

RegGov Fast Track Network

Regional Governance of Sustainable
Integrated Neighbourhood Development



"Regions, Cities, Neighbourhoods - strong Partners"

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Good Practice Reader:
Public-Private Partnership
in Integrated Urban Policy

| Chances | Opportunities | Limitations | Examples |

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Public-Private Partnership in Integrated Urban Policy

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Preface

The RegGov-Network and the topic of Public Private Partnership

The Overall Objective of the RegGov-Network

Successful and sustainable development of urban areas requires **strong local and regional partnerships**. There are many reasons to form such partnerships in order to achieve good results that take account of many policy priorities. Public resources are limited, so there is an urgent need to secure work with the private sector to access sufficient finance and to bring in new expertise.

Partnerships also allow **more know-how** to be brought into the operation. This is especially valuable when public political know-how is combined with entrepreneurial know-how from the private sector and local know-how from residents. Also, the involvement of local communities in designing and implementing projects can help create a stronger sense of ownership and responsibility. This is important when public funding comes to an end and local structures take on the role of maintaining the improvements, promoting their areas and attracting business investment.

In early examples of partnership schemes, there was a strong focus on 'Public Private Partnerships', generally due to a pressing need to raise additional financial resources. There have been many successful examples of this. Later, it turned out that residents and non-profit making organisations representing certain target groups need to be brought into the picture as well. Therefore, the focus today is not only on Public Private Partnerships, but also on **comprehensive Local Partnerships**, where everybody who can contribute to the success of regeneration is actively involved.

The very nature of partnerships is to **strengthen the horizontal dimension of policies**. There are new moves in urban governance though to improve vertical cooperation as well, whereby local, regional and national bodies work more effectively together.

It is the core objective of the 9 partners joint together in the RegGov-Network, financed by the URBACT II-programme, to establish **innovative and sustainable horizontal and vertical co-operation structures** in the participating cities and regions to improve the efficiency and impact of integrated neighbourhood development and to contribute to a more efficient use of scarce public resources.



Thematic Cluster No. 2: The involvement of private sector representatives in Integrated Urban Policy

During the development of the Baseline Study for the RegGov-Network it has become obvious that, especially in the participating cities from the new Member States, there is a tremendous need for investment - in technical and social infrastructure as well as in housing. Even though the European Structural Fund are of essential and crucial importance to help these cities coping with the tremendous challenges they are facing, public activities and resources alone will not solve the problems, even in a medium-term perspective.

Therefore a strong wish was expressed by those partners, to learn more about the potentials and added value of Public-Private Partnership – not only to open up additional sources for funding, but also to make private sector know-how and skills available to integrated urban policy and the public sector. After a long period where any private investment was welcome, as long as something happened and employment opportunities were created, many of the cities in the new Member States now realise that they need to take a more critical approach in their relation with the private sector. Make sure, that investment is done in the framework of an overall urban planning and land-use system. And also realising, that giving away planning permission – and the chance for the private sector to make profit – for free might be something that needs to be overcome, in order to “deal” with planning permissions and get something in return.

The objective and use of this Good Practice Reader

While the interest of these local authorities in Public-Private Partnerships is evident and clearly defined, there is a significant lack of knowledge and experience when it comes to setting them up. For which purposes and activities are such PPP-models useful, what needs to be considered when setting them up, what are their limitations, what are recommendable forms and elements?

There is a large number of practical questions to be answered and illustrated before successful Public-Private Partnerships can be established. The main objective of this Good Practice Reader is to provide interested cities with an initial set of basic information about PPP-models, about their pre-conditions, changes, opportunities as well as their limitations. And to illustrate this theoretic information with a variety of practical examples for a better understanding. This should allow local key players to get an initial orientation with regard to this topic - and, on that basis, to develop their own tailor-made strategy for Public-Private Partnerships in their local urban policy.

Introduction

Chapter 1

Introduction



PPP at a Glance

Public-Private Partnership at a Glance

[Definition]

In the last decade, Public-Private Partnerships, also known as PPP's or P3's, became a universal topic in most discussions about the development of countries, regions and cities. During this phase, public authorities mainly focused on large scale infrastructure projects such as transport, waste management and utilities provision when it came to the search for public-private partnerships. Although the added value of PPP in urban regeneration has been recognised by some organisations it has yet to be fully developed [Urbact [2006]].

Significant characteristics of Public-Private Partnerships

Due to the fact that no two PPP are exactly alike, there is a variety of definitions. Some approaches to a definition might help to clarify this:

The [American National Council for Public Private Partnerships](#) created the following definition: "Public-private partnerships are a contractual arrangement whereby the resources, risks and rewards of both the public agency and private company are combined to provide greater efficiency, better access to capital, and improved compliance with a range of government regulations regarding the environment and workplace. The public's interests are fully assured through provisions in the contracts that provide for on-going monitoring and oversight of the operation of a service or development of a facility. In this way, everyone wins - the government entity, the private company and the general public". [<http://www.ncppp.org/presskit/topten.shtml>].

The [Danish Enterprise and Construction Authority](#) highlights in its definition of PPP the aspects of shared risks and the duration of PPP treaties: "Public-Private Partnership is a method to handle public tasks that require long-term investment. The idea is to invite bids for design, financing, construction, operation, maintenance and services as one project up to 30 years. The private and public partners share the risks related to the project, which means that every risk is handled by the party that can do it in the best and least expensive manner" [<http://www.deaca.dk/publicprivatepartnership>].

[Different types of PPP]

The options available for delivery of public infrastructure and services range from design-build to outright privatisation, where the government transfers all responsibilities, risks and rewards for service delivery to the private sector. Within this spectrum, public-private partnerships can be categorised based on the extent of public and private sector in-

PPP at a Glance

volvement and the degree of risk allocation. A simplified spectrum of public-private partnership models used in Canada is illustrated in the figure below.

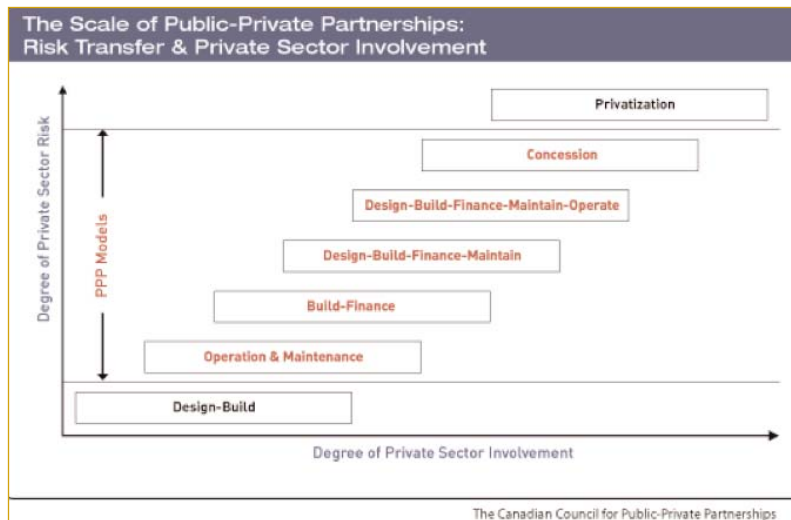


Figure 1: Scale of PPPs

Source:

http://www.pppcouncil.ca/aboutPPP_definition.asp

A variety of different types
of PPP's

As mentioned before, PPP's come in a variety of different types. The following overview created by the [National Council for Public Private Partnerships](#) lists and explains the most common types of PPPs:

- **O&M: Operations and Maintenance**

A public partner [federal or regional state or local government agency or authority] contracts with a private partner to provide and/or maintain a specific service. Under the private operation and maintenance option, the public partner retains ownership and overall management of the public facility or system.

- **DB: Design-Build**

A Design-Build PPP means that the private partner provides both design and construction of a project to the public agency. This type of partnership can reduce time, save money, provide stronger guarantees and allocate additional project risk to the private sector. It also reduces potential conflicts by putting the entire risk for the design and construction on a single entity. The public sector partner owns the assets and has the responsibility for the operation and maintenance.

- **DBO: Design-Build-Operate**

A single contract is awarded for the design, construction and operation of a capital improvement. Title to the facility remains with the public sector unless the project is a design/build/operate/transfer or design/build/own/operate project. The DBO method of contracting is

PPP at a Glance

More information about
different types of PPP at:
[http://www.ncppp.org/howpart/
ppptypes.shtm](http://www.ncppp.org/howpart/ppptypes.shtm)

contrary to the separated and sequential approach usually used in the United States by both the public and the private sector. This method involves one contract for design with an architect or engineer, followed by a different contract with a builder for project construction, followed by the owners taking the project over and operating it.

- **DBFOM: Design-Build-Finance-Operate-Maintain**

With the Design-Build-Finance-Operate-Maintain [DBFOM] approach, the responsibilities for designing, building, financing, operating and maintaining are bundled together and transferred to private sector partners. There is a great deal of variety in DBFOM arrangements and especially the degree to which financial responsibilities are actually transferred to the private sector. One common feature of all DBFOM projects is that they are either partially or entirely financed by debt leveraging revenue streams dedicated to the project. Direct user fees [tolls] are the most common revenue source. Future revenues are leveraged to issue bonds or other debt that provide funds for capital and project development costs.

- **BOT: Build-Operate-Transfer**

The private partner builds a facility to the specifications agreed to by the public agency, operates the facility for a specified period of time under a contract or franchise agreement with the agency, and then transfers the facility to the agency at the end of the specified period of time. In most cases, the private partner will also provide some, or all, of the financing for the facility, so the length of the contract or franchise must be sufficient to enable the private partner to achieve a reasonable return on its investment through user charges.

- **BBO: Buy-Build-Operate**

A BBO is a form of asset sale that includes a rehabilitation or expansion of an existing facility. The government sells the asset to the private sector entity, which then makes the improvements necessary to operate the facility in a profitable manner.

