Workshop on
"Establishing public private partnerships for ICT initiatives"
Riyadh, 17 - 19 February 2008
http://www.escwa.un.org/information/meetingdetails.asp?referenceNum=644E

Draft Information note

1. Background

The stakeholders for building the Information Society in the ESCWA region have not yet harnessed the numerous challenges and opportunities associated with cooperating and partnering together. Development and investment patterns in the region tend to favour secure sectors, such as real estate and commercial trade over more innovative and technically complex sectors, such as the ICT sector. While countries of the region share a common language and culture and complementary resources; nonetheless, not many projects have sprung up that took advantage of these commonalities in order to build the information society.

Partnership is highlighted as the most important mechanism for building the information society.[1] The partnership model suggested for the region involves the following stakeholders: high-impact entrepreneurs, mature national, regional and international firms, governments, universities, investors, donors, and international/regional organizations.

There are several practices for cooperation within any newly founded partnership; different stakeholders will address similar issues differently within the scope of their mandate and strategic development goals. The size of some projects may require multi-stakeholder partnerships that involve the public sector, the private sector, non-governmental organizations (NGO) and other international agencies combining their strengths in various areas to achieve the desired objectives. Specific partnership models like the Public-Private Partnership (PPP) model can be adopted to build on the individual strengths of the two sectors.[2]

PPP is heavily influenced by cultural, behavioral and historical values of the region and its countries. This region has very few success stories in PPP. In recent years, there have been attempts amongst some ESCWA member countries for ICT partnerships. Examples of these PPPs span different dimensions, from joint investments in Egypt, to BOT models in Lebanon, to recent revenue sharing schemes in Syria. Some of these attempts represent success stories, while other attempts have not contributed enough to the national and regional goals. It is essential to study and analyze best modalities for PPP, and to benefit from lessons learnt in order to maximize the odds of success for current and potential PPPs in the region.

2. Objective
The objective of the workshop is to increase the capacity of public and private institutions in ESCWA member countries in establishing PPPs focused on building the information society at the national and regional levels.

3. Relationship to MDGs and Strategic Framework:
The workshop is in line with MDG Goal 8 "Developing a global partnership for development" as well as ESCWA's Strategic Framework 2006-2007 Expected Accomplishment (b): Activated partnership for

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[1] The Regional Plan of Action for building the information society (RPoA), developed by ESCWA, is based on a strategic framework, specifically designed for triggering partnerships in the Arab countries and inducing interactive participation of a broad spectrum of stakeholders and takes into consideration the challenges associated with maintaining an integral and sustainable effort for building the information society in the region, with the aim of strengthening inter-Arab cooperation in a framework of partnership that embraces all stakeholders.

[2] However, there are also public-public and public-international, and combinations of all. In all such partnerships, national or regional barriers should be removed.

implementing ICT projects to achieve socio-economic development, with particular emphasis on the Millennium Development Goals; in addition to the "Regional Plan of Action for building the information society" (RPoA), developed by ESCWA.

4. Relationship to MDGs and Strategic Framework:

Expected Accomplishments (EA)	Achievements Indicators (AI)	Main Activities
EA1. Increased knowledge about PPPs among participants	AI. 1.1 Number of participants indicating gained knowledge on establishing PPP immediately after the workshop	Activity 1.1: Producing training papers and making presentations on PPP with focus on the region
	AI. 1.2 Number of participants indicating positive practical impact within the context of their work 6 months after the workshop	Activity 1.2 Carrying out open discussions and reviewing case studies
EA2. Accumulation of knowledge on PPP for future reference	AI. 2. Number of practical guidelines on PPP for ICT initiatives produced as a result of the workshop and for the benefit of member countries	2.1 Producing a set of practical guidelines on PPP and making it available online

5. Output:

The main output of the workshop will be a set of practical guidelines on public-private partnership relating to ICT initiatives, with illustrative examples and best practices. It will be published in the form of an e-booklet, which will be made available online.

