

**Note on impacts and results submitted by Marc Frilet, Deputy Secretary of the
International PPP Specialist Centres of Excellence in Policies Laws and Institutions
affiliated to UNECE (ICoE PLI) and former Chair of the UNECE-affiliated International PPP
Specialist Centres of Excellence**

Status Programmes and impact as of 18 November 2019

Mandate

Identify empirically all issues common to most PPP impairing the development of sustainable projects irrespective of sectors and countries and propose practical process to resolve them more particularly for PPP for essential public services meeting the SDGs.

In other words, identify in close contact with countries and stakeholders all “Chapeau Issues” such as investment and business climate, PPP definition, content of enabling regulatory and institutional framework PPP procurement and template contract conditions, optimization of public service delivery and transparency during project lifecycle, dispute avoidance and dispute resolution etc.

For this purpose, implement a detailed methodology agreed with UNECE in accordance with UN principles of neutrality guaranteeing the Excellency of outcome for the work programme and its dissemination.

Status and organization of the ICoE PLI

Originally a public private association including French Government representatives and leading international organizations of contractors (CICA) and of legal profession (IFEJI) in close contact with several satellite organizations such as the International expert team on Infrastructure Concessions and PPP (ETIC-PPP) and numerous international organizations.

The founder members were already deeply involved in public Infrastructure, PPP and mining programmes both at project level and enabling framework level for many years inter alia with the World Bank, UNCITRAL, International Bar association (IBA), Dispute Resolution Board Foundation (DRBF), OECD, EU (DEVCO), and the African Development Bank. They had designed or participated as leading expert teams to several comprehensive PPP capacity building programmes, masterclasses etc. around the world.

Early Impact: creating a large consensus on the characteristics of PPP meeting the SDGs and on need of inclusive chapeau principles

The ICoE PLI ambitious work programme, agreed with UNECE included numerous trips mostly in low- and middle-income countries to raise awareness and present lessons learned from real projects and best practices.

The Centre invited UNECE to participate to several major events for the development of PPP, inter alia in Africa and South America and the OECD. This proactive research and exchange programme had a major international impact on the identification of issues to be addressed and on the key and inclusive characteristics of PPP meeting the SDGs.

For instance, the need of a well-structured high-level planning and prioritization process to be carried out before selecting a PPP route over other procurement options permitting to develop sustainable PPP projects is now widely recognized as a precondition for sustainable PPP.

Therefore, most countries and international organizations also recognize the need of inclusive chapeau principles and related implementing provisions to overcome the identified hurdles and to develop in parallel Flagship PPP projects.

To distinguish desirable PPP projects meeting the SDGs for low- and middle-income countries the ICoE PLI has proposed together with UNECE to promote a new acronym, People-first PPP, embracing in an organized and simple manner all chapeau issues critical for the development of pipelines of PPP for public infrastructure services.

Developing practical solutions for implementing pipeline of People-first PPP

2017

Under the umbrella of the ICoE PLI over 20 papers articles, leading practitioners’ opinions on enabling regulatory frameworks and project evaluation, best practices, guiding principles templates and standards all based on carefully selected empirical evidence focusing on People-first PPP have been already produced.

Most of their content were presented and discussed during the UNECE intergovernmental meetings on PPPs in Geneva. This “body of inclusive knowledge” and related practice was revised and fine-tuned to constitute altogether an innovative platform making an immediate impact for players involved in the design and implementation of People-first PPP programmes and projects (*list available upon request*).

This platform answers most of the frequently asked question on how to develop People-first PPP programmes as well as single projects including issues rarely addressed but essential for the success of projects pipelines such as the conditions of involvement of reliable and independent experts by IFI’s and governments.

2018

The lack of financial resources both for the ICoE PLI and UNECE did not permit to organize properly the synthesis and dissemination of the production of the ICoE PLI and of other Centres and project teams which could have impacted much more efficiently on the planning and development of People-first PPP flagship projects around the world.

