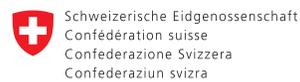
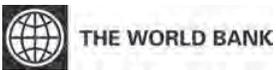


PPP DAYS

2012

21 - 24 February 2012
Geneva, Switzerland



Swiss Confederation

Federal Department of Economic Affairs FDEA
State Secretariat for Economic Affairs SECO

**REPORT OF THE
INTERNATIONAL CONFERENCE
ON PUBLIC-PRIVATE PARTNERSHIPS ‘PPP DAYS’ 2012**
prepared by the United Nations Economic Commission for Europe

*20 - 24 February 2012,
Geneva, Switzerland*

Contents

I.	EXECUTIVE SUMMARY	2
II.	A GLOBAL OPPORTUNITY	3
III.	KEY ISSUES	4
IV.	OPENING OF THE CONFERENCE	4
V.	SUMMARY OF DISCUSSIONS	5
VI.	CLOSING REFLECTIONS AND REMARKS	14
VII.	CONCLUSION	14

I. EXECUTIVE SUMMARY

Purpose

PPP Days' is the premier global meeting for public sector PPP practitioners. The PPP Days 2012 took place at the Palais des Nations in Geneva, Switzerland, on 21-24 February 2012 which was the first time it had been held in Europe. It was jointly hosted by the United Nations Economic Commission for Europe (UNECE), the World Bank Institute (WBI) and the Asian Development Bank (ADB) with the support of the International Finance Corporation (IFS), and the Swiss Economic Cooperation Organization (SECO).

The four days event was divided into two parts: Part I which consisted of Days 1 and 2 was reserved for public sector PPP practitioners only and focused on policy issues, namely the institutions and governance in PPPs as well as the new financial challenges facing PPPs worldwide. Part II covered Days 3 and 4 and was open also to the representatives from the private sector. As an innovation to the usual PPP Days format, Day 3 presented a Business forum which allowed 17 countries to present their projects to prospective investors. Day 4 combined both virtual and actual site visits to inspire and educate delegates to go home and implement best practice projects in their home countries.

Altogether the four day event brought together over 700 PPP practitioners from public sector PPP units and senior PPP executives worldwide from over 70 countries.

Key outcomes

Typically 'PPP Days' events overall provide an excellent opportunity to network and to gain insights from the PPP experiences in other countries. However on top of this, PPP Days 2012 had a number of other significant outcomes:

- Created practical and highly valuable training materials (e.g. training videos) on PPP case studies including the cantonal civic Centre in Burgdorf in Berne that will be used by delegates and international organisations well after the event is over.
- Stimulated private sector interest in the projects pipelines of emerging countries PPP programmes. Top level delegations from different countries such as the Philippines presented actual projects to the assembled private sector. Out of these initial contacts at PPP Days 2012 many projects will be successfully launched.
- Consolidated a unique partnership between the UN and the International Financial Institutions in the field of PPP capacity building. 'PPP days 2012' constituted an exemplary model of cooperation between three organisations that was universally perceived as positive by the participants (who appreciated the holding of the event at the UN in Geneva) and by the respective UNECE, WBI and ADB teams.

Next steps

The event attracted a huge number of participants from a vast number of countries. This has taken the demand for better quality information and more details on what constitutes 'best practice' in PPP onto a new level. Of course not everything on PPP is best practice. Many projects encounter problems and are not successful. However today there is now a sufficient number of projects from which to draw lessons and from which governments can benchmark their own PPP strategies. Yet such information does not exist or exists only as anecdotes.

There is still a strong need to be put together analytical, in depth reports that can define best practice in sectors such as renewable energy, water, schools and health.

In this respect PPP Days 2012 constitutes a good beginning for the UNECE PPP initiative in the establishment of the International Centre of Excellence in PPP. Working in close collaboration with ADB and WBI, the Centre will be responsible for the rolling out of best practice in specific sectors and using this for training and practical project delivery.

The task of identifying and maintaining best practice will be given to specialist centres and the first - on PPPs in health - will be hosted by the Ministry of Health of the Government of the Philippines and will be launched in Manila at a joint ADB UNECE event on 23-25 October 2012.

