



Comparative Report on the Regulatory and legal framework for public procurement (PP), Co-production of public policies (PPUB) in public-private partnerships (PPP) with social and solidarity economy actors using social complementary currencies

MedTOWN Project

Legal report on Social and Solidarity Economy in six countries of the MedTOWN Project (Spain, Greece, Jordan, Palestine, Portugal and Tunisia).

Comparative law study on the legal framework of the social and solidarity economy in six countries of the MedTOWN project.

EXECUTIVE SUMMARY

Comparative Study of the Regulatory and Legal Framework of the Social and Solidarity Economy in the Participating Countries of the Medtown Project.

- This report analyses the legal framework of the Social and Solidarity Economy (SSE) in six participating countries of the MedTown Project (Spain, Greece, Jordan, Palestine, Portugal and Tunisia), and the various issues related to it, such as procedures, formulas or instruments that facilitate the best application of SSE actions, co-production of public policies, public-private partnerships, use of complementary social currencies, electronic payments,
- The main issues that will be addressed in the following report are:
 - 1) Regulatory and legal framework related to the co-production of public policies (PPUB), Public-Private Associations/Partnerships (PPP) and Public Procurement (PP "Public Procurement") and its ecosystem in the countries. Definition, Regulation and Purpose.
 - 2) Scope of application of the PP and PPP regulations. Territorial and subjective. Main Actors Involved. Public and Private Sector.
 - 3) Who is responsible for drafting and amending PPP regulations? Problems in the application of its regulations.
 - 4) PPP promotion measures. Recommendations and proposals for the improvement and implementation of actions that facilitate PPP actions.

Conclusion and regulatory recommendations of PPUB and PPP.

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1. INTRODUCTION. PROJECT CONTEXT.

This report is part of the European MedTOWN Project, and its preparation has been tendered by the Department of Social Affairs and Sports of the Autonomous Community of the Balearic Islands (CAIB), through the Directorate General for Cooperation, as a contract of services for the preparation of technical reports within the framework of the European MedTOWN Project.

MedTOWN is a social innovation initiative, which aims to strengthen the role of the Social and Solidarity Economy (SSE) in the co-production of public goods with local networks and communities, through research and experimentation.

The co-production of public policies seeks to empower people to achieve results that increase the quality of life, both individually and collectively, by involving people in the design and delivery of services.

The MedTOWN project aims to show how participation and social innovation policies can influence and be relevant in public policies to fight poverty, inequality and social exclusion; and to explore the limits of the regulatory framework for the development of social innovation projects in the Mediterranean with the support of SSE entities.

For this purpose, MedTOWN promotes and embraces the use of social innovations as complementary currencies and promotes the role of social enterprises, cooperatives, user-driven services and other forms of SSE as types of organisations that lend themselves well to the application of co-production principles because they are democratic more often.

In the MedTOWN Project that is the subject of this report, we find different demonstration actions and pilot projects in each of the involved countries.

The Demonstration Actions to be carried out in each of the countries, as of the date of this report, are the following:

Jordan: Co-production of services for and by people with disabilities through the Social Entrepreneurship Business Incubator.

Palestine: EU waste management system based on a circular economy model.

Tunisia: Co-production services for women's empowerment.

Spain: Co-production of policies for the transformation and support of aid in an EU recovery strategy.

Greece: Co-production of public employment services, involving social services and SSE actors to support people excluded from the labour market.

Portugal: Co-production of policies for active citizenship in Agroforest de Campolide addressed to low-income neighbourhoods.

2. MAIN ISSUES.

In order to carry out this study, several questionnaires have been sent to those responsible for the actions in each country regarding the main issues to be studied and the received information on the regulations and legal context in each country on public procurement (PP), co-production of public policies (PPUB) in public-



private partnerships (PPP) with actors from the social and solidarity economy using complementary social currencies have been consulted.

These questionnaires and their responses are attached to this study for your perusal and detailed examination.

