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**COMMITTEE FOR TRADE, INDUSTRY AND
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Working Party on International Legal
and Commercial Practice

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REPORT

UNECE Public Private Partnership Alliance

Note by the Secretariat:

The key-decisions on the UNECE PPP Alliance that will be taken by the Working Party concern as follows:

1. A proposal to hold the next PPP Alliance Meeting in Barcelona. (see Annex I)
2. The Alliance might wish to cooperate with Latvia and other countries in establishing PPP units.
3. The Alliance's Working Group on legal issues to assist South East Europe in improving the legal framework for PPPs.

1. Background

In 1996 the UNECE established the Build Operate Transfer (BOT) Group to promote a better understanding on new project finance techniques for infrastructure development. In this regard the experts of the group prepared guidelines. Having concluded its guidelines the BOT Group presented these to a Forum in 2000 at which it was agreed to continue to help governments in the development of these projects under the auspices of the Public Private Partnership Alliance.

2. The UNECE PPP Alliance

The UNECE PPP Alliance Programme agreed at its first session in March 11-13 2002 in Geneva on the following objectives:

1. To achieve a better understanding on PPPs and a more conducive environment for increasing their application in the region;
2. To assist governments in establishing effective and dynamic PPP Units and similar bodies within public administrations;
3. To promote and develop understanding and cooperation on Public-Private Partnerships for infrastructure development amongst national PPP Units or similar bodies and between them and civil society, trade unions and employers;
To strengthen information gathering systems and information exchange amongst the PPP units and similar bodies including on the financing of PPPs;
4. To identify pilot projects which can allow countries to get started in the PPP market in Europe;
5. To facilitate access to funding and other assistance, through referrals to relevant bilateral and multilateral agencies, for the development and implementation of PPP promotion programmes;
6. To assist PPP Units and other similar bodies in advising their respective governments in the formulation of appropriate PPP policies and strategies;
7. To assist and cooperate with other regions in the world to improve standards and application of PPPs on a global level.

3. Activities developed since the Constitution of the PPP Alliance.

Since March 2002 the PPP Alliance has attended a number of conferences in Europe including the following:

- Participation of Mrs. Corinne Namblard, co-chairman of the PPP Alliance, at the launch of EIC White Book on PPP/BOT in Brussels at the 23rd of June 2003.
- Participation of the UNECE secretariat at the Conference on Transport Partnerships in Rome 1 and 2 October 2003.

4. Proposals for the PPP Alliance Programme of Work (2003-2004)

The UNECE secretariat has received the following requests for cooperation:

- An offer by the mayor of Barcelona, Mr. Joan Clos, to hold the next PPP Alliance meeting in that city to demonstrate the role of PPP in the revitalisation Barcelona during the last two decades. It is further proposed that the meeting will be held as

part of the second World Urban Forum by the UN-HABITAT in conjunction with UNESCO's programme and culture (see Annex).

- The government of Latvia has invited the UNECE PPP Alliance to provide it with assistance in developing effective and dynamic PPP units by adoption of best practices and knowledge. Suggestions and practical know-how would allow them to establish a first-rate PPP unit.
- USAID has made a proposal to the PPP Alliance Legal Working Group under the Chairmanship of Mr. Wim Timmermans for assistance in improving the legal and regulatory frameworks for PPPs in South Eastern European countries.

Annex I

Proposal to Hold the Third PPP Alliance meeting at the Second UN Habitat Conference in Barcelona, Spain, September 15-17 2004.

Background: The UNECE PPP Alliance under the auspices of the Working Party on International Commercial and Legal Practices (WP.5) proposes to hold its third meeting at the occasion of the World Urban Summit 2 on the subject of Promoting Public-Private Partnerships in Urban and Municipal Services for Cultural Development.

The UNECE PPP Alliance: The PPP Alliance was established to improve awareness amongst governments on the potential for PPPs to achieve economic and social progress. It prepares guidelines on best practice. It is jointly chaired by Emmanon Kearns, head of the PPP Unit (Ireland) and Corinne Namblard of CDC France.

Objectives of the Meeting: The Meeting will discuss how PPPs revitalize urban development and contribute to national and local culture. It will focus on municipal services, urban transport, water, lighting as well as health and education. It will hear presentations by the local authorities on the experience of Barcelona in PPP.

Topics that will be discussed at the meeting:

- How do PPPs protect local cultures, language and heritage ?
- What are the risks to cultural diversity coming from PPPs and how can they be mitigated?
- What are the actual examples of PPP projects in the world, which have contributed to enhancing national culture?

PPPs in the World: PPPs are part of a global effort to improve people's access to essential services. There is a strong conviction that given governments' limited resources the private sector can with its management skills, and finance expand services and make them more accessible to those in need. The interest in PPPs is world wide and the UNECE PPP Alliance is part of an inter-regional programme of cooperation, including the United Nations Regional Economic Commission for Asia and the Pacific (UNESCAP). It also has links with South Africa and Mexico, two countries, in the forefront of using PPP solutions to urban and social problems and cultural challenges.

Contribution of the UN Habitat Second World City Conference in Barcelona: The UN Habitat can provide a very useful platform to publicize the work of the UNECE and its cooperation with other regions; it can give an important incentive to both the public and private sectors to showcase their success in achieving the objectives of PPPs. It also can encourage cooperation between cities such as Barcelona with other cities in the world which are eager to use PPPs as a strategy in their renovation efforts.

Next steps: The UNECE is ready to discuss with UN Habitat on how to successfully implement this proposal and to cooperate with it in order to achieve our common goals.

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