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PUBLIC PRIVATE PARTNERSHIP IN TRADE FACILITATION

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Table des matières

I. Recommendation 00: Public Private Partnership in Trade Facilitation

Introduction

A large number of initiatives are today made as Public-Private Partnerships (PPP). These initiatives allow the public sector to benefit from private sector funding and knowledge while allowing the private sector to find a financial interest in such cooperation. Traditionally used for infrastructure development, PPPs can also extend to trade facilitation measures as well. A good deal of guidance has been devoted to PPPs for infrastructure development (hospitals, toll roads, energy, etc.), but there has as yet been no substantive work put together on PPP in the domain of Trade Facilitation. This recommendation aims to contribute to filling this gap.

Purpose and scope

PPP is one solution for financing and implementing public projects amongst many. UN CEFACT does not necessarily recommend PPP over other financing methods but given its efficiency and frequency of use, this recommendation and its guidelines aim at highlighting best practice of the use, especially in the context of international agreements and consequent implementation planning.

The aim of trade facilitation is to simplify, harmonize and standardize international trade. There are a number of areas within trade facilitation where PPPs are appropriate and could be beneficial in achieving these aims. These could include a Single Window, a National Trade Facilitation Body, support for port communities, trade and transit corridors, coordinated border management, and infrastructure projects such as port developments and improvement to rail and road networks.

Benefits

A number of potential advantages could be realized by choosing a PPP contract in TF to provide a specific service or undertake a particular project. Clearly these benefits can only accrue if PPP is the form of financing is chosen and there is adherence to best practice within the term of the partnership agreement.

As with any trade facilitation measure, infrastructure and services provisions could be accelerated to bring stakeholders together to coordinate, harmonize and standardize processes in international trade. In a context of an open and transparent market, the competition between private and public companies could even attract foreign investments.

Trade facilitation can also contribute to reductions in the cost of performing international trade. These reduced costs could come direct or indirectly by simplifying commercial practices and modernizing regulatory and administrative procedure. Lower costs would also result from the speedier and more predictable movement of traded goods such as cutting clearance times, increased transparency of controls and enhanced integrity, ensure correct (or increased) revenue yield and accelerate economic and trade development.

There are also significant potential benefits that can be driven by PPP. These advantages include having access to the skills and resources of the private sector, increasing the potential for more streamlined and cost effective processes, and more effective service delivery mechanisms. Further an increase in access to investment could enable process re-engineering to be incorporated in a PPP contract and provide more flexibility and structure to business change.

INTERNATIONAL STANDARDS

The United Nations Economic Commission for Europe (UNECE) has a division specialized in Public-Private Partnerships for Foreign and Domestic Investments, under the Economic Cooperation and Integration Division (ECI). This section of the UNECE has a wealth of resources on best practices and actual implementations, which can help any implementer in their choice of PPP. These resources are usually centered on infrastructure PPPs; the current recommendation aims to provide a focus on trade facilitation projects using PPPs.

The PPP Alliance of the UNECE was established in 2001 to improve the awareness, capacity and skills of the public sector in developing successful PPPs in Europe. To this end, the Alliance prepares guidelines on best practices in PPPs, as well as preparing other PPP-related educational and training materials, and sponsoring PPP conferences and workshops.

UNCITRAL has also been working on guidance concerning PPP implementation and the procurement process. The World Bank, the OECD and the UN Convention against corruption also have a number of contributions to good governance in PPP implementation.

UN CEFACT strongly advises the use of the standards (guidance and best practice) published by these international organizations. In the instances PPP is selected as the preferred option for a Trade Facilitation project, the use of standards and other available tools will assist in the design, development and delivery of the contract to the mutual benefit of the partners.

RECOMMENDATION

The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) recommends to governments and those involved in international trade to actively consider implementing trade facilitation through Public-Private Partnership as one possibility of financing and developing trade facilitation projects. If this form of financing and, or contracting is selected, the following issues should be considered:

1. Analysing the potential benefits that a Public-Private Partnership can bring to progressing projects that will benefit from the application of private sector know how or investment or is otherwise unaffordable.
2. Ensuring the procurement process is undertaken in a transparent manner, that delivers affordable and value for money services, within an effective and robust governance structure.
3. Ensuring the contractual mechanisms are in place to minimize behavior that could lead to an increase rather than a reduction in the barriers to trade.
4. Considering common risks in PPPs that might undermine the desired outcome of trade facilitation and establish systems and controls to avoid this situation.

II. Guidelines to Recommendation 00
Public Private Partnership in Trade Facilitation

A. Introduction

Increasingly, governments are turning to the private sector for the financing, designing, construction, and operation of core governmental services from infrastructure projects to information and communication technology (ICT). PPP is just one among many other ways that the public sector may decide to provide such a service involving the facilitation of trade, especially under budgetary constraints. These guidelines aim to provide a better understanding of Public- Private Partnership (PPP) in Trade Facilitation (TF).

Successful implementation of PPPs in TF will increasingly involve the quality of the services provided, reducing costs, increasing efficiency, reducing disputes among partners, and eliminating corruption. For all these reasons, it is important to create mechanisms to reduce the asymmetry of information among partners and tools to monitor PPP projects. Disclosure of information has to be a standard practice undertaken as a matter of course, in which information is accessible without specific active request.

These guidelines further seek to outline some of the more common risks, which might undermine the overall objective of trade facilitation for which a public sector body might have chosen a PPP model.

The tender procedure will be one of the key milestones of a PPP; this must be open, fair, equal, and transparent to ensure the efficiency throughout all its stages to select the private partner. These stages include tender preparation, bid preparation, bid submission, bid evaluation, and tender award. The national legal framework will play a large role in this procedure; care should be taken since often there is no clear definition of the boundaries and scope applicable to PPPs which might in turn threaten contract validity.

A.1. Definitions of Public-Private Partnerships (PPP)

There is not a global consensus in terminology, scope and content about PPP. Legal frameworks, if any, vary enormously from country to country. Additionally, there is a wide variety of business models in PPP which make it more difficult to identify them.

The current guideline bases its definition largely upon the UNECE "Guidebook on Promoting Good Governance in Public-Private Partnerships" of 2008.[1] A PPP will have the following characteristics:

- A public service, which is financed in part or in whole through private sector contribution.
- A procurement process to allow the public sector to choose the private sector partner resulting in a contract between the public and private sectors and in which the risks are distributed; such a procurement process needs to be in line with national law and international agreements.

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[1] Page 1 and following of "Guidebook on Promoting Goode Governance in Public-Private Partnerships" UNECE, 2008. Available as of March 2015 at: http://www.unece.org/fileadmin/DAM/ceci/publications/ppp.pdf

- The private sector will find a return on investment if it is included in the contact either during the operational phase of such a project or through fixed remuneration from the public sector.

This definition of PPP does not seek to encompass the now widely used alternative types of PPP defined by USAID as Institutional or Developmental PPPs. This issue is addressed below and practitioners should understand the differences in order to decide whether or how to engage.

A.2 Definition of Trade Facilitation (TF)[2]

Trade facilitation is defined as the simplification, standardization and harmonization of procedures and associated information flows required to move goods and provide related services from seller to buyer and to make payments.

The fundamental purpose of trade facilitation is to simplify the trading process whether domestic or international. To achieve this objective trade facilitation aims at transparency on all commercial and regulatory rules concerning trade procedures in order to allow the trading community to prepare and comply. UN/CEFACT aims to contribute to a comprehensive set of efficient and effective business processes, as well as optimizing the level of government control and oversight so that these are consistent with the costs and risks involved.

Trade facilitation activities (especially in relation to the application of electronic business) can be broadly divided into three categories; simplification, harmonization and standardization:

- Simplification is the streamlining trade procedures by removing redundant requirements and activities, and reducing the cost and burdens in administering the trade transaction.
- Harmonization is the means of aligning or rationalizing the information flows that accompany the movement of goods or services in the domestic marketplace, or in international transit especially at national borders.
- Standardization is the means for ensuring required information is described, understood and applied in a consistent manner. Many international standards development organizations, consortia and communities have developed standards concerning the description, definition, use and transfer of information related to international trade.

A.3. Main Categories of PPP project

Public-Private Partnerships may involve three sectors: the public sector (government agencies, for example), the private sector (commercial companies, for example) and what is often referred to as the third sector. This third sector typically involves not-for-profit organizations, which might be in the form of non-governmental organizations (NGOs), foundations or company social responsibility programs; these third sector actors do not necessarily seek a return on investment.

Three broad categories of PPPs can be identified: institutional (developmental), contractual (commercial), and blended (triangular/hybrid). These three categories of PPPs will vary not only in the type of partners involved, but also, in the various characteristics of the PPP itself.

[2] Page 5 of "A Strategic Framework for UN/CEFACT Activities" UN/CEFACT, December 2014. Document number ECE/TRADE/C/CEFACT/2015/7.

Institutional PPPs will involve joint funding where both the public sector and the other partner (private sector or third sector) co-fund a project. Each party inputs funds and knowhow, but typically, they employ a third party to administer or distribute funds, or to deliver some kind of developemental project, such as training. The parties agree to share risks and to provide funding although there is no expectation they will work togther or share the delivered service and any generated revenues. This type of PPP does not necessarily have a contract and as such are sometimes not considered a PPP.

A blended PPP project can also be called a hybrid PPP or a triangular PPP. These projects will differentiate from the standard contractual PPPs because the project is not considered as being commercially viable because insufficient returns will be generated. A third sector organization is therefore required to provide financial or other resources. For this reason, in order to provide what might be considered as a vital economic growth enabler, usually third sector actors (NGOs, foundations, other similar institutions) will partner with the private sector. The third sector party provides its support in a number of different ways including acting as a loan guarantee to underwrite a loan, providing direct budgetary support, or providing services such as operating part of the facility or training of staff.

An example of a hybrid PPP project in TF is a dry port, where the private sector may be finding difficulties in achieving a commercial return. Therefore, it is necessary to find a donor to support the PPP project, which objective adds feasibility to the project. In this example, the donor either would not be seeking any return for their investment, or a low return at best, which allows a feasible PPP to develop. Here, the donor will be taking a more strategic view regarding the benefits the dry port would bring for society as a whole, rather than expecting to make a direct financial return on the project.

Contractual PPPs are the most widely used and are the principle subject of these guidelines. They can be further broken down into subcategories such as infrastructure PPPs, information and technology PPPs or services PPPs. Contractual PPPs in Trade Facilitation will normally be based on a Design Build Transfer and Operate (DBTO) model. A DBTO means the project is designed and built by the private sector partner, then ownership is passed to the public sector partner; the operation is then either performed by the public sector actor or contracted out to a private sector actor. Other models can exist; these are detailed in the UNECE document on “Guidebook on Promoting Good Governance in Public-Private Partnership” of 2008.

Infrastructure PPPs have a significant underlying asset that is constructed or renovated and then maintained as part of a service contract. Examples would include significant border control buildings, roadways and dry ports. Trade facilitation infrastructure projects using PPP can include buildings, road and, or rail networks, ports and dry ports. They are typically longer term contracts of up to 20 or 30 years and could be even longer for roadway or bridge projects. Typically, the service provider will earn their return on investment through the fees related to the use of the infrastructure; these are not generated during the design and build phase.

Information, communication and technology (ICT) PPPs differ from other PPPs in the length of contracts as inherent characteristics of technologies must be taken into consideration. Given the constant and rapid change in technology, private sector partners will be very reluctant to take on the contractual risk further than the life cycle of the ICT deliverable which may not exceed five or ten years. Also, given the complexity of technology and the need to integrate with other systems, it will be necessary to indicate clearly in the procurement and contract documentation such relations. Examples of ICT PPPs can include single windows, international trade websites, but also parts of other projects such as trade corridors and coordinated border management failities.

These three general types of PPPs can be summarized with the main characteristics detailed in Figure 1.

Figure 1 - Main Characteristics of Institutional, Blended and Contractual PPP Projects.

Characteristics	Institutional	Blended/ Hybrid/ Triangular	Contractual
Contract required	No	Yes	Yes
Joint funding	Yes	Yes or other risk sharing	No
Service delivered	Typically public/private sector fund that contracts for services.	By private sector on behalf of public sector. May be some third sector delivery	By private sector on behalf of public sector.
Risks	Both parties agree responsibilities and agree risk profile.	Build, or Design and Build. May be underwritten by Third Sector	Build, or Design and Build.
Payments	Normally jointly managed funds into which they contribute, and then, make payments to implementers.	Service Delivered Could be a concession or unitary charge	Service Delivered Could be a concession or unitary charge
Contract length	Joint Venture type relationship to provide funding to third parties.	Suitable period to cover cost of investment and make a reasonable return for private sector	3-5 years 7-10 years 25-30+ years

Source: own elaboration.

B. Generic design and benefits of choosing PPP for Trade Facilitation project

The public sector could find multiple benefits for calling upon the private sector to organize and provide partial or total financing for PPP in Trade Facilitation (TF) projects. Some of the more common types of PPP in TF projects are outlined within this section as non-exhaustive examples along with some of the core considerations that will likely need to be addressed.

