

Financing SDGs through PPPs: need for standards, institutions, and capacity building.

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April 2017**

Abstract

This paper discusses the financing and implementation of the Sustainable Development Goals (SDGs) through Private-Public Partnerships (PPP) and proposes methods and structures to align PPPs with the SDGs. A detailed analysis of the PPP standard setting process as applied to the health sector serves as an example to highlight shortcomings of the current PPP standard setting process and suggests alternatives that are more in line with the SDGs. Making PPPs fit for SDG implementation requires adequate sectoral standards, knowledgeable and competent institutions, effective capacity building of government units in charge of PPPs and open communication and inclusion of civil society. Whether physical or social infrastructure projects, if financed through PPPs, the financing should be supportive of each SDG targeted and aligned to the principles of the SDGs which are inclusiveness, transparency and participation. .

Key words: Standard setting, PPPs, health, SDGs, UNECE

The Context: SDGs

The UN General Assembly adopted a resolution called “Transforming our world: the 2030 Agenda for Sustainable Development” on 25 September 2015. The resolution consists of 17 Goals and 169 Targets covering crucial areas of global development agenda that countries have agreed to implement at the General Assembly meeting in New York. The 17 SDG goals expected to be

achieved in an integrated manner focusing at the same time on social, economic and environmental sustainability and be implemented in a transparent, inclusive and participatory manner.

In order to achieve these 17 goals, very substantial financial investment will be required. According to the 2014 World Investment Report (WIR) by the United Nations Conference on Trade and Development (UNCTAD), approximately \$ 4 trillion will be required every year in developing countries alone for the SDGs to be achieved by 2030. Given the current levels of investment in all SDG-related sectors by both public and private bodies, developing countries face a funding gap of \$2.5 trillion per year.¹

It is unlikely that government budgets and official development aid will be able to compensate fully for this funding gap. Many developing countries face fiscal constraints, while most donor aid is often channelled towards their current spending needs. Therefore, investments made by the private sector will be crucial in assisting the realization of the SDGs.

However, the UNCTAD report, as cited by UNECE, also states that private sector involvement is not without its difficulties. The first difficulty in garnering additional private sector investment is the lack of an adequate risk - return profile in many developing countries. This can arise from a number of factors: at country level, the presence of weak institutions increases investment risk while at market level, the degree of demand uncertainty affects the level of risk.

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http://www.unece.org/fileadmin/DAM/ceci/documents/2014/PPP_Newsletter/newsletter_06_content_2_WEB.pdf

The nature of the SDGs is the second difficulty impeding private investment in such areas. As many of the SDGs involve the provision of quality services that are both accessible and affordable to others, the risk -return ratio is further eroded. In addition, dilemmas still exist about the level of private ownership that is acceptable of public assets, since governments possess ultimate responsibility for the availability of basic services

SDG Goal 17 aims to strengthen the means of implementation and revitalizing the Global Partnership for Sustainable Development through the development of inclusive institutions at all levels². These partnerships are defined by Goal 17 target 17 as consisting of the following:

17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships (p.27/35)

Whether the solution will be public, public-private or through society partnership, the solutions should build on the experience (past) and the resourcing strategies of partnership which as stated above, should be transparent, inclusive and participatory.

At the same time, it is important for the understanding of this paper, that the SDG agreement also highlights the risks of indebtedness

17.4 Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt

² Resolution adopted by the General Assembly on 25 September 2015, http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E

distress.

In other words, whether public, private, public-private, or society based - all financing of SDG goals carry the risk of indebtedness if countries do not carefully assess the potential short, medium and long-term risks of indebtedness.

For the implementation of SDG 17 by governments, it is of crucial importance to be aware that the indicators corresponding to the targets of SDG 17.17 and 17.4 are ill defined so far and need to be further defined by member countries as well as by sub-national entities (provinces, municipalities) who also plan to implement SDG 17.17 (Systemic Issues) and 17.4 (Finance).

