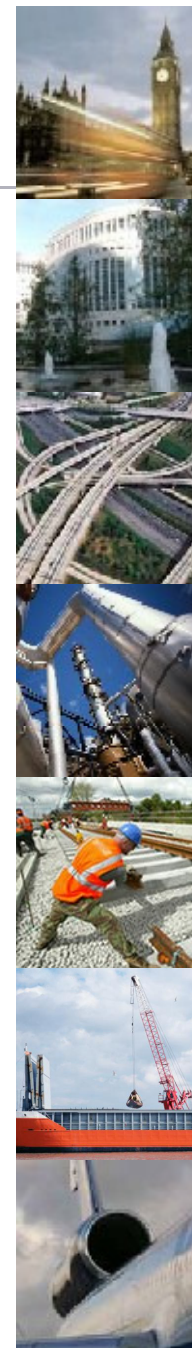


Promoting PPP Investments in CEE

Workshop

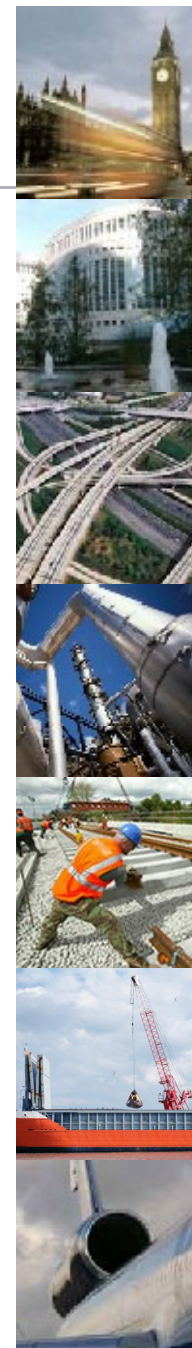
Hotel Sofitel, Budapest, Hungary

29 October 2007



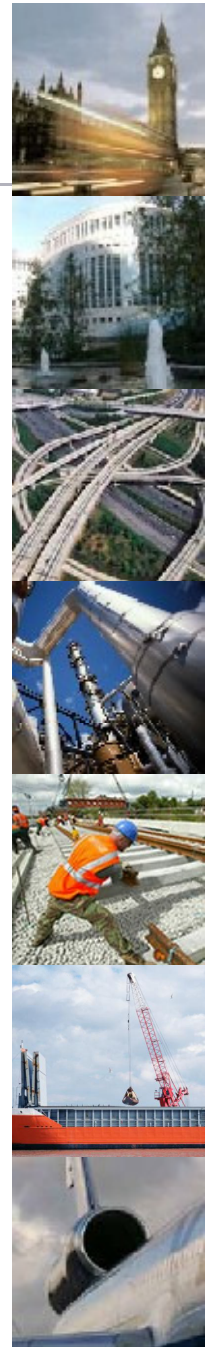
Promoting PPP Investments in CEE

- Scope
- Response
- Roles
- Issues



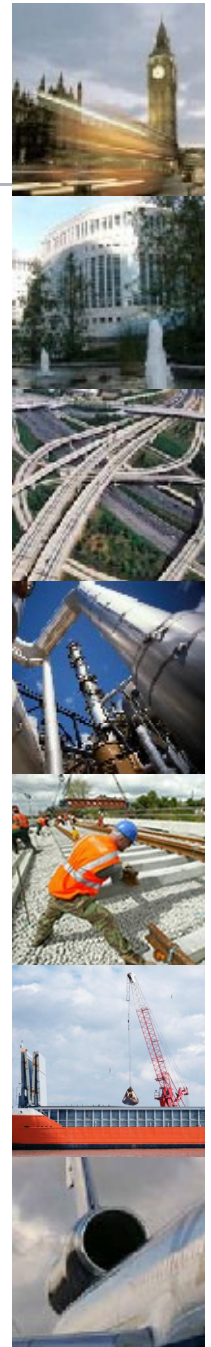
Scope

- Need is hundreds of billions of Euro
- Impact of increasing wealth/expectations
- Public Spending constraint
- Long asset life cycle and ongoing operating cost



