



Implementing People-first Public-Private Partnerships (PPP) for the United Nations Sustainable Development Goals:

International best practices and recommendations for Armenia and neighboring countries

Cooperation and Partnerships Section
Economic Cooperation and Trade Division
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Implementing People-first Public-Private
Partnerships for the SDGs

ECE Standard on a Zero Tolerance Approach
to Corruption in PPP Procurement

Introduction: Context and challenge



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- ✓ 2015: Adoption of the UN 2030 Agenda and its 17 Sustainable Development Goals (SDGs).
- ✓ SDG 17 calls for a stronger commitment to partnership and cooperation to achieve the SDGs:

Goal17: Partnerships for the Goals - “Revitalize the global partnership for sustainable development”

- ⇒ Need to mobilize efforts of governments, businesses and civil society to achieve the 2030 UN Agenda

Why we should embrace the People-first PPP model



THE GLOBAL GOALS
For Sustainable Development

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- ✓ **Objective:** Achieve the UN SDGs by mobilizing investment in infrastructure and public services
- ✓ **What is at stake:** Fill the infrastructure gap while complying with the SDGs
- ✓ **Challenge:** The “traditional” PPP model is not suitable for the SDGs:
 - Focusses on “value for money”
 - Is not used to help eradicate poverty nor to support environmental sustainability
 - Can cause significant economic damage in low-income countries
- ✓ **Solution:** Adopt a new model of PPP that brings not only “value for money” but also “value for people”
 - ⇒ **The current PPP model needs to change to become a more effective and valuable tool to meet the challenge of the UN 2030 agenda**

UNECE's campaign to rebrand the PPP model



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- ✓ **The PPP model has been:**
 - **Rebranded** from a “value for money” tool to become more fit for purpose for the SDGs
 - **Broadened** to include social, financial and environmental standards and leave no one behind
 - Termed as **‘People-first’**

- ✓ **UNECE is working to:**
 - Raising **international awareness** of the People-first PPP model
 - Promoting a **large-scale adoption** of the People-first approach
 - Developing **Guiding Principles** to help governments implement the People-first PPP model

Guiding Principles on People-first PPPs for the SDGs (1/2)



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- ✓ **The existing international guidance**
 - Focuses on how to create legal and regulatory frameworks and establish PPP related institutions
 - Is informative rather than normative
 - Is not aligned with 2030 Agenda

- ✓ Paragraph 48 of the [Addis Ababa Action Agenda](#) calls for the promulgation of Guidelines for the appropriate structure and use of PPPs:

“[...] We also commit to holding inclusive, open and transparent discussion when developing and adopting guidelines and documentation for the use of public-private partnerships [...]”

⇒ Need to elaborate unified guidelines that will assist policy makers in bringing about PPPs that will put people first and achieve the SDGs

Guiding Principles on People-first PPPs for the SDGs (2/2)



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*The **5 criteria** that define People-first PPPs go beyond the traditional quantitative analysis of projects and focus on the **qualitative dimension** of projects before, during and after implementation.*

People-first PPPs can deliver a pipeline of projects that:

- ❑ Improve **access and equity** to infrastructure and public services
- ❑ Are **economically effective**
- ❑ Invest in **resilience and climate change**
- ❑ Are **replicable**
- ❑ Ensure large **stakeholder engagement**

The Guiding Principles for People-first Public-Private Partnerships for the UN SDGs (1/2)



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1. Build into infrastructure strategies the People-first transformative agenda, making sure that peoples' needs are listened to;
2. Deliver more, better, simpler People-first projects by joining up government and allowing cities and other local levels to develop projects themselves;
3. Increase officials' skills in delivering People-first projects, particularly ensuring that governments know how to better empower women in projects as well as encouraging the private sector to contribute to the necessary transfer of skills;
4. Make more inclusive policy and legal frameworks that allow for active engagement of communities and focus as well on a zero-tolerance approach to corruption;
5. Disclose more information about projects to society especially on the commitments made to various partners in the project;



6. De-risk projects by providing more predictability in the enabling environment;
7. Set out clearly the projects' selection criteria to promote "Value for People" so that the best People-first projects can be selected;
8. Make environmental sustainability a key component of evaluating, awarding and implementing People-first PPP projects;
9. Ensure that blended financing catalyses private partners to invest in People-first projects;
10. Avoid debt traps by ensuring the fiscal sustainability of People-first projects and the transparency of fiscal policies.