Nevertheless the publicity given to the identification of the main practical issues to address in most cases for having a chance to develop Sustainable People-first PPP and the definition of People-first PPP proposed by the ICoE PLI presented in many occasions around the world specially in Africa or for BRI projects in the last 3 years (including several leading University Programmes) have already permitted some countries to avoid frustrating “NO GO” for their PPP Programmes and to redesign Programmes and People-first PPP projects meeting the SDGs.

All the empirical evidence gathered by ICoE PLI confirms that the top priority to make real impact in developing People-first PPP meeting the SDGs in low- and middle-income countries are:

- (1) to give a large publicity on the global consensus of public and private experienced practitioners around the world on the key characteristics of People-first PPP meeting the SDGs, then
- (2) to design of practical tools, processes and Template and standards documents which could represent a simple and user-friendly framework valid for most projects and irrespective of sectors and countries, avoiding many unrealistic and time-consuming expectations from various players, and

(3) to organize wide exchange programmes and capacity building for stakeholders including legal and financial community, PPP Units and countries.

An illustrative example of a fervently debated issue which could be easily resolved through this process (avoiding many unrealistic expectations for People-first PPP meeting the SDGs), is the choice of People-first PPP delivery method over other procurement methods such as design-build, design-build-operate, EPC etc. Indeed, in many situations, the primary focus on PPP is often for budgetary reasons and leads to aborted projects while an innovative People-first PPP approach coupling best value for money with “best value for people” would have real chances to deliver more efficiently and rapidly a wider range of essential public services. Lessons learned again and again reveals that an optimized balance between Public Payment PPP (limited by tax budgets) and Concession PPP (having far less budgetary but triggering innovative partnership equilibrium on risks and reward) could make a major impact in accelerating SDG compliance and is still unknown in many low- and middle-income countries.

Considering the above, it is felt that there is no more need for the ICoE PLI to continue to play a pioneer role for identifying the main characteristics of People-first PPP to be promoted by UNECE or to answer again to the question “what should be done?”. This is behind us.

The focus of the ICoE PLI is now to share actively with stakeholders an array of integrated solutions and lessons learned on reference projects around the world allowing to resolve most of the practical issues impairing the development of People-first PPP.

This means rendering fully operational the People-first PPP and Public Infrastructure and PPP International Knowledge Centre, accelerating the design of an inclusive People-first PPP Toolkit and other related capacity-building programmes. Unfortunately most of the financial resources needed to deliver outcome matching the excellency level rightly requested by UNECE and Countries are still lacking, impairing the capacity to make more real impact on the ground (*more information on the actions and deliverable of the ICoE PLI up to 2018 can be found in the extensive report on the activity of the ICoE PLI “3 years in review” available on request*).

2019: The People-first PPP impact multiplier programme

Despite a major funding problem, ICoE PLI associated experts and practitioners made a unique effort, mostly on a pro bono basis, to contribute and develop a People-first PPP impact multiplier programmes:

December 2018, Beijing, BRI and coordination Programme inception

The 3 days meeting with NDRC and the University of Tsinghua together with representative of the International PPP Specialist Centres of Excellence affiliated to UNECE, permitted very fruitful exchanges on the practical means to develop People-first PPP in Asia with focus on flagship projects along the BRI route.

In order to maximize impact and cross fertilization and to speak with the same voice and level of Excellency, the creation of an International PPP Specialist Centres of Excellence affiliated to UNECE (ICoE CC) was decided. All the specialized Centres agreed on the terms of a common Code of Conduct. A Statement of Intent on the organization and proceeding of the ICoE CC (including an initial road map) was further agreed.

January 2019

A programme in 10 points was agreed in Geneva between the ICoE PLI and UNECE including the ICoE CC activities, further development of the People-first PPP Knowledge Centre, continuous contacts with UNCITRAL, GIH, WAPPP, BRI, facilitation mechanism, Davos etc.