6. Topics to be discussed

PPP strategic and operational aspects will be discussed, and case studies in selected countries will be reviewed; solutions will be provided in an interactive form and follow-up on the workshop will be carried out through virtual means of communication. Following is a list of potential topics:

6.1 Strategic aspects
a) PPP in the ICT sector and in relation to ICT applications in other sectors:
The traditional roles of the public and private sectors are changing in the knowledge society. Governments are increasingly playing the role of facilitator, rather than ICT service provider; and companies within the private sector are not just striving for profits, but acquiring responsibilities of a social nature.

b) Benefits:
The PPP modality provides governments with private capital, and allows them to utilize ICT private management expertise and specific ICT sector know-how. It provides the private sector with a number of advantages, including commercial interest and business growth with a high investment security, and also prestige, image and diversification, in terms of geography, market and products. The result is a win-win-win situation whereby governments, the private sector and citizens can all benefit from partnership.

c) Scope of the partnership:
The scope of PPPs often varies depending on its relation to, for example, building telecommunications infrastructure or developing social ICT services. In the latter case, NGOs, including women groups and youth organizations, can also play a role in the design and development of ICT projects, reaching out and involving communities, delivering services, screening for eligibility for government support ICT programmes and services, providing training and raising funds.

d) Success factors and obstacles:

Key success factors of PPP modalities in the ICT field include transparency, visibility, accountability and external auditing. The partnership must involve all components from the beginning with a clear structure of responsibility and commitment on the part of all partners. Obstacles for PPP include the need for additional efforts on the part of management and staff, dispersion of responsibilities, the notion of privatisation, political and cultural constraints and bureaucracy.

6.2 Organizational and operational aspects

a) Establishing and operationalizing partnerships:
This modality is based on the signing of a 'partnership agreement', whereby public and private partners collaborate for a defined period of time in relation to one or more specific phases of a planned ICT project, with varying degree of involvement (software, hardware, financing, implementation, change management and others). The decision-making process can either be mainly based on the public or the private side, and in the latter case, the public sector monitors progress and sets frameworks.

b) Financing:
PPP is of utmost importance for implementing ICT projects. This is based on the fact that while projects and firms that include innovation can be constrained by lack of liquidity, PPP establishes a model that enables governments and private sector partners to work together in terms of managing ICT projects and mechanisms of financing, thereby easing the issue of constraints.

c) Target projects to be financed:
Knowledge economy and information society initiatives, such as, those targeting education reform and ICT infrastructure, require extensive capital availability and can therefore benefit from PPP modalities. While public expectations of the knowledge society are increasing, national budgets are dwindling. Moreover, many governments are obliged to seek more innovative ways of attracting private investment to meet public objectives. This means that in the present ICT environment, occasional cooperation is insufficient. There is a need to institutionalise and systematize PPPs in such a way that both sectors work towards common targets, with all partners deploying their specific ICT experience and abilities for the common good.

d) Sustainability:
The building of knowledge societies is a long process that requires the establishment of long-term partnerships. Hence, there is a danger that partnership, with its relative complexity, will not last long enough to respond to demands. Ways and means to reduce the chances of failure will be discussed.

7. Organizational and operational aspects

ESCWA is organizing the workshop during 17 – 19 February 2008 in Riyadh in collaboration with UNDP-Riyadh; and it will be hosted by the Ministry of Communications and Information Technology in KSA. Training will be provided by international consultants as well as ESCWA staff.

Participants in the workshop may also present case studies related to PPPs in their own country, stressing best practices, successes and failures. Case studies may vary in nature and size, depending on the nature of the partnership. Examples include: ICT start-ups and ICT ventures in the ICT sector, universal ICT access through telecenters, e-government projects, e-learning initiatives, e-employment activities, ICT capacity building, and local Internet awareness creation. This participative format will drive to a collective learning experience and further cooperation among ESCWA member countries in the near future. Full substantive contributions by participants are needed by **6 February 2008**.

8. Participants/beneficiaries

The workshop will be attended by: officials of the member countries responsible for ICT policy making; ICT project leaders; ICT entrepreneurs/start-up professionals; banking/financing entities; and civil society organizations with PPP experience in the ICT field.

Priority countries are least developing and post conflict countries, as well as ESCWA member countries with little experience in developing PPPs. ESCWA will cover the travel and/or subsistence expenses for a limited number of participants with potential to become active in promoting PPPs in their countries.

9. Language

Training by international experts as well as discussions will be carried out in English. Contributions from participants can be in either Arabic or English with an adequate summary in the other language. Simultaneous translation from Arabic to English and vice-versa will not be provided during the sessions.

10. Additional information

Any inquiries and requests for additional information should be addressed to:

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