

FACT SHEET NO.: 7 / 3

PERFORMED BY: LET

A GENERAL INFORMATION		
A 1	Category	1 Pricing
A 2	Subcategory	1.4 Other / new financing instruments
A 3	Transport policy measure (TPM)	PPP promotion/support: PPP systems e.g. build-operate-transfer (BOT)
A 4	Description of TPM	Public-Private Partnerships (PPP) arrangements are the partnership of private and public cooperation which aims to reduce the investment of public funds and take the advantage of the participation of private sector. In a PPP arrangement, the public and private sectors collaborate in the construction and/or maintenance of public infrastructure projects. The Commission has identified four principal roles for PPPs[1][2]: <ul style="list-style-type: none"> • Provide additional capital • Provide alternative management and implementation skills • Provide value added to the consumer and the public at large • Provide better identification of needs and optimal use of resources.
A 5	Implementation examples	1 European PPP in the first half of 2012 with 41 deals [4] 2 The aggregate volume of PPP transactions that reached financial close on the European market in the first half of 2012 totalled 6 billion euros [8] 3 Inland navigation: Public-private partnership (PPP) for the construction of loading and unloading facilities (Flanders) [10] 4 Air transport: the Indian government aims to attract private investment in aviation infrastructure. [11]
A 6	Objectives of TPM	The PPP arrangements aim to [1]: <ul style="list-style-type: none"> • Acceleration of infrastructure provision • Faster implementation • Reduced whole life costs • Better risk allocation and better incentives to perform • Improved quality of service • Generation of additional revenues • Enhanced public management
A 7	Key changes concerning:	
A 7.1	- Choice of transport mode / Multimodality:	no change. PPP as a financing instrument does not change the choice of the transport mode, but PPP systems facilitate e.g. the building of new infrastructure. Therefore it is a lever to achieve key changes listed in this section A7.
A 7.2	- Origin and/or destination of trip:	no change
A 7.3	- Trip frequency:	no change
A 7.4	- Choice of route:	no change
A 7.5	- Timing (day, hour):	no change
A 7.6	- Occupancy rate / Loading factor:	no change
A 7.7	- Energy efficiency / Energy usage:	no change
A 8	Main source	[1]European Commission (2003): guidelines for successful public – private partnerships [2]European Commission (2009): Mobilising private and public investment for recovery and long term structural change: developing Public Private Partnerships [3]The European PPP Expertise Centre (EPEC) (2011): Using EU Funds in PPPs - explaining the how and starting the discussion on the future

B IMPACTS																																																																				
B 1	OVERVIEW ON IMPACTS	<table border="1"> <thead> <tr> <th colspan="13">AFFECTED SEGMENTS</th> <th colspan="2">Geographical level</th> <th colspan="2">Source</th> </tr> <tr> <th colspan="5">Passengers</th> <th colspan="5">Transport operators</th> <th rowspan="2">Employees in transport</th> <th rowspan="2">Residents</th> <th rowspan="2">Economy</th> <th rowspan="2">Public bodies</th> <th rowspan="2">Society</th> <th rowspan="2">1st level</th> <th rowspan="2">2nd level</th> <th rowspan="2">Source of assessment</th> <th rowspan="2">Spatial level of source</th> </tr> <tr> <th>Road</th> <th>Rail</th> <th>Air</th> <th>Public transport</th> <th>Slow modes</th> <th>Road</th> <th>Rail</th> <th>IWW</th> <th>Air</th> <th>Maritime</th> <th>Public transport</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	AFFECTED SEGMENTS													Geographical level		Source		Passengers					Transport operators					Employees in transport	Residents	Economy	Public bodies	Society	1st level	2nd level	Source of assessment	Spatial level of source	Road	Rail	Air	Public transport	Slow modes	Road	Rail	IWW	Air	Maritime	Public transport																			
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B 1.1	Summary	<p>The implementation of PPPs in the investment of transport infrastructure projects will have positive impacts on the economy, financial health of public sector, and the success of the projects. It concerns transport investments of all transport modes and service[1][2]</p>																																																																		
B 1.2	Summary: Income groups																																																																			
B 1.3	Summary: Age groups																																																																			
B 1.4	Summary: Disabled people																																																																			
B 1.5	Summary: Gender groups																																																																			
B 1.6	Summary: Ethnic groups																																																																			

B 2 TRAFFIC IMPACTS		
B 2.1	Travel or transport time	
B 2.2	Risk of congestion	
B 2.3	Vehicle mileage	
B 2.4	Service and comfort	
B 2.I	Overall impacts on social groups	
B 2.II	Implementation phase	
B 2.III	Operation phase	
B 2.IV	Summary / comments concerning the main impacts	PPP promotion provides l'acceleration of infrastructure provision and faster implementation of infrastructure projects and also improves quality of service [1]
B 2.V	Quantification of impacts	

