



Financial Oversight and Management Board for Puerto Rico

PRESS RELEASE

For Immediate Release

OVERSIGHT BOARD READY TO RECEIVE PROPOSALS FOR CRITICAL INFRASTRUCTURE PROJECTS

PROMESA-compliant projects to accelerate economic activity and job creation; electricity, transportation and water/waste management are priorities

(San Juan, PR – August 23, 2017) – The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), created by Congress under the bipartisan Puerto Rico Oversight, Management and Economic Stability Act (“PROMESA”), will begin accepting proposals for projects that address critical infrastructure needs under Title V of PROMESA effective today. Interested parties may submit projects via the Critical Project Submission and Management Platform, now available at the Oversight Board’s website <https://cpp.juntasupervision.pr.gov>.

Noel Zamot, recently appointed Revitalization Coordinator (“RC”) for the Oversight Board, made the announcement during the platform’s presentation and launch held today at the College of Engineers and Surveyors in Hato Rey.

“Many hard, but positive steps have been taken to put Puerto Rico and its people in the path to renewed opportunity. Through the Critical Projects Process (“CPP”) we will reinforce the message that Puerto Rico is open for business and we will do it through a successful partnership between the Commonwealth, Federal government agencies and private investors to support sustainable economic growth in Puerto Rico and accelerate job creation,” said Zamot.

In addition to debt restructuring and fiscal reform as two critical areas to move Puerto Rico’s turnaround towards recovery, PROMESA’s Title V provides a powerful tool to aid Puerto Rico’s recovery through economic development. Specifically, the CPP will allow for an expedited permitting process to deliver critical infrastructure projects that address pressing needs, fuel long-term economic growth and accelerate job creation.

To be designated “Critical”, a project must comply with the criteria outlined in Title V of PROMESA which takes into consideration i) the impact a project will have on an emergency; ii) the availability of immediate private capital; iii) level of local government funding required; iv) environmental and

economic benefits; v) the project's current status; and vi) additional priority criteria in terms of local goals, laws and plans.

"The CPP will allow investors to put money to work faster in Puerto Rico's economy. We will focus our priority on electric power, transportation and water/waste management projects. The best candidates will be projects of varying sizes that focus on critical infrastructure needs, are consistent with the fiscal plan for Puerto Rico, have secured private funding, count with a solid environmental impact plan, are close to shovel-ready and are poised to create sustainable, good quality jobs," said Zamot.

PROMESA outlines six steps for the Critical Projects Process that have been programmed into the online project submission and management web platform. Beginning with submittal and ending with the Oversight Board's decision on project criticality, the process entails a compliance review by the Revitalization Coordinator, submittal of an expedited permitted process by the relevant agencies identified and the preparation of a critical projects report by the RC, which is then subject to a 30-days public comment period. The critical projects report must also contain a recommendation from the Governor of Puerto Rico.

"Puerto Rico will need close to \$1.6 billion in new investment in infrastructure in order to meet the economic growth targets contained in Puerto Rico's Fiscal Plan. The Critical Projects Process, alongside the Government's proposed P3 program, will help attract and fast-track significant private investment into critical infrastructure projects that will benefit the economy and the people of Puerto Rico. It's time to move the economy forward, improve the Island's competitiveness and bring on the necessary changes to be truly open for business," concluded Natalie Jaresko, Executive Director for the Oversight Board.

During the event, María Palou, Development and Infrastructure Advisor for the Governor of Puerto Rico and Omar Marrero, Executive Director of the Public-Private Partnerships (P3) Authority emphasized the role that infrastructure must play on the economy and how the Oversight Board's Critical Projects Submission and Management Platform is expected to complement the government of Puerto Rico initiatives to spur private investment in infrastructure through P3s.

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