TARGET	INDICATORS
17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships <i>Data, monitoring and accountability</i>	17.17.1 Amount of US dollars committed to public-private and civil society partnerships
17.4 Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress	17.4.1 Debt service as a proportion of exports of goods and services

(Source: Sustainable Development Knowledge Platform;
<https://sustainabledevelopment.un.org/sdg17>)

Developed and Developing Countries deciding to use PPPs for their development plans and SDG implementation, should be aware that the current indicators are simply suggesting that quantitative measures should be used to provide transparency as to the total amount of money committed to PPPs. In regard to the potential risk of ending up with indebtedness subsequent to

PPPs, Target 17.4 and indicator 17.4.1. are equally broad suggesting that countries should demonstrate the level of debt service resulting from PPPs and the proportion of such debt of a country's exports of goods and services.

Target 17.17 and related indicator 17.17.1 do not yet provide sufficient guidance as to whether or not a country should opt for PPPs instead of traditional forms of infrastructure development nor how a country could best assess and plan PPPs.

What follows is a more detailed analysis of financing of health (SDG 3) through Public Private Partnership as proposed by UNECE.

Developing PPPs

The United Nations Economic Commission of Europe (UNECE) based in Geneva has been active in the field of PPPs and at the 6th session of the “UNECE Team of Specialist on Public-Private Partnerships” held in Geneva in June 2014, agreement was reached both to develop international PPP standards and to create an innovative structure for producing PPPs.

A new UNECE International PPP Centre of Excellence (ICoE) was subsequently created with the intention of it becoming a project-driven, goal-oriented body that produces standards both relevant and effective in the evolving PPP landscape. The ICoE was also given the mandate to work in close collaboration with other international organizations including the World Bank and the World Economic Forum to develop standards that will enable the realization of the SDGs.³

UNECE's PPP activities are part of its Committee on Innovation, Competitiveness and Public Private Partnership (ICOC) and its International PPP Centre of Excellence. UNECE offers to help governments to do their very best in PPPs, addressing many of mankind's most pressing

³ <http://www.unece.org/index.php?id=36228>

problems, including the greening of the economy and mitigating the effects of climate change and to discover what partnerships in the world constitute excellence and have the most beneficial impact on development. ⁴

In 2014, UNECE launched a new programme to develop international PPP standards. The current standards and drafting groups which produce the standards consist of the following domains (see Table 1). All the current PPP standards and their development stage are described on UNECE's website ⁵

Organisation of UNECE's PPP Centre of Excellence

The organisation of UNECE's PPP initiative consists of a Bureau called the UNECE Team of Specialists on Public-Private Partnerships (TOS PPP) and a UNECE PPP Business Advisory Board.

Bureau: The members of the UNECE Bureau of Specialists on Public-Private Partnerships (TOS PPP) were elected in June 2014 and have the following background; 2 Consultants, 3 government representatives, 3 Academics-Consultants, 2 professional associations; and in regard to geographical background: 3 Western Europe 3 (NL, B, D), 2 Eastern Europe (Russia, Moldova); 2 North America (USA, CDN), 1 Japan, 1 Turkey and 1 Morocco. In regard to gender, 8 are men and 2 are women. ⁶

⁴ <http://www.unece.org/ceci-welcome/areas-of-work/public-private-partnerships-ppp/icoeppp.html>

⁵ <https://www2.unece.org/wiki/display/pppp/PPP+Standards+Development+Process>

⁶ <http://www.unece.org/ceci/ppp/bureau.html>

Advisory Board: The UNECE PPP Business Advisory Board under the chairmanship of James Stewart, the former head of PUK⁷ and currently Chairman of KPMG's Global Infrastructure Practice, was formally approved by the UNECE Executive Committee on 30 April 2014.

The vision of the UNECE PPP Business Advisory Board (BAB) is to implement PPP solutions to promote the UN Sustainable Development Goals (SDGs) and the objectives of the Business Advisory Board are to advise on the elaboration of international best practices and standard and to assist member States with the implementation of international PPP best practices and standards through high-level consultative meetings. The expected duration of the Business Advisory Board is until 31 December 2017, with the possibility of extension.⁸ The Advisory Board consists of 28 members, 26 from consulting companies and banks involved with PPPs from Western Europe and North America, 1 from Turkey and 1 from Indonesia.