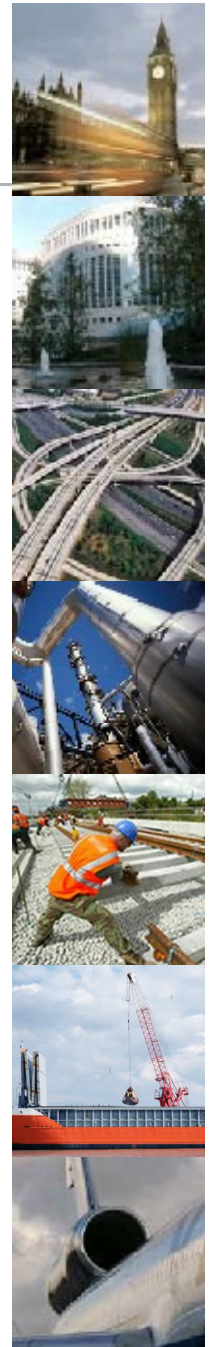
Scope

- Highways
- Rail
- Airports
- Utilities
- Accommodation
- Other ?



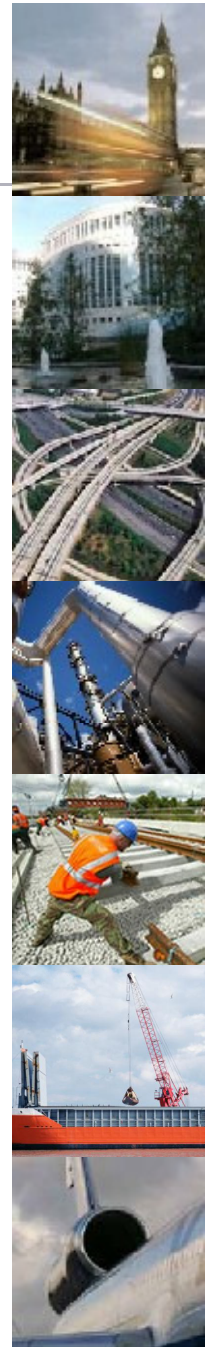
Scope - Rail

- Peripheral activities
- Real estate development
- Freight Operations
- Passenger Operations
- Rolling Stock leasing
- Maintenance
- Enhancements
- Infrastructure Manager



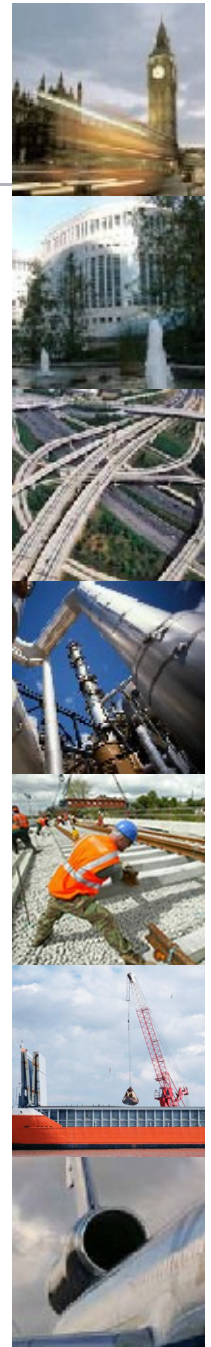
Scope

- Client & Contractor Service Level Agreement
- Private sector suppliers
- Joint Venture
- Minority/majority ownership; IPO
- Leasing
- Franchises/concessions; PPP



