excludes asset acquisition, company acquisition, securitization and refinancing transactions.



PPPs are a growing priority in national agendas, especially in smaller countries

This edition of the Infrascope records a noteworthy improvement in the quality of legal and regulatory environments for PPPs across the region. In total, 11 countries saw performance increases in the index's Regulations and institutions category.

Two markets have codified PPP policies or PPP procurement guidance for the first time (Barbados and Belize⁹), and three emerging PPP markets have implemented key PPP regulatory updates (Ecuador, Paraguay, and Trinidad and Tobago). Jamaica, a developed PPP market, also implemented substantial new policy guidance around climate and disaster risk. The major developments observed in this edition are presented in figure 5.

Aside from policy developments, two countries issued new national infrastructure plans. Bolivia launched its Development Plan for 2021-2025, which aims to promote national and international integration by strengthening the country's productive centers through road, air, rail, river and urban transportation systems. Meanwhile, Costa Rica adopted its National Plan 2023-2026, which prioritizes infrastructure projects under PPPs and emphasizes initiatives such as modernizing urban and rural infrastructure through road and bridge construction.

National infrastructure plans are vital for optimizing a country's performance in infrastructure PPPs by strategically aligning projects with national goals, prioritizing investments, allocating resources efficiently, managing risks and facilitating long-term planning.

Figure 5
Examples of updated laws, regulations and guidelines

Barbados

2021: the new Public Procurement Act incorporated guidelines for PPP contracting processes and pre-selection requirements within the framework of public procurement laws.

Belize

2021: a new PPP policy formalized PPP contracts in public procurement, established a PPP unit, and streamlined regulatory processes and guidelines for PPPs.

Ecuador

2023: new updates to the PPP regulatory framework were passed in June and December. Numerous other PPP procedural guides have also been published, adding clarity to project development processes.

Guatemala

2021: the new Initiatives Manual for Development of Economic Infrastructure was published, serving as an implementation guide for PPP projects.

Jamaica

2023: the PPP policy was amended, and a new climate-related operational guide for PPPs was issued, improving disaster risk regulations and insurance coverage.

Paraguay

2020: a new decree (4183) was issued, streamlining PPP processes by specifying timelines, selection criteria, risk allocation and measures for transparency and efficiency.

Trinidad and Tobago

2023: a new public procurement law became fully implemented, which complements the country's existing PPP law.

Note: not all policy updates shown here necessarily result in comparable score changes in the Infrascope (for example, when a new policy replaces a previously functional framework, this may result in no score change).

⁹ Suriname has also made a push toward developing a PPP policy. The Minister of Public Works has developed an informal list of proposed guidelines for the procurement and processing of PPPs, but this has not yet been codified into law or formally approved.

Finally, political support for PPPs has grown in Barbados, Belize, Costa Rica and Uruguay, while minor instances of opposition have been resolved in Bolivia and Brazil. Notably, Costa Rica has achieved bipartisan support for PPPs, with multiple parties endorsing them in official documents and statements.

Despite this progress, there have been a few instances where PPPs have encountered new resistance. In El Salvador, the abolishment of the PPP-supporting agency PROESA and the introduction of the more broadly focused INVEST agency has left uncertainties in the country's PPP regulatory environment and its commitment to PPPs. In Honduras, no clear PPP agenda under the new administration has been announced, and no projects have been implemented in recent years, a notable shift from previous administrations. Meanwhile, in Nicaragua, high-level political figures have also shown minimal support for PPPs, with the latest medium-term budget plan (approved in 2021) indicating low commitment to PPP initiatives.



Institutional capacity to support PPPs remains a critical and persistent challenge across the region

As countries embark on PPP projects, it is necessary to create institutional capacity to manage their often-high levels of complexity. Without such resources in place to guide stakeholders, PPP laws can only accomplish so much. Well-staffed PPP units and project preparation facilities are two essential institutional dimensions highlighted in the Infrascope.

Although 20 of 26 countries in the region have established some type of PPP unit—at least on paper—our assessment shows that just 13 of these are fully operational (see figure 6). Moreover, there are significant gaps when it comes to the capacity of these bodies: just 11 PPP agencies have sufficient staffing, 12 provide technical training and only four countries have registered any improvement on these metrics (Belize, Ecuador, Honduras and the Dominican Republic). The most visible progress was observed in Belize, where the 2021 PPP policy mandated the creation of a new PPP unit providing oversight and technical support.

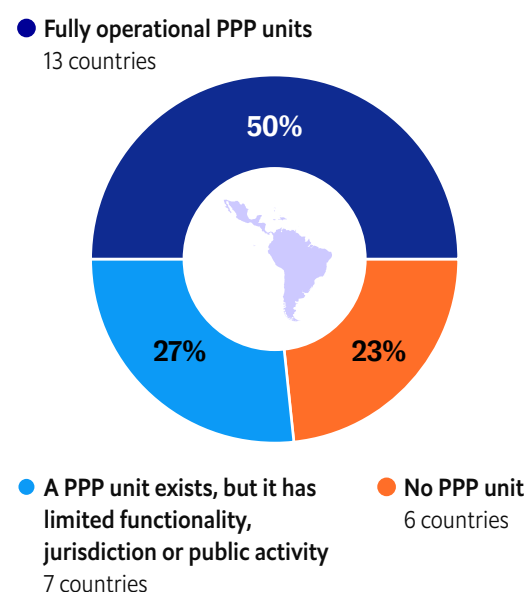
Similarly, project preparation facilities have seen little growth in the region, despite being an essential enabler for assisting stakeholders in navigating feasibility studies, technical assessments, financial modeling, risk analysis and other complex aspects of contracting. Only 11 countries have such facilities, with no countries having established new ones (although Panama has secured new funding for its facilities). Panama has also joined Ecuador in adopting the SOURCE platform for co-ordinating project preparation.

Financial support for project development efforts is even more rare. Project development funds are lacking in 15 countries, while viability gap funding is formalized only in Brazil and Mexico and functionally permitted in the Bahamas.

Overall, the region's lack of project preparation support mechanisms stands out as a significant barrier to the formation of high-quality projects.