- **Developer Finance**

The private partner partially finances the construction or expansion of a public facility in exchange for the right to build residential housing, commercial stores, and/or industrial facilities on the same site. The private developer contributes capital and may operate the facility under the control of the government. The developer gains the right to use the facility and may receive future income from user fees.

PPP at a Glance

- **LDO or BDO: Lease-Develop-Operate or Build-Develop-Operate**

Under these partnerships arrangements, the private party leases or buys an existing facility from a public agency; invests its own capital to renovate, modernise, and/or expand the facility and then operates it under a contract with the public agency. A number of different types of municipal transit facilities have been leased and developed under LDO and BDO arrangements.

- **Lease/Purchase**

A lease/purchase is an installment-purchase contract. Under this model, the private sector finances and builds a new facility, which it then leases to a public agency. The public agency makes scheduled lease payments to the private party. The public agency accrues equity in the facility with each payment. At the end of the lease term, the public agency owns the facility or purchases it at the cost of any remaining unpaid balance in the lease.

- **Sale/Leaseback**

This is a financial arrangement in which the owner of a facility sells it to another entity, and subsequently leases it back from the new owner. Both public and private entities may enter into sale/leaseback arrangements for a variety of reasons. An innovative application of the sale/leaseback technique is the sale of a public facility to a public or private holding company for the purposes of limiting governmental liability under certain statutes. Under this arrangement, the government that sold the facility leases it back and continues to operate it.

In addition to this list the National Council for Public Private Partnerships specifies more types and mixed types of PPPs like **OMM** [Operations, Maintenance & Management], **DBM** [Design-Build-Maintain], **DBOM** [Design-Build-Operate-Maintain], **BOT** [Build-Operate-Transfer], **BOO** [Build-Own-Operate], **EUL** [Enhanced Use Leasing or Underutilized Asset], **Tax-Exempt Lease** or **Turnkey** [<http://www.ncppp.org/hopart/ppptypes.shtml>].

[Implementation of PPPs]

For the public sector, reliable structures are an important factor to agree to a PPP. Therefore, particular attention needs to be paid to the modalities of implementation of the different forms. The key question is: How is the PPP translated into a strategic process?

PPP at a Glance

Special purpose vehicle

[SPV]

Usually, a private sector consortium forms a special company called a [special purpose vehicle \[SPV\]](#) to develop, build, maintain and operate the asset for the contracted period. In cases where the government has invested in the project, it usually receives an equity share in the SPV. The consortium is often made up of a building contractor, a maintenance company and a bank lender.

The SPV signs the contract with the government and with subcontractors to build the facility and subject to the form of the PPP, then maintains or transfers it.

Public-Private community

Partnership [PPcP]

Sometimes, the community itself is a partner in the arrangement. In these cases, the term [Public-Private community Partnership \[PPcP\]](#) is used. This term has become increasingly popular because it suggests that the best elements of the private and public sector approach can be combined.

In the past, PPP often meant: "Give us your money and we'll spend it". Today, partnerships have taken on a whole new meaning. Partnership, in most cases, means truly working together and sharing intellectual, organisational and financial resources.

Partners in a PPP

Contracting parties in a PPP

[The role of different partners]

Irrespective of the type of the PPP, three groups of stakeholders can usually be distinguished in a PPP: the public sector, the private sector and community groups. The URBACT-Network "Partners 4 Action" identified a variety of different roles for these three stakeholders illustrated in the following Table 1.

Role of public sector	Role of private sector	Role of community groups
Leadership/champion	Investment capital	Help to identify local needs/problems and different possible solutions
Initiate development	Hands-on approach: project development and delivery	Voluntary work, knowledge and support
Develop strategy/vision	Finance	Involvement in process: as part of administrative procedures
Subsidy provision, invest/ co finance Appraisal / negotiation with property/land owners	Delivery	Hands-on approach in community-based regeneration
Use of legal powers	Provision of knowledge/information	May be absent where there is no community
Project management/ co management	Networks with other private investors	
Evaluation and monitoring: post-implementation	Innovative in service delivery	
Allocates and secures funding	Provide delivery impetus and reduce / avoid delay	
Complements private sector initiatives		

Table 1:
Role of different partners

Source:

Urbact [2006]: 26

[Involvement of NGOs and community groups in PPPs]

As mentioned above, PPPs are not only used for the development of large scale infrastructures on a regional or national level, but also for the implementation of smaller projects in a local urban context. During the decentralisation process that has been realised since 1990 in many European countries, local authorities received **many additional tasks without adequate financial resources**.

Many local authorities solved this problem first by selling municipal properties and then by taking loans. However, these possibilities are nowadays limited. That is one of the reasons why the local self-government bodies are approaching more and more non-governmental organisations, associations and also the private sector to **create functional co-operation structures** that can support urban and project development processes and the provision of public services.

In this context, the participation of different local actors [civic organisations as well as the private sector] can be seen as an alternative and

More and more
responsibilities transferred
to local authorities

Partners in a PPP

NGOs and associations can provide basic public goods

innovative way to ensure some basic local public goods. Not only the public sector, but also NGO's, associations and others organisations can provide basic public goods and meet local needs. Local authorities co-operate more and more with the private sector in the provision of certain technical services [waste collection, public lighting, public green areas regeneration, parking areas and more].



Civil society organisations as a partner in local development processes

At the same time, also the civil society organisations are becoming more and more respected in many municipalities in terms of solving specific social problems, providing needed goods for disabled and problem groups and being important economic partners in the labour market [e.g. social enterprises]. Roles and expectations of civil society organisations are changing from being “opposition” in local politics to becoming “partners”. Local governments tend to integrate civil society organisations and private sector organisations in the development of strategic documents and delivery plans, mainly in the field of so-called community social service projects.

Currently, one of the dominant trends in the member states of the European Union is to solve specific social and economic problems in the framework of the autonomous territorial communities via the initiation of local actor's activities and wide public involvement in development projects.

A specific role in these tendencies is the implementation of the subsidiary principle that is also integrated in the European Communitarian law [Carley, M., Jenkins, P., Smith, P. [2001]].

Types of community involvement

Three different types of community involvement can be distinguished:

- social enterprises
- voluntary work and
- sponsorship.

All three types can play a major role in regeneration processes in deprived neighbourhoods, therefore a short description follows in the box on the following page.

Social enterprises

Social enterprises are organisations driven by a social mission, trading goods or services for a social purpose. Their aim usually is to accomplish targets that are social and environmental as well as financial, therefore they are often referred to as having a triple bottom line. Social enterprises are profit-making businesses set up to tackle a social or environmental needs. They often use blended business models that combine a revenue generating business with a social-value-generating structure or component. Many commercial businesses would consider themselves as having social objectives, but social enterprises are distinctive because their social or environmental purpose is central to what they do.

Rather than maximising shareholder value, their main aim is to generate profit to support the achievement of their social and environmental goals. Therefore, some commentators describe them as 'not-for-profit' because their profits are not distributed to financial investors. Such profit from the business is instead used to support social aims or the business itself accomplishes the social aims through its operation and re-invests any profit to strengthen and improve that impact.

Voluntary work

Volunteering is the practice of people working on behalf of others without being motivated by financial or material gain. Volunteering is generally considered as an altruistic activity, intended to improve human quality of life. People also volunteer to gain skills without requiring an employer's financial investment.

The economic benefits of voluntary work are activities which are undertaken by volunteers and would otherwise have to be funded by the state or by private capital. Moreover, volunteering helps to build more cohesive communities, fostering greater trust between citizens and developing norms of solidarity and reciprocity that are essential to stable communities.

Sponsorship

To sponsor something means to support an event, activity, person, or organisation financially or through the provision of products or services. Sponsorship is a cash and/or in-kind fee paid to a property [typically in sports, arts, entertainment or causes] in return for access to the exploitable commercial potential associated with that property. Many times a company's motives for sponsorship are altruistic in order to create goodwill in the community which increases their good reputation.

Sponsorship provides a great means of broadening competitive edge by improving the company's image, prestige and credibility by supporting events that the company's target market finds attractive. Previously, only large businesses could afford to sponsor as a way of boosting profits as well as establishing goodwill. However, now smaller companies are sponsoring everything from local volleyball and softball teams to fairs, festivals and clean-ups of parks as an effective method of boosting their visibility in their community. Most of these sponsorships help these companies to enhance their public profile relatively cheaply.

Partners in a PPP

[Public sector's background for engaging in PPP]

In the following overview, some reasons are listed and explained why [local] governments usually look at the options of integrating PPP's into their [local] policies.

Huge amount of invest-
ments is still required in
Central and Eastern Europe

The need for infrastructure investment in the countries of Central and Eastern Europe and the former Soviet Union is vast. [Huge investment sums are urgently required](#) to address the lack of maintenance or development of necessary infrastructure, following decades of under-investment in maintenance and replacement, and environmental protection.

The [development of modern, efficient and user-oriented infrastructure](#) is of critical importance to support the economic transition process. It is a basic requirement for a properly functioning market economy and has a direct impact on the private sectors productivity. The availability and cost of infrastructure in transition countries are key elements in the competition for foreign direct investment. [http://www.europeand-cis.undp.org/.../reading_financing%20in%20transition%20countries.pdf]

A long experience of private participation in the road and water sector now exists and there is a growing acceptance that PPP arrangements can be used as an additional and complementary instrument to meet infrastructure and service needs in a wide range of sectors ranging from environmental services to health care provision or education.

Advantages of PPP for the
public sector

PPPs present a number of recognised [advantages for the public sector](#) to exploit. These include the ability to raise additional finance in an environment of budgetary restrictions, make the best use of private sector operational efficiencies to reduce cost and increase quality to the public and the ability to speed up infrastructure development.

The positive characteristics of PPP arrangements in developing infrastructure appear [particularly attractive for the emerging countries in Central- and Eastern-Europe](#) given the enormous financing requirements, the equally large funding shortfall, the need for efficient public services, growing market stability and privatisation trends creating a favourable environment for private investment. [http://ec.europa.eu/regional_policy/sources/docgener/guides/ppp_en.pdf: 6].

