



Act 5.3 - Questionnaire

In order to highlight the required information/experiences in the field of PPP, we propose the following questionnaire to be filled up by Adrifort Partnership.

<p><i>Is there a law that regulates PPP in your country? (if there is an English version available, please send it)</i></p>	<p><i>When was it adopted? (year)</i></p>
<p>Law 3389/2005 introduces the PPP as a financial tool in Greece. This Law has been amended by the Law 3483/2006</p>	<p>2005</p>
<p><i>As far as you are informed, is the law functional?</i></p>	<p>The experience from the so far implementation of the PPP's law is positive. The projects that have been implemented so far assisted Public Sector's to construct basics infrastructures for serving its needs in a better way, in a time period where it was extremely difficult to find alternative funding sources.</p>
<p><i>Is there a specific public body supervising / responsible for the PPP?</i></p>	<p>The supervisory organization for PPP's project in Greece is the Special Secretariat for Public Private Partnership which belongs to the Ministry of Finance and it is based in Athens.</p>
<p><i>Are you familiar with PPP best practice examples in the field of cultural heritage in your country?</i></p>	<p>Up to now not any PPP project related with field of cultural heritage has been materialized in Greece.</p>
<p><i>Are local public authorities in your territory involved in PPP projects? (Are these projects heritage-related?)</i></p>	<p>During the current year Corfu Municipality started the tendering procedure for materializing the first PPP project. This project concerns the integrated waste management. Now it is in the phase that the submitted offers from the candidates are going to be evaluated.</p>

Briefly summarize your experience in PPP projects focus on:

- *Purpose of the PPP project*
- *The reasons that encouraged to discuss / implement PPP schemes*
- *Financial flows implicated*
- *Advantages / disadvantages detected*
- *Type of private partner involved*
- *Type of agreement with the private sector (PPP scheme) adopted*
- *Involvement of external technical support*
- *Long-term effects*

As it has been referred above Corfu Municipality now is trying to implements its first PPP project. The purpose of this project is the city waste management to be given in privates. At the moment whole procedure is at the phase of the submitted offers' evaluation.

In general the Central Government encouraged Local Authorities to implement PPP schemes. The main reasons for giving these directions are deriving from the advantages that PPP projects have where will be analysed at the below sentences.

The aforementioned PPP project will be financed in total by the Private Sector. This means that the company which will be the contractor will have the responsibility for the construction, operation and finally the preservation of the project. It will take back the invested funds from the exploitation of the city wastes (recycling, electric power production, fee payments from Local Authorities for the use of the waste land field, e.t.c.)

The general principle for the PPP projects is that the Public Sector can achieve a better "value for money" regarding its available resources. More indicatively the main advantages of the PPP method are:

- 1) Using this method a better risk allocation can be succeed for this category of projects
- 2) Gives strong motives to privates, because the future payments of the project are connecting with its completion and operation
- 3) A clear delimitation of Public Sector's needs regarding the infrastructure planning which are going to construct in a long term period
- 4) Assure that the PPP's projects serve only the purposes that are made for without having any more the phenomenon of "gigantism" as it was happened during past
- 5) A clearer focus to the different

responsibilities of Public and Private sectors which reflects with greater accuracy to the reality and a more sufficient distribution of the risks between them

- 6) Conservation of Private Sector's commercial incentive during planning, construction, maintenance and operation of the project
- 7) A more effective use of the infrastructures giving at the same time the capability to the Privates to exploit them in a commercial way
- 8) Planning of the project for preserving its value during all the contract's duration and at the same time to be flexible for changing use after the contract's expiration
- 9) Perspective for more and with better quality projects

The main disadvantages of PPP method are detected to the following issues:

- 1) Projects that are materialized by PPP method are often more expensive in comparison than these which are materialized with the traditional public contracts
- 2) Due to the fact that the Public Sector doesn't have relative experience to this kind of project it is necessary to hire external consultants for helping at the whole procedure. This influence project's duration and also the consultants reward is embodied in the final cost of the project
- 3) Public losses the control during the materialization of the project and also during its operation
- 4) Because of the long duration of these partnerships contracts, normally more than 20 years, the possibility to be proven as non operational, because of unpredictable or no predicted factors, is

very high, in comparison with the traditional contracts of public works.

The type of the agreement is special form of agreement and it is ruled from the Greek Law 3389/2005 that defines all the necessary details regarding the PPP projects.

Because of the facts that these PPP projects for waste management was a governmental choice to be implemented in all regions of the Greece, the responsible Secretariat had contracted with external consultants, specialized at these projects, for preparing a template of call which will be used from all the locals authorities and in parallel they made a manual describing the procedure that had to be followed.

Success of first PPP project in Corfu will provide a positive experience at the local society regarding this kind of partnerships and will be the pioneer for other projects in other sectors as it is the cultural heritage. Especially, in the case of Corfu that disposes huge cultural resources.

The implementation of this kind of projects will have positives long term effects at the following:

- Enhancement of the Cultural heritage of Corfu
- Creation of prerequisites for sustainable development at local level
- Increase of employment with the creation of new jobs and professions
- Attraction of investors
- Differentiation from other competitiveness tourism destinations e.t.c.