

## NEWSLETTER #8 OF UKRAINIAN PPP DEVELOPMENT SUPPORT CENTER

### UKRAINE – POLAND: COOPERATION WITH POLISH PPP CENTER

The Chairman of the Board of the Center Irina Zapatrina took place in the project “Preparation of local government bodies of Rivne region to implementation of investment projects and management of communal services using PPP formula”, implemented in the framework of Polish Aid for Development 2014 of the Ministry of Foreign Affairs of Poland.

The Project was implemented by a partner of Ukrainian PPP Development Support Center – Polish PPP Center (<http://www.centrum-ppp.pl/start,2>).

In the framework of the project it was conducted training course for the representatives of local governments and water and sanitation utilities of Rivne, Dubno, Ostrig, Mlyniv, Korets on issues of implementation of PPP projects in water and sanitation, analyzed opportunities to use international experience in this field.



Irina Zapatrina has read lectures and conducted theoretical lessons in Rivne on April 28-29 and June 18-20, 2014.

On September 14-19, 2014 the participants of the Project have visited Poland where they have acquainted with the experience of implementation of PPPs in water and sanitation, thermo modernization of buildings of budget sphere (schools, kindergartens, hospitals), development of transport and



social environment of cities, renovation of touristic infrastructure, renovation of cultural inheritance objects.



The program included educational visits to the Ministry of Economy (Warsaw), administrations of cities Karchev, Smoldzino, also it was visited sites of implemented PPP projects in Gdansk and Sopot.

We hope that the received experience will find its implementation in Ukraine.

**MODEL PPP LAW FOR CIS COUNTRIES:  
 PARTICIPATION IN THE  
 EBRD PROJECT**

The work on preparation of Model PPP Law for CIS countries and Scientific-practical comments to this law is being continued with assistance of the European Bank for Reconstruction and Development under Inter-parliamentary Assembly of CIS countries. Irina Zapatrina, the Chairman of the Board of the Ukrainian PPP Development Support Center participates in this process.

On May 21-22, 2014 took place a meeting of the working group on drafting the Model Law on PPP for CIS countries and the meeting of the Commission for Economy and Finance of Inter-parliamentary Assembly of CIS. In the meetings took part O. Zverev, the head of Working group, senior banker of EBRD, developers of the draft law prof. V. Popondupolo (head of the commercial law department of Law Faculty of Saint-Petersburg State University), V. Kilinkarov (partner, law firm

MAXIMA), O. Dolgov and K. Makarevich (law company Hogan Lovells), I. Zapatrina (Ukrainian PPP Development Support Center). Both meetings took place in in Tavricheskiy palace, St. Petersburg (the Russian Federation).



The discussion of the draft law was constructive. As result, the Commission decided: to approve and recommend the revised by the Working Group draft law for consideration at the plenary session of the Assembly in November 2014; to finalize and include in the agenda of the next meeting of the Commission scientific and practical comments on the draft Model law on PPP; to hold in October 2014 an international conference on development of PPP legislation; to express gratitude to EBRD and experts who participated in elaboration of the draft law.



The next meeting of the Commission and a meeting of Inter-parliamentary Assembly where it is planned to adopt the prepared documents will take place on November 27-28, 2014 in Sant-Petersburg.

For November 26 it is planned international conference on discussion of PPP Model Law for CIS countries.

## COOPERATION WITH UNECE ON PPP ISSUES

Ukrainian PPP Development Support Center cooperates with UNECE since 2010. For this period the representatives of the Center took part in many events of the Commission on PPP issues and the experts of UNECE – in the events organized by the Center in Ukraine. In 2011 it was conducted a joint event in the Ministry of Regional Development, Construction and Housing and Communal Services of Ukraine

(International conference on promotion of efficient PPPs in Ukraine). Irina Zapatrina, the Chairman of the Board of the Center is a member of Team of specialists on PPP of UNECE since 2011.

For the current period the Ukrainian PPP Development Support Center took part in the following events organized by UNECE.

