

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON ECONOMIC COOPERATION AND INTEGRATION

Seventh session

Geneva, 5-7 December 2012

Item 3(b) of the provisional agenda

Substantive Segment: UNECE/UNOG Special Session on Public-Private Partnerships (PPPs)

EXPLORING PPP OPTIONS TO RENOVATE BUILDINGS: A REVIEW OF BEST PRACTICES AND THEIR APPLICABILITY FOR THE PALAIS DES NATIONS

6 December, 2012 (10 a.m. to 1 p.m., *Palais des Nations*, Salle V)

tentative programme

The purpose of the Session is to discuss the role of the Public-Private Partnership (PPP) approach in the renovation of public buildings; and enable members of the UNECE Team of Specialists on PPPs (UNECE TOS PPP) to provide preliminary recommendations to UNOG on the most appropriate models of PPPs for the renovation of the *Palais des Nations*.

The Session will be structured into three parts: *Part 1* will start with an introduction to PPPs; an overview of the Strategic Heritage Plan (SHP); and the infrastructural challenges faced by the *Palais des Nations*. *Part 2* will focus on key PPP models used in refurbishment of buildings, their advantages and challenges for public entities, such as governments and UNOG. These models will be presented through a number of best practice case studies and 'lessons learnt' from such case studies will be highlighted. *Part 3* will be held in the form of a roundtable and is devoted to comments by the UNECE TOS PPP members on the various PPP models and some initial recommendations to UNOG and Member States on the suitability of the PPP approach to the renovation of the *Palais des Nations*.

Welcome and opening statements

Moderator: Mr. Geoffrey Hamilton, UNECE

10.00 - 10.15 Mr. Sven Alkalaj, Executive Secretary, United Nations Economic Commission for Europe

Mr. Joshua Lincoln, Chef de Cabinet, on behalf of Mr. Kassym-Jomart Tokayev, Director-General, the United Nations Office at Geneva

Part 1. Introduction: The PPP Options and the Challenges facing the *Palais des Nations*

10.15 - 10.30 **Strategic Heritage Plan: overview, its objectives and current infrastructural challenges in the *Palais des Nations***

Mr. Francesco Savarese, Chief, Building and Engineering Section and Senior Project Manager, Strategic Heritage Plan (SHP), UNOG

10.30 - 10.45 **Introduction to PPP and its applicability for the renovation of the *Palais des Nations***

Mr. Jan van Schoonhoven, UNECE

Part 2. International PPP Models and Relevant Case Studies in Buildings Renovation

Moderator: Mr. Sam Tabuchi, Vice-Chairman, UNECE TOS PPP

10.45 – 12:00 **The PFI model¹: The case study of the Ministry of Finance in the UK**
Mr. Karan Mangroo, General Manager for HM Treasury and HM Revenue and Customs PFI Projects, Lend Lease

The DBFMO² model: The case study of the Ministry of Defence in France
Mr. Jean-Yves Gacon, Project Director, PPP Unit, Ministry of Economy, France

The Lease-Leaseback model³: The case study of US Government Buildings
Mr. Richard Ornitz, Partner, Patton Boggs

The DBFM⁴/PFI Model: The case study of the Ministry of Defence in the UK
Mr. Mark Owers, Commercial Manager, Babcock International Group

The DBFMO Model: The case study of the Ministry of Finance of the Netherlands
Mrs. Pauline Bieringa, Director, Bank of Dutch Cities (BNG)

Q&A

Part 3. Initial Recommendations by UNECE TOS PPP

Moderator: Mr. Geoffrey Hamilton, UNECE

12.00 - 12:30 **Initial Recommendations**

Mr. Arthur Smith, Chairman, UNECE TOS PPP
Mr. Leo McKenna, Chairman, UNECE TOS PPP, responsible for UNECE International PPP Centre of Excellence

The Chairmen of UNECE TOS PPP will present initial recommendations in conjunction with individual experts of the UNECE TOS PPP.

12.30 - 12:55 **Q&A**

12.55 - 13:00 **Summing-up and next steps**

¹ The private finance initiative (PFI) is a procurement method which uses private sector capacity and public resources in order to deliver public sector infrastructure and/or services according to a specification defined by the public sector. Beyond developing the infrastructure and providing finance, private sector companies sometimes operate the public facilities.

² Design-Build-Finance-Maintain-Operate (DBFMO): The private sector designs, builds and finances an asset, provides hard and/or soft facility management services as well as operations under a long-term agreement.

³ Lease-Leaseback model allows the government agency to retain complete ownership of the asset with the investor only maintain a leasehold interest in the asset and the government agency pays rent to the investor under the Lease-leaseback structure and benefits from the lump sum funds made available from the investor or from the investor funding construction costs.

⁴ Design-Build-Finance-Maintain (DBFM): The private sector designs, builds and finances an asset and provides hard facility management or maintenance services under a long-term agreement.