The URBACT-Network "Partners 4 Action" identified the following major reasons for using PPP in urban regeneration processes [see figure 2].

Benefits of PPP

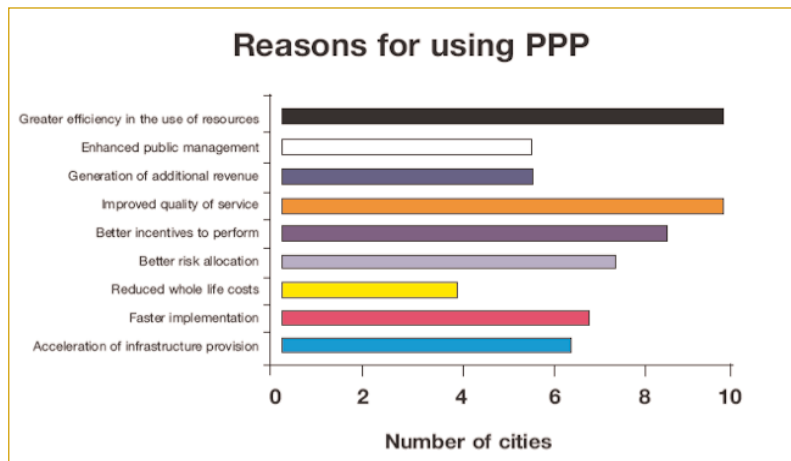


Figure 2:
Reasons for using PPP

Source:

Urbact [2006]: 8

[Benefits of PPP for the public sector]

The following overview presents main reasons for and benefits from delegating responsibilities to private-sector operations and NGOs in the provision of urban services as well as the objectives to be achieved with such a transfer of responsibilities.

Financial benefits

Finance and access to additional finance is perhaps the major attraction of the approach. PPPs bring private sector finance to the project; they also frequently provide access to a funding pool which none of the partners might have if they acted alone. This is of particular importance in large scale, complex projects.

Public-private partnerships allow the costs of the investment to be spread over the lifetime of the asset and thus can allow infrastructure projects to be brought forward by years compared with the pay-as-you-go financing typical of many infrastructure projects.

PPP projects, which require operational and maintenance service provision, provide the private sector with strong incentives to minimise costs over the whole life of a project, something that is inherently difficult to achieve within the constraints of traditional public sector budgeting. And PPPs have a solid track record of on-time, on-budget delivery.

A core principle of any PPP is the allocation of risk to the party best able to manage it at the lowest costs. The aim is to optimise rather than maximise risk transfer; to ensure that best value is achieved.

Financial benefits of PPP

Benefits of PPP

PPPs often allow the public sector to [translate upfront capital expenditure into a flow of ongoing service payments](#). This enables projects to proceed when the availability of public capital may be constrained [either by public spending gaps or annual budgeting cycles], thus bringing forward much needed investment.

The private sector may be able to [generate additional revenue from third parties](#), contributing to a further reduction of public sector finance required.

Cost savings after privatization

Research studies regarding the economic impact of privatising government activities have found that in many cases [substantial cost savings have been realised after privatisation](#). This is usually achieved by a more efficient use of resources in the production of goods and services that usually takes place in the private sector – motivated by its interest to minimise costs and maximise profits. For example, a review of the comparative cost of local government activities in the United States showed that costs were between 37 and 96 percent higher when these activities were performed by local governments themselves rather than by private sector contractors [Savas 1982].

Organisational benefits:

It can be an important benefit that partnerships can help organisations to [learn and innovate](#). Public and private sector traditionally approach problems and challenges from different perspectives - one with its responsibility to the community, the other to its shareholders. In the past, this has often led to tension and disagreement. Partnerships often increase the understanding of the other partners' interest and can be an incentive to jointly examine if there are better ways of doing things and help [develop trust and understanding](#) between the sectors.

Organisational benefits of PPP

PPPs offer the opportunity to minimise the limitations of individual partners through joint working and joint action. Private partners for example bring [project management and organisational simplicity](#) to projects, which the administrative complexities of the public sector are unable to match. [Community organisations are flexible](#), close to informal networks and represent [long-term interests of the local community](#). Their involvement therefore often contributes to sustainable success of regeneration projects and also helps to ensure local acceptance and support.

Partnerships often are equally able to bring [expertise and know-how](#) to a project. Many city administrations do not have sufficient project development and implementation professionals with the skills needed for the implementation of major development projects.

Benefits of PPP

With a common understanding of both purpose and approach resulting from the involvement of all stakeholders, projects often can be delivered **more rapidly** and with greater **long-term sustainability**.

PPPs **transfer certain risks** to the private sector and provide incentives for assets to be **properly maintained**. By transferring the responsibility for providing public services, government officials will act as regulators and will focus upon service planning and performance monitoring instead of the management of the day to day delivery of public services. In addition, by exposing public services to competition, PPPs can **enable the cost of public services to be benchmarked against market standards** to ensure that the **best value for money** is being achieved.

Service quality benefits:

Because satisfaction criteria can be built into the contract, PPPs can often encourage a strong customer service orientation. In this respect, PPPs can enable the public sector to **focus on the outcome-based public value** they are trying to create. The destination, not the path, becomes the organising theme around which a project is built.

International experience indicates that the quality of service achieved under a PPP is often better than that achieved by traditional procurement. This may reflect the better **integration of services with supporting assets**, improved **economies of scale**, the introduction of **innovation in service delivery**, or the **performance incentives and penalties** typically included within a PPP contract.

[http://www.deloitte.com/assets/DcomShared%20Assets/Documents/dtt_ps_closinggap061307.pdf]

Another benefit of engaging in PPPs for the public sector and the civil society is caused by the fact that private firms compete for customers by orienting their services and products to meet the diverse range of consumer needs. They **differentiate their products** to appeal to the special needs of market segments and target groups. They are constantly searching for new, profitable opportunities to **provide for any unmet needs of consumers**. The public sector tends to be less responsive to consumer needs because there is no automatic demand-responsive mechanism in those markets where the government has a monopoly. The public has no choice but to pay and take what is provided by the government.

Benefits generated by the involvement of NGOs/community groups:

As already mentioned, one of the objectives of PPPs can be the mobilisation of community groups, NGOs, and private firms to **provide**

Benefits in service quality
provided by PPP

Benefits of PPP

Benefits generated by the involvement of NGOs and social enterprises

services that traditionally have been the responsibility of public governments. In situations where local governments are unable to provide certain services, community groups and NGOs often can make a valuable contribution. There are many examples where voluntary community groups have provided recreation facilities, libraries, community halls, street cleaning, fire protection, security patrols, refuse collection, tree planting, maintenance of playing areas and parkland, tree pruning, cleaning of roadside gutters and drains, provision of bus shelters, parking lot operation, and school bus transport.

In addition, many NGOs provide social services such as child day care, foster-home care, group home care, adoption, institutional care for the sick, elderly and incapacitated, rehabilitative services, family crisis centers, women's shelters, youth centers, sheltered workshops, retraining centers, family counseling, family planning, child protection, homemaker services, and legal aid for the poor.

[Private sectors motivation for getting involved in PPP]

As seen above, there are good reasons for PPPs and several benefits for the public sector. On the other hand PPP provides also a lot of benefits to the private sector. To understand the private sector's motivation for joining a PPP project, it is necessary to disaggregate the private sector; as motivations, market interests, benefits and competencies of the companies depend on their scale [see box on next page].

Private sector involvement in deprived neighbourhoods

Local NGOs and the community itself are often the most important and concerned actors in deprived neighbourhoods, but private enterprises also can play a crucial role in their regeneration.


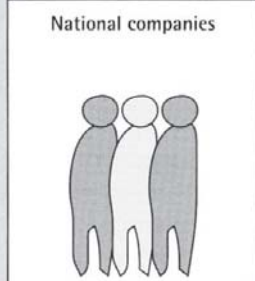
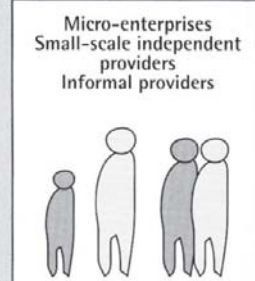
It has become common to regard poor neighbourhoods as 'no-go' areas and not interesting for businesses and investment, a myth that has been too easily accepted when opportunities were readily available in other locations. The reality is that deprived areas and their communities can provide valuable assets [people, institutions and knowhow] that are needed by businesses in their striving for competitive advantage.

Impacts of businesses located in deprived areas

The decisions – big and small – made by businesses located in or near deprived areas can have significant impact on the prospects of such areas and the people living there. Businesses can choose to invest there, or somewhere else. They can open up local job or career opportunities, or limit these, depending on how they go about recruiting staff and the payment and conditions they offer. They can help – or do little to promote – their workers to develop their skills and earning capacity.

