



Mr José Manuel Barroso
President of the
European Commission
Rue de la Loi, 200
1049 Brussels

29 July 2010

Dear President Barroso,

Cher ami,

RE: Follow-up to the 2009 Communication on developing Public-Private Partnerships.

BUSINESSEUROPE warmly welcomed the Commission's communication on developing Public-Private Partnerships (PPPs) of 19 November 2009. We believe that it is now time to ensure proper follow-up on this fundamental macro-economic issue.

Now more than ever, action is needed to promote decisively cooperation between public and private sectors in the delivery of public services. This is critical both in terms of the expectation for high quality public services among European citizens and businesses, and in consideration of the major investments needed to renovate and develop Europe's infrastructure in the current context of public austerity measures.

Partnerships between public and private sectors will relieve pressure on public finances and contribute to the recovery of the European economy.

In general, BUSINESSEUROPE is very supportive of the communication on developing public-private partnerships and urges the Commission to follow up on most of the announced measures quickly. In particular, we call for swift and determined action to set up the stakeholder PPP expert group.

You will find more detailed remarks and suggestions in the annex to this letter.

We trust you will take our comments and suggestions into account and remain at your disposal to assist on this important issue.

Yours sincerely,

Ardo de Weert,

Philippe de Buck

Philippe de Buck



ANNEX: LETTER TO PRESIDENT BARROSO ON FOLLOW-UP TO THE 2009 COMMUNICATION ON DEVELOPING PUBLIC-PRIVATE PARTNERSHIPS.

PPPs are a primary tool to make public services more cost-effective and efficient at a time when financial means are scarce and no effort must be spared to get Europe back on track. Further public-private cooperation is fundamental for European competitiveness: the combination of public and private expertise and resources will help find responses to today's economic, environmental and demographic challenges.

In the short and medium run, public-private partnering has the potential to relieve pressure on public finances and contribute to a gradual recovery of the European economy. Moreover, it can boost innovation linked to environmental services, transport and energy. It is also recognised that PPPs can usefully contribute to long-term improvement of the quality of public infrastructures and services.

Professor Mario Monti also underlined the importance of PPPs in his report "A new strategy for the Single Market" of May 2010, by stating that the reduced fiscal space available for governments will naturally enhance the importance of public-private partnerships as a delivery tool for infrastructure investments. In addition, Mr Monti pointed to the structural funds which should facilitate public-private cooperation.

With the 2009 communication, the Commission clearly acknowledged the unexploited potential of public-private cooperation in the provision of better public services and expressed the need to create a culture that facilitates the setting-up of PPPs.

In particular, the Commission announced three main actions:

- Setting up a stakeholder PPP expert group to identify obstacles and to promote a culture of partnership;
- Dealing with pressing issues such as ensuring a level playing field between private and public management of services and infrastructure, capacity building in the Member States and better use of existing means, such as structural funds, JASPERS and EPEC; and
- Encouraging the use of PPPs by developing new instruments, promoting pilot projects and assisting the organisation of a long-term market for financing of infrastructure.

BUSINESSEUROPE is very supportive of the above objectives and urges the Commission to take these measures quickly.

In particular, we call for swift and determined action to set up the stakeholder PPP expert group. In this context, BUSINESSSEUROPE and its members are now establishing a broad private-sector PPP stakeholders' platform to provide input to the Commission on a broad range of issues related to PPPs. We stand ready to discuss with the Commission possible cooperation in setting up the envisaged stakeholder PPP expert group after the summer break.

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