



European Investment Bank

PPP units and related institutional frameworks
Lessons learned

Kyiv - 23 April 2012

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Long-term finance promoting European objectives

- ❖ **European Union's long-term lending bank** set up in 1958 by the Treaty of Rome
- ❖ **Shareholders: 27 EU Member States**
- ❖ **A policy-driven public bank:** in synergy with the other EU institutions, the EIB contributes to the realisation of investment projects that further the economic, social and political cooperation priorities of the EU
- ❖ A non-profit maximizing financial institution
- ❖ Supports investment projects both within and outside the EU

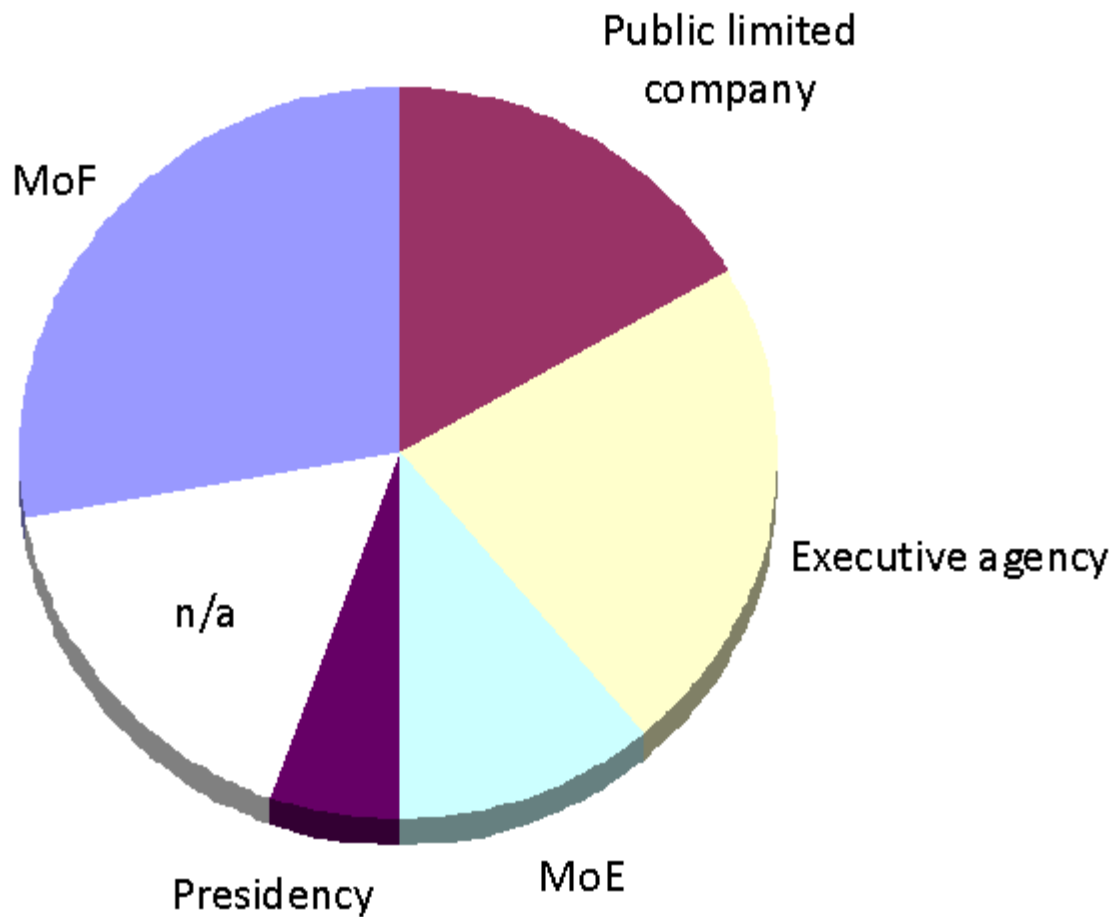
A comparative analysis

A survey of EPEC member PPP units

Select results on a sample of 18 countries

- ✓ Croatia
- ✓ Slovakia
- ✓ Latvia
- ✓ Bulgaria
- ✓ Lithuania
- ✓ Czech Republic
- ✓ Germany
- ✓ Netherlands
- ✓ Ireland
- ✓ Denmark
- ✓ Poland
- ✓ UK (England)
- ✓ Slovenia
- ✓ Italy
- ✓ Malta
- ✓ Greece
- ✓ France
- ✓ Finland