Regarding the requested information and issues that have been raised, we can highlight the following main notes from the answers obtained by local partners:

- a) Regulatory and legal framework of the PPUB and PPP and their ecosystem in the countries. Definition, Regulations and Purpose.
- b) Scope of application of the PPP regulation. Territorial and subjective. Main Actors Involved. Public and Private Sector.
- c) Who is responsible for drafting and amending PPP regulations? Problems in the application of its regulations.
- d) PPP promotion measures. Recommendations and proposals for the improvement and implementation of actions that facilitate PPP (APP) actions.

a. Regulatory and legal framework of the PPUB and PPP and its ecosystem in the countries. Definition, Regulations and Purpose.

Jordan

- There are specific regulations that regulate PPP in Jordan. Public-Private Partnership Law No.17 of 2020. There is another regulation related to PPPs (The Privatization Law Number (25) of 2000 & Regulation for Implementing Privatization Transactions of 2008).
- PPPs are defined as "An agreement between the public and private sectors in order to provide a service of a general nature or implement a project or perform a specific task with the financing of the project and distribution of the risks derived from it as agreed in the contract".
- The purpose of the existing PPP-related regulations is to create a legal framework for private sector participation in PPP projects throughout Jordan.
- This regulation aims to stimulate investment in the Jordanian market by supporting a clear line of opportunities for foreign and local investment in Jordan, thus attracting international companies and financing.
Increase the efficiency, productivity and competitiveness of companies and contribute to the promotion of local, Arab and international investment by providing a favourable investment environment.
Stimulate private savings and direct them towards long-term investments to strengthen the local capital market and the national economy.
Ease the Treasury's debt burden by ceasing to offer aid and loans to unprofitable businesses.

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Palestine	<ul style="list-style-type: none"> • There is neither specific legislation that regulates the PPP in Palestine nor other legislations that regulate the PPUB but there is reference to it in another legislation such as The Local Authority law, The municipality law The Company law... • There is no regulation with a concrete definition of PPPs and PPUB. • The purpose of existing PPP-related regulations is to encourage private investment in public economic development policies.
Tunisia	<ul style="list-style-type: none"> • There is a specific legislation that regulates the PPP: Law No. 2015-49 of November 27, 2015, on public-private partnership contracts. There are other government decrees that develop the conditions of the contracts in which PPP are involved. • PPP contracts are defined as a contract under which a public person entrusts a private partner with an object consisting of the execution of works, equipment or infrastructure necessary to provide a public service. It includes financing, execution, maintenance and also, where appropriate, operation, in return for payment by the public body to the private partner for the duration of the contract. • Its purpose is to diversify the means to comply with public demands and financing, as well as to develop and strengthen infrastructures, encourage public investment in the public sector and benefit from the experience of the private sector. • Regarding citizen participation in the design of PPUB, there are regulations that regulate such participation and that, in certain cases, it is even mandatory to carry out citizen consultations. Decree No. 2018-328 of March 29, 2018, on the organization of public consultations. • The aim of this regulation is to open up the administration to its environment, strengthen the mechanisms of communication with citizens and civil society, enshrine the principle of transparency and the principle of participation in decision-making, reinforce the legitimacy of public policies, strengthen citizens' trust in public administration, improve the quality and efficiency of public policies. • As an example, at the local level, all development and land use plans are elaborated in a participatory manner during several sessions that include citizens and civil society to choose the projects to be carried out in their areas.
Spain	<ul style="list-style-type: none"> • There is no legislation that regulates the co-production of public policies through public-private partnerships with entities. There are regulations that regulate the form of Public Administrations and their organization (Law 40/2015), as well as the procurement procedures (TRLCSP). • Public-Private Partnerships have taken place for infrastructure management. • However, it is worth highlighting the Royal Decree-Law 36/2020, of 30 December, which approves urgent measures for the modernisation of the Public Administration and for the implementation of the Recovery, Transformation and Resilience Plan, which includes a new figure of public-private partnership: Strategic Projects for Economic Recovery and Transformation (PERTES). • There is no concrete definition of Public Policies through PPPs and the use of complementary social currency.