To maximize impact, the programme included an important marketing and communication effort (subject to adequate financing) and the organization of a high-level workshop in Paris followed by a meeting of the ICoE CC. (*Minutes of the meeting and programme are available upon request*)

February to March 2019

The preparation of the first high-level People-first PPP workshop and of the meeting of the ICoE CC permitted additional cutting-edge exchanges with experienced practitioners and scholars from several countries on the main characteristics of People-first PPP and from there, the content of enabling regulations and other conditions critical to develop People-first PPP projects. Panellists were selected considering their experience in real People-first PPP projects and were requested to described flagship or generic projects.

A selection of the recent and innovative “body of knowledge” from the last few years under the UNECE umbrella was put at the disposal of the participants. It included several documents produced by UNECE on PPPs as well as most relevant documents produced by the Centres and Project Teams endorsed by UNECE (*The programme, speakers and list of documents are available upon request*).

In the meantime, and at the request of UNECE, an expert team from the ICoE PLI reviewed the Guiding Principles drafted by the UNECE Secretariat and proposed amendments.

April 2019

The high-level People-first PPP Paris workshop attended by 40 experts from more than ten countries has been a great success. It can be considered as a major breakthrough for the identification of People-first PPP projects meeting the SDGs and the conditions of their development around the world. (*The detailed report “People-first PPP in Practice; conditions for a multiplier impact on delivery of essential public services in low- and middle-income countries” followed by five take away is available upon request*).

May 2019

The ICoE PLI participated to the **WAPPP meeting on 6 May in Geneva**; ICoE PLI representatives made a presentation on lessons learned and best practices for People-first PPP and on proposed way forward with WAPPP, to foster coordination efforts to develop People-first PPP.

Several International experts from ICoE PLI participated actively to the **international PPP Forum on 7-9 May in different capacities**:

- 1) A working meeting and dinner of the ICoE CC was organized by the ICoE PLI secretary as Chair of the ICoE CC, as a follow-up to the Paris event. Various documents and reports revised after the Paris High-level workshop such as the definition of People-first PPP, People-first PPP Implementation Toolkit and the People-first PPP Knowledge Centre development were discussed, and several practical conclusions reached in order to maximize impact. The need to have closer contacts with UNECE for future programmes was highlighted. This would permit to raise awareness on how to make impact and get support for financing the Centres’ programmes. (*the coordination Committee activity during the first semester of 2019 and related roadmap is available soon upon request*)

- 2) A Master class on the fundamentals of People-first PPP and their impact on improving access to essential services prepared by the experts the ICoE PLI has been delivered by the ICoE PLI general secretary at a lunchtime event on 8 May.
- 3) Two presentations from ICoE PLI representatives have been made on 8 May at the session on collaboration between the public and private sectors. One presentation took the form of a joint presentation with head of the PPP of Unit Burkina Faso, demonstrating how close a trustworthy and inclusive collaboration between public and private sector, if well-organized at a very early stage and with clear outcome, have permitted to identify and develop effective People-first PPP.
- 4) The ICoE PLI participated on 9 May to the panel for developing a vision of stakeholder engagement in People-first PPP. The ICoE PLI focused on lessons learned to allow countries to adopt and implement progressively a simple and efficient set of Policies Laws and Institutions framework which is in most cases a prerequisite to sustainable People-first PPP (together with the Tools to achieve it).
- 5) On 9 May a full session was organized by the ICoE PLI on the need and possibility to standardize procedures and processes to lower transaction costs for People-first PPP and develop simple and effective capacity building programmes especially at the local level. Several practical answers found in the documents drafted by the ICoE PLI such as the list of essential clauses in People-first PPP concessions contracts or draft People-first PPP implementation Toolkit were presented and discussed with operational conclusions on the way forward (very similar to the joint conclusions of the ICoE CC).