Location within Government



Funding

Public Budget

- ✓ Italy
- ✓ Croatia
- ✓ Bulgaria
- ✓ Netherlands
- ✓ Ireland
- ✓ UK
- ✓ Slovenia
- ✓ Malta
- ✓ France
- ✓ Greece

Public Budget + EU Funds

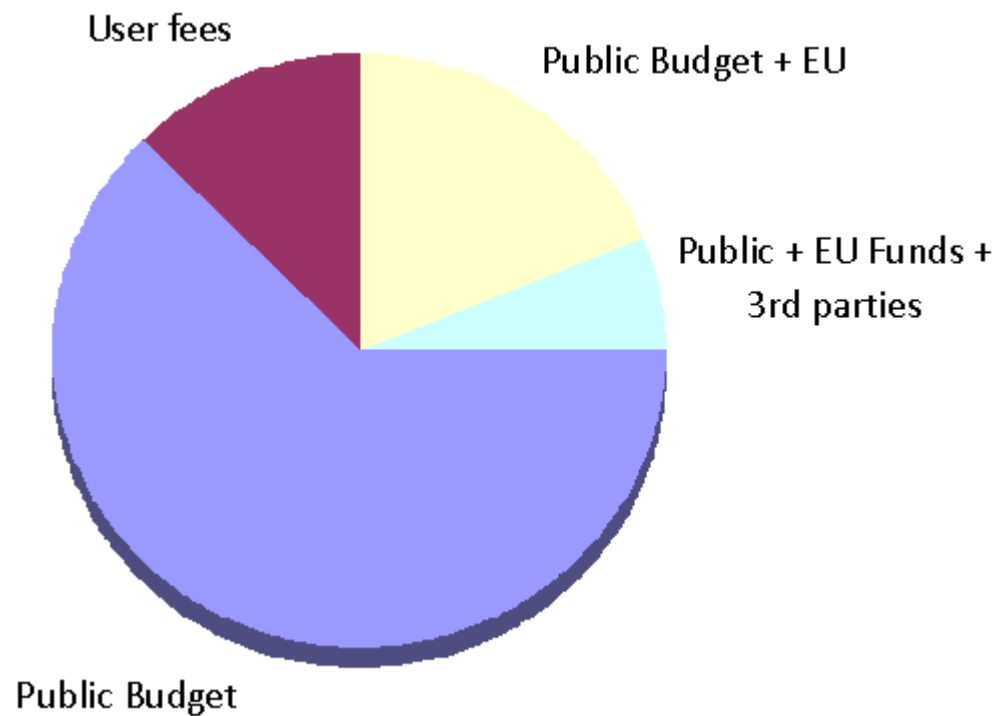
- ✓ Slovakia (until sep 2011)
- ✓ Lithuania
- ✓ Poland