Private Sector in PPP

Figure 3: Disaggregating the private sector

	Formal/large scale		Informal/small scale
	<p>International companies</p> 	<p>National companies</p> 	<p>Micro-enterprises Small-scale independent providers Informal providers</p> 
Competencies	<ul style="list-style-type: none"> • Technical expertise • Financial resources • Management expertise 	<ul style="list-style-type: none"> • Technical expertise • Management expertise • National knowledge • Local legitimacy 	<ul style="list-style-type: none"> • Local knowledge • Innovation with local resources
Benefits	<ul style="list-style-type: none"> • Inflow of finances, skills and technologies • Managerial experience • Innovation 	<ul style="list-style-type: none"> • Building national capacity and expertise • Local networks • Government links 	<ul style="list-style-type: none"> • Generating local socio-economic development impact • Creating community ownership • Powerful development impact if properly engaged
Market interests	<ul style="list-style-type: none"> • Large-scale projects • Market entry • Limited risk 	<ul style="list-style-type: none"> • Medium-scale projects • Secondary cities • Working in consortia 	<ul style="list-style-type: none"> • Filling gaps in service supply • Flexible commercial opportunities requiring limited investment • Relatively high risk, but small size • Poor households • Inaccessible, marginal areas • Peri-urban areas
	<ul style="list-style-type: none"> • Water supply 	<ul style="list-style-type: none"> • Solid waste • Water supply in consortia 	<ul style="list-style-type: none"> • Tertiary level: water supply, sanitation services, and solid waste collection
Political issues	<ul style="list-style-type: none"> • (Generally) outside the web of local politics: might be less corruptible 	<ul style="list-style-type: none"> • Generally very dependent upon local politics and individuals 	<ul style="list-style-type: none"> • Outside the political system and therefore less valued and less influential
Other issues	<ul style="list-style-type: none"> • Driven simply by contracts • Profits taken out of country • Inevitably promote an international culture national values 	<ul style="list-style-type: none"> • Driven by national pride • Profits more likely to stay in country • Culturally more likely to support 	<ul style="list-style-type: none"> • Driven by need for personal income • Profits usually retained in community • More likely to meet very poor's requirements

Source:

Plummer [2002]: 74

Private Sector in PPP

The primary reason why the private sector invests in some regeneration areas is the perception of [achieving the target rates of return](#). On the other side, the literature suggests that the principal reasons for non-investment in regeneration areas include the perception of bureaucratic grant regimes, negative image of neighbouring environments, lack of or low rates of capital appreciation and/or rental growth. These investment decisions are a function of the availability and quality of property, occupier demand, characteristics of labour markets, social factors, transport, regulatory and planning considerations. Furthermore, efficient and receptive markets for land and property are essential to lever investment into regeneration schemes.

Part of the involvement of private sector in the regeneration process in deprived neighbourhoods is generating and raising property values within the regeneration area. However, it is important that the private sector delivers schemes, which are consistent with sustainability objectives. This requires a [strategic approach to investment based on mixed-use schemes](#) rather than a single use model. Public sector agencies have an important brief to ensure that such objectives are delivered [Office of the Deputy Prime Minister [2003]: 14].

[Benefits for the private sector]

There are many benefits for the private sector to get involved in PPP projects. Some of the strong points for the private sector participation are listed and explained in the following overview.

Benefits provided to private investors by PPP

[Cost savings](#), as a result of reduced staff turnover; less use of agency labour; and reduced pressure on wages through employing less qualified work force and training them for more demanding work.

[Access to new sources of employment](#) who have the potential aptitude and attitude to meet employer requirements.

[New business opportunities](#) [eg. in financial services for black and minority ethnic communities].

[More buoyant local markets](#), as a consequence of successful local regeneration and increased local spending power.

[Increased productivity](#) through better use of labour and fewer skill shortages.

[Improved area competitiveness](#), where businesses group together to influence spending decisions of public agencies [eg. on infrastructure improvements, such as improved road access] and

improved [access to partner resources](#), including business support and training measures [Office of the Deputy Prime Minister [2003]: 14].

PPP in Urban Regeneration

Involvement of PPPs in urban regeneration areas

[Barriers to co-operation between private sector, public sector and local communities in regeneration areas]

There are **many barriers** to be overcome on the way to successful PPP-models in regeneration areas. The private sector will not invest in regeneration areas without **substantial public sector commitment**. The role of the public sector is to **create confidence** in a regeneration area as an investment location, reducing the level of risk for investors. This can be achieved through various mechanisms, physical and fiscal, but increasingly attention is being focused upon more **innovative financial instruments**.

Arising from a lack of data and information there is often a relative **lack of transparency** in regeneration areas, market signals are weak and confused thereby creating **conditions of uncertainty** which makes them unattractive to major institutional investors. Such a lack of information or an exaggerated bad image of some regeneration areas often makes them look bad in terms of risk and possible levels of return of investment .

Barriers to private investments in regeneration areas

The private sector stresses the rational behaviour underpinning **decision-making and the perceptions of risk** within regeneration areas. But still, it is apparent that the means by which information is communicated to investors are not always transparent, with a series of potential filters. Given the fact that other investment opportunities are more visible, regeneration options may not even come under consideration.

A central issue is that the private sector often places considerable emphasis on the situation concerning **crime and security**. Especially with regard to this topic, an exaggeratedly bad image of many deprived areas creates an obstacle towards private sector investment and involvement. And also the quality of a product, again necessary to receive active marketing in the case of deprived areas, is important if institutional investors are to be attracted to regeneration locations [Department for Communities and Local Government UK [2006]: 4-5].

[Recommendations for the involvement of different partners in PPPs in regeneration areas]

Considering the barriers towards private investment in deprived neighbourhoods and regeneration areas, **local government policies are central to attracting companies** to those areas and to PPPs.

PPP in Urban Regeneration

Local government policies to attract companies

The creation of the necessary environment and conditions for successful development projects based on wide partnerships depends on many factors and it needs involvement of many actors on all levels of public administration.

There are many important steps to be accomplished: [stabilisation of the external context](#) [legislation, competencies, stability of public finance], continuing the process of [modernising public administration](#) [especially continuing training and skills development on different levels of public administration], application of [new methods for quality management](#) in public administration, [strengthening of communication and partnership](#) between local governments, private sector and citizens, elaboration of a consistent approach for partner consultation and many others arrangements. [Trhlínová, Z.: 2008]]

Improving conditions for investment in PPP-projects

Local governments need to [minimise economic and political risks](#). Investing in an infrastructure project is risky for the private investor and the government must reduce risks to attract more PPPs to the project area. Local authorities need to optimise private-sector commitment to maximise the PPP's effects on the economy. PPP arrangements with more significant private-sector involvement will contribute to economic and job growth. Competitive markets yield benefits for consumers and government alike by creating more services, providing greater accessibility and reducing the costs for the public sector, but the government must also establish a number of policies that [encourage competition](#). [<http://www.ameinfo.com/170538.html>]

Building successful partnerships

The United Nations [UN] point out that partnerships should not be a patchwork quilt of well-meaning intentions and ideas sewn together. They require [nature, compromises, reliance and re-assessment](#). And, maybe most of all, [patience](#). Partnership building is generally not a speedy process – but it can be a very effective and rewarding exercise.

The UN draw the attention to some of the key elements needed for successful PPP-projects and processes:

- Establishing partnership guidelines.
- Efforts to building linkages at the country level, especially with domestic businesses and labor associations;
- Support for multi-stakeholder dialogues, which can play a critical role in agreeing on boundaries and expectations at the start of an initiative;
- Improvements with regard to sharing information and enhanced skills development to manage new types of cooperation with partners; consistent internal communication and coordination is a must.

[http://www.un.org/partnerships/Docs/Columbia_180604.pdf]

PPP in Urban Regeneration

“Public-Private Partnerships require a balance of idealism and pragmatism, creative vision and managed expectations, pooled resources and a willingness to compromise. But a well-executed and monitored partnership will help both business and individuals.”

[http://www.un.org/partnerships/Docs/Columbia_180604.pdf]

[Private investment and PPPs in deprived urban neighbourhoods]

Types of projects where PPPs have been successfully applied in the past include transport [including road, rail and ports], water, waste, hospitals, schools, public housing, prisons and defence. This shows a clear focus on technical infrastructure.

Certain sectors and topics
seem more attractive to the
private sector than others

Investment in deprived neighbourhoods very often did not seem attractive or interesting to private sector representatives. The following list shows some [benefits and good reasons for private sector investment and PPPs](#) also in deprived urban neighbourhoods.

- [Low budget supermarkets](#) can benefit from becoming part of a neighbourhood centre in deprived neighbourhoods where most of their customer base lives due to the generally low income levels of the local community. In return, the local community would gain access to cheap food and groceries, employment, job training etc.
- [Telecommunication and IT companies](#) can benefit from making their services and networks available to deprived neighbourhoods, due to the fact that even in the most deprived area a lot of residents have access to phones/mobiles, in return such services help to enhance competitiveness of areas and communication potentials.
- [Local entrepreneurs](#) like local grocery stores, bakeries, ethnic enterprises are an important asset and opportunity in deprived urban areas where small-scale enterprises and business creators often find a favourable environment for the difficult foundation period.
- [Creation of tourist attractions](#), promoting the positive sides of different ethnic cultures and their contribution to an interesting city.





Case Studies | Overview

page 36 [\[Business Improvement District Croydon\]](#)

The establishment of the Business Improvement District (BID) marked the start of a five-year programme to improve the competitiveness of Croydon town centre

Revitalising a city centre through a broad Public-Private Partnership



page 37 [\[Glud & Marstrand\]](#)

New housing development and the creation of a park for the residents in a neighbourhood on a vacant industrial site

Getting a neighbourhood park in return for a building permission



page 38 [\[Zuidas \[South Axis\] Dock Model\]](#)

A new international business district in the south of Amsterdam has been created by a bundling of large scale infrastructure projects

Major development offering sufficient profit for private investors to also build and pay for public facilities



page 39 [\[Porto com Pinta\]](#)

Porto com Pinta is a public-private partnership established by the city council of Porto to improve and renovate important facades and monuments in the historic city centre

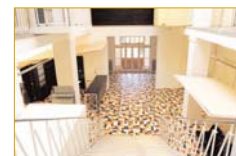
The right to advertise on city centre façades in return for paying for their restoration



page 40 [\[Start Up Center - Graz\]](#)

The construction of a center for young entrepreneurs was the key component of the sustainable economic development strategy for the western part of Graz

A new Business Centre offering benefits for young entrepreneurs, the local authorities and the property owner



Case Studies | Overview



[Bazar-Vest]

page 41

An oriental Bazar with many small stalls side by side was opened in an old boiler factory. The possibility of becoming a shopkeeper helped immigrants on the way from social exclusion to entrepreneurship

Making illegal work legal and creating an attractive Neighbourhood Bazar at the same time



[Rebuilding of an old Roma Cinema]

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A theatre company revived an old cinema, which had been redundant for twenty years. The aim was removing cultural inequality in the neighbourhood with a theatre for all inhabitants

The enthusiasm of a private Theatre Company mobilising unexpected sponsoring and volunteering



[Dallas Public Library]

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The construction of a new library to replace an existing building allowed the private partner to construct a new grocery store on the property

