



**Economic and Social
Council**

Distr.
GENERAL

TRADE/WP.5/AG.1/2004/1
18 August 2004

Original: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

**COMMITTEE FOR TRADE, INDUSTRY AND
ENTERPRISE DEVELOPMENT**

Working Party on International Legal
and Commercial Practice (WP.5)

**Third Public-Private Partnership Alliance Meeting
Including a Roundtable on “ the Role of Public –Private Partnerships in Delivering Municipal
Services for Urban Revitalization and Sustainable Development”¹**

**14 September 2004, Barcelona, Spain
World Urban Forum, Room B1**

**Information Notice
Number 1**

Note by the secretariat: The following provides information on the Third UNECE Public Private Partnership Alliance meeting, which will be held in September 14, 2004 on the occasion of the World Urban Forum II, organized by UN-Habitat in Barcelona, Spain.

This Information Notice contains details on the following:

- I. The Role of the Public -Private Partnership Alliance
- II. Contribution to the UN Habitat's World Urban Forum II;
- III. Third session of the PPP Alliance incorporating a Roundtable discussion
- IV. Participation
- V. Organizational details

¹The document was submitted late in order to provide delegates with the most detailed information possible with regard to the speakers, the conference room number and the day of the conference. This information, for logistical reasons, was only made available few weeks before the event was due to be held

I. The Role of the UNECE Public-Private Partnership Alliance

1. Many governments in the region have collaborated in partnerships with the private sector to modernise infrastructure – transport, energy, telecommunications etc. - using the finance, management skills and technology of the private sector. The United Nations Economic Commission for Europe (UNECE) has encouraged public- private partnerships (PPPs) for infrastructure development in the context of the UN's commitment to sustainable development. It has established expert groups, prepared guidelines on best practice and organised conferences and seminars on various aspects of public-private partnerships. In 2001, under the auspices of the Working Party on International Legal and Commercial Practices (WP 5), and in cooperation with the EU, EBRD, EIB and the OECD, it established the UNECE Public-Private Partnership Alliance.

2. The objective of the Alliance is to improve the awareness, capacity and skills of the public sector in developing successful PPPs in Europe. To date, twenty-four governments from UNECE member states have joined the Alliance. The Alliance is currently co-chaired by Ireland and France. Its meetings (in March 2001) and in (November 2003) have examined how to create dynamic and successful PPP Units and on promoting good governance, respectively. The Alliance also includes members from the private sector with experience of undertaking PPPs in Europe.

3. At its last meeting, it was agreed to hold the next session of the PPP Alliance in Barcelona, Spain, in cooperation with UN Habitat and its Second World Urban Forum. It further agreed to have as the theme of its meeting “ the Role of Public –Private Partnerships role in Delivering Municipal Services for Urban Revitalization and Sustainable Development”, especially in light of the role that Barcelona has played in urban regeneration and the experience which Europe can provide other regions in the world in using PPPs for urban regeneration. In addition, the government of Spain welcomed the opportunity of an Alliance meeting in Spain to present that country's experience in PPPs for infrastructure development.

II. Contribution to the UN Habitat's World Urban Forum II

4. Throughout the world, there is a growing interest in the role of the private sector in delivering basic services, water, energy and transport to citizens, especially the poor and disadvantaged. The reasons for this interest is due to the rapid growth of urban populations and urbanization in developing countries, and a major concern for international organizations and local governments that people - specially the poor - have access to essential services, such as water, sanitation and energy.

Particularly for developing countries, insufficient resources to meet these challenges present a major drawback to meet the goals of the World Summit on Sustainable Development. ² The private sector has often the resources and ability to deliver essential services that the public sector lacks. Accordingly, there is evidence that the private sector, in partnership with local administrators and municipal authorities as well

² See www.johannesburgsummit.org

as with representatives of citizens and local community are successful in providing essential services to poor people and marginal groups. This role for public private partnerships in sustainable development has been emphasized in various UN programmes notably the UN summit on sustainable development, and the United Nations ' Global Compact – a voluntary corporate commitment to environmental, human rights and labour standards. In addition, the UNDP's Public-Private Partnerships for the Urban Environment (PPPUE) facility supports the development of innovative partnerships between public and private actors at the local level to meet the major urban environmental challenges, like the provision of water, sanitation and energy.

5. While the lessons from these pilot schemes to date show many positive aspects, there are still a number of barriers, which need to be overcome:

- There is great demand for technical assistance in partnership development
- National and local governments need to build capacity
- The right project must be chosen-not everything works
- Projects must be packaged properly
- Projects take time
- High-level political commitment is essential, and it is important to focus on the local level
- Local leadership is critical
- Every project needs constant guidance throughout the project design process
- National private sector is the driving force in small and medium sized investments
- Projects must reconcile the different public- and private-sector cultures
- NGOs and communities must be important partners in project development.

6. In this context it is important to link the development of PPPs with other aspects of policy which can address all the issues related to urban sustainability as a whole, namely, urbanisation and sprawling, poverty and homelessness, economic efficiency and employment, environmental dilapidation and resource management, growing consumption and pollution, social cohesion, crime and inner city. What is often required is an integrated approach to sustainable urban development, that supports together a healthy environment, social cohesion and economic efficiency within a democratic process where the participation of citizens and the concept of social equity are important pillars.

