

PUBLIC-PRIVATE  
PARTNERSHIPS



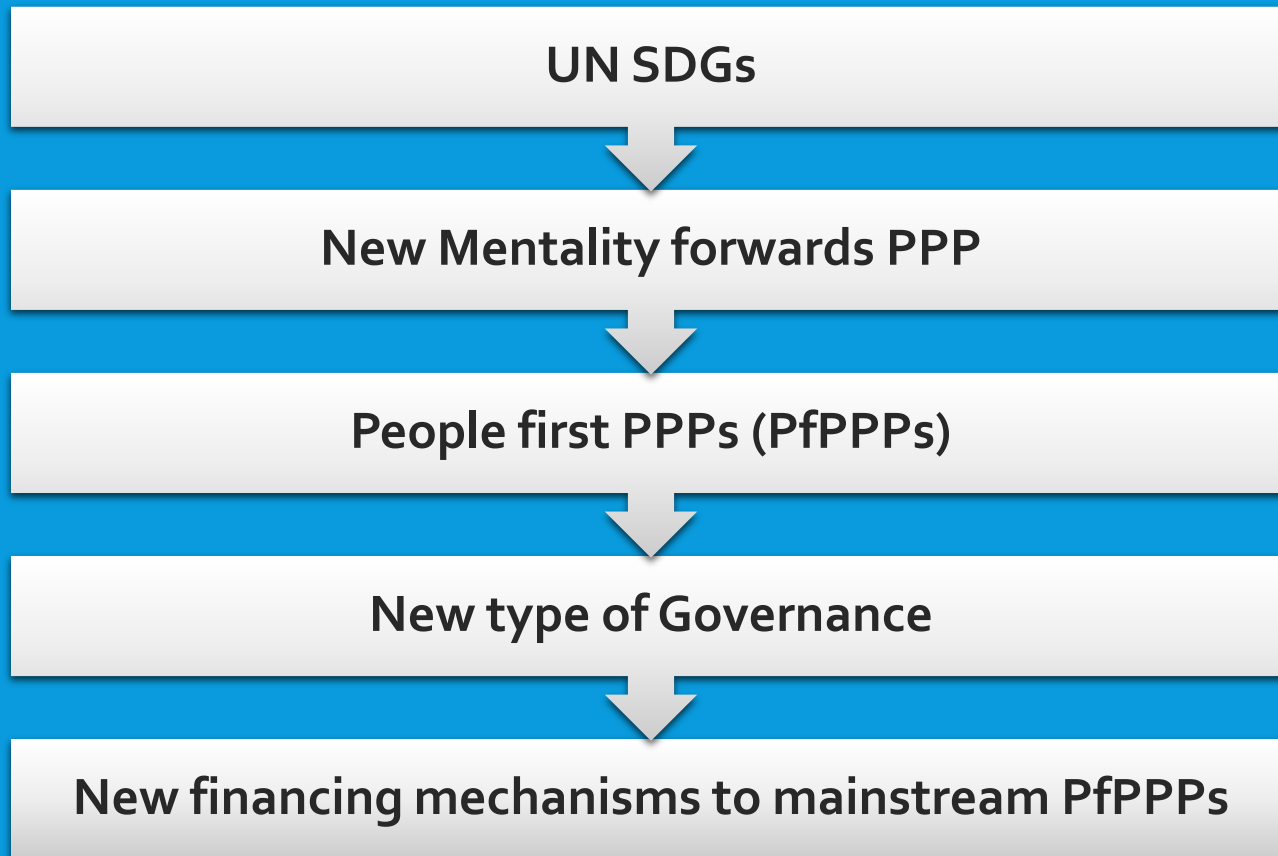
## People first PPPs for the UN SDGs

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# OUTLINE



# 1. UN SDGS



September 2015, the UN General Assembly adopted the **2030 Agenda for Sustainable Development**, a new global framework to advance peace and prosperity for all people and for a healthy planet.

# 1. UN SDGS



Up to \$4.5 trillion per year in investment will be required in developing countries between 2015 and 2030

The UN SDGs have given a high priority to partnerships as a vehicle to achieve the SDGs.

Of the various partnerships mentioned, more attention is given to **Public-Private Partnerships (PPPs)**.

## 2. NEW MENTALITY TOWARDS PPP

- UN SDGs will focus attention on doing PPPs in low income countries/emerging markets.
- On social projects – poverty, increasing access to health, etc.
- Private sector will have to adopt a new risk/reward ratio/not profit maximization.
- Longer term thinking to develop new markets
- Willingness to work with civil society
- Commitment to local engagement and capacity building

# 3. PEOPLE FIRST PPP (PFPPPS)

## Making PPPs 'Fit For Purpose':

Partnerships now must be evaluated according to a new set of criteria which can be perceived and actually are “**quality infrastructure investments**”. These people first projects inter alia

- Increase access of essential services – water and sanitation, energy etc. -, to people especially the socially and economically vulnerable. Engagement with social policy issues has remained on the periphery, rather than an integral part of, infrastructure reform in many countries. The design of PPPs has been weak in addressing poverty concerns, and there has been an absence of consideration of the impact of such investments on different groups of men and women;
- **Promote equity**, leaving no one behind, promote social justice and cohesion and make essential services accessible and without restriction on any grounds, e.g. race, creed etc. to all;

# 3. PEOPLE FIRST PPP

- **Increase efficiency** – doing more with less. Improving the productivity of existing assets and making savings, for example, that can be used by governments for projects that eradicate poverty;
- **Improve project economic effectiveness:** projects must be successful and have a measurable impact on human well-being by removing a barrier or creating a new mechanism by integrating groups into the global market place
- **Be replicable** so that they can be scaled up and achieve the transformational impact required by the 2030 Agenda. This lack of attention to gender issues extends beyond PPPs to wider infrastructure projects.

