

Column Hall of Kyiv City State Administration

International Forum on Implementing people-first PPPs for the SDGs

International best practices and recommendations for Ukraine and neighboring countries

**Transforming
SDG
Development
Policies
into
people-first PPPs**

Kyiv, June 5-6 2018

Pedro Neves



Global Goals are Global Challenges that require Global Solutions



Main goals of the presentation:

1. Bridging **SDGs** with sustainable FDI and the development local human capital
2. SDGs as a guide to develop the **National Infrastructure Investment Plan**
3. Developing a **pipeline of people-first PPP projects**
4. **SDGs and people first PPPs to attract FDI**
5. People first PPPs to **leverage local human capital** to:
design, implement and manage public assets that promote quality of life to all



Global Goals are Global Challenges that require Global Solutions



The UNECE initiative on revealing and support of 500 best People-First PPPs

1. General approach to pf PPP, what are the goals, and what is the criteria
2. Why pf PPPs are important to Ukraine;
3. The importance of having a pf PPP program to IFIs and to Ukraine;
4. The example of Kiev City State Administration.

Emerging international infrastructure programs, opportunities to Ukraine and neighboring countries.

Catalyzing the geography to promote economic and social development.

Priorities to close the infra gap, the role of pf PPP in Ukraine and neighboring countries

Vision about institutional and political support, legal framework, social and environmental agendas, international cooperation.



Global Goals are Global Challenges that require Global Solutions



People-first PPPs are PPPs that follow Sustainable Development and aim to achieve the SDGs

Sustainable Development (SD) has been informally part of the UN agenda since 1972 in Stockholm, being formalized in 1987 in Oslo with the Brundtland report. In 2015 the UN has adopted SD as the base of the UN agenda for 2030 and called it the Sustainable Development Goals (SDGs) and it was approved by all 193 UN member states.

In a simple way it can be said that SD is a development model that works simultaneously with three vectors: the social, the environmental and the economic. For this reason, SDGs although having 17 goals and 169 targets, are associated with the 5 Ps: people, planet, prosperity, peace and partnerships. Recognizing peace essential a 4th P for peace was added, and to ensure all goals will be met, a 5th P was added for partnerships.

People-First PPPs can therefore be associated with Public Private Partnerships that follow the SD agenda and wish to contribute to the achievement of the SDGs.

UNECE People-first PPPs are PPPs that follow the SDGs

UNECE has been developing PPP standards as a way to assist UN member states on ways to implement PPPs as part of their investment program.

This top down strategy has been complemented by a bottom up, hands on approach since 2015. Rather than looking for perfect case studies that simply do not exist, UNECE has been looking for real case studies where local policy makers and local actors have been showing how is possible to combine SDGs and PPPs.

The 1st compendium was presented and published in Geneva in 2016, the second in Hong Kong in 2017, and this year again in Geneva. Today 120 case studies can be visited at UNECE website.

Ukraine benefits, from adopting and integrating people-first PPPs as a development policy

All UN member states have signed the UN 2030 agenda and therefore are bound to achieve the SDGs. People-first PPPs are indeed important to all UN member states. Ukraine plays today an important role in the world and in Europe as it bridges the west with the east, the north with the south. The achievement of the SDGs have in mind the quality of all people, the protection of the planet, peace as a ground for prosperity and a partnership ambience between all stakeholders, being those public, private, the civil society or the academia.

To achieve the SDGs, it is necessary to provide public services to the communities, and for these services to exist, a great volume of investment needs to take place. Today public investment alone would not be enough and for this reason the private capital is formally invited to take an important role. For the development of Ukraine region and that of its surrounding states, important infrastructure projects are required, and the possibility of using people-first PPPs is indeed important as it should combine at the same time the best of public and private as well as the SDGs as guiding principle.



