



Management Response

Evaluation Title:	Public-Private Partnerships (PPP) Initiative: PPP Toolkit and International PPP Centre of Excellence		
Period of Review:	February 2012 - July 2017		
Date of Evaluation Report:	October 2018		
Approved by:	Chief, Programme Management Unit Ms. Catherine Haswell	Date 17/10/18	Signature
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Recommendation 1:

In order to establish the People-First (PF)-PPPs as a main financing modality for sustainable development, UNECE should advocate the adoption of people-first principles at least across the UN System (in the first stage) through a "One-UN" approach. This might be achieved gradually either through a bottom-up approach (having the national governments requesting this in a formalized manner) or by proposing UN a general adoption of PF-PPP standards through internal (political or technical) mechanisms. As an organization with a high degree of credibility, the United Nations took take the lead role in regulating and creating standards for PPPs that would enable a wider acceptance and a more robust involvement of the private capital in financing sustainable development. An additional advantage of UNECE is the unique intergovernmental body – the Team of Specialists (later upgraded to the Working Party on PPPs). This comparative advantage should be further capitalized by UNECE in being the leading entity on PF-PPP matter.

Management Response:

UNECE partially accepts this recommendation. UNECE member States strongly believe that the traditional PPP model needs to transition to people-first in order to have any impact vis-à-vis the SDGs and have asked us to promote this across the UN system. The Guiding Principles on people-first PPPs for the SDGs have been published as a UNECE contribution to paragraph 48 of the Addis Ababa Action Agenda on Financing for Development. The UNECE works closely with other UN bodies within the interagency task force on Financing for Development and continues to explore options to promote this work collaboratives. However, it cannot assume a leadership role on this unless this role is recognised by other UN bodies.

Follow up actions and responsibilities:

At its session in March 2018, the Committee on Innovation, Competitiveness and Public-Private Partnerships (Decision 2018 – 4b.6)

"Encouraged the secretariat to continue working closely with the United Nations Department of Economic and Social Affairs, the other Regional Commissions, UNCTAD, other United Nations agencies and the World Bank to make the guiding principles on people-first PPPs for the SDGs a joint contribution to the Inter-agency Task Force on Financing for

Development in response to paragraph 48 of the Addis Ababa Action Agenda for adoption in the spirit of "Delivering as One".

UNECE will continue to promote its PPP work within the UN system, and in the context of the interagency task force. The responsibilities fall within the remit of the Cooperation and Partnerships Section

Recommendation 2:

The private sector has a distinct performance advantage through its efficient and streamlined processes, maximizing the efficiency and thus bringing more 'value for money'. The private sector is knowledgeable about PPPs, but less so about sustainable development and the SDGs. Especially the top management within the private companies started to become more aware of SDGs, not so the middle management. This niche can be considered by UNECE to become a broker between the public and the private sector.

Management Response:

UNECE partially accepts this recommendation. UNECE works with the private sector (construction companies, consultants, lenders), especially through the PPP Business Advisory Board, which set up a special SDG task force with the aim of promoting the SDGs among the private sector. The PPP Business Advisory Board is a formal UNECE body set up by the Executive Committee (ECE/EX/2014/L.16) and is made up of 30 leading private sector PPP experts.

Follow up actions and responsibilities:

This is an ongoing process, and UNECE will continue advocating with the private sector during its intergovernmental meetings and the PPP Forums to ensure that they are fully aware of the SDGs.

To implement this recommendation is an ongoing work. The responsibilities fall within the remit of the Cooperation and Partnerships Section (Tony Bonnici is responsible for the Business Advisory Board within the secretariat).

Recommendation 3:

A central focus for ICoE should be on creating universal standards in PF-PPPs. Drafting guidelines and standards for PF-PPP should be done by the UN, not by the member States' governments nor by the private sector. For this, a mechanism of public consultations similar to public consultations for SDGs could be envisaged and should specifically involve non-state actors. After defining the guidelines and standards, a mechanism for legal adoption by member States' Parliaments should be created.

Management Response:

UNECE partially accepts this recommendation. The PPP standards, guiding principles, declarations, best practices and recommendations developed by UNECE through its intergovernmental process have a very broad appeal beyond the UNECE region. One of the stages of the development of the standards is a very broad public consultation period of at least two months, where the secretariat proactively solicits comments and feedback from a variety of stakeholders – governments, private sector, NGOs, academia, IGOs. As per the mandate by the Commission, all these outputs are voluntary in nature and do not pose any obligations on the member States unless they decide to implement them in a variety of ways (e.g. through legislation, administrative instructions etc). A mechanism for legal adoption is presently outside the UNECE PPP mandate.

Follow up actions and responsibilities:

As part of UNECE policy advisory services, the Working Party on PPPs engages on an ongoing basis with the member States who request the UNECE assistance to implement the PPP standards, guiding principles, declarations, best practices and recommendations. This includes giving them support in drafting legislation and administrative instructions for their effective implementation. In 2018 policy advisory missions were held in Belarus, Bulgaria, the Russian Federation and Ukraine.

