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Public-Private
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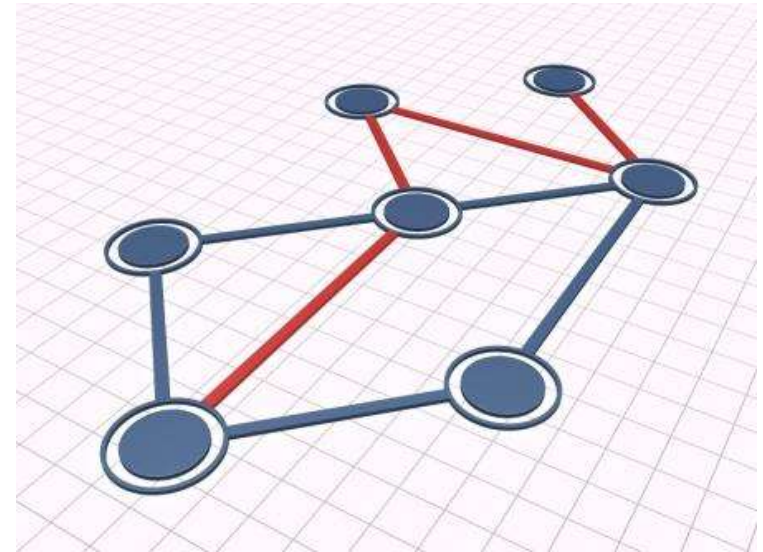
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1. Institute for PPP – quick introduction

- A non-governmental organisation established in 2003 in order to drive PPPs .
- The oldest professional PPP organisation in Poland.
- Areas of expertise: market intelligence, consultancy, market researches, publishing, trainings, PR & marketing.
- Official partner of the „Public-Private Partnership” 2,5mn EUR governmental system project of the Polish Agency for Enterprise Development.
- Issuer of the only PPP magazine in Poland → → → → which will go international in 2012.



2. Why Ukraine? An obvious question.

- Not only the European Cup is of Ukrainian-Polish mutual interest!
- Ukraine's domestic market is of:
 - enormous potential in regards to investment needs,
 - a unique size in this part of the world,
 - huge demand for quality public infrastructure and services,
 - well-known hospitality and friendly approach.
- The process of integration of Ukraine with the EU will create significant development opportunities giving support to the Ukrainian society.
- We'd like to share our PPP lessons learned with Ukraine for the benefit of our neighbor.



3. The Polish PPP market - overview

- Some facts:
 - The effective legal framework for PPP type contracts in Poland is only since February 2009.
 - There are no major PPP projects coming from the central government (i.e. roads).
 - The majority of the PPP deals and projects so far come from the local administration and municipalities.
 - Very diverse fields/sectors in which PPPs are being implemented (next slides).
- **Institutional support to PPPs.** More and more comprehensive support programs are launched by the central administration:
 - Ministry of Economy,
 - Polish Agency for Enterprise Development,
 - Ministry of Regional Development (PPP Platform).



3. The Polish PPP market – concluded contracts

- Within the first 3 years of the PPP market in Poland 28 contracts have been concluded whereof 26 are still valid (2 contracts terminated).
- Value of these **26 contracts** is approx. **190mn EUR** (2bn UAH)

