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Geneva, 18-19 April 2011

Report of the Team of Specialists on Public-Private Partnerships*Summary*

The Team of Specialists on Public-Private Partnerships (PPP) held its third session on 18-19 April 2011 with over 200 participants from more than 35 countries that included two ministers and other senior policy makers, 10 intergovernmental organizations, and 24 internationally-recognised private sector institutions. The meeting was opened by the Director General of the United Nations Office in Geneva, and the Secretary General of the United Nations Conference on Trade and Development.

Taking note of the unanimous support throughout the debate in the substantive session to the creation of the UNECE International Centre of Excellence, and encouraged by the several expressions of interest by countries to host specialist centres within the UNECE PPP Initiative, the Team recommended the establishment of the UNECE International PPP Centre of Excellence in Geneva, and invited the appropriate UNECE management bodies to consider further steps to operationalize it.

The Team also: elected a new Chairperson and several vice-Chairpersons; reviewed the work done since the second session in December 2009; agreed on the implementation plan for the rest of 2011 and made proposals for the programme of work in the next biennium 2012-2013; established a working group to work on the Toolkit; and created the PPP Readiness Task Force. Finally, The Team decided that its fourth session takes place in February 2012 in conjunction with PPP Days 2012.

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I. Attendance

1. The Team of Specialists on Public-Private Partnerships held its third session on 18-19 April 2011. Representatives of the following countries participated in the session: Albania, Belarus, Belgium, Bosnia and Herzegovina, Croatia, Cyprus, Czech Republic, Germany, India, Japan, Kazakhstan, Kyrgyzstan, Lebanon, Lithuania, Montenegro, Netherlands, Pakistan, Philippines, Poland, Qatar, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Saudi Arabia, Serbia, Syrian Arab Republic, Tajikistan, the former Yugoslav Republic of Macedonia, Turkey, Ukraine, United Kingdom, United States, Uzbekistan and Zimbabwe.
2. The European Community and the United Nations Mission in Kosovo (UNMIK) were also represented.
3. In attendance were representatives from the following United Nations organizations and specialized agencies: United Nations Conference on Trade and Development (UNCTAD), United Nations Commission in International Trade Law (UNCITRAL) and United Nations Industrial Development Organization (UNIDO).
4. The following intergovernmental organizations also participated: Asian Development Bank (ADB), European Bank for Reconstruction and Development (EBRD), European PPP Expertise Centre (EPEC), International Finance Corporation, a member of the World Bank Group (IFC), and the Organization of the Black Sea Economic Cooperation (BSEC).
5. The following non-governmental organizations, academic institutions, experts and private companies took part in the session: Amey (United Kingdom), AON (the Netherlands), Berwin Leighton Paisner LLP (United Kingdom), Bouygues Batiment International (France), C.R.E.A.M. Europe PPP Alliance (Belgium), Club des Partenariats Public-Privé (France), CTA International Consulting (Republic of Moldova), Complex Program Group (United Arab Emirates), Deloitte and Touche (Ireland), Derech Eretz Highways Management Corporation Ltd (Israel), DIF (Netherlands), EC Harris LLP (United Kingdom), Farne Project Consultancy/Pinsent Masons (United Kingdom), Frilet and Associés (France), Graduate Institute for International and Development Studies (Switzerland), Grant Thornton UK LLP (United Kingdom), Gide Loyrette Nouel (Russian Federation), Heritage Strategies International (United States), Hornbanger Law Firm (Austria), Infrastructure Capital (Singapore), Infrastructure Journal (United Kingdom), International Consultancy Organization LTD (Turkey), Institute of World Economy & International Relations (Russian Federation), International Federation of Private Water Operators (Belgium), International Road Federation (IRF), International Investment Centre (Russian Federation), International PPP Platform Turkey (Turkey), Intervistas Consulting Group (Netherlands), KfW Development (Germany), Kommunalkredit Public Consulting (Austria), Louis Berger (United Kingdom), LYCIAR (United Kingdom), Marketing Research Foundation (Russian Federation), McBains Cooper (United Kingdom), Minsk Capital Association of Entrepreneurs and Employers (Belarus), Noerr OOO (Russian Federation), Open University Business School (United Kingdom), Peterka & Partners (Ukraine), Pinsent Masons and Magisters (United Kingdom), Pöyry Infra GmbH (Germany), Project and Structure Finance, Gazprombank (Russian Federation), Public Services International (France), RebelGroup Advisory (Netherlands), Sagias & Partners Law Firm (Greece), Severn Trent Services International Ltd (United Kingdom), Simmons & Simmons (United Kingdom), State University – High School of Economy (Russian Federation), TFI News (United Kingdom), TheCityUK (United Kingdom), Timmermans & Simons International Business Lawyers (Netherlands), Toyo University (Japan), University of Geneva (Switzerland), VanderBroek Consulting (Netherlands), Vnesheconombank