Although progress has been slow at building up institutional capacity and resources in the region, there are some bright spots. Ecuador particularly stands out across a few of the above dimensions for recent efforts to develop a collection of PPP preparation guides, strengthen its PPP agencies and make financial support available during project preparation through a project development fund and other trust funds.

Figure 6
PPP units across Latin America and the Caribbean
Across 26 countries



Source: Economist Impact

The share of tendered PPPs reaching successful financing remains below 60%

Headwinds include rising capital costs, gaps in risk management and inadequate project preparation. Following the covid-19 pandemic, the Latin America and the Caribbean region has seen improving macroeconomic conditions and some growth in overall financial maturity. However, key obstacles remain when it comes to PPP financing efficiency. Despite growing investment in PPPs, less than 60% of tendered projects successfully reach financial close, a rate that has held steady since the previous edition.

To more effectively attract and engage the private sector as a partner for infrastructure development, the region needs to overcome key headwinds, including rising borrowing costs, gaps in risk management and inadequate project preparation.

With international conditions leading to increases in borrowing costs, raising funds has become even more challenging. Compared with 2021/22, most countries in the region face higher capital costs (measured via country risk premiums) and worsening debt performance (measured via the prevalence of non-performing loans).

In addition, the participation of institutional investors in Latin American PPPs has stagnated in the latest index, with the greatest declines recorded in Argentina, El Salvador, Jamaica, Panama and Uruguay. The reasons for this may be varied, but they do not necessarily suggest a recent challenge. The issue is longstanding: nearly 70% of countries in the region have not involved institutional investors in PPPs during the past ten years, up from 54% in the 2021/22 Infrascope edition.

Other key headwinds are policy-related, with the region showing notable gaps in risk frameworks designed to promote trust and incentivize private participation. For example, only about half of the countries use risk matrices to allocate project

risks across stakeholders, and only half grant step-in rights to lenders, giving them the chance to remedy a contract breach before the contract is terminated. Government guarantees are similarly absent in 17 countries. Rectifying these types of oversights can go a long way toward creating more attractive conditions for private investment.

Finally, project preparation remains a weak point for the region, as noted previously. Across the Project preparation and sustainability category, the average score was just 38 out of 100—the second lowest category score. This reflects widespread weakness in prioritizing the best projects, facilitating project preparation activities and incorporating sustainability criteria into the development process. When these elements are lacking, it should not be surprising to see persistently low efficiency in the rate that projects are financed.

When it comes to systematically prioritizing projects, Peru leads with a perfect score, but gaps remain for nearly every country. While many outline strategies for aligning PPPs with their national infrastructure plans, only Peru and Ecuador utilize clear rules for ranking and/or ordering PPPs.

Furthermore, many countries lack standardized, published methodologies for evaluating the prospective impacts of new projects. Only seven countries score above 50/100 for the rigor of these processes. Once again, Peru stands far above the rest in this regard, but other typical heavy hitters like Brazil and Chile fall to the middle of the pack. Peru obtains almost full marks, thanks to the availability of methodologies and tools for cost-benefit, value-for-money and fiscal affordability analysis—not to mention its comprehensive criteria around social impact.

Only a quarter of countries formally integrate lessons from completed PPPs into future projects

This gap puts the region at risk of repeating the same infrastructure mistakes again and again.

To accelerate progress toward impact-driven results across the PPP ecosystem, countries need a disciplined approach across three key areas:

- assessing the quality and impacts of operational infrastructure;
- evaluating the results and lessons from completed projects; and
- integrating those lessons into project selection and design.

However, progress is lacking in each of these areas. Although most countries monitor the quality of their operational PPPs, few have adequate procedures for standardizing these efforts and publishing data or reports on operational infrastructure performance. Just six score above 50/100 on indicators for quality monitoring and reporting, adopting the majority of best practices. Brazil and Chile are the leaders in this regard, followed by Uruguay, Ecuador, Colombia and Guatemala. Recommendations for progress include standardizing the monitoring process, publishing reports on infrastructure quality, regularly reviewing key performance indicators and making operational project data available.

Concerningly, the measurement of environmental and social impact remains the least developed area across the study, with only Jamaica and Costa Rica having made any efforts to assess infrastructure performance against metrics such as national climate change goals or the UN's Sustainable Development Goals.



When it comes to evaluating the overall results of completed PPPs, the majority of the region shows notable gaps (see figure 7). Only ten countries designate an agency to oversee ex-post project evaluations, and only seven actively conduct such evaluations. Only five publish the results, and only three (Brazil, Honduras and Colombia) specify that the evaluations should cover both risk performance and cost-benefit analysis. Meanwhile, about a quarter of countries have processes to integrate ex-post lessons into future projects.

Incorporating lessons from completed PPPs into the project selection and design process is a vital— and widely overlooked—step to ensure that future projects do not experience the same challenges as previous ones. Many countries struggle to break long-term cycles of poorly implemented projects, which is why ex-post evaluation is a key focus area for the Infrascope.

Figure 7

The region is largely lacking when it comes to ex-post project evaluation

Number of countries that...



Source: Economist Impact

Incorporating sustainability criteria in PPP frameworks is still a major gap, with only three countries showing improvement since 2021/22

