UNECE PPP and Infrastructure Evaluation and Rating System (PIERS):
An Evaluation Methodology for the SDGs

Regional event on INFF
21 MARCH 2024
UNECE PPPs for the SDGs

Overview

- SDG-compliant PPPs in infrastructure and the delivery of public services that achieve:
  
  - “Value for Money”
  - “Value for People”
  - “Value for the Planet”

- Aligned with the 2030 Agenda and the SDGs
- A new generation of infrastructure and public service projects done through PPP, putting people’s interest at their core, generating both ‘value for people’ and ‘value for the planet’.
- 5 desirable outcomes that derive from the SDGs as it concerns infrastructure:
  
  - Access and Equity
  - Economic effectiveness and fiscal sustainability
  - Resilience and environmental sustainability
  - Replicability
  - Stakeholder engagement
UNECE PPP and Infrastructure Evaluation and Rating System (PIERS): An evaluation methodology to score projects against the SDGs

UNECE PPP/Concession legal framework for the SDGs: Standard on PPP/Concession Legal Framework in support of the SDGs

UNECE Standards and Guidelines
- Standard on a Zero Tolerance Approach to Corruption in PPP Procurement
- Guidelines on Promoting Circular Economy in PPPs for the SDGs
The UNECE PIERS sustainability methodology
Measuring infrastructure projects against the SDGs

**What?**
- Methodology to score infrastructure projects against the SDGs & the 5 PPPs for the SDGs outcomes
- Self-Assessment Tool (available online and in Excel)

**How?**
- Developed by 100+ experts
- Officially launched in 2022
- Used in over 200 projects from more than 30 countries

**Features**
- 22 criteria and 95 indicators
- Weighting and scoring system
- Flexible and adaptable to all countries, PPP and infrastructure projects irrespective of size and sector

200+ projects evaluated from 40+ countries

Adopted by 2 MDB
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<th>Access and Equity</th>
<th>Economic effectiveness and fiscal sustainability</th>
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Demo
PIERS online platform

https://piers.unece.org
PIERS online
Basic features
PIERS online

Initial questions
Introduction to PIERS

This online platform is an easy-to-use tool that presents the UNECE PPP and Infrastructure Evaluation and Rating System (PIERS) in a simplified format. PIERS provides an indicative PPP for the SDGs score as well as qualitative feedback to assist projects improve PPP for the SDGs outcomes. The qualitative feedback is generated automatically based on responses provided in the PIERS online tool.

Where does PIERS apply?

PIERS applies to all types, sizes, and PPP models, anywhere around the world, in any sector. A PPP can be defined as:

- A physical infrastructure which is the support of a public service designed, financed, built or rehabilitated and operated by a commercial company selected by way of competitive bidding and operating the service in accordance with the provisions of a contract, entered into with the public authority in charge of delivering such a service.
- The contract, based on functional specifications and performance criteria, provides for a compensation of the company by the public authority or by the end users (or a combination of both). The service is rendered for a time period calculated in such a way that the company may amortize all costs and make a reasonable profit.
- At the expiry of the term, the infrastructure is transferred in good operating conditions to the public authority, generally without compensation unless, such a compensation is provided for the contract.

Example PPPs include:

- Economic infrastructure such as transportation facilities and utility networks (e.g., water, sewage, communications, electricity);
- Social infrastructure such as schools, hospitals, libraries, parks and other amenities, public housing; or
- Green infrastructure / community-based PPPs.

Who should use PIERS?

PIERS is intended to provide a common language for or basis of understanding PPPs for the SDGs. It is intended to be used by governments, the private sector, civil society organisations, academia and international organisations who work together to achieve PPPs for the SDGs.
PIERS online
Indicators
### Indicator Guidance (AE3.1)

To rate this indicator as “5-excellent”, the user needs to undertake a preliminary assessment of the historic context of equity and social justice within the project’s host and affected communities (i.e., the project’s service area), with special consideration being given to the needs and issues of sovereign peoples, especially Indigenous peoples (if applicable).

This assessment goes beyond the assessments conducted with respect to affordability and access per criterion AE2 Advance Affordability and Universal Access. This criterion requires the team to consider the historic context of social equity and justice which needs to take into account a wide range of demographic data, gender equality, health data, income rate, education, level of historic infrastructure investment and any other relevant factors. To undertake such an assessment, formal community planning documents, and/or other socio-economic and demographic information/data or other related reports (such as those produced by governmental and/or non-governmental organisations) could be reviewed and analysed. In the absence of the availability of existing documentation, the user could undertake this assessment on their own for the project. In consultation with stakeholders (including the public). Such an assessment of social equity and justice considerations could be done as part of a larger “Stakeholder Needs Assessment” or “Environmental and Social Impact Assessment”. The focus should not be on the title of the report or assessment, rather, the focus should be on its content, which is understanding the historic context of equity and social justice in the project service area to avoid exacerbating equity and social justice concerns and to identify any potential opportunities to rectify historical injustices.

This preliminary assessment should be included in the project PPP development strategy, concept document, feasibility study or equivalent documentation. The user should take care to compile any source documents or other reference materials used to undertake this assessment.
PIERS online

Overall results
PIERS online
Qualitative comments

Strengths

- The project generates positive “value-for-money” meaning the costs net of benefits of the selected PPP contractual model are lower vs. a modern public procurement model.
- The project has conducted an environmental and social impact assessment (ESIA) (or initial environmental assessment (IEE) for category B projects).
- The project has implemented the stakeholder engagement and public participation plan(s) throughout the project’s lifecycle in an effective, timely, and inclusive fashion.
- The project’s private sponsor/shareholder is of adequate technical, financial and reputational standing to successfully finance, implement, operate and maintain the project over its life, including having access to necessary resources to fulfil its contractual obligations under various economic scenarios and to adapt the services provided to the potentially evolving needs.
- Opportunities for the transfer of knowledge/know-how, technologies, and skills from the private party to the public party and/or local community stakeholders have been assessed and/or successfully implemented.
- Quality and pertinent information about the project relative to the PPP for the SDGs outcomes is readily available to all stakeholders, including members of the public, and provided in a transparent, timely, understandable, and accessible fashion and is incorporated in the PPP contract.
- The project delivers “value-for-people” meaning the project offers net tangible and intangible benefits to society by providing services to a consistently and verifiably higher standard over the life of the project.

Areas of Improvements

- Consider assessing the fiscal sustainability of the PPP contract and creditworthiness of the public authority.
- Consider undertaking a stakeholder mapping exercise to determine all stakeholders that are directly and indirectly affected by and/or interested in the project.
- Consider maximising the development impact of the project and facilitating women’s empowerment throughout project procurement, project decision-making, entrepreneurship support and capacity building, occupational training and support, work flexibility and equal pay for equal work.
PIERS online
Certificate
Resources available on the UNECE website
https://unece.org/ppp/em

PIERS online platform:
piers.unece.org
Thank you!
Antonin Menegaux
Cooperation and Partnerships Section
UNECE