

**Nonsovereign Public
Sector Financing Facility
(NSP)
2008**

NSP

- ❑ Loans and guarantees
- ❑ No central government guarantees
- ❑ Public sector clients
 - government agencies
 - state-owned enterprises
 - subsovereign governments
 - subsovereign government- owned enterprises

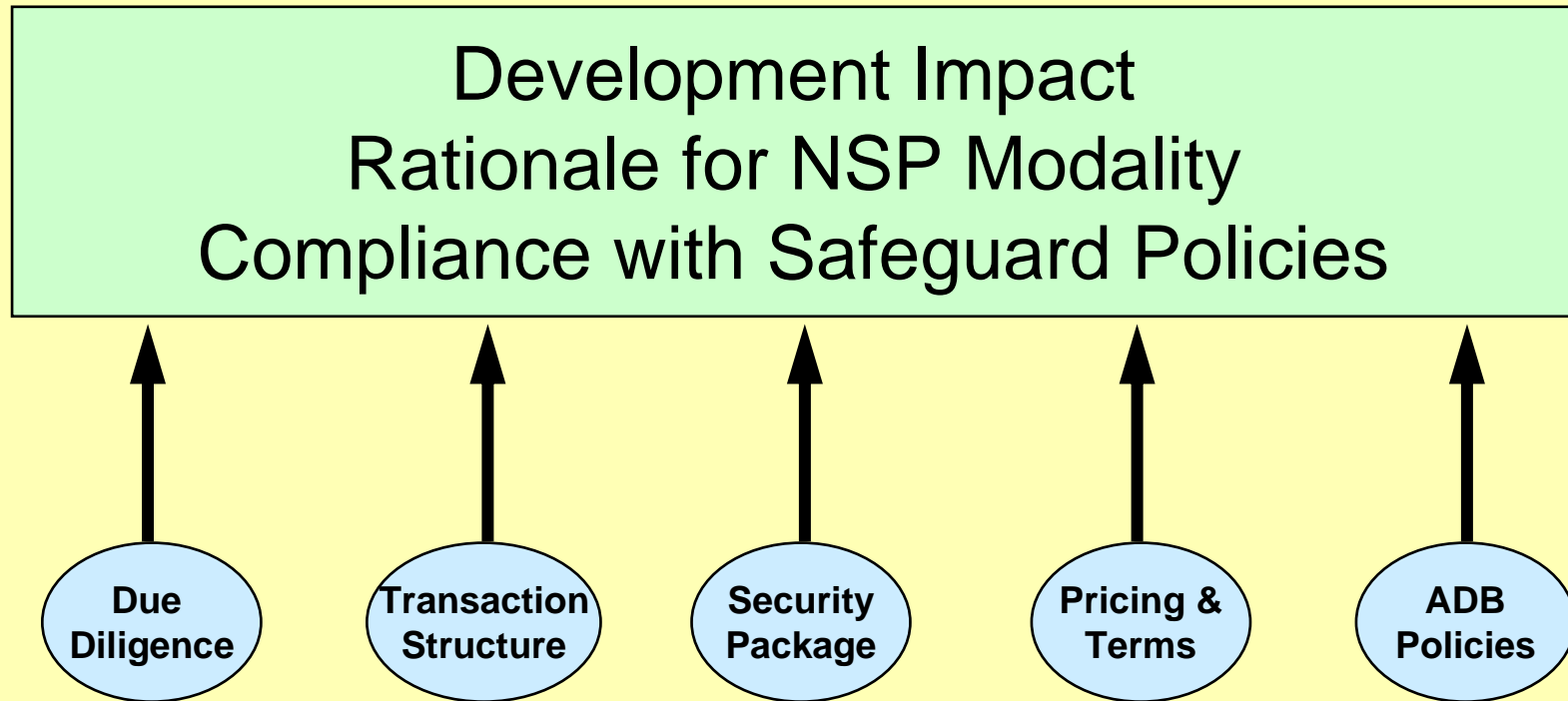
Fundamentals

- ❑ Country Partnership Strategy
- ❑ Development objectives
- ❑ Project soundness
- ❑ Transaction structure
- ❑ Governance framework