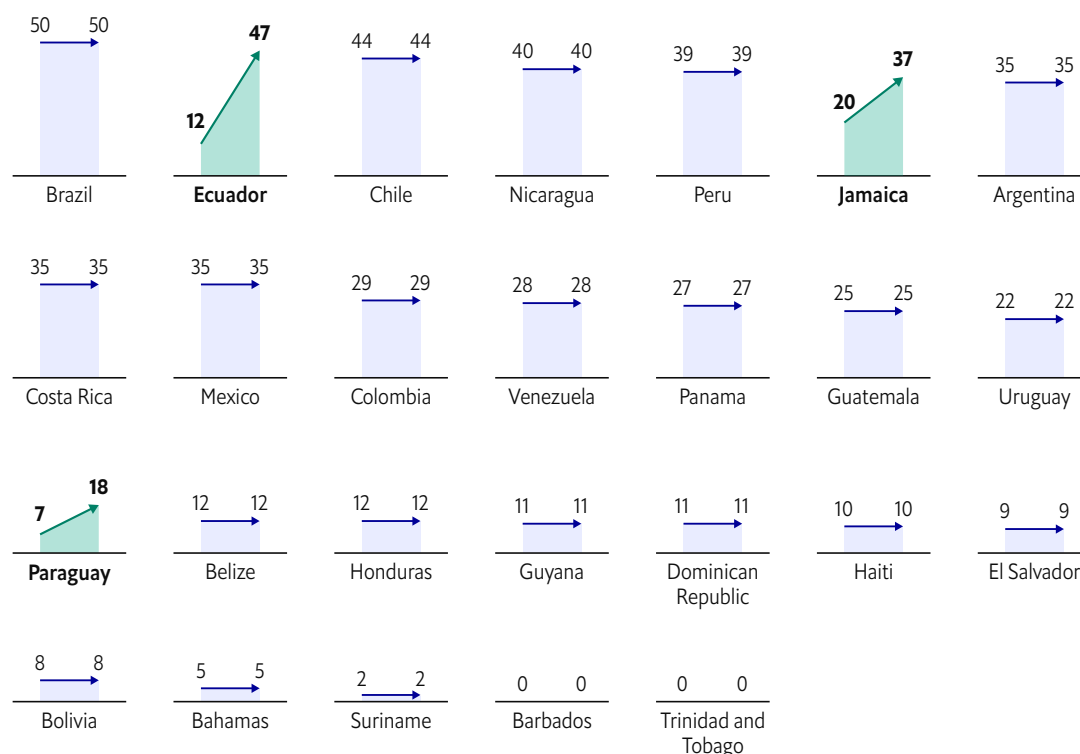
Performance across the index's sustainability-related indicators is generally low, with only Brazil reaching an average score of 50 on these indicators (see figure 8). The pace of progress also remains slow—in this edition only three countries have demonstrated any improvements (Jamaica, Paraguay and Ecuador—the latter of which stands out for its progress across multiple sustainability indicators).

Figure 8

Few countries have shown improvement on sustainability-related indicators

Average performance across sustainability-related indicators, score out of 100

2021/22 → 2023/24



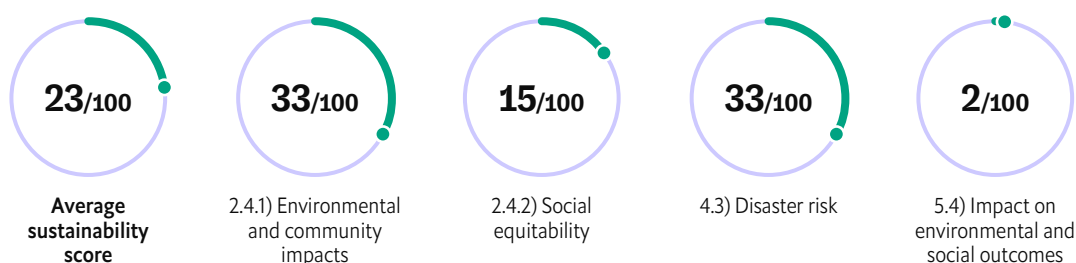
Note: Sustainability-related indicators include those listed in figure 9.

Source: Economist Impact

Figure 9

Region-wide performance across sustainability-related indicators is lagging

Average scores across 26 countries



Source: Economist Impact

Environmental and community impacts can be a mixed bag: nearly all countries require environmental impact studies, but beyond this, countries often lack consistent methodologies, public transparency and incentives to promote future-proofing and resilience. Since the 2021/22 edition, only Ecuador and Paraguay have strengthened these processes. Ecuador recently published guidelines around PPP prioritization that establish criteria for projects to be rated based on climate resilience parameters and strategies. Meanwhile, Paraguay issued a guide to establish minimum environmental criteria and procedures for environmental assessments, including integrating national climate change criteria into their PPP identification, selection and development processes.

Community consultations—a vital tool for keeping sustainability and impact at the center of PPP development—generally lack transparency in the region. Only Brazil, Chile, Guatemala and Panama legally require findings from community consultations to be published. Since the previous edition, no countries have registered improvements in this area.

Similarly, criteria for guiding PPPs toward greater social equity remain rare across the region. Only Ecuador has improved in this area, owing to new guidelines for PPP prioritization that address gender and MSMEs.¹⁰

However, Peru—the overall leader in this area—did launch a National Sustainable Infrastructure Plan for Competitiveness in 2022, further strengthening the country’s ongoing efforts to prioritize socially, economically and environmentally sustainable projects, particularly PPPs.

Despite Latin America and the Caribbean being one of the most vulnerable regions to climate change and extreme weather events, its progress in adopting disaster risk criteria for PPPs has been slow. Only Jamaica achieves a “developed” status in this area (scoring at least 60/100). Alongside Ecuador, Jamaica is the only country that has made improvements related to disaster risk. Recently, the Development Bank of Jamaica’s PPP unit took instrumental steps in publishing new guidelines focused on integrating climate resilience into PPPs. It also instituted new requirements for disaster risk insurance coverage for PPP contracts.

To achieve long-lasting and comprehensive results when it comes to sustainability, such principles must be deeply integrated into all stages of PPP development, not just addressed in broad terms in regulatory documents. This means embedding sustainability criteria into policy frameworks, project preparation guides, management processes and, crucially, into project evaluation. Without rethinking sustainability as a core guiding principle of PPPs, the region will face challenges in realizing its environmental and social goals.

¹⁰ Micro-, small- and medium-sized enterprises.

Category findings

1. Regulations and institutions

This remains the strongest category across the region by a considerable margin, with some newer PPP markets recording significant progress

Chile leads again by a comfortable margin in this edition's Regulations and institutions category. For 30 years, Chile has maintained a stable and efficient PPP framework, a strong PPP agency, and competitive and transparent standards for bidding processes and contract changes. Despite political turbulence in recent years, its commitment to PPPs remains strong, with recent initiatives targeting social infrastructure projects to address social inclusion challenges.