On June 23-34 2014 in Geneva (Switzerland) took place the 6th session of the Team of specialists on PPP of UNECE. The session was dedicated to the issues of development of international standards in field of PPP. Irina Zapatrina, the Chairman of the Board of the Center, took part in the meeting.

On October 21 - 22, 2014 in Geneva (Switzerland) took place International Conference "Public-Private Partnerships in the water and sanitation sector: an exchange of experiences between Europe, Central Asia,

the Middle East and North Africa"

The organizers of the Conference - UNECE, the World Bank, the European Bank for Reconstruction and Development, the Islamic Development Bank.

At the conference it was discussed the successful experience of implementation of PPP projects in water and sanitation sector, defined problems to be solved, discussed the priority tasks on implementation of water-related Millennium Development Goals





on water and sanitation, defined its tasks for 2015.



materials that would assist in achieving of sustainable development goals of the United Nations to ensure the efficiency and availability of water supply and sanitation.

Among the participants of the conference were Olena Kucherenko, the director of investment, innovation and PPP Department of the Ministry of Economic Development and Trade of Ukraine and Irina Zapatrina, the Chairman of the Board of the Ukrainian PPP Development Support Center. They have made a joint presentation: Public-Private Partnerships in Ukraine: importance, bottlenecks and prospects (<http://www.ukrppp.com/ru/presentations>).

The objective of activity of the International PPPs Center on water and sanitation under the UNECE is recognized promotion of private funding attraction for modernization of infrastructure of water supply and sanitation systems, conduction of irrigation activities in low- and middle-income countries where the public requires improving of access to quality water and sanitation. Achieving this objective will be ensured through identification and dissemination of best practices of public-private partnerships in water and sanitation, development of international standards on these issues, preparation of methodological

Each year, the Center will organize an international conference to discuss the achievements in water and sanitation systems development on the basis of public-private partnerships, priorities in this area and creation of favorable environment for private sector attraction to restoration of corresponding infrastructure.

At the conference it was announced the establishment on the initiative of the UNECE of International PPPs Center

The activity of the International PPPs Center on water and sanitation will be coordinated by UNECE and ensured through initiative participation in conduction of researches of its members - expert institutions as well as sponsor contribution of private sector and international organizations.



The Center is organized in form of cluster, whose members are: representatives on PPP division of the World Bank, the Organization of the Global Water Partnership, the Council of the Mediterranean countries, representatives of Ukraine, India, the Philippines, the leading international water companies Viola, Akvafed etc. The representatives of Ukraine in International PPPs Center on water and sanitation of UNECE are the Ukrainian PPP Development Support Center and the Academy of Public-Private Partnership. The main direction, for which the Ukrainian institutions – the members of the cluster will be responsible is "Small and medium-sized public-private partnerships in the water and sanitation sector."



## COOPERATION WITH ADETEF ON PPP ISSUES

The Ukrainian PPP Development Support Center actively cooperates with Adetef (Agency for international technical cooperation under the Ministry of economy and finance of France that unites public sector experts in field of economy, finance and sustainable development). The Memorandum of cooperation between Adetef, MAPPP (French Agency on PPP) and the Ukrainian PPP Development Support Center was signed in 2011. Iryna Ozymok, Head of Adetef Representation in Ukraine is a member of the Strategic Council of the Ukrainian PPP Development Support Center. French experts from Adetef and the Ministry of economy and finance actively participate in organization of activities on PPP in Ukraine, in particular, in preparation of the Annual international conference 'Speed uPPP Ukraine'.

On November 3 – 7, 2014

Adetef Representation in cooperation with the Ukrainian PPP Development Support Center conducted a mission to Ukraine devoted to examination of PPP perspectives in the sphere of water supply and sanitation. Mr. Daniel Loudiere, French expert in water supply and sanitation arrived to Ukraine with the purpose to analyze possibilities for launching and implementing relevant PPP projects.