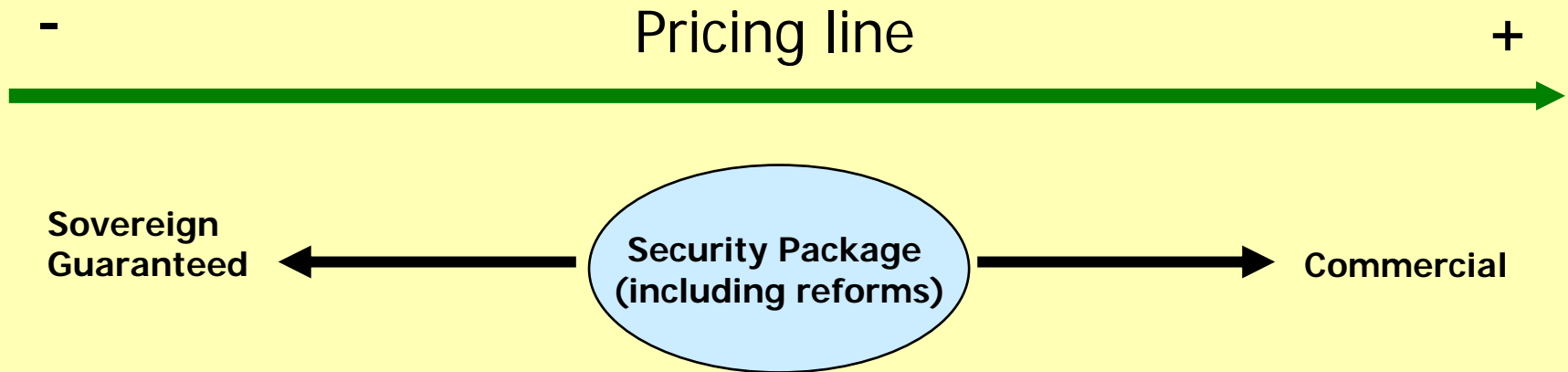
Rationale

- Revenue generating public good or service
- Off-budget
- Professionalizes business
- Corporatization & privatization agenda
- Cofinancing

Key Elements



Pricing



Due Diligence and Structuring

Due Diligence

- ✓ technical
- ✓ commercial
- ✓ corporate
- ✓ legal and regulatory
- ✓ governance and capacity
- ✓ financial
- ✓ economic
- ✓ safeguards
- ✓ management

