



# People-First PPPs: Principles versus the Myths

An Introduction to the UNECE Guiding Principles on  
People-First PPPs (PfPPPs) for the UN SDGs

## Main myth

*The PPP model cannot be used as transformative tool that can put People at its core to achieve the UN SDGs*

Our position says **No!**

PPPs can deliver a pipeline of projects to:

- ✓ Improve **access and equity**
- ✓ Invest in **resilience and climate change**
- ✓ Have **economic effectiveness**
- ✓ Ensure that there is **stakeholder engagement**
- ✓ And can **be replicable**

## **For example economic effectiveness means more involvement of women in infrastructure:**

- ✓ Better representation of women in projects and companies
- ✓ More women-led companies becoming suppliers to PPP
- ✓ Private sector involved in PPP helping young women in the community to become entrepreneurs
- ✓ Making and operating infrastructure in ways that are more gender sensitive

# Principle 1: Policy/ sector plan/ action points

*Myth: PPP is about individual projects*

Our position says **No!**

People First PPP to become **transformative** has to be allied to:

- ✓ A concerted **infrastructure policy**
- ✓ A clear **sectoral plan** (for water, renewable energy, etc.), and
- ✓ An **action oriented plan** with private sector mobilization as its goal

## Principle 1: Policy/ sector plan/ action points

*“Governments should develop ‘People First PPPs’ as part of the comprehensive, scaled-up transformative Programme of Action to deliver the SDGs and the various climate agreements”*

## Principle 2: Capacity building

*Myth: Just bring in personnel into government who have private sector skills*

Our position says **No!**

Delivery of PfPPPs has to:

- ✓ Be by **public civil servants** with public sector ethos
- ✓ Be inspired by **case study evidence-500 PfPPP campaign**
- ✓ Be stronger with **good quality** of consultants
- ✓ Avoid officials once trained to move to private sector

## Principle 2: Capacity building

***“Governments as a priority should use every way to scale up their capacity building efforts based on an Action Plan at different levels, all targeting the creation of more effective People-First Projects”***

## Principle 3: Improving the legal framework

*Myth: PPPs is just an agreement*

Our position says **No!**

A **legal framework** is required –fewer, better, simpler: Focus on the social side; **five sine qua nons** needed:

- ✓ **Zero tolerance** to corruption
- ✓ Level playing field for **sustainable procurement**
- ✓ **Repatriation** of projects
- ✓ Disputes that go to **international arbitration**
- ✓ **Right of citizens** to being consulted and heard

## Principle 3: Improving the legal framework

***“Legal frameworks have to be improved: a lot to do and while they have to protect investor’s rights; they also need to protect citizens rights in infrastructure projects”***

# Principle 4: Transparency and accountability

*Myth: Access to full information on the project,  
undermines commercial secrecy*

Our position says **No!**

- ✓ Full **disclosure project information** improves **public trust**
- ✓ **Boost performance**-people know indicators of projects
- ✓ Private sector wants **more information** of the **selection process**

## **Principle 4: Transparency and accountability**

***“Successful and sustainable PfPPPs require substantial transparency and accountability at all stages”***

## Principle 5: Risk and de-risking

*Myth: The private sector provides infrastructure assets at no costs nor risks to the government*

Our position says **No!**

- ✓ Private sector must accept a different **risk/reward ratio**
- ✓ Improved **governance and predictability** by governments in doing business
- ✓ **Targeted regulation**
- ✓ Partner with **NGO community**

## Principle 5: Risk and de-risking

***“Low-income countries have extra risks that lead private sector’s reluctance to invest: governments need to persuade private sector in taking longer-term perspectives and less returns in the short-term”***

# Principle 6: Procurement, promoting value for people

*Myth: The private sector only looks for easy and quick returns*

Our position says **No!**

- ✓ Private sector can and want to achieve **stronger KPIs**
- ✓ They want to do **more not less projects** based on mutual trust
- ✓ **People-First criteria (social, environmental and economic criteria)** needs to be integrated into award mechanisms

# Principle 6: Procurement promoting value for people

***“The criteria for project selection needs to be broadened to include “Value for People”, not just Value for Money”***

# Principle 7: Resilience and climate change

*Myth: Climate change does not pose any threats to infrastructure nor puts barriers in the way of world's poor to essential services*

Our position says **No!**

- ✓ The poor are the **most vulnerable**
- ✓ Risks are associated across **all infrastructure sectors**
- ✓ PfPPPs can provide **technological innovation** (e.g. solar)

## Principle 7: Resilience and climate change

***“PPPs are needed in resilient infrastructure because of the huge costs in climate change adaptation and new technologies required”***

# Principle 8: Innovative finance-impact investing

*Myth: PPPs puts profit before people*

Our position says **No!**

- ✓ **Impact investing is moving forward** as sustainable financing becomes a serious trend in the banking industry
- ✓ Private individuals wish to see **social impact** from their investments
- ✓ **Better metrics** are needed to show real impact of projects in support of the SDGs

## **Principle 8: Innovative finance-impact investing**

***“Impact investing has great potential harnessing a new willingness of investors to do well and do good”***



# Thank you

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