7. In the ECE Region, PPPs are being developed at all levels of government: at central, state, and especially, at the municipal level. Many cities have made progress specifically because they have understood the complexities of the issues involved and have combined successfully all different aspects in urban revitalization. The region thus has acquired a variety of experiences of integrative approaches and has promoted PPPs in municipal services within this overall approach. This experience can assist other countries elsewhere to develop policies, which can remove the barriers mentioned above and can contribute to an urban renaissance. Those countries in Europe, in addition, which have moved recently to a market economy, have obtained very relevant experience of commercializing local services often in cooperation with dynamic local and foreign private sector groups, including development banks. In several countries as well, special units at

national and local levels have been established to promote partnership between public and private sector for sustainable development in infrastructure (see above).

8. In order to make a contribution to the UN Habitat's World Urban Forum II a roundtable will be held on the "The Role of Public-Private Partnerships in Delivering Municipal Services for Urban Revitalization and Sustainable Development." The purpose of the Roundtable will be twofold:

- To present Europe's experience in urban revitalization through PPPs;
- To examine the key learning experiences and best practice that can be used in Europe and in developing countries to implement PPPs for sustainable development.

9. The Second World Urban Forum of UN Habitat provides an important opportunity to assess the private sector's contribution – in partnership with local governments and national authorities – in delivering municipal infrastructure services (local housing, schools, social services, urban transport, ports and airports, water and waste disposal, environmental services, etc.). Among the themes that will be discussed will be the following:

- What are the main barriers to greater private sector involvement and how can these be removed?
- How can the private sector be attracted to delivering services to those who have not the means to pay?
- What lessons have been learned by involving users and stakeholders in the delivery and design of services?
- How can the promotion of PPPs become part of a process of urban regeneration?
- What can the private sector contribute to the local historical culture and heritage?

III. Third session of the PPP Alliance incorporating a Roundtable discussion

Provisional Programme

I. Roundtable opening

Keynotespeaker: Mr. Clos, the Mayor of Barcelona

Theme: "Contribution of PPPs to Urban Revitalization in Europe"

Key questions:

- What are the key drivers of change in cities today?
- How are municipal authorities addressing these changes?
- How can PPPs promote economic and cultural revitalization in cities?

II. Parallel Workshops: Following the roundtable debate four parallel workshops will take place to discuss the financial, socio-cultural, environmental and commercial requirements for successful PPPs.

III. Plenary

Lunch

IV. Third PPP Alliance Meeting

- Spain's experience in PPPs;
- The Alliance's ongoing projects of support going forward;
- The presentation of its Guidelines on Good Governance in PPPs;

V. Results of workshops and Final Panel Discussion and Key messages to the World Urban Forum II

- What are the key recommendations
- How can UNECE PPP Alliance contribute
- Initiatives and future prospects

Matchmaking event and cocktail.

* A further information notice on speakers and programme will be issued shortly

IV. Participation

10. The Third PPP Alliance Meeting takes place under the auspices of the Working Party on International Commercial and Legal Practices (WP.5) at the occasion of the World Urban Forum II, UN-Habitat. The Meeting is open to the public and private sectors and to NGOs. Participants will include experts from the international organisations; from government bodies dealing with infrastructure; representatives of PPP Units at regional and national levels; lawyers involved in PPP projects; representatives of the private sector, bankers; contractors; and project consultants and representatives of NGOs. Membership of the PPP Alliance is open to governments and to the private sector, as well as interested parties from civil society and academia. To date the PPP Alliance has members from twenty-four countries. The modalities for representatives of the private sector as well as of civil society and academia, to become members of the Alliance will be discussed on the second-day session of the PPP Alliance Meeting.

11. Interested parties can contribute to the two events described above in the following ways:

- Preparations of background case studies and relevant papers for discussion;
- Opportunities to fund the organization of the events (including the travel of delegations) by bringing together the key stakeholders (officials from governments, local authorities, local private sector etc.) in developing successful municipal service projects;
- Propose projects for collaboration with the Alliance e.g. hosting consultative visits by experts from the Alliance.

Members of the Alliance are invited to make requests for topics to be included in the programme. A more detailed agenda will be circulated later. All enquires for contributions to the events can be made to the UNECE Secretariat (see details below).

12. This event is free of charge.

13. For further information on the event, please contact:

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V. Organizational Details

Venue:

14. The meetings will be held in Forum Barcelona 2004, in a conference room B1.

Documentation

15. The UNECE will prepare a paper on the dynamics of PPPs and municipal services, experiences, opportunities and success. Also, participants may wish to prepare a written contribution for presentation at the Meeting. The Working Party will review these submissions with a view to their eventual publication by the United Nations. In addition, the Secretariat will reproduce and circulate the presentations in the original language at the Meeting. They should be sent to the Secretariat not later than July 31, 2004.

Travel and other costs

16. Travel, accommodation, medical insurance, and other expenses are to be borne by the participants. For representatives coming from poorer countries, the UN Habitat has kindly offered to provide financial support. Enquiries can be made directly to UN Habitat (wuf@unhabitat.org).

Hotel accommodation

17. All participants are responsible for finding their own accommodation in Barcelona. A list of hotels can be sent to participants on request.

Passport and visa requirements

18. Participants must have a valid passport and, as necessary, a visa for entry into Spain (to be obtained from the Spanish Consulate in the respective countries). Participants are advised to make their visa applications well in advance of the date of travel. Should they require letters of invitation to the meeting, they should contact our focal point for organizational matters:

Mr. Joseph Mungai at: Joseph.Mungai@unhabitat.org

Registration

19. Participants are encouraged to register online at <http://hq.unhabitat.org/wuf/2004/register.asp> **AND** to print out the Registration Form and return it by mail or fax preferably by August 16, 2004 to the following address:

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