(Russian Federation), White & Case LLP (United Kingdom), and Yalti Yondem Law Firm (Turkey).

II. Opening statement by the Director General of the United Nations Office in Geneva and keynote address by the Secretary-General of UNCTAD

6. At the beginning of the meeting, the Director General of the United Nations Office in Geneva, Mr. Sergei Ordzhonikidze, delivered an opening statement, followed by a keynote address by Mr. Supachai Panitchpakdi, Secretary-General, UNCTAD.

7. The Director General remarked that PPPs were very important for the United Nations, and that they were critical for the modernization of infrastructure, the improvement of public services and in meeting the United Nations Millennium Development Goals. He added that UNECE was unique within the United Nations in working in the area of PPPs and in having an inter-governmental body, its Team of Specialists, to undertake PPP capacity building. He recalled that between 2007 and 2009, three of the United Nations Regional Commissions, the UNECE, the United Nations Economic and Social Commission for Asia and the Pacific, and the United Nations Economic Commission for Africa, recommended the creation of an international PPP Centre of Excellence, and mandated the UNECE to identify the modalities of such a Centre and to explore whether extra budgetary resources could be found to make this ambitious project feasible. The Director General added that this meeting has to ensure that this vision becomes a reality with a recommendation to establish the UNECE International PPP Centre of Excellence. He reminded the meeting that when embarking on such a project, one should keep in mind that:

(a) The projects we promote under the term 'PPPs', embrace the Millennium Development Goals, in particular, the challenges of sustainable development and ensuring decent livelihoods for all our citizens;

(b) The proposed Centre should be a platform for partnership with other international agencies such as the World Bank, the Asian Development Bank, the European Bank for Reconstruction and Development and the European Investment Bank as well as the European PPP Expertise Centre or EPEC;

(c) The governance of such a proposed Centre should be under the scrutiny of the governments of member States, while at the same time, the private sector remains a critical player in PPPs and its involvement must be encouraged in all the Centre's activities in order to ensure success; and

(d) The Centre must rely on extra budgetary resources to meet its goals, and that to be fully operational and effective, the Centre requires such resources.

8. In his keynote address on "Infrastructure Deficit and Importance of PPP Capacity Building", Mr. Supachai Panitchpakdi, Secretary-General, UNCTAD, stated that in the next decade it was going to be very difficult to satisfy key infrastructure investments' needs based on traditional public financing sources. He opined that better arrangements for infrastructure support needed to be in place in order to catch up with the deficit in infrastructure spending, and stressed that the deficit could be met by the participation of the private sector in infrastructure projects using the PPP model. He congratulated the UNECE on this initiative and committed UNCTAD to working closely with the Centre once it had been established.

III. Adoption of the agenda (Agenda item 1)

Documentation: Annotated provisional agenda for the third session (ECE/CECI/PPP/2011/1)

9. The Team adopted the provisional agenda as proposed by the secretariat.

IV. Election of officers and issues related to the Bureau (Agenda item 2)

10. The Team elected Mr. Jan van Schoonhoven (Netherlands) as its new Chairperson, and thanked the outgoing Chairperson, Mr. Charles Solomon (Israel) for his leadership and contribution to the implementation of the Team's programme of work since its first session in 2008. The Team agreed that Mr. Solomon continue serving as outgoing co-Chairperson for an interim period to ensure continuity and a smooth transition in the work of the Team.