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	<ul style="list-style-type: none"> The purpose of the aforementioned legislations is to regulate the legal regime and the form of organisation of the Public Administrations as well as the public procurement processes. Furthermore, RDL 36/2020 aims to facilitate the management and implementation of actions that can be financed with European funds in order to boost economic growth and job creation by promoting public and private investment and reinforcing and increasing resilience and economic, social and territorial cohesion.
Greece	<ul style="list-style-type: none"> There is a PPP Law: Law 3389/2005, which defines the broader legal and institutional framework for the operation of PPPs in Greece and delimits their scope. According to Greek law, “public contracts” mean contracts for pecuniary interest concluded in writing between one or more economic operators and one or more contracting authorities/contracting entities, respectively, and whose purpose is the execution of works, the supply of goods or provision of services. The purpose of the Law is to regulate the actions of private entities through collaborations with the public for the execution of public works and services. It is highlighted as a complementary solution for the efficient execution of projects and the provision of quality services to citizens. There is no mention of citizen participation in public policies, beyond certain online debates and consultations for specific legislation. Public debates and contributions are managed at www.opengov.gr, while local authorities occasionally act through their websites. There are no regulations on complementary currencies.
Portugal	<ul style="list-style-type: none"> There is no specific law on this matter, regardless of whether there are regulations that establish State support for social solidarity institutions, therefore, we can speak of alliances between the State and these institutions in areas such as social action, education, health and support for children, the elderly and people with disabilities ... There is no specific definition or object of the regulation, since there is no specific regulation that regulates it, despite the existence of regulations that support social solidarity institutions.



b. Scope of Application of the PPUB and PPP regulations. Territorial and subjective. Main Actors Involved. Public and Private Sector.	
Jordan	<ul style="list-style-type: none"> • The scope of territorial application of the regulations is national and is applied throughout the country. It applies to both the public (Pub) and private (Priv) sectors. • Pub: State Ministries. Notably the Ministry of Digital Economy and Entrepreneurship. Directorate in the Prime Minister's Office (PMO) that supervises the development of PPP projects in Jordan. The Jordan Investment Commission (JIC) which receives, studies and registers PPP project applications from Jordanian government agencies. • Priv: The regulations do not establish citizen participation in the development of public policies.
Palestine	<ul style="list-style-type: none"> • The scope of territorial application of the related regulations is national, regional and local, which means that they are applied throughout the territory, even though there are no specific regulations, and their application is for both the public sector (Pub) and the private sector (Priv). • Pub: Ministry of Local Government, Ministry of Finance, Palestinian Investment Fund (PIF), Local Councils • Priv: Cooperatives, Agricultural Cooperatives, NGOs...
Tunisia	<ul style="list-style-type: none"> • The territorial scope of application of the PPP regulation is National and it's applied throughout the country at state, regional and local level, with local entities making use of this partnership system. Its application is for both the Public (Pub) and Private (Priv) Sector. • Pub: All public, state, regional and local administrations, as well as public companies with prior authorization from the competent administrations. The Strategic Council of Public Private Partnership (CSPPP) and the General Direction of PPP are the most important ones. • Priv: The companies in charge of executing public works and services contracts, as well as the private bank that finances the projects.
Spain	<ul style="list-style-type: none"> • The territorial scope of application of the PPP regulation is included mainly in the LCSP (Public Sector Contracts Law) and, therefore, it's a State regulation that affects the public (Pub) and private (Priv) sectors through management and operation concessions to private companies. • Pub: All public administrations (State, regional and local) as well as the rest of the public sector. • Private: The companies that are going to execute the contracts and other organisations capable of carrying out such contracts. We highlight legal entities that can develop PPPs such as groups of natural or legal persons, public or private without personality, Consortiums and Mixed Economy Companies.