Mr. James Stewart, Chairman of the UNECE PPP Business Advisory Board, James joined KPMG in May 2011 as chairman of KPMG's Global Infrastructure practice. In his role he has visited over 40 countries to discuss their infrastructure investment programmes. Prior to joining KPMG, James Stewart was Chief Executive of Infrastructure UK and before that Chief Executive of Partnerships UK. In these roles James Stewart has been at the centre of the UK Government's thinking on PFI and PPPs and has had a significant involvement in many of the major projects and programmes in the infrastructure market; e.g. Crossrail, LIFT, Building Schools for the Future. James was responsible for the publication of the UK's first National Infrastructure Plan.⁹

⁷ Partnerships UK plc (PUK) was an organisation responsible for furthering [public-private partnerships](#) in the United Kingdom. It was a [public limited company](#) formed in 2000, owned jointly by [HM Treasury](#) and the private sector. It ceased activity in 2011. https://en.wikipedia.org/wiki/Partnerships_UK

⁸ <http://www.unece.org/index.php?id=32412>

⁹ <http://www.unece.org/ceci-welcome/areas-of-work/public-private-partnerships-ppp/icoeppp.html>

In summary, UNECE's PPP structure consists of a Bureau of PPP experts and an Advisory Board of PPP advisers. The composition of both entities show an over-representation of the private sector and of developed country governments and private sector PPP experts. Applying the SDG principles on involving state and non-state stakeholders, the current composition of the Bureau and Advisory Board, stakeholders from civil society (including trade unions, consumer groups, NGOs) are not yet included on the board nor on the advisory board and hence are not yet demonstrating inclusiveness, participation and transparency required for SDG implementation. The PPP unit of UNECE has continuously made efforts to broaden its membership but has not yet been able to achieve full stakeholder representation so far.

The PPP standard setting process and economic cooperation

The United Nation's Economic Commission of Europe (UNECE) has shown remarkable organisational entrepreneurship and political innovativeness. As a result of the UNECE Reform Process adopted in December 2005, a new programme on Economic Cooperation and Integration was started. This programme is implemented by the Committee on Economic Cooperation and Integration (CECI). The Committee promotes a financial and regulatory environment conducive to economic growth, innovative development and higher competitiveness in the region of the UNECE focusing mainly on countries with economies in transition.

While initially focusing on the region covered by UNECE (Europe and Central Asia), the CECI expanded its mandate by focusing on Public Private Partnerships (PPP) in various social and economic sectors at a global level thereby going beyond the traditional UNECE territorial boundaries. In order to avoid conflicts of influence and overlapping of mandates with the other UN economic commissions such as UNECA, UNESCAP or UNECLACe, a solution was found to keep the central policy making at UNECE in Geneva while creating knowledge or competence centres in different parts of the world.

As stated on the UNECE's website:

The main objective of CECI in this area is to increase the expertise of governments to identify, negotiate, manage and implement successful public-private partnership projects (PPPs). This will be done through exchange of knowledge and experiences of PPPs by member States, including experts from public and private sectors, particularly in the identification and testing of best practice. The activities will result in guides on best practice, studies and innovative tools that can be used in capacity-building programmes and training. To achieve its objectives, CECI organizes meetings and conferences, drawing on the expertise of an international network of experts in the area of Public-Private Partnerships. It incorporates the work of the former PPP Alliance.¹⁰

Following the stated objectives, UNECE has been able to set up knowledge centres or is currently negotiating such PPP knowledge centres for instance in the sector of Health, with the Department of Health, Philippines, Green (Environmental) PPPs with the Korea Development Institute, renewable energy with the Moroccan government, Schools with Germany, Airports with Turkey and Flood Control with the Netherlands.

In order to further institutionalize the PPP initiative, UNECE created a UNECE International PPP Centre of Excellence consisting of International PPP Standards, guides, case studies and readiness assessments, a business advisory board, a Strategic Heritage Plan and PPP, International PPP Specialist Centres, Donors contacts, on how to work with the private sector and partnering with other UN organizations.