11. The Team also thanked a number of outgoing members of the Bureau for their services, namely, Mr. Dmitry Amunts (Russian Federation), Mr. Rafkat Hasanov (Kyrgyzstan), Ms. Borianna Pencheva (Bulgaria), and Mr. James Stewart (United Kingdom), and elected Mr. Leo McKenna (United Kingdom), Mr. Bernhard Mueller (Germany), Mr. Kairat Tilebaldinov (Kazakhstan), and Mr. Kamilo Vrana (Croatia) as vice-Chairpersons of the Team. The Team also noted the interest from countries outside the UNECE region in nominating candidates to join the Bureau as vice-Chairpersons, namely, Mr. Sam Tabuchi (Japan), Mr. Jay-Hyung Kim (Republic of Korea), and Mr. Bastary Pandji Indra (Indonesia).

12. The Chairperson welcomed the over 200 participants from 35 countries, 10 inter-governmental organizations, the private sector and academic institutions, and thanked the Team for electing him as Chairperson at an exciting time when the UNECE and the PPP community were on the verge of a new global initiative involving both the public and the private sector. He stressed his conviction that the UNECE PPP Initiative will help to build the capacities of governments to undertake PPPs successfully, and will help the private sector to engage effectively with the public sector. The Chairperson then went on to highlight the following points:

(a) The UNECE PPP Toolkit, with its five core components, was well suited to assist governments in developing their PPP capabilities;

(b) The UNECE International PPP Centre of Excellence, with its specialists and training centres, could be the vehicle for effective capacity building delivery, and will assist governments in implementing best practice PPP policy; and

(c) The work of the UNECE in the area of PPPs has attracted the interest of international PPP players, reflected in the request to the UNECE by the World Bank and the Asian Development Bank to host the next PPP Days¹ in Geneva in early 2012.

¹ In 2006, the World Bank Institute inaugurated Public-Private Partnership in Infrastructure (PPPI) Days as a regular global event. The conference invites PPP units or other similarly mandated agencies around the world to share latest knowledge and experience among themselves and with leading PPP researchers and PPP capacity building professionals.

V. Substantive segment: UNECE PPP Initiative – the UNECE PPP Toolkit and the UNECE International PPP Centre of Excellence (Agenda item 3)

13. The Substantive Segment of the third session of the Team of Specialists on Public-Private Partnerships discussed the UNECE PPP Initiative, consisting of the UNECE PPP Toolkit for capacity building, and the UNECE International PPP Centre of Excellence, which once established, would contribute to improving the delivery of capacity building. The UNECE International PPP Centre of Excellence will consist of a hub, established under UNECE premises in Geneva, and affiliated PPP specialist centres dedicated to one sector, such as, roads, water supply, water management, health, food security, prison services, sustainable development, education, and others hosted by various countries.

14. The Substantive Segment consisted of three main sessions. 32 panellists took part in the Substantive Segment, representing the public and the private sectors, as well as intergovernmental organizations, all of whom endorsed the idea to establish the UNECE International PPP Centre of Excellence in Geneva.

15. Session I consisted of a high level panel, and addressed the challenges of implementing successful PPPs, and how the UNECE International PPP Centre of Excellence can help countries meet these challenges. Throughout the discussion, a number of countries expressed their intention to host a sectoral specialist centre within the UNECE PPP Initiative:

- (i) The Minister of Health of the Philippines stated that his Government was fully committed to the establishment of a PPP specialist centre in health in Manila, in order to increase the use of the PPP model with the objective to improve the health care facilities throughout the whole country, develop a strategy on PPP promotion in the Philippines, and become a global repository of best practices in health care;
- (ii) The Chief Executive Officer of the National Water Company of Saudi Arabia confirmed that Saudi Arabia would host a specialist centre on water supply and waste water, and by doing so, Saudi Arabia would also develop best practices in water supply and waste water to be used as a vehicle to increase the use of PPP approaches in the sector in Saudi Arabia;
- (iii) The Director General of the National Administration of Penitentiaries of Romania expressed Romania's intention to host a PPP specialist centre on prison services;
- (iv) A representative from Toyo University in Japan supported the idea of setting up a specialist centre in Japan, and underscored the intention of Toyo University to act as a catalyst for Japan to host the specialist centre on the role of PPP in disaster recovery, including at the municipal level.
- (v) A representative from the Ministry of Finance of Germany expressed Germany's interest in hosting a specialist centre on schools;
- (vi) A representative from the Netherlands informed the Team that the Government of the Netherlands was interested in hosting a PPP specialist centre on water management; and
- (vii) A representative from the Public Works Authority of Qatar informed the Team that the State of Qatar was very much interested in hosting a PPP specialist centre on a sector yet to be determined.

16. Session II was divided into two parts: Part 1 dealt with the UNECE PPP Toolkit, and Part 2 was devoted to the UNECE International PPP Centre of Excellence.

(i) Part 1 consisted of a series of presentations on: the development and purpose of the UNECE PPP Toolkit; how the Toolkit was going to be applied in individual countries; what was going to be the role of the private sector and how it would be engaged in this process; and how would the Toolkit raise the capacity of governments to improve the implementation of PPP legislation. A representative from Simmons and Simmons also presented the results of the UNECE-commissioned survey and evaluation of the UNCITRAL Model Provisions on Privately Financed Infrastructure Projects (PFIPs). Part 1 was concluded by a special address from a representative from the State of Qatar who made the case for Islamic financing to be considered as an alternative financing tool for PPP.

(ii) Part 2 considered in some detail the structure, purpose and benefits of the UNECE International PPP Centre of Excellence.

17. Session III was dedicated to comments on the UNECE PPP Initiative from various stakeholders, including development banks, intergovernmental organizations, the private sector, and other non-governmental organizations. Speakers included representatives from the Asian Development Bank, the European Bank for Reconstruction and Development, the United Nations Conference on Trade and Development, and the European PPP Expertise Centre.

18. The Team took note of the fact that hosts of specialist centres will be committing considerable financial resources to the UNECE secretariat to run the International PPP Centre of Excellence for a number of years, while also committing financial resources to meet the costs associated with establishing, maintaining and regular updating of international sectoral best practice guides in their chosen sector, besides all the costs associated with running the specialist centres in their respective country.

19. In summing up the Substantive Segment, the Chairperson recalled that all speakers and interventions from the floor in over nine hours of discussion on the UNECE PPP Initiative have been unanimous in their support to the establishment of the UNECE International PPP Centre of Excellence and to the work undertaken so far on the Toolkit, including the need to ensure that all the useful material prepared, especially the work on the modules, was integrated in the Toolkit.

20. Taking note of extrabudgetary resources pledged by Member States for the use of the UNECE International PPP Centre of Excellence and the support for the UNECE PPP Initiative, the Team recommended the establishment of the UNECE International PPP Centre of Excellence in Geneva, and invited the appropriate UNECE management bodies to consider further steps to operationalize it.

21. The Team also endorsed the Chairperson's proposal to express special appreciation to Mr. David Dombkins, member of the Team, for the work and efforts since the second session undertaken in promoting the UNECE PPP Initiative worldwide. He invited Mr. Dombkins to kindly continue assisting the Bureau and the secretariat on a pro bono basis on work related to the Toolkit and the Centre, under the guidance and supervision of the Bureau and the secretariat and under terms of reference and functions to be defined by the Bureau once the UNECE Executive Committee decides on the establishment of the UNECE International PPP Centre of Excellence.

VI. Review of the work done since the second session (Agenda item 4)

22. In introducing the work accomplished since the second session of the Team in December 2009, the Chairperson remarked that the focus of this agenda item was on the ongoing development of the UNECE PPP Toolkit, the capacity-building activities undertaken by the secretariat on behalf of the Team, and on fundraising initiatives.

A. Status report on the UNECE PPP Toolkit

23. The Chairperson recalled that a detailed overview of the development of the UNECE PPP Toolkit was provided under Agenda item 3.