Global Goals are Global Challenges that require Global Solutions



The importance of having a people-first PPP program to IFIs and to Ukraine

For capital providers, both equity and debt providers there is an obvious link between risk and willingness to participate in projects as well as the cost and the conditions for capital to be available.

International Financial Institutions (IFIs) are always looking for good projects to invest and finance, and those projects that have a solid balance between public interest and private dynamics, as well as social and environmental agendas are more likely to have the interest of the capital providers and to benefit for better financial conditions.



Global Goals are Global Challenges that require Global Solutions



The example of Kiev City State Administration

Ukraine presented this year in Geneva, UN Palais des Nations at the International people-first PPPs an innovative pf PPP model:

”Introduction of the system for fixation of violations in the field of road safety in the automatic mode in the city of Kyiv and in Ukraine”.

This case study is an extraordinary example on how to combine the SDGs and PPPs. On one hand the Kiev City Administration attacked the problem of road accidents the first cause of death among young people and aims to reduce by 25% the existing numbers.

The city of Kiev combined Goal 3 “Good Health and Well Being” with Goal 11 Smart and “Sustainable Cities” with public interest and private dynamics and capital.

This represents the ability to promote people-first PPPs in Ukraine as well as it is an example to all cities around the world that aim to combine sustainable with smart cities development. The link to the case study may be found through the link attached.

https://www.unece.org/fileadmin/DAM/ceci/documents/2018/PPP/Forum/Documents/Case_Study_Database_2018.pdf



Global Goals are Global Challenges that require Global Solutions



Emerging international infrastructure programs, opportunities to Ukraine and neighboring countries.

Globalization is happening, and it is an opportunity to create jobs, improve the quality of life, and adopt new way of transforming our landscape and living environment, protecting the planet. It is also a way to prosper adopting innovation in all its different angles, being technology, governance and investment models.

Catalyzing Ukrainian geography to promote economic and social development is therefore a must rather than an option.

SDGs and PPPs offer a unique way to bridge geographical infrastructure gaps with new capital providers and technology. The city of Kiev has shown the way with its people-first PPP project mentioned above.

Other projects and programs offer the same type of opportunity at a greater scale. A good example is today the Belt and Road Initiative.



Global Goals are Global Challenges that require Global Solutions



Understanding macro geographic “infra gaps” is indeed the base of an investment program

When organized according to the SDGs generates a tremendous pipeline of projects that will benefit, Ukraine and the neighboring countries. One approach can be to systematize a vision of what the region could be in 2030 and to use the SDGs as a strategic tool to present and support this vision.

The next step will be to define tangible objectives that will have a people, planet and prosperity for all communities.

These objectives should then define a list of transformational projects that will be the means to achieve the SDGs. Regional cooperation is key as in most cases being transport, energy, utilities the regional flow needs to be ensured.

As financial institutions prefer to be involved on projects that have gained traction, it becomes essential that central and local administrations are aligned on presenting these projects and their respective priorities. Likewise, it is also essential that local private sector is involved to ensure the positive externalities of these projects will benefit the local communities in the first place.

Priorities to close the infra gap, the role of pf PPP in Ukraine and neighboring countries

A clear vision, with tangible goals, supported by clear development policies supported by the communities, is therefore essential to diminish the infra gap in Ukraine and in the neighboring countries.

This process involves political will, policies and laws that require political alignment, the appropriate legal framework, that are normally supported by strong social and environmental agendas. This process is enhanced as institutions are stronger and reflect a political risk as small as possible. As the vision, the objectives and the strategy of implementation is clear, and the strength of local institutions is recognized international cooperation happens naturally.

It is however crucial to have pilot successful projects as pf PPPs is a non-stop process of improvement and innovation, and trust is build, as steps are taken, and positive outcomes are visible.

A very positive example of success may be found in Wales where government works simultaneously at three levels: projects, programs and policies, and all those are reflected on the Welsh Infrastructure Investment Plan (WIIP).



Global Goals are Global Challenges that require Global Solutions