An additional initiative was undertaken by UNECE with far reaching impact which aims at defining standards of PPPs of social and economic sectors. At the 6th session of the UNECE Team of Specialist on Public-Private Partnerships held in Geneva in June 2014, an agreement was reached both to

¹⁰ <http://www.unece.org/ceci/ppp.html>

develop international PPP standards and on an innovative structure for producing them. The new UNECE International PPP Centre of Excellence (ICoE) is a project-driven, goal-oriented body that produces standards both relevant and effective in the evolving PPP landscape. As part of the justification for initiating standard setting under the guidance of UNECE, the following statement is listed on its website namely:

In 2015, the Millennium Development Goals will be superseded by the Sustainable Development Goals (SDGs). A key focus of these goals is to improve access to essential public services. However, as the financing required to do so cannot be fully met through public funds and donors, new financing arrangements such as Public-Private Partnerships (PPPs) will need to be utilized. But what are the most appropriate PPP models and procedures that can contribute to achieving the SDGs across a wide spectrum of different sectors like water and sanitation, health and renewable energy and how can these models be developed in a time scale that will be consistent with the achievements of these new targets?¹¹

What follows are concerns about the current PPP standard development approach of UNECE exemplified by the PPP standard for the health sector. The concerns are raised in light of the intentions and principles of the SDGs which UNECE states it wants to support. The comments below suggest that UNECE should re-think its approach towards PPP standard setting in general and in particular in regard to the emerging PPP health standard.¹²

Health Sector PPP working group¹³

¹¹ <http://www.unece.org/index.php?id=36228>

¹² The first author has been in touch with UNECE, its PPP division and provided comments on drafts of the PPP Health Standard.

¹³ Following section draws on the authors' policy brief that was shared with the leadership of UNECE's PPP unit (http://www.csend.org/images/articles/files/2015_04_16_Democratizing_PPPs_in_the_health_sector.pdf), the

UNECE implemented its work programme and organised working groups by sector to develop PPP standards. The project proposal for PPPs in Health Policy for instance defined project purpose, scope, deliverables and geographical focus team membership and required functional expertise, resource requirements and timetable. Defining the project scope, the following was stated:

*The project will specifically address the use of PPP programmes to fund capital investment in physical infrastructure and systems such as medical equipment and ICT. It will consider ECE/CECI/PPP/2014/CRP.1 page 2 healthcare social infrastructure projects ranging from acute hospitals, mental healthcare facilities and community clinics, diagnostic and treatment centres to outreach services such as dialysis and radiotherapy centres. While these programmes may include some services including clinical services, this project will not address partnerships limited solely to the delivery of healthcare services which do not require capital investment.*¹⁴

The experts for this standard setting PPP working group were selected very quickly right after the project got initiated on 1 June 2014. The working group was scheduled to terminate its standard drafting work by reaching approval and endorsement by end 2015 or early 2016. The speed of selecting, organising and drafting a PPP Health standard is impressive.

Information about its members is not publically available but the planned steps and work progress of this standard setting process is very informative and available on UNECE's website¹⁵. Peter

author subsequently was invited to UNECE's 2015 and 2016 conferences and contributed to the re-orientation of PPPs towards SDG alignment.

¹⁴https://www2.unece.org/wiki/download/attachments/23758291/P0001%20Project_Proposal_PPPs_in_Health_Policy.pdf?version=1&modificationDate=1405348781755&api=v2

¹⁵ <https://www2.unece.org/wiki/display/pppp/Health+Policy#Healthpolicy-Contactsandmembers>

Ward is the team leader of the PPP Health Standard. He works at the UK Company John Laing Ltd. specialised in international infrastructure, investment and asset management.

What is however problematic was the composition of the drafting group. In an interview published in the International PPP Centre of Excellence Newsletter, Peter Ward, Team leader of the UNECE PPP standard working group for the health sector, himself Director of Healthcare Projects and *Non-Executive Director* of the Oxford University Hospitals NHS Trust, commented on the membership of his PPP Health Standard working group by stating:

*We are lucky to have a very broad range of very experienced team members from government, service providers, advisory firms, investors and contractors from countries across the world, and each is able to bring the benefit of a strong network that will help ensure we get an accurate picture of what helps make a PPP programme in the healthcare sector successful.*¹⁶