This category features not only the strongest average performance across the region, but it has also seen the largest increase in scores—particularly in some emerging markets. This underscores the importance that countries are placing on strengthening their PPP foundations through new regulations. Since 2021/22, the most significant improvements have been seen in Belize (a 44-point gain), Barbados (+19) and Ecuador (+11), all of which passed notable pieces of legislation.

In Belize, the enactment of a national PPP policy in 2021 formalized PPP contracts in public procurement, created a PPP unit and established a host of basic regulations. Barbados' improvement stems from the implementation of the Public Procurement Act of 2021; previously lacking specificity for the procurement process, ►

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1. Regulations and institutions

| | | | |
|------------------|---------------------|-------------|---|
| 1 st | Chile | 97.5 | ● |
| 2 nd | Brazil | 90.3 | ● |
| 3 rd | Panama | 89.8 | ● |
| 4 th | Colombia | 88.7 | ● |
| 5 th | Uruguay | 88.2 | ● |
| 6 th | Dominican Republic | 86.8 | ● |
| 7 th | Paraguay | 86.2 | ● |
| 8 th | Peru | 85.9 | ● |
| 9 th | Ecuador | 83.6 | ● |
| 10 th | Jamaica | 83.0 | ● |
| 11 th | Mexico | 78.6 | ● |
| 12 th | Honduras | 77.7 | ● |
| 13 th | Costa Rica | 75.4 | ● |
| 14 th | Guatemala | 72.7 | ● |
| Average | | 66.9 | ● |
| 15 th | Guyana | 66.0 | ● |
| 16 th | Belize | 63.3 | ● |
| 17 th | El Salvador | 59.8 | ● |
| 18 th | Argentina | 55.1 | ● |
| 19 th | Bahamas | 54.0 | ● |
| 20 th | Nicaragua | 53.8 | ● |
| 21 st | Trinidad and Tobago | 40.1 | ● |
| 22 nd | Barbados | 39.1 | ● |
| 23 rd | Haiti | 38.3 | ● |
| 24 th | Bolivia | 33.1 | ● |
| 25 th | Venezuela | 31.8 | ● |
| 26 th | Suriname | 19.8 | ● |

Nascent **Emerging** **Developed** **Mature**
 0 to <30 30 to <60 60 to <80 80 to 100

Score 0-100 where 100=best. Rank out of 26 countries across LAC, 1st=best, = before the rank indicates a tie.

1. Regulations and institutions

the new act clarifies minimum standards for PPPs, inter-agency co-ordination, and transparency and oversight for bidding and renegotiation. Ecuador's improvement is tied to efforts to strengthen the PPP unit's staff training and to better contract transparency.

Meanwhile, competitive bidding environments have been strengthened in a few countries, owing to new developments around unsolicited proposals (Belize), PPP registries (Brazil) and transparency in contract awards (Belize and Barbados). Arbitration procedures have also been improved in the Bahamas and Barbados, and renegotiation procedures have been strengthened in Barbados and Belize.

Political support for PPPs among high-level politicians, major parties and influential organizations has undergone a somewhat mixed evolution in the past two years. Improvements in countries like Barbados, Belize, Bolivia, Brazil, Costa Rica and Uruguay contrast with elements of weakened support in El Salvador, Honduras, Mexico, Nicaragua and the Dominican Republic.

2. Project preparation and sustainability

Despite widespread gains, performance in this category remains weak, with the region still short on project preparation capacity and attention to sustainability

Peru stands out in this category for its region-leading project selection processes, which earn a sub-category score of 96.7, far ahead of any other country. Specifically, Peru conducts comprehensive national infrastructure planning, sets detailed guidance around PPP prioritization and implements economic and feasibility studies based on standardized tools and methodologies. In addition, the country features strong project preparation supports and a project development fund, ensuring it is well positioned to prepare effective projects.

Across the region, this category shows significant room for improvement. The average score (38 out of 100) is the lowest of any category, save the last. However, progress may be beginning to pick up: this category saw widespread improvement, with the majority of countries registering a positive performance boost. Most notable among them was Ecuador, which saw a 23-point improvement, and Panama and Suriname, each with an 8-point gain.

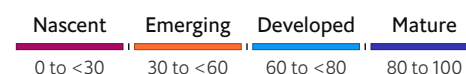
Ecuador owes its improvement to wide-ranging policy efforts centered on some of the region's most troubling weak spots: a strategy for prioritizing PPPs, a platform for tracking preparation efforts, methodologies for project evaluation, project development funds, and the prioritization of social equity criteria.

Most countries still show key gaps in their institutional environments and project prioritization strategies. Although some of these gaps can be difficult to fill, others stand out as “easy wins” for many countries. ►►

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2. Project preparation and sustainability

| | | | |
|------------------|---------------------|-------------|---|
| 1 st | Peru | 71.6 | ● |
| 2 nd | Brazil | 71.1 | ● |
| 3 rd | Mexico | 65.6 | ● |
| 4 th | Chile | 63.0 | ● |
| 5 th | Colombia | 61.6 | ● |
| 6 th | Ecuador | 55.9 | ● |
| 7 th | Costa Rica | 54.4 | ● |
| 8 th | Panama | 53.9 | ● |
| 9 th | Jamaica | 53.5 | ● |
| 10 th | Uruguay | 45.6 | ● |
| 11 th | Argentina | 43.6 | ● |
| 12 th | Honduras | 43.5 | ● |
| 13 th | Paraguay | 43.2 | ● |
| 14 th | Guatemala | 38.3 | ● |
| | Average | 38.1 | ● |
| 15 th | Bahamas | 35.0 | ● |
| 16 th | Dominican Republic | 34.2 | ● |
| 17 th | El Salvador | 33.8 | ● |
| 18 th | Nicaragua | 23.0 | ● |
| 19 th | Belize | 19.5 | ● |
| 20 th | Bolivia | 19.3 | ● |
| 21 st | Venezuela | 18.5 | ● |
| 22 nd | Trinidad and Tobago | 14.0 | ● |
| 23 rd | Guyana | 13.6 | ● |
| 24 th | Barbados | 6.8 | ● |
| 25 th | Haiti | 4.9 | ● |
| 26 th | Suriname | 4.3 | ● |



Score 0-100 where 100=best. Rank out of 26 countries across LAC, 1st=best, = before the rank indicates a tie.