User Fees

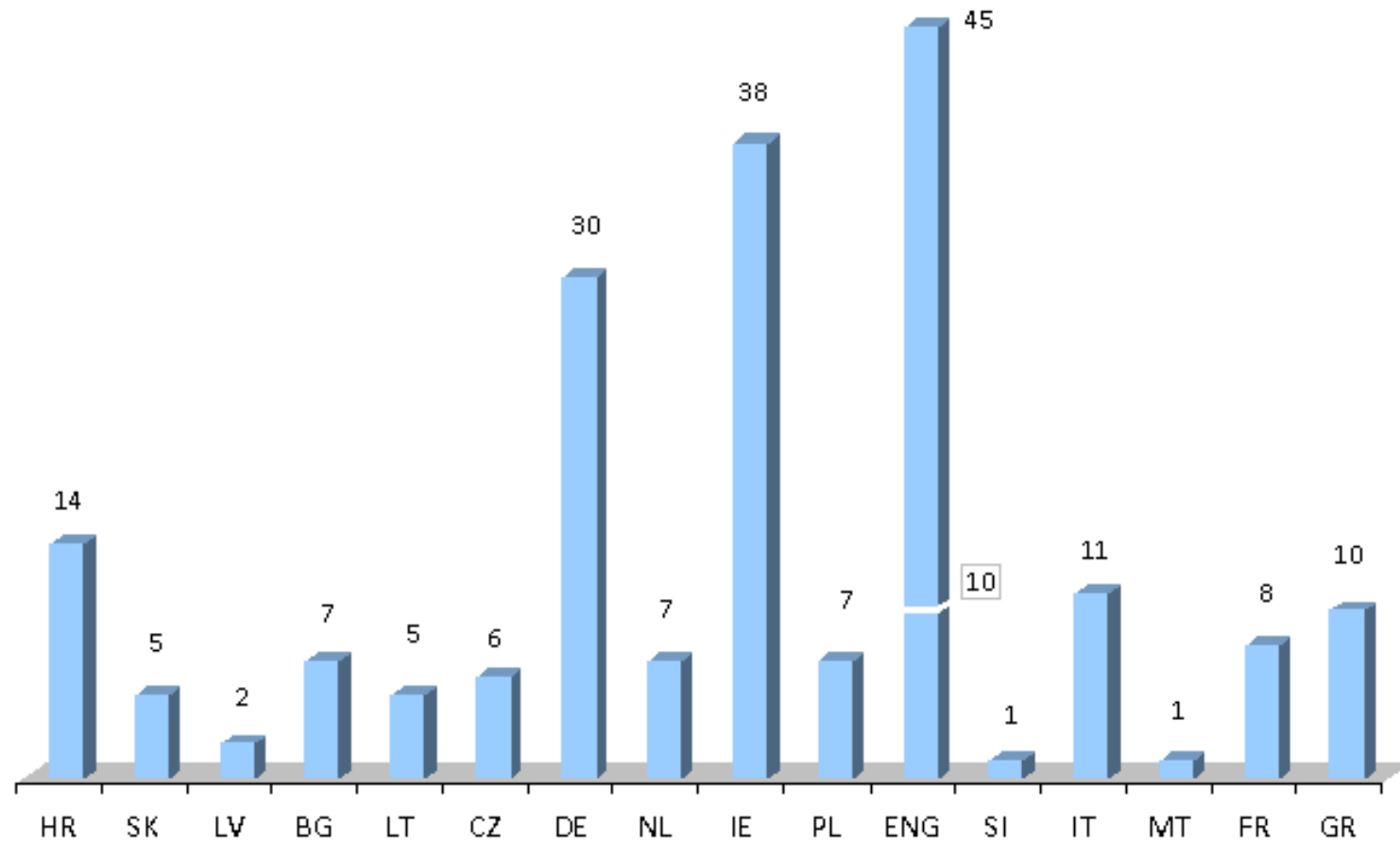
- ✓ Germany
- ✓ Czech Republic

Public Budget + EU Funds + Third party

