



ReSPA

Regional School
of Public Administration

Advanced Seminar on Public Private Partnership

3 Day Training Programme

04-06 November 2015

Danilovgrad (Montenegro)

Discussion paper and Agenda

Background

In 2014 ReSPA has launched the PPP network after successful implementation of PPP training program started in 2011. Last year ReSPA has organized two PPP network meetings – the first took a place at ReSPA in Danilovgrad (23 – 24 June 2014) and the second took place in Luxembourg (19-20 November 2014). During the 2015 working group meeting has been held at ReSPA on 1-2 June. Together with the internal networking benefits for the participants, ReSPA ensured an opportunity to establish and maintain effective co-operation with European PPP Expertise Centre (EPEC) and JASPERS (Joint Assistance to Support Projects in European Regions). By facilitating the PPP working group, ReSPA is assisting in implementing the EC Enlargement Strategy in particular the objective to support investment in infrastructure in the Western Balkans (hereinafter referred to as the “WB”), continues the development of WB platform on education and training, and assists in enhancing capacity building on PPP. Further, the PPP activities plan is fully in line with the strategic priorities set up in IPA II addressing competitiveness and growth, SEE Europe2020 for Jobs and Prosperity in European prospective and WBIF recommendation for the possibility of introducing PPPs under WBIF¹.

The agenda of the last meeting encompassed the topics identified by the participants as the most important training needs from the list of 12 main PPP competencies. Further, prior to the third working group meeting ReSPA has conducted online survey on the topics and issues to be addressed via PPP network. The outcomes of the survey revealed the following facts:

- The majority of institutions responsible for PPP development in the WB countries do not provide any trainings on PPP issues (Albania, Bosnia and Herzegovina, Macedonia, Montenegro and Serbia), while trainings are provided in Kosovo² only;
- The majority of respondents has recognised that capacity building via trainings is the best tool which can be used by ReSPA to bridge a gap of necessary PPP competencies in WB;
- The respondents suggested the following topics as the most relevant to focus on: determining affordability of the local and regional government for PPP projects; risk identification and valuation techniques; risk prevention and management; fiscal risk management and mitigation tools; structure of pre-feasibility and feasibility study including cost&benefit analysis; best practice in PPP management; selection decisions on PPP model for implementation of public investment projects; financing PPPs; utilizing PPP readiness tool developed by EPEC; analysing case studies of particular sectors (roads, environmental protection, etc.)

¹ WBIF: „Potential for Promoting PPPs under the WBIF“, Draft report for Task Force on Evolution of the WBIF, June, 2014, available at: www.wbif.eu

² *This designation is without prejudice to positions on status, and it is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence*

To increase the exposure of PPP public stakeholders to the practicalities of PPP projects ReSPA launched development of the regional study “Comparative analysis of lessons learned from recent development in implementation of PPP projects in Western Balkans region” (hereinafter referred to as the “Regional study”). Representative data on operational PPP contracts as well as PPP projects in tender phase has been collected by appointed national experts in each WB country. Intermediary findings and recommendations of the Regional study has identified the major gaps in PPP project cycle management (project preparation, assessment, procurement, implementation and monitoring). The regulatory framework is of good quality where exists, however, the enforcement of the law and standards application is not at the high level. Besides, in several countries the legal framework is not yet established (Bosnia and Herzegovina and Montenegro). Further, the institutional set-up is not completely functional and the coordination mechanism is not well established. Key PPP institutions are understaffed lacking both human and financial resources as well as technical assistance to issue guidance and manuals. The Regional study has proven the training needs and introduced lessons learned of PPP projects in WB region to be used to enhance training programme.

Results of the latter ReSPA activities have proved that it is reasonable to further facilitate competence building activities and deliver comprehensive training programme for representatives of PPP network.

Objectives

The main objective of the planned ReSPA activity is to stimulate and enhance the overall PPP capacity in WB region through delivering comprehensive training programme for representatives of PPP network.

In light of the above, ReSPA intends to implement 3 day training programme structured for the advanced level of knowledge in PPP to further strengthen institutional capacity of WB countries.

Training programme is designed to achieve the following objectives:

- To enhance capability of institutions responsible for PPP to carry out their tasks in designing and implementing PPP projects efficiently;
- To increase exposure of representatives of PPP network to the lessons learned from the PPP projects implemented in WB region;
- To increase PPP related competencies with the project oriented know-how;
- To maintain the continuous learning process for PPP practitioners.

