

CEE Bankwatch Network
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Bulgaria:

Centre for Environmental
Information and Education
(CEIE)
For the Earth!

Czech Republic:

Centrum pro dopravu a
energetiku
Hnutí Duha

Estonia:

Estonian Green Movement–FoE

Georgia:

Green Alternative

Hungary:

Nature Protection Club of
Eotvos Lorand University (ETK)
National Society of
Conservationists–FoE (NSC)

Lithuania:

Atgaja

Macedonia:

Eko–svest

Poland:

Polish Green Network (PGN)
Institute of Environmental
Economics (IEE)

Russia:

Sakhalin Environment Watch

Slovakia:

Friends of the Earth – Center
for Environmental Public
Advocacy (FoE–CEPA)

Ukraine:

National Ecological Centre of
Ukraine (NECU)

CEE Bankwatch Network's
mission is to prevent
environmentally and socially
harmful impacts of
international development
finance, and to promote
alternative solutions and public
participation.

**Letter accompanying Bankwatch's comments to the EC
Communication on public–private partnerships from November 19,
2009 – sent by email on January 26, 2009**

To: lukasz.rozanski@ec.europa.eu

Lukasz Rozanski
European Commission
DG Internal Market and Services

Dear Mr Rozanski,

We are writing to you regarding the EC Communication on Mobilising private and public investment for recovery and long term structural change: developing Public Private Partnerships of 19th November 2009. We would like to raise some concerns regarding the Communication and measures proposed in it.

CEE Bankwatch Network has monitored several PPP investments in infrastructure, particularly motorways, in Central and Eastern Europe during the past few years and we are concerned that PPPs have not brought the expected results in the region. Many of the issues which plague publicly procured projects, such as poor needs assessments, corruption, lack of competition, rising costs and delays in implementation have simply been transferred to PPP projects. There is little evidence that PPPs have been used only when they have offered value for money; rather it seems that they have been used primarily as a tool to move investments off of the government balance sheet, thus burdening future generations with payments for several decades.

We therefore believe that rather than simply promoting PPPs, as the EC foresees in its Communication, that an in depth evaluation needs to take place of the circumstances in which PPPs are and are not useful, and only then should the EC consider supporting them.

In order to contribute to this debate we attach some [observations on the EC's Communication](#), and would encourage you to look at our 2008 publication entitled "[Never mind the balance sheet: The dangers posed by public–private partnerships in central and eastern Europe](#)".

Secondly, the European Commission states its intention to form a PPP Group inviting relevant stakeholders to discuss their concerns and further ideas with regard to PPPs. We are writing to ask what the process will be for selecting the participants in the group, and to request that the group also includes representatives of trade unions, watchdog NGOs and/or

academics as stakeholders who may have a different perspective on PPPs than the EC and PPP practitioners.

We would like also to ask what will be the further steps taken to publicly consult the Communication and when the topic will be discussed in the European Parliament and Council.

We would like to thank you in advance for your response and we are looking forward to discuss with you the issues raised in our comments.

Yours sincerely,

Ms Pippa Gallop
Research Co-ordinator
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<http://www.bankwatch.org>