Taking into account the speed of the working group's deliberations and the closed membership selection (mostly private sector PPP experts from developed countries), this author suggested radical re-thinking and re-organisation of this crucial standard setting process of the UNECE for the following reasons:

- a) The health sector should not be determined by private sector suppliers neither in regard to health infrastructure nor of healthcare services. The working group did not have a single representative of a healthcare consumer group. Healthcare should no longer be determined by private sector suppliers nor by government policy makers nor by financial brokerage

¹⁶ http://www.unece.org/fileadmin/DAM/ceci/documents/PPP_newsletter/Peter_Ward.pdf

firms. The demand side was equally if not more important and that means inclusion of the citizen-users of health services

- b) Understanding the needs and wants of healthcare consumers was considered a must. Citizens are no longer as un-informed- or kept uninformed- as was the case in the past. They are increasingly informed of what determines costs and quality of healthcare. Citizen groups and healthcare consumer groups have become aware of the interactions and roles among insurers, pharmaceutical and life sciences companies, providers, PPP actors and government regulators. Social media have accelerated the speed of healthcare consumer's level of information.¹⁷ This change of bargaining power was not reflected by the membership of the UNECE PPP Health sector specifically nor in the other UNECE PPP standard setting groups.
- c) UNECE being a member of the UN family should take it to heart what the Sustainable Development Goals entail (post-millennium development goals). The PPP Health standard group team leader suggested consultations with agencies like Who and UNDP that should be involved in the standard setting process to ensure relevance of this new PPP standard for low and middle income countries. To include other UN agencies was certainly a good idea but does not compensate for the lack of membership inclusion of civil society groups competent and experienced in healthcare, health finance, health infrastructure development in developed and developing countries. Goal 17 of the UN SDG agreement, negotiated between governments and civil society groups and published on 25 September 2015, proposed to strengthen and enhance the means of implementation and global partnership for

¹⁷ For reference see : Kauffman, Vaughn, Tsouderos, Trine ; (2015), « The Future of Health Is More, Better Cheaper: new entrants and established players are racing to create the next generation of medical products and services », Strategy + Business, issue 78, Spring 2015

sustainable development. Partnership is more than private sector suppliers and government buyers of health infrastructure and services¹⁸.

- d) The UNECE PPP standard group's working strategy was to split the work to be done into a study phase and a subsequent production of the standard. The approach suggested made sense but not within a period of 6 months! The literature on PPPs in health sector was not adequately reflected in the references listed on the UNECE website. Of the listed references, 17 of the 37 publications given are from the UK, Australia, and Canada which are rules by governments who share similar political orientations and preferences for private sector involvement in public goods provisions such as health and education. What was greatly missing are references to critical studies on PPPs in general and on PPPs in the health sector in particular and what was also missing are indications as to the risks of applying PPPs in least and low income developing countries.¹⁹

Peter Ward achieved a lot in very short time and on a pro bono basis (drafters of PPP standards are not remunerated by UNECE). However, his draft standard process came to a halt after the signing of the SDGs in September 2015 by the UN member states and the subsequent reorientation by UNECE of the PPPs drafting approach towards a SDG aligned PPP process (so called "People First Approach towards the PPP).

Author's recommendations made to UNECE drafting approach regarding the PPP Health Sector Standard

The author recommended that UNECE reassesses the compatibility it's of its PPP approach with the SDGs principles and ensures that the PPP standard setting process is conform to the SDGs

¹⁸ Full draft: <http://www.worldwewant2015.org/node/442161>

¹⁹ Changsik Cho, Fatima Yaagoub , Feifei Lu and Janaina Zen (2012); An analysis of PPP in health facilities: a way of improving trade in health service, <http://www.csend.org/images/articles/files/Trade%20Development%20and%20PPPs%20Capstone%20Report.pdf>, 139 pp.

goals and targets. In view of the private sector bias of its bureau and advisory board, a reorganisation is called for that democratises the PPP process by inviting consumer based civil society groups as well as other stakeholders such as trade unions and professional associations from developed and developing countries to partake in the elaborations of standards and best case examples.