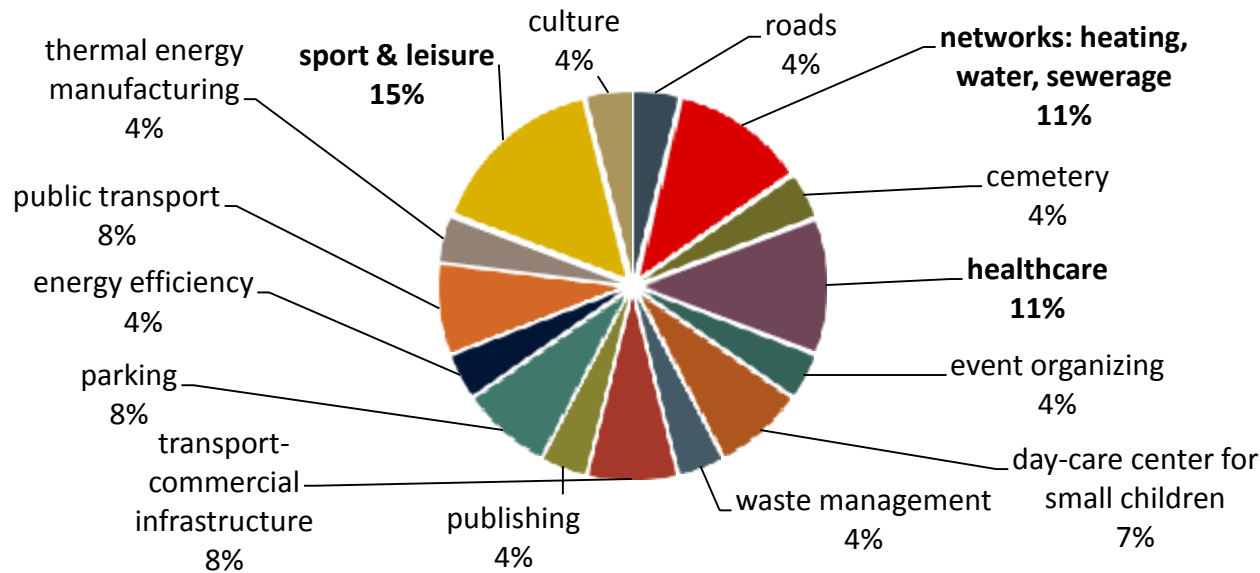


Chart 1. Industry Sectors in which PPP type contracts were concluded. Source: IPPP, April 2012.

3. The Polish PPP market – project pipeline

- There are currently approx. **334 PPP projects** being considered in Poland (excluding those which are already been officially announced in tender proceedings).

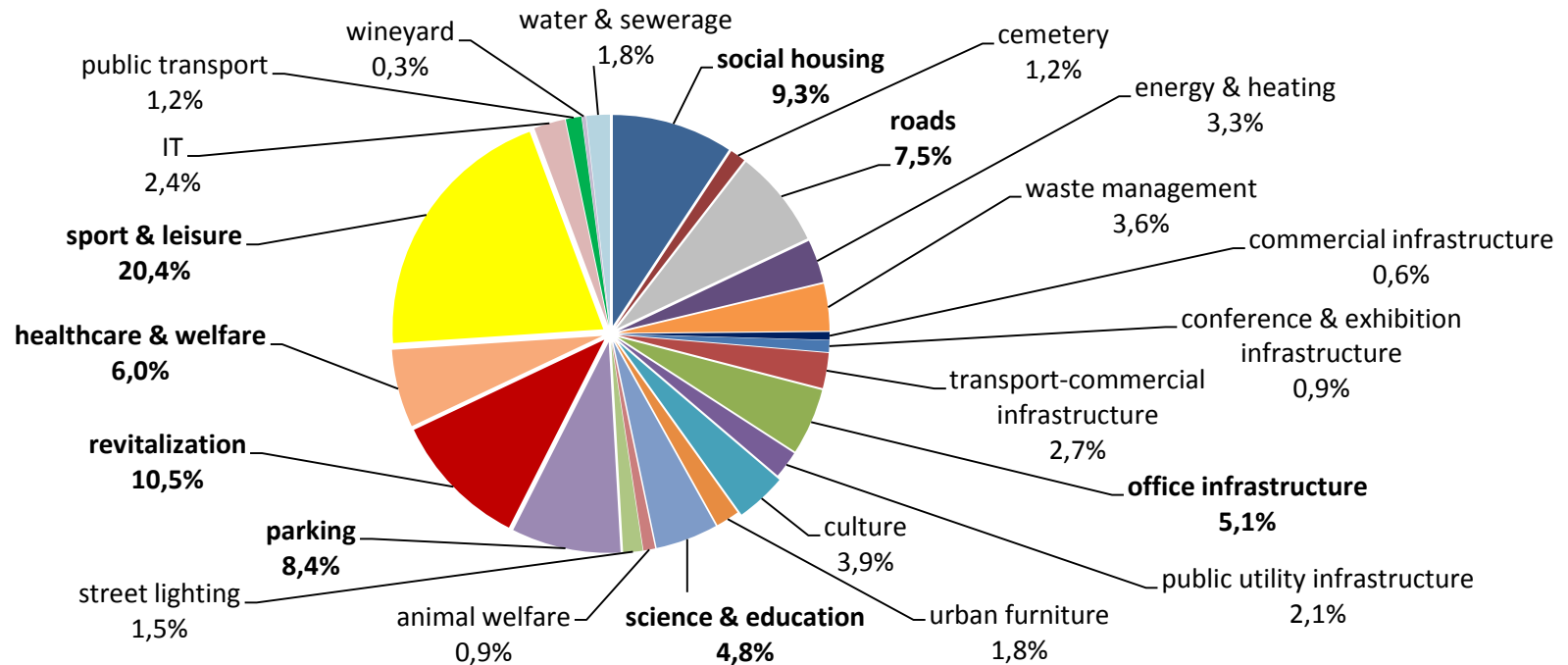


Chart 2. Industry Sectors of planned PPP type contracts. Source: IPPP, April 2012.