Though various combinations of phases can exist, the generic format of a PPP in TF project will usually include the following sequential stages: Design, Build, Transfer, and Operate (DBTO). A PPP project that performs the DBTO phases, shares the tasks as follow:

a) Design (by private sector)
b) Build (by private sector)
c) Transfer (assets back to public sector); and
d) Operate (by private sector)

The design captures the innovation of private sector and allows exploration of potential solutions that may not have been previously considered. It could be that the design is a joint exercise between the public authorities and the private sector, or a separate competition. If the latter, then, there needs to be some sharing of risk between the design team and the service provider, the party that implements the design and then goes onto deliver the service. Typically the high level design will sit with the public sector whilst the detailed design risk will be with the implementing and delivery partner.

The build and associated risk remains with the private sector. There is an assumption here that the private sector can best manage the risks associated with the build phase leading to a project delivered on time and to budget.

Conventionally PPPs have followed a Design Build Operate Transfer (DBOT) route. Increasingly, however latterly it is being recognized that for particular strategic assets it is important for the ownership of the asset to transfer back to the public sector on completion of the build and prior to the commencement of the service. The appropriate allocation of the risks is dealt with through the contract and follows the same allocation as in the case with a DBOT. Following successful completion of the construction phase the ownership of the underlying assets should be transferred to a suitable public sector authority. If such an authority does not exist, then the ownership of the assets should remain with the service provider until such time as an authority is established.

An important feature of this approach is that, in the event that the PPP is cancelled or the service provider fails to provide the service using a DBTO methodology the asset is owned by the public sector and can be controlled to deliver the required service or services. The operation of the service should remain with the private-sector service provider for the duration of the contract (subject to performance and contract terms).

B.1. PPP in Single Window

Single Window (SW) is defined in Recommendation 33 (UN/CEFACT) as a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfill all import, export, and transit-related regulatory requirements. If information is electronic, then individual data elements should only be submitted ONCE. The private sector could be involved in a Single Window facility either as a builder and implementer of the ICT infrastructure or at the operational and service level. A Single Window facility could involve multiple projects including issues from the conformance standards to the operational control of the SW authority (transmission protocols, licensing, security, insurance).

The implementation of a Single Window project under a PPP will involve a number of steps. First, the services to be achieved in single window implementation should be defined. At this step, the integration or the possibilities for sharing information with other Single Windows must be analyzed. The public institutions that will be involved in the collaboration will also need to be defined.

Then, the information should be classed according to the lead agency in charge of the single window facility. This could be created around a stand-alone customs system, a stand-alone partner cross border regulatory agency system, a port community system or a community logistics system. Such classed information should be defined, analyzed and reconciled as outlined within UN/CEFACT Recommendation 34.

The drafting of any PPP contract on Single Window should take into consideration a number of aspects. Of course, the goals and services must be defined, but also the scope of functions to be covered by the private-sector partner (development, operation, maintenance). Financial aspects will also need to be addressed in such a contract, identifying how the private-sector partner will be remunerated, what will be the source of the revenue, but also what will be the value added to end-users taking into consideration the expected demand and contingency financing in case of low demand.

B.2. PPP in trade and logistics corridors

A corridor is the link from the production origin to the final destination to facilitate the ease of transportation. This could integrate an entire supply chain nationally, within a region and, or internationally. In terms of trade facilitation a corridor allows the harmonization and simplification of the procedures from origin to destination, which should in turn enhance trade opportunities.

In a corridor, the elements that facilitate trade could come from very different sources: the improvement, upgrading and expansion of transport infrastructure (port, airports, railways, and road networks); intermodal facilities and procedures; cargo tracking systems; customs information systems; regulation of transport; procedures to export and import products; regulation in trade; number of documents to trade and tariffs; development of Single Windows; and many other trade issues. A corridor has a geographical dimension, but additionally could be specialized in a specific sector or product. The private sector could provide the knowledge to increase efficiency in terms of time and cost, in terms of the traded products and, or in terms of reducing bottlenecks and technical barriers to trade. Given the private sector interest in such developments, a PPP project could be a pertinent financing and development solution.

If a PPP solution is chosen for a trade corridor, the private participation could be rather diverse. The choice of partner(s) will largely depend upon the goals and objectives of the resulting corridor and how the cost of these services will be passed on to the ultimate end-users. These choices will define the type of PPP which would be pertinent: institutional, contractual or blended. It should be noted that both the Private and Public Sector Parties need to be understand their responsibilities under a PPP contract in order for it to work effectively and to reach its contractual end date.

B.3. PPP in ports

Seaports and airports are key logistics sites in international trade. Any port will include both services and infrastructure and eventually ICT solutions. The various services that are proposed include customs clearance processes, licensing, cargo handling and storage, tracking and tracing of merchandise. The various infrastructures will include the actual port terminals, the warehouses and offices, the hinterland (sites in proximity but not geographically part of the physical port), the equipment to load or unload freight, and other facilities.

In developing a port environment as part of its governmental role, the public sector may wish to create a PPP with private sector partners to either enhance the services or improve the infrastructures within ports, or eventually both. The private sector will often have a direct interest in such projects since they will want to render these key logistics sites more effective and efficient. Furthermore, the private sector often has experiences in other ports and they would be able to bring best practices to the service of the public sector partner.

B.4. Coordinated Border Management

This is another area where cooperation between government departments and the private sector through a PPP can produce efficiencies at the border of a country to the benefit of its trading community. This can include involvement of software and IT services companies to ensure that the appropriate platform is built to allow this coordination to operate smoothly. Multiple agencies within government should be involved, but it is also important to ensure the inclusion of the private sector in the development and implementation of border management and cooperation.[3]

C. FEASIBILITY STUDY

C.1. Introduction - the Strategic Case

Private sector participation in trade facilitation measures should increase the quality of the services provided. However, care must be taken and mechanisms must be created in procuring the services in a transparent manner. The contractual mechanism itself should be designed to reduce barriers to trade and also to encourage the service provider to innovate to reduce barriers to trade.

In this context, an initial feasibility study needs to be developed. It important to ensure that there is real transparency and this needs to start at the very beginning of the project cycle. This should involve consultation, which is one of the key tools employed to improve transparency, efficiency and effectiveness.[4] The consultation process should be used to improve management effectiveness, regulation and governance and conversely to avoid pitfalls and conflicts of interest.

Although some of the data within the feasibility study may remain commercial in confidence to the public sector, as much of the study as possible should not just be disclosed, but also shared and discussed with stakeholders. Transparency and accountability are the best tools to ensure lack of corruption. One of the characteristics of transparency is access to the information.

In a PPP project in TF not only the partners of the project should have access to the information: but it should be accessible to any stakeholder. In a fully transparent environment, all the information about the project should be accessible and explained in a comprehensive way. Such information should include:

a) The business aim needs to be clearly articulated – why do we need to undertake this project (at this stage it should not be stating whether the project is a PPP or not).
b) The range of services included in the contract.
c) The revenues, benefits and performance levels agreed and achieved as well as the cost of the project and payments versed.
d) The use of government grants, guarantees and other financial support including significant risk-bearing. The creation of mechanisms to reduce corruption, inefficiencies or protect against individual interests (e.g. IT solutions, supervision agency, verification systems).

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[3] See WCO Research Paper No.2 on Coordinated Border Management from June 2009, section 5.
[4] See UN/CEFACT Recommendation 40 on Consultation Approaches, 2014.

C.2. Country Readiness Statement

As part of the feasibility study it is important to be able to identify, assess and quantify risks that might arise that are associated with each particular option. This need is often neglected or a simple assessment is undertaken. The wider risks that are associated with conventional (ie non PPP) contracting are understood but those associated with PPP are not. In particular the risks that need to be considered are associated with the contracting environment that exists within each country including the country's attitude towards using the private sector to deliver public sector services. It is very important to undertake a PPP Country Readiness Statement (Crown Agents Copyright). This comprises four pillars and focuses on the maturity of thinking on PPP (private sector engagement) in public sector and easyness of doing business:

- Enabling environment (appropriate legislative framework and PPP aware public servants).
- Established business environment (easiness to set up a business operation within the country, ie. number of days, need for local partners).
- Political confidence – there a widely held (or shared) belief amongst politicians and civil servants that the private sector has a role to play in delivery of public sector services.
- Financial marketplace: What is the state of the financial market place? How familiar are the local financial institution with PPP as a concept? How quickly will they assess and respond to funding requests? How will they assess the risk? Will interest rates be reasonable or loaded making proejcts unaffordable?

and three foundation steps:

- Economic Stability: If there is a period of high inflation, How will the private sector protect its income stream? Is it the right time to invest in the local marketplace?
- Investors: Is there a wide choice of investors and who are they? Will the proposition result in investment into the country but also ultimately be withdrawn from the economy? To what extent do they understand the business model?
- Service deliverers: To what extent are local builders and operators available locally? Is there a labour force readily available? What level of training would be required to bring the employees to an appropriate level of competency? Are there any funded programmers or grants that are available to build up local competencies and business and would the service provider have access to these? To what extent is the supply of experienced competent workers clearly engaged on other projects? Would the project be more or less risky than competing PPP projects being developed elsewhere?

There need to be two assessments the first is based on the domestic market and the second is based on international market. The outcome of the assessment enables stakeholders to assess the risk of the project failing and this data can be fed into the feasibility study as part of the risk adjusted whole life cost assessment that is undertaken as part of the economic assessment.

C.3. Economic assessment

To decide on the delivery mode of a specific service or project, governments and private sector should conduct a value-for-money analysis that considers a variety of delivery options and determines whether PPP delivers best value for money would be the best option on a risk adjusted whole-life-cycle cost basis. The value-for-money assessment consists of the evaluation the cost and the benefits of the project. This process has to be unbiased and thus should be based on high-quality data and a clearly specified and standardized evaluation process. (see Annex C.1. Value for money assessment).

To decide on the delivery mode of a specific service or project, governments and private sector should conduct a value-for-money analysis that considers a variety of delivery options and determines whether PPP delivers best value for money would be the best option on a risk adjusted whole-life-cycle cost basis. The value-for-money assessment consists of the evaluation the cost and the benefits of the project. This process has to be unbiased and thus should be based on high-quality data and a clearly specified and standardized evaluation process.

The value-for-money quantitative assessment in a PPP project should include the costs of the design, build and operations, including upgrading and maintenance, and also, any financing costs, and the transaction and contract governance costs. Additionally to the costs, the value-for-money assessment includes the benefits of providing a PPP project, such as, the improvements in the service delivery and the predictable changes in end-user requirements.

At the same time projects should consider options and variations and compare these to the original project specification (in technical requirements, technology, methodology) in order to achieve best value for money.

When a bidding process is used in any infrastructure or concession project to select the private sector party, the efficiency is increased by selecting the best proposal based on the technical solution, the budget needed, the operational feasibility, the quality and variety of services provided and the compliance with environmental standards and/or the society. The best solution that wins the bid reduces the risks of the project (it is not necessarily the cheapest project).

There are specific difficulties in calculating value for money for each type of PPP in TF project. Value for money depends on risks assessment, risks allocation (public or private), the length of the PPP project, the demand, the sources of revenues for the project e.g. (taxes, grants, price paid by customers).

A number of options should be evaluated to determine the option that provides the best value for money. This should include an economic impact study (not just the impact of the facility itself, but also the impact on the economy itself e.g. the local area). This is undertaken using discounted cash flows and by calculating an equivalent annual charge.

The focus of the economic assessment is to analyze a short list of options taken forward from the strategic case. The intention is to identify the project that delivers best overall value for money. The assessment is based on a whole life costing starting with the upfront design and capital build costs to which the revenue cost over the life of the contract and any exit costs. All cost and revenues are matched in the years that they arise and then discounted back to a specific date using an agreed discount. This mechanism is “whole life costing” to this, the cost associated with risk and risk mitigation needs to be added in order to arrive at the overall risk adjusted whole life costing.

The financial source of investment could come from the private sector in the form of debt or equity and the source of the revenue that will pay back the investment (by taxes, user charges, or price of the services). However, the financial source of investment is more linked with the risks of a PPP project, and the source of the revenue is more linked with the business model and the value for money in a PPP project. PPP projects allow joining the best of two approaches: the public sector introduce terms of efficiency (reducing cost, allocating resources, and increasing profitability), client orientation and service quality; and the private sector bring the defense of general interest, planning and regulation.

C.4. Affordability

As well as assessing value for money the feasibility study also needs to assess the affordability of the project. We have to think here how the project is going to be funded and will sufficient funds be available to the government throughout the whole life of the contract to make payments to the service provider? Where users are expected to make payments, the fees should be set at an affordable level to encourage end-user engagement.

In some cases there may be conflict between the project that delivers best value for money over time and the project that is most affordable. It may be that budget or other financial/treasury constraints mean that the only affordable option for a government is to seek external funding such as through a PPP.