II. A GLOBAL OPPORTUNITY

Public-Private Partnerships (PPP) Days is the premier global meeting for public sector PPP practitioners. The PPP Days 2012 took place at the Palais des Nations in Geneva, Switzerland, on 21-24 February 2012, and was jointly hosted by the United Nations Economic Commission for Europe (UNECE), the World Bank Institute (WBI) and the Asian Development Bank (ADB) with the support of the International Finance Corporation (IFC), and the Swiss Economic Cooperation Organization (SECO). The four-day conference brought together over 700 PPP practitioners from public sector PPP units and senior PPP executives worldwide (over 70 countries) to analyze and explore innovative PPP models and key policy issues.

The event included two days of presentations and debates among public sector PPP practitioners, managers and experts, followed by a full-day Business Forum open to the private sector. On the fourth day, a special session dedicated to case studies took place, while two site visits to operational PPPs took place. A special exhibition entitled '2000 years of PPPs' also ran during all four days of the conference.



PPP Days 2012 offered ample opportunities for participants to analyze and explore how the public sector can engage more effectively in PPPs to deliver infrastructure and public services; to gain knowledge on recent developments and trends in PPP delivery models; and to connect with peers, the private sector, and the donor community and strengthen the PPP network.

Last but not least for the first time at 'PPP Days' over 100 speakers coming from all over the world spoke and shared their experiences. The plenary sessions, debates and parallel clinic discussions were led by ambassadors, chief economists, chairmen of the diverse multilateral developments banks, managing directors, leading lawyers, former ministers, head of PPP Units and others.

III. KEY ISSUES

The conference provided a forum for those in charge for the development and implementation of PPP programmes to share experiences on innovations in PPP policy, structuring, and financing. The main theme of PPP Days 2012 was to “*strengthen institutions and frameworks for better PPP delivery*”.

IV. OPENING OF THE CONFERENCE

The conference was opened by the representatives of the co-hosting organizations: Mr. Andrey Vasilyev, Acting Executive Secretary, UNECE; Mr. Clive Harris, Manager, the World Bank Institute; and Anand Chiplunkar, Director of Urban Development and Water Division, the Asian Development Bank.



All three co-hosts highlighted the importance of PPPs in modernization of infrastructure and improvement of public services around the world and the uniqueness of PPP Days 2012. Each organization stated that although the knowledge and experience in undertaking PPPs have grown during the last decade, a number of new challenges have arisen as a result of the financial crisis and along with a serious demand for accountability and transparency in the countries. As a result, the conference included sessions reflecting the

topical issues and the current situation. The co-hosts thanked the Swiss Government for its generous contribution in helping to organize this event and in producing the video case studies and training documents.

The Ambassador and Permanent Representative of Switzerland to the WTO and the EFTA, H.E. Mr. Luzius Wasescha, delivered a special welcoming speech on behalf of the Swiss Government at the opening of the conference: Ambassador Wasescha, emphasized that “*PPPs can be an extraordinary powerful instrument to make infrastructure happen. They can help mobilize private capital along with important technical and managerial know-how. PPPs mobilize competition, which in turn fosters innovation. [And] Switzerland is committed to promotion of this kind of partnerships*”.

The opening part of PPP Days was concluded by a powerful keynote speech delivered by Mr. James Stewart, the Chairman of Global Infrastructure Practice, KPMG. In his speech, Mr. Stewart described the global context for the current infrastructure market, highlighted some challenges, and suggested how things might move forward in the future. Mr. Stewart mentioned that infrastructure investment was on the increase and about 40 trillion US dollars of investment over the next 25 years was needed to meet the rising demand from urbanization, population growth, environment and climate change. However, he warned that with this major step-up in investment would bring with it many challenges, such as the ability to pay for infrastructure; the finance, how to raise the private sector capital; and the public sector delivery capability.

V. SUMMARY OF DISCUSSIONS

The first two days of the conference were structured so as to include a number of panel discussions, a plenary debate and parallel clinics on thematic issues and spectral themes. *The key points under each session are listed below.*

TUESDAY, 21 FEBRUARY 2012 - Public Sector Session

The recent global financial turmoil has put renewed pressure on the costs of financing for PPPs. Tenors have shortened in many markets and sources of financing have become more restricted. Related to this there have been increased concerns that with the higher cost of financing, it has become harder for PPPs to pass value-for-money tests. The first day of PPP Days 2012 addressed these issues:



Plenary sessions with experts from the public and private sectors discussed expectations on trends in PPP markets, options for closing the financing gaps including interventions from the multilateral development banks and reassessed whether PPPs are offering value-for-money.

