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**Thematic Working Group on Sustainable Transport, Transit and  
Connectivity (TWG-STTC)**

21<sup>st</sup> Session  
7-8 September 2016  
Ashgabat, Turkmenistan

**Establishment and strengthening of Public-Private Partnerships in the SPECA region**

(Item 4.7 of the Agenda)

*Note by ECE/ESCAP*

1. Given the massive financial requirements for developing and maintaining transport infrastructure and the limited budgetary resources and borrowing capacities of countries, it is unlikely that the public sector will be able to deliver the entire infrastructure needed for development. Therefore many governments have been taking measures for further engaging the private sector. Involving the private sector is needed not only to provide innovation and efficiency gains in delivery and management of infrastructure and services, but also to provide new sources of finance.
2. Recognizing the potential of Public-Private Partnerships (PPPs) as an alternative financing and delivery modality, ESCAP and ECE secretariats have been promoting the use of PPPs under their regular programmes of work. Over recent years ESCAP and ECE have developed and disseminated resource and training materials; conducted national and regional capacity building activities; established regional knowledge networks through regular regional meetings of PPP units and programmes; and provided advisory services and technical assistance. These resources are available in English from the ESCAP website (<http://www.unescap.org/our-work/transport/financing-and-private-sector-participation>) and an International Centre of Excellence on Public-Private Partnerships (PPPs) has been established at ECE (Further details on the work programme of the Centre are available from the ECE website (<http://www.unece.org/ceci/ppp.html>)).
3. To further expand private sector involvement in infrastructure development in SPECA countries, a number of critical steps are however required. In particular, appropriate institutional and legal frameworks need to be put in place and a sustainable capacity-building programme on

PPPs is required for both the public and private sectors. In this regard, ESCAP has created an e-learning series on public-private partnerships aimed at policy policymakers. Featuring six modules, the series provides users with essential information about the benefits and limitations of PPP models for infrastructure development (the e-learning series can be accessed on <http://www.unescap.org/our-work/transport/financing-and-private-sector-participation/public-private-partnership-course> and includes now a PPP awareness certification exam). ESCAP also continues to facilitate knowledge and experience sharing among the countries of the region. To this end, the first Asia-Pacific Forum on PPPs for Transport Infrastructure Development was organized in 2015 in Bangkok and a series of PPP Transport case studies has been developed. A diagnostic tool has been used to help several developing countries in assessing their readiness for PPP implementation and in identifying the bottlenecks to address (e.g. changes to their policy, legal or institutional environment). ESCAP has also recently launched an online Qualitative Value-For-Money Toolkit to support Governments in early stage identification and selection of projects suitable to be delivered on a PPP basis. To facilitate the use of PPP for dry port development, a “Project Structuring Options and Model Agreement” has been developed specifically for this type of infrastructure and is now available online.

4. During its Twenty-seventh session (Geneva, 8–10 September 2014) the Working Party on Transport Trends and Economics (WP.5) organized the Second workshop on “Good practices and new tools for Financing Transport Infrastructure”. The workshop is organized jointly by Euro-Asian Transport Links (EATL) project, Trans-European North-South Motorways (TEM) and Trans-European Railway (TER) projects and WP.5. The proceedings of the workshop, presentations and all workshop material have been uploaded on the UNECE website at [www.unece.org/trans/main/wp5/wp5\\_workshop7.html](http://www.unece.org/trans/main/wp5/wp5_workshop7.html).

5. The First International PPP Forum “Implementing the United Nations 2030 Agenda for Sustainable Development through effective, people-first Public-Private Partnerships” held its session in Geneva from 30 March to 1 April 2016. Almost 400 experts, representing more than 45 countries, attended the meeting.

6. The Secretariat invited experts to discuss Public Private Partnerships (PPPs) as a key mechanism to contribute to the 2030 Agenda of the United Nations and as a tool to achieve the Sustainable Development Goals (SDG’s). The PPPs are considered essential to achieving many of the 2030 Agenda targets.

7. Delegates discussed the adoption of the SDG's and how they have created a strong rationale and the need for standards and Project Team Leaders introduced progress reports on the development of PPP standards and invited the experts to identify the main challenges in the development of PPP standards, the role of Project Teams, the coordination with each other, and their responsibilities, with the aim to discuss actions to accelerate the production of the standards and the action plan for going forward.

8. In addition, a key objective of the Forum consisted in identifying and showcase concrete case studies of PPPs which meet the SDG's so that they themselves could inspire others and be used by governments. About 30 stories were received, of which 12 projects specifically highlighting the overall impact of SDGs were presented at the Forum. In their presentations, the speakers showed how, in practice, People, Planet, Peace and Prosperity are improved in some challenging places in the world.

9. Almost 20 parallel work streams rounds were carried-out during the Forum to accelerate the work on the standards and to implement the recommendation endorsed by various key stakeholders for Centres of Excellence, Specialists Centres and Project Teams. The work streams were led by sector specialists and project team leaders, who discussed on subjects such as legal and regulatory framework; integrity and transparency in PPP procurement; tools to help cities solve their urgent needs; public transport logistics; innovative finance and funding; procurement and dispute resolution, etc.

10. During the sessions on Transport Infrastructure, experts discussed and reviewed the status and development of the draft UNECE Standard for PPPs in Rails, and the draft UNECE Standard for PPPs in Airports. More information could be found at: <http://www.unece.org/ppp/forum2016.html>.

#### **The Thematic Working Group may wish to**

- Ask the TWG-STTC members to update the meeting on developments in PPPs in their countries (revised legalization, institutional arrangements and so on), including specific transport projects procured through this mechanism;
- Encourage SPECA countries to pursue policy measures to create the appropriate institutional environment for the development of public-private partnerships;
- Encourage SPECA countries to strengthen the training programmes for government officials

and other relevant stakeholders by taking advantage of training materials on PPPs prepared by ECE and ESCAP.