



June 2010 Issue No. 3

**INTERNATIONAL COOPERATION ON PPPs**

**INTERVIEW: Nascent Cooperation on PPPs in Central Asia**



*By Ms. Gulnara KALIKOVA, Managing Partner at Kalikova and Associates in Bishkek, Kyrgyz Republic.*

*During the international PPP conference in Turkey (29-30 April 2010), a group of Central Asian representatives gathered and spontaneously asked the UNECE Secretariat for its advice on how to foment knowledge and experience sharing in Central Asia. Ms. Gulnara Kalikova, Managing Partner at Kalikova and Associates in Bishkek, Kyrgyz Republic, took part in the gathering and is eager to contribute to a better cooperation on PPP in the region. She hopes this initiative will be fruitful and have an important impact on the Kyrgyz Republic on the long-term. [\[FULL INTERVIEW\]](#)*



**PAST CONFERENCE:  
Addressing the challenge of doing PPPs in the Black Sea Region, the Caucasus and Central Asia  
29-30 April 2010, Istanbul, Turkey**

*The PPP Platform Turkey presents an excellent model for building PPP expertise. The Turkish government has involved specialists from the private sector to launch this initiative, which has resulted in mutual learning and a true public-private partnership. Turkey has now come as far as to work on a PPP law that intends to set clear and simple rules for implementing PPP projects. It has shown how important a role a national PPP unit can play. Given the important challenge regarding the infrastructure in the Black Sea region, the Caucasus, and Central Asia, modernization is needed and Turkey can provide valuable experience and knowledge on PPP.*



*By Av. Dr. Ahmet T. KEŞLİ (LL.D., LL.M.), Founding President of International PPP Platform Turkey and Founding Partner of Group Law Firm, Istanbul, Turkey*

*An international PPP conference was successfully co-organized by UNECE – TIKa – BSEC – INTERNATIONAL PPP PLATFORM TURKEY. Turkey has welcomed a wide range of participants from different countries. Distinguished speakers from ministries, municipalities, other governmental organizations, NGOs, and private sectors delivered their engaging presentations. [\[FULL ARTICLE\]](#)*

**KNOWLEDGE SHARING AND BEST-PRACTICE**

**Northern Ireland's experience on PPPs**

*Mr. Leo McKenna has joined SIB in 2004 as a strategic advisor. He is currently working with the Department of Health, the Department of Education and Roads Service to help deliver hospitals, community care centres, schools and roads. During the past conference on PPPs in Istanbul, he explained how to develop and deliver a national infrastructure investment strategy based on his experience in Northern Ireland. [\[view presentation\]](#)*



*By Mr. Leo MCKENNA, Strategic Advisor, Strategic Investment Board Limited, Belfast, United Kingdom*

*Northern Ireland was a conflict area from 1969 until 1998. For 30 years, the majority of the investments went into the security sector, leaving other sectors with significant infrastructure deficits. Historically, procurements were made using public capital funding. Delivery was often over time and over budget, and poor maintenance was provided. Public capital was not sufficient to fund the current infrastructure needs. [\[FULL ARTICLE\]](#)*

**PPPs in hospitals**

*Mr. Rui Sousa Monteiro is one of the region's leading experts on PPPs. As senior economist at Parpublica SA, Lisbon, Portugal, he has been participating in an important number of PPPs in hospitals. During the past conference on PPPs in Istanbul, he delivered an excellent presentation on PPP Best-Practice in hospitals. [\[view presentation\]](#)*



*By Mr. Rui Sousa MONTEIRO, Senior Economist PPP Unit, Parpublica SA, Lisbon, Portugal*

*Of all the sectors where PPPs take place, one of the most challenging is the health sector. Not only is the sector vast and heterogeneous, involving different types of structure at different levels, it also involves a critical service that directly impacts many lives. Risk management and allocation are of critical importance in this type of PPP. [\[FULL ARTICLE\]](#)*

**Capacity Building Materials for PPPs:  
PPIAF's Global Knowledge Program**

**PPP Pilot-Project in the Canton of Bern**

As a next step in the further development of the Central Asian PPP experts network (see interview of Ms. Gulnara Kalikova above), the UNECE will hold a seminar on PPPs on December 15-17 2010. The seminar will be hosted by the Organization of the Black Sea Economic Cooperation. The World Bank, PPIAF, and other partners in Turkey, are also supporting this event. Ms. Clemencia Torres de Mästle, a Colombian national, joined PPIAF in January 2007. Before she joined the PPIAF, Ms. Torres de Mästle worked for 10 years at the World Bank, focusing on public enterprises, private sector participation, and regulation of utilities. As Program Leader for Global Knowledge in PPIAF, Washington D.C., USA, she explains how PPIAF intends to foment knowledge-sharing through its qualitative work and capacity building materials.



By Ms. Clemencia TORRES DE MÄSTLE, Program Leader for global knowledge in Public-Private Infrastructure Advisory Facility, Washington D.C., USA

As a global platform for the generation and dissemination of knowledge on public-private partnerships (PPPs) in infrastructure, PPIAF can help developing countries leverage global best practices to improve and expand the provision of infrastructure services through efficient PPPs.