24. The Chairperson also reiterated a point made under Agenda item 3, namely, that it was imperative that previous work on the PPP modules properly be integrated within the new structure of the Toolkit. In this regard, the Chairperson proposed that a working group be created within the Team for this purpose and also to assure that the Toolkit meets the aspirations of the end users.

25. The Team took note of the need to integrate the prior material on the modules into the Toolkit, and decided to establish the working group as proposed by the Chairperson. It also called on participants to become involved in the work of the working group.

B. Capacity-building activities

26. The secretariat provided detailed information on the seven activities with a capacity building and training component that it organised and serviced on behalf of the Team since the second session in December 2009. The focus of these activities was on general familiarisation that tended to support the need for more systematic and comprehensive support. These meetings were held with the following international partners:

- (i) The Organization of the Black Sea Economic Cooperation (BSEC);
- (ii) The German Agency for International Cooperation (GIZ);
- (iii) The Turkish International Cooperation and Development Agency (TIKA);
- (iv) The Public-Private Infrastructure Advisory Facility (PPIAF), a member of the World Bank.

27. The meetings, attended by some 650 people mainly from countries with economies in transition, took place in the following venues²:

- (i) Istanbul, Turkey (April and December 2010);
- (ii) Astana, Kazakhstan (July 2010);
- (iii) Tashkent, Uzbekistan (July 2010);
- (iv) Vienna, Austria (October 2010);
- (v) Bishkek, Kyrgyzstan (January 2011); and
- (vi) Zagreb, Croatia (February 2011).

² A more detailed account of these activities, including its main outcomes, is contained in Annex 1.

28. One of the results of these activities was the creation of the Expert Group on PPP in Central Asia. Representatives from Kyrgyzstan, Tajikistan and Turkmenistan shared their views with the Team on the added value and benefit of such a network of professional PPP practitioners, and expressed their support for its expansion to include other CIS countries.

29. A number of participants, including from Croatia, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, Turkey, Turkmenistan, Ukraine, and Uzbekistan, expressed gratefulness for these activities and praised their effectiveness. The representative of BSEC also expressed its satisfaction with the two events organised in Istanbul, Turkey in 2010.

30. The Chairperson expressed his gratitude to the PPP experts participating in these activities, especially those who did so on a pro bono basis, and to the secretariat for organizing and servicing these activities on behalf of the Team.

31. The Team took note of the capacity building activities carried out since the second session in December 2009, and expressed its appreciation to all involved for their contribution to ensure that the Team's capacity building activities were successful. The Team also took note of the creation of the Expert Group on PPP for Central Asia, and endorsed the recommendation by a number of its representatives to enlarge it to also include representatives from other CIS Countries. In view of the growing demand for PPP-related capacity-building activities and other technical cooperation services, the Chairperson pointed out to the need to match this demand with an adequate level of regular budget and extrabudgetary resources.

C. Fund-raising

32. The Chairperson, on behalf of the Team, thanked the following organizations for providing funding for some of the Team's capacity building activities:

- (a) The Russian Federation;
- (b) The German Agency for International Cooperation (GIZ);
- (c) The Turkish International Cooperation and Development Agency (TIKA);
- (d) The Public-Private Infrastructure Advisory Facility (PPIAF), a member of the World Bank; and
- (e) Toyo University, Japan.

33. The Team recalled that the Committee on Economic Cooperation and Integration (CECI), at its fifth session in December 2010, invited Member States and interested stakeholders to consider the possibilities of supporting the work on the UNECE PPP Initiative with extra budgetary financial and in-kind contributions, and called on Member States and other stakeholders to follow the footsteps of existing donors and support the work on the PPP Initiative with extra budgetary resources and in-kind contribution.