Parallel clinics looked at how innovative projects have tackled these issues in different sectors, as well as how governments are reshaping the financial support they give to projects.

PLENARY PANEL DISCUSSIONS:

Three plenary panel sessions took place on the first day of the conference to discuss the following:

I. *Where PPP markets are heading*

The first panel discussion looked at issues such as, how financial crisis impacting the mature PPP markets and what were the global prospects; and how different regional markets were likely to move in the near future. In response to these questions, the panelists stated that:

- (a) PPP was not any more about project financing in its old meaning, it was now about the leveraging the investments in the most sensible way to suit a number of countries trying to develop their infrastructure through PPPs, as well as introducing new initiatives in investing money (e.g. project bonds);
- (b) taking into account that the quantity and quality of money available in the banking system were no longer able to meet the rapidly increasing requirement, the governments and the private sector (e.g. India) were currently involved in developing a bond market as well as other related instruments and institutions which would enable such development. The idea was to create a facility managed by both private and public sector players, which would create a vehicle where pension and insurance

funds would be able to invest, whereas the money can be used to finance the infrastructure projects through issuance of infrastructure bonds.

II. Financing Future Growth

During the second panel the speakers discussed what were the new sources of financing (e.g. pension funds) that can replace traditional sources, such as, commercial bank debt that were presently becoming more limited and suggested that:

- (a) the focus of the governments doing PPPs should be on getting the bid that was capable of getting funded in today's market and engage with funders in the earlier project stage and involve the rating agencies to understand what the credit rating of the project would be;
- (b) although the financing of PPP projects was complex and involves multilateral parties some governments have been improving the ways of financing the projects, for example, through increased substantial capacity of the parties, availability of structured funds (e.g. India infrastructure project development fund), simplified and streamlined processes, etc.

III. The role of Multilateral Development Banks.

The third panel discussed the new initiatives that are being undertaken by the multilateral development banks in helping governments continue to use PPPs in the face of current financing challenges. The panellists suggested that with cut-back in debt and a lot of demand for debt at the same time within the next couple years, the governments are expected to intervene in the infrastructure finance market. Accordingly many state owned development banks or multilateral institutions are going to be the key in driving infrastructure finance for a while.

PLENARY DEBATE

A special plenary debate session was organized to '*Reassess the costs and benefits of PPPs*', as there have been increased concerns that with the higher cost of financing, it has become harder for PPPs to pass value-for-money tests. Therefore, the panellists tried to answer questions, such as (i) what was the current empirical record of PPPs? (ii) were they delivering value for money and do we need to adjust the model? In response to these questions, the following recommendations were made:



- (a) There has been a tendency that governments have been doing PPPs to score political points before its electorate and have been selecting the concessionaires not with better technical expertise, but with better political connections. In addition the governments were putting all the money into the development of the project, with no funds left for the monitoring and enforcement. Therefore, the governments were advised to

introduce a legal framework that would allow transparent and fair procurement of bidders, as well as proper balance of state funds.

- (b) One of the great methods that leads to successful and streamlined PPP projects was the standardization of the bidding, pre-qualifications, procurement documents and others, which will decrease the transaction costs, increase transparency and prevents complains against the public officials. Therefore, to deliver better value for money, the governments were advised to standardize the project documents or at least to consider this approach.

PARALLEL CLINICS ON THEMATIC ISSUES IN PPPS

The second half of the first day of the conference was structured to hold a number of parallel clinics on diverse thematic issues, such as

- (i) *Government financial support and PPPs* - this clinic reviewed recent lessons related to some of the more developed approaches that governments may employ in provision of financial support while delivering PPP programmes, including the provision of viability gap funding and guarantees.
- (ii) *Transforming urban and rural spaces through PPPs* - this clinic looked at innovative PPP projects that were expected to have transformative impacts and that contain elements that will be delivered through PPP methods and examined how these challenging projects were being delivered and the additional benefits sought by doing them as PPPs within a broader development program.