The specific objectives of the ToT are as follows:

- To facilitate proliferation of PPP competencies across WB countries;
- To enhance networking of PPP trainers in WB region.

Content

The training programme is designed to address the explicitly expressed training needs. The training agenda address 8 of 12 main PPP competencies.

The target group

This 3 days training programme is designed for practitioners in public administration responsible for investments planning and policy into public service delivery, for development and implementation of PPP projects, having at least 5 years' experience in project preparation and implementation or dealing with PPP related issues at national, regional and municipal levels. Preferably, the participants are required to have direct responsibility for management of public infrastructure investment projects and/or PPP issues. The recommended competencies of the target group addressed: understanding the main PPP principles, advantages and threats of PPP; EU public procurement (PP) and PPP policy from prospective of EU accession countries; the strategic prospective of public services in line with EU requirements. The priority seats are suggested to the PPP network members and civil servants from the organisations working on practical cases to use PPP model to implement public infrastructure investment projects. Together with registration to trainings, all participants are required to indicate at least one sector of their major interest for PPP and/or to provide details about the progress of investment projects intended to be implemented as PPP. Collected information would facilitate lecturers in selecting case studies and lessons learned best matching participants' interests. To prepare for trainings participants are suggested to bring laptops or other electronic devices with installed MS Word and MS Excel software together with the available data on investment projects of their majors interest. In addition, the group of PPP practitioners needs to be extended with the representatives of the national training institutions to participate in discussion on introducing PPP/PP training program in their respective countries together with ReSPA.

Training Programme is designed to be opened to analysis and feedback, both from the facilitators and their co-participants.

Workshop Trainers

Dalia Dubovske- Senior PPP Expert from PPP Expertise Centre of Lithuania. Dalia has more than 10 years' experience in consulting central government and municipal authorities in planning and delivering investment projects for regional growth and competitiveness. She is an expert in European Union structural funds and Public Private Partnership, with special focus on Cost & Benefit Analysis as well as on institutional networks and methodological support delivered through trainings, on-site consulting and practical involvement with PPP procuring teams. Dalia gathered PPP experience and competencies from the leading PPP trainers in EU and graduated from Institute of PPP in USA. Her experience in Balkans' region is gathered from Twinning projects with Croatian Agency for PPP and Ministry of Regional Development and EU Funds. Currently she is also involved in concession for parking lots of the biggest medical campus in Lithuania and high efficiency co-generation projects.

Martin Darcy- Martin has a background in both the private and government sectors. After working for some of the UK and US's largest construction and environmental companies, in business and corporate development, he was appointed to the UK's Treasury as a PPP Adviser from 1997 - 2000 when the important policy changes that created the UK's successful PPP program were being developed. He also advised extensively on a wide range of projects that were being developed and procured by UK government departments during that time. During this time he led the secretariat and was lead adviser to the Gershon Review that led to reforms in the planning and implementation of public investment projects in the UK, most of which are considered best practice today. Since then, he has worked as a consultant widely for UK government departments and for OECD, the World Bank, the IMF and a number of UN bodies as well as a number of European governments directly on public investment programmes and projects, often with an emphasis on PPP. He has been engaged at most levels of government working with junior officials to Finance Ministers and Deputy Prime Ministers. His working experience covers a number of countries globally and extends to more than a dozen European countries. Martin was also a part-time senior adviser at the Strategic Investment Board in Northern Ireland for seven years. His remit mainly covered environmental and transport projects with a total investment value of several hundred million Euros. Martin has spoken at a number of high profile conferences and institutions including the UN in New York where he was representing the UK government. He is also an occasional lecturer on PPP at EIPA in Maastricht, Holland.