VII. Implementation plan for the rest of 2011 and proposals for the programme of work in the next biennium 2012-2013 (Agenda item 5)

34. The Team was informed that CECI's decision to support the renewal of the mandates of its Teams of Specialists by three years until the end of 2013 was still awaiting the endorsement by the UNECE Executive Committee. The UNECE Executive Committee, at its meeting in March 2011, requested to postpone a decision on the renewal of the mandates of CECI's Teams of Specialists till a future meeting, although there was an

understanding among delegations that CECI's activities, including the Team of Specialists on PPP, will continue as planned until a decision was taken.

A. Policy and Normative work

35. The secretariat introduced this agenda item, and elicited the policy and normative work expected from the Team throughout 2011 as part of the CECI programme of work. A number of policy documents were expected to be delivered this year, namely:

(a) Comparative Review of PPP legislation in the countries of Central Asia and other CIS Countries (to be prepared in cooperation with the Expert Group on PPP for CIS Countries (formerly Central Asia)). Out of this Comparative Review, guidelines in the area of procurement in PPPs with a view to the elaboration of a good practice guide on the modalities of organizing open, transparent and competitive tenders for PPPs will also be prepared;

(b) The revision of the 'Guidebook of Promoting Good Governance in PPP', produced in 2008, to take into account the effect of the economic and financial crisis; and

36. The representative from UNCITRAL expressed its interest in the work of the Team in the area of procurement in PPPs, and requested the Team to consult with UNCITRAL secretariat on the elaboration of a good practice guide on the modalities of organising open, transparent and competitive tenders for PPPs to ensure synergy and to avoid unnecessary duplication of work. The representative from UNCITRAL also invited the secretariat to present the Team's work to the upcoming UNCITRAL session in July 2011.

37. The Team took note of the policy and normative work that it was mandated to undertake in 2011, and called on participants to assist the secretariat in this work, and to undertake specific tasks under the guidance of the Bureau and the secretariat. The Team also took note of the results of the UNECE-commissioned survey and evaluation of the UNCITRAL model legislative provisions (PFIPs) conducted by Simmons and Simmons, and recommended that this work be continued in 2012, where the Team was expected to prepare a guide on good practices provisions in PPP legislation, and will submit it to UNCITRAL for consideration in any future normative work in this particular area.

B. Capacity-building activities

38. The secretariat informed the Team that three of the four capacity-building activities planned for 2011 have the PPP national readiness assessment as their main focus. The secretariat remarked that, subject to resources, the Team's goal was to have three PPP national readiness assessments ready by the end of 2011 in countries that have already requested the secretariat for such an exercise to be undertaken by an international PPP consultant working closely with local consultants and partners. The team of consultants will then present its findings to the secretariat, who will in turn present the results of the PPP national readiness assessment to the Government on behalf of the Team at these planned activities. In chronological order and subject to resources, PPP national readiness assessment-focused capacity-building events were planned in:

(a) Tashkent, Uzbekistan, 15-16 June 2011;

(b) Kiev, Ukraine, 22-23 September 2011; and

(c) Bishkek, Kyrgyzstan, second half of 2011.

39. The secretariat also informed the Team that a session on PPP in ICT infrastructure will be organised in the context of the International Conference on "Knowledge-Based

Development and Innovative Entrepreneurship”, to be held in Baku, Azerbaijan, on 23-26 November 2011. Furthermore, the third ‘knowledge sharing’ meeting of the newly enlarged Expert Group on PPP in CIS Countries (formerly Central Asia) will be held back-to-back with this International Conference, and participants from CIS Countries will be invited to participate in both events.

40. The representatives of Belarus, Montenegro and Tajikistan made requests for capacity-building activities to be held in Minsk, Podgorica and Dushanbe respectively. The Chairperson stressed that these events should not be one-off activities, but should lead to national PPP readiness assessments that will identify both a PPP strategy and potential pilot projects.

41. The Team also heard interventions from:

(a) A representative from the Ministry of Economy of Ukraine, who briefed the Team on numerous activities planned jointly with UNECE in Kiev in 2011;

(b) A representative from the Minsk Capital Association of Entrepreneurs and Employers, who made a brief presentation on PPP development in the Republic of Belarus;

(c) A representative from Korea Development Institute (PIMAC), who made a brief presentation on PPP development in the Republic of Korea, and on the International Alliance of PPP Centres; and

(d) A representative from Infrastructure Journal, who presented the 2010 analysis of the PPP market.