And parallel clinics on three sectoral themes, namely:

- (i) *Energy* - This session examined some recently launched programmes and especially the 'better energy access for all' initiative. In addition the panellists discussed how governments shall develop new frameworks to allow them to better implement PPPs in energy, renewables, and meet climate targets overall as well as assess how they can leverage sources of financing that were available for such projects.
- (ii) *Transport* - The panel discussed some of the more demanding projects from their own experiences and the key issues faced in current times. Although transport was often one of the initial sectors to use PPP methods to develop and deliver public infrastructure, over time these have developed to encompass highly complex and innovative solutions. Accordingly there was a high interest of the audience in learning new approaches in undertaking PPPs in transport sector.
- (iii) *Health* - The panelists in this session shared their experiences from a number of different models adopted across the world allowing the participants looking to explore the possibilities of the approach in meeting their own policy objectives in the health sector. The panelists discussed different challenges in terms of the scope of health services to be provided by the private partner and the issues faced in implementing health projects.

WEDNESDAY, 22 FEBRUARY 2012 - Public Sector Session

PLENARY SESSIONS:

The second day focused on issues of transparency, governance and accountability and was started with two plenary sessions on (i) *Improving the transparency of PPP arrangements*; and (ii) *PPPs at a sub-national level – governance and implementation challenges*.



The plenary sessions looked at critical topics such as the disclosure of information on PPPs as a tool for increased accountability, governance challenges as they relate to sub-national PPP programmes, and how capacities can be strengthened to improve the overall institutional framework. They were focused on the following questions:

- I. *How could Governments improve the transparency of PPP arrangements, looking at what some proactive PPP units are doing?*

The panellists suggested that there were clear benefits for all three parties, that is, government, private sector and the civil society to promote greater transparency. These benefits ranged from government having its public confidence restored, efficiency of public spending. For the private sector the benefits are a transparent and efficient business environment and access to new markets based on fair competition. For the civil society – it can be given a voice and opportunity to participate in major decisions that need to be taken.

- II. *How to measure and assess governance, structure projects to improve accountability, and improve the role of bodies such as national audit institutions?*

As for the issues of accountability, from the legal perspective, the speakers emphasized that the public should be aware and should be allowed to know what the government and government authorities were doing, and how they were spending taxpayers' money. Therefore, governments were advised to discuss with the private sector at the earliest stages of the project and identify what information can be disclosed to the public and what can be considered as confidential.

- III. *What are the challenges faced by sub-national governments in delivering PPP projects of developing programmes and ensuring good governance and efficient oversight at state/provincial and local government levels?*

The governments with several layers of federal and local governments were advised to harmonise their legislation and policies, which would enable the private sector to predict and decide whether or not to invest in a particular project in that country. In addition, to increase the overall attractiveness of the national market, a PPP network or a platform that will bring together all of the existing PPP units, institutions, legal framework in different states within the country, can be established. This will help to better organize and develop the PPP market.

PARALLEL CLINICS ON GOVERNANCE FRAMEWORK

A. National audit institutions and PPPs

National audit institutions can play an important role both in improving the overall governance of PPP programmes as well as enhancing their performance by undertaking performance reviews. At the same time, in countries where programmes were new, these audit agencies may jeopardize efficiency by applying PPPs rules designed for non-PPP projects. This session reviewed experiences from different regions and discussed lessons learned on how audit agencies could best fulfil their roles.

B. Preparing PPP Programs

In order to launch successful PPP programmes, experience would suggest that there was a significant role for the government to play in the development of a pipeline of services to be delivered as PPP projects. How did governments identify and prioritize these projects? Once selected, how were they then developed and promoted as PPP projects that will be attractive to sponsors?

C. Addressing Governance Risks

In developing PPP programmes, governments needed to establish the governance frameworks in which these projects can be selected, developed, tendered for and ultimately managed. There were a number of references on this subject from the UNECE Guidebook on Promoting Good Governance to the ADB Guidelines for Addressing Governance Risks in PPP Projects. This clinic looked to address the practicalities associated with developing and enforcing these frameworks.

