INFRA-FISCAL RADAR · WEEKLY

Week of 8 September 2026 · Issue 05

Which PPPs does your fiscal rule not see?

A fiscal rule binds on what it measures. This fortnight four official documents showed what escapes the measure: a country's **biggest project, outside the fiscal risk statement**. Two mega projects **voted out of the perimeter** by parliament. A claims stock that **tripled in five years** and lives in a parliamentary report. And the **nine in ten** low-income countries that publish no PPP exposure at all.

Three decisions and one anchor. **A rule is only as wide as the number it binds on.**

Austral Fiscal & Infrastructure Intelligence · drawn from public reporting, with the Austral research series referenced throughout.

RWANDA · OUTSIDE THE STATEMENT

The biggest project in the country is not in the fiscal risk statement.

The IMF's transparency evaluation, published on 28 August, records that the **New Kigali International Airport** — a build-own-operate PPP, 60% Qatar Investment Authority, 40% Government — has risen in cost from US$1.5bn to **US$2.6bn, 17.3% of GDP**, and is "not included in the FRS". With it, the signed PPP portfolio **more than doubles, to 32% of GDP**. Sixty contracts; none on the balance sheet.

17.3% of GDP in one contract, **outside the statement the fiscal framework reads** — and the statement has a PPP chapter, improved since 2019

That last clause is the point. The framework exists and is getting better; the Fund says so. **The perimeter still leaves out the single largest exposure.** A week earlier, Serbia's evaluation reached the same rating on PPPs.

Put the commitment stock in the statement before signature. Every signed PPP enters the fiscal risk statement with its total rights and obligations, and the control test in the government-finance standard is applied contract by contract. What is not written down before signing is not a capacity gap. It is a choice.

Austral papers → ***The Recognition Rule*** · new this week: ***The Useful Silence***

MONGOLIA · LEGISLATED OUT OF THE PERIMETER

Parliament moved two mega projects outside the fiscal rule.

From the 2026 Article IV: “A law proposing the exclusion of the execution of two mega projects of the budget and fiscal rules perimeter was approved by Parliament. This exclusion was not in line with staff recommendations.” The projects — an oil refinery and the Erdeneburen hydropower plant — account for **1.8% of GDP** of expected spending this year.

1.8% of GDP of capital spending **taken out of the rule rather than out of the deficit** — and the budget still misses the 2% structural ceiling

This is the mechanism in its purest form. When a rule binds, the cheapest adjustment is not the deficit; it is the perimeter. And here it did not even buy compliance. Credit where due: the Ministry attached a **Fiscal Risks Statement to the budget for the first time**.

> **Write the anchor on a perimeter no project can leave.** A rule’s coverage should follow what the State controls and pays for, not which law authorises the spending. Report the excluded projects inside the medium-term framework — the Fund’s own ask — and give the Ministry of Finance a binding gate on every PPP.
>
> Austral papers → ***The Anchor and the Perimeter*** · ***The Pipeline Under the Ceiling***

PORTUGAL · THE COUNTRY THAT COUNTS

The PPP claims stock rose €1.1bn in a year — and Parliament published it.

Portugal was forced to put its off-book concessions on the balance sheet during the 2011 bailout. Fifteen years on, Parliament's budget unit publishes the claims stock every year. This year's report: contingent liabilities from PPPs of **€2,869m at end-2025, up €1,107m**; roads €2,360m; the Brisa concession's claims quantified at a maximum of €1,122.5m, "which does not yet have recognition of responsibility by the State".

€2.87bn of PPP claims and arbitrations at end-2025 — **more than tripled since 2020**, and two and a half times the €1,124m the State actually paid its PPPs last year

This is the case on this page that is going *right*: a stock, by sector, with the State's position on each claim, in public, annually. And note where it lives — **in a technical report, not in the deficit or the debt.**

> **Move the claims register into the fiscal risk annex, with a probability and a provision.** Every rebalancing request and arbitration logged with the amount claimed, the State's assessed likelihood, and a provision when it is probable. Counting is most of the work; the last step is a number the budget has to carry.
>
> Austral papers → ***The Renegotiation Triangle*** · ***Stress-Testing PPP Portfolios***

GLOBAL · THE ANCHOR

Fewer than one low-income country in ten publishes what it owes under its PPPs.

The World Bank's debt-transparency review: PPPs are used by **over two thirds** of low-income developing countries, yet **"less than 10 percent"** quantify the government's direct and contingent exposure in any debt or fiscal-risk document. Average exposure where estimated: 2% of GDP; above 5% in one country in seven.

< 1 in 10 low-income countries publishing their PPP exposure — against the EU, where the rule is built to see and the off-balance stock is **below 2% of GDP everywhere**, nine countries at zero

Read the two numbers together. Where the recognition test is tight and the table is published every January, the stock that escapes it is small. Where nothing is published, **nobody knows what the rule is missing — which is what makes the silence useful.**

> **Disclose the stock, not the flow.** The annual payment is what the budget sees; the commitment stock is what the rule should bind on. Publish the total obligations of every signed contract once a year, on the same basis for every procurement form, and the incentive to structure around the measure loses its payoff.
>
> Austral papers → new this week: ***The Useful Silence*** · ***The Recognition Rule***

THE THROUGH-LINE

A rule is only as wide as the number it binds on.

Outside the statement in Rwanda, outside the perimeter in Mongolia, outside the deficit in Portugal, unpublished in nine low-income countries out of ten. Whatever the number does not include is not constrained — **and there is always a contract form that fits outside it:**

VfM value for money	Compare procurement forms on the same recognition basis, or the comparison is the loophole.
FARO PPP fiscal risk	The commitment stock of every signed contract, inside the fiscal risk statement, before signature.
GFS accrual accounting	The control test, contract by contract — on the balance sheet when the State carries the risk.

Four documents in a fortnight. **Only one of them published the whole stock.**

PAPERS, MODELS & FARO

austral-intelligence.com/research · platform.austral-intelligence.com