



THE WORLD BANK



European Bank
for Reconstruction and Development

International Conference

Palais des Nations, Salle XI, Geneva Switzerland

21 - 22 October 2014

“Public–Private Partnerships in the water and sanitation sector best practices and lessons learnt: an exchange of experiences between Europe, Central Asia and the Middle East and North Africa”

Background

Access to water is key to development and it is a basic human right. According to the 2013 Millennium Development Goals (MDGs) Report, most of the regions of the world, with the exception of Sub – Saharan Africa, will likely meet the MDG target by halving the 1990 level of population without access to an improved water source by 2015. However, global water distribution is still uneven. Large segments of the world population, 768 million people, still do not have access to improved drinking water sources and existing estimates do not address the safety and reliability of water supplies. In addition, the MDG target for sanitation is one of the indicators most off track, with 2.5 bn people currently lacking access to improved sanitation and over one billion still practising open defecation. Water quality has also been very much neglected. The World Bank estimates that 1.7 million people die annually because of unsafe water, lack of sanitation and unhygienic practices. Accordingly the Sustainable Development Goals post 2015 are likely to set new targets for universal access to safe and sustainable water supply, including sanitation and hygiene, water resource management, wastewater management and water quality.

To achieve significant improvements globally in water and sanitation supply, partnerships are essential for success. Governments play a key role in securing water for competing demands. However a water secure world is a joint responsibility and it can only be achieved through cooperation in water management, provision and use at local, national, regional and global levels and through partnerships with a number of stakeholders including the private sector.

Despite several successful cases in developing countries between 1991 and 2000¹, in the early 2000s public private partnerships (PPPs) in water became increasingly criticised and politicised and private

¹ By 2000, 38 developing countries had water PPPs in place – with 93 million people served by private water operators. Over a period of a decade private companies’ management permitted an additional 25 million people to gain access to reliable water networks.

operators were blamed for failing to comply with contractual commitments. Governments had no previous experience in PPPs and the partnerships were unbalanced. In the past few years, water PPPs have, however, seen something of a revival. The results of a World Bank global review of PPPs in water², showed that the majority of water PPPs contracts entered into remained in place and had brought significant benefits in terms of improved access to water, service quality and operational efficiency.

The PPP approach provides clear and monitorable deliverables which enable water projects to become bankable or financially sustainable. Today many of the world's most dynamic emerging economies are using PPPs in the water sector, not just in water service provision but also expanding into sub-sectors such as irrigation, dam management or sewerage, as well as in developing PPPs with small scale local private operators.

Given the renewed interest in the PPP model in the water sector and increasing recognition of its usefulness in service delivery, the UNECE ICoE is establishing an international Specialist Centre on water and sanitation PPPs with the participation of a cluster of member states, international financial institutions and the private sector which will focus on the development of best practice guidelines and international standards on water PPPs as well as act as an international platform for information sharing and dialogue. The Centre will also organise a yearly international conference on water and sanitation PPPs with the aim of discussing recent developments and ensuring an inclusive dialogue among all stakeholders. This is the first of a series of international Conferences and it focuses on an exchange of best practices and lessons learnt between Europe, Central Asia and the Middle East and North Africa.

Framework

The first international conference on water and sanitation PPPs is organized under the auspices of the UNECE International PPPs Centre of Excellence, the World Bank and the European Bank for Reconstruction and Development. Each partner organization has contributed to the case studies of projects, best practices and lessons learnt from their respective regions.

Objectives

The conference objectives are to:

- Explore challenges, bottlenecks, results and achievements in water and sanitation PPPs through case studies of experiences in Europe, Central Asia and the Middle East and North Africa and with the aim to identify best practices
- Identify a roadmap for future work on water and sanitation PPPs in the regions

² Philippe Marin 2009 "Public Private Partnerships for Urban Water Utilities – A review of experiences in developing countries", The World Bank.

- Officially launch the ICoE international centre on water and sanitation PPPs with the establishment of the cluster³ of member states, private sector representatives, IFI's and partner organizations (International Organizations, NGO's, universities, think tanks).

Outcome

- The desired outcome of the first international PPPs water conference is to improve understanding of water and sanitation PPPs with the aim to identify best practices and successful PPPs models used in the selected regions.
- As an output of the conference a checklist of issues will be prepared to inform the work plan of the international PPP water centre.
- In the framework of the international centre on water and sanitation PPPs, project teams will be established for the development of selected international standards on water and sanitation PPPs⁴.

PROVISIONAL PROGRAMME

DAY 1 – 21 October 2014 Room XI	
8:30–9:00	Registration (at Pregny Gate)
9:00-9:30	Welcoming session Opening remarks: Christian Friis Bach , Executive Secretary, United Nations Economic Commission for Europe (UNECE) Representative of the World Bank Jean-Patrick Marquet , Director, Municipal and Environmental Infrastructure, European Bank for Reconstruction and Development (EBRD)
9:30-10:30	High-level Panel: “The emerging Sustainable Development Goal on Water – the prospective role of Public-Private Partnerships (PPPs)” Keynote speech: Michel Jarraud , Chair of UN Water, Secretary General of the World Meteorological Organization (tbc) Moderator: Christian Friis Bach ,– Executive Secretary, UNECE <ul style="list-style-type: none"> • Uschi Eid, Chair UN Secretary General Advisory Board on water and sanitation

³ A cluster is a community of practice. Members of the cluster will take the lead on a work stream on water and sanitation PPPs.