42. The Team took note of all the planned capacity building activities based on the PPP national readiness assessment for 2011 and the requests for capacity building activities from Belarus, Montenegro and Tajikistan. The Team requested the secretariat to liaise directly with all the recipients of these activities on the dates and other modalities, and to consider them and other requests for similar activities on the basis of resources and funding availability.

C. PPP Readiness Task Force

Documentation: Conference Room Paper 1 dated 22 March 2011 “Proposal to establish the PPP Readiness Task Force”.

43. The Chairperson referred to Conference Room Paper 1, and introduced the concept of establishing the PPP Readiness Task Force as the body that would provide targeted policy advisory services to Governments and facilitating the undertaking of national PPP readiness assessments considered under Agenda item 5(B), and encouraged participants to be involved in the Task Force by being on the roster.

44. The Team endorsed the establishing of the PPP Readiness Task Force until the end of 2013, subject to renewal, which shall operate in accordance with the Terms of Reference contained in Annex II to this report. The Team also called on the secretariat to inform the extended network of PPP practitioners of the creation of the Task Force and invite interested participants to join the roster of PPP experts who express their desire and interest to participate in the activities of the Task Force in accordance with the Terms of Reference.

VIII. Other business (Agenda item 6)

A. Dates of the next session

45. The Team took note of the proposal to host PPP Days 2012 in Geneva made by the representative of the Asian Development Bank under Agenda item 3, and decided that its fourth session would take place in the second half of February 2012, tentatively on 24 February, in conjunction with PPP Days 2012, tentatively scheduled for 21 to 23 February. The secretariat shall fix the dates depending on conference room availability at the Palais des Nations.

B. Adoption of the report

46. The Team agreed that the secretariat will prepare a draft report on the third session and circulate it to the Chairperson and other members of the Bureau for approval on behalf of the Team no later than 10 working days following the session.

Annex I

List of past capacity building activities

The following list in date order elicits capacity building activities undertaken by the Team since its second session in December 2009:

(a) International Conference on “Addressing the Challenge of Doing Public-Private Partnerships in the Black Sea Region, the Caucasus and Central Asia: Bridging the Gap in PPP Knowledge and Skills,” Istanbul, Turkey, 29-30 April 2010. The Conference, attended by some 100 participants from Central Asia, the Caucasus and the Black Sea region, was co-organized with the International PPP Platform Turkey, and the Organization of the Black Sea Economic Cooperation (BSEC), with the financial support of the Turkish International Cooperation and Development Agency (TIKA). One of the main outcomes of the Conference was the creation of the Expert Group on PPP for Central Asia;

(b) First meeting of the Expert Group on PPP for Central Asia, on the margins of the Special Session on the Creation of a World Association of PPP Units, held under the auspices of the III Astana Economic Forum, Astana, Kazakhstan, 2-3 July 2010. Representatives from Kazakhstan, Kyrgyzstan, Turkmenistan and Uzbekistan discussed future activities of the Expert Group, and decided to draw up the programme for a Regional Training Workshop in Turkey, in December 2010. The meeting was hosted by the Kazakhstan PPP Center, with the financial support of the German Agency for International Cooperation (GIZ);

(c) Regional Training Workshop on “Public-Private Partnerships: How to Assess and Implement Infrastructure Projects”, Tashkent, Uzbekistan, 28-29 July 2010. The Workshop was co-organized with the Chamber of Commerce of Uzbekistan, the Business Forum of Uzbekistan, and UNDP, with the support of the Cabinet of Ministers. One of the highlights of the Workshop was a session with experiences from other Central Asian countries (Kazakhstan, Kyrgyzstan and Turkmenistan);

(d) Training Workshop within the “6th Annual PPP in CEE & SEE Conference”, Vienna, 20 October, 2010. The focus of the Workshop was on the role of the UNECE International PPP Centre of Excellence and its Specialist Centres, and the UNECE Toolkit, in particular, the PPP national readiness assessment tool. The event, organized by a private sector conference organizer, was attended by 90 participants;