Successful joint venture between private supermarket developer and public library



[Commercial –Residential Rehabilitation]

page 44

A mixed commercial-residential rehabilitation of a historic building with 10 apartments, initiated by a private entrepreneur as an initial project for the revitalisation of the downtown area

A successful partnership model to finance modernisation of a run down housing estate



[Patrimonio Hoy]

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Market-based solution to the housing needs of low-income families in urban marginalised areas in order to improve their quality of life and to empower the local community

A good partnership to enable deprived households to modernise their own houses

Case Studies | Overview

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[Glasgow Housing Association]

Transfer of ownership and management of the City of Glasgow's entire housing stock to a newly created not for profit organisation

Getting delapidated local au-thority housing stock out of the disinvestment trap with a transfer to a newly created private company



page 47

[The N4 Toll Road]

South Africa and Mozambique have developed a major infrastructure project, which will increase the efficiency of product transport, sparking regional and global trade

Private finance for public road construction with additional benefits



page 48

[Apa Nova]

Private sector participation in the operation of a water and waste water system to enable the necessary investment in upgrading the infrastructure and to bring in new technology and know-how

Private capital, technology and management skills for public water system



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[Cares]

Network of more than 350 partner companies to address social issues in communities by volunteering their employees' skills and time during business hours

A broker for volunteers to support deprived local communities



page 50

[Surrey cares home]

The County Council transferred 17 homes, providing care to almost 800 older people and being in need of significant capital investments, to a new private Service Provider

Transferring public care institutions to the private sector without losing quality of services



Neighbourhood Development



Revitalising a city centre

through a broad Public-

Private Partnership

[Business Improvement District Croydon]

Croyden | United Kingdom

Planning case:

The establishment of the Croydon Town Centre Business Improvement District (BID) in April 2007 marked the start of a five-year programme to improve the competitiveness of Croydon town centre and to build on its potential as a leading commercial and cultural centre.

Partners:

The Croydon BID team; Croydon EDC – a private sector business support agency; a group of town centre businesses including retail, property, financial, leisure and entertainment organisations; Croydon's district centre management team; not-for-profit organisations like the YMCA; government agencies including the Border & Immigration Agency; members of the voluntary sector e.g. The Shaw Trust; the Metropolitan Police; Croydon Council, including neighbourhood enforcement officers, street scene officers, planners and the cultural services team and Transport companies e.g. Transport for London

Activities and contributions:

During the first year, with funding of over £1 million a year for the first five years provided by the businesses themselves, Croydon's town centre has seen a 1.5 % increase in footfall for the year – bucking the national trend – a 2% reduction in crime, increased sales and the development of a number of innovative projects which have had a positive impact in the town centre.

Lessons learnt:

A BID can only come into existence if it is actively supported by the businesses in that area.

The high number of businesses involved is a key factor of success, contributing of around £1 million per year for the initial five years. This is a guaranteed resource which has allowed the BID company to start work immediately, showing the businesses involved immediate results. Without these resources and the experiences that each partner contributes, the BID and the local businesses individually would not be able to have the same impact.

The importance of good communication should not be neglected. It is vital, not only between the BID and its partners, but also with the businesses themselves. Clearly defined aims and objectives should be available and conveyed to all partners. It also needs to be taken into account that a partnership monitors how and what is communicated to ensure that all necessary partners get and remain involved.

Link:

<http://www.croydon.gov.uk/contents/departments/democracy/doc/874984/croydonbid>

Neighbourhood Development

[Glud & Marstrand]

Copenhagen | Denmark

Planning case:

New housing development and the creation of a park for the residents in the neighbourhood on a vacant industrial site in the north west of Copenhagen

Partners:

The public partner in the project is the city's neighbourhood regeneration project of North west. The private partner is the development company Søtoftegård developers.

Local residents have been involved in a working group to combine the interests of the neighbourhood regeneration project and the private developer.

Activities and contributions:

The neighbourhood regeneration project had drawn the attention to an old industrial site as a possible location for a public park. There was however not enough money to create this park.

On the other hand, a private developer wanted to build houses on the same site, initially without considering the local community's need for a public park.

A working group consisting of the private developer, local residents and the neighbourhood regeneration project then worked on a plan to combine the two different proposals – and the neighbourhood regeneration project was able to financially support the project.

The Neighbourhood regeneration project of North west was responsible for the co-ordination of the whole regeneration process. Søtoftegård developers needed 17,600 m² in order to balance their economy, otherwise they had been open to the physical planning of the site.

Lessons learnt:

Through a process of negotiation a solution emerged whereby the developer was able to build the houses and the residents got their park.

The key of success was the role played by the neighbourhood regeneration project in supporting the project, and the willingness of both sides to understand what the other required,

Important learning points of the projects are the importance of the openness of the process and the role played by neighbourhood regeneration projects as mediators in building up trust.



Getting a neighbourhood

park in return for a

building permission

Link:

<http://urbact.eu/partners4action/documents>

Urban Development



Major development offering
sufficient profit for private
investors to also build and
pay for public facilities

[Zuidas (South Axis) Dock Model]

Amsterdam | The Netherlands

Planning case:

The South Axis project is a new international business district in the south of Amsterdam, created by bundling of large scale infrastructure projects. Only by placing the infrastructure [several rail tracks, metro-lines and a motorway] underground, the two existing separate districts can be linked and a large prime real estate area can be created. This is a significant expansion of the development area, which allows to realise not only offices, but also homes and local facilities.

Partners:

Public partners in the project are the Amsterdam City Council, the initiator of the development and the central government [Ministry of Traffic and Water Affairs, Ministry of Housing and Ministry of Finances], the facilitator of the expansion of transport infrastructure. Private partners are several large financial and insurance companies like ABN AMRO, ING, Rabobank and the Bank of Dutch Councils.

Activities and contributions:

The development of the project will take 30 years, so that a long-term commitment of all partners is essential. Private investors are needed due to the fact that the financial risks are too high for the City Council. Therefore, and because of the scale of the project and the security needed by all partners, a legal entity [special purpose vehicle or SPV] in which private and public partners combine forces, will be created.

The SPV has the task of building the tunnels and creating development land that can be sold to private developers with the income generated being used to partially subsidise the initial costs for the tunnels and necessary infrastructure.

The SPV will be a limited company where the private sector investors [enter by auction] hold a majority [60%] of the shares. The public sector owns the remaining 40 % of the shares [20% State, 20% City of Amsterdam]. The main activities of the private partners in the SVP are financing loans and providing knowledge and experience with the property market.

Lessons learnt:

The Zuidas project shows the use of an SVP arrangement to allow private investors to secure the long-term political and financial commitment of the public sector. Another key to the success was having banks on board who were prepared to invest in the project. This has been important to convince the central government to support and invest in the project.

Link:

<http://www.zuidas.nl/zuidas>

Urban Development

[Porto com Pinta]

Porto | Portugal

Planning case:

Porto com Pinta aims at contributing to the recovery of façades in the centre of the city of Porto, regarding itself as a contribution to the improvement of the design and attractiveness of the city.

Porto com Pinta is a Public-Private Partnership established by the city council of Porto to improve and renovate important façades and monuments in the historic city centre.

Partners:

The APOR – Agência para a Modernização do Porto SA – a company of which the city is the main shareholder, is the main stakeholder in the process. The private partners are the owners of buildings and some sponsoring private companies.

Activities and contributions:

The aim of APOR is to bring together the owners of buildings located in the historic city centre with sponsoring companies and to establish contracts between them. The house owners, in this model, allow the sponsoring private enterprises to advertise on their façades for a six month period and then the sponsoring company pays the majority of costs for the restoring of that buildings façade in exchange for the right to use it temporarily for advertising.

The city facilitates the process by exempting the owners of these buildings from certain taxes and the sponsors from paying local advertisement taxes.

Lessons learnt:

The Porto com Pinta project developed an innovative method to bring different partners together and develop a shared interest between them. This created a new way and higher potential of maintaining and restoring the historic city centre of Porto. The project shows an innovative approach to find in the companies new agents for the urban rehabilitation process.

Other positive issues are the availability of public subsidies to help smoothen the process, and motivate the partners and the leadership role of the city council in the overall process.

A limitation of the process is a lack of more public subsidies which meant that the project focused on buildings that could be renovated relatively quickly and cheaply. Those buildings were not always the most valuable ones. And the sponsors tend to choose more visible buildings in order to have the best possible impact for their advertising.

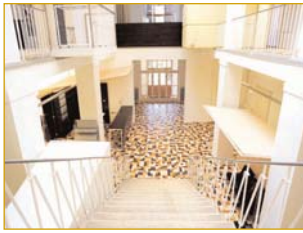


The right to advertise on city
centre façades in return for
paying for their restoration

Link:

<http://urbact.eu/partners4action/documents>

Economic Development



A new Business Centre offering benefits for young entrepreneurs, the local authorities and the property owner

[Start Up Center Graz]

Graz | Austria

Planning case:

The Start-Up Center [SUC] for young entrepreneurs was a key component of the sustainable economic development strategy for the western part of Graz. The center for founders was developed in the redesigned main office of a former brewery [Steirerbrau/ BBAG] to attract mainly young, innovative and technology-oriented business starters and to help them with the initial equipment and design.

Partners:

The Department for Economic and Touristic Development of the City of Graz was the public partner and the private partner is the property owner Brau Immobilien GmbH.

These partners involved the Innofinanz - SFG [Styrian Business Promotion Agency] to provide management and support services for the SUC.

Activities and contributions:

The city wanted the SUC to be an impulse for the transformation of the western part of Graz from a mono-functional industrial area to an attractive mixed-use district, while BBAG saw the opportunity to develop a focal point for the development of their remaining property holdings. Another aim of the city was to build up innovative structures to support young entrepreneurs in order to strengthen the economy in the city.

In a co-operation agreement, the Brau Immobilien GmbH accepted to finance the capital investments for the restoration of the building and to run the centre as a private enterprise after the completion of the building. The public partner, the City of Graz, covers the costs for the Center Management and offers grants for the entrepreneurs and the management of the centre during the preparation period.