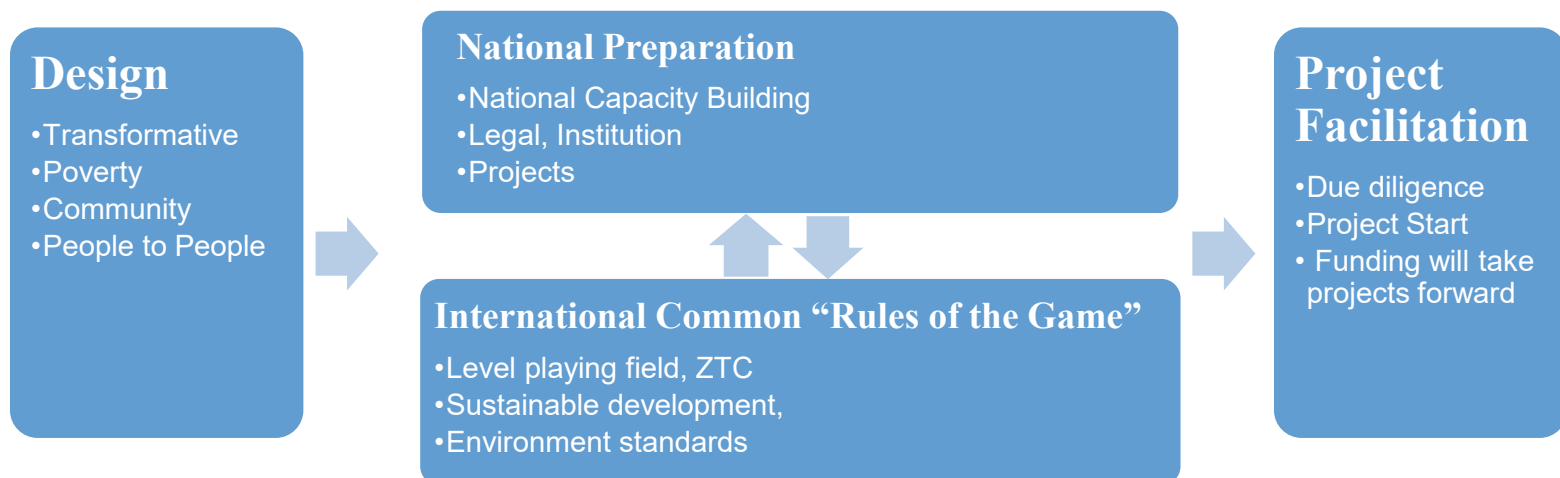
Projects should be sustainable, transformative and People-first!

Don'ts:

- Do not strap countries with too much debt
- Do not create “white elephants”, i.e. large projects that lead to nowhere and have no impact
- Do not forget inequalities and poverty
- Do not tolerate corruption

People-first Criteria:

- Increase access to essential services and lessen social inequality and injustice;
- Enhance resilience and more care with the environment;
- Improve economic effectiveness;
- Promote replicability and the development of further projects;
- Fully involve all stakeholders in the projects.





A **legal framework** is required - fewer, better, simpler: Focus on the social side; five *sine qua non* needed:

- ❑ Zero tolerance to corruption
- ❑ Level playing field for **sustainable procurement**
- ❑ **Repatriation** of profits
- ❑ Disputes that go to **international arbitration**
- ❑ **Right of citizens** to being consulted and heard

Overall objectives and drafting considerations of the Standard ¹

- a. Provide a voluntary set of principles and conditions that governments could incorporate in their regulations or policies in undertaking PfPPP procurement in compliance with the SDGs;
- b. Assist governments desiring to improve the implementation of PPPs in ways that mobilise their potential and reduce risk and complexity while improving the regulatory response to corruption in PPPs;
- c. Inform and educate all parties, including civil society, on how PPPs may be entered and operated that are of high quality and not compromised by unethical behavior and defects caused by the lack of integrity or corruption.

¹ <http://www.unece.org/ppp/standards.html>

Zero Tolerance Approaches to Anti-Corruption in PPP Procurement

1. Compliance with laws and a code of ethics
2. Avoidance of conflicts of interest
3. Disclosure of information
4. PPP Units, committees, boards, and oversight authorities
5. Consultants and experts
6. Whistle-blowing

Tender specific Approaches

7. Unsolicited proposals
8. Tender notices and bidding documents
9. Pre-Qualification process
10. Dialogue-based PPP procurement
11. Confidentiality and maintenance of information
12. Tender evaluation committee
13. Integrity and fairness mechanisms



For more information, you may visit:

www.unece.org/ppp

<http://www.uneceppp-icoe.org/>

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