The project implementation should ideally be self-financing from additional revenues generated. If there is a net cost, and the project is a vital economic growth enabler then other financing solutions should be considered, such as seeking third sector involvement, otherwise the project should not be introduced. Another reason that there might be funding gap is as a result of the project of pledging resources that may or may not materialize. An example of this may be a trade corridor that involves more than one country and one country either decides not to go ahead with its part of the deal or can no longer afford to make contributions to the unitary charge.

For completeness it is recommended that two model costings are prepared: one based on the public sector delivering the service known widely as a Public Sector Comaparator (PSC) and one for a the private sector often referred to as a reference bid.

C.5. Good governance

Good governance encompasses the need for a clear, predictable, legitimate and appropriately resourced institutional framework. This will involve public awareness through consultations of the relative costs, benefits and risks of PPPs and public procurement. It further involves the need to maintain key institutional roles and responsibilities (to ensure prudent procurement process and clear lines of accountability) as well as the need for regulation to be clear, transparent, enforced and not excessive. A transparent budgetary process minimizes fiscal risks and ensures integrity of the procurement process in PPPs, with disclosure of all costs and contingent liabilities and the need to ensure the integrity of the procurement process.[5]

Ensuring appropriate good governance standards is a critical pre-requisite where private sector or third sector funds are sought as co-financing. In many cases, it may be desirable that the PPP operate under the country's own framework. If the private sector or third sector partner agrees to this use of country systems, the fiduciary assurance obligations of the private sector or third sector partner will require them to be as rigorous as their own. Clearly there are additional considerations if the private sector is contracting with a supra national or cross border agency.

Contracts are more likely to fail if there is poor governance. The governance arrangements as stated within the contract need to be robust as well as adherence to them. At the outset of the contract, it should be agreed as part of the process that there should an agreement on the level and type of information to be published throughout the life of the contract. Stakeholders should be made aware of

a) The state of evolution of the project on a regular basis.
b) Any contract or specification changes since the contract was originally signed and any relevant side agreements including government guarantees.

D. Main aspects to be considered with PPPs in TF

One of the advantages of a Public-Private Partnership is that the participating partners can share the risks of the projects. Ideally, each party should do what they do best in order to allocate risks to the party that can minimize them better. A joint risk schedule should form part of the contract that clearly identifies the ownership of risks. At the lowest level each risk should be allocated to a specific party, (ie no risks should be "shared") thereby giving clarity as to who is responsible for mitigating and managing risks.

The Public Sector should retain the right to cancel the contract as a consequence of inadequate provision or non-performance. If the contract is a DBOT (develop-build-operate-transfer) PPP the underlying asset will be with the private-sector partner and a transfer clause is required for the Government to recover the asset.

In any type of PPP project, risks allocation and management are critical in order to provide responsibility, accountability. For this, several aspects need to be taken into consideration including the objectives of the project, the funding or financing structure through the length of the contract, the quality of service standards agreed, the variability of the demand and the value of assets at the end of the contract.

General considerations for risks to be considered are outlined within annex 3 and are also incorporated into annex 1. However, the more general risks are detailed below.

[5] See the work of the OECD as of March 2015: www.oecd.org/governance/oecdprinciplesforpublicgovernanceofpublic-privatepartnerships.htm as well as that of the World Bank as of March 2015: http://wbi.worldbank.org/wbi/Data/wbi/wbicms/files/drupal-acquia/wbi/WBIPPIAFPPPReferenceGuidev11.0.pdf and the work of the UN Convention against corruption as of March 2015: www.unodc.org/documents/corruption/Technical_Guide_UNCAC.pdf

D.1. PPP Units

PPP Units are a single unit within central government cutting across departments, or centrally with additional separate units in those departments undertaking PPP projects for the promotion, coordination and development of the common good. In countries with a federal structure, there may be a federal PPP Unit or units as well as state or provincial level. The PPP units should collate and disseminate procurement and contractual best practice and lessons learnt.

It is therefore critical to find out if there is a PPP Unit with responsibility for scrutinizing or supporting projects and defining and setting the local rules, regulation and legislation. Where there is a PPP unit it would be typical for a member of staff from the Unit to be assigned to one or more PPPs projects to provide expert advice.

In terms of trade facilitation, sometimes PPP Units are very knowledgeable about infrastructure or concession PPPs and familiar with health, power, transport or ICT. However, usually they are not specialized and do not bring much experience with regard to the area of trade facilitation and the goals of inter-governmental bodies or international. Secondly, although the WTO instruments and best practice guides are recognised as the basis for sound Trade Facilitation administration throughout the world, a generalist PPP specialist will not be familiar with them. It will therefore up to the Trade Facilitation practitioners to ensure any PPP does not conflict with WTO and other internationally acknowledged best practice, whilst the PPP practitioner will have responsibility to ensure that due process is followed with regard to procuring, monitoring and managing PPP service providers.

The key objectives of a PPP Unit will differ depending on the local environment and the extent to which the principles for PPP are already embedded in a particular market. PPP units should, as far as possible, work together across national boundaries to ensure that best practice is shared internationally as well as within a country. In doing so it should provide an enabling environment for cross boundary and supra national PPPs. The benefits of a PPP Units include:

1. Promotion and coordination of PPPs within a country/area of responsibility.
2. Development and dissemination of best practice.
3. Prioritisation of schemes seeking funding.
4. Source of reviewers to monitor quality of projects being progressed.
5. Bringing together of partners (investment and delivery).

It is worth noting, however, that the creation of a PPP unit is neither a necessary or a prerequisite condition for a successful PPP programme. PPP units tend to struggle when :

- Senior politicians do not support the PPP program
- Procurement of infrastructure and capital works in not transparent or competitive
- Coordination within Government in weak.
- There is limited or no cross boundary cooperation.

There has been a tendency to centralise PPP expertise into a single centralised unit. This has the advantage of:

- more rapidly identifying and disseminating best practices, the
- sharing of intelligence between practitioners about suppliers and their performance,
- the elimination of poor practices and therefore

- leading to the provision of improved support to the government departments and ministries.

Nevertheless, in order to design an effective PPP it will be necessary for the Trade Facilitation Unit to work closely with the PPP Unit and to share WTO and other related Trade Facilitation best practice data and expertise with the PPP practitioners.

D.2 Return on investment

Contractual PPP projects will be between the public sector and the private sector. The latter participates within PPP projects in the expectations that they will make a reasonable return on investment. Except in projects with third sector organisations, the business case of PPP projects is usually based on the ability of the private sector to make a return and for the project to be affordable (to end-users) over the period. In addition to undertaking a full value for money assessment, using a risk adjusted whole life costing, there also needs to be careful consideration to the contractual commercial clauses associated with payment and reward mechanisms, step in and exit clauses and the freedoms, rights and constraints the contractor (the private sector) has in order to operate the service and to generate additional revenue streams.

D.3. Insufficient funds

Many PPPs fail because they are not affordable. For those PPP projects where the public sector make a regular payment for services received over the lifetime of the project, it may be that insufficient funds have been made available to pay the private sector the charges over the lifetime of the project. The level of funding available will be determined by the national (or regional or supra-national) budget. Before the project commences the public authority needs to secure the revenue funding required to support the operational phase of the project.

In PPPs where charges are levied on end-users there may be a need to subsidize the operation. The public sector will often regulate the value of charges that can be levied from end users. It is important to assess the extent to which regulation may result in a shortfall of income. Depending on the nature of the PPP the Public Sector may or may not be willing to top up a shortfall in income. The need for any top up including the value and reason will need to be identified and negotiated prior to the contract being signed.

For example, a government department may sign a deal with a private sector contractor, which contains a price escalator to deal with the impact of inflation over the period of the contract. The basis may be the same as that used internally within government in which case if internal funding continues on the current basis for the period of the contract and the funding is available there should not be a funding gap. However, if the funding basis changes or the government adopts a different inflation escalator over a period of time the government department may no longer have the funds to support the contract. If the department applies for additional funds and these are not forthcoming the public sector may have to renegotiate terms or default.

As a consequence of the affordability analysis if there are insufficient funds, the appropriate actions suggested are:

1) Seek additional funds to support the project (from internal or external sources).

2) Review the project to see if the scope or specification or performance levels can be adjusted to reduce the overall cost.
3) Consider different and mixed charging and budget support mechanisms.
4) Renegotiate the terms of the initial contract.
5) If the budget gap cannot be bridged to make a clear decision not to go ahead with the project.

D.4. Contract length

There are three considerations when agreeing the length of a PPP contract: investment cost, affordability and life of the asset.

The length of time it takes for the service provider to pay off its debts and to make a reasonable return will be affected by the need to keep the prices affordable. A large infrastructure project will typically have longer contract length as it will need a longer period before the initial investment is recovered before a reasonable return can be achieved. The earlier the private sector service provider can repay the loan the lower the overall cost of the loan potentially improving the return made by the service provider. This depends on how much the end-users and government can afford or are willing to pay. If at the outset of the project financial modeling indicates that a shorter contract period might be possible this can be considered taking all factors into account but it is not necessarily the right thing to do.

D.5 Tender process

It is important to engage procurement experts that understand both developing good practice and the pitfalls associated with contracting for PPPs. It is essential for the public sector to prepare and issue complete and clear documentation that describes:

a. the business need,
b. the service required,
c. the procurement process, and
d. high level scoring and evaluation methodology.

In order to ensure an effective competition it is beneficial to attract at least three bidders. Having more than one or two bidders should encourage better quality submissions and competitive pricing. This may require the public sector to undertake a “market making” exercise such as a bidders’ conference where small as well as large companies, both domestic and international can meet and potentially form consortia.

Best practice recommends that PPP contracts include an authority written schedule stating their requirement (as far as possible on an output basis), and a second service provider written schedule that describes how they are going to meet the requirement. In terms of assessing performance the need to meet the requirement, the authority schedule takes precedence over the service provider schedule.

The investment made by companies preparing bids can be significant so it is important to ensure that they are properly scrutinized and evaluated. Bidders should be given an equal opportunity to present, discuss and clarify their bid submissions. Although given equal opportunity the bidders need not take advantage of the time made available to them.

D.6. Barriers to trade

It is important that the private sector is restricted from operating in a manner that will or might create barriers to trade. These barriers could be in the form of fees (tolls, levies) or physical such as invasive searches or the time associated with the administration required to pass through border posts. It will be important to be forward thinking when creating the contract and to lay clearly down all such considerations.

D.7. Cooperation of all relative parties

Some projects, such as those involving a single window, will require cooperation among several government agencies to create a new border-related service. These agencies will need to coordinate with each other as well as with all the private sector partners and other stakeholders. In order to address this, it would be pertinent to perform a risk assessment of the partners and clearly define the relationships, rights, obligations and liabilities of each partner.

As described in UN/CEFACT Recommendation 33, it is important to ensure the full participation of all relative government agencies as early on in the process as possible.

D.8. Public Perceptions

The overt use of the private sector can lead to resentment from the end-users and if they believe the private sector is unfairly benefitting from the contractual arrangements. In some caes it can lead to problems, non-compliance and avoidance.

Public authorities usually have the risk of applying administrative and procurement law. This allocation of risk might lead to a situation where private partners are overly keen on suggesting different partnership ideas to the public party, not considering the legal consequences and even hoping to obtain an exclusive right through the partnership. Here the public authority runs the risk of breaching principles of transparency and non-discrimination.

As long as the rules on PPP are not completely clear, private partners can see PPPs as ways to obtain a competitive edge in the markets without having to take part in competition for related projects (by way of concluding public contracts). Public authorities could be convinced of thinking that they can choose private partners as they wish. The fact that legal risk tends to go to the public partner might encourage private firms into trading with public authorities. It is, however, uncertain whether the outcome of this is actually more facilitating to trade (in general) than trading with public authorities through transparent procurement procedures.

Some solutions to this will be to consider all legal issues pertinent to the proposed project and also to include all interested parties (especially end-users) in the process as early as possible through relevant consultation approaches (see UN/CEFACT Recommendation 40).

D.9. Protection of commercially or otherwise sensitive information

While the principle should be full disclosure between the parties to the PPP contract, there needs to be appropriate safeguards to avoid the disclosure of information that should remain confidential. The public authority may occasionally be prohibited by law from disclosing some information (for example, public health and welfare information), depending on the nature of the market concerned, or where national law requires prior judicial authorization for disclosure More commonly, commercially sensitive information that could impede fair competition under the current PPP in TF or a future PPP in TF should not be disclosed.

An example of this might include a set of two competitors for a particular contract, in which information arising in one contractual relationship that might affect competition in other contractual relationships. Given the need to apply the overriding principle and to avoid abusive reliance on this type of exemption the law allowing any exceptions from disclosure should be quoted describing the information that can be withheld, and the categories of authorized or unauthorized persons allowed to use the data.

