

AECID PROTOCOL FOR MANAGING PUBLIC-PRIVATE PARTNERSHIPS FOR DEVELOPMENT (PPPD)



cooperación
española

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This protocol seeks to organise the creation and design stage of Public-Private Partnerships for Development (PPPD). The creation and design stage begins with the presentation of the Preliminary Form for PPPD Creation and follows through to the signing of the Memorandum of Understanding.

I. DEFINITION OF PPPD

AECID defines the Public-Private Partnership for Development as a voluntary, collaborative and formal relationship between AECID, public administrations of partner countries and one or several entities from the business sector, civil society and academia from Spain, partner countries or non-partner countries, establishing one common objective and having a demonstrable impact on development. In this partnership responsibilities are defined jointly, and resources, risks and achievements are shared.

This definition excludes from its scope the following relationships:

- Client-contractor relationships (payment by AECID for the rendering of services, supply of goods, construction work or for carrying out all or part of a project). Although these relations involve engagement with the private business sector, they are limited to the participation of the private sector in development cooperation initiatives but do not constitute a partnership.
- Relationships with the private business sector framed within management or concession contracts by the AECID or a partner public institution. These relationships are normally referred to as Public-Private Partnerships.
- Strategic relations between AECID and private business or social agents in which an impact on development cannot be demonstrated from the outset, although these parties may share objectives, responsibilities, risks and benefits. This would be a case of a Public-Private Partnership, without an impact on development, which is a key criterion for AECID's adhesion.
- Collaboration arrangements with civil society organisations (NGDOs¹) by way of grants aimed at reaching development objectives through conventions, programmes and projects.

¹Acronym for Non-governmental development organizations

2. ORIGEN OF THE PPPD

A PPPD initiative in which AECID can take part could come about by suggestion of the Agency itself, public administrations from partner countries, of one or several private business sector agents, (businesses or business organisations) or one or several members of civil society from Spain or a partner country.

In any case, the body that launches the initiative (promoting entity), following an initial dialogue showing the interest expressed by some or all parties in evaluating the PPPD proposal, must draw up a Preliminary Form for PPPD Creation, which will include the initial proposals of the project.

Said document shall contain a profile of the future partnership, highlighting its key features, which will allow both AECID and the other stakeholders to make an evaluation of relevance and appropriateness of participating or not in a new partnership, and in the event of doing so, take the next steps in the process.

In any case, in order for AECID to be able to participate in a PPPD, it must be proven from the outset that three basic requirements are met:

1. The impact of the partnership on development
2. Alignment with AECID planning or strategy (general, country-level, sectoral)
3. Compliance with the minimum requirements by all agents or entities (both promoting and participating). See item 5.

3. PROCEDURE FROM THE PRESENTATION OF THE FORM TO THE SIGNATURE OF THE MEMORANDUM OF UNDERSTANDING

The agent who has launched the initiative (promoting entity) must draw up and present the Preliminary Form for PPPD Creation to the section within AECID with whom the initial dialogue has taken place, either to AECID headquarters, Technical Cooperation Offices or Training Centres. This Preliminary Form shall be studied internally at the AECID in a process that should include several evaluations in terms of alignment with geographical and sectoral reference documents, methodological quality and eligibility of stakeholders, amongst others.

Following these evaluations, in the event that the decision be made to go forward, a PPPD Design Workshop will be held. It shall be convened by the AECID Directorate, who coordinates the process, and led by the promoting entity. All of the sections of AECID that have taken part in the evaluation process will participate, as well as the partner entities considered appropriate, in order to draft the Final Form for PPPD Creation, in light of the assessments and contributions brought to the table in the previous phase and the results from the workshop. The workshop can be held in the partner country, and convened by the Technical Cooperation Office.

Following the workshop, the promoting entity shall draw up the Final Form for PPPD Creation in coordination with the AECID Directorate who shall coordinate the process and to whom the final project shall be presented.

Following this presentation, the AECID will study the form and approve or reject its participation in the partnership.