2. Project preparation and sustainability

For example, standardized tracking platforms, which promote co-ordination and transparency during project development, are absent in 23 countries and could be a quick efficiency booster. Environmental and social sustainability is another area of low-hanging fruit for many countries, where simple updates to PPP evaluation criteria could have significant impacts.

3. Financing

The region as a whole has seen modest improvement in its financing environment since the pandemic, but individual countries have experienced significant variability

Brazil and Chile once again lead this category, displaying consistent improvement since 2021/22. Alongside them, several other countries have made significant progress, most notably Suriname, Belize, Guatemala, Guyana, Jamaica and the Bahamas. Some of these have seen improvements in how they structure and source PPP financing, while others have expanded the availability of government financial support for PPPs.

Performance in this category has seen the least growth overall, with the average score increasing only slightly from 51.5 to 51.8. However, across countries there have been significant ups and downs, reflecting a wide range of financial developments in the region and inconsistent use of best practices when it comes to PPP financing.

Macro environments have seen mixed progress since the pandemic: country risk outlooks have improved in nearly every country, but financial market health has also taken a hit in most. Headwinds have also arisen when it comes to access to capital, with most countries experiencing higher premiums, worse debt performance and lower capital flows.

With respect to PPP financing efforts, performance has also been mixed. A number of countries have expanded their use of financing sources across project bonds, sustainable instruments and multilateral banks. However, the region has also seen a general decline in institutional investor participation in PPPs in the past decade, and many countries have utilized project financing mechanisms less frequently. The latter is true even in mature markets like Brazil, Mexico, Colombia, Chile, Uruguay and Panama.¹¹ ►►

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3. Financing

| | | | |
|------------------|---------------------|-------------|---|
| 1 st | Brazil | 82.8 | ● |
| 2 nd | Chile | 82.5 | ● |
| 3 rd | Colombia | 76.9 | ● |
| 4 th | Mexico | 76.5 | ● |
| 5 th | Uruguay | 76.1 | ● |
| 6 th | Peru | 75.5 | ● |
| 7 th | Jamaica | 63.0 | ● |
| 8 th | Panama | 62.8 | ● |
| 9 th | Guatemala | 61.7 | ● |
| 10 th | Honduras | 58.6 | ● |
| 11 th | Paraguay | 56.2 | ● |
| 12 th | El Salvador | 52.1 | ● |
| | Average | 51.8 | ● |
| 13 th | Costa Rica | 50.7 | ● |
| 14 th | Argentina | 48.6 | ● |
| 15 th | Trinidad and Tobago | 48.3 | ● |
| 16 th | Dominican Republic | 48.2 | ● |
| 17 th | Ecuador | 47.8 | ● |
| 18 th | Bahamas | 43.7 | ● |
| 19 th | Guyana | 42.9 | ● |
| 20 th | Nicaragua | 38.8 | ● |
| 21 st | Barbados | 37.8 | ● |
| 22 nd | Belize | 37.5 | ● |
| 23 rd | Bolivia | 33.8 | ● |
| 24 th | Suriname | 25.1 | ● |
| 25 th | Venezuela | 9.8 | ● |
| 26 th | Haiti | 9.2 | ● |



Score 0-100 where 100=best. Rank out of 26 countries across LAC, 1st=best, = before the rank indicates a tie.

¹¹ Source: IJ Global, cross-checked with the World Bank PPI database. Data may include projects that are developed under PPP, sectoral or concession laws, with differences among countries. Focuses on greenfield and brownfield projects; excludes asset acquisition, company acquisition, securitization and refinancing transactions.

3. Financing

Other positive developments include the expanded availability of government financial support for PPPs in two countries, Jamaica and Guatemala. Such support can be instrumental in improving the bankability of projects. In addition, several countries have begun using sustainable financing instruments for PPPs (Bahamas, Belize and Ecuador), bringing the total in the region to 16 countries. The Bahamas, for example, introduced a sustainable financing instrument via a US\$200m policy-based guarantee in 2022 to boost ocean productivity and health—including funds to strengthen the institutions involved in coastal and nature-based (green) infrastructure.^{12,13} In Ecuador, the government introduced the Sovereign Green Bonds Framework in 2023, aiming to incorporate green bonds into planning and budgeting processes to finance environmentally sustainable projects.

¹² <https://www.iadb.org/en/news/bahamas-advances-creation-social-and-inclusive-blue-economy-using-idb-guarantee>

¹³ <https://www.iadb.org/en/project/BH-U0001>

4. Risk management and contract monitoring

Progress in this category is mostly clustered across a few ambitious countries; others have seen little change, with attention to disaster risk and project monitoring remaining significantly underdeveloped

Relative stability has characterized Brazil and Chile, the two category leaders. Brazil stands out for its comprehensive risk allocation and project monitoring practices, while Chile is stronger in its integration of disaster risk processes and excels at minimizing risks driven by government action.

Although this category has seen the strongest performance improvement, on average, over the past two years, most of it is clustered among a few countries that have made notable progress, including Jamaica, Ecuador and the Dominican Republic, all with double-digit score increases. Region-wide, disaster risk processes stand out as a glaring underdeveloped area, with only Jamaica and Ecuador seeing a change across any of the disaster risk indicators, thanks to their adoption of new climate-related guidelines for PPPs.

A second area of concern is related to national monitoring and reporting of active PPPs: across these indicators, only the Dominican Republic, Jamaica and Ecuador achieved any improvement. The Dominican Republic now ranks second in the region in this aspect, owing to its recent efforts to improve transparency by publishing regular reports on ongoing PPP projects and updates to its project pipeline, available on the PPP unit's website.