Debt and Equity

Collateral or Security Package

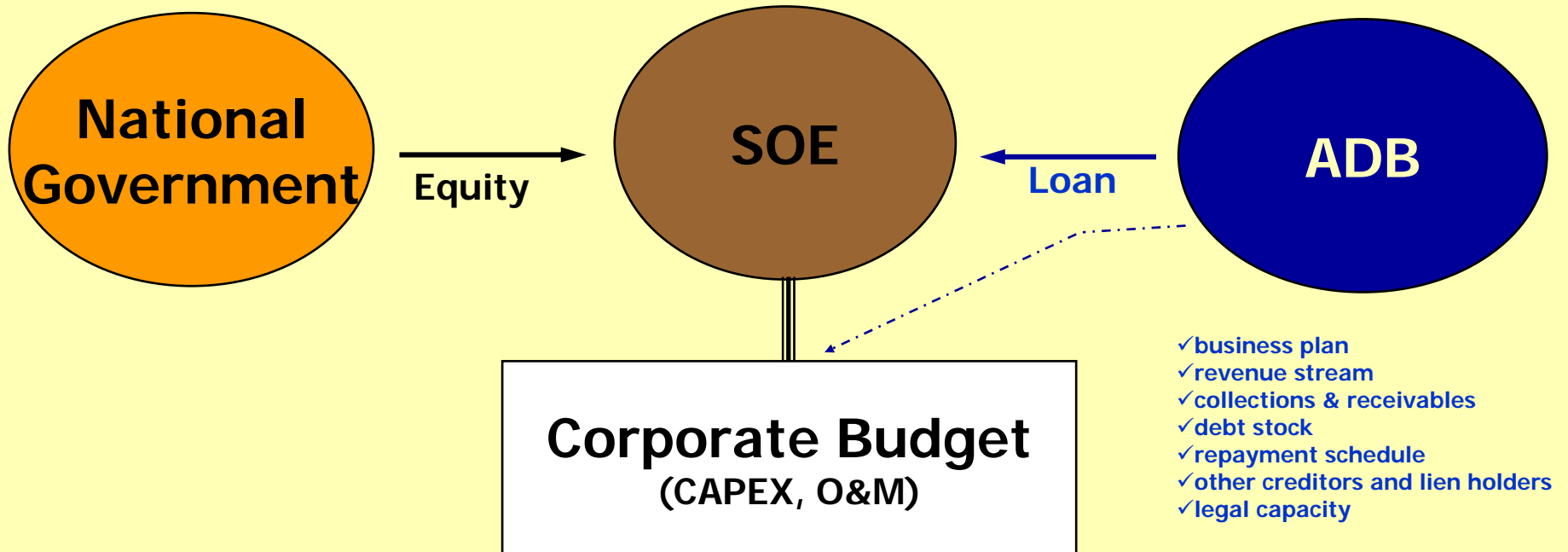
Reforms

Approved NSPs

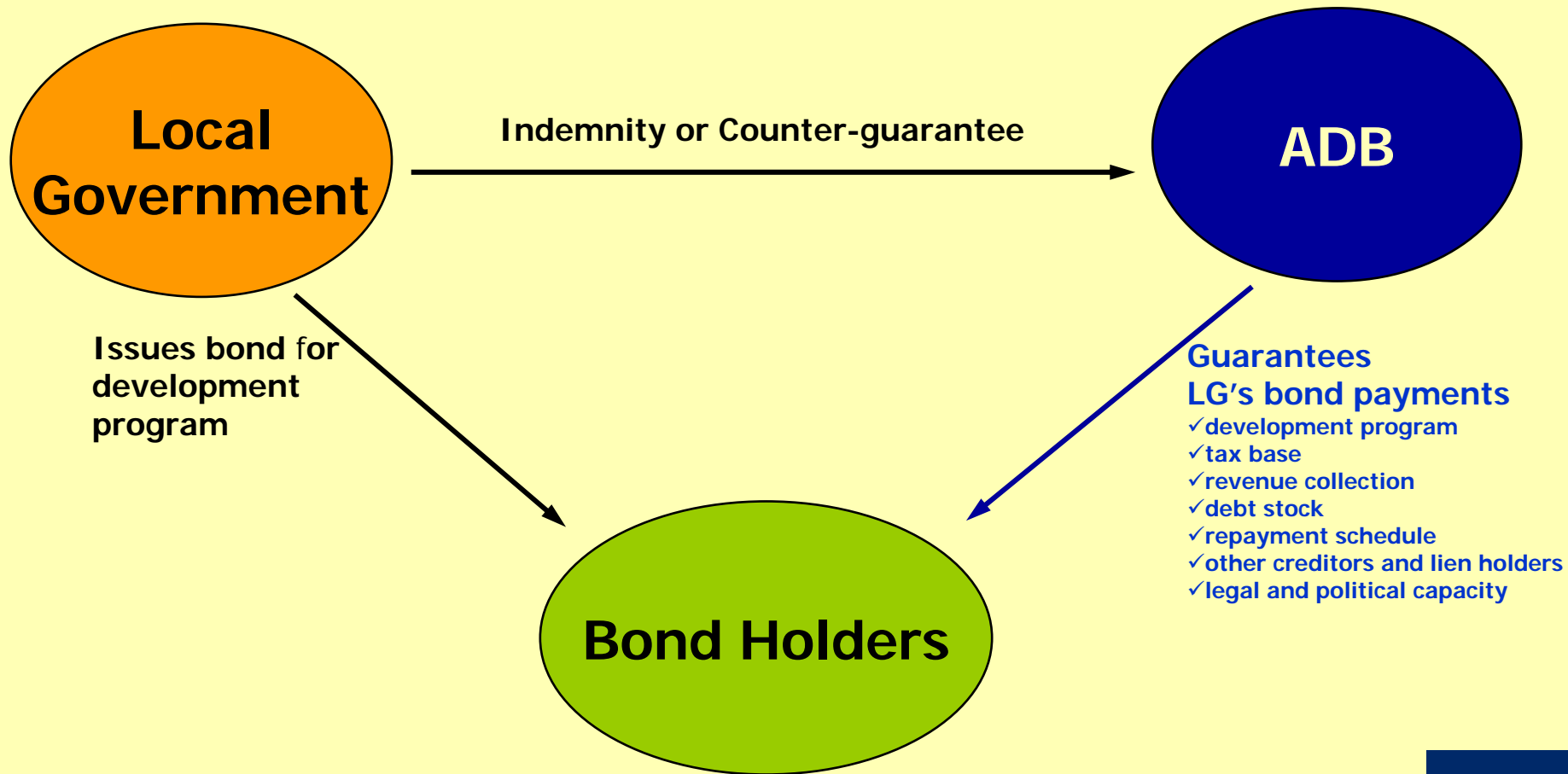
(August 2005 – December 2007)