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Greece	<ul style="list-style-type: none"> • The scope of territorial application of the regulation is at all levels (Supranational, State, Regional and Local). Its application is for both the public (Pub) and private (Priv) sectors. • Pub: Public administrations, local associations of municipalities, legal persons governed by public law, public companies whose share capital belongs entirely to the previous categories, • Priv: legal persons in the private sector
Portugal	<ul style="list-style-type: none"> • The scope of territorial application of the regulations supporting social solidarity institutions is national and, therefore, it is also applicable at the local level, in accordance with the provisions of the Constitution itself. It applies to both the public (Pub) and private (Priv) sectors. • Pub: Public Administrations including Local Authorities. • Private: Private Social Solidarity Institutions of the Social Economy, such as Cooperatives, Mutual Societies, Associations or Foundations.

From what has been seen so far, in the different regulations studied concerning the existence of **PPPs and the co-production of public policies through them and the use of complementary social currencies**, we can conclude that **there is no regulation** with such a level of concreteness in this respect.

There are regulations that regulate the existence of PPPs but they do not normally relate it to the creation of Public Policies through them and in no case does it refer to the possibility of using complementary social currencies. Such regulations regarding the creation of PPPs are usually found in the regulations governing public procurement (PP "Public Procurement") although this is not always the case and there are also specific regulations for this purpose.

Given the numerous and repeated occasions on which public-private partnerships or PPPs have been carried out, we usually refer to the classic **Public-Private Partnerships for the construction and management of assets, usually large infrastructures, and/or services through public contracts or concessions** in which the private partner assumes all or part of the risk for the construction and management of the infrastructure or the provision of the service, normally for a long period, in exchange for a financial consideration paid by the contracting public administration.

According to this idea, although there is no internationally recognised definition since it depends on each sector, **the definition of PPP** could be: "a long-term contract between a private entity and a government entity to provide an asset and a service, in which the private entity significantly assumes the risks inherent to the project, is responsible for the management, and the remuneration is linked to the performance of the contract".

However, considering the projects to be developed in MedTOWN, **this type of PPP is not the object of these projects.**

The objective of this study, and more in line with MedTown's projects, is the regulation of the possibility of applying **other types of public-private partnerships or PPPs, understanding them as "alliances"** that, instead of being focused on large infrastructure projects or service management, focus on **carrying out small and medium-sized projects and actions that help to improve the quality of life of citizens, the development of regions and neighbourhood communities.**

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It is a way of conceiving civil society, citizenship and neighbourhood as more cohesive, closer and intertwined, through the SSE and through the co-production of public policies through PPPs, making it possible to bring out the best in each individual to shape a better community and the successful delivery of services. It is a **collaborative approach of public-private partnerships more in line with the purpose and concept of the SSE.**

These types of actions and guidelines, these types of PPPs can be called "**SOFT IMPACT**".

In this case, there will be an alliance or partnership between the public sector and the private sector, made up of not only small and medium-sized enterprises (SMEs) from the private sector, but also of civil society organizations such as Non-Governmental Organizations (NGOs), civil associations, universities, trade unions, environmental groups or youth platforms, among many others, whose purpose will be the common goal of satisfying the basic and decent living conditions through the co-production and implementation of public policies and the use of complementary social currencies as one of the appropriate instruments for this purpose.

However, we must say that, currently, there are hardly any regulations regarding the possibility of co-production of public policies through PPPs with the possible exception of the PERTES in application of the Recovery, Transformation and Resilience Plan in Spain, which has yet to be developed.

Also, in the same aspect, the notable intention to establish citizen participation in the drafting and design of existing regulations in Tunisia stands out, as it establishes the need to carry out consultations and count on the opinion of citizens, thus increasing society's participation, at least in theory, in the decision making and elaboration of public policies.

Something similar occurs in Spain, which also includes forms of citizen participation in local regulations, although in the end it focuses mainly on requesting opinions from residents and local associations on issues that are of their interest, as well as the intervention in participatory budgets in which citizens are able to choose the destination of certain applications and budget items for the execution of certain projects.