⁴ The UNECE International Centre of Excellence on PPPs is developing international PPPs standards in selected sectors. The process for the development of international standards was endorsed by the Team of Specialists on PPPs on 23 – 24 June 2014 in Geneva.

	<p>(tbc)</p> <ul style="list-style-type: none"> • Anthony Cox, Head of the Climate, Biodiversity and Water Division, OECD • Guy Fradin, Alternate Governor, the World Water Council (tbc) • Alex Mung, Head of the Water Initiative, World Economic Forum (tbc) • Gérard Payen, President, International Federation of Private Water Operators (AquaFed) and member of the UN Secretary General Advisory Board on water and sanitation
10:30-10:45	Coffee break
10:45-11:30	<p>Session I: “Water PPPs - Regional perspectives”</p> <p><u>Moderator:</u> Geoffrey Hamilton, UNECE</p> <ul style="list-style-type: none"> • Philippe Marin, the World Bank “Water PPPs at a crossroad” • “Situation of water PPP in the Middle East and North Africa” (speaker from the World Bank) • Jean-Patrick Marquet, Director, Municipal and Environmental Infrastructure, EBRD, “Situation of water PPP in Eastern Europe and Central Asia” • “Situation of water PPP in Western Europe” (speaker from AquaFed) <p>Panel discussion</p>
11:30-13:00	<p>Session II: “Build Operate and Transfer (BOT) Cases”</p> <ul style="list-style-type: none"> • Belgium: the Brussels wastewater treatment plant • Egypt: the Cairo wastewater treatment plant BOT • Jordan: the Amman wastewater treatment plant BOT with reuse • UAE: the Fujairah BOT for desalination • Morocco: the Agadir desalination PPP <p>Panel discussion: “BOTs: why, where, how?”</p>
13:00-14:30	Lunch break
14:30-15:30	<p>Session III: “Concessions cases”</p> <ul style="list-style-type: none"> • Romania: the Bucharest concession • Morocco: the Casablanca concession • UAE: the sanitation concession of Ajman emirate • Moldova: North Moldova Regional Utility <p>Panel discussion: “Concessions: pro and cons and market potential”</p>
15:30-15:45	Coffee break
15:45-17:00	<p>Session IV: “Management contracts (MC)”</p> <ul style="list-style-type: none"> • Armenia: Yerevan Water • Algeria: Algiers case • Saudi Arabia: Jeddah, Riyadh and Mecca • Oman: nationwide MC for water supply

	Panel discussion: “Are management contracts the preferred PPP approach? Why?”
17:00-18:00	<p>Session V: “PPPs for irrigation projects”</p> <ul style="list-style-type: none"> • Cledan Mandri-Perrot, the World Bank, “Overview of water PPP in irrigation worldwide” • France: the case of Canal de Provence, SCP • Spain • Morocco: the Guerdane irrigation concession <p>Panel discussion: “what is the potential for irrigation PPP?”</p>
DAY II – 22 October 2014 Room XI	
9:00–10:30	<p>Session VI: “Latest market developments for water PPPs in the European Union”</p> <ul style="list-style-type: none"> • Italy: situation of the water PPP market in Italy • Spain: situation of the water PPP market in Spain • France: the cases of Paris, Marseilles and Lyon • Germany: the case of Berlinwasser • Czech Republic: the case of Ostrava <p>Panel discussion: “are water PPPs in EU countries in recess?”</p>
10:30-10:45	Coffee break
10:45-12:30	<p>Session VII: Developing water PPPs: other tools and perspective</p> <ul style="list-style-type: none"> • Vicky Delmon, the World Bank “World Bank Group online tools for preparing PPP projects in water: WSP Toolkit for structuring PSP contracts for Small Scale Water Projects and PPP in Infrastructure Resource Center” • Jemima Sy, Water and Sanitation Programme “Leveraging on the local private sector for small systems: the Senegal experience” • Vitaly Maximov, Chairman of the Board of Directors, Transproekt Group “No alternative to PPP schemes in the water and sanitation sector in Russia” • Morocco: output-based aid schemes with small local private sector for small systems (Office National de l’Electricité et de l’Eau potable) • “Analyzing regulatory frameworks for water PPP: examples from Jordan and Tunisia (speaker from OECD/Global Water Partnership - Med) • “Putting in place a regulatory framework for water PPPs in Bulgaria”(speaker from the World Bank) <p>Panel discussion</p>
12:30-14:00	Lunch break
14:00-15:00	Debate: “Water PPPs in Europe, Middle East and North Africa: where is it going?”
15:00-15:15	Coffee break
15:15-17:00	<p>Session VIII: “Establishment of the International PPPs Centre on water and sanitation⁵”</p> <p>Panel discussion:</p> <ul style="list-style-type: none"> • Geoffrey Hamilton, UNECE

⁵ The Terms of Reference and work plan of the Centre will be available in advance of the meeting.

	<ul style="list-style-type: none">• Philippe Marin, the World Bank• Rainier D’Haussonville, Veolia• Xavier Maitre Robert, Aquafed• Speaker from the Union for the Mediterranean• Speaker from the Global Water Partnership -Med• Supporting Governments: India, the Netherlands, the Philippines, the Russian Federation, South Africa, Ukraine (tbc)
17:00-17:30	Concluding remarks and recommendations