Lessons learnt:

Precise identification of and agreement on the specific roles and responsibilities of each partner are main learning points of this public-private partnership. It helps to develop trust between partners who have previously not worked together. Other interesting aspects are the use of public subsidies to support running costs of the centre and rental costs for new tenants and the sharing of risk between the partners.

A main difficulty were the slow decision making processes of the public sector which led to delays in the implementation of the project.

Link:

http://www.urban-link.at/urban_0109.php

[Bazar Vest]

Aarhus | Denmark

Planning case:

Over the years, the Gellerup area in the Danish city of Aarhus, has become the main area of residence for many socially disadvantaged citizens who depend on public transfer payments for various reasons. Children and young people often follow their parents in this dependency on public subsidies, and social patterns are replicated. This observation was the main reason for the start of this project in 1996 in an old boiler factory.

Partners:

The public partner in the project is the Municipality of Aarhus and the private partner is an Aarhus contractor, Olav de Linde.

Activities and contributions:

The local authorities knew of several people who were running small-scale businesses from their homes, i.e. people were using apartment rooms for storage or exhibitions. Most of this trade was illegal and one way of legalising it was to organise it within the framework of the Bazar.

The idea originally came from Italy and Northern Africa, where businesses were established in order to support socially threatened groups of citizens. Knowing about the idea of creating an oriental market place, the Aarhus contractor Olav de Linde bought the old boiler factory just north of the Gellerup estates. He was interested in establishing a co-operation with the Municipality of Aarhus to reuse the former production hall as an oriental Bazar with many small stalls side by side under the same roof.

Lessons learnt:

About 60-80 people have moved from living on social benefits to being self-supported. A few have even made a career out of it and are now doing business outside of the Bazar. The participating shopkeepers have provided a positive role model for other citizens in the area by demonstrating their ability to shift from a social position as a passive recipient of public subsidies to an active citizen with a capacity for self-support and an ability to cater for one's family and being an asset to the society.

This shift has also strengthened the families. The active parent has become a positive role model for the children and generations work together in the stores and stalls because the children participate on a part-time basis in the running of the business.

Many Danes from outside of Gellerup and Aarhus Vest are now visiting the Bazar Vest because the atmosphere feels exotic and interesting.



Making illegal work legal and
creating an attractive
Neighbourhood Bazar
at the same time

Link:

http://www.eukn.org/eukn/themes/Urban_Policy/Economy_knowledge_and_employment/Urban_economy/Business_support/Encouraging_entrepreneurship/From-social-exclusion-to-entrepreneurship_1014.html

Cultural Development



The enthusiasm of a private Theatre Company mobilising unexpected sponsoring and volunteering

[Rebuilding of the old Roma Cinema]

Antwerp | Belgium

Planning case:

In the context of riots in 2002 in Borgerhout, a deprived area of Antwerp, the neighbourhood theatre company Rataplan developed the idea to reactivate the old Roma cinema, which had been redundant for twenty years. Rataplan wanted to work against cultural inequality in the neighbourhood with a theatre for all members of the community, and the Roma building seemed a suitable location for such a project.

Partners:

The Rataplan Theater Company, the local community as well as local sponsors and businesses.

Activities and contributions:

Rataplan wanted to rent the empty and dilapidated building. The organisation applied to the city of Antwerp for a subsidy, but the city did not feel able to make a financial contribution. The Rataplan Theatre Company decided to try it without such public subsidies and made a start straight away, with tackling the original goal of eliminating social inequality through theatre while the renovation was still in progress. Local residents were able to join in and worked together on the re-shaping of the building as their own cultural centre.

Over a period of four months, 150 volunteers worked hard under expert supervision to get the Roma cinema ready for use again.

Businesses came forward spontaneously to donate funds or materials, make specialised workers available or provide logistical support, and were united in a public-private partnership.

Lessons learnt:

Rataplan has been able to convince many local residents with its faith in the role of culture in reviving a deprived district.

The Roma project has brought people from the neighbourhood together and promoted a sense of shared responsibility for their neighbourhood, commitment and cohesion.

The district of Borgerhout is now attracting positive attention instead of appearing in the news as a place of riots and trouble. It has regained much more than a historic building.

The volunteers came up with a constant stream of suggestions for improving the renovation of the auditorium. The scale of the project offered plenty of opportunities for creativity amongst the volunteers.

Link

http://www.eukn.org/eukn/themes/Urban_Policy/Transport_and_infrastructure/Services_and_amenities/Amenities/Leisure_centres/Local-residents-rebuild-cultural-centre_1012.html

Cultural Development

[Dallas Public Library]

Dallas | Texas | United States of America

Planning case:

The Oak Lawn Library occupies one corner of a shopping center, next to a supermarket and a large parking lot. Their concern and objective was to give the library a civic identity in these anonymous surroundings. It was regarded as important that the design of the building reflected the community's diversity by being accessible to children, the elderly and those with physical disabilities.

Partners:

The public partner is the City of Dallas and the private partner is the Kroger Company

Activities and contributions:

After a year of negotiation, the City of Dallas and the Kroger Company entered into a development agreement which, in return for the construction of a new 12,900 square foot branch library to replace an existing 11,000 square foot building, allowed the Kroger Company to construct a new grocery store on the property owned by Kroger and a joint-use parking lot for the library and the Kroger Company.

In return for this planning permission, Kroger designed and constructed a new library, including site preparation, parking, lighting and landscaping and contributed \$175,000 for a temporary facility to operate library services during the construction period. Once the agreement was signed, the library found a temporary facility and moved into a nearby store for the period of time it would take to construct the new building.

Kroger paid for the architect's design of the building. The architect worked with library staff, incorporating the elements of contemporary library services with community expectations for the new library.

Lessons learnt:

The shared parking arrangement benefits the Library and Kroger. The grocery store attracts library users and vice versa. The library's use has increased considerably. Usage climbed from 112,141 people in fiscal year 1995-96 to 192,104 in fiscal year 1997-98, an increase of almost 80,000 people in a two-year period.

Having the Library and the grocery store in close proximity made the library a part of the neighborhood's traffic pattern, providing more visibility and convenience to its visitors.

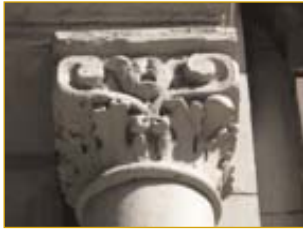


Successful joint venture between private supermarket developer and public library

Link:

<http://www.ncppp.org/cases/dallas.shtml>

Development of Housing



A successful partnership
model to finance modernisation of a run down housing
estate

[Commercial –Residential Rehabilitation]

Port Jervis | New York | United States of America

Planning case:

This project involved a mixed commercial-residential rehabilitation with 10 apartments and was initiated by a private entrepreneur who owns and operates a number of other mixed-use small developments.

The city of Port Jervis wanted to see the historic buildings rehabilitated as part of an overall effort to revitalise the downtown area.

Partners:

A private entrepreneur, the Community Preservation Corporation [CPC] and the State of New York.

Activities and contributions:

A small building loan programme, operated by a statewide New York nonprofit lender consortium, provided a framework for private financing. Public funding was provided through the city allocations of Community Development Block Grant [CDBG] and HOME funds.

The housing is privately owned and operated, but certain regulations are placed on the property as a condition for the provision of the HOME funds, limiting rents for the apartments and incomes of residents who are entitled to live there.

Lessons learnt:

The project, initiated by a private entrepreneur, entailed significant private sector involvement. The CPC consortium was an important participant, using a small property loan fund, providing financing for necessary construction works and creating permanent financing.

Public funds invested were \$325,000 – representing only 35 percent of the total costs.

However, public funds were critical to the participation of the private lender in reducing loan costs to create an attractive and feasible relation between value and risk for the private investor.

Link:

<http://www.thefreelibrary.com/PUBLIC-PRIVATE+PARTNERSHIPS+FOR+AFFORDABLE+HOUSING-a050146558>

Development of Housing

[Patrimonio Hoy]

Mexico

Planning case:

The main objective of this project was to offer a market-based solution to the housing needs of low-income families in urban marginalised areas in order to improve their quality of life and empower them.

Partners:

Patrimonio Hoy [PH] established an agreement with the federal government institution CONAVI within the programme “Esta es tu casa”. PH is running a pilot project with GTZ Mexico to introduce environment friendly products.

PH was selected for the Multidisciplinary Action Projects [MAP] Programme realised by the WDI and in conjunction with the Ross School of Business. In addition, Acción International and PH worked out new micro-finance products.

Activities and contributions:

PH provides individual technical advice to meet the needs of the low-income families. The building plan is fragmented into packages of materials that are delivered in an adequate sequence according to the needs of the beneficiaries. The acquisition of these packages is facilitated by means of micro-financing.

With a previous saving of 20% of the materials needed for completing the construction project, credit is granted without any pre-conditions for the remaining 80%. The weekly installment per family is MXP 200 [USD 14.80]. MXP 165 [USD 13.00] cover the cost of the materials and the remaining MXP 35 [USD 1.80] cover service fees.

Lessons learnt:

Family members and children in particular have more space and privacy. This results in better learning conditions for children [social development] and family relations.

Building their house with their own resources results in clients having higher self-esteem and learning to save money.

95% of the community-based promoters are women whose empowerment results in an improved participation in strategic life choices.

29% of the participants use the new space to start or develop their business [e.g. shops, renting rooms].



A good partnership to enable deprived households to modernise their own houses

Link:

http://www.unhabitat.org/downloads/docs/6852_4555_AffordableHousingSolutions.pdf

Development of Housing



Getting delapidated local authority housing stock out of the disinvestment trap with a transfer to a newly created private company

[Glasgow Housing Association]

Glasgow | Scotland

Planning case:

The transfer of the ownership and management of the City of Glasgow's entire housing stock to a newly created not for profit organisation, the Glasgow Housing Association ["GHA"], was the biggest and most ambitious venture of that kind undertaken in the UK.

