

London School of Economics – Projects with Prosperity Fund

FINANCIAL YEAR 13/14

Project	Improving PPPs in Brazil
Beneficiary	States and Cities in the north-east
Implementer	LSE and FESP (Fundação Escola de Sociologia e Política de São Paulo)

PURPOSE

To have, by March 2015, Brazilian States in the Northeast (such as Ceará and Pernambuco) designing and implementing PPPs in sectors such as roads, public transportation, and ports with increased transparency and efficiency.

PRODUCT

The project promoted efficiency and transparency for PPP projects in North-eastern states and municipalities. During the project activities, we added new government beneficiaries and built demands for collaboration for future projects, based on the recognition of UK experience with PPPs. The project concluded that social infrastructure PPPs in areas such as health, waste management, and education are the main priority for states and city governments in the region. The UK is a leader in this area and apart from benefiting Brazil the project will create significant business opportunities for UK companies.

FINANCIAL YEAR 15/16

Project	Social Infrastructure PPPs in Northeast Brazil
Allocation	£177,000.00
Beneficiary	States and Cities in the north-east
Implementer	LSE and FESP (Fundação Escola de Sociologia e Política de São Paulo)

PURPOSE

States of Bahia, Ceará, Paraíba, Pernambuco, Sergipe, and cities of Salvador, Fortaleza, Aracaju, Recife, and Maceio designing and implementing social infrastructure PPPs in health, education, waste management, and prisons.

PRODUCT



Trained 400 civil servants from the states of Bahia, Ceará, and Pernambuco with UK expertise on PPP design, procurement, and assessment of best practices. Delivered Practical Guide for PPPs and matchmaking events between Brazil's government and UK businesses helping improve UK company participation in social infrastructure procurement.

This project helped establish the UK as a reference point, particularly in North-Eastern states which do not always receive as much international attention and where our impact is greater. It has also helped to embed the concept of PPPs as a viable option in the area of social infrastructure, as opposed to traditional 'hard'

infrastructure (eg roads, ports), which aligns well with the UK's commercial offer. As a result of this project there will be more and better PPPs launched in these states in the future, which should generate economic development and more opportunities for UK companies.

FINANCIAL YEAR 16/17

Project	Boosting PPPs in Education and Urban Mobility: Minas Gerais and Bahia
Allocation	£ 378,138.00
Beneficiary	States of Minas Gerais and Bahia
Implementer	LSE and FESP (Fundação Escola de Sociologia e Política de São Paulo)

PURPOSE

States of Minas Gerais (MG) and Bahia (BA) to effectively sign PPP contracts in the education and urban mobility sectors, applying the UK knowledge, best practices and offer about designing, structuring and managing PPP projects for the construction and management of school units (MG) and for a light rail transit system – VLT (BA).

MAIN ACHIEVEMENTS SO FAR

Supported the government of Bahia to launch a public tender to develop their new VLT (light train) system. Tender documents are to be launched in 2017, and UKEF may serve as guarantee of the winning contracts of the tendering process. This financing agreement with the winner would generate a minimum opportunity of 20% of contracts for British Companies, which sums up to about £30m. DIT has already identified potential for UK companies in this project (e.g. British Steel).

A commercial win for LSE has resulted in a £3m export win value over the next 5 years. The Education DIT team registered the win, as this was cross-sector work to support the creation of Brazil's first MBA on PPPs.

Government of Minas Gerais received technical support through a mission to UK to design PPPs for hospitals. Healthcare UK provided significant support and expertise that may lead to export wins in Health Infrastructure, as well as contributing to poverty reduction by supporting the better management and infrastructure of public hospitals.