Thus, we have to conclude that there is **hardly any legislation that successfully regulates and implements the creation of PPPs through which public policies are co-produced, and less using complementary social currencies.**

c. Who is responsible for drafting and amending PPP regulations? Problems in the application of its regulations.

Jordan

- It is the responsibility of Parliament, at the request of the Prime Minister or the Council of Ministers, and the PPP Projects Unit, which also establishes a National Register of Government Investment Projects in which these PPPs have a place.
- Monitoring of PPP projects is carried out by the Higher Committee of the Public-Private Partnership.
- The main problem when carrying out PPP projects, even more so when they are relevant to the co-production of public policies, is the risk associated with the investment in the project. Especially when the regulations are focused on large infrastructure works.

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	<ul style="list-style-type: none"> • There is also a poor level of commitment on all sides and a misunderstanding between the public and private sector which leads to poor management of such projects.
Palestine	<ul style="list-style-type: none"> • Proposals for regulations are mainly made by the Ministry of Local Government, with subsequent discussion in Cabinet and approval by the President. • At the local level, projects implementation is also the responsibility of the local administrations and their supervision is carried out by the Ministry of Local Government through its local directorates and administrative control and audit offices. • The main problem is that there is a lack of concrete regulations, which means that implementation is not systematic. Moreover, current regulations barely address the representation and voice of the marginalised in the co-production and formulation of public policy. • Regarding PPPs, the main problem is the lack of specific laws.
Tunisia	<ul style="list-style-type: none"> • The President of the Republic and the Parliament are competent to propose laws related to the co-production of public policies and PPPs. It's especially highlighted the advisory and supportive role of the PPP strategic council and the general PPP body whose mission is to study the necessary modifications and improvements to the legislative and regulatory framework of PPP contracts, in coordination with the general PPP body. • The PPP Strategic Council and the overall PPP body are responsible for supervising and promoting the implementation of PPP projects. • The main problems in the implementation of PPP are: The diversity of actors and the difficulty of communication between them. Insufficient financial resources Lack of an integral information system capable of processing data on PPP contracts The banking system is reluctant to support investors in PPP projects. Lack of effective monitoring and evaluation of PPP contracts Insufficient planning and identification of priority projects
Spain	<ul style="list-style-type: none"> • Legislative competence corresponds to the Cortes Generales and regional parliaments. • The main problem for the implementation of PPPs and co-production of public policies is that there is no legal and practical regulation and development to facilitate PPP processes beyond large investments and strategic issues. There is no dialogue with grassroots social actors to facilitate the bottom-up co-production of public policies. • Other problems are the lack of commitment and political will in partnership policies. • Lack of capacity on the part of local actors to access the Public Administration to establish agreements and co-production practices.
Greece	<ul style="list-style-type: none"> • Legislative competence corresponds to the Greek parliament and the Greek government.

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	<ul style="list-style-type: none"> • The Greek Parliament and the Greek Government • The Interministerial Committee for Public-Private Partnerships together with the Single Independent Public Procurement Authority are responsible for the supervision and implementation of projects and the application of PPP and public procurement regulations. • The main problems we encounter with the Greek regulation is that there are many issues and aspects of PPP that remain unregulated and there are no unified guidelines and solutions. In addition, there are certain problems of harmonisation between the Greek regulations and the European procurement directives.
Portugal	<ul style="list-style-type: none"> • Legislative competence for drafting or amending related legislation corresponds mainly to the Parliament and therefore at central level. • Any change in legislation requires the intervention of parliament, and it's carried out at the request of the political parties that compose it.