[\[FULL ARTICLE\]](#)



The Swiss Canton of Bern is in the process of transforming a former arsenal area in Burgdorf into an administration center (for about 450 employees) through a PPP model over 25 years. It would include a regional penitentiary with a capacity of 110 prison places as well as a judiciary center among others. It believes that the PPP model could make the project 5% more cost-effective. However, during the process some concerns were raised when referring to the feasibility and complexity of PPP projects in general. The current stakeholders of the Burgdorf Project were also interested in knowing what was currently impeding a broader expansion of PPPs. Therefore, it had been decided to undertake this project as a pilot. Verein PPP Schweiz and the Canton of Bern will be collaborating on the redaction of a memento which will sum up practical experience gained through this pilot-project. The canton, together with Verein PPP Schweiz, presented a first evaluation of the pilot project in May. The first results seemed promising, and until now the expected cost savings (compared to a traditional model) have been achieved.

More information about this project can be found at: <http://www.ppp-schweiz.ch/fr/>

### Introduction to A Guide to Guidance Sourcebook for PPPs in TEN-Transport

The dissemination of knowledge is necessary to remain at the forefront of dynamic and complex practices such as PPPs. In order to give a better way to access sources relating to PPP procurement and implementation issues as well as specific aspects of PPP design, EPEC, the EIB, the EU Commission Services and the Member states have created, in cooperation, a guide to advance the sharing of the collective PPP knowledge base and best practices needed in order to implement the successful delivery of PPP Programs. **A Guide to Guidance- Sourcebook for PPPs in TEN-Transport** is designed as a sourcebook for referencing publications and materials relating to good practices. Improving the ease of access to relevant and useful information is part of the key objective of the Trans European Transport Network (TEN-T) to create cohesive and sustainable transport systems for both goods and people.

For information: EPEC Team [epec@eib.org](mailto:epec@eib.org) [www.eib.org/epec](http://www.eib.org/epec)

## FORTHCOMING EVENTS

### III Astana Economic Forum "Ensuring Sustainable Economic Growth of Countries in Post-Crisis Period", 1-2 July 2010, Astana, Kazakhstan

By initiative and attendance of Nursultan Nazarbayev, the President of the Republic of Kazakhstan.

Within Forum:

#### July 1, 2010 (First Day)

PPP Units conference on "PPP as innovative method of collaboration between the government and business"

**Aim:** Creating a unified platform for discussion of PPP related issues, a single source for the PPP issues, a database of international practice in the field of PPP.

**Objectives:** Standardization and harmonization of approaches on PPP issues. Definition of basic principles and mechanisms of an international PPP unit functioning.

#### July 2, 2010 (Second Day)

The round table discussion on "Practical aspects of public-private partnership"

**Aim:** To work out recommendations for improving the effectiveness of the PPP

**Objectives:** Discussion on evaluating the effectiveness of the implementation of PPP projects and to increase effectiveness of measures of state support for PPP projects in order to create conditions for attracting private investment in infrastructure

**Who should attend:** high-level representatives from PPP Centers (Units), leading PPP experts, concessionaires, potential investors.

More information can be found on the following web-sites: <http://www.aef.kz/> and <http://www.economyclub.info/>

The registration and participation on the Forum is free!

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### "How to assess and implement PPP projects" 28-29 July 2010, Tashkent, Uzbekistan

A workshop for state authorities and private businesses on "Public-Private Partnership: How to assess and implement infrastructure projects" will be co-organized by the Chamber of Commerce of Uzbekistan, the Business Forum of Uzbekistan, the UNDP and the UNECE.

The sessions will cover the following topics:

**Day 1, July 28** Session I: PPPs in infrastructure development

**Day 2, July 29** Session II: Formulation and implementation of PPP projects

Session III: Legislation on PPP

The speakers have been chosen by the organizing bodies, and are among the region's most renowned international PPP experts.

For more information please contact us at [ppp@unece.org](mailto:ppp@unece.org)

## About the eNewsletter

This Newsletter provides information on the work of the UNECE Team of Specialists on Public Private Partnerships (PPPs) as it concerns capacity building and other related activities. By PPPs we mean, modern, long-term, contractual arrangements for developing infrastructure and providing public services by introducing private sector funds and motivation into areas that are normally the responsibility of government. Capacity building is, here, defined as the building of the skills and knowledge to do PPPs as well as the establishment of the enabling PPP environment, that is, the institutions, laws and market conditions. Capacity building initiatives in PPPs have to date been relatively unsuccessful in changing the behavior of government officials and improving working practices.

Currently, the Team of Specialists is addressing 3 main challenges:

1. To elaborate a set of high quality, practical and easy to understand PPP 'training the trainer' modules as part of a Toolkit on 'How to do PPPs';
2. To organize in cooperation with local training institutions, business schools and universities, effective capacity building using these modules and, in parallel to this, to hold consultations between senior members of Governments and the PPP Business Advisory Board on the implementation of national infrastructure development plans; and
3. To create a more effective framework for international cooperation on PPPs – a PPP Centre – that can ensure regular contact between key stakeholders, that can increase the capacity of governments to deliver PPPs, that can build local training capacity and can keep up to

date the PPP training materials.

In our future issues, the Newsletter will publish articles demonstrating progress towards the achievement of these 3 goals. However your support is vital if we are to achieve these objectives.

- If you would like to contribute to the elaboration of the training modules;
- If your country would like to host a consultative visit of the Business Advisory Board;
- If you would like to help in the 'peer review' of the PPP training modules;
- If you would like to contribute an article on any of these three items.

Please e-mail us at [ppp@unece.org](mailto:ppp@unece.org). For more information on PPPs, please visit our website <http://www.unece.org/ceci/ppp.html>

**Feedback:**

We would like to invite your comments on what has been written in the newsletter and other PPP issues in the capacity building field. Please send your feedback to <mailto:ppp@unece.org>

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