D.10. Risks in ICT PPPs

Data (ownership, hosting, management manipulation, archiving, retrieval and disclousre) is another significant issue with ICT PPPs. The data should not be in the public domain and will need to be in compliance with both local privacy laws and any relevant legislation concerning the access to information. Access to data by the public sector when required is critical to the normal operation of government.

Data ownership should be compatible with national laws governing this issue. This should vary from one legislation to another. However, for the effective ICT implementation, the private sector, which is operating the solution, will likely need to use the data for the intended purpose. Where the data is managed, maintained and distributed may be dictated by this need to use the data. However, the ultimate responsibility of the data should be with the public sector in order to protect its security and privacy. Depending on national legislation on the subject, the end-user originally providing the data may be considered the legal owner of the data and as such, it may be necessary to allow that party to exercise a number of rights such as: a) access to their data; b) verify the accuracy, proper maintenance and upgrading of the data; and c) preserve their privacy. Instruments, such as National Agencies of Data Protection, can help to solve conflicts that might occur among the owner, the administrator, and the party responsible to warehouse the data.

It may be the case that the supplier wishes to mirror data on its own servers for back up purposes. Access to servers, and use, storage and destruction of data must be carefully considered by government when contracting with the private sector. The importance of these issues should not be underestimated. For example, the government may not wish data to be held on servers in another country, in which case, this must be made clear to the service provider. Such constraints could have a negative impact on price and should be considered as part of the business case. Equally, if these matters are not addressed the risk of data going missing or not being accessible should be included in the business case and the costs associated to the data risks (for being inaccessible, inaccurate, or lost) must be included in the risks assessment.

When establishing the procurement and the contract, a choice will need to be made between the private sector and the public sector as to the final party responsible of the stewardship, collection, use, maintenance and disclosure of the data. It would be advisable to opt for the public sector partner to retain such responsibility. This implies that the government retains a constant access to the servers even beyond the lifecycle of the contract and regardless of any claims from the private sector partner. Care should be taken as the private sector usually provides more advance knowledge and skills in providing software and hardware.

In the event that the private sector partner goes bankrupt, the public sector will need to continue to use the systems on which the trade data is held. This needs to be considered during negotiations and dealt with appropriately in the contract. Cosequently it is advisable that ownership can be transferred. If licences are held by the PPP private sector partner, arrangements should be made for the public sector to inherit the licenses at the end of the contract period or ensure that they can be transferred to a new private sector partner chosen by subsequent procurement.

Finally, when a new private sector service provider is contracted, then the existing data should be freely handed over to the new supplier without the original private sector partner creating commercial or technical blockages. Such considerations will need to be addressed in the procurement and contract.

D.11. Legal consideration

As there are legal risks usually involved in PPPs, public authorities usually resort to private partners in national markets and not economic operators situated abroad. Organizing PPPs usually touches on a range of different laws (contract law, administrative law etc).

The legal framework in multiple countries can also be a potential source of risk. Where countries have signed up to various trade treaties those treaties typically will identify the legislative authorities, mediators and arbiters and conflict resolution routes. Even if a specific contract is silent or a contradictory situation arises. It is possible to fall back onto international trade agreements to which the host nation is a signatory.

For example, some countries will oblige companies based in their territory to respect certain legal obligations no matter where they conduct their business. In this way, the private sector partner who responds to a procurement tender may need to respect not only the legal constraints outlined in the procurement tender, but also those of the country linked to their head office. This could eventually provide further guarantees to the public sector publishing the tender just as this could provide multiple constraints on the private sector respondent.

Critically issues arise where a TF based project requires contracts to be signed with authorities in different jurisdictions. Where countries are facing different and possibly difficult economic situations, or have different political philosophies or legal systems these risks need to be considered early on in the procurement process by potential service providers. If the commitment or management approach is likely to create governance problems these need to be factored into the bidders risk model.

The PPP in Trade Facilitation is more likely to be successful if it conforms to a set of contract rules. In order for a PPP in TF to deliver benefits, it will need to consider the technical and economic performance of each project. The qualitative and quantitative factors to evaluate the project need to be considered within its appropriate regulatory context, all within a framework of good governance with effective mechanisms of supervision, monitoring and control.

E. MONITORING AND EVALUATION

One of the characteristics of a PPP contract is that income streams are not guaranteed. Rather the PPP service provider is remunerated according to the quality and level of service delivered compared to that specified. The model that underpins the performance and payment regime needs to be established in principle at the outset of the procurement. The actual mechanism used during the life of the contract will be negotiated and finalise before contract signature. The contract and governance procedures should allow for changes to the mechanism according to the contractually based predefined set of rules.

Actual monitoring of performance needs to be transparent and the parties should meet on a regular basis for them to agree the nature and reason for performance failures. Where the level of performance is such that it results in deductions being applied to payments the level of deduction needs to be agreed between the parties. Any disputed “service failures” will not lead directly to a deduction but, instead be referred to the appropriate governance board and go through a pre-agreed procedure in order to achieve resolution. The mechanism should allow the authority and the service provider limited flexibility in their application. For example the mechanism may be used only as a tool to assess and improve performance in the initial inception phase of the project (which typically may be up to one year) and not lead to financial deductions.

Repeating failures should not be encouraged and therefore the mechanism should result in an increasing impact as the failure is repeated or continues over time. On the other hand the mechanism should allow for rectification periods during which repairs can be made and fro which deductions are not calculated.

The mechanism should allow for “key indicators” and “other indicators”. Typically key indicators lead to financial deductions whilst other indicators are simply measured to ascertain overall quality of performance and to identify areas of improvement. Typically the authority is allowed to undertake limited swapping of “key” and “other” indicators on an annual basis. This seeks to ensure that the focus of the monitoring and evaluation continues to be relevant throughout the contract.

As part of the governance process a Partnering Board should be held at least annually between Authority and delivery Partner Seniors to discuss the performance of managing staff and the partnership as a whole.

ANNEX 1: PPP IN TF – KEY CHARACTERISTICS

A. INSTITUTIONAL

Key characteristics	Development PPPs are those Public Private Partnerships where Public money (such as USAID) is combined with private monies (from companies, Foundations, NGOs) in a joint fund to achieve a development objective. Typically it may be capacity building, civil society system strengthening health delivery programs. A development PPP may be used to train Customs and Revenue officials
Best practices model	Joint Venture : the public sector with the private sector control the capital, the risks and the administration of the joint venture. The joint venture has the advantage of being a separate legal entity different and independent of their founders, but it has the disadvantage of having surety bond responsability, which brings difficulties to have a clear leadership in the project (partners have veto rights).
Barriers to trade	No Implication Investment in TF Development PPPs should lead to a more transparent environment as it would focus providing resources for implementing best practice and capacity building.
Charging	User charges These programs are normally free to the recipients. Contracts are let to third parties to deliver the program on behalf of the Fund Partners. The service delivery may be through training, or through technical support and advice.
Performance models	Contracts will be signed with service providers. Payments will be made to the service provider. The contract mechanism based on the quality of service will be subject to outcomes achieved as a consequence of the service provided. For example the generation of increased revenues.
Contract length	These PPP programs are relatively short from a few months to three to five years (although in the health sector they may be as much as 7 years)
Asset ownership	There are normally no significant assets associated with a development PPP.
Risk management	Development PPPs often use computers and related software. A key issue is to ensure that any such training would be undertaken on appropriate platforms.

B. INFORMATION AND COMMUNICATIONS TECHNOLOGY

Key characteristics	ICT (Information and Communication Technology) Infrastructure a) E.g. single-window b) E.g. E-procurement systems c) E.g. CCTV/identification cameras/charging cameras
Best practices model	Design, Build, Implementation, Transfer, Operate Design System to integrate appropriately with related wider government systems. System to reflect local conditions, i.e. reliable power supply, back up power supply, robust kit, secure comms. (possibly by satellite) Build Supplier to recommend and supply kit to authority. Supplier to take risk on compatibility issues regarding the recommended kit. Implementation Supplier to install all equipment and commission the system. The supplier may have a simple support contract to maintain the ICT or may have a wider brief to provide the full service or part of the service. Transfer Following build and implement all hardware and communications equipment to be transferred to the ownership of the authority.
Barriers to trade	a) Incompatible systems – failure of systems to talk to one another – lack of a genuine single window and the time / cost associated with that. b) User Charges- entry/processing/registration charges set a level that may discriminate against SMEs and local service providers, c) Charges set by supplier (service provider) rather than controlled and capped by a public authority d) An unexpected consequence of contractual performance and payment causes the Operator behaving in a way that maximizes their revenue that slows down or impedes trade
Charging	User charges Ideally use a unitary charge payable by government and subject to a performance and availability mechanism Transaction charges to the user – these may need to be limited so as not to impede trade and should be set by government and not be linked to the cost of the contract. Otherwise there is state shadow charging The Supplier should be paid a pre-agreed fee or set of fees. Any element specifically tied to the generation of additional revenues should be capped to ensure that supplier does not generate super profits by operating the service on behalf of the public sector.
Performance models	There are two elements: 1) Performance (i.e. speed of response) and availability of the system 2) Availability of the system – and ability to handle a specific amount of traffic at anyone point. This would normally be an acceptable risk to the contractor – although this may limit the ability to future proof the technology (for

	example if trade doubles beyond expected growth over the contract period)… although in that scenario you could define server response times.
Contract length	PPP is a poor choice for long-term PPP contracts and typically ICT contracts are shorter than Infrastructure projects due to the rapidly changing pace of technology. ICT service providers will not typically take on the risk of technological change after the first "refresh" (normally approximately 5 years and certainly no more than 10 years. Typical Contract lengths: • Three to Five years (departmental or local projects) • Five to Seven years Large (departmental and expensive projects) • Eight to ten years (large national ICT project) • Ten to fifteen years (Major very expensive nationally important ICT projects) The smaller the ICT component and the larger the service domain element the more the likelihood is for a five year contract with possible extension and that trade software would need to be mobile technology for smaller traders – particularly in Africa where mobile technology is more mobile based than in say the UK where there is a greater proliferation of land based internet technology.
Asset ownership	As far as possible assets should be transferred into public ownership as soon as possible following construction. Depending on the type of PPP (DBOT may transfer ownership a later time; but many recent PPPs are looking to have the transfer of ownership at an earlier stage)
Risk management	Ideally the Public Sector should contract separately for the wider service delivery and restrict the "PPP" contract to the technical delivery of the system. All hardware, software and communications to be "recommended", provided and implemented, by the contractor The System implementation and operation should be integrated with existing government systems, based on fixed fee for implementation and operation. Performance and availability mechanisms should be in place with the opportunity for a supplier to earn back some of the income lost by improved performance etc.

897 C. INFRASTRUCTURE

Key characteristics	Design Build Transfer and Operate (DBTO) or similar. Typically longer term contracts of up to 20, 25 or 30 years. These include buildings, road and dry ports. Service provider may require third party financing. Roadways and bridge projects could be even longer. As with all PPP projects fees are earned by the service provider during the operation phase of the projects Fees earned during service phase of contract NOT during the construction phase
Best practices model	Design, Build, Implementation, Transfer, Operate
Barriers to trade	a) Need to align cross border applicable legislation b) Need to align existing systems and processes which may be incompatible with existing systems and processes c) Any Service provider should be seeking to minimize processing time d) If possible, along a trade corridor repeat processes should be eliminated.
Charging	Unitary Charge (example of topics that could be included) In order to minimize the barriers to trade the supplier should be paid according to a robust payment model. The service provider should be paid according to performance and availability of service. There should be no direct association between the level of charges at the border posts dry ports etc. and the receipt of income by the service provider. Rather the number of units charge and the accuracy of that charging should be the clear indicators used to pay the service provider against an agreed initial payment schedule. Any bonuses must be limited in scope and financed from the use of best practice operations rather than through perceived harassment or the slowing down of traffic creating a trade barrier. With direct charging the income collection by the service provider is vulnerable to alternative routes that enable their service points to be bypassed. The unitary charge may comprise budgetary sourcing from more than one national entity. In such circumstances it may be case that direct charging is less risky for the service provider
Performance models	The performance mechanism associated with the unitary charge should be taken into account, and also any such polices that affect the usage and payment of dues by users on the service provider. Some examples that could be used as a performance model. On the assumption that users are not directly charged and an availability of asset seems easiest solution. Roads can be done on number of lanes availability or average time travelled between two points Ports on number of docking spaces available, or turnaround times. More analysis is required on specific projects to understand the benefits of one approach over another. Government sets a KPI (for the operator / service provider). Service model (how should the Service Provider respond to customers) A Monitoring and evaluation mechanism needs to be established.