B 3	ECONOMIC IMPACTS	AFFECTED SEGMENTS													Geographical level		Source				
		Passengers					Transport operators						Employees in transport	Residents	Economy	Public bodies	Society	1st level	2nd level	Source of assessment	Spatial level of source
		Road	Rail	Air	Public transport	Slow modes	Road	Rail	IWW	Air	Maritime	Public transport									
B 3.1	Transport costs																				
B 3.2	Private income / commercial turn over																				
B 3.3	Revenues in the transport sector																				
B 3.4	Sectoral competitiveness																				
B 3.5	Spatial competitiveness																				
B 3.6	Housing expenditures																				
B 3.7	Insurance costs																				
B 3.8	Health service costs																				
B 3.9	Public authorities & adm. burdens on businesses																				
B 3.10	Public income (e.g.: taxes, charges)																				
B 3.11	Third countries and international relations																				
B 3.I	Overall impacts on social groups																				
B 3.II	Implementation phase																				
B 3.III	Operation phase																				
B 3.IV	Summary / comments concerning the main impacts	1. The PPP arrangement is a long contract between public authority and private sector for financing, designing, construction and operations of infrastructure projects. Its impacts on economy concern the reduction of transport cost for users/business and increasing the income of public authority and private sectors 2. Spread the cost of financing the infrastructure over the lifetime of the asset, thus reducing immediate pressures on public sector budgets [2] 3. The private sector may be able to generate additional revenues through the use of spare capacity [1]																			
B 3.V	Quantification of impacts																				

B 4	SOCIAL IMPACTS	AFFECTED SEGMENTS													Geographical level		Source				
		Passengers					Transport operators						Employees in transport	Residents	Economy	Public bodies	Society	1st level	2nd level	Source of assessment	Spatial level of source
		Road	Rail	Air	Public transport	Slow modes	Road	Rail	IWW	Air	Maritime	Public transport									
B 4.1	Health (incl. well-being)																				
B 4.2	Safety																				
B 4.3	Crime, terrorism and security																				
B 4.4	Accessibility of transport systems																				
B 4.5	Social inclusion, equality & opportunities																				
B 4.6	Standards and rights (related to job quality)																				
B 4.7	Employment and labour markets																				
B 4.8	Cultural heritage / culture																				
B 4.I	Overall impacts on social groups																				
B 4.II	Implementation phase																				
B 4.III	Operation phase																				
B 4.IV	Summary / comments concerning the main impacts	The success of PPP can generally aid the Authority to achieve invested project goals and improve the service quality of transportation system.[1][2]																			
B 4.V	Quantification of impacts																				

B 5	ENVIRONMENTAL IMPACTS	AFFECTED SEGMENTS													Geographical level		Source				
		Passengers					Transport operators						Employees in transport	Residents	Economy	Public bodies	Society	1st level	2nd level	Source of assessment	Spatial level of source
		Road	Rail	Air	Public transport	Slow modes	Road	Rail	IWW	Air	Maritime	Public transport									
B 5.1	Air pollutants																				
B 5.2	Noise emissions																				
B 5.3	Visual quality of the landscape																				
B 5.4	Land use																				
B 5.5	Climate																				
B 5.6	Renewable or non-renewable resources																				
B 5.I	Overall impacts on social groups																				
B 5.II	Implementation phase																				
B 5.III	Operation phase																				
B 5.IV	Summary / comments concerning the main impacts	The environment impact of PPPs depends on the propriety of projects. It could be positive or negative. [9]																			
B 5.V	Quantification of impacts																				

C REFERENCES	
C 1	Other TPMs of this subcategory
C 2	References
	[1]European Commission (2003): guidelines for successful public – private partnerships [2]European Commission (2009): Mobilising private and public investment for recovery and long term structural change: developing Public Private Partnerships [3]The European PPP Expertise Centre (EPEC) (2011): Using EU Funds in PPPs - explaining the how and starting the discussion on the future [4]The European PPP Expertise Centre (EPEC): http://www.eib.org/epec/ [5]The European PPP Expertise Centre (EPEC) (2012): Broadband - Delivering next generation access through PPP [6]The European PPP Expertise Centre (2010): Eurostat Treatment of Public-Private Partnerships [7]The European PPP Expertise Centre (2011): The Guide to Guidance: How to Prepare, Procure and Deliver PPP Projects [8]The European PPP Expertise Centre (2012): Market Update - Review of the European PPP Market First half of 2012 [9] Guofu Zhao, ShouQing Wang (2010). Indicators of Social Impact Assessment for BOT/PPP Projects. Online http://management.kochi-tech.ac.jp/PDF/SOCIAL_MANAGEMENT_INFRA/SESSION_B4/smsri_29_Zhao.pdf Retrieved 14.02.2013 [10] Inland Waterway Transport Funding. Online http://www.naiades.info/funding/funding.php?id=257&path=214&f_lang=EN&country=BE&funding_id=17 Retrieved 14.02.2013 [11] Public Private Partnership in India. Online http://164.100.52.24/sector-airports.php Retrieved 14.02.2013