d. PPP promotion measures. Recommendations and proposals for the improvement and implementation of actions that facilitate PPP actions.	
Jordan	<ul style="list-style-type: none"> • The PPP Law establishes a framework for the government to collaborate with the private sector in development projects. It opens up numerous opportunities to strengthen foreign private investment in Jordan, improve services to its citizens and encourage investment and participation in the PPP sector, both legally, economically and politically. • The main challenge in Jordan is to promote entrepreneurship in order to create small and medium-sized businesses with high growth potential. • A greater degree of economic diversification supported by policies that promote innovation needs to be pursued. • This is necessary to boost productivity and improve education. • To plan and implement an innovative PPP, it is essential to take into account social interests and what economic incentives could be offered to attract private partners. • The MedTown demonstration action can be used as an example of PPPs with SSE actors using complementary social currencies. • The learning processes must be well documented and there must be direct and constant communication between the involved actors involved, collecting and monitoring the obtained results.
Palestine	<ul style="list-style-type: none"> • PPP participation should be enhanced by creating an enabling environment and the right incentives. A policy is required to raise awareness, encourage and monitor the

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	<p>creation of private sector investment and participation in the public sphere through, for example, tax rebates.</p> <ul style="list-style-type: none"> • The exchange of knowledge and recommendations on PPP and PPUB co-production with more experienced actors would be useful.
Tunisia	<ul style="list-style-type: none"> • Promotion of the private initiative through the adoption of incentive provisions for those persons who propose the initiation of suitable but unplanned tenders (Article 11 of Law 49-2015). • Obligation of the public entity to examine the possibility of carrying out the proposed project or activity within the framework of a concession. • Promotion of specific measures for small project concessions and concessions dedicated to young developers (graduates under 35 years of age). • Promotion of the participation of Tunisian SMEs. • Among the recommendations, it is worth emphasizing the need to implement effective dialogue and cooperation mechanisms between the different actors, better control of the deadlines related to the study preparation phase, the hiring of qualified personnel to ensure the monitoring and evaluation of contracts, and the implementation of an information system to monitor the execution and results of the project.
Spain	<ul style="list-style-type: none"> • The framework of the Economic Recovery and Transformation Plan incorporates the simplification of the processing of administrative agreements. One of the advantages of using agreements in the management of the European Recovery Instrument is that they allow the actions required to fulfil the purposes of general interest to be articulated through entities that collaborate with the Administration, whose procedures are much more agile. • Early processing of agreement files to be executed in the following year or later is allowed. • It also provides the possibility of receiving advances for the preparatory operations that are necessary to carry out the financed actions, up to a limit of fifty percent of the total amount to be received. • The maximum duration of the administrative agreements has been lengthened to adapt it to the temporary needs implied by the European Recovery Instrument projects. • It is recommended that partnerships between public administrations and local social actors for the co-production of public policies with local impact, beyond large public works, tenders, public procurement, and strategic areas linked to collaboration with large companies and corporations.
Greece	<ul style="list-style-type: none"> • Measures to encourage PPPs include, among others, the rebate and payment of contributions by individuals, actions to avoid that the increase of costs is assumed by the individual, the possibility of sharing risks with the public sector and not only by the private sector, better design and planning of the payment method in PPPs.

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	<ul style="list-style-type: none"> • The challenges to face would be the mitigation of the economic impact of delays, renegotiations of the costs and revision of the prices of the PPPs by the public partner. • The adaptation of the institutional and legal framework to the needs of PPP projects co-financed by the EU.
Portugal	<ul style="list-style-type: none"> • Social Economy entities benefit from some tax and other contribution reductions and also from a more favourable credit system. • There are other benefits, such as exemptions from Social Security rebates and state aid to Social Economy entities, which are available in social areas, such as support for the elderly, children or the disabled.

In relation to the issues reflected above, we can conclude that **all these regulations do not specifically regulate the possibility of co-production of public policies through the application of PPPs and even less by using complementary currencies.**

It is true that, as previously mentioned, there are specific legislations or part of the PP legislation that deal with the regulation of PPPs, as is the case of Jordan, Tunisia or Spain.

We found that the competent authorities responsible for legislation are usually those at the state or central government level and that these processes are usually long, costly and far from allowing the application of PPPs for projects close to society that also allow the co-production of public policies.