Contract length	Length of contract should depend on the type of PPP project. Long enough for the asset to generate suitable income for the private sector and allow secondary investments – thus making it an attractive investment prospect. Keeping in mind that it should not become a barrier to trade. Overall compensation to the Service Provider needs to provide them with a reasonable return. Public sector aspects to be brought in here. Contract needs to be long enough to allow private sectors to want to participate in PPP; but also important for public sector to look over how contract is managed/operated so that when and if they take over the project, they will have been able to absorb the aspects that make it work in the first place.
Asset ownership	Once infrastructures are built assets are transferred to the institutional unit intends to use them in production.
Risk management	Important to consider local legislation. For example Facilities such as ports may not be able to be held as private sector assets Legally the private sector may not be able to deliver certain services – if legislative environment is not taken into consideration, it might be perceived as a barrier to bidding for the PPP). A PPP service may start and later be proven that it is actually not a service which can be provided by the private sector – health services, for example) Therefore consideration must be given to revising local legislation Risks associated with the physical assets remain with the service provider regardless of ownership

ANNEX 2: VALUE FOR MONEY (VFM) FACTORS

The VFM of a PPP is defined as the maximum of the difference between the value of the services provided and the costs. Some of the factors that affect the assessment of VFM in a PPP project are the following:

a) Bid criteria.
b) Delays during the project.
c) Penalties mechanisms (e.g. lack of quality, unreachable deadlines).
d) Poor specification of risks allocation and management (and the cost associated with the transferable and retained risks.
e) Unrealistic affordability calculation (poor cash-flow estimation and unrealistic assessment of the capability to attend payment commitments).
f) Possibility to re-competing contracts in regular intervals during the PPP project in TF.
g) Low demand of the service.
h) Inappropriate pricing or taxes recovery.
i) Investments in new capital assess during the contract duration.
j) Property rights payments associated to the service delivery of the PPP project in TF.
k) The use of economies of scale in any stage of the project.
l) Interest rates, taxes, inflation, discount rates, and exchange rates estimation.
m) Variable, semi-variable and fixed (direct and indirect) costs.

ANNEX 3: RISKS

The risks assessment should reflect the evaluation of potential of additional costs and the consequences of each risks. When an accurate monetary evaluation of risks is made in a PPP project it is easier to estimate the price that each party should be willing to pay to transfer the risks from the public to the private sector and vice-versa.

To provide the value for risks, a probability factor is introduced using the following formula:

$$\text{Value of risks} = \text{Outcome} - \left(\left(\text{Consequences of risks/risks severity} * \text{Probability of risks events} \right) + \text{Contingency/mitigation} + \text{Loss of revenues} \right)$$

The contract should include a comprehensive list of risks. Partners should assume the risks that can handle best, and the responsibilities assumed by each partner must be agreed in the contract.

Any risk will be calculated in terms of costs, which is named risks assessment. We calculate the value of risks as the result of normal outcomes minored by the risks assessment. Thus, any risk has to be associated to a probability of occurrence and a severity of the damages that any risks could cause in monetary terms.

Also, the contract will consider ways to avoid those risks (mitigation or contingency plan, as insurances, management of risks, etc.) and calculate the value of the mitigation plan. Finally, it will be specified in the project for each risks the losses of revenues produced when an uneven take place (because the tasks to be performed in the PPP project are not fulfilled 100% when the risks occurs, and those underperformed tasks have a cost for the PPP, that must to be assessed).

In order to evaluate the consequences of a risk in monetary terms, a risk identification and its consequences analysis must be made. In a PPP project the types of risks that could occur should be:

Types of risk	Risk description	Monetary consequences of risk
	1. Macro economic risks (Xu et al. 2012)[6]	
Political risks	Unsecured legal framework, dispute resolution, the regulatory framework, government policy, taxation, expropriation and nationalization.	Asset costs, financial costs, interest rate costs, inflation, discount costs
Foreign exchange fluctuation	Increase of overall costs of the project by unpredictable and high changes of money value	Cost of construction and/or maintenance, cost of exchange rate insurances, less revenues
Interest rate fluctuation	Increase of financial cost during the full length of the project	Financial cost Less revenues

[6] Xu, Y., Yang, Y., Chan, A. P.C., Yeung, J. F.Y. & Cheng, H. Identification and Allocation of Risks Associated with PPP Water Projects in China. International Journal of Sttrategic Property Management, 15(3) :275-294.

Types of risk	Risk description	Monetary consequences of risk
2. Construction and operation risks (Xu et al. 2012)		
Design risks	The project design is unable to meet the performance and service requirements in the output specification.	Redesign costs, construction costs and/or delay costs.
Commissioning risks	This risk appears when a license, administrative permission, or an output specifications needed is not reached	Costs from delays and maintenances
Construction risks	Delays, exceed the budget or not follow the specification	Cost of construction and/or maintenance
Operating risks	Inefficiencies in the project development and exploitation, operation cost overrun	Less revenues, maintenance costs
Project/operation changes	The project needs to be redesign and improve its construction and/or operation.	Redesign costs, construction costs and/or delay costs.
Conflicting and imperfect contract	The contract under defines tasks and responsibilities to undertake during the project	Construction and operational costs and/or delay costs. Financial risks. Less revenue.
Price change	Unexpected price increases	Construction and operational costs, and financial risks. Less revenue.
Latent defect risks	Inherent and hiden risks in the construction of the project (infrastructure, software, equipment or other)	Permission costs, delay costs, construction and maintenance costs
Technical and technological risks	The project is unable to provide a valid solution for partners and/or consumer and clients	Less revenues, maintenance costs
Residual value risks	The loss of the value of assets budgeted at the moment to transfer the contract	Financial costs
Industrial relation risks	Risk of conflict of interest management among the partners of a project	Financial costs, construction costs and/or delay costs
Data risks	Inaccurate data, data lost, or data inaccessibility	Costs from delays and maintenances
Financial risks	Funding risks	Delay costs, financial costs
Performance risks	The project is unable to reach the results defined in the contract.	Less revenues, maintenance costs
3. Government maturity risks (Xu et al. 2012)		
Government corruption	Risks of unequal decisions, lack of information and transparency, conflict of interest	Permission costs, delay costs, construction and maintenance costs. Less revenues.
Imperfect law and supervision system	Unfair competition and non transparent market	Permission costs, unexpected taxes, delay costs, construction and maintenance costs. Less revenues.
Poor public decision-making process	Immaturity of public institutions and bureaucracy processes	Permission costs, delay costs, construction and maintenance costs. Less revenues.

Types of risk	Risk description	Monetary consequences of risk
4. Market environment risks (Xu et al. 2012)		
Demand risks	The demand for the service or the infrastructure was overestimated and it is not used as much as expected.	Financial cost, less revenues
Environmental and social risks	Environmental externalities	Construction and maintenance costs
5. Economic viability risks (Xu et al. 2012)		
Subjective project evaluation method	Lack of methodology to evaluate mainly assets, liabilities, demand and risks.	Construction and maintenance costs. Financial cost, less revenues
Insuficient project finance supervision	Insuficient cash-flows generated, access to higher interest rates	Financial cost, less revenues

ANNEX 4: GOVERNANCE PROCESS AND PERFORMANCE PROCESS

Figure 4. Contract Governance: Reporting and Monitoring and Management.

	Governance body	Responsibility	Sub committees reporting	Core membership
1.1	Annual partnering board		Deal with high level relationship issues and any staffing concerns High level strategic discussion	Senior representation from Govt. dept. meets senior rep from Private sector partner others by invitation only
1.2	Quarterly contract board	Board sits on a quarterly basis to consider contractual issues including contract changes Quality management risk management performance and payments resolution	Sub Committees a) Contract Changes b) Performance and Payment Dispute Resolution c) Processes and Procedures d) Quality Management e) Exit and transfer of Assets	Public and Private Reps Service Director Legal Financial Contract Manager Commercial Users
1.3	Monthly performance board	Agree Performance report and Authorise payments to supplier	Report to Quarterly Contract Sub Committee Prepare Performance Report and calculation of payments	Commercial managers Contract Managers Service Managers
1.4	Weekly meeting	Small issues that can be quickly resolved, Report to Monthly Board on Activity	Local contract manager (meeting could be by phone) But any actions taken must be reported to Monthly Board	Service Manager

ANNEX 5: SINGLE WINDOW SERVICES

List of Services that can be provided by the Single Window:

Trading Services	Trading partner discovery
	Product Discovery services
	Catalogue services
	Quotation Services
	Scheduling services
	Ordering Services
	Invoicing services
	Dispatch Services
	Remittance Services
Transportation Services	Booking Services
	Cargo pick-up
	Transport Billing service
	Cargo Tracking
	Partial Monopoly in ports/ airports
	Carry in & Carryout services
	Port operations
	Nautical services
	Ship Inspection
	Stevedore services
	Port Entry & Departure
	Transshipment operations
	Fumigation services
	Unloading and loading
	Tally Services
	Cargo Delivery workflow
	Billing for port handling
	Warehouse & port handling service
	Pilot and Tugging services
Regulatory Services	Conveyance reporting
	Advance Regulatory reporting
	Goods declaration for export
	Goods declaration for import
	Goods Release authorization
	Cargo Reporting of export
	Cargo Reporting of Import
	Regulatory product Certification
	Regulatory inspection – e.g. Veterinary
	Regulatory licensing services
	Security screening services
Technical Services	Electronic Messaging Services
	Application to application services
	Business computing services
	webhosting services
	Identity management services
	Certifying authority services
	Information security services

ANNEX 6: COORDINATED BORDER MANAGEMENT

One Stop Border Posts (OSBP)

In line with all new initiatives it is important to ensure that the appropriate building blocks have been put in place in order to facilitate the success of the initiative. Both PPP and One Stop Border Posts (OSPBs) are relatively new initiatives in trade facilitation and, at the time of writing there are relatively few practitioners who are both familiar with both PPP and OSBP. This guidance assumes an understanding of OSPBs but identifies the key elements that need to be considered and addressed in order to facilitate a successful PPP.

Enabling environment

One Stop Border Post (OSBP) operation requires a firm legal framework and involves linking policy, appropriate international legal instruments, revised domestic legislation, implementing regulations, together with procedures and processes, to enable the extra-territorial exercise of powers, discharge of duties and application of regulations, standards and compliance / control regimes. Ideally, this should all be in place prior to OSBP operations.

The nature of the legislative framework is critical, and will be key in determining the attractiveness of a PPP to a potential PPP operator. If the OSBP is to be provided through a PPP then the legislation must be drafted in such a way that explicitly states:

- the identity of the contracting authority or authorities,
- the scope of the service that the private sector may be asked to provide,
- the specific duties to be undertaken on behalf of the public sector, and
- the responsibility taken by each party for different aspects of the service.

An OSBP may require a country agency to apply regulations in the territory of another, thus requiring a bi-lateral agreement, regional convention, treaty, protocol or similar act (e.g. the East African Community's OSBP Act), which covers the powers of the agency personnel with an 'at the border' remit, allowing the interruption of international supply chains; the territorial extent of their writ; cross designation of responsibilities; the scope of the arrangements; the modality of applying controls; and, possibly, risk profiling and management. All of this needs to be considered in deciding the overall scope of the service that may or may not be contracted out to the private sector and the extent to which the private sector may have to operate in joint teams with the public officials.

It may be preferred to simply outsource to the private sector the underlying support services and for the contract to be scoped as a Design Build Finance Operate Transfer for the underlying accommodation service rather than providing for any of the front line customs service and its associated ICT. Regardless of whether the private sector is providing front line services it will need to have certainty and clarity regarding:

- the contract itself,
- the public sector partners to the contract,

- each parties obligation and responsibilities,
- the payment and performance régime,
- how government intervention or legislative programme could impact on its ability to make a reasonable return, and
- arrangements between third party contractors that could impact on income.

Effective OSBP operation also requires appropriate institutional arrangements be put in place. These should include structures for the involvement of relevant public and private sector stakeholders in the redesign of procedures and processes, and continuous improvement thereafter (e.g. a Joint Border Post Committee) to ensure a level of sustainable buy-in and ownership of the new approach. Three topics are important here :

- The relationship between such a Joint Border Post Committee and a PPP private sector operator needs to be clearly articulated in the governance arrangements
- The potential for any conflict of interest between Private sector users and PPP operators needs to be avoided
- The potential for the Private sector users to apply undue pressure on the PPP service Provider also needs to be considered.

There should also be embedded governance structures for ‘at the border’ inter-agency cooperation, both domestically and cross-border, to build institutional trust and there needs to be a shared mission between PPP Operators, OSPB Agency personnel and sponsoring governments. As with any PPP there is a need to identify :

- strong sponsorship in each of the participating territories
- strong political and technical desire to embed the changes made
- An inter-agency collaborative border management model to be established

This is critical for designated trade/transport/transit corridors to be effective and to enable the improvement of trade facilitation for market integration. Specifically with regard to transit corridors the private sector will only find contracts attractive if clear decisions have been made regarding :

- the financing of road building and maintenance programmes, and
- who will be responsible for the collection, allocation and use of monies, and
- the strength of mandate of the managing authority and its ability to fulfil that mandate.

Those decisions are considered be reasonable and fair and that the private sector can potentially make a profit.