4. FORMS FOR PPPD CREATION²

~ PRELIMINARY FORM

~ FINAL FORM

4.1 PRELIMINARY FORM

1 SUBJECT MATTER AND DEVELOPMENT AREA

Describe, in the most concise manner possible, the potential matter to be addressed by the PPPD, highlighting the target issue. Include significant information about the relevance of this issue. Link this subject matter to local/national public development policy, the content of the Master Plan for Spanish Cooperation, Country Partnership Frameworks (MAPs³), and the corresponding Sectoral Action Plans (PAS)⁴.

2 PRELIMINARY PPPD RESULTS FRAMEWORK

Indicate the aims that the PPPD strives to achieve. Associate these aims with the framework of results derived from the Country Partnership Framework.

3 AREAS OF ACTION

State the area for PPPD action in a concrete manner (local, national, international).

4 PRELIMINARY IDENTIFICATION OF BENEFICIARY GROUPS

Draw up a draft description of the PPPD beneficiary groups making estimates regarding their number, main characteristics, organisational level, and others, as well as a preliminary description of the positive impact that the Partnership will have on these.

5 PROMOTING ENTITY OR ENTITIES

Describe the characteristics of the entity or entities promoting the partnership, specifying the grounds that justify the proposal.

6 POTENTIAL PARTNER ENTITIES AND CONTRIBUTIONS TO THE PPPD

A list shall be drawn up of all the possible partner entities, indicating their capacities as well as the potential contributions that can be used in the forthcoming PPPD. We suggest that a table like the one provided be completed:

²Based on the *Manual para la gestión de alianzas público privadas para el logro de resultados de desarrollo [Management Manual for Public-Private Partnerships to Achieve Development Results]*. Fundación CIDEAL Manuel Gómez Galán and Héctor Sainz Ollero.

³Spanish acronym for Marco de Asociación País [Country Partnership Frameworks]

⁴Spanish acronym for Plan de Actuación Sectorial [Sectoral Action Plans]

POTENCIAL PARTNERS (indicate nationality and legal status)	CONTRIBUTIONS	POTENTIAL CONTRIBUTIONS

7_PROPOSAL OF A FACILITATOR ENTITY

Propose the entity that will both serve as a support in the relations between different players in the partnership and mobilises the work the partnership will carry out. It could be one of the promoting entities or a third party contracted specifically for this mandate. The suggested facilitator entity should be indicated along with its strengths and weaknesses for carrying out this task. This entity will act as Technical Secretariat to the PPPD.

8_INITIAL ESTIMATE OF BUDGET

Present an approximation of the budget that the PPPD should work with to reach the targeted outcomes. Budgets presenting a range of maximum and minimum figures will be admitted.

9_INITIAL FORECASTED DURATION OF THE PPPD

Present an estimated duration for the PPPD to reach the targeted results. Again, a range of minimum and maximum duration can be established.

4.2 FINAL FORM

1 SUBJECT MATTER AND DEVELOPMENT AREA

Describe in the most concise manner possible, the matter to be covered by the PPPD, indicating the target issue. Include significant information about the relevance of this issue. Relate this subject matter to local/national public development policy with the corresponding content in the Master Plan for Spanish Cooperation, the Country Partnership Framework (MAP) and the Sectoral Action Plan (PAS).

2 PPPD RESULTS FRAMEWORK

Indicate the aims that the PPPD sets out to achieve. Organise these aims into a results framework⁵, establishing the main output, results⁶ and impact anticipated. This results framework should be clearly aligned with the results of the corresponding Country Partnership Framework. Incorporate concrete indicators that will allow an evaluation of the achievement of the anticipated results and impacts. These indicators should be directly linked to those appearing in the MAP.

3 PPPD AREA OF ACTION

Indicate concretely, the area in which the PPPD will act (local, national, international)

4 INNOVATIVE ASPECTS

Describe the unique features that the partnership will contribute to both the development process into which it will be introduced and to the relationships between the different partner entities.

5 BUDGET

Indicate the total budget for the partnership. This budget should be established according to output and results. Calculate management costs of the partnership. Include in this budget the contributions that each one of the partner entities will make toward achieving each of the outputs established.