However, when regulating PPPs and investments, either specifically by a specific regulation or through the regulation of PP, we tend to find **common points** in the regulations of the different countries studied, such as the following objectives:

1. To increase the efficiency, productivity and competitiveness of economic enterprises.
2. Contribute to investment promotion by providing a favourable investment environment.
3. Stimulate private savings and direct them towards long-term investments to strengthen the local capital market and the national economy.
4. Ease the Treasury's debt burden.

However, in such **regulations there is often no specific mention of the possibility of citizen participation in the implementation or co-production of public policies.**

Therefore, it is easy to conclude that many of the regulatory initiatives that regulate public-private partnerships for the improvement of local service provision are not designed to include citizen participation in the co-production of public policies.

In fact, it could be said that none of the projects developed within the MedTOWN initiative would be included in the object of application of the legislations that regulate PPPs, except perhaps for the exception of Royal Decree-Law 36/2020, of 30 December, which approves urgent measures for the modernisation of the public administration and for the implementation of the Recovery, Transformation and Resilience Plan, that includes a new form of public-private partnership: the Strategic Projects for Economic Recovery and Transformation (PERTES).



This becomes even more evident when we consider the institutions and bodies that must supervise and authorise the implementation of PPPs or the modification of their regulations, which tend to be at the state level and, in any case, far from the citizens and associations that could participate in the co-production of PPUB.

In conclusion, we tend to find the same problem in all regulations that **are usually focused on large-scale infrastructure projects and investments through PPPs, but not on more modest projects** that are closer to the neighbourhood community and that we previously defined as "Soft Impact".

Regarding the problems, we usually encounter when developing PPPs between the public and private sectors, we highlight the following:

- Low level of stakeholder commitment.
- Difficult resolution of conflicts between the parties and lack of trust between them.
- Lack of knowledge and specialisation of officials in projects, PPP policies and co-production of public policies.
- Lack of confidence in the management of public money, problems in auditing and monitoring projects.

For all these reasons, despite the benefits that could be obtained from the application of co-production of public policies and PPPs, in practice, **public administrations rarely opt for these public-private partnership formulas.**

Probably the main reason why collaboration formulas are not so common and successful is due to the lack of trust and knowledge of the role of public sector as an ally and partner for the private sector partner for the development and implementation of certain policies and the provision of public services.

Normally, based on precedent, it is common for the public sector to turn to the private sector by **granting concessions to carry out large infrastructure projects**, usually works or even services, for which it did not have neither sufficient financial capacity nor margin debt.

There is also a certain suspicion, not without there're reasons for it, regarding the existence of corrupt practices in these public-private partnership systems, as well as the vision that, in a certain way, privatisation formulas are prevailed, and that the private sector only seeks its own benefit and not the common and shared benefit with the public "partner".

However, as we understand that they could be exportable and replicable to other regulations and countries of the Mediterranean arc, we would like to highlight the possibilities offered, at least in theory, by Spanish contractual regulations for the establishment of public-private partnership instruments and which are included in the LCSP (Public Sector Contracts Law), such as:

Concessions. Both for works and services.

Preliminary market consultations.

Competitive dialogue.

Partnership for innovation.

However, it is common not only in Spain but also in the rest of the countries included in the MedTown project, given the complexity of these initiatives, to have doubts about its application, both for public officials and citizens, and to have the lack of incentives that both the public sector obtains to participate in such initiatives



and civil servants to get involved. **For these reasons, such public-private collaboration alternatives are not frequently prioritized by public administrations,** except for concessions and for the reasons explained above.