Scores in the risk allocation subcategory have risen for the majority of countries since 2021/22, driven by stronger financial auditing and reporting standards in nearly every country. However, there has also been a notable decline in the availability of sovereign guarantees for PPPs, with such support lapsing in four countries. ►►

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4. Risk management and contract monitoring

| | | | |
|------------------|---------------------|-------------|---|
| 1 st | Chile | 80.4 | ● |
| 2 nd | Brazil | 73.1 | ● |
| 3 rd | Colombia | 69.2 | ● |
| 4 th | Uruguay | 69.1 | ● |
| =5 th | Jamaica | 68.1 | ● |
| =5 th | Panama | 68.1 | ● |
| 7 th | Costa Rica | 67.3 | ● |
| 8 th | Guatemala | 66.0 | ● |
| 9 th | Ecuador | 59.4 | ● |
| 10 th | Mexico | 58.7 | ● |
| 11 th | Dominican Republic | 57.2 | ● |
| 12 th | Peru | 56.3 | ● |
| | Average | 48.4 | ● |
| 13 th | Nicaragua | 47.9 | ● |
| 14 th | Honduras | 46.1 | ● |
| 15 th | El Salvador | 44.1 | ● |
| 16 th | Argentina | 43.3 | ● |
| 17 th | Guyana | 43.2 | ● |
| 18 th | Paraguay | 43.0 | ● |
| 19 th | Bahamas | 39.1 | ● |
| 20 th | Belize | 32.2 | ● |
| 21 st | Haiti | 28.2 | ● |
| 22 nd | Suriname | 23.6 | ● |
| 23 rd | Barbados | 22.0 | ● |
| 24 th | Trinidad and Tobago | 20.1 | ● |
| 25 th | Bolivia | 16.6 | ● |
| 26 th | Venezuela | 16.2 | ● |

| Nascent | Emerging | Developed | Mature |
|----------|-----------|-----------|-----------|
| 0 to <30 | 30 to <60 | 60 to <80 | 80 to 100 |

Score 0-100 where 100=best. Rank out of 26 countries across LAC, 1st=best, = before the rank indicates a tie.

4. Risk management and contract monitoring

Risk allocation policies have largely been untouched in the last two years, but Barbados and Belize stand out for adopting improved practices. Barbados' new Public Procurement Act of 2021 now requires risk identification as part of PPP development. Meanwhile, Belize's 2021 PPP Policy mandates both risk identification and contingent liability accounting (these liabilities must be disclosed in financial statements, especially for "user-pays" PPPs).

Lastly, when it comes to addressing government-driven risks, the Bahamas is the only country to implement any policy improvements. Its Public Procurement Act of 2023 has put in place guarantees for investors to appeal in case of contract termination by the government. The act provides extensive procedures for challenges and appeals, including complaint submission, tribunal appeal, and potential court of appeal recourse for legal matters.

5. Performance evaluation and impact (ex-post)

This category remains the least developed across the region, highlighting a universal need for countries to adopt impact-driven evaluation and reporting

Brazil is a regional leader once again in this category, thanks to its maturity in ex-post evaluation of PPPs and measurement of infrastructure quality and outcomes. The oversight of federal PPP projects falls under the purview of Brazil's National Court of Auditors (TCU), which helps to ensure transparency and efficiency in project evaluation. The TCU mandates annual performance reports from project authorities and enables public scrutiny by allowing petitions about any irregularities.

By a significant margin, this is the least developed category across the region, but some noteworthy gains have been seen across both well-established markets (Brazil, Chile, Peru and Mexico) and some newer ones (Ecuador, the Bahamas and Suriname). However, progress for most of these countries during the past two years has not been driven by policy updates but by the evolving quality of their PPP portfolios (their project mortality rate and value of PPP investment, etc). A couple of countries have seen notably weaker scores in this category, particularly Nicaragua (a worsened project mortality rate) and, to a lesser extent, Panama (reduced value of PPP investment).

As discussed previously, the region has a history of widespread underperformance when it comes to conducting ex-post evaluations of PPPs and measuring impacts on infrastructure quality and sustainability. Peru and Ecuador are the only countries to have made any progress in either of these areas. Peru has recently published a comprehensive report with ex-post analyses of the past 20 years of PPP activity. ►►

Infrascope 2023/24

5. Performance evaluation and impact (ex-post)

| | | | |
|-------------------|---------------------|-------------|---|
| 1 st | Brazil | 72.1 | ● |
| 2 nd | Chile | 61.2 | ● |
| 3 rd | Colombia | 55.0 | ● |
| 4 th | Uruguay | 50.0 | ● |
| 5 th | Jamaica | 46.8 | ● |
| 6 th | Honduras | 42.3 | ● |
| 7 th | Ecuador | 37.5 | ● |
| 8 th | Peru | 37.0 | ● |
| 9 th | Costa Rica | 33.5 | ● |
| 10 th | Guatemala | 31.8 | ● |
| 11 th | Dominican Republic | 27.7 | ● |
| 12 th | Panama | 26.7 | ● |
| | Average | 26.5 | ● |
| 13 th | El Salvador | 26.1 | ● |
| 14 th | Paraguay | 25.0 | ● |
| 15 th | Bahamas | 20.6 | ● |
| 16 th | Argentina | 17.5 | ● |
| 17 th | Mexico | 17.4 | ● |
| 18 th | Suriname | 13.5 | ● |
| 19 th | Belize | 12.2 | ● |
| 20 th | Guyana | 7.9 | ● |
| 21 st | Nicaragua | 7.4 | ● |
| =22 nd | Barbados | 4.8 | ● |
| =22 nd | Bolivia | 4.8 | ● |
| =22 nd | Trinidad and Tobago | 4.8 | ● |
| 25 th | Venezuela | 3.9 | ● |
| 26 th | Haiti | 2.2 | ● |

| Nascent | Emerging | Developed | Mature |
|----------|-----------|-----------|-----------|
| 0 to <30 | 30 to <60 | 60 to <80 | 80 to 100 |

Score 0-100 where 100=best. Rank out of 26 countries across LAC, 1st=best, = before the rank indicates a tie.

5. Performance evaluation and impact (ex-post)

Meanwhile in Ecuador, Executive Decree No. 788 of 2023 now mandates regular and standardized monitoring and reporting on the quality of services from operational infrastructure assets.