D. Promoting networking activities and fostering capacity-building programs

The development of PPP programmes can be enhanced through practitioners sharing their experiences in delivering specific projects. This session looked at different approaches to establishing and fostering these networks with the aim to raise the capacity of individuals delivering PPP programmes and also discusses new approaches to developing capacity building for PPPs.

PARALLEL CLINICS ON GOVERNANCE – SECTORAL AND THEMATIC ASPECTS

A. Improving Accountability in Public Spending: The Experience with Output-Based Aid (OBA) and Results-Based Financing (RBF)

As donors placed greater emphasis on demonstrating results, how can PPPs achieve higher levels of accountability? This session was open with a screening of a short film: “Improving Lives in Morocco: Extending Access to Water and Sanitation Services to the Poor.” The objective of the session was to spur a discussion on how OBA and RBF can be most effectively integrated in infrastructure PPP operations. The discussion focused on how the approaches and OBA in particular, can improve the accountability of governments for spending efficiently and delivering results.

B. Creating public sector capacity

When PPP programmes were first launched, how can governments put in place the capacities and political support that will launch successful pathfinder projects? What were the most important steps to take, and what were the ones to avoid?

C. Contract management

Getting good results from PPPs required good contract management. But this can be a challenge to maintain given the complexity of PPP contracts, lack of resources provided and high turnover of staff in government agencies. What strategies can be adopted to improve contract management capabilities?

SWISS NIGHT

Thanks to the great generosity by the Swiss Government all delegates were invited for a fondue dinner accompanied with Swiss folklore music at two restaurants in the heart of Geneva. The evening was extremely well hosted and the hospitality experienced by all the delegates was overwhelming. The secretariat received a number of thank you letters for the outstanding organisation and wonderful Swiss hospitality.



THURSDAY, 23 FEBRUARY 2012 - Business Forum

One of the unique features of PPP Days 2012 and quite the opposite from the usual practice was the Business Forum, where the private sector from Europe and beyond was invited to actively participate at the conference. It has become clear that the public sector practitioners will not be able to find answers to all future challenges, if isolated from the private sector. Therefore, the Business Forum invited a select number of Governments (Japan, Brazil, Philippines, Ukraine, Nigeria, Peru, India, Armenia, Uruguay, Turkey, Russia, Colombia, Kazakhstan, Vietnam, and some West and central African countries) to present their strategies, policies, projects and support for PPP to the private sector; and for a number of representatives from the private sector to present their successes and issues faced in delivering public services and building infrastructure through the PPP model. In addition the UNECE secretariat prepared an Information Notice on PPP projects in selected countries, which was also presented at the Business Forum. The information notice and all country presentations are available on the UNECE website¹.

In addition, given the global reach of PPP Days and in order to maximize the opportunities for delegates, a networking opportunity to dialogue with representatives of private sector was facilitated at least in three ways.

- *Firstly*, there was a dedicated area, an exhibition of companies and certain countries to show case their expertise on on-going or recently completed projects.

¹ <http://www.unece.org/index.php?id=27543>

- *Secondly*, some of the delegations had one-on-one meetings on request during the Forum to discuss potential cooperation and partnerships. As a result of such meetings countries, like Russia, Kazakhstan, Nigeria, Malaysia, Kyrgyzstan, and others discussed the possibility of engaging in potential projects in the respective countries.
- *Thirdly*, during coffee breaks, as well as at the buffet lunch and evening reception, there was further opportunity for networking where other interested investors/operators could interact with the government officials about the projects/sectors of interest.

FRIDAY, 24 FEBRUARY 2012 - Site visits

Day 4 was devoted to learning from actual PPP case studies, taking people “on site” to see the actual PPP project reality. Visits to actual PPP sites were not new for PPP days. This formula had already worked successfully at PPP days 2010 in Manila (Philippines).

However, as the Geneva vicinity falls short of “real PPPs”, the approach selected was a combination of two “real visits” to Bern and neighbouring France with 6 “virtual site visits” via videos and written materials. It should not be forgotten that Switzerland is still in an early stage in PPP development, whilst the Swiss State Secretariat for Economic Affairs (SECO) is already operational and experienced in implementing PPPs “overseas”, i.e. in its international development work.