3. The Polish PPP market – some project examples (1/3)

• Sport & leisure

- City of Krakow – 5 projects: a swimming pool complex, a yacht marina, tennis courts, a sports & show hall and a multifunctional sports hall, value: 49mn EUR / 520mn UAH
- City of Elbląg – building an Aqua park (indoor & outdoor pools) accompanied by commercial and hotel infrastructure, value: 22mn EUR / 233mn UAH

• Revitalization

- City of Gdansk – revitalization of the Sienny and Rakowy Markets which lie on two sides of a water canal (new housing estates, car parks, a museum, public utility infrastructure), value: 191mn EUR / 2bn UAH,
- City of Łomża – revitalization of the main roads' crossing by building an interchange station with commercial functions, 21mn EUR / 228mn UAH



3. The Polish PPP market – some project examples (2/3)

- **Social housing**

- City of Krakow – building more than 300 municipal apartments including some commercial space, value: 22mn EUR / 233mn UAH
- City of Łódź – building 1100 apartments in the suburbs in exchange for real estates in the city centre, value: 148mn EUR / 1,6bn UAH



- **Parking infrastructure**

- City of Gdansk – building 2 underground and 1 multi-storey car parks in the area of Old Town, value: 50mn EUR / 530mn UAH,
- City of Warsaw– building at least 2 underground car parks in the city centre out of up to 6/8 locations indicated by the city, value: 72mn EUR / 764mn UAH

3. The Polish PPP market – some project examples (3/3)

• Roads

- City of Wroclaw – building a road connection between city bypasses including 2 bridges meeting on an island, value: 100mn EUR / 1bn UAH
- City of Krosno – 4 city bypasses of a total length of 16km including overpasses and bridges, value: 48mn EUR / 509mn UAH



• Healthcare



- City of Poznan – building a new gynaecological-maternity Mother & Child hospital for approx. 450 beds , value: 120mn EUR / 1,3bn UAH
- City of Łańcut – building hospital infrastructure of the Medical Centre in Łańcut, value: 13mn EUR / 138mn UAH

4. Recommendations for Ukrainian PPPs (1/2)

- The Polish PPP market is not developing as it could. Now, after 3 years of having the PPP market in place we have some lessons learned and would do certain things better in order to speed up.
- **Recommendations:**
 - One state PPP Unit having the right competences and decision making rights.
 - One PPP project's database with all national, regional and municipal planned PPP projects.
 - Capacity building for the public administration i.e. in the fields of PPP, project finance or risk assessment.
 - Transparent , equal treatment, open and lawfully guaranteed tender proceedings.



4. Recommendations for Ukrainian PPPs (2/2)

- **Recommendations:**

- Stable legal and political environment in order to ensure private partners that their long-term investment such as PPP is safe.
- Allowing international institutions and foreign governments to share their best practices, knowledge and experience in PPPs.
- Wide communication on PPPs, their role, benefits and how they work to the Ukrainian society – through mass-media.
- Launching institutional support for PPP projects' preparation and implementation to regional and local administration by providing trainings, financing consultancy services and encouraging to use PPPs.
- Being patient as PPPs are complex enterprises still with many benefits which these can offer to the public interest.



5. Closing remarks

- There is no better way to effectively address the public infrastructure & services needs than through PPPs.
- A comprehensive approach where the private sector designs, finances, builds, operates and maintains public infrastructure or provides public services means true „value for money” and better quality to end-users.



- A new international magazine about PPPs will be born this year covering also the Ukrainian PPP market as well as other market from the region.
- Let it be a good knowledge & experience exchange platform fulfilled by events such as conference, seminars or workshops.

6. Invitation

- „Speed uppp Ukraine” 2012 is the start of an annual conference series held in Ukraine and devoted to the development of the local PPP market.
- Please have your diaries and schedules reserved for the top-quality PPP update in a years time – the **2nd „Speed uppp Ukraine” in 2013.**

2nd annual joint international conference on Public-Private Partnerships (PPPs) in Ukraine

Speed uppp Ukraine



- For participation, speaking and sponsorship opportunities please contact:
 - IPPP’s International Business Department at ib@ipppl.pl
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