6 PARTNER ENTITIES AND THEIR CONTRIBUTIONS

Partner entities are those who engage in a solid commitment to the aims and procedures of the PPPD. Partner entities take on strategic and operational functions, they commit to making contributions, generating output and sharing in the achievements of the partnership. These are the signatories of the Memorandum of Understanding. A list must be drawn up of all the partner entities, indicating their characteristics and why they are interested in participating in the PPPD. (AECID REQUISITES: All of the partners, both promoting and participating, must comply with the participation requisites).

Include a table indicating the contributions each partner entity commits to make under the PPPD. These contributions can be monetary or in kind (make valuations). We suggest that a table like the one provided here be filled out:

⁵A results framework is understood to be the logic by which we explain the way the development result should be achieved, and should include causal relationships and underlying assumptions.

⁶A result is understood to be the positive anticipated effect of a strategy for change, that is, the observable changes in the situation of a certain group of humans, whether these be changes in conduct or in the work of the organisations.

PARTNER ENTITIES	CONTRIBUTIONS
ENTITY 1	
ENTITY 2	
ENTITY 3	
ENTITY "N"	
TOTALS	

7_ OUTPUT THAT EACH PARTNER SHOULD GENERATE

Within the concrete results framework established within the PPPD, indicate the responsibility that each of the partner entities take on toward achieving the output⁷ established.

8_ GROUNDS FOR AND OBSTACLES TO PARTICIPATION IN THE PPPD

Indicate the concrete grounds or interest that each partner entity presents to back up its participation in the partnership. These grounds can be linked to the objectives of their respective strategies, for example to improve their image or relationship with other entities. Also, indicate what obstacles each of these partner entities has had to overcome to form part of the PPPD and to what extent the PPPD itself has set up corrective measures to mitigate these obstacles.

PARTNER ENTITIES	CONTRIBUTIONS
ENTITY 1	
ENTITY 2	
ENTITY 3	
ENTITY "N"	

9_ FACILITATOR ENTITY

Propose the entity that will facilitate relations between the different stakeholders in the partnership and put into motion the tasks entrusted to it. This facilitator could be one of the promoting entities or a third party, hired expressly for this purpose. Indicate the proposed facilitator entity, with its strengths and weaknesses for carrying out this task. This facilitator shall act as Technical Secretariat to the PPPD.

10_ DESCRIPTION AND PARTICIPATION OF RECIPIENT GROUPS

Describe the beneficiary groups as concisely as possible. Approximate number, main characteristics, level of organisation, amongst others.

⁷According to results-based management, output is defined as those deliverable effects of the interventions. These constitute the connector between what is done—the intervention—and what is attempted to be achieved—the results

Give a detailed description of the positive impact that the partnership will have for the beneficiary groups.

Indicate what mechanisms have been established to guarantee the participation of beneficiary groups in the preparation and implementation of the PPPD.

11_POTENTIAL COLLABORATION ENTITIES

Collaboration entities are those who could join the partnership by linking with some concrete component or initiative. Present a list of the most important of these.

12_WORKING STRUCTURE

Describe the working structure of the PPPD, indicating the composition of administrative levels, frequency of meetings, the technical secretariat and others.

13_FUNCTIONS OF EACH ENTITY (PARTNERS, COLLABORATORS AND FACILITATOR)

To supplement the former item, indicate what functions each of the participating entities will assume in the PPPD. For this, a simple table such as the one below can be filled out:

PARTNER ENTITIES	CONTRIBUTIONS
ENTITY 1	
ENTITY 2	
ENTITY 3	
ENTITY "N"	

14_OPERATIONAL, FOLLOW-UP AND INTERNAL COMMUNICATION PROCEDURES

Indicate what operational procedures the PPPD establishes, how follow-up and internal communications between the different partners will take place and how frequently the PPPD should be issuing reports and statements.

15_WORKING OUTLINE: OPERATIONAL PLAN YEAR 1. PROSPECTS FOR YEAR 2 AND BEYOND

Propose a detailed operational plan for the partnership, covering one year. Include some general outlines for the forthcoming periods. It is important to propose a working timetable for year 1.