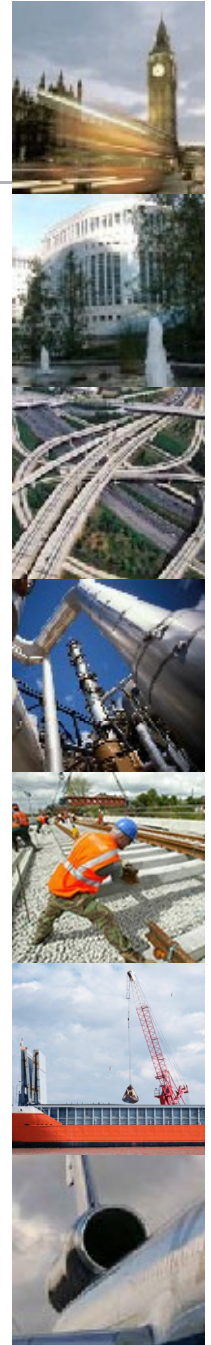
Response

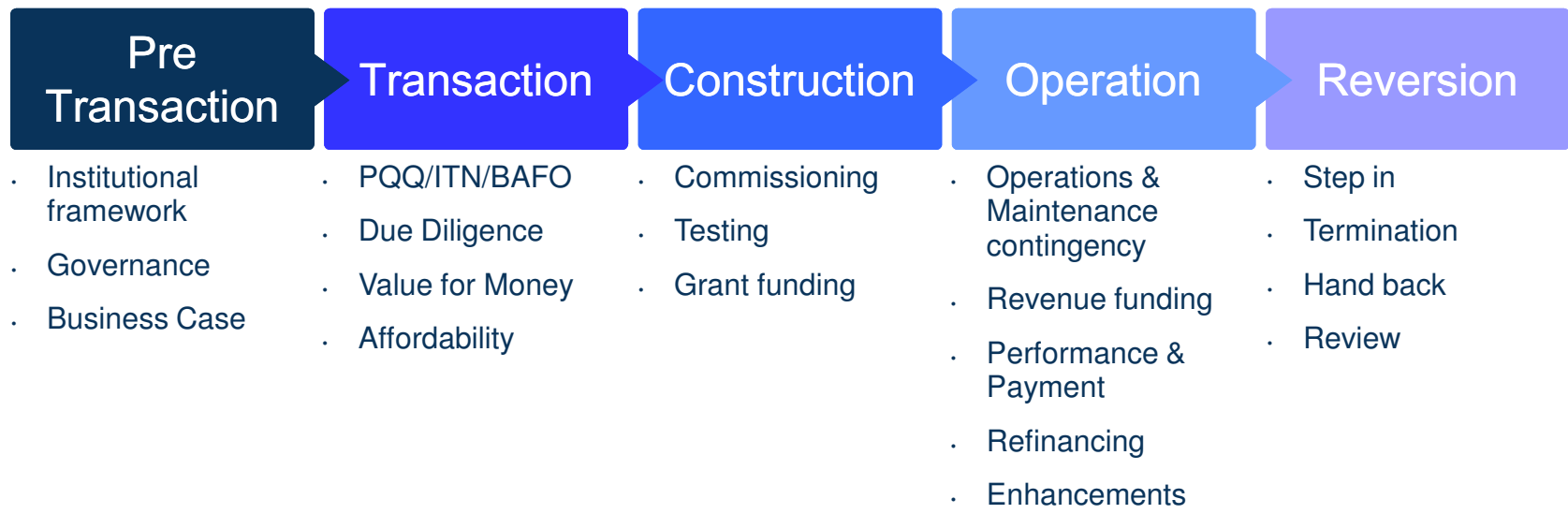
- Improved Value for Money
- Benefits acceleration
- Needs-Benefits-Outcomes based
- Introduce commercial skills
- Introduce private sector experience
- Attention on costs over whole life cycle – operating and maintenance
- Introduce private finance



Roles

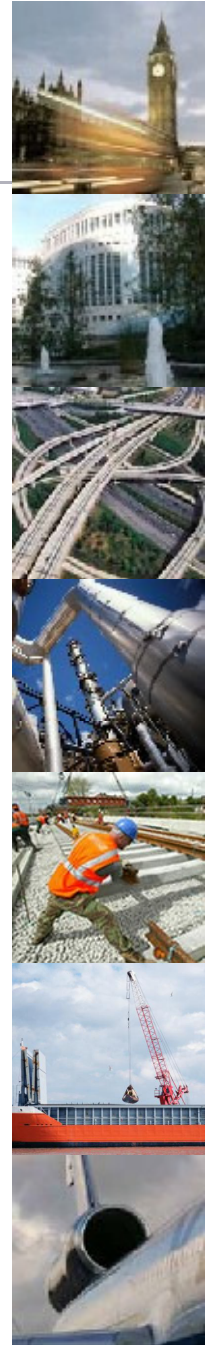
- Strategy & Policy
- Institutions
- Pipeline
- Restructuring
- Payments
- Taxation
- Markets
- Risk
- Reward
- Growth
- Customers
- Competition



