

# Role of International Standards in Advancing PPPs In Belarus



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**Presentation Edition**

# Problem In A Nutshell

- PPPs are becoming more commonplace throughout the world
- There is a tremendous opportunity in the Commonwealth of Independent States:
  - Increased economic growth, which stretches the public sector's ability to finance infrastructure development
  - Crisis in basic service delivery (roads, schools, airports, housing, etc.)
  - Interest from governments in the potential of PPPs

**Key Challenge:**  
Lack of Knowledge and Skills within this Region



# PRESENTATION

- Why was the ICoE set up ?
- Why PPP Standards ?
- How will the Standards be developed ?
- How they will help Belarus ?
- Conclusions

# Role of the UNECE ICOE

**Set up by EXCOM in February 2012 to prepare:**

- **Best practices ( ‘best practices’ was UK PFI ; source countries of best practices are now far more numerous )**
  - **Recommendations ( the best project models , legal and financial arrangements , feasibility etc..)**
  - **Standards ( that could become the guidance notes that are issued by PPP units to Ministries and/ or into legislation )**
- ..... And help countries to implement them**

**UNECE - preparing international PPP global standards, with critical partners such as UNDP, World Bank, ADB**

# Why International PPP Standards

- **Need For Standardisation of PPP Process**
  - International Community has been unable so far to develop simple and operational guidelines and standards for the design, award and contract conditions for PPP
- **Need to Create Public Sector Capacity**
  - For many years public sector played limited role in PPP – because of limited PPP knowledge and dominance of financiers, private sector and consultants in development of projects



# Why International PPP Standards?

## Contd...

- A large percentage of PPPs fail – circa 50 %
- Many have to be renegotiated, get into distress and many also fail
- Many PPP Units fail to become operational
- Too many projects remain as ‘phantoms’



# Standards : A Two Staged Process

1. **PPP Specialist Centres (Health, Renewable Energy, etc.)**
  - Collecting best practices/ cases in specific sectors
  - Provide strong political commitment
  - Generate best practice knowledge
2. **Creating Project Teams to develop UN Standards using the best practices**
  - Project teams develop standards under the supervision of Governments ( approval at every stage )
  - Follow seven stages of the Open Development process
  - Consultation with key stakeholders and a sixty day public review



# Wiki Platform For Making Standards

## Features:

- Chart the progress of the Project Teams in developing standards
- Transparent : Everyone has access to this system
- Experts can discuss PPP policy and exchange their latest thoughts and experiences
- Worldwide experts can engage in a multilateral dialogue, thus transcending national boundaries and learning ways to improve their own approaches

## Benefits:

- Saves both time and money
- Brings people together





# International PPP Standards and the SDGs

- In 2015 the Sustainable Development Goals (SDGs) will supersede the Millennium Goals (MDGs)
- Many of the objectives will be to radically improve access to basic public services – water and sanitation, health and education, renewable energy and transport etc. – for the socially and economically vulnerable

## Key Messages:

1. UNCTAD 2014 WIR estimates a USD 2.5 trillion per annum financial gap in low income countries to meet expected targets; argues that PPP models could fill the gap
2. The PPP models for filling the gap need to be based on internationally approved standards

# How Belarus can benefit from the International Standards Knowledge Sharing Approach

- **Certainty of outcomes and no longer ‘leap in the dark ‘**
  - Offer case studies, best practice, and research on PPPs
  - Provide practical project templates in specific SDG related sectors, such as road, hospitals, power plants , water and sanitation systems etc..
  - Better understand the private sector and the processes of engaging with private companies : e.g. market consultation, competitive dialogue etc..



# Standards in 2014

Project teams established and approved in the following areas :

- **Zero tolerance to corruption**
- **Schemes to reward compliance with Zero tolerance guidelines**
- **An optimal healthcare policy involving PPPs to achieve Universal Health Coverage**



## Conclusions

- **International PPP standards will provide the missing link in global PPP development**
- **They will be Government approved standards established under the UN' s independence and neutrality**
- **Help lay the foundations of doing PPPs in Belarus**



## For More Information...

For Information On Wiki Platform  
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