Distr.
RESTRICTED

ECE/CECI/PPP/2015/CRP 3 12 June 2015

ENGLISH ONLY

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON INNOVATION, COMPETITIVENESS AND PUBLIC-PRIVATE PARTNERSHIPS

Team of Specialists on Public-Private Partnerships

Seventh session London (United Kingdom), 18 June 2015 Item 3 of the provisional agenda

Developing international standards and best practices in Public-Private Partnerships (PPPs)

Conference room paper submitted by the Secretariat

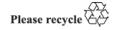
Mechanism for Implementation of the Charter on Zero Tolerance to Corruption in PPP Procurement

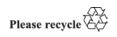
Note by the secretariat

The following paper has been prepared by Scott Walchak, who is leading the process to develop a Mechanism for Implementation of the Charter on Zero Tolerance to Corruption in PPP Procurement and is circulated for information under Item 3 of the annotated provisional Agenda.

The paper incorporates some of the comments made by various experts, and will be further developed and aligned with the Charter on Zero Tolerance to Corruption in PPP Procurement (CRP 2) in the coming weeks.

This paper is being circulated by the secretariat as received.





By way of information, this examiner's checklist would be undertaken and managed by an agency located outside the UN in a member state. The agency would be responsible for the following:

- Hiring the evaluator
- Maintaining liaison with the Government body wanting to be evaluated
- Ensuring and overseeing that the evaluation has been undertaken correctly
- Guaranteeing that the evaluation has been done so that the award of the certificate is a genuine recognition of the achievement of compliance with the Zero Tolerance to Corruption charter

In addition, it is probably assumed but is still to be finalized that this certificate will be given in two stages:

Stage 1: The certificate could be seen as Category 1 compliance when the Government agency has agreed to be evaluated, the preliminary engagement has taken place, and at the outset presents no major corruption issues.

Stage 2: The certificate could be seen as Category 2 compliance when the government agency satisfactorily meets a sufficient number of the conditions as set out in the document below.

For the moment, we would kindly ask the reviewers to help us operationalize this tool of evaluation by answering the following questions.

ECE/CECI/PPP/2015/CRP.3 page 4

This evaluator's assessment document serves as an evaluation tool to undertake a thorough analysis of the extent to which PPP units and public entities are meeting the conditions laid down in the Charter to Zero Tolerance for Corruption in PPPs. These questions should be read in tandem with a commentary on the questions (which will be finalized in due course).

PPP units/public entities Reviewed:	Review Effective Date:
	Review Commencement Date:
	Review Completion Date:
PPP units/public entities Contact and Address:	Reviewer Name and Address:
PPP Unit Name and Address, if any:	
Resources Relied Upon:	

General Comments or Observations:		
Other:		

Review Scoring for each question = 0 – Not Applicable or None Demonstrated

1 – Minimally Demonstrated

2 – Moderately Demonstrated

3 – Significantly Demonstrated

As a supplement to this document, evaluators will receive a guideline with information on the scoring system. Individual weights will be assigned to each category of questions, depending on their relative importance in assessing adherence to the conditions laid down in the Charter to Zero Tolerance for Corruption in PPPs.

A. Underlying Organizational Capability and Human Resources

General Human Resource		0-3
broad base of the population	ties have recruitment standards which reflect the and ensure a representative balance (physically rientation, and representation of minority	
<u> =</u>	ties have a tracking system to ensure that nities for development, promotion as well as to ms?	
3. Do the PPP units/public entit appropriate staff remuneration	ties fare well in terms of justifiable and on and working conditions?	
	ties have recruitment standards which examine and incidents of criminal, judicial, or	
	ties have recruitment standards which conflicting interests in the industry in which the cerned?	
*	ties have in place a clear organizational project functions by area of expertise?	
and/ or ethical standards as p solicitation practice (includir when dealing with the private	ties have in place a sound set of code of conduct part of their organizational guideline and ng policy on gifts and 'facilitation payments' e sector or for example controls for when public ipate in the tendering as a proposer)?	
8. Do the PPP units/public entition integrity in public service?	ties promote management excellence and	
9. Do the PPP units/public entit conduct within all staff mem	ties ensure proper dissemination of the code of bers?	
10. Do the PPP units/public entite having in place an effective of	ties enforce adherence to the code of conduct by compliance department?	
-	ties have in place a proper grievance handling ction for whistleblowers (including a policy on	
*	ties use automated or computerized accounting, ncluding solicitation components that reduce uence)?	
	ties have controls in place to discourage PPP being employed by entities awarded PPP	
Comments:		