(e) Regional Training Workshop on “Addressing the Challenge of Doing Public-Private Partnerships in Specific Sectors in the Black Sea Region, the Caucasus and Central Asia”, and the second meeting of the Expert Group on PPP in Central Asia, Istanbul, Turkey, 15-17 December 2010. The Workshop was hosted by the Organization of the Black Sea Economic Cooperation (BSEC), and was co-organized with, and financially supported by, the Public-Private Infrastructure Advisory Facility (PPIAF), a member of the World Bank, in cooperation with the International PPP Platform Turkey. The third day of the Workshop consisted of a site visit to an operational PPP in the waste water sector, and a series of presentations by private sector operators of PPP projects in Turkey, especially in the airport sector;

(f) PPP familiarisation visit, Bishkek, Kyrgyzstan, 26-27 January 2011. The event was co-organized with the Ministry of Economic Regulation of the Kyrgyz Republic and the recently-established private sector Center for PPP and Investment Promotion. On 26 January, a Workshop, attended by some 140 participants, provided a general introduction to PPP and a series of PPP best practice in different sectors. This was followed

on 27 January by a series of bilateral meetings with Ministers and deputy Ministers, including the Ministry of Economic Regulation, which is the lead ministry in PPP development in Kyrgyzstan;

(g) International Conference on “Addressing the Challenge of Doing PPPs in the South Eastern European Region”, Zagreb, Croatia, 7-8 February 2011. The Conference, attended by 130 participants from 10 countries in South-East Europe, was co-organized with the Agency for PPP in Croatia and the Regional Cooperation Council. The focus was on the PPP project cycle and on national PPP reports from 10 countries in South-East Europe.

Annex II

Terms of Reference of the PPP Readiness Task Force established under Agenda item 5

1. Name

The task force shall be referred to as the “PPP Readiness Task Force”

2. Mandate

The task force is initially established until the end of 2013, subject to renewal, and shall serve two main functions:

- (a) Assist in implementing the UNECE PPP Toolkit; and
- (b) Undertake PPP national readiness assessments on a demand basis.

3. Modalities of operation

Under the guidance of the Bureau and the secretariat, the task force shall carry out its obligations in the following stages:

- (a) Visits the requesting country, and meets with government officials and with the private sector;
- (b) Collaborates with local partners in preparing the readiness assessment questionnaire and the draft report with its recommendations to accelerate progress in creating the right enabling environment for PPP;
- (c) Identifies potential pilot projects to a pre feasibility stage;
- (d) Consults with the government on the draft recommendations at the level of senior decision makers, and at the operational level in the public administration;
- (e) Incorporates feedback and issue a final report; and
- (f) Develops an action plan for implementation.

The task force shall report on its activities at each session of the Team. It shall submit its first report to the fourth session of the Team in February 2012.

4. Membership

Membership shall be open ended, and open to individuals from within the Team and its extended network of PPP practitioners with relevant experience in delivering PPP programmes. The secretariat shall:

- (a) Compile and maintain a roster of PPP experts who express their desire and interest to participate in the activities of the task force;
- (b) Identifies individuals on the roster to participate in specific task force activities on a project by project basis, according to their expertise and experience;
- (c) Regularly update and post the roster on the UNECE website; and
- (d) At the end of the third session of the Team, inform the extended network of PPP practitioners of the creation of the task force and open the roster for interested participants.

5. Link between the task force and the UNECE International PPP Centre of Excellence

The task force shall be an implementing arm of the UNECE International PPP Centre of Excellence, and shall operate under the auspices of the Bureau and the secretariat.

6. Benefiting from the support of the task force

Subject to available resources, catching up economies within the UNECE region are eligible to benefit from the services provided by the task force. The process of applying for these services is through a formal letter by the relevant government entity³ to the Executive Secretary of UNECE.

³ It is assumed that the government in requesting this service would be ready to facilitate all the necessary meetings with government agencies and the private sector, and provide a venue for the consultation with interpretation facilities and basic equipment.