Contribution of SECO

SECO made this activity possible, sponsoring and providing the Swiss project team offering funding and putting together the project team, which included experts and collaborators from the think tank “PPP Schweiz”:

- Urs Bolz, coordinator of the national expert network, for elaborating the Bern case study and video, and
- Ansgar Kauf, international PPP expert, overall coordinator of day 4 and the international case studies and videos (supported by project development and risk expert Serge Bodart (CH), PPP health expert Chris Lo (HK), and Celso Manangan (PH);
- Max Fahrni from Yak GmbH, SECO's experienced video producer, and his colleague Patrick Buerge, ensured high standard video production and review of existing ones.

The following video case studies were showcased to the participants:

(i) **The PPP Project Neumatt: Cantonal Civic Center Burgdorf (Switzerland)** - this is the first PPP project in Switzerland and consists of four administration buildings together with a regional prison for 110 detainees. The project, now operational, will see 19 different cantonal offices employing 450 people coming together under one roof. All of the land and buildings are owned by the Canton of Bern, and the overall investment is around 150 million Swiss Francs.

(ii) **The Manila Water Company PPP (the Philippines)** - in August 1997, the Manila Water Company took over the operation of water and waste water in the East Zone of Metro Manila as agent and contractor of the government-owned Metropolitan Waterworks and Sewerage System under a 25-year concession agreement. The concession agreement also granted Manila Water exclusive rights to the use of land and facilities for the production, treatment and distribution of water, as well as the rights to operate the sewerage system. The East Zone of Metro Manila is home to some 7 million people. A capital investment of 750 million dollars was injected in the project since 1997, with an additional injection of 4.7 billion dollars in 2009 following the approval of a 15 year extension of the concession.

(iii) **Lesotho Hospital PPP (Lesotho)** - in 2006 a landmark PPP project to build a state-of-the-art 425-bed National Referral Hospital to replace the very old main hospital was implemented. Besides the main hospital, this project included an adjacent gateway clinic, the renovation of three strategic filter clinics, and the private management of facilities, equipment, and delivery of all clinical care services for 18 years. It also includes a clinical training component to improve the availability of well-trained healthcare professionals. The project capital expenditure amounted to 120 million dollars, with a Government capital contribution of 52 million dollars. The hospital opened in October 2011.

(iv) **Outpatient Dialysis Services PPP (Romania)** - four international operators won four-year contracts (extendible to seven years if the operators opted to build new facilities) to refurbish, operate, and manage dialysis centres at eight hospitals in Romania. The concessionaires have invested more than 40 million dollars to modernize the facilities and expand the services.

(v) **National Kidney and Transplant Institute (NKTi): Hemodialysis Center Project (the Philippines)** - the NKTi Hemodialysis Center is a 1.2 million dollar facility constructed as a PPP between a government hospital and a private investor. The project involved a long-term lease agreement with the private service provider, and through this scheme, NKTi was able to acquire the latest technology in dialysis treatment thus expanding its services to more patients. At the same time, the services provided in this new Hemodialysis Center are relatively more affordable since NKTi is a government hospital.

The leitmotif that runs across these successful case studies presented was the consistent application of internationally-recognized good governance principles, such as the seven principles enshrined in the UNECE Guidebook on Promoting Good Governance in Public-Private Partnerships.

The seven UNECE good governance principles in PPP² have been universally embraced by Governments and PPP practitioners alike, and have become one of the most used and standard reference on the topic of PPP in transition economies and developing countries. While Governments are using these principles to model their PPP policies and practices (for example, in the area of government procurement), financial and legal advisers use these principles in their own advisory work on PPP to governments.

Case study presentations were integrated within the fourth session of the UNECE Team of Specialists on PPPs, which was held on 24 February, back-to-back with PPP Days 2012. In

² The seven UNECE principles on good governance in PPP are: policy; capacity-building; legal framework; risk-sharing; procurement; putting people first; and the environment

summing up the moderator informed the Team of Specialists that these video case studies will be used by the Team in its future training activities, and that the UNECE secretariat will continue building on this material to include other case studies from around the world. The moderator reminded participants that the video case studies are also available on DVD and on the UNECE YouTube channel³ and on the UNECE website⁴.