- ✓ Latvia



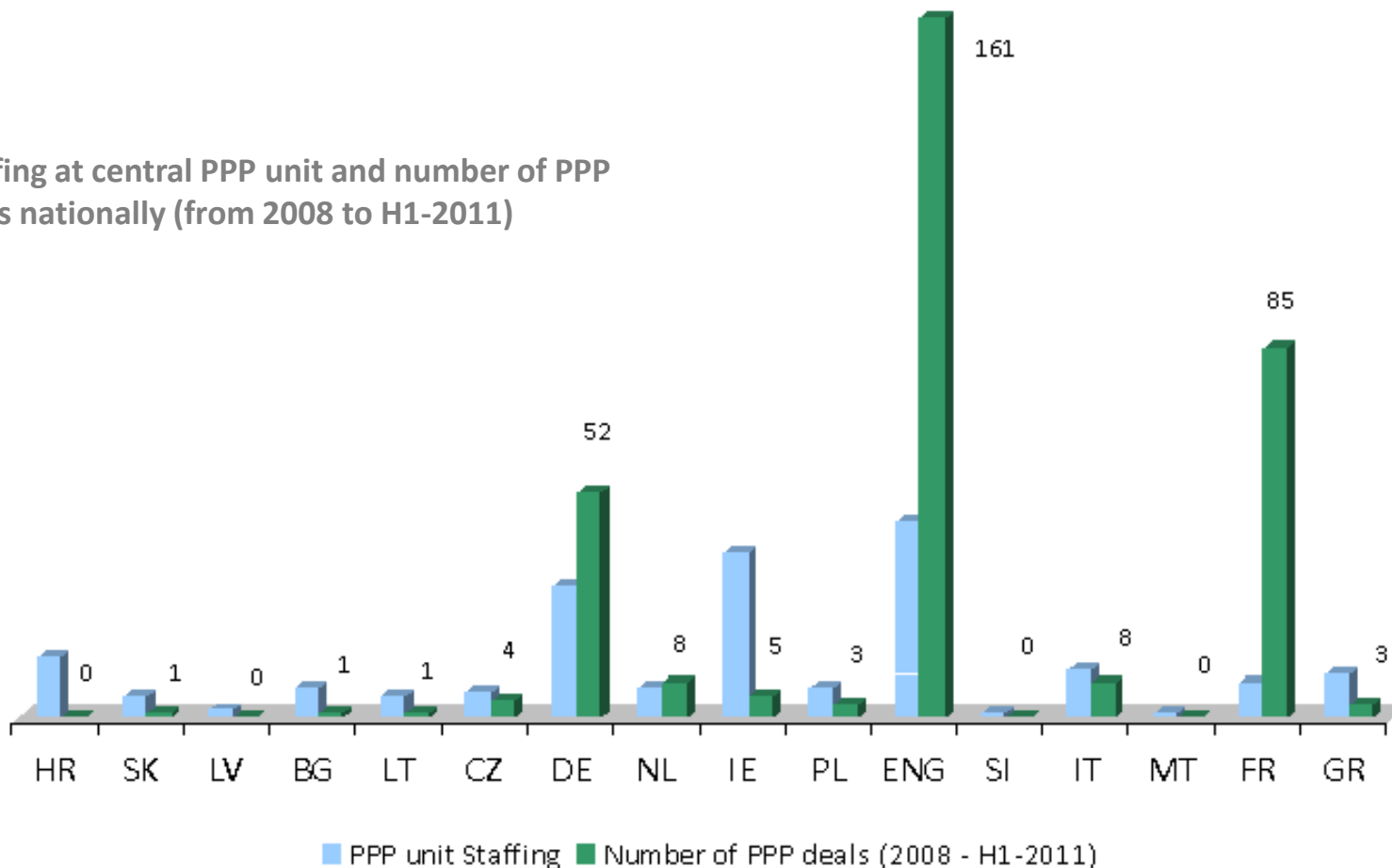
PPP Units Staffing



Staffing

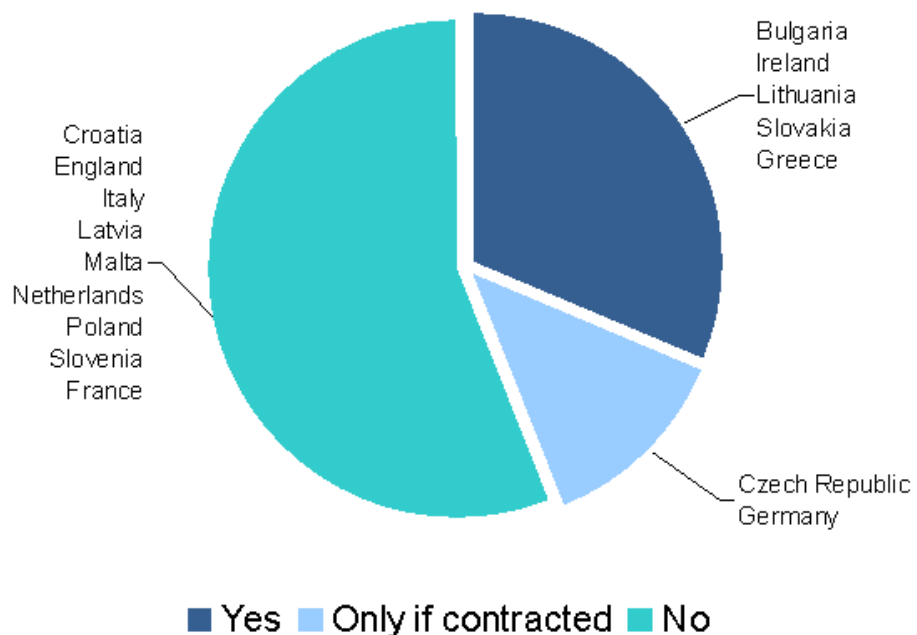
Comparing apples with oranges

Staffing at central PPP unit and number of PPP deals nationally (from 2008 to H1-2011)