To implement this recommendation is an ongoing work. The responsibilities fall within the remit of the Cooperation and Partnerships Section (Geoffrey Hamilton, Tony Bonnici and Claudio Meza)

Recommendation 4:

In the context of the unstable humanitarian circumstances in parts of the world, refugee camps for regional or international displaced people have to be created rapidly, exerting increased pressure on local population and resources. In delivering public infrastructure and services in the camps, the private sector can be effective by delivering technical expertise and efficient cost management, thus making PPPs a potentially preferred approach. The knowledge transfer to relevant organizations could be realized within the overall inter-agency cooperation of the UN system. In this context, ICoE could generate and share knowledge on involving private sector in managing humanitarian situations.

Management Response:

UNECE partially accepts this recommendation. The UNECE does not have a mandate to prepare standards, recommendations and guiding principles for humanitarian situations. However, whenever standards or guidelines are designed on specific sectors, the UNECE gives careful considerations on how these could also have a positive impact on humanitarian situations. The private sector has provided many solutions in humanitarian situations, including in refugee camps, and as part of the UNECE campaign for 500 people-first PPP case studies, an energy project in a refugee camp in Ethiopia was showcased. One of the main infrastructure challenges in refugee camps is waste management and UNECE is working with a team of experts to develop guidelines on waste to energy projects, with a section dedicated to small waste to energy projects for refugee camps/rural communities.

As explained above, the UNECE PPP secretariat is involved in the infrastructure work stream within the interagency task force on Financing for Development. It is however not involved at all in any interagency work related to humanitarian situations.

Follow up actions and responsibilities:

The guidelines on PPPs in waste to energy projects are under preparation and are expected to be finalised in 2019. The responsibilities fall within the remit of the Cooperation and Partnerships Section (Geoffrey Hamilton)

Recommendation 5:

When establishing a certification mechanism for ("people-first") PPPs, ICoE should take into consideration other schemes developed by multilateral development partners. The guidelines set out by member States for a potential certification mechanism should take into account similar (existing or developing) certification mechanisms and avoid overlapping. For example, the APMG Public-Private Partnerships Certification Program (set up by six development banks) is already an established mechanism, pursuing the vision of enhancing PPP performance globally, and ICoE should explore whether a parallel PF-PPP certification would be effective enough, or rather adoption of "people-first" principles by APMG would be a better option.

Management Response:

UNECE does not accept this recommendation simply because UNECE does not have a mandate from the member States, as yet, to establish a certification scheme for people-first PPPs. This is a matter for the Bureau of the Working Party on PPPs to consider at the appropriate time if there is a demand by the member States to pursue this further.

Follow up actions and responsibilities:

No follow up actions are envisaged at this stage.

Recommendation 6:

In order to maximize the efficiency, the project management cost should be estimated and adjusted depending on the total project budget. In this case, the cost amounted to approximately 36 percent of the total project budget, a considerable

level. However, for project management, staff personnel should be considered, as external consultants can cause fragmentation and diminish the institutional memory. In case staff would be too expensive compared to project size and budget, one person could manage several projects.

Management Response:

UNECE accepts this recommendation.

Follow up actions and responsibilities:

In the future, the Cooperation and Partnerships Section will ensure that temporary staff members provide management support to several XB projects.

To implement this recommendation is an ongoing work. The responsibilities fall within the remit of the Cooperation and Partnerships Section (Geoffrey Hamilton)

Recommendation 7:

The project created and maintains a very well-designed web-site populated with reach content. A similar future project should consider hosting a more interactive information and knowledge exchange between the SCoEs (video conferences or scheduled meetings, either among the Centres or coordinated by the Secretariat through the WebEx platform). This interactive tool could also be used in public consultation stages. An Annual Report on PPPs (similar to Human Development Report) could be another effective tool to make PPPs better accepted and raise the visibility of UNECE.

Management Response:

UNECE accepts this recommendation. UNECE will publish an annual report of the work of the PPP Specialist Centres beginning in 2018. UNECE will also start having regular meetings including all Centres, with the first scheduled to take place in Beijing on 3-4 December 2018. As mandated by the Working Party on PPPs at its second session in November 2018, the purpose of the meetings is to agree on annual work plans for the Centres to promote the UNECE people-first approach, standards and international best practices in support of the SDGs.

Follow up actions and responsibilities:

The first report to the Bureau of the Working Party on PPPs covering the period December 2017 to November 2018 will be published by March 2019.

The first meeting of the Specialist Centres of Excellence will take place in Beijing on 3-4 December 2018. The responsibilities fall within the remit of the Cooperation and Partnerships Section (Geoffrey Hamilton and Tony Bonnici)