Program	Direct	CFS	Approval Date
IND: NTPC Capacity Expansion	\$75M	\$225M	27 Jul 2006
INO: South Sumatra to West Java II Gas Pipeline	\$75	\$125	10 Aug 2006
IND: SME Financing Facility	\$75	\$225	22 Feb 2007
SRI: Leasing Facility (People's Leasing Company Ltd-PLC)	\$10		23 Nov 2007
VIE: Vietnam Bank Financing Leasing Company	\$20		11 Dec 2007

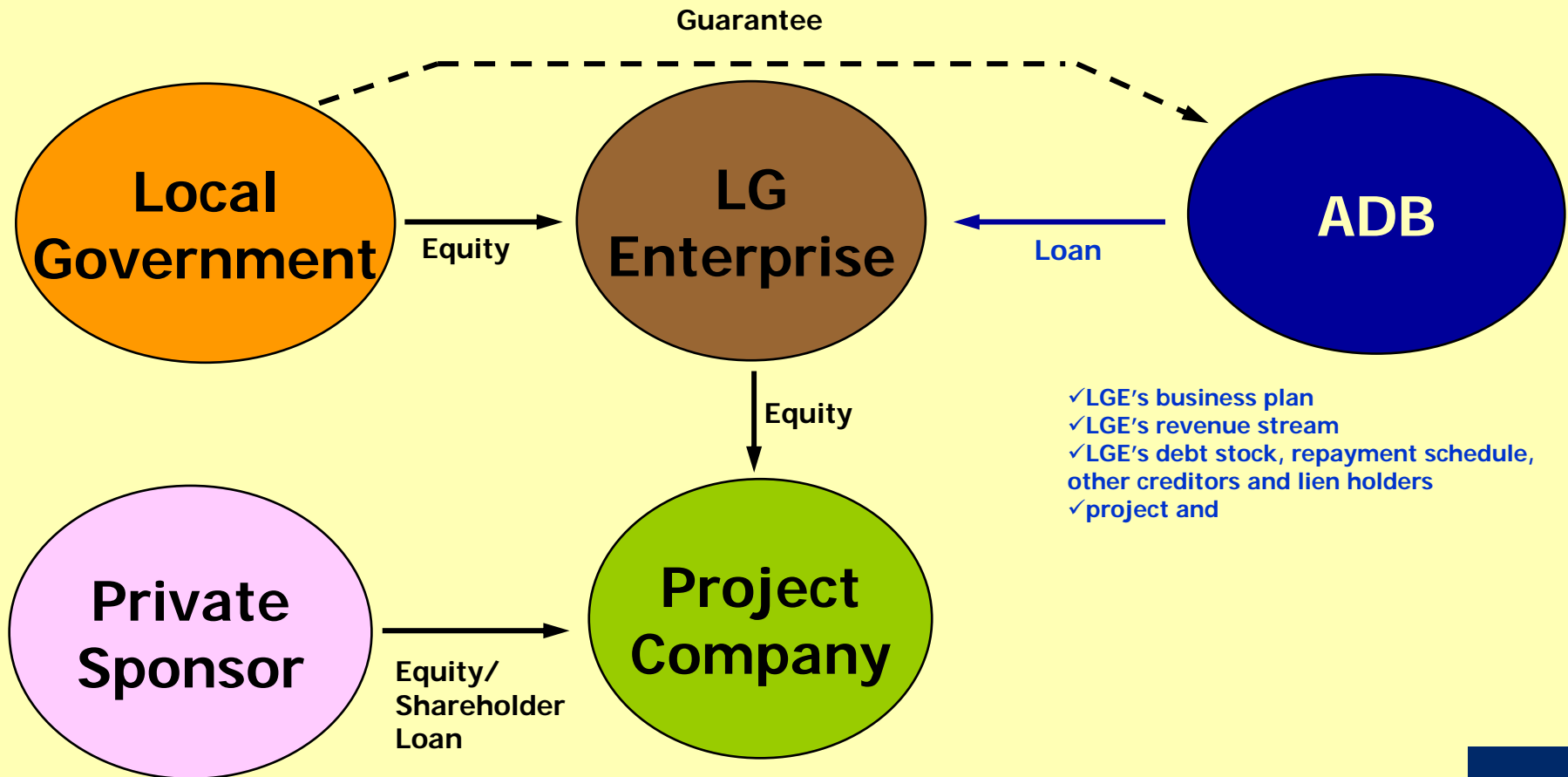
Structuring Possibilities



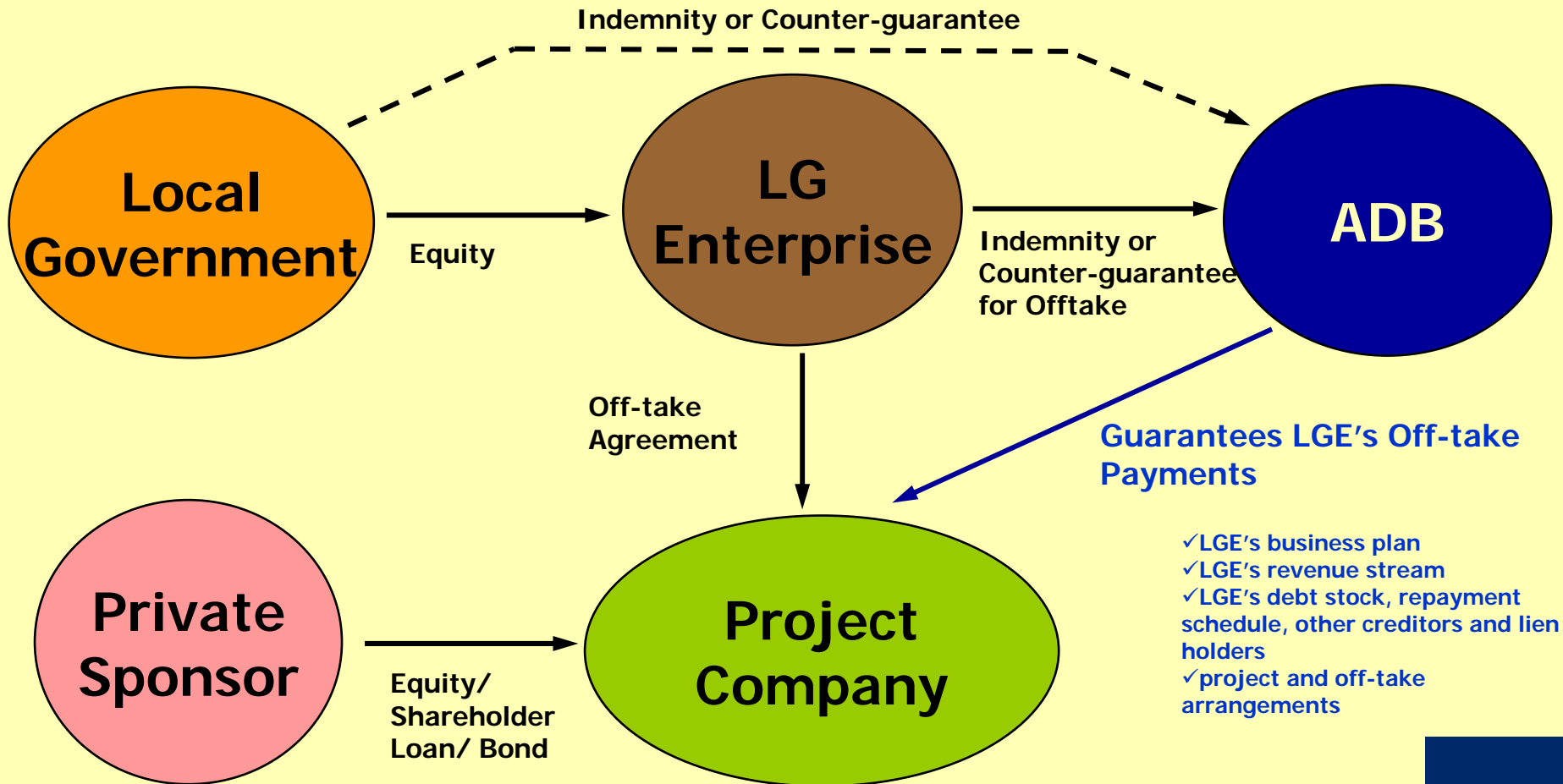
Structuring Possibilities



Structuring Possibilities



Structuring Possibilities



Thank You!