Qualif	fication and Track record	0-3
1.	1. Do the PPP units/public entities employ sufficient number of qualified PPP specialists with project transaction experience?	
2.	Do the PPP units/public entities have internal technical capacity or the means to retain qualified external assistance to handle specialized PPP matters, including the use of past or current PPP project experience and approaches?	
3.	Do the PPP units/public entities exhibit knowledge of International PPP experience or incorporate external international expertise?	
4.	Do the PPP units/public entities undertake projects where development be or other international financial institution standards apply?	ınk
Comm	nents:	

Traini	ng and Staff Appraisal	0-3
System	n	
1.	Do the PPP units/public entities have programs to expand PPP training and knowledge?	
2.	Do the PPP units/public entities conduct regular trainings on ethical code of conduct, conflict of interest and receiving gifts policy?	
3.	Do the PPP units/public entities include components of ethical code of conduct and conflict of interest in their periodic staff evaluation system?	
Comm	nents:	

B. Oversight and Creation of a PPP Enabling Environment

Accou	ntability and Transparency	0-3
1.	Do the PPP units/public entities use PPP model agreements or templates and exercise clarity in language in all their contract papers and external communications?	
2.	Do the PPP units/public entities use transparent and openly communicated approval mechanisms (including the use of clear authority and transparent approval and award processes)?	
3.	Do the PPP units/public entities exhibit simplified administrative functions and enforce administrative accountability?	
4.	Do the PPP units/public entities restrict civil servants from having interests in proposer entities?	
5.	Do the PPP units/public entities ensure proper retention of public records as well as access to these records?	

6. Do the PPP units/public entities enforce a culture of open information: publicize the non-confidential terms and conditions of the contract after selection or award (including a clear articulated basis and finality of award)?	
7. Do the PPP units/public entities examine proposer integrity and require proposers to be non-biased and transparent?	
8.	
Comments:	

Legal	and Regulatory framework		0-3
1.	Do the PPP units/public entities for themselves?	ace rigorous auditing procedures	
2.	Do the PPP units/public entities a practices?	ctively encourage auditing of their own	
3.	Do the PPP units/public entities for regulations and policies to create environment?	acilitate formulation of PPP laws, a more conducive and predictable business	
4.	•	vork within specific sectors, contracting uch that their responsibilities are well eloping expertise and capacity?	
Comm	ents:		

C. Technical Capability

Consultation with the Market		0-3
1. Do the PPP units/public entities publicize the solicitation widely and		
accessibly, and in a reasonable		
2. Do the PPP units/public entities establish a uniform		
communication/feedback/negotiation system?		
3. Do the PPP units/public entities ensure formal and ethical consultations with		
private sector?		
Comments:		

0-3

Tendering	
vulnerability (e.g. procedures	ties ensure reduction in PPP procedural s related to unsolicited bids, not allowing for monstration of qualifications, confidentiality
foster competition (e.g. ensur proposers, using neutral spec	ies enforce PPP procurement conditions that ring secondary competition of shortlisted ifications during the solicitation process, structures or localities, etc.)?
3. Do the PPP units/public entit PPP funding opportunities an	ies create a business case for PPPs and evaluate ad constraints?
4. Do the PPP units/public entit obligations in the pre-qualific	ies have controls in place for incurring financial cation and tendering process?
5. Do the PPP units/public entit open and fair system?	ies open, compare and evaluate proposals in an
6. Do the PPP units/public entit evaluation reports?	ies mandate substantiated and written
7. Do the PPP units/public entit financial certifications or gua	ies require proposers to make ethical or arantees?
8. Do the PPP units/public entit evaluators?	ies use fair, competent, and unbiased
clear invalidation criteria and	ies use neutral, uniform evaluation criteria, l uniform conformity tests (including nnical and financial proposals)?
including i. Proposer negotian	ies have procedural controls in place for issues tions after evaluation ii. Contract entry and oposer interaction, iv. Proposer change of
Comments:	

1. Do the PPP units/public entities ensure balanced stakeholder or civic involvement (i.e. public vetting of PPP decisions or approaches)? 2. Do the PPP units/public entities ensure involvement of an attorney general, public counsel, or other probity or fairness advisor or auditor?

3. Do the PPP units/public entities carry out consultation with other applicable government entities affected or involved with the PPP project?

Comments:

Consultation with other