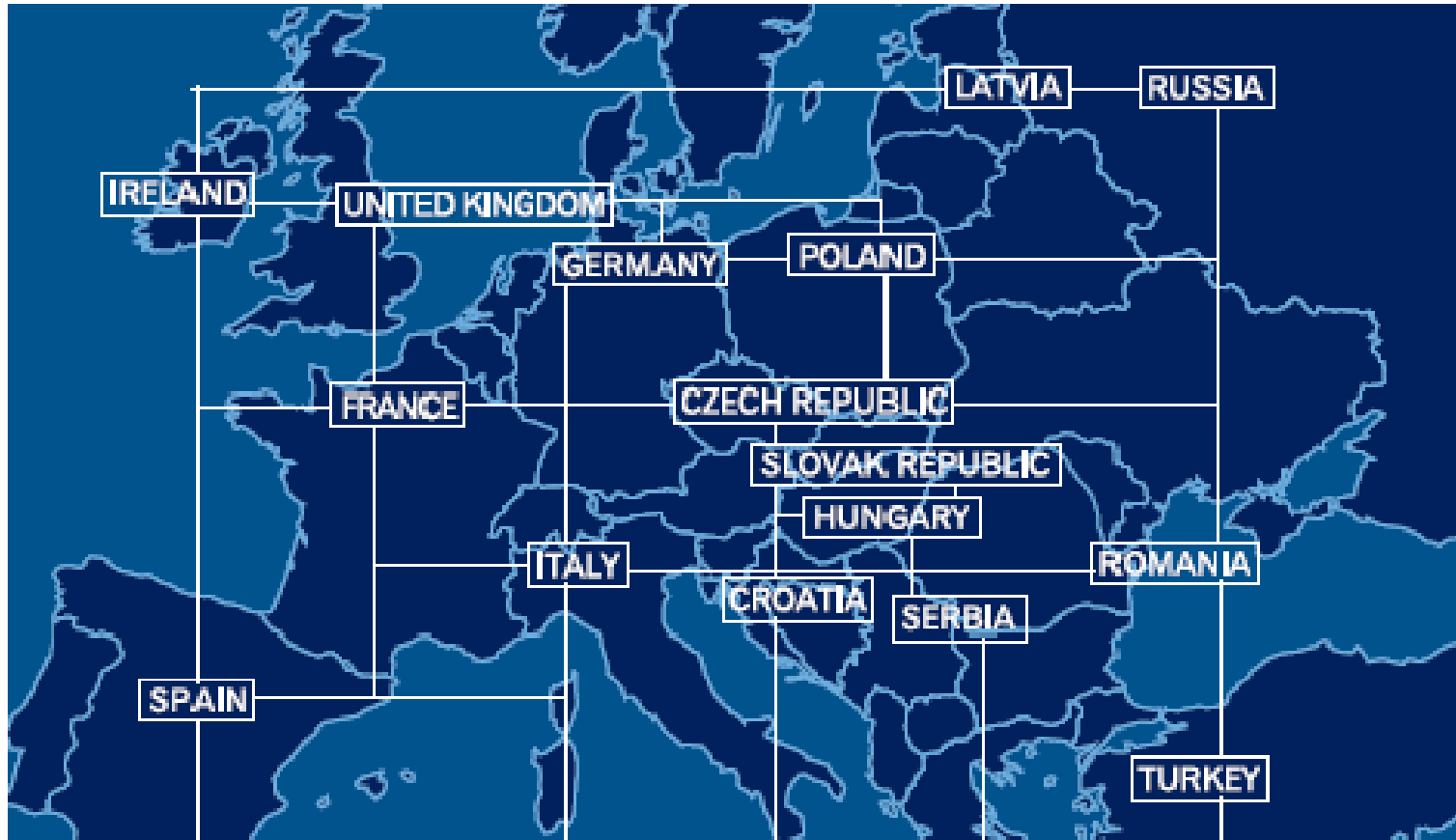


Issues

- Is PPP too much effort ?
- Which sectors/countries are relatively attractive ?
- What impact will Infra Funds have ?
- Where are there demonstrable pipelines ?
- Is competition rewarding innovation, value for money, technical competence ?
- What level of reward is tolerable ?
- What happens if things change ?



Location



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