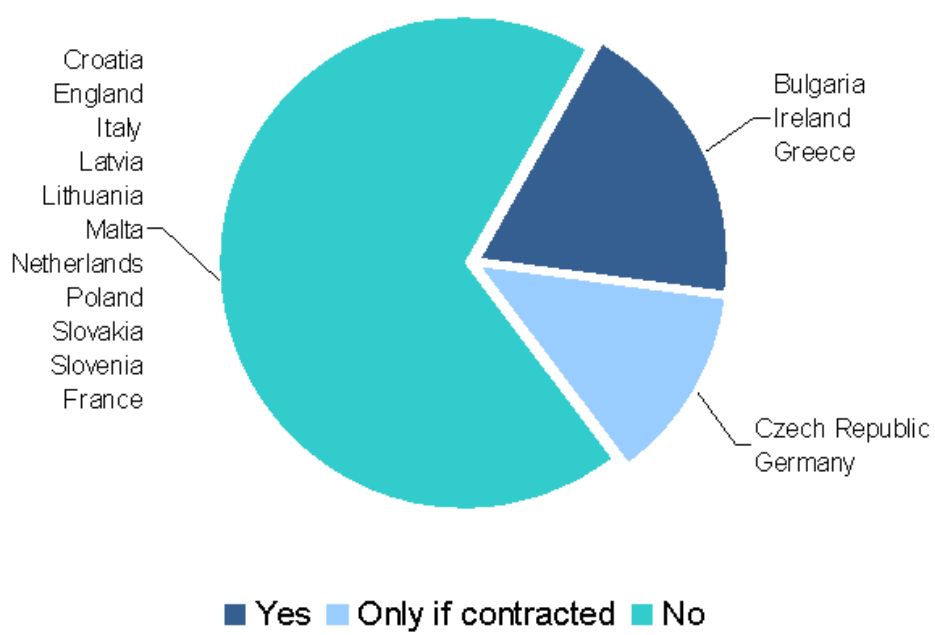


PPP Unit Role in Project Cycle

Sit of steering/oversight committee for the project



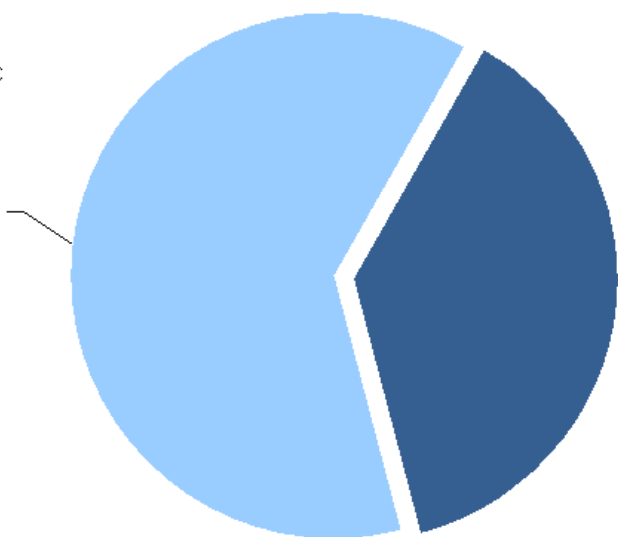
Sit on project team/group



PPP Unit Role In Project Cycle (2)

Approve the final contract

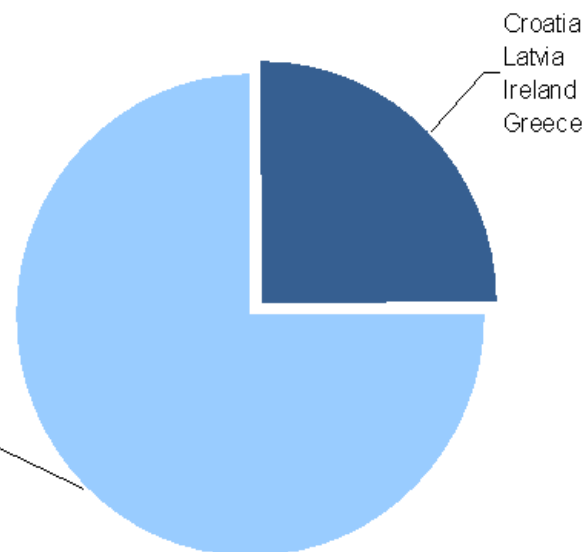
Czech Republic
Germany
Slovak Rep.
Czech Rep.
Bulgaria
Italy
France
Lithuania
Poland
Slovenia



■ Yes ■ No

Approve renegotiation during construction

Czech Rep.
Germany
Bulgaria
England
Italy
Malta
Lithuania
Netherlands
Poland
Slovenia
Slovak Rep.
France

