II International Conference
“Governance among partners in Public Private Partnerships”

PPPs for Urban Transformation

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PPP’s FOR URBAN TRANSFORMATION

WHY PPPs FOR SMART CITIES?

CAN PPPs HELP DEVELOP SMART CITIES?

CAN SMART CITIES HELP DEVELOP PPPs?

PPP EXPERIENCES FROM THE BARCELONA MODEL
Smart city management means ensuring citizen quality of life, who will have further and more complex needs, and to efficiently allocate resources. Technology plays a key role.
THE NEED FOR PPPs AND JOINT EFFORTS

The World’s Top 100 Economies

<table>
<thead>
<tr>
<th>Country/City/Company</th>
<th>GDP/Revenues</th>
<th>Country/City/Company</th>
<th>GDP/Revenues</th>
<th>Country/City/Company</th>
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<td>ENE</td>
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<td>Country</td>
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<tr>
<td>Czech Republic</td>
<td>439</td>
<td>City</td>
<td>257</td>
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</tr>
</tbody>
</table>


34 cities
13 corporations
53 countries
GENERATING ADDED VALUE THROUGH PPP’s

From PPP to PPPPP

Public Interest

People

Place

Private Interest

COMMON INTEREST
GENERATING ADDED VALUE THROUGH PPP’s
THE NEED FOR PPPs AND JOINT EFFORTS

![Graph showing Gross Capital Formation, Government as % GDP from 2010 to 2014 for European Union (28 countries), European Union (15 countries), and Euro area (19 countries).]

Public Budget, investment
Welfare state
Financial needs
PUBLIC DEBT?
OTHER ASSETS?

Source: DOXA, Eurostat.
THE NEED FOR PPPs AND JOINT EFFORTS

Market opportunities and
Potential growth
Required investment
Higher risk
Greater initial investments (technology)
The city has deployed first experiences in Smart City projects or pilots that are not part of a large-scale strategy. Further roll-out Smart City initiatives around vertical strategies (energy, mobility, etc.). The city has set up a holistic Smart City Strategy / Plan. Clear leadership and Governance model to align stakeholders and foster an innovation ecosystem. Unleash full potential of Smart City by defining and implementing a cross vertical and integrated platform.

Low GDP & Economic impact financial needs

Isolated Projects
The city has deployed first experiences in Smart City projects or pilots that are not part of a large-scale strategy.

Verticalls
Further roll-out Smart City initiatives around vertical strategies (energy, mobility, etc.)

Strategy
The city has set up a holistic Smart City Strategy / Plan.

Governance
Clear leadership and Governance model to align stakeholders and foster an innovation ecosystem.

Urban Platform
Unleash full potential of Smart City by defining and implementing a cross vertical and integrated platform.
HOW CAN CITIES PROMOTE PPP’s?

SETTING UP A LONG TERM VISION

A long term ambitious vision is highly valuable. It must address the question *what do we want to become, as a city, in 20 or 30 years’ time?*

**BARCELONA**

“To become a self-sufficient city of productive neighborhoods at human speed, inside a hyper-connected zero emissions Metropolitan Area”

**STOCKHOLM**

“In 2030, Stockholm will be a versatile city, offering top-class education and business opportunities, alongside unspoiled nature at your doorstep - a unique combination that will continue to attract visitors from around the world”
HOW CAN CITIES PROMOTE PPP’s?

INDUSTRY PARTNERSHIPS & ECOSYSTEM

- Developing standards
- Scaling solutions
- Gaining critical mass: one solution, specific tuning
- Generating new markets: industry opportunities worldwide

Smart City Smart Infrastructure Investment by Industry, World Markets: 2010-2020

- Creating ecosystems
- Developing economic tissue and growth: economy and competitiveness
- Opportunities: jobs, talent, FDI, new companies, start-ups
HOW CAN CITIES PROMOTE PPP’s?

HOLISTIC STRATEGY

* Example for Barcelona.
HOW CAN CITIES PROMOTE PPP’s?

IMPACT EVALUATION, ROI AND ROS

Assessing the return on investments and on environment

Defining KPI’s

- 85M € impact on GDP (Barcelona, 2014)
- 1,870 jobs created as result of the Smart City program
- 53.7M € municipal investment
- 0.53 € of additional private sector investment for each 1€ Municipal investment

- Saving 9,700 tons of CO2 and 600,000 liters of water per year.

* Example Barcelona, 2014.
HOW CAN CITIES PROMOTE PPP’s?

INTERNATIONAL POSITIONING

1st GLOBAL SMART CITY
JUNIPER RESEARCH 2015

6th GLOBAL BRAND

THE WORLD’S TOP CITY IN NUMBER OF CONFERENCE DELEGATES
ICCA. 2008 - 2012

3rd IN THE WORLD IN NUMBER OF INTERNATIONAL CONFERENCES
ICCA. 2008 - 2012

MOBILE WORLD CAPITAL

EUROPEAN CAPITAL OF INNOVATION
HOW CAN CITIES PROMOTE PPP’s?

GOVERNANCE & ALIGNING EFFORTS

Smart City Stakeholder Map

External
- Citizens
- Entrepreneurs
- Businesses
- Investigation centers
- Universities
- International position

Strategic
- EXECUTION
- STRATEGY

Tactic
- Communication
  - Smart PMO
  - International PMO
  - Smart Governance Team
- Programs

Govt
- Mayor/Presidential
- Corporate departments
- Service Departments
- Other public sector organizations/Agencies

Program n
- Head of Program
  - Responsible for monitoring: Project leader
  - Technical leader: Project leader
  - Business leader: Project leader

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CITIES ARE IN COMPETITION… OR COLLABORATION?

City Protocol

- collaboration and knowledge sharing
- evaluation and accreditation of standards
- A ‘city language’ and the City Anatomy.
- repository of documents describing projects, policies and recommended practices
- A network and/or platform for education and knowledge sharing among all members
CITIES ARE IN COMPETITION… OR COLLABORATION?

European Innovation Parternship on Smart Cities
CITIES ARE IN COMPETITION… OR COLLABORATION?
UNECE CoE PPP for Cities
PPP EXPERIENCE IN BARCELONA SMART CITY

PPP limitations:

- REGULATIONS: LAWS AND PUBLIC PROCUREMENT
- CONTROL MECHANISMS
- DIFFICULTY TO MEASURE RETURNS (ROI + ROS, impact evaluation)

Barcelona + companies + universities
PPP EXPERIENCE IN BARCELONA SMART CITY

Barcelona Urban Lab: ”applying” Smart Cities

- Implementation of 12 outdoor public street lighting points
- Sensors for containers
- Noise sensors
- Occupancy sensors in parking spaces
- Pilot program to read gas, electricity and water meters telematically
- Sustainability mobility project
- Traffic lights adapted for the blind at all crossings in 22@Barcelona
- Traffic control cameras
- Fibre optics in homes
- Bicycle lanes
CAN PPPs HELP DEVELOP SMART CITIES?

Really, PPPs and new BUSINESS MODELS are key to transforming the city

✓ Overcome public sector financial constraints  
✓ Risk sharing  
✓ Results-oriented and ROI + ROS  
✓ Generate new MARKETS. Not just new products or services
Our vision & mission for international markets

Helping in Transformation of Government & Territories & Cities through...

Modernization
Efficiency
Smart (intelligent)
Sustainability
Innovation

“We want to become the MESSI for Government & Cities transformation, to built a better world”