# 3. PEOPLE FIRST PPP

- **People first PPPs defined :**
- People first PPP s can be grouped under the following categorizations:
  - **Access**
  - **Equity**
  - **Resilience**
  - **Environment**
  - **Effectiveness**
  - **Replicability**
- And these categories of people first PPPs have specific goals and can be illustrated already by some cases studies drawn from the UNECE Compendium of People First PPPs :



# 3. PEOPLE FIRST PPP

(i) Improve access to essential services (especially groups previously unserved) : **SDG 3,4,6**

- Luz para todas in the Brazilian Amazon region*
- East Pamir Power project in Tajikistan*
- Water project in Armenia*

(ii) Achieve equity, social cohesion and justice: **SDG 10, 16**

- PPP hospital in Lesotho*

# 3. PEOPLE FIRST PPP

(iii) Building resilience in infrastructure making it more resilient to climate change and also against natural disasters: SDG 9,11

□ *The Sponge City project , operated as a PPP, across China created over four thousand training and employment opportunities providing adequate infrastructure to treat water and generate green electricity.*



# 3. PEOPLE FIRST PPP

(iv) Promoting a more green sustainable economy, controlling pollution and cutting Co2 emissions: **SDG 11,13,15**

- ❑ *PPP waste to energy project in Mlawe Poland*
- ❑ *Smart PPP urban projects in China for a greener environment*



# 3. PEOPLE FIRST PPP

- (v) Boosting prosperity through effective economic projects that inter alia help to link producers to local, national and international markets
  - ❑ *Haiti Agricultural project for production organic bananas and vegetables, Haiti.*
  - ❑ *Ghana Power PPP*
- (vi) Easily replicable projects which can be scaled up to achieve the transformation impact needed.
  - ❑ *NKTI Philippines / Dialysis project Bangladesh*

# 4. NEW TYPE OF GOVERNANCE

- The support for people first PPP must come in a radically new Governance framework that puts people at the heart of PPP and its goals. Unlike the previous Guiltiness of 2008, these principles are addressed to all stakeholders' not just governments. The UN 2030 Development Agenda is a programmer of action where all stakeholders – governments, private sector and civil society - need to be mobilized together behind the goals if the goals are to be achieved:

# 4. NEW TYPE OF GOVERNANCE

## Core Values

- PPPs have often suffered from a lack of values with an exclusive focus on financial criteria and value for money. The ethos underpinning PPPs have sometimes been questioned. The UNSDGs set out an 'agenda for good' where PPP plays a critical role. The core values of people first PPPs should be first and foremost poverty eradication and protecting the environment and these need to be fully expressed unambiguously.

## Recommendations

- Each project being considered should first of all undertake a poverty and environmental assessment before approval is given.
- Governments and private sector should enunciate their support of people first PPPs for the UN SD's on their websites and in their reports. They should use the people first PPP model as benchmarks for alleviating poverty and improving the environment to evaluate the added value of proposed projects.

# 4. NEW TYPE OF GOVERNANCE

- Code of Ethics
- Community Engagement
- Protecting the public interest with strong rules and robust legal frameworks
- Sustainable Procurement and zero tolerance to corruption
- New Approaches to allocating risk in PPP contract agreements
- Information disclosure
- Consultation and enhanced accountability
- Markets of good
- Building “People first skills” for “People first”
- Financial accounting
- Sustainable development

# 5. NEW FINANCING MECHANISMS TO MAINSTREAM PFPPPS

- Impact investing that promotes both social and environmental impacts and financial returns
- It can support People first PPP and become a pillar for the financial framework for the UN SDGs
- But need more evaluation, more information and more data to make the financial community converts
- Need a pipeline of suitable projects on the demand side
- Work of UNECE in developing standards is to develop 'People first PPP pipelines'.



# 5. NEW FINANCING MECHANISMS TO MAINSTREAM PFPPPS

- International Project teams are currently working on the following international PPP standards:
  - Zero Tolerance to Corruption in PPP Procurement
  - Health Policy
  - Waste-to-Energy
  - Urban-Metro Rail
  - Airports
  - Rail
  - Roads
  - Water Supply and Sanitation
  - Renewable energy
  - Sustainable PPP Procurement

# 5. NEW FINANCING MECHANISMS TO MAINSTREAM PFPPPS



- Supported by the following international Centres of Excellence:

Specialist Centre	Country	Leader
PUBLIC TRANSPORT LOGISTICS	CHINA	Tianyi Wang
LAW, POLICY & INSTITUTIONS	FRANCE	Marc Frilet
SUSTAINABLE & SMART CITIES	SPAIN	Miquel Rodriguez
HEALTH	THE PHILIPPINES	Celso Manangan
Local Government	Japan	Yu Namba

# THANK YOU!

United Nations Economic Commission for Europe

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