16_BASIC CRITERIA FOR CALLS FOR PROPOSAL AND TENDERS (WHEN APPROPRIATE)

If it is deemed appropriate to use calls for entry or tenders to carry out certain initiatives, indicate how these processes will take place and what fundamental criteria the PPPD will establish to hold them and select candidates.

17_MONITORING AND EVALUATION SYSTEM. LEARNING PROCESSES

Describe the monitoring and evaluation systems the PPPD will establish, indicating the modalities it will use. Indicate how the findings will be reused to generate learning processes.

18_EXTERNAL COMMUNICATIONS SYSTEMS

Indicate what mechanisms could be put into place to communicate the achievements and progress reached within the PPPD. Establish who will be in charge of undertaking these tasks.

19_ESTIMATED DURATION

Indicate the estimated duration of the PPPD including the years the partner entities are expected to collaborate in order to achieve the targeted outcomes.

20_DRAFT MEMORANDUM OF UNDERSTANDING

Attach the initial version of the Memorandum of Understanding which lays down the agreements committed to by the partner entities of the PPPD.

5. REQUIREMENTS FOR PARTICIPATION

In order for AECID to take part in a PPPD or participate in any manner, on any level, some minimum requirements must be met. These apply as well to all stakeholders and entities planning to participate in the partnership.

5.1 FOR ENTITIES IN THE PRIVATE BUSINESS SECTOR

The minimum requirements regarding business firms are applicable to both business partners as well as participants and are divided into exclusionary and evaluation-based criteria.

EXCLUSIONARY CRITERIA

Entities which carry out procedures or practices listed below will be excluded, from the start, and it will be impossible for them to form any partnership or alliance with AECID⁸.

1. Manufacture, purchase or sale of weapons as well as financing of related activities
2. Direct or indirect use of child labour, forced labour or slave labour
3. Anti-union practices
4. Acts classified as bribery and corruption
5. Acts against the environment

EVALUATION CRITERIA:

Although not of compulsory compliance, the AECID evaluator will look on very favourably the respect of the following practices:

1. Adoption or adhesion to the following internationally recognised principles and guidelines for businesses⁹:
 - Fundamental ILO conventions
 - OECD Guidelines for Multinational Enterprises
 - 10 Principles of the United Nations Global Compact
 - ISO 26000 Standards on Corporate Social Responsibility
 - ILO Tripartite Declaration on Multinational Enterprises and Social Policy
 - UN Guiding Principles on Business and Human Rights

⁸These exclusionary criteria were already used by AECID itself in the *Open and Permanent Call for Business Cooperation 2011*

⁹These are the principles and guidelines that the European Commission encourages businesses to take on board in its communication on a *Renewed Strategy 2011 – 2014 for Corporate Social Responsibility*.

- II. Presentation by the firm of both a sustainability report and Corporate Social Responsibility reports¹⁰

5.2 FOR CIVIL SOCIETY ORGANISATIONS

The requisites for Civil Society Organisations (NGDO) will be only assessment-based, and are the following, applicable only to Spanish NGDOs:

1. Be an AECID-certified NGDO
2. Have signed the code of conduct of the CONGDE¹¹
3. Have the CONGDE transparency seal
4. Be able to prove having a minimum degree of experience in the country and sphere of activity
5. Have conducted a minimum number of projects with AECID

For NGDOs of partner and other non partner countries, specific criteria can be established for each case depending on the legislation or practices of each country.

¹⁰ In the plenary session held in May 2011, the Consejo Estatal de Responsabilidad Social de las Empresas (CERSE) [Spanish State Council for Business Social Responsibility], approved a document on transparency, communication and standards for the reports and statements on sustainability that includes basic topics and sub-topics on which businesses can report, divided into four thematic blocks: A) human rights, B) environment, C) labour rights and policies, D) good governance

¹¹ Spanish acronym for Coordinadora de Organizaciones no Gubernamentales para el Desarrollo-España [Coordinator of NGOs for Spanish Development]



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