

United States

Commercial Law Development Program (CLDP)



TYPE OF TOOL:
Capacity building



MAIN SECTOR:
All sectors



THEME:
Green



INFRASTRUCTURE GOVERNANCE PILLARS:
*Coherent, predictable and efficient regulatory framework;
Transparent, systematic and effective stakeholder participation*

In a nutshell:



OBJECTIVE: The Commercial Law Development Program (CLDP) is aimed at improving the legal environment for business worldwide.



Agency in charge
U.S. Department of Commerce



Levels of government
National



Year of implementation:
1992



Current status:
Fully operational

Overview:

The Commercial Law Development Program (CLDP) collaborates with developing and post-conflict countries to implement commercial legal reforms that support U.S. foreign policy goals. The government-to-government technical assistance helps host countries modernise their commercial legal environments and support their economic development. CLDP's Asia-Pacific Team advises policymakers and government officials on how to develop transparent legal and procedural frameworks to oversee complex infrastructure projects. CLDP finds common reasons for project failure: i) lack of government expertise, experience and capacity; ii) instability resulting from changes in governments; iii) poor communication during project development and procurement; iv) inappropriate project structure; v) insufficient project risk assessments; and vi) lack of clear mandate or political will for the project. According to CLDP, to mitigate these risks, project due diligence should begin in the early stages of project identification and selection, with feasibility studies and value for money analysis as an integral part of the process. Assessments should vet the private partner to avoid conflicts of interest, minimise ethical and legal issues and ensure financial stability and compliance with reporting laws. Political considerations, including the existence of a project champion to advocate on behalf of the project without direct influence over the choice of the private partner, are essential for a project's success. Additionally, inter-stakeholder communication is vital, with direct engagement of all affected ministries/agencies in the project implementation. An inter-stakeholder communication strategy could include the identification of all interest groups, an explanation of the main concepts that need to be communicated, mechanisms of communication, and a strategy for maintaining good relationships with the press.

REFERENCES:

- U.S. Department of Commerce, Commercial Law Development Program, <https://cldp.doc.gov/>