Its aim was to tackle significant structural and social problems in one of Europe's most deprived areas, mainly caused by a long period of lack of public investment and maintenance in the housing stock of the local authorities.

Partners:

The City of Glasgow is the public partner and Glasgow Housing Association [GHA] is the private partner in this project.

Activities and contributions:

The contractual structure was similar to that of a business transfer agreement, but it included a large number of ancillary agreements, binding the partners, in some cases, for up to forty years after the transfer. A one-off purchase price was paid for the entire housing stock.

On transfer, the Government paid off the whole of Glasgow's existing housing debt. Sources of funding for GHA included a £725m syndicated loan from UK and European banks, which included a £150m loan from the European Investment Bank [EIB], together with several grants provided by the Scottish Executive.

Unlike a conventional private finance initiative transaction in which the majority of risk lies with the private sector, a broader concept of risk sharing between the sectors was adopted.

Lessons learnt:

The project was a very unusual and innovative approach in Scotland and the high level of criticism and opposition as well as the resulting procedural challenges have slowed down progress in realising this experimental project.

In addition, the complexity of the project as it developed inevitably meant that all stakeholders had to be prepared to exercise flexibility in terms of delivering the project in a manner as consistent as possible with the original political vision for it.

Link:

http://www.ifsl.org.uk/upload/PB_PPP_Case_Studies_2004.pdf

Development of Infrastructure

[The N4 Toll Road]

South Africa and Mozambique

Planning case:

Many developing countries struggle with the challenge of how to finance roads and traffic systems as one of the most expensive types of infrastructure projects. Even though its potential economic and social benefits and the impact on growth are recognised, necessary financial resources can, in any cases, not be made available. South Africa and Mozambique, have developed a major infrastructure project, which, if successful, will increase the efficiency of product transport, boosting regional and global trade and opening new economic opportunities to their citizens.

Partners:

The governments of Mozambique and South Africa are the public partners in this project, while a private consortium, Trans- African Concessions [TRAC], is the private partner.

Activities and contributions:

The contract was based on a Build-Operate-Transfer model. No government subsidies were provided to the concessionaire for the project. The toll road was financed from 20% equity and 80% debt. The three construction companies who are the sponsors of the project contributed R331 million worth of equity [29.8 mio. Euro] with the rest of the capital provided by several investors.

The debt investors include South Africa's four major banks and the Development Bank of Southern Africa. The governments of South Africa and Mozambique jointly guaranteed the debt of TRAC and, under certain conditions, the equity as well. Operations and maintenance costs were to be paid for by revenue generated through the collection of tolls. Traffic volume on the toll road is depending on the economic development of communities along the route, so that the concessionaire has a high interest in other related projects as well.

Lessons learnt:

The N4 toll road has facilitated other infrastructure projects in the region such as the development of the Maputo Port [also a PPP] and the establishment of the Mozal aluminium smelter. The road has also helped tourism in the region to develop and grow.

The commercial risk was shared between a range of partners. Cross-subsidisation [from the more affluent South African users] and substantial discounts for regular Mozambican users helped to reduce the user payment risk. The road facilitated further private sector investment in Mozambique, which in turn raised traffic volumes.

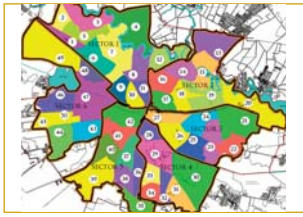


Private finance for public
road construction with
additional benefits

Link:

<http://www.saiia.org.za/archive-eafrica/case-study-sa-mozambique-toll-road.html>

Development of Infrastructure



Private capital, technology
and management skills for
public water system

[Apa Nova]

Bucharest | Romania

Planning case:

Bucharest looked for a private sector participation in the operation of its water and waste water system for two main reasons: to enable the necessary investment in upgrading the infrastructure and to bring in the necessary new technology, know-how and management methods.

Partners:

The public partner is the City of Bucharest and the private partner is the Apa Nova /Vivendi Universal company.

Activities and contributions:

The agreement between the partners helped to create a source of capital to support a modernisation and extension of Bucharest's water system. The partnership agreement required the private partner to provide financial resources to upgrade the system while the City of Bucharest will contribute the existing infrastructure and own new infrastructure while the private operator obtains the right to manage and maintain the water system.

Lessons learnt:

The project represents a classic PPP model employed in the European water sector. It foresees a degree of stability and risk / profit sharing. The "tried and tested" nature of the model may have been beneficial to Bucharest given the uncertain PPP environment still reigning in Romania at the time.

The PPP contract is bringing advantage to both parties. The City of Bucharest is receiving reliable financing for upgrading and improving the quality of its water system. In addition, it is able to access the required expertise and technology and may also be expecting a share in the expected profit.

The size of the dividend or the ability of the operator to generate profits is directly related to performance and increasing efficiency due to the price cap mechanism. This provides a degree of consumer protection. The private operator is expecting economic profits, obtained by improving operational efficiency and by ensuring that revenues from the water tariff are effectively collected.

There is some risk concerning revenue flows as tariff collection is the responsibility of the operator and the contract foresees no tariff changes in the short to medium term. This implies a degree of risk for the operator, as operational efficiencies will not have an impact in the short term.

Link:

http://ec.europa.eu/regional_policy/sources/docgener/guides/pppresourcebook.pdf

[Cares]

United Kingdom

Planning case:

Cares is a network of more than 350 partner companies that address social issues in communities by volunteering their employees' skills and time during business hours.

Partners:

Private companies, their employees, local communities

Activities and contributions:

Cares offers well-established expertise in employee engagement that delivers benefits for companies, employees and communities. In addition to providing a brokerage service for high-quality volunteering opportunities, Cares also campaigns nationally to increase the impact of employee volunteering in communities of greatest need and address social issues including education, employability and economic renewal.

Lessons learnt:

Businesses have the opportunity to address key social issues in the most deprived areas and disadvantaged communities throughout the UK. Cares takes the guesswork on how to do this out of the equation for companies and provides a crucial link to channel community investment through employee volunteering where the impact will be greatest.

Cares also provides a network of experienced employee volunteering advisors and access to quality-assured, meaningful volunteering opportunities across the UK that develop the skills and talent of employees.

Employees gain motivation and a sense of pride when they are actively engaged in community investment programmes through work. Employee volunteering is a good way for the staff of many private companies to connect with their employer's local community and customs and an effective way to develop new skills.

Specific social groups and communities faced with education challenges, barriers to work and restricted resources and skills benefit from volunteered services and support from businesses.



A broker for volunteers to
support deprived local
communities

Link:

http://www.bitc.org.uk/community/employee_volunteering/cares/index.html

Social Care



Transferring public care institutions to the private sector without losing quality of services

[Surrey care homes]

Surrey, England

Planning case:

The County Council of Surrey owned and managed 33 care homes in total. It was recognised that in order to meet future development of demand and requirements and to manage the changes in the way care for the elderly is provided, a number of homes would need significant capital investment.

Partners:

The public partner of the project is Surrey County Council and the private partner is the Anchor Trust.

Activities and contributions:

In the framework of a partnership arrangement, the County Council transferred 17 homes, providing care to almost 800 elderly people, to the new service provider, Anchor Homes.

The scheme had a capital investment requirement of £29 million. The net present value of the scheme is in excess of £150 million for the 20-year service contract, with an approximate total value in excess of £350 million.

Lessons learnt:

A large amount of work was undertaken with the transferred staff on Anchor's mission statement and values, and the type of care that would be provided. This work focused on Anchor's care planning approach and what the residents would get from this partnership in terms of quality of care and facilities. Many members of staff were concerned about the change from a public to a private employer so that processes and procedures were put in place to ensure a smooth transition and different organisational changes were implemented.

For the partners involved, it was important to work as partners right from the beginning and to put a lot of effort into making sure they had joint consultation sessions and there were joint newsletters coming from the Council and the Anchor Trust. Council officers visited the homes jointly with Anchor representatives and talked to the residents, relatives and staff during the time leading up to the actual transfer.

The relationship between the partners is much more than just a contractual obligation. The partnership approach which ensured that all relevant issues were addressed well before they became difficult to resolve.

Both organisations maintained a very straightforward approach to managing the contract and the partnership. This has been key to the success of the project.

Link:

<http://www.pppforum.com/studies/study.asp?cs=322>

Chapter 3
Conclusions



Conclusions

The theoretic explanations of this Good Practice Reader, and maybe even more the practical examples, clearly show that **Public-Private Partnerships can bring an added value to many elements, aspects and tasks of an integrated urban policy.** There seems to be hardly an aspect of this broad policy field, where they cannot be applied under certain pre-conditions and circumstances.

A wide potential for using PPP-models in urban policy

At the same time the examples show, that **the added value of PPP for local authorities is not always about additional money only.** The private sector can contribute an essential added value in terms of know-how and [management] skills in many cases – and local communities can contribute essential local knowledge, commitment and provide investment and projects with additional credibility and sustainability.

Know-how and commitment as contribution are as important and valuable as money

But still, getting engaged in a Public-Private Partnership, always means to invest additional resources. This can be money ['Cash Contribution'], it can equally be manpower and knowledge ['In Kind Contribution']. This Good Practice Reader should have shown very clearly, that the first and most pre-condition to achieve such commitment and input from any partner – public, private or community sector – needs not only an added value for each partner, but especially **a visible added value.** Good partnerships will only work and become sustainable when they create a real “win-win-situation”, many examples presented in this Good Practice Reader have illustrated this. But, such win-win-situations are not always evident – so, they need marketing and explanation, once they have been created, to make each individual partner recognise this added value for his/her own work and lay the basis for committed and long-term contributions from each individual partner:

Identify an added value for each partner and make it visible

And, at the same time, it cannot be ignored that since the start of this Thematic Cluster in the framework of the RegGov-Network, all participating cities and regions have been hit by the worldwide economic crisis. A survey carried out on behalf of the URBACT-Secretariat has clearly shown that **the negative impact of this crisis is felt in cities all over Europe,** but that again many cities in the new Member States are hit worst. Factories and companies have closed down, citizens are less and less able to pay their bills – debts they owe to banks as well as housing related costs for heating, electricity etc., and also local taxes.