In addition two site-visits to operational PPP projects were organized to Bern, Switzerland and Annecy, France to show-case real PPP projects:

- *The PPP Project Neumatt: Cantonal Civic Center Burgdorf, Bern, Switzerland* - the first PPP project in Switzerland to be based on international project finance standards. The project encompasses the demolition of the old buildings, as well as planning, financing, construction and operation of the new 'Neumatt - Cantonal Administration Center Burgdorf'. This will include three planning units, a prison (110 beds), a street inspection office including an operation center and finally an administration center.

A group of 40 delegates signed up for this visit, which was structured around 4 major topics: (a) the lifecycle experience, (b) private engagement in prisons, (c) organisation and challenges - public side, and (d) organisation and challenges - private side / value for money. The delegates were also privileged to visit the Town Hall Berne and to be welcomed by state chancellery of Berne and briefed on the Bern PPP project by a project manager, PPP Project Civic Center Neumatt.

As a result the UNECE secretariat received extremely positive feedbacks from a number of countries (Belarus, Kazakhstan, Kyrgyzstan, Nepal, Brazil, Russia, China, and Mozambique) regarding the site visit and most complimented on its professional organization and quite informative programme.

- *The Annecy-Geneva PPP toll motorway (control center), Annecy, France* - this is a new generation PPP toll motorway in France, opened to traffic in December 2008. It has been built, financed and operated by a consortium composed of a regional toll road operator and a contractor, a 871,5 million € investment. The A41 North motorway links Annecy to Geneva, having an average daily traffic of 19'000 vehicles. It represents on its 19 km route a technical challenge (including a 3,100 million two-bore tunnel, 4 viaducts, a covered cutting and other civil structures).

A group of 50 delegates had opportunity to visit the control centre and receive the first-hand information about the project from Jacques Leca, the financial and administrative director of the concession company ADELAC, and from Marc Moretti, the ADELAC Director and an experienced toll concession executive. When driving on the A 41, participants were impressed by this masterpiece of civil engineering, as well as by a sophisticated environmental protection programme, respecting the natural habitat and neighbouring biotopes.

The UNECE appreciated very much the excellent work of the Swiss team to make this Day 4 such a success. Ansgar Kauf managed the event working to tight schedule highly competently.

³ <http://www.youtube.com/user/UNECE/>

⁴ <http://www.unece.org/index.php?id=27543>

VI. CLOSING REFLECTIONS AND REMARKS

Mr. Vladimir Pesevski, the Deputy Prime Minister of the Former Yugoslav Republic of Macedonia and *Mr. Geoffrey Hamilton*, Chief, Cooperation and Partnerships Section, UNECE delivered closing speeches on their reflections on the conference.

Mr. Pesevki, having worked for more than 10 years in the private sector before entering politics, shared his experience in undertaking PPP projects and highlighted once again the importance of the issues, such as stable and solid legal framework, training public officials, political support and clear understanding of PPPs by top political leadership, ability of the governments to prioritize PPP projects and others. He thanked the panelists and governments for raising all these issues during the conference panel sessions and clinics and stated that PPPs certain were not panacea, but they still remained an important tool for developing countries to develop their infrastructure facilities and provide better public services.

Mr. Hamilton thanked all the partners and teams from WBI, ADB, SECO, IFC, and others for organizing this great event, which was the outcome of an excellent collaboration of all these partners working as 'one'. He remarked that even though these organizations were different, all of them were completely committed to promoting the PPP model. Mr. Hamilton noted that the UNECE looked forward to continue working closely with these organizations in promoting PPPs globally.

VII. CONCLUSION

The outcome of PPP Days 2012 conference can be summarized as follows:

- To meet all this huge demand for investment, it is not sufficient to do PPPs; the challenge is rather to do the best PPPs employing innovative financial schemes;
- The best practice in PPPs is no longer coming from Europe, but from other parts of the world (e.g. India, South Africa, Brazil, etc.)
- Collecting and systemizing information on best practice becomes a considerable challenge.



As for the organization of the event, it was rated as highly relevant and informative by the participating PPP executives, policymakers, and practitioners. Delegates appreciated the programme's focus on ensuring an in-depth analysis of issues related to governance, financing, transparency, accountability and others, and opportunities for discussing shared PPP challenges with colleagues from other governments who are engaged in PPP policy development.