

P0007-Scope

Recognizing that PPPs are an available tool to provide water supply and sanitation services, the UNECE organized jointly with the World Bank, the European Bank for Reconstruction and Development and the Islamic Development Bank, an International Conference on Water and Sanitation PPPs on 21-22 October 2014. The conference recommended that the UNECE International PPP Centre of Excellence should focus on the identification of international PPP best practices and the development of relevant guidance tools that could contribute to the achievement of the SDG on water with a focus on safe, efficient and affordable water and sanitation services.

This project aims to provide guidance in the development and implementation of PPPs for water supply and sanitation. This project will assess different models of PPPs in water and sanitation, using the Project Team members' experience in markets where PPPs are effectively used to deliver water services, to develop a standard on PPPs for Water Supply and Sanitation. It is foreseen that the project will provide guidance on at least four categories related to the use of PPPs in the Water and Sanitation sector:

- Overall policy framework for water governance – what is specific to water PPPs?
- Economic context and subsequent choice of the type (models) of PPPs and their relation to risk allocation;
- The life of the PPP contracts from initial stages through completion;
- Transparent procurement and management processes
- The role and control mechanisms including the performance indicators; and
- The payment schemes.

The project will examine PPPs from early service levels analysis, financial analysis, scenario development, tendering, awarding, the relationship between the authorities and the private entity, the evolution if needs be, and the contract termination. The aim of the standard is to clarify a number of aspects in a PPP (inter alia, the goals, roles of the parties, impacts on risk allocation and financing, and the necessary control mechanisms depending on the contract type) depending on the contract type: management contract, lease, affermage, concession, or divestiture.