The worldwide economic crisis created severe new challenges & obstacles

So, for the local authorities the **challenges get overwhelming.** Less and less resources, more and more needs and problems to be solved – and it seems there is no space left for pro-active and integrated planning and development work. The European Structural Funds are of essential importance to survive this crisis on the level of individual cities,

Conclusions

but for many of them the money provided by these funds looks incredibly small when compared to the tasks that local professionals and politicians are facing every day.

PPP-models: More necessary than ever

So, there seems to be an even greater need for partnership and co-operation in a time, when in the private sector there does not seem to exist a willingness or potential to get engaged in additional tasks and activities, even though those activities might have an added value for the private sector as well.

Therefore, the task of [identifying and then marketing the elements of a win-win-situation](#), a burden placed on local professionals and politicians, often local communities, gets even more important and more difficult at the same time.

A Good Practice Reader as incentive for local thinking and acting

This Good Practice Reader will not immediately solve any of these problems. But it should be able to [widen the perspectives](#) in the participating cities and regions, to maybe [stimulate some new motivation](#) and [provide the partners with the necessary energy and optimism](#) to start designing their own tailor-made strategy for an improved “culture” of Public-Private Partnership” in their own city and their own integrated urban policy.

Designing local strategies on network level with support from partners

Once such an analysis of potentials has been done in all member cities on the basis of this Good Practice Reader, [the design of tailor-made local strategies will be a “network matter”](#) again. During the next meeting of the Thematic Cluster that deals with this topic, partners will exchange their assessment and ideas after having studied this Good Practice Reader, and will jointly start to design and develop local strategies to achieve a stronger involvement of private sector representatives in their integrated urban policy.

Feeding experiences back into an improved final version of this Reader

The feedback from the partners to this Good Practice Reader and the following practical work will also lead to updated and improved versions of this reader itself. So, at the end of the RegGov-Network’s Implementation Phase, there will – hopefully – not only be several good Public-Private Partnerships in place and operational in the participating cities and regions. There should also, as a result of this targeted international co-production process, an improved version of this Good Practice Reader be available – jointly developed and improved as a “Living Product” by the RegGov-Partners, and in its final version certainly useful and inspiring for many other cities and local communities in Europe – inside and outside the large and growing URBACT-Community.

For the next steps to be undertaken, the following tables might be used as a basis to structure work, planning and process design.

Tools for Practical Work

Figure 4: Focusing Partnership Goals

<p>Meeting municipal objectives through partnerships</p>	<p>Identify municipal objectives for service partnerships</p> <ul style="list-style-type: none"> • social • economic • financial • physical • political • institutional
<p>Locating and linking partnerships in urban governance and management</p>	<p>Establish approach to partnership development that contributes to governance objectives</p> <ul style="list-style-type: none"> • participation and consultation • integrated planning at the strategic level • financially sound management • accountable and transparent actions • collaborative and innovative management <p>Link partnership activities into other poverty-related activities, e.g.</p> <ul style="list-style-type: none"> • community mobilisation, empowerment and organisation • demand-led initiatives • service gradation • land tenure resolution <p>Develop partnerships in relation to broader municipal obligations and functions</p> <ul style="list-style-type: none"> • create a strategic approach • agree priorities through public consultation • create confidence through effective sequencing of service reforms • build on the lessons of each partnership
<p>Contributing to poverty reduction</p>	<p>Identify the needs and objectives of the poor</p> <ul style="list-style-type: none"> • carry out participatory poverty/livelihood assessments • identify areas of institutional and political marginalisation • clarify objectives of diverse groups <p>Incorporate the lessons of poverty reduction, e.g.</p> <ul style="list-style-type: none"> • facilitate demand-led service delivery • enhance community capacity to participate • integrate solutions at the micro-level • respond to variability and diversity within poor communities • address gender bias and marginalisation <p>Identify and respond to key concerns of the poor, e.g.</p> <ul style="list-style-type: none"> • lack of choice • affordability • accessibility • exploitation • security of tenure • employment opportunities <p>Identify existing actors, assets and mechanisms involved in service delivery to the poor, e.g.</p> <ul style="list-style-type: none"> • municipal actors • private operators • informal service providers • NGO support • other poor households

Source:

Plummer [2002]: 310

Tools for Practical Work

Figure 5: Developing a Partnership Framework

Building on the assets of potential partners	<p>Explore the attributes and roles of actors in the partnership</p> <ul style="list-style-type: none">• the municipality• international private sector• national private sector• small-scale providers• NGOs• CBOs <p>Identify potential roles and contribution of external actors</p> <ul style="list-style-type: none">• donors and international funding agencies• specialist consultants <p>Develop appreciation of the different characteristics that partners bring to the partnership</p> <ul style="list-style-type: none">• complementary skills and competencies• conflicting attitudes and approaches <p>Design mechanisms for partnering, i.e. for promoting effective interaction, e.g.</p> <ul style="list-style-type: none">• creating a learning approach• ensuring adequate preparation• establishing clarity of and commitment to roles• reviewing and monitoring partner performance• building on assets and differences
Focusing the scope and content of partnership arrangements	<p>Consider the scope and content of the partnership framework in terms of municipal objectives</p> <ul style="list-style-type: none">• identify key components that respond to objectives• include these aspects in the partnership framework <p>Address physical objectives, e.g.</p> <ul style="list-style-type: none">• service coverage• service options• service quality <p>Address social and political objectives, e.g.</p> <ul style="list-style-type: none">• equity and access to improved services• integrating service delivery• gender targeting of services• fair treatment of workers (municipal workers and informal service providers)• community participation and capacity building <p>Address financial and economic objectives, e.g.</p> <ul style="list-style-type: none">• attracting private capital• ensuring effective risk management• establishing financial incentives• establishing appropriate cost recovery policy and implementation <p>Address institutional objectives, e.g.</p> <ul style="list-style-type: none">• skills transfer• technology transfer• capacity building• decision-making structure

Tools for Practical Work

Establishing appropriate organisational and contractual arrangements	<p>Consider factors affecting the way the partnership should be structured</p> <ul style="list-style-type: none">• the degree of influence required by the municipality• the relationships between actors• the bundling and unbundling of service functions <p>Identify the key factors affecting the procurement of large-scale operators, e.g.</p> <ul style="list-style-type: none">• transaction costs• capacity• information <p>Develop knowledge of the various models of contracting the large-scale private sector partner, and their limitations and opportunities in relation to agreed objectives</p> <ul style="list-style-type: none">• service contracts• management contracts• leases and affermage contracts• franchises• concessions• BOT contracts <p>Develop understanding of the key issues involved in working with small-scale providers</p> <ul style="list-style-type: none">• constraints to meaningful involvement• mechanisms to overcome barriers <p>Develop understanding of the key parameters concerning the role and position of NGOs</p> <ul style="list-style-type: none">• separate contracts• sub-contracts• contracts with community• consortium arrangements
Establishing sound partnership principles	<p>Agree and work towards the key principles of partnerships</p> <ul style="list-style-type: none">• transparency and accountability• competition and contestability• legitimacy and legality• specificity• stakeholder participation• equity• clarity and predictability• risk management• economic, financial and environmental sustainability
Enhancing Capacity to Implement Partnerships	
Understanding the operating context of municipal partnerships	<p>Develop understanding of the operating context of the municipality and its impacts on PPPs</p> <ul style="list-style-type: none">• political context and political will for partnerships• economic context• legislative framework• policy context and leaders• administrative context <p>Develop understanding of the regulatory environment for PPPs</p> <ul style="list-style-type: none">• who is the regulator?• what is being regulated (price, entry, quality)?• who is being regulated?• how is it regulated?

Tools for Practical Work

Enhancing human resources	<p>Develop appropriate skills for developing, implementing and sustaining PPPs, e.g.</p> <ul style="list-style-type: none">• capacity to analyse needs• capacity to develop a strategic response• capacity to implement agreed strategy• capacity to maintain effective partnerships• capacity to engage with stakeholders• ability to act as an effective partner• ability to understand capacity deficiencies <p>Develop and implement a skills development strategy</p> <ul style="list-style-type: none">• identify key skill gaps• identify how to fill these gaps internally or without external technical support• carry out programme of skills development• ensure ongoing capacity of decision-makers• develop mechanisms to ensure skills are sustained
Supporting organisational development	<p>Develop an organisational development strategy to respond to partnership strategies</p> <ul style="list-style-type: none">• identify key organisational factors constraining effective partnering• identify mechanisms for change <p>Address management capacities</p> <ul style="list-style-type: none">• lead participatory process• champion process, create environment for change, remove bureaucratic inertia• ensure depth of skills and partnership awareness• determine strategy and mechanisms for implementation• establish the municipality as a credible partner <p>Address procedural constraints</p> <ul style="list-style-type: none">• strategic planning• partnership development• partnership implementation including procurement, contracting etc. <p>Address impacts of and on municipal structures</p> <ul style="list-style-type: none">• effective internal coordination• impacts of downsizing engineering departments• separation of water and sanitation• location of solid waste function, revenue functions, low-income settlement upgrading initiatives• capacity to facilitate multi-sectoral responses <p>Address financial capacities to ensure strong financial base and reliable partner</p> <ul style="list-style-type: none">• general municipal finances• management, improved revenue base)• finances for services• cost benefit analyses, monitoring and benchmarking <p>Address municipal attitudes</p> <ul style="list-style-type: none">• identify key attitudinal blockages• recognise differences between viewpoints and impacts• identify motivation for change• address and alleviate issues where possible through direct action• establish open information policy• invest in capacity building

Source:

Plummer [2002]: 311-313

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Imprint

RegGov Fast Track Network

Regional Governance of Sustainable
Integrated Neighbourhood Development

Good Practice Reader

Public-Private Partnership in Integrated Urban Policy

| Chances | Opportunities | Limitations | Examples |

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