3. CONCLUSION AND RECOMMENDATIONS ON PPUB AND PPP REGULATIONS

Finally, based on the **recommendations made** by the different local partners to **improve the co-production actions of public policies and the creation of PPPs** that facilitate the implementation of actions in the field of the SSE, we highlight the following:

- Improve coordination, cooperation, **networking and exchange of ideas** between actors, both public and private, involved in the creation of common projects through the elaboration of PPPs and co-production of public policies.
- Establishment of **mechanisms for control, monitoring and measurement of the impact** of actions carried out through PPPs.
- **Articulate the sectoral texts and harmonise them with the legislations that regulate PPPs**, in order to avoid legal collisions, i.e. in a structured, organised, homogeneous and clear set of objectives.
- Promotion of **greater autonomy and participation of Local Entities** through the co-production of public policies together with private sector institutions through the creation of public-private partnerships, such as we called **"SOFT IMPACT"**, and not only PPPs related to the construction and management of large infrastructures or service concessions.
- Facilitate **public financing mechanisms and the application of tax rebates and incentives** for the implementation of projects and creation of PPPs, especially at the local level, as this is the closest to social institutions and citizens.
- Specific procurement regulations for ESS and local entities.
- In the different regulations reviewed regarding public procurement, we have hardly found the existence of specific regulations for local entities, with their particularities, since they are very different from other higher administrations, and even less specific procurement regulations focused on the SSE.
- In relation to the previous point and given the proximity and importance of local authorities in the execution of PPP projects close to the citizen, it is considered highly appropriate to specifically regulate this matter of public procurement from the point of view of the needs and characteristics of local entities. In other words, a **specific local procurement regulation** should be set up, or at least with chapters intended only for local entities, taking into account their particularities that make them so different from other administrations and sometimes useless the applicable procurement regulations.
- **Creation of Subsidy Collaborating Entities.** Related to the forecast and call for subsidies in the field of projects and actions that enable the co-production of public policies.
They act as intermediaries between the administration granting the subsidies and the beneficiary. Their role is to receive the funds to proceed with their subsequent delivery, distribution and management of the subsidies among the beneficiaries by acting on behalf of the granting body. For this reason, the intermediation of Collaborating Entities specialising in the distribution, management and justification of SSE and PPUB-related subsidies is a very interesting instrument that facilitates



the processing of the subsidies to be received and speeds up their single or simplified justification to the granting administration in order to avoid the numerous difficulties that, in practice, arise when managing and justifying projects financed through public subsidies, with enormous delays, complex audits, excessive bureaucracy, lack of confidence in the administration...

- **Collaboration Agreements for the elaboration of PPUB through the creation of PPPs in SSE projects.** Very interesting formula to implement public-private cooperation for the co-production of public policies by means of collaboration agreements.

Such cooperation agreements may be established between public administrations and private entities and require the concurrence of common interests of both parties for the benefit of society.

This facilitates the possibility of entering into collaboration agreements in which each party undertakes to carry out a series of actions, provide services and/or fulfil obligations in order to achieve a goal of common interest. In this way, **public policies would be co-produced through public-private collaboration for common purposes of general interest.**

These public agreements may or may not entail a financial contribution by the parties. Agreements that involve a financial contribution from the public administrations are as important as those that do not, but which require other actions such as advertising, promotion, project guarantees, etc., that facilitate their implementation and their acceptance by the citizens with the support of the administrations.

We want to highlight that, in our opinion, among the different public actors that can enter into collaboration agreements, the most important administration is the local administration which, as has been said several times, plays a leading role in the application of SSE policies that have an impact on the community, so the regulation regarding collaboration agreements with public administrations should have specific sections that focus on local entities and their particularities.

- **Concessions of Goods and Services.** Possibility of concessions of public services and goods in favour of private entities that meet certain requirements and have a justified general and social interest as their purpose.

This possibility is regulated in the Spanish property legislation, which contemplates transfers to non-profit entities and whose purpose is of general interest, as well as in Greek SSE legislation, where there are very interesting sections regarding the possibility of using public property, including specifically the possibility of transferring property to SSE entities, under certain conditions, through public concession processes.

The creation of public-private partnerships between the City Council and private associations and companies is envisaged for the management and provision of services of common interest through the temporary transfer of an asset such as a public park, with or without financial compensation in exchange.