Citizens from all UN member countries are entitled to be informed of the strengths and weaknesses of PPPs in the health sector and to be given the right to contribute to the discussion as to whether the health sector should be conceived as a public good or not, whether private financing is called for, and whether PPPs contribute to equitable provision of health services for the aging and the young generation.

As a step towards closer application of SDG principles to PPP, the author developed an assessment grid which was used during UNECE's conference in April 2016. The grid was applied by three scholars to assess 20 case examples of PPPs as to how close they were to the principles of the SDGs. A copy of the grid is annexed. More work needs to be done by the community of PPP scholars and experts to fine tune the measures and weights attributed to the different goals but an initial step has been done which will be useful for implementation of the SDGs through PPPs.

Aligning PPPs to the SDGs- current developments

The Addis Ababa Action Agenda (Financing for Development) held in 13-16 June 2015 emphasized the importance of infrastructure investment for achieving the SDGs. It notes “that both public and private investment have key roles to play in infrastructure financing, including... mechanisms such as public-private partnerships.”²⁰²¹

As a follow-on to the Addis Ababa Action Agenda (AAAA) and the signing of the SDGs in September 2015 in New York, an Inter-Agency Task Force meeting on Public Private Partnerships (PPPs) was convened on 16th December 2016 in New York. Participants at the meeting included

²⁰ Paragraph 48, Addis Ababa Action Agenda

²¹ http://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf

approximately 20 Task Force members such as UNECE, World Bank, UNDESA, IMF, UNESCAP, UNCTAD, OECD, as well as representatives from national governments (Haiti, civil society (EURODAD, Oxfam, IHRB), academia and the private sector (PWC, EY, AIG,

The meeting generated a lot of suggestions on how to structure PPPs in general and how to align PPPs with the SDGs. The report was made available for consultation²² as well as a Scoping Study on Public-Private Partnerships by Motoko Aizawa in February 2017²³. Both publications are excellent sources of information for instance in regard to what the different agencies have developed in regard to PPPs, what kind of ability and competencies are important for government agencies responsible for PPPs and in general about capacity building for PPP and SDG implementation.

While more information is becoming available on success and failures of PPPs, a lot of key data remains either dispersed or not publically available. Scholars and policy makers alike should access the information mentioned above but should also go beyond collecting of “how-to-do” lists and guidelines made available by major organisations involved in PPPs and development issues in general. It would for instance be useful to read constructively critical publications such as the one by Jomo KS et al of UNDESA (2016).²⁴ It would also be important to consult the publications mentioned above to better understand the risks of corruption as well as the potential difficulties of conceiving PPPs in case of market and government failures²⁵.

This author has suggested at the last three PPP conferences of the UNECE that an observatory should be created that would focus on PPPs. Such an observatory could collect and make available to the public cases describing success or failure of PPPs from developed and developing countries, offer capacity building training programmes, conduct scholarly research on PPPs and offer neutral third party assessment on planned PPPs projects without though being part

²² <http://www.un.org/esa/ffd/wp-content/uploads/2017/02/Summary-of-IATF-meeting-on-Public-Private-Partnerships-16-December-2016-Final.pdf>

²³ FFDO/UNDESA, Working Paper Series, February 2017, http://www.un.org/esa/ffd/wp-content/uploads/2017/02/Scoping-Study-on-Public-Private-Partnerships_FfDO-working-paper.pdf

²⁴ Jomo KS, Ania Chowdhury, Krishnan Sharma, Daniel Platz (2016), “PPPs and the 2030 Agenda for Sustainable Development: Fit for purpose?”, UNDESA, NY, <https://sustainabledevelopment.un.org/content/documents/2288desaworkingpaper148.pdf>

²⁵ http://www.csend.org/images/articles/files/Raymond_Saner_Interview_Seoul_2015.pdf

of the commercial transactions nor being part of PPP projects. Board membership of such an Observatory could be organised similar to CERN 'Scientific Information Policy Board which requires members to be knowledgeable and independent of vested interests. ²⁶

Conclusions

There is more to PPPs than inviting financial wizards to rescue governments short of money or unable to collect sufficient taxes to invest in their social and economic sector as seen adequate and appropriate based on realistic needs assessments of their citizens current and future needs. PPPs means getting money today to be paid back in the future by the next generation. Similarly to the climate change discussion, it is not right to backload the due payments without giving the citizens and the young generation the ability to take part in the decision making process.