High level Chinese delegation meeting in Marseilles, 11-12 May 2019

Background: For several years, experts from the ICoE PLI together with experts and organizations focusing on international relationships with China have organized exchanges on best practice standards conditions procedures and processes facilitating the development of PPP in China and along the BRI route. The ICoE PLI has participated closely from the origin to the UNECE programmes with China and more particularly with NDRC and Tsinghua University including in Conferences in China and several meetings in Geneva. During the UNECE Beijing event of December 2018 a special meeting took place between the ICoE PLI and NDRC following previous meetings in Europe. A joint programme between the ICoE PLI and NDRC on the condition of development of pipeline of People-first PPP projects was discussed and draft terms of references considered.

The Chinese delegation participating in the PPP Forum had expressed interest to exchange more with the ICoE PLI and to better understand the delivery form of Concession PPP popular in France that NDRC consider well balanced to develop pipeline of People-first PPP with no or minimum strain on tax budgets.

Marseille meeting Two days of fruitful exchanges took place organized by ICoE PLI for the Chinese delegation having participated to the Geneva Forum with the support of the City of Marseille. The participants included well known Concession PPP practitioners and Chinese specialists of the Aix – Marseille University. The meeting was enhanced by an informal participation of Geoffrey Hamilton and Christine Lagarde, head of the IMF at the time.

The meeting addressed issues identified by the Chinese delegation and was a great success. The resulting action plan included revised draft of terms of reference between the ICoE PLI and NDRC for accelerating the development of flagship People-first PPP projects along the BRI route. (within the framework of a MoU entered between the UNECE and the Chinese delegation to the PPP Forum) *Those detailed TOR are available upon request.*

June to November 2019

In accordance with the very large consensus reached progressively between experienced PPP practitioners on the steps to be taken in several directions and at different levels to develop pipelines of People-first PPP projects (while at the same time facilitating the development of flagship People-first PPP projects in low- and middle-income countries) the ICoE PLI has been focusing on 6 priorities:

1. Drafting the activity report of the ICoE CC and proposing future actions for the meeting of the ICoE CC in New Orleans (meeting eventually Cancelled). *(Activity report soon available on request)*
2. Drafting the blue print of the People-first PPP implementation Toolkit dealing with all chapeau issues common to most People-first PPP projects around the world irrespective of countries and sectors in accordance with the detailed plan circulated with UNECE and supported by the International PPP Specialist Centres of Excellence. *(in progress)*
3. Contributing to the SOURCE project for well-prepared Projects. *(in progress)*
4. Developing physically and operationally the People first PPP and public infrastructure Knowledge Centre. *(final completion of first phase)*
5. Developing modern capacity building programme: Masterclasses and other form of exchanges considering the ongoing activities of practitioners and of authoritative scholars associated to the ICoE PLI. *(in progress)*
6. Promoting the UNECE best practices, guidance, reports and standards in a synthetic and operational manner on PPP projects and enabling regulations through the activities of the ICoE PLI associated experts and scholars. *(in progress)*
7. Contributing to the definition of sustainability in relation to SDGs and how to implement the objectives: several actions in progress with several deliverables already operational *(more information upon request)*:
 - Sustainability in Small Island: GLIPSA and SMILO
 - Sustainability and environment; with focus on resilience; Green Cross
 - Sustainability in extractive Industry (OECD Policy dialogue)
 - Sustainability in P3 in the US; ACCL
 - Sustainability in maritime activities and sailing including guiding principles; V2E and ICOYC and Monaco.
 - Sustainability Lab; Porquerolles Petit Langoustier Sustainable Island lab (SILAB)

Despite a lack of financial resources for the ICoE PLI, all those programmes and actions represent already an important leapfrog on the delivery of People-first PPP projects meeting the SDGs.

But the outcome of several years of intense activities would be much more visible and easier to implement in the countries if an improved coordination and communication programme is organized, preferably by UNECE involving other organizations and countries.

This would allow to obtain the necessary funding, which is critical to finalize several key deliverables from the body of practical knowledge already gathered for the success of People-first PPP. Indeed no one can really challenge the fact that a People-first PPP implementation Toolkit in a user-friendly format remains to be drafted followed by several templates and innovative dissemination and capacity building programmes paving the way for better governance and important savings from the international Community and countries in the development of sustainable People-first PPP projects.