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Opening Remarks

by

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at the

**World Association for Sustainable Development International Conference
“Public Private Partnership for the Implementation of the 2030 Agenda for Sustainable
Development”**

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Excellencies, distinguished delegates, ladies and gentlemen,

The topic of Public Private Partnerships for the implementation of the 2030 Agenda is very close to our hearts at UNECE. It is therefore my great pleasure to speak today at this event organized by the Joint Inspection Unit of the UN and the World Association for Sustainable Development.

UNECE is a normative organization. We develop technical standards, guidelines and best practices in many fields pertaining to economic development, including PPPs.

Mobilizing new investments in high quality infrastructure projects is essential, and especially in low and middle-income countries. Such investments can directly eradicate poverty by ensuring access to public services, such as health, education, energy, water and sanitation. A further critical challenge is climate change. There is a need to promote investments in resilience, and to address the risks faced by all people, especially the economically and socially disadvantaged.

The SDGs create a new challenge for PPPs. Traditionally, PPPs have been seen as a 'value for money' tool, with little regard to mitigating poverty. This is not 'fit for purpose' for the SDGs. Nor is there a guarantee that the traditional PPP model will support the successful achievement of the SDGs. There has yet to be a model that is both transformative and responds to the challenges of low and middle-income countries, where arguably PPPs are needed the most.

We need to adapt the traditional PPP model to the SDGs by placing people at the core. PPPs must be implemented according to a broader set of holistic criteria and undertake projects that create 'value for people'.

People-first PPP projects should:

- i. increase access to essential services, especially to vulnerable groups;
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- ii. have particularly strong economic effectiveness and transformational impact;
 - iii. be replicable;
 - iv. cut or significantly reduce Co2 emissions;
 - v. make infrastructure more resilient;
- and,
- vi. engage effectively with all stakeholders.

A set of guiding principles on people-first PPPs are being elaborated by UNECE in consultation with the wider UN family, governments, the private sector and civil society organisations.

Today, I would like to talk about a particular place where the private sector can make a big difference. And that place is cities. Nowadays the share of people living in cities is 54% and is expected to rise to 66% in 2050. This percentage reaches 82% in North America and 73% in Europe, which both belong to the UNECE region. Today cities are struggling to address many challenges, such as ageing, migration, inequalities, security, urban sprawl, informal settlements, pollution and climate change.

PPPs must therefore adapt to the reality of cities. Done correctly, the positive results from PPPs can benefit all within the urban context. UNECE has for many years assisted governments to improve their PPP enabling environment, via targeted policy advice and capacity building programmes. This facilitates private sector involvement in infrastructure and the delivery of public services.

We are also developing PPP standards to assist the engagement of public authorities with the private sector. These voluntary standards are organised by sectors and

provide SDG-driven project models. They provide good governance approaches and policy recommendations on risk allocation and financing. The focus of these standards is on improving partnering capacity, accelerating projects and investments, and reducing transaction costs.

Standards are currently being developed in many sectors such as water and sanitation, health policy, renewable energy, urban rail, roads and airports. These are all extremely relevant to the transition to Smart Sustainable Cities. The first standard launched by UNECE is on a zero-tolerance approach to corruption in PPP procurement – corruption is of course a key disincentive for private sector investment.

As I have said, if implemented correctly, PPPs have a great potential supporting the transition to a smart sustainable cities. As part of our work on making PPPs fit for purpose, we have also compiled a large list of success stories in People-First PPPs. These are available on our website. I hope they can be inspiring to you. I would like to share just a couple.

The first is a PPP for the electric buses in Geneva. A special partnership including Transport Public Genevois (TPG), Services Industriels de Geneva (SIG) and ABB Secheron SA was formed to deploy smart and revolutionary recharging technology. It allows electric buses in Geneva to rapidly recharge their batteries at bus stops, giving buses unlimited autonomy. The new buses will replace diesel engine buses, resulting in the elimination of thousands of tons of CO2 emissions every year, the reduction of noise pollution by half, and the removal of overhead electrical cables from streets and squares in Geneva.

Another project from the UNECE region is the Pamir Hydro Power plant in Tajikistan. The partners are the Ministry of Energy and Water Resources of Tajikistan, Pamir Energy, the Agha Khan Foundation and the Government of Switzerland. This project

combines commercial success and social and economic effectiveness. It solved the problem of intermittent power supplies and insufficient heating in winter in a low-income region. Today, citizens have all day power supplies and the project is being extended to include the whole country and even outside to neighbouring Afghanistan and Pakistan.

As you can see, amazing results are possible if the private and public sector partner effectively.

UNECE's Housing and Land Management Unit also works on the intersection of cities and the private sector. We compile, disseminate and exchange information and experiences on smart sustainable cities, including housing, urban development and land administration policies. In addition, we develop standards in the areas of smart sustainable cities, energy, environment and transport, and promote national frameworks for innovation in the member States, which are indispensable for the development of cities. We work with private sector experts in energy, environment, land use planning etc., as well as other stakeholders, through our Real Estate Markets Advisory Board. Thanks to the support of this Advisory Group, we develop a series of integrated studies, including on smart and sustainable urban development with information on good practices from the UNECE Region and beyond.

UNECE is a partner of the global initiative United for Smart Sustainable Cities (U4SSC) with the International Telecommunications Union and actively collaborates with the private sector in this context as well. In particular, this initiative elaborated key performance indicators for Smart Sustainable Cities which are a free international standard. These indicators fully reflect the SDGs and help cities to evaluate their performance and achievement against the SDG targets. As part of the United Smart Cities, an online marketplace with smart city projects is being developed and is

expected to be online this summer. It will connect directly cities with industry and finance sector stakeholders interested in investing in these projects.

The UNECE is not only advising but also supporting the implementation of concrete smart sustainable city projects in cooperation with private sector. In May, the Housing and Land Management Unit will launch a demonstration project in cooperation with Astana Innovation Foundation and private sector on building a smart city district in Astana. This experience then is expected to be replicated in several other countries in Eastern Europe and Central Asia.

I hope I have been able to demonstrate some of the ways in which we can successfully engage with the private sector to support our efforts towards the SDGs. I thank you for your attention.