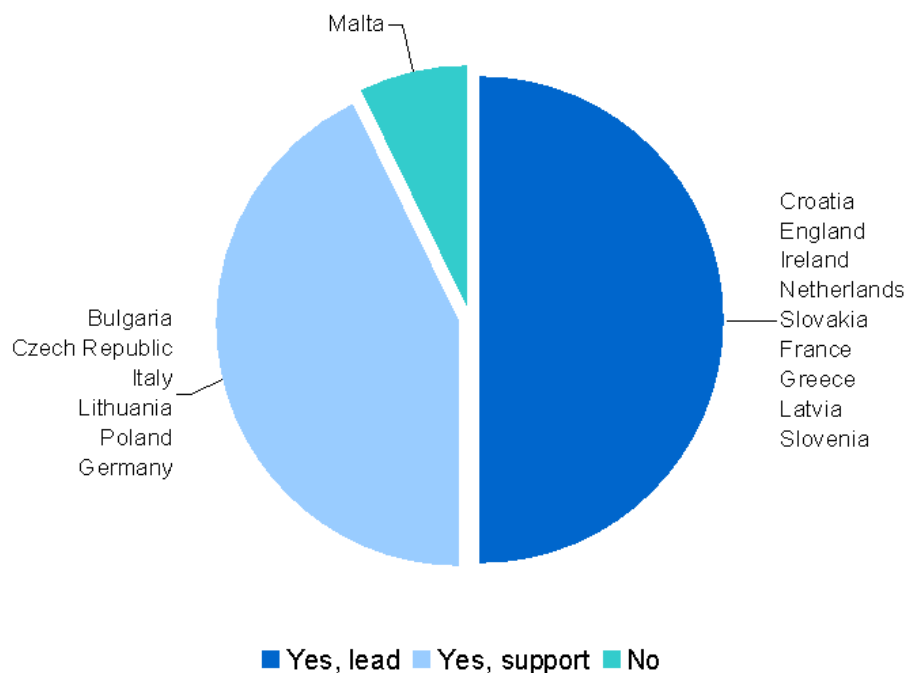


■ Yes ■ No

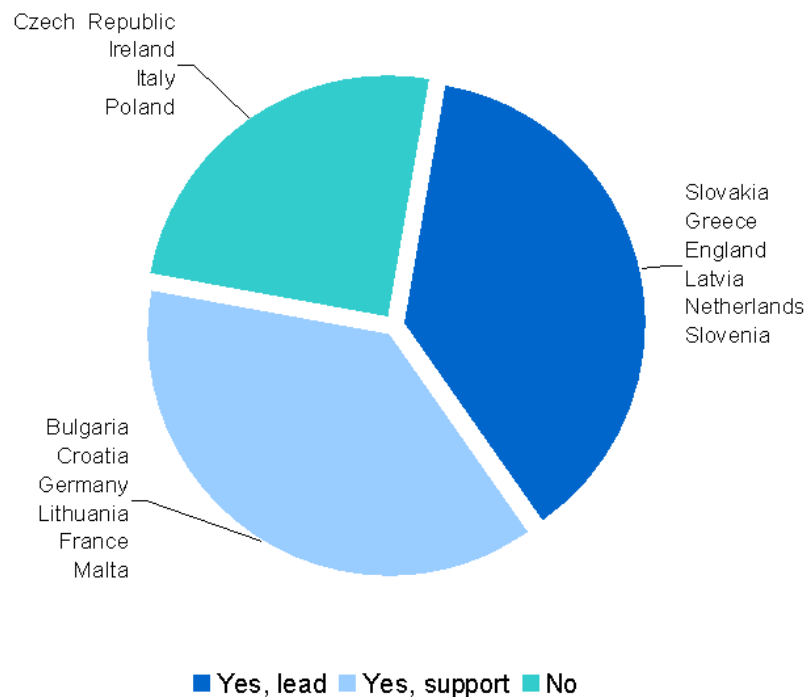
PPP Units

Role in market development

Determine share and best practice

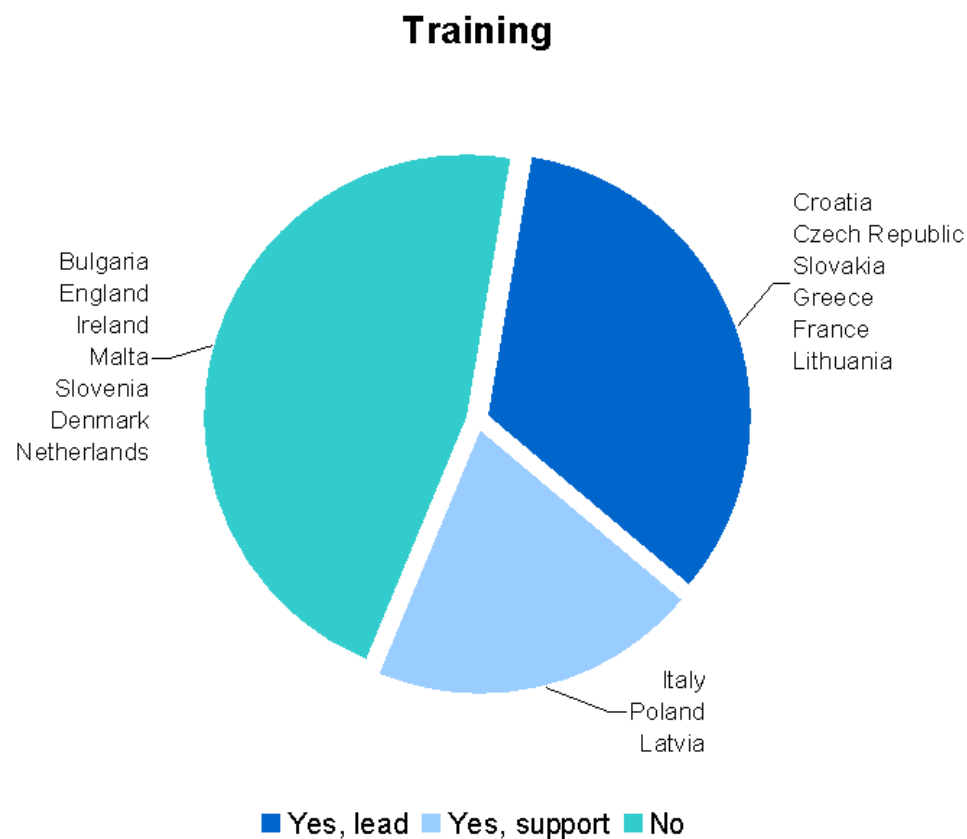


Develop PPP policy



PPP Units

Role in training



Some lessons learned

A well run PPP unit is one of many requisites to successfully launching and implementing a PPP programme

PPP unit is a response to institutional gaps

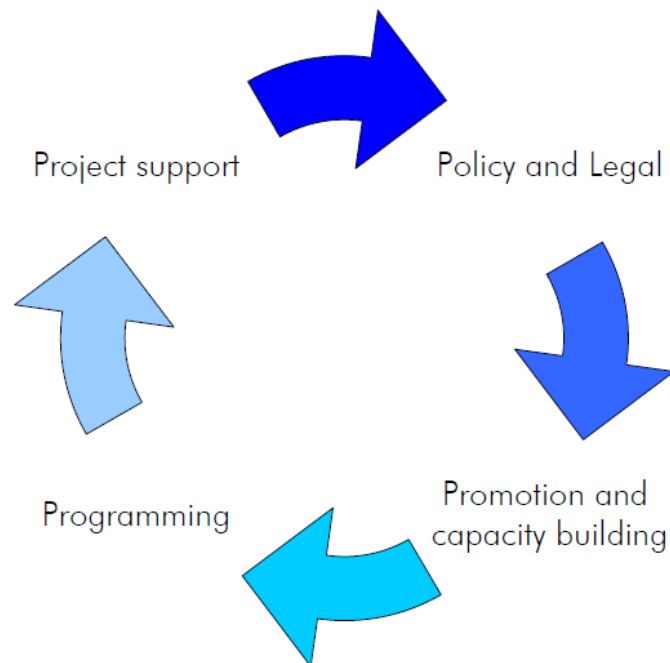
- One size does not fit all
- PPP unit(s) must reflect gaps in existing institutions to manage PPP programme
- Must take into account the needs, capacity, culture, legal and administrative traditions

The PPP Institutional framework: An iterative process

- Concentrating purely on policy, approvals or project delivery is insufficient
- One needs to look at the entire institutional framework for delivering PPP

The PPP Institutional framework

Central PPP Support



... a process of constant improvement on project delivery

Some lessons learned (2)

Create and maintain a clear policy framework

- Political support fluctuates with political cycles

Ensure an adequate legal and regulatory environment

Think programmes not projects!

Manage change

- As government needs change, so too should the role/function of PPP units

For additional information:

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