Finally, no country has made any improvements in terms of measuring PPPs' impacts on environmental and social outcomes. As the region looks ahead to a future rife with uncertainty, greater attention needs to be paid to analyzing the environmental and social effects of PPPs, understanding how these projects are contributing to national goals, and applying those lessons to future infrastructure development.

Country summaries

Argentina

[Full profile](#)

Score: 41.6
out of 100

Rank: 16th
out of 26 countries

Argentina has an overall index score of 41.6 out of 100 (ranking 16th of 26 in the region, just below the average). Although the country has a basic regulatory and institutional foundation for public-private partnerships (PPPs), political commitment has been volatile through the end of 2023. Recent legislative developments in 2024 have shown increased support for PPPs, but this time frame is not covered in the index.¹⁴



Bahamas

[Full profile](#)

Score: 38.5
out of 100

Rank: 17th
out of 26 countries

The Bahamas has an overall index score of 38.5 out of 100 (17th of 26 in the region), demonstrating emerging potential in its public-private partnership (PPP) capabilities. The Bahamas has a relatively favorable risk environment and passed a new PPP policy in 2018; however, most institutional aspects of the policy have yet to be implemented.



Barbados

[Full profile](#)

Score: 22.1
out of 100

Rank: 22nd
out of 26 countries

Barbados has an overall index score of 22.1 out of 100 (22nd of 26 in the region). It scores relatively low in all five categories and has not yet implemented any public-private partnerships (PPPs), although it did recently pass a new National Public Procurement Act in 2021. As a high-income country, Barbados sees its best ranking in the financing category.



¹⁴ Note: index data collection concluded in December 2023.

Belize

[Full profile](#)

Score: 33.0
out of 100

Rank: 20th
out of 26 countries

Belize has an overall index score of 33 out of 100 (20th of 26 in the region). This reflects substantial progress since the 2021/22 edition, with Belize seeing a greater score increase (12 points) than any other country. The country's new public-private partnership (PPP) policy provides a promising foundation; however, additional strengthening of PPP processes is needed to address key gaps.



Bolivia

[Full profile](#)

Score: 21.5
out of 100

Rank: 23rd
out of 26 countries

Bolivia has an overall index score of 21.5 out of 100 (23rd of 26 in the region). The country does not have experience with public-private partnerships (PPPs); although regulations permit certain alliances between state-owned enterprises (SOEs) and the private sector, these have not been used. The country also faces significant challenges in terms of project preparation, sustainability, risk management, contract monitoring and performance evaluation.



Brazil

[Full profile](#)

Score: 77.9
out of 100

Rank: 1st
out of 26 countries

Brazil has an overall index score of 77.9 out of 100 (1st of 26 in the region, unchanged from 2021/22), continuing to demonstrate the region's strongest performance and experience with public-private partnerships (PPPs), and ranking near the top of most of the index's five categories.

Note: Brazil is a large and complex market with many different subnational PPP contexts. Future research will look to understand these realities at a state level.



Chile

[Full profile](#)

Score: 76.9
out of 100

Rank: 2nd
out of 26 countries

Chile has an overall index score of 76.9 out of 100 (2nd of 26 in the region). Chile ranks highly across all categories in the index, with especially strong performance for Regulations and institutions as well as Risk management and contract monitoring, where it leads the region.



Colombia

[Full profile](#)**Score: 70.3**

out of 100

Rank: 3rd

out of 26 countries

Colombia, one of the region's fastest-growing markets for PPPs, has an overall index score of 70.3 out of 100 (3rd of 26 in the region), demonstrating a strong performance across all categories. The country stands out for its robust regulatory framework, comprehensive public-private (PPP) institutions and favorable financing environment.



Costa Rica

[Full profile](#)**Score: 56.3**

out of 100

Rank: 10th

out of 26 countries

Costa Rica has an overall index score of 56.3 out of 100 (10th of 26 in the region). The country's score is supported by a robust risk management environment and above-average project preparation processes. However, the country is still lacking in terms of co-ordinated oversight of public-private partnership (PPP) efforts and effective PPP financing.



Dominican Republic

[Full profile](#)**Score: 50.8**

out of 100

Rank: 13th

out of 26 countries

The Dominican Republic has an overall index score of 50.8 out of 100 (13th in the region), demonstrating one of the region's stronger regulatory and institutional foundations (for which it ranks 6th), owing to recent legislative efforts in 2020. Across the remaining index categories, the country still exhibits an average performance.



Ecuador

[Full profile](#)**Score: 56.8**

out of 100

Rank: 9th

out of 26 countries

Ecuador attains an overall index score of 56.8 out of 100 (9th of 26 in the region). It has also seen a substantial improvement since 2021/22 owing to multiple new pieces of legislation and guidelines covering public-private partnerships (PPPs). Ecuador demonstrates a strong performance across sustainability and social inclusion indicators, and also stands out for its attention to performance evaluation and impact monitoring.



El Salvador

[Full profile](#)

Score: 43.2
out of 100

Rank: 15th
out of 26 countries

El Salvador has an overall index score of 43.2 out of 100 (15th of 26 in the region). The country has seen a notable drop since the previous edition, following recent legislative alterations to its public-private partnership (PPP) framework and the dissolution of its previous PPP unit. The country ranks highest in the Financing category, where it places 12th, although PPP activity has slowed since 2021.



Guatemala

[Full profile](#)

Score: 54.1
out of 100

Rank: 11th
out of 26 countries

Guatemala has an overall index score of 54.1 out of 100 (11th of 26 in the region). Despite the country's well-established public-private partnership (PPP) laws and co-ordinating institutions, it still has limited experience with PPPs and struggles to approve new projects in the pipeline, which often require congressional signoff. However, there are strong risk management and performance evaluation processes in place to manage active PPPs.



Guyana

[Full profile](#)

Score: 34.7
out of 100

Rank: 18th
out of 26 countries

Guyana has an overall index score of 34.7 out of 100 (18th of 26 in the region). The country's regulatory foundation is relatively new and reasonably solid; however, the country lacks experience with public-private partnerships (PPPs) and has limited capacity for preparing, implementing and evaluating projects.