Procedures

Operationally Well-implemented OSBPs constitute a new operational environment approach to border management, with combined control and facilitation activities and potentially a shared risk management and data exchange system. OSBPs assume a single framework to cover the official procedural requirements for each country - one combined set of control and facilitation activities making best use of modern technology and techniques. Governments may also agree :

- to joint operational teams,
- permit joint risk analysis and profiling, and/or
- share exchange of transactional data depending on the degree of integration with which they are comfortable.

Moving away from the conventional approach to border management, therefore, requires adjustments to border agency procedures and processes to ‘transition’ from the ‘as is’ position to the OSBP operational environment. Business Process Redesign (BPR) is central to effective OSBP operation.

Using BPR helps to analyse and harmonise data, documentation, procedures and processes of the respective border agencies for OSBP operation, particularly for electronic data transference. This can be done at the national level, or as a joint exercise between countries, potentially increasing the efficiency gains for both sides. This is something that can be done :

- prior to the introduction of the private sector,
- As part of the process itself
- Subsequent to the service being outsourced (and allowing for the PPP Partner to deliver business change).

Infrastructure and Equipment

Conversion of a conventional border crossing point to OSBP operation may require a certain level of investment in the physical structures and in equipping the border post appropriately (e.g. ICT, cargo handling and inspection equipment). How a border post is physically configured and equipped can help or hinder OSBP working. In particular, from a trade facilitation point of view, it is critical that, when necessary, consignments and their conveyances can be detained in a secure area without interrupting main traffic flows.

Under a PPP arrangement the private sector may be invited to design build operate and maintain such a facility, (although this may not include the user facing transactional/frontline services). It needs to be agreed between the parties the extent that the private sector operator is held responsible for the design risks. The PPP may not be considered to be attractive if the extent of the design risk causes it to be held responsible for reduced governmental income, or reduced traffic flows.

Another example is the configuration of office space, which can impact positively or negatively on practical, day to day, inter-agency cross-border cooperative working. When contemplating the design of the physical layout for OSBPs it is important that it should reflect the BPR process / procedures flow, not vice-versa—that is, that the functionality be determined by procedures. This would suggest that the BPR exercise should

- Precede any PPP procurement process
- Be part of the procurement process (unless it over complicates the procurement itself))
- Follow the selection of the PPP service provider (but thereby delaying the finalisation of designs and the operational date before which the PPP service provider may receive income from services delivered).

One way of mitigating this last impact would be to engage the successful PPP service provider and to undertake the BPR exercise as part of an inception phase for which they may specifically receive payment.

Information and Communications Technology

Border management is based on receiving, analysing, processing and sharing information. Selecting, implementing and operating the most appropriate ICT systems that also provide for wider governmental connectivity are essential to maximising efficiency and effectiveness, both domestically and internationally, between the various agencies operating at the border. This is particularly so in respect of the control zone where there are joint border operations.

Ideally, the ICT required for OSBP operation should be carefully planned from the outset, and the adoption and implementation of systems should reflect revised border procedures and processes that have been simplified and harmonised, and designed to be compatible with OSBP / Joint Border Post (JBP) operation, following a preceding business process redesign exercise.

Whilst it is clear that each government and agency involved must have access to data, an overarching (although possibly simple) ICT strategy needs to be agreed. For example should the PPP operator implement their own systems regardless of the ability to communicate with client agencies and governments.

In terms of access to ICT system data by the cooperating agencies at OSBPs, options range from, for example, enabling read-only access to other agencies' systems by vetted staff, to more complex solutions, such as 'Single Window' and joint risk management modules, depending on the degree to which the agencies and governments involved are comfortable with cooperative working. As part of the strategy it needs to be agreed whether the PPP service provider

- will take on some or all of the ICT services and implement its own compatible systems
- will be required to take on some or all of the ICT services but implement systems as specified in the ICT strategy
-

or whether an existing or fourth party ICT Service Provider(s) is/are required to deliver to the ICT services at the OSBP.

Staffing and Capacity Building

Rules of engagement and Relationship Management between the different public and private sector operators need to be devised, communicated and followed. Relevant border agency personnel (e.g. Customs, Health, Police, Forestry, Veterinary, Immigration, Standards) as well as the PPP service provider and their staff must be comfortable with the new operational approach and with working to the new procedures, processes, systems and culture. Therefore, as part of an overall change management strategy, it is important to identify and plan the capacity strengthening needs of the main stakeholders that are impacted

- by implementing an OSBP operation and
- contracting with the private sector to provide a range of services.

In the interests of sustaining and embedding change, a training and personnel development programme should be developed taking into the changed needs and responsibilities for ensuring operational delivery (eg from the public sector being a service provider to being a contract manager). Dependant on the services outsourced and local attitudes to PPP it may be necessary to tailor stakeholder education and training to fit the countries and operations concerned.

Payment models

Regardless of whether the PPP service provider is engaged in frontline activities or not, the service provider should not be seeking to collect payment for their services directly from income collected from Users of the OSBP. This can create a perceived if not actual conflict of interest where Users of the OSBP believe that the operation of the facility is being managed in order to generate higher income for the PPP Service Provider rather than to operate an effective service on behalf of the customs services involved. Therefore where the PPP service provider may be providing Frontline/Operational (which is the more understandable term) services, it is more appropriate for the PPP service provider to hand over all receipts to the Contracting Authority and for a separate “net payment for services received” to be made back to the service provider (ie payment based on a suitably transparent and auditable performance model comprised of appropriate availability and performance elements).

ANNEX 7: SPECIAL LEGAL AND CONTRACTUAL CLAUSES

1	Contracting Parties	This will clearly state the contracting parties, which on behalf of the private sector may be in the form of a special purpose vehicle. The public sector may be an inter-government agency, it is important to ensure that the legal jurisdiction that applies is articulated in the contract.
2	Indemnities and gaurantees	It is normal for parent company guarantees to be sort by the Authority and indemnities to be provided.
3	Services Required	The Authority Requirement (this has precedent over “Services to be Provided”).
4	Services to be provided	The Service Provider’s Response.
5	Payment and Performance	Contract specific negotiation about performance regime.
6	Direct Agreements	Agreement between the Public Sector with Funders in the event that the service provider fails and the funder has to step in to run the business for a period.
7	Contract Change	Contract change mechanism that simplifies the contract change process
8	Dispute resolution	Pre-agreed process using project governance structures mediation and experts to resolve disputes.
9	Condition Surveys	Mechanism to ensure that there is a asset status baseline at he outset of the contract (if the serve involves refurbishing existing assets and at the end of the contract to establish the need for any dilapidation payments to be paid, or renewal works to be undertaken by the service provider.
10	Acceptance of any underlying Asset	The authority should not “accept” the underlying asset as this would suggest that the asset is of sufficient quality thereby removing the design and build risk from the service provider. Instead a third party expert should be jointly appointed to assess that certain pre specified tests have been undertaken and that he outcome has been successful enabling the building to be occupied and the services to begin.
11	Ownership of Assets	The contract should clearly state who owns the asset and on what basis.
12	Ownership and Use of Data (ICT)	The conditions under which the private sector may collect, host,share, manipulate and dispose of data must be clearly articulated. It is important that the data is also held in manner that is accessible and readable to the authority in the event that the service provider suddenly ceases to provide the service.
13	Condition of Assets	Any requirements associated with the condition of he asset when it is transferred (back) to the public sector
14	Public Sector Audit Rights	The authority needs to retain the right to inspect and audit all records associated with the projects. The service provider should be charged with keping the records in good order and make them easily accessible.

15	Governance	A proper governance structure needs to be articulated in the contract and then adhered to. The structure should allow for simple service changes to be rapidly agreed at minimal cost, consider and agree the level of performance of the project and confirm the payments to be made.
16	Exit Clauses	The contract should include specific arrangements with regard to what should happen in the event that the Service provider wishes to terminate the contrct early or at term. AS mentioned above the contractor may be held to certain clauses requiring he facilities to be manintianed to a certain standards.
17	Possible clauses re transfer of staff	Depending on the jurisdiction and the nature of the service, there may be a need to transfer staff from the Authority who are already engaged in delivering the servie as public employees to the private sector entity or other private sector entity.
18	Risk Schedule	A risk schedule needs to be included in the contract that clearly allocates risk to the relevant party. The schedule needs to be developed to a sufficient level of detail so that it can be used as a tool for identifying the party responsible for taking responsibility in order to rectify a problem when it occurs.

CASE STUDY
PPP for the Implementation of a Single Window in Benin – Cotonou
Bureau Veritas BIVAC - SOGET

Date : 14/01/2014

	Business Trade Context
Please describe the business context / need to be addressed when opportunity to set a PPP occurred. What were the objectives?	• International Trade Facilitation • Monitoring of Corridors of Transport of Goods Financial purposes for technological platform and operations on behalf the Authority. The port of Cotonou, Benin, faced severe operational challenges in clearance process and transit time. This was clearly damaging its competitiveness. Port Authority of Cotonou, with the support of the Ministry of Maritime Economy, has launched the implementation of an electronic Single Window. The need for a single window emerged with three prime objectives: - to reduce the transit time of goods and associated costs, enhancing the performance of the Port of Cotonou - to improve the transparency and efficiency of the whole logistic and administrative process for goods transiting through the Port of Cotonou (import, export, transit and transshipment regimes), - secure customs revenues for the Republic of Benin (52% of government revenue) as well as those of other public actors and major private stakeholders The government of Benin has selected a PPP approach to support the implementation of the Single Window initially at the Port, with extensions to a national scope (airports and land borders).
What is the scope of the PPP? What type of Trade Facilitation program is supported with this PPP?	- Single Window Concession for global facilitation of the supply chain at import, export, transit and transshipment. - Public and Private Stakeholders. The PPP has been decided to deliver and operated initially a Port Single Window but is now being extended along the logistic chain. The main features are: - Implementation of a system allowing a complete automation of all processes and formalities relative to the transit of ships and goods (import-export-transit) at the port of Cotonou (with possible geographical extensions), - System / datacenter: hardware and software developing and local implementation; permanent management of the system H24, - Project management through the project structures /committees and workshops, gathering all the concerned stakeholders (private and public), - Building of interfaces in order to allow electronic data interchange (EDI) with existing stakeholder's systems, - Training of all users, - Permanent customer support, - Diffusion of technical information towards the Port community, - Issuance of a final "single invoicing summary" (BFU), - Collection of fees and taxes on behalf of the stakeholders, - Production of statistics for Government use.
What is the current stage of plan of this project? Designing, implementing or running?	Running with extensions of scope
How is sustainability managed within the PPP?	The sustainability is ensured through the transfer of property, operations and management of the single window platform to a global partnership between private and public stakeholders within the framework of a concession.

1160

	Details of the solution (PPP in place)
What type of PPP is being put in place? (please check the appropriate type)	☑_ Concession ☐ _ Build – Own – Operate ☐ _ Design – Build – Finance – Operate ☐_ Lease – Develop – Operate ☐_ Build – Finance ☐ _ Operate – Maintain ☐ Other……………………………………
Who are the parties involved in the PPP?	The Single Window in the Port of Cotonou has been successfully rolledout by SEGUB, a semi-public company (public-private partnership between two private companies, Bureau Veritas BIVAC – SOGET. Consortium, and the Ministry of Maritime Economy, Maritime Transportand Port Infrastructures).
What types of risks have been identified? How is the risk shared between parties of the PPP?	Within SEGUB, the private companies have taken most of the Financial risk / investment. The return on investment has been conditioned to the successful implementation. With such mechanism, the public partner could have a strong commitment from the private partners. The public partner was at risk already with: - the possible consequences of an unsuccessful implementation of the Port Single Window on the economy of the country, - the possible complexity of changes involved that could put bring difficulties in changing some procedures
What is the duration of the implementation of the project? What is the duration of running/ monitoring the project?	The PPP has been agreed for 10 years. The implementation phase has taken 10 months including an initial 6 months pilot.
What is the general initial budget of the project? Is there an aspect of revenue generation?	Confidential information
What is the business model behind this project?	Capital and Operational expenditures are covered by Bureau Veritas BIVAC, the leading concessionaire. The return on Investment is based on a transaction fee per operation during the concession period. As a consequence no public financial resources are required whilst it provide a strong incentive for the PPP's efficient operations and quick results. SOGET charges a supplier service to Bureau Veritas BIVAC for its trade & technological expertise throughout the implémentation.
What is the role of each partner? (possibly including a governance structure).	The Ministry of Maritime Economy is the decision-maker but uses a representative committee of major stakeholders impacted by the change before making decisions. Bureau Veritas BIVAC leads the overall project and the overall PPP, including financing. Technical tasks (such as: studies, training support and software development) of the implementation are subcontracted to SOGET.
	Legal Context
Please underline main aspects of legal agreement between the partners of the project. (terms of contract, scope of project, revenue collection / guarantee of revenues, ownership of physical goods, etc.)	10 years concession: - implementation and operation of the system at the Port of Cotonou, with possibilities of geographical and functional extensions, - operation through a local entity, managing a data center and a customer care service, - management of the project implementation and follow-up structure - provision of communication and training towards the stakeholders and the business community in general, - management of technical evolutions according to the needs during the term of the agreement - revenue collection through a single "invoicing summary" document for the main stakeholders, including the concessionaire itself. - possibility of handing over the physical goods at the end of the contract, where the contract is not renewed

1161

Legal Context (Continue)

How are exit strategies managed within the PPP?	The contract allows a handing over of equipment property, software licenses and operational staff's contracts in case the customer wishes to operate himself the system at the end of the contract.
How are Intellectual Property Rights owned and protected within the PPP?	The Intellectual Property Rights remain the ownership of the concerned softwares editors.