The SDGs suggest achievement of sustainable economic, social and environmental goals for each member country of the United Nations. To implement the SDGs, each government is supposed to set its triple bottom line goals, communicate them to their citizens, make the goal setting inclusive and participatory and provide for means to review and monitor the implementation of the SDGs from 2015 to 2030.

The UNECE PPP standard setting process is too crucial for the future of our societies to be left to private sector providers (construction companies, financial brokers) and government offices often short on democratic legitimacy. Without inclusion of the civil society actors like professions, consumer groups, cooperatives, philanthropies, labour unions- the risk of misguided investment decisions and related rent-seeking behaviour by private and public sector actors is too high to be left to experts alone however competent they might be. What is needed is a PPP Observatory which could add information on PPPs that are often missing or not fully reliable. Such a PPP Observatory

²⁶ http://library.cern/about_us/policyboard

could support UNECE and other International Organisations but also governments and civil society stakeholders involved in PPPs. A PPP Observatory could help the PPP-SDG process stay on course and ensure that implementation of PPPs align themselves with SDG principles such as inclusiveness, participation and transparency.

Table 1: Existing PPP standards developed by the UNECE as of 2015

Sectors	Technical/Legal
Health	Zero Tolerance to Corruption
Education	Certification of PPP units
ICT and Broadband	Commercial Arbitration
Renewable Energy	Procurement
Renovation of Public Buildings	Promotion of Women
Roads	
Smart Cities	
Water and Sanitation	
Banking for Low-Income Countries	
Small Island Developing States	

Annexe 1

SDG-PPP assessment grid developed by Raymond Saner, 2016

Title of the PPP project:	
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Overall remarks on evaluation of the case:

Criteria	Comment
PPP is in concurrence with SDGs	yes

Assessor's name	Criteria	1	2	3	Total Score
Raymond Saner	(Threshold)				

Criteria	Score	Remarks
1. People (threshold ≥ 12)	(0-20)	
<ul style="list-style-type: none"> ▪ Increases access to essential services to low income countries 		
<ul style="list-style-type: none"> • Improves efficiency and filling the capability gap in the public sector that exists in such countries 		
<ul style="list-style-type: none"> • Promotes equity and a less unequal society both in terms of income and in terms of women's empowerment 		
<ul style="list-style-type: none"> • Replicability (a characteristic in a project) which allows for scalability and real impact – something which also requires capacity building by the company inside their project and outside among critical stakeholders including consumers 		
<ul style="list-style-type: none"> • Makes the planet sustainable, mitigating the risks and creating a resilient infrastructure 		

Criteria	Score	Remarks
2. Planet (threshold ≥ 12)	(0-20)	
<ul style="list-style-type: none"> ▪ Increases access to essential services to low income countries 		
<ul style="list-style-type: none"> • Improves efficiency and filling the capability gap in the public sector that exists in such countries 		
<ul style="list-style-type: none"> • Promotes equity and a less unequal society both in terms of income and in terms of women's empowerment 		
<ul style="list-style-type: none"> • Replicability (a characteristic in a project) which allows for scalability and real impact – something which also requires capacity building by the company inside their project and outside among critical stakeholders including consumers 		
<ul style="list-style-type: none"> • Makes the planet sustainable, mitigating the risks and creating a resilient infrastructure 		

Criteria	Score	Remarks
3. Prosperity (threshold ≥ 12)	(0-20)	
<ul style="list-style-type: none"> ▪ Increases access to essential services to low income countries 		
<ul style="list-style-type: none"> • Improves efficiency and filling the capability gap in the public sector that exists in such countries 		
<ul style="list-style-type: none"> • Promotes equity and a less unequal society both in terms of income and in terms of women's empowerment 		
<ul style="list-style-type: none"> • Replicability (a characteristic in a project) which allows for scalability and real impact – something which also requires capacity building by the company inside their project and outside among critical stakeholders including consumers 		
<ul style="list-style-type: none"> • Makes the planet sustainable, mitigating the risks and creating a resilient infrastructure 		