Within the framework of the mission numerous meetings were organized. In particular, D. Lodiere had a possibility to meet R. Kachur, Deputy Minister of the Economic Development and Trade of Ukraine, O. Kucherenko, Director of Department for PPP, investments and innovations of the Ministry; S. Kushnir,



Director of the Housing Policy Department of the Ministry of Regional Development, Construction, Housing and Communal Services of Ukraine; V. Shandra, Head of the Kyiv Regional State Administration; Y. Zherlitsyn, President of the Ukrainian Association of enterprises of water and sanitation 'Ukrvodokanal-technologiya'; Y. Radchenko, Director of SE "PPP Center"; representatives of Mayor offices, the private sector, enterprises of water supply and sanitation of Irpin and Fastiv.



On November 7, 2014 the Round table "PPP in water supply and sanitation" took place in the premises of the Ministry of Regional

Development, Construction and Housing and Communal Services of Ukraine.

Iryna Ozymok, Head of the Adetef Representation in Ukraine, Y. Radchenko, Director of SE "PPP Center"; Daniel Loudiere, Adetef expert (France), N. Rudenko, Director of Egis Ukraine, I. Zapatrina, Chairwoman of the Board of the Ukrainian PPP Development Support Center were among speakers. O. Babiy, Director of LLC Bilotserkivvoda, S. Naumenkova, doctor of economic sciences, professor, Head of banking department of the Taras Shevchenko National University, R. Kundryk, representative of P3D, USAID as well as other participants of the event took part in the discussion. To summarize the discussion Mr. Loudiere stressed that today involving the private sector into implementation of PPP projects on water supply and sanitation is extremely

important for Ukraine. Treatment of the waste water is the most problematic sphere requiring special attention of public authorities. Technical state of equipment and technologies used at Ukrainian water treatment facilities are dangerous for the environment and have negative influence on human health and life duration.

There is large world experience in modernization of water supply and sanitation systems with involvement of the private sector. At the same time, we should not expect arrival of new investments into this sector without reduction of risks and implementation of solidarity system aimed at increasing of quality and extension of access of the Ukrainian population to the clean drinking water and proper waste water treatment. Presentation of modern standards for provision of services to the population requires wide informational campaign.



Implementation of these tasks requires creation of wide discussion platform on PPP. France has experience of using such institutional formations and Iryna Ozymok, Head of Adetef Representation in Ukraine proposed her assistance in introducing this experience to Ukrainian colleagues.

The discussion was very fruitful. Upon its results the concrete decisions were taken. In particular, it is planned to reanimate activities of the Working group on PPP issues under the Ministry of Economic Development and Trade of Ukraine by inviting representatives of public authorities, analytical centers and private business, international organizations and

donors. The group is expected to become the platform for discussion of problematic PPP issues and search of solutions.

Following issues were determined by the participants as priorities and were proposed to be reviewed: procedure of formation of database of PPP projects for ensuring wide dissemination of information on implemented projects at official web-sites of public authorities and in mass media;

❖ promotion of PPP ideology in the society, acquaintance of the population and public authorities with the best practices in this field;

❖ development of methodological approaches on evaluation of communal property planned to be involved into PPP projects;

❖ development of state mechanisms and, in particular, budget support of socially important projects including projects of modernization of water supply and sanitation systems;

❖ development of instruments of financial guarantees for investors in the sphere of PPP.



## PARTICIPATION IN TRAINING COURSES FOR REPRESENTATIVES OF PUBLIC AUTHORITIES OF THE REPUBLIC OF BELARUS

On September 9, 2014 Irina Zapatrina, the Chairman of the Board of the Center, took part in training courses for representatives of public authorities of Republic of Belarus. The training courses were held in the framework of the EU/UNDP Project "Strengthening national capacities in use of public-private partnership in the Republic of Belarus". Irina Zapatrina gave a lecture on harmonization of legislation in field of public-private partnerships, use of mechanisms of PPP as an instrument of territorial development and the role of

communication strategies in implementation of PPP projects.

## SOCIAL ACTIVITY OF THE CENTER

For the current period the Chairman of the Board of the Center Irina Zapatrina:

- ❖ has become a member of Ukrainian association of water and sanitation utilities Ukrvodokanalekologiya.
- ❖ has become a member of Expert Group of Temporary investigation commission of Verkhovna Rada of Ukraine for verification of compliance with legislation on state regulation of natural monopolies and related markets for electricity, gas, heat and water.