Implementation (of the PPP)

What is the lead agency within the government? (for example, Customs Administration or Transport Administration… not just "French Government")	The lead agency is The Ministry of Maritime Economy, but the project is highly visible to the President, quite involved as a sponsor.
Are there multiple private partners? Is there a lead among these partners?	There are two private partners, Bureau Veritas BIVAC and SOGET. Bureau Veritas BIVAC leads the overall project and the overall PPP. Technical tasks (such as: studies, training support and software development) of the implementation are subcontracted to SOGET.
What has been the procurement process to select and confirm the parties involved? What has made a difference in partners' selection?	After an international call for tenders the Bureau Veritas BIVAC – SOGET consortium has been awarded the concession. Partners' joint expertise in trade facilitation programs and added value services to Port Authorities, Port Communities and Customs Authorities have made the difference in the selection process, plus a strong expertise in foreign trade in Africa for more than 20 years. Bureau Veritas BIVAC has selected best in-class option to provide the most adapted IT solution to support this major change. Difference has been made on references and experience of similar needs implemented at benchmark level.
Please provide more details about the governance of the PPP. How are stakeholders involved? How is the efficiency of the PPP ensured? How are decency and transparency maintained within stakeholders? How are accountabilities distributed?	The project organization involves 2 high level managing committees, 3 working commissions and as many working groups as needed: - The « Supervision committee », in charge of supervising the project at "political" level and providing governance. This committee comprises the ministers directly concerned by the project. - The « Steering committee », in charge of managing the implementation of the Single window at Stakeholders level. Led by a representative of the Government and driven by the concessionaire, this organization comprises a high level representative of each entity involved. - The "Change management", "Procedures", and "Training" commissions. According to the needs, each commission created and managed working groups in charge of studying in detail all technical issues within specific workshops and executing the necessary actions at stakeholder's level for allowing the progression of the project. The concessionaire was in charge of supporting and conducting The Steering Committee met regularly during the implementation phase, as often as needed. Detailed meeting reports were made systematically, which allowed any stakeholder and authorities to be officially aware of the accurate situation and necessary detailed actions, including the progression of the project, the actions required from each stakeholder and the project next steps. The leading representative of the Government was especially in charge of ensuring the cooperation of all stakeholders and raising any significant issue at Supervision Committee level, mainly where new regulatory decisions were necessary. Good practices on methodology are circulated, especially matching a strong communication plan.
Please provide more details about the policy of the PPP. Are there specific objectives? Specific rules to ensure sustainability of the compatibility between parties?	The Single Window requirements included the evolution of the system according to the needs and constraints of different stakeholders, as far as the said evolutions were consistent with the common objectives and approved by the executive committees of the project.

Outcomes and practical results

What is the governance structure?	The project organization involves 2 high level managing committees: - The « Supervision committee », in charge of supervising the project at “political” level and providing general governance. This committee comprises the ministers directly concerned by the project. - The « Steering committee », in charge of managing the implementation and follow-up of the Single window at Stakeholders level. Led by a representative of the Government and driven by the concessionaire, this organization comprises a high level representative of each entity involved.
What are the operational processes of the project? (How do partners interact more-or-less on a daily basis within the framework of the agreement? Regular meetings, reports for example.)	• A committee led by The Ministry of Maritime Economy makes the decisions. Frequent meetings are scheduled to manage the project life. During implementation phase this committee gets inputs from other commissions focuses on some specific topics (i.e. training, processes, change…) • Bureau Veritas BIVAC leads the projects, animates commissions and committees and coordinates with SOGET the delegation of some technical tasks. A strong project organization is in place both locally and remotely from head offices to support all aspects of usual major change management projects. Processes aligned on ITIL & Lean Management approaches are in place to make sure the project sticks to its objectives from its very beginning and day after day. The reduction of the transit time of goods through the Port of Cotonou was one of the clear objectives of the implementation and operation of a Single Window through the Public-Private Partnership. The operational implementation has been delivered through a typical Trade FacilitationApproach. • An initial business process analysis (BPA) leading to decisions in terms of target process • A continuous participation of all Port Community stakeholders through • dedicated committees. • A parallel evolution of procedures and regulations to adopt the change. • Training to more than 2000 people. • The continuous search for simplification and electronic processing • Automation of the exchanges whenever possible • The use of standard exchange messages whenever applicable (in particular with maritime companies) • The constant adaptation to the new requirements of the Government concerning the integration of the foreign trade items such as land borders, airports, etc. • The pubic-private operator is also running the service as a concession • once implemented. The good principles are still running with an animated • community whose leader is the concessionaire in permanent liaison with the relevant Authorities.
Is capacity building an aspect of the project? Is it desired outcome? How is this organized? (during the life of the project or especially at the end of the project – training, delegation, technical assistance, maintenance licenses…)	Capacity building is part of the project, both at the level of Port / logistic community (more than 2000 people trained) and at the level of the concession itself (when partners leave, the entity must remain sustainable). Bureau Veritas BIVAC commits on setting up a concession mainly with local people who get trained and evolve with the project in order to make the organization sustainable. These people are not trained as an output of the project implementation but as a mean, i.e. the successful implementation is an indicator of the robustness of the organization. Maintenance licenses (including technical assistance) are transferred at the end of the concession.

Outcomes and practical results (Continue)

How is promotion and communication organized?

The communication plan is totally part of the overall project. Target audiences are identified as well as events. Use of all media can be mobilized. Political support at the highest level, led by the President himself. Some factors are also key for promotion & communication of change:

- Creation of a website constituting the reception desk of the Single Window system:
  - Ensuring promotion among the national and international stakeholders
  - Providing real-time information to the general public
  - Easing access to the very site of the tool

It contains public pages and secured pages accessible with login and password.

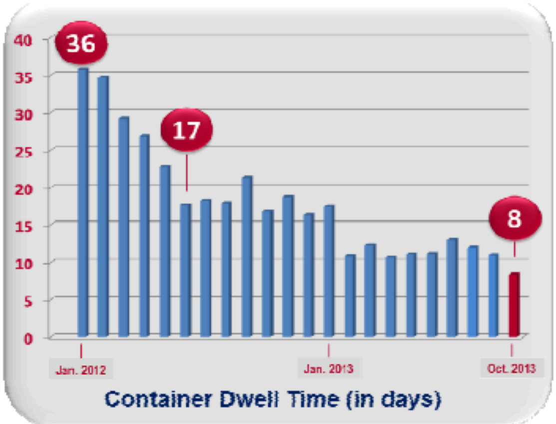
- Close relationship between the Single Window operator, professional organizations and trade-unions
- Pro-active B-to-B campaign to promote the project and convince the port community.
- Significant publicity campaign via popular medias (TV, radio, newspapers)
- Creation of a formal dialogue structure to reach consensus on those key
- procedures
- Development of training plans and training of 2000+ users.
- On-going procedure reviews to maintain the level of training of final users.

What are the tangible benefits of the implementation of this PPP?

Gain of money, gain of time:

- productivity (administrative tasks)
- efficiency (strong technology)
- autonomy / flexibility (file management)

The project exceeded the three objectives, as it radically changed the way the port community was working. Rapid information exchange, coupled with accurate performance indicators has reduced dwell time from 5 weeks to less than 8 days as shown below.



In May 2013, the Port Authority of Cotonou received the IAPH* 2013 Gold IT in recognition of the successful implementation and operation of the Port Single Window.

* International Association of Ports & Harbours

Through the use of the Single Window, all traffic through the port can be monitored from container dispatch up to on-board manifest. Tracking shipments in this manner enhances the safety and security in line with the WCO SAFE guidelines. Single Window has allowed procedures to be redesigned resulting on solving difficult operational issues: considerable traffic congestion, even on the city streets, was created by the lack of transport management, with parked trucks paralyzing the traffic flow. There were no effective controls on transport and as a result Freight forwarders found it difficult to schedule transport delivery.

The truck appointment system module of the Single Window, togethernwith the building of a new parking facility by the Millennium Challenge Corporation, has successfully brought this situation to an end. The Single Window enables the port access managers to easily control inwards and outwards truck movements.

Besides initially being a port single window, it has been deployed to other international trade information flows such as export, transit, land borders…

1172

Lessons learnt	
What have been the greatest obstacles when preparing the project?	Prejudices against the Single Window, relative to ignorance regarding the objectives and features of the system.
What have been the greatest obstacles during the project?	Change management was difficult as expected, but could be overcome thanks to the strong project management structure (committees) and the efficient support of the highest Authorities.
What have been the success factors when preparing the project?	Mainly the project structure (in place from the beginning), involvement of all the stakeholders, regular committees and constant reporting, a wide and strong communication, as well as a permanent political support.
What have been the success factors during the project?	Same as above.

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1173
1174
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1176
1177

CASE STUDY

PPP for the implementation of International Trade Hub Italia (ITH) in Italy

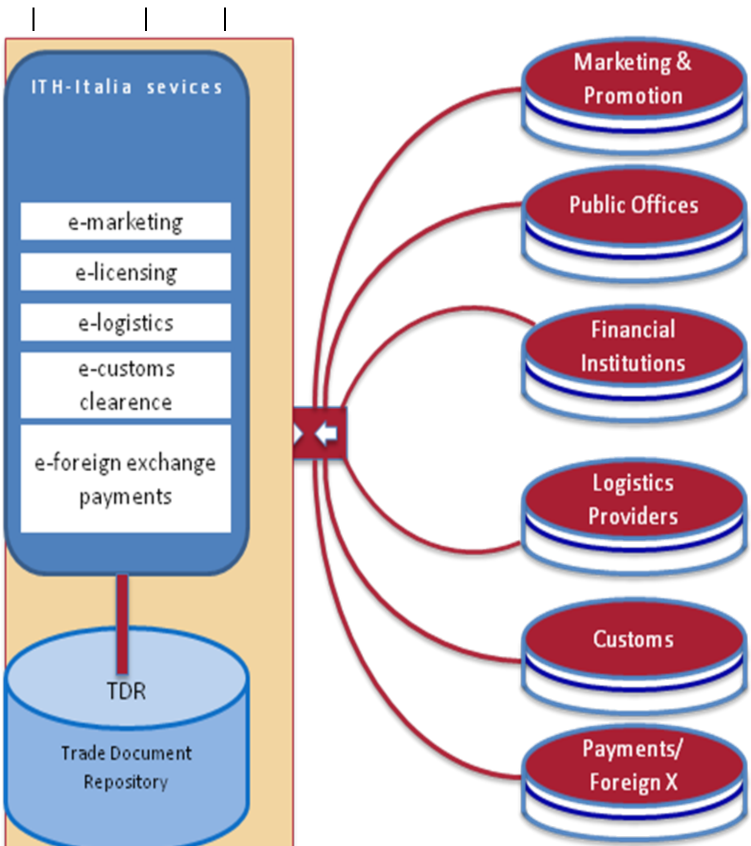
Date : 29.10.2014

Business Trade Context	
Please describe the business context / need to be addressed when opportunity to set a PPP occurred. What were the objectives?	Main reason: **Facilitation of international trade is a goal for the Government and a necessary service for the companies. BECAUSE IT BRINGS ECONOMIC GROWTH** Facilitation as part of general policy for simplification. **Italian Gov. Act for Simplification (27 January 2012)** Digitalization as one of the main tool for simplification in order to: • Reduce bureaucracy • Speed up procedures • Abolition of unnecessary rules The need for an international trade platform emerged with three prime objectives: • To reduce transactions and internationalization costs for companies, providing a single access point (single window) to relevant information, services and procedures in the phases of trade and internationalization; • To improve transparency and efficiency of the whole administrative and logistics procedures and authorizations needed to go internationalize. To facilitate the research for business opportunities, business partners and the opening of new markets abroad. Italian SMEs are more than 4.5 millions (99%), covering 2/3 of the GDP, but less than 180,000 are export Companies (only 4% of the total). Main reasons why only 4% of SMES are export oriented are the lack of information, they ignore the actions needed to internationalise, how to select market/international distribution, what kind of information they need and where to find them, therefore there is a need to help companies to customize their own export business plan. In light of the above, the Government of Italy (the Ministry of Economic Development) has elected a PPP Hybrid approach to boost the implementation of a trade facilitation platform to support Italian companies and mainly SMEs to internationalize.

What is the scope of the PPP? What type of Trade Facilitation program is supported with this PPP?	The scope of International Trade Hub-Italia (ITH-Italia) PPP is about to set up an innovative and technologically advanced tool to allow companies to compete and succeed in the globalized economy.
	