Haiti

[Full profile](#)

Score: 16.6
out of 100

Rank: 25th
out of 26 countries

Haiti has an overall index score of 16.6 out of 100 (25th of 26 in the region). Its performance is near the bottom of the region, even in the country's strongest-performing categories. Haiti's score has declined somewhat since the 2021/22 edition, given recent political instability and the worsening economic crisis.



Honduras

[Full profile](#)**Score: 53.6**

out of 100

Rank: 12th

out of 26 countries

Honduras has an overall index score of 53.6 out of 100 (12th of 26 in the region). Despite having signed no new projects recently, Honduras benefits from having several basic institutions and regulations. Its strongest score in relative terms is in Performance evaluation and impact (ex-post), where it ranks sixth in the region.



Jamaica

[Full profile](#)**Score: 62.9**

out of 100

Rank: 6th

out of 26 countries

Jamaica has an overall index score of 62.9 out of 100 (6th in the region), demonstrating robust regulatory and institutional capacity to implement successful public-private partnerships (PPPs), despite the island's limited experience and market size.



Mexico

[Full profile](#)**Score: 59.4**

out of 100

Rank: 8th

out of 26 countries

Mexico has an overall index score of 59.4 out of 100 (8th of 26 in the region). Despite some regulatory and institutional gaps in its public-private partnership (PPP) framework, the country exhibits one of the region's strongest project preparation environments. Overall, Mexico's performance tends to vary significantly across the index's categories.



Nicaragua

[Full profile](#)**Score: 34.2**

out of 100

Rank: 19th

out of 26 countries

Nicaragua has an overall index score of 34.2 out of 100 (19th of 26 in the region). The country's regulatory foundation for public-private partnerships (PPPs) is below average, but it has comparatively high scores for building environmental safeguards into its project prioritization and risk identification processes. However, political support for PPPs has lagged in recent years, and no projects have been signed since the 2016 PPP law was passed.



Panama

[Full profile](#)

Score: 60.3
out of 100

Rank: 7th
out of 26 countries

Panama has an overall index score of 60.3 out of 100 (7th in the region). Its 2019 public-private partnership (PPP) legislation contributes to its high performance in the Regulations and institutions category, where it ranks third. Performance in other categories is relatively strong, but there are still notable gaps, highlighting the country's need to build up capacity, especially when it comes to performance evaluation.



Paraguay

[Full profile](#)

Score: 50.7
out of 100

Rank: 14th
out of 26 countries

Paraguay has an overall index score of 50.7 out of 100 (14th of 26 in the region). The country's recent legislative efforts have resulted in one of the region's more promising regulatory and institutional foundations for public-private partnerships (PPPs), although gaps still emerge in areas such as financing, risk management, contract monitoring and performance evaluation.



Peru

[Full profile](#)

Score: 65.2
out of 100

Rank: 5th
out of 26 countries

Peru has an overall index score of 65.2 out of 100 (5th of 26 in the region). The country showcases a strong ecosystem for public-private partnership (PPP) development, with a well-established regulatory framework, comprehensive institutional support, and one of the region's most robust project preparation environments.



Suriname

[Full profile](#)

Score: 17.3
out of 100

Rank: 24th
out of 26 countries

Suriname has an overall index score of 17.3 out of 100 (24th of 26 in the region), demonstrating significant need for improvement in establishing both regulatory and institutional foundations to support successful public-private partnerships (PPPs).



Trinidad and Tobago

[Full profile](#)

Score: 25.5
out of 100

Rank: 21st
out of 26 countries

Trinidad and Tobago has an overall index score of 25.5 out of 100 (21st of 26 in the region). Despite its limited experience with public-private partnerships (PPPs), the country has meaningful potential to capitalize on its favorable financing environment and on the PPP regulations it already has in place.



Uruguay

[Full profile](#)

Score: 65.8
out of 100

Rank: 4th
out of 26 countries

Uruguay has an overall index score of 65.8 out of 100 (4th of 26 in the region), supported by strong public-private partnership (PPP) institutions, which are highly successful at financing and overseeing projects. The country has also earned a reputation for fairness and flexibility regarding contractual changes. Despite these strengths, Uruguay still faces some challenges in areas such as project preparation and sustainability.



Venezuela

[Full profile](#)

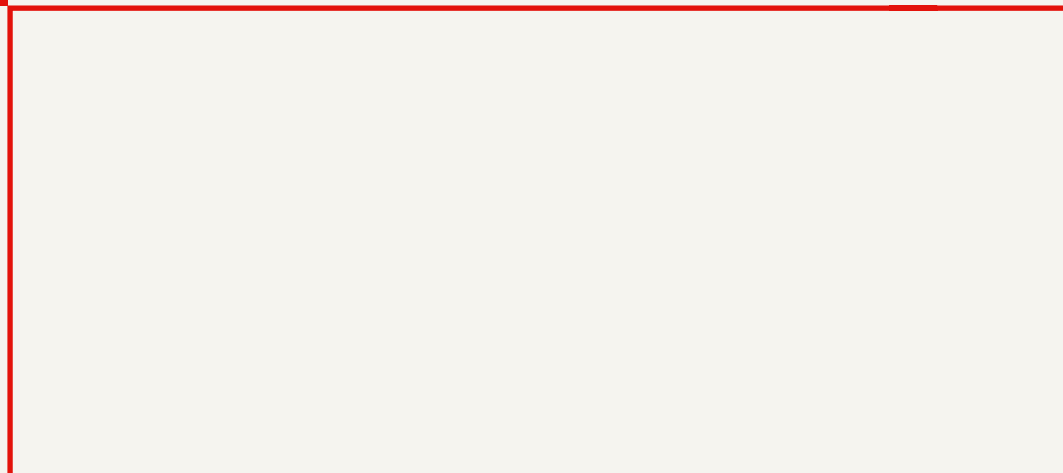
Score: 16.0
out of 100

Rank: 26th
out of 26 countries

Venezuela has an overall index score of 16.0 out of 100 (ranking last of 26 countries in the region). This can mainly be attributed to the lack of a regulatory framework focused on public-private partnerships (PPPs) in infrastructure, the dearth of political will for such projects and a poor financing environment. It ranks near the bottom of all five index categories.



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