- ❖ has become a member of Expert work group on issues of life support and energy saving in field of housing and communal services established by the Order of the Head of KCSA V. Klichko #1154 dated 16.10.2014. At the first meeting it was taken a decision to create 4 subgroups: on issues of improvement of legislation in housing and communal sector; on regulation of organizational issues in life support system of Kiev; on attraction of investments, cooperation with the international financial institutions and PPP; on development of system of communication with territorial community and personnel support. Irina Zapatrina has headed the 1st group and become a member of the 3rd group.





## PUBLICATIONS. EXPERT CONCLUSIONS

The specialists of LLC Law firm JurEnergConsulting in the framework of USAID Municipal Energy Reform Project have prepared expert conclusion to the draft law of Ukraine “On amendments to certain legislative acts of Ukraine (regarding removing of regulatory barriers for development of PPP in Ukraine and stimulation of investments)”, #4237a dated 03.07.2014.

For the conclusions please visit the web-site of our Center:  
<http://www.ukrppp.com/uk/>

For the current period the members of Supervisory Council of Ukrainian PPP Development Support Center have published articles and interviews on issues related to development of partner relations:

For the publications of professor Georgiy Pocheptsov please visit the web-site of our Center or the following links:

<http://www.segodnya.ua/politics/pnews/informaciyu-dobuvat-nuzhno-kak-neft-i-ugol-specialist-po-informacionnym-voynam-521854.html>

<http://radio.vesti.ua/etherethemes/4980-esli-ty-zapuskaesh-v-stranu-internet-tovarishch-stalin-tam-ne-pojavitsja.html>

[http://tvi.ua/program/2014/05/09/heorhiy\\_pohepcov\\_zhoden\\_iz\\_nashykh\\_prezydentiv\\_ne\\_vykonav\\_svoyikh\\_peredvybor\\_chykh\\_obicyanok](http://tvi.ua/program/2014/05/09/heorhiy_pohepcov_zhoden_iz_nashykh_prezydentiv_ne_vykonav_svoyikh_peredvybor_chykh_obicyanok)

A member of the Strategic Council of Ukrainian Public-Private Partnership Development Support Center Olga Simson has published an article on PPP

O.Simson. Legal and Institutional aspects of promoting Public-Private Partnership (PPP) in infrastructure and innovation within triple helix cooperation model. – British Journal of Science, Education and Culture. – Nr. 1 (5). – January – June. 2014, Volume 2. – London University Press. – 2014 – p.310-319.

For the article please visit the web-site of our Center.

In newspaper BUSINESS #44 dated November 3, 2014 it was published a comment of I. Zapatrina “PPP: the experience of Poland in attraction of private business to modernization of infrastructure and perspectives of Ukraine”.





## PUBLIC-PRIVATE PARTNERSHIP: EVENTS IN UKRAINE AND ABROAD

### ANNOUNCEMENT



In the 4<sup>th</sup> edition of EPPPL magazine (December, 2014) will be published the article of the Chairman of the Center I. Zapatrina and a member of the Strategic Council of the Center O. Pylyay “**Ukraine. Strategic issues of PPP development**”

On November 26, 2014 in Saint-Petersburg, in Tavrisheskiy Palace will take place International **conference “Perspectives of development of PPP legislation in the CIS**

**countries”, the organizer of the event - Inter-parliamentary Assembly of CIS members**

Among the participants of the conference will be the deputies of national parliaments, specialists of profile ministries and institutions, centers on PPP development from CIS countries, representatives of international organizations.

The participants of the conference will be provided with the draft Model PPP Law developed by Inter-parliamentary Assembly of

CIS members and EBRD.

For the program of the conference please visit the web-site of our Center (Announcement).

On 27-28 May 2015 in Basel, Switzerland will take place The 5th GIB Summit organized by The Global Infrastructure Basel (GIB) Foundation.

For the conditions of the conference please visit the web-site of our Center <http://www.ukrppp.com/uk/held-events>