	This international trade hub is more than one stop shop or single window as it integrates all the processes related to import-export activities and internationalization quoting UNCEFACT "*By the end of this decade, all the major IT HUBs will be interconnected*".
	
	The main targets connected to the project are:
	• **COSTS REDUCTION** – (Hidden costs of international transactions)
	• **MORE COMPETITION**
	  o Less Bureaucracy
	  o More Efficiency
	• **MORE ATTRACTIVENESS** for Foreign Direct Investments
	• **LESS DELOCALIZATION** of Italian companies abroad

What is the current stage of play of this paper? Designing, implementing or running?	The preparation phase (within the implementation phase) is completed and now, after the pilot phase, the Platform went successfully through the final test.
How is sustainability managed within the PPP?	The private sector gives its contribution through the fees that each company pays to enter the platform. The system implementation will be self-financed from the monthly revenues generated by users fees.

Details of the solution (PPP in place)	
What type of PPP is being put in place? (please check the appropriate type)	☐_ Concession ☐ _ Build – Own – Operate ☐ _ Design – Build – Finance – Operate ☐_ Lease – Develop – Operate ☐_ Build – Finance ☐ _ Operate – Maintain ☑ Other… Design, Finance, Operate, Maintain………………………
Who are the parties involved in the PPP?	**18 Partners:** MISE (Ministry of Economic Development), MAE (Ministry of Foreign Affairs), Finance Police, ICE-Agenzia , SIMEST, SACE, Regione Marche (representing Italian Regions system), Confindustria, Confcommercio, Consorzio CBI-ABI, Confapi, Invitalia, Assocamerestero, AICE-Associazione Italiana Commercio Estero, Retitalia Internazionale, Credimpex-Italia, ICC-International Chamber of Commerce Italia.
What types of risks have been identified? How is the risk shared between parties of the PPP?	Political risks: the main partners involved in the project are governmental entities. Political sensitiveness towards ITH project can change as a consequence of political cycle. Funding risks: public funding allocation to the project is due to cover the "start-up phase". The fully-operational phase should be self-sustained by the participation fees paid by private companies. This kind of risk is strictly connected to "Demand risks": the "break-even-point" of self-sustainability requires the application of av. 10,000 companies. Design and performance risks: the operability of the ITH project has been tested via a "Beta test" addressed to a sample of companies. Nevertheless, effectiveness of the ITH platform can be carefully and fully tested only in the long term. Effectiveness of the project will be directly affected by the interest of companies to confirm the usefulness of the service provided by ITH in the following years. Operating risks: depend on the effective commitment of partners to share with the others their know-how and any other relevant information. Partners will be responsible for regular updating and upgrading the flow of information recorded and the provision of services. Industrial relations risks: Such risks could be generated in case of divergent outcomes among partners due to a poor sharing of interests and unbalanced commitment among partners. In the Value for Money assessment all the costs regarding the initial investment, the maintenance and the upgrading of the project have been considered. The assessment covered the whole life of the project. The intended outcome of the ITH is considered to be a net gain for the Italian SMEs community and for the overall performance of the Country in terms of GDP growth. Economic indicators included in the economic impact study are: export growth in terms of increased value over the following three years since the project will be full operational and the increase in the number of new exporting SMEs in the Country. Other indicators are: direct and indirect costs reduction of administrative and custom procedures.
What is the duration of the implementation of the project? What is the duration of running/monitoring the project?	The institutional stakeholders provide the implementation of the project for the first 3 years. After the third year of public funding, the project will be self–sustainable. Assumed sustainability flat affordable rate per year per beneficiary company to cover main maintain costs of the project.
What is the general initial budget of the project? Is there an aspect of revenue generation?	Confidential Information

What is the business model behind this project?	Trade facilitation does not have a business model properly for the public entity (MISE). Streamlining of public sector assistance for internationalization of Italian companies through the tool “single window”. The *International Trade Hub-Italia* (ITH-Italia) is the digital web based tool that can facilitate trade, increase competiveness, and promote the internationalization for SMEs by : - The conversion every single doc from paper to digital version, - from e-marketing to the e-customs clearance; - through e-logistics, - e-payment, and - e-certification. As an ultimate result, by creating a TDR (Trade Document Repository), the system records and maintains electronically all docs and data with legal validity. Therefore, the business model behind the PPP project is to create an on-line system able to allow companies to make transactions with legal validity. Additionally, to reduce time and costs connected to business transactions**.** The main idea behind, is to create a single **“International trade system”** connected with the other international trade hubs.
What is the role of each partner? (possibly including a governance structure)	The public partner, MISE, is the decision maker and the budget owner. The project is in process of identifying the implementing agency, **COMPANIES/OPERATORS** 
Please list a website when available	It will be under the ITH Italia Website (www.ith-italia.it), but the final link is not available yet.

Legal Context	
Please underline main aspects of legal agreement between the partners of the project. (terms of contract, scope of project, revenue collection / guarantee of revenues, ownership of physical goods, etc.)	- ICT PPP project in Trade Facilitation (TF). - Project MoU (Memorandum of Understanding) between MISE and the 18 partners - National Committee on TF structure - Private companies participation and contribution to the project is limited to the management of the services provide by the Website - Users will pay a yearly fee to cover the costs of the services - Financial resources to build the ICT are provided by the public partner. which has also attracted bank association, Consorzio CBI-ABI, to sustain the project.
How are exit strategies managed within the PPP?	This is a pending point to agree within the partnership, because the project is in the stage to identifying the implementing private partner and agree these details.
How are Intellectual Property Rights owned and protected within the PPP?	All the information are public available on partners websites and remain the ownership of the party concerned. Disclaimer of usage of information only for the aim of the project. Confidentiality policy about companies information. The main responsible of keeping data of the users confidentially will be the implementing agency. The partners are allowed to use the data of the users only to provide the services that are within the scope of the project.
Implementation (of the PPP)	
What is the lead agency within the government? (For example, Customs Administration or Transport Administration… not just "French Government")	The Lead Agency is the Ministry of Economic Development of Italy – Directorate General for Internationalization and Trade Promotion.
Are there multiple private partners? Is there a lead among these partners?	There are mainly institutional partners, private partners are partners within a private structure, but public assets. The project will have only one leader (the Lead Agency). The project is still in the process to choose the implementing agency, which will be a single partner within the project.
What has been the procurement process to select and confirm the parties involved? What has made a difference in partners' selection?	Considering the specific peculiarities of this PPP hybrid approach, the partners selection has been done on the basis of their main role in the internationalization scenario in Italy according to their institutional functions. Each and any of the partners selected, has been identified on the basis of its institutional and functional roles. The procurement process will be launched in order to select the implementing agency.

Please provide more details about the governance of the PPP. How are stakeholders involved? How is the efficiency of the PPP ensured? How are decency and transparency maintained within stakeholders? How are accountabilities distributed?	On the basis of UN/CEFACT Recommendation N°33 and following the 2nd International Conference about Trade Facilitation (14th UN/CEFACT FORUM) a "**Standing Committee"** on Trade Facilitation was set up by the Italian Ministry for Economic Development on December 2009. In February 2011, it has been signed a Memorandum of Understanding (MoU) between the Ministry of Economic Development, and the Italian Banking Consortium (CBI) of the Italian Banking Association (ABI). After the signature, the constituency parties left room for other "Interested Parties" to join the MoU. The **"Standing Committee"** on Trade Facilitation**,** recently renamed as "**National Committee"** on Trade facilitation, involves all the project partners and it is organized in four Working Groups: 1. The Working Group Operators' problems 2. The Working Group Financial Services 3. The Working Group Interoperability 4. The Working Group Aid for Trade The "National Committee" on TF is in charge of bringing good governance and transparency in the project and among partners. It also coordinates the respective actions and initiatives to achieve common goals by calling regular meetings, and exchanging experiences and best practices of the different sectors within the working groups.
Please provide more detailsabout the policy of the PPP. Are there specific objectives? Specific rules to ensure sustainability of the compatibility between parties?	The specific rules to ensure sustainability are embedded in the following principles: - Developing the Trade Facilitation policy - Setting up the Service Agreement among partners - Sharing information and relevant data
Outcomes and practical results	
What is the governance structure?	The governance structure of ITH Italia includes two Committees: • The Steering and Coordination Committee; and • The Technical Committee. The main operational areas and related processes of ITH Italia are: • Relationship Management among the Steering and Coordination Committee, the Technical Committee, the ITH Italia Management Organization, and partners organizations. • Management of the information flow to support decisions and strategies implementation. • Risk management and problem solving management. • Communications management. • Change management. • Strategic and operational planning.
What are the operational processes of the project? (How do the partners interact more-or-less on a daily basis within the framework of the agreement? Regular meetings, reports for example.)	The partners´ participation in the operational processes is regulated by Service Agreements among the ITH Italia Management Organization and Partner Organizations. These Agreements regulate: • the set of technical and organizational solutions for which partner's information and services are made available, in whole or in part, through ITH Italia; • the information supply chain and the communications responsibilities needed to ensure the effectiveness and efficiency of the services provided by ITH Italia. • The Service Agreements also defines: • the roles and responsibilities of the parties; • the methods (both tools and formats), and the frequency of communication between the parties involved; and • the control and monitoring procedures.

Is capacity building an aspect of the project? Is it a desired outcome? How is this organized? (during the life of the project or especially at the end of the project – training, delegation, technical assistance, maintenance licenses…)	Capacity building is considered a key aspect for the success of ITH Italia.An appropriate technical and operating *training will be provided regularly to* the ITH Italia Back Office Team Members to support users adequately, and keep them updated through courses, seminars, forums, and other training inititatives.
How is promotion and communication organized?	Promotion and communication is organized accordingly to the recipients. They can be grouped into the four following categories: a. The companies that are already operating with foreign countries who know the operational areas and are interested in speeding up processes. b. The companies that still do not work with foreign countries, or do not know the operating environment, and therefore, they are not accessible through the available media in the foreign trade sector. These companies are interested in getting support and guidance to gain markets access. c. The companies that offer products "Made in Italy", included those that operate through retailing distribution systems. d. The companies that already have settled businesses with foreign firms, interested to get mutual exchange of business information through the ITH Italia platform. The companies mentioned in a), and part of those included in c) and d) can be targeted through promotion and dissemination tools, such as: • publications and information available on specialized websites; • advertisements issued by institutional "mailings" ; • specific promotional demos, ad-hoc initiatives, and internal events held during conferences organized by private entities, local associations and unions, etc. The companies mentioned in b) can be targeted through traditional media as: • commercial public information; • dissemination of information through sector publications (electronic reports, business associations magazines, and paper publications) • presentations given during specific initiatives, workshop/conferences, and events.
What are the tangible benefits of the implementation of this PPP?	Boosting the internationalization of Italian companies developing systemic solutions providing benefits in terms of: • market information delivery; • rationalization of administrative proceedings; • speeding up import/export practices. Operationally, these benefits can be deployed by: • submitting standardized information and documents through a single entry point in order to fulfill the regulatory requirements of import, export and transit proceedings; • offering support in international marketing techniques (information, counterparts research, contracts, national and cross-national concessions, financial instruments, etc.); • providing managerial support in financial operations and cash flows reinforcing relationships with banking institutions; • supporting the promotion of “Made in Italy”; • providing a secured and centralized data management in all import/export operations through ITH Italia platform, in benefit of public institutions and economic operators.

Lessons learnt	
What have been the greatest obstacles when preparing the project?	• Prejudice from project partners against a single platform for internationalization. • Competition fear: some of the project partners developed a distorted perception of how ITH Italia would adversely affect the role and overshadow the image of the project partners. • Delays about the appointment of the ITH Italia Management Authority within the PPP.
What have been the greatest obstacles during the project?	• Weak operational involvement and cooperation from some of the project partners. • During the project, the development of some competing platforms has been started, which are very similar to ITH Italia, have some partners in common with ITH Italia itself. • There is an absence of common technical standards among partners. The consortium is developing an agreement about this within the PPP project.
What have been the success factors when preparing the project?	• Potential usefulness and success based on international best practices and standards adopted abroad. • Thorough investigation on the most appropriate technological frameworks and tools to implement on ITH Italia platform. • Right selection of the project partners. • Right selection of services provided by the ITH Italia platform • Standardization of interoperability levels to provide default integration paths. • Development of solutions that could be managed almost entirely through Back Office processes. Development of strong parameterization of the data model has been an early goal for the project, to manage and to operate the services offered through the portal with non or a minimum impact on software.
What have been the success factors during the project?	• Agile project management approach that has allowed the periodic release of deliverables and improvements during the project implementation. Also, smooth enlargement of the consortium with new partners that integrate additional services enriching the services provided to the users. • Positive feedback received by companies and industry associations about its user friendly platform, useful information deployment, and the centralization of operational services in a single hub.
Contacts details for more information	
MISE – Ministry of Economic Development **ICE – Italian Trade Agency**	