Azra Brankovic- has lived in many countries, working for international companies, international organizations, the government sector and universities. She is currently engaged by the International University of Sarajevo, Bosnia and Herzegovina at the Department of International Business and Finance. Her many years of academic experience include the University of Sarajevo, Department of Economics and Business; the Athens University of Economics and Business, Athens, Greece; the University Bocconi, Milan, Italy; the Academy of Economics, Krakow, Poland and the International Burch University, Sarajevo. Azra's professional career also includes work for the Italian company Ferrero as International Manager, where she was in charge of developing business in Poland. Further, she was engaged by the Organization for Security and Cooperation in Europe as the Chief of Supply, and by the government of Mecklenburg County, North Carolina, USA. Azra has been living in Bosnia and Herzegovina for the last 11 years, working with the Parliamentary Assembly as Head of the Research Center, and for the Council of Ministers as Expert Adviser for public finance reforms. There, she began her involvement with PPP, seeing it as an effective model for solving problems in BiH. She designed a project for introducing the PPP model to BiH, which should soon be implemented. In addition, Azra has been a member of several Steering Boards on EU projects in the fields of public finance and public procurement.

Methodology

The training will be delivered by utilizing variety of training methods:

- Presentations and lecture,
- Structured group discussion and practical exercises,
- Review of case studies,
- Group assignment,
- Individual assignments,
- Feedback on the participants' performance,
- Repetition/revision of acquired knowledge.

DRAFT AGENDA

Day 1- Wednesday, 4th November 2015

9.00		Opening and welcome by ReSPA
9.15	1	Introduction <ul style="list-style-type: none">- Learning Objectives and Overview of the Agenda- Participants introductions & expectations
9.30	2	I) Discussing the training needs assessment for future ReSPA and national training institutions' activities Presentations of the topics identified during the previous activities and survey <ul style="list-style-type: none">- Presentations of the preliminary results of the regional comparative study -- <i>Discussion/brainstorming</i> <i>Moderators: Goran, Dalia</i>
11.00		<i>Coffee break</i>
11.15	3	II) Discussing the training needs assessment for future ReSPA and national training institutions' activities <ul style="list-style-type: none">- Identifying priorities for future actions- Discussing the most suitable method for delivering (regular training, e-learning, webinar etc.)- Defining the scope of TNA (institutions vs. competences)- Discussion/brainstorming <i>Moderators: Goran, Dalia</i>
12.30		<i>Lunch break</i>

13.30	4	Pre-feasibility study – - Structure of prefeasibility study - Outcome of the prefeasibility study
14.15	5	Feasibility study – - Structure of feasibility study - Outcome of the feasibility study
15.00		<i>Coffee break</i>
15.15	6	Financing PPP – - Lenders prospective - Institutional financiers prospective - How to ensure bankability of the project? Moderator: Martin Darcy
16.30		<i>Discussion</i>
16.45		<i>Wrap-up of the day 1</i>

Day 2, Thursday, 5th November 2015

9.00		Review of the first day
9.15	7	Project management – Part 1 PPP project cycle management - Defining Project Management structures Project Team Moderator : Azra Brankovic
10.30		<i>Coffee break</i>
10.45	8	Project management – Part 2 – - Negotiation strategies - Consultancy services vs. in-house experts - Communication and stakeholder management
11.45	9	Risk management 1/2 – - Risk identification and evaluation - Risk allocation and PPP contract provisions - Risk prevention and management Moderator : Dalia Dubovske
12.45		<i>Lunch break</i>
13.45	10	Risk management 2/2 – - Fiscal impact and risk assessment - Project development and public financial management
14.45		<i>Coffee break</i>
15.00		Q&A
15.30		End of the second day

Day 3, 6th November 2015

9.00		Review of the second day
9.15	11	Communication strategy – <ul style="list-style-type: none">- Introducing open public consultation- How to ensure wider public support to your project? <i>Group exercise: communicating with stakeholders – selling the story!</i> Moderator : Dalia Dubovske
10.30		<i>Coffee break</i>
10.45	12	Determining affordability of the local and regional government in PPP <ul style="list-style-type: none">- Indicators of the affordability in terms of long-term liabilities;- Debt, liquidity and indirect risks- Determining of financial position of the local and regional self-government- Analysis of historical performance
11.00	13	<i>Case study – social PPP project, Dalia Dubovske</i>
12.15		<i>Lunch break</i>
13.15	14	<i>Discussion on the regional project ideas and topics to be covered in the program of the visit to the EBRD HQ</i>
14.15	15	<i>Exercising and utilizing PPP readiness tool (developed by EPEC)/or Case study – urban infrastructure, tbd</i>
14.45		<i>Coffee break</i>
15.30		<i>Wrap-up of the seminar</i>