

TAKING
COOPERATION
FORWARD



International Online Webinar: Challenges in Heritage Management
Rijeka | 14 October 2020



**How to foster public-private cooperation in
cultural heritage?**



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OUTLINE

Analysed documents and main conclusions

Selected methods for tool refinement/preparation

Presentation of the tool

Main challenges, issues



ANALYSED DOCUMENTS

- Central Europe Programme projects 2013-2020 (Restaura, Forget Heritage).
- Completed Central Europe Programme projects from the period 2007-2013 (ACT4PPP, Second Chance) and other sources (EIB, WORLD BANK, OECD and many others).

MAIN CONCLUSIONS

- There are no significant overlaps in the scope and content of the documents.
- All of them are related to the setting up PPC/PPP projects, and two of them are focused on developing PPP projects in the field of the revitalisation of cultural heritage.
- Nevertheless, the analysed documents are very different in nature. It is evident that analysed documents are not “stand-alone” documents, but are part of a comprehensive set of documents produced in each analysed project.



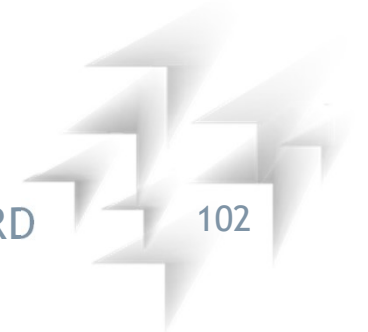
SELECTED METHOD FOR TOOL REFINEMENT/PREPARATION

SELECTED METHOD FOR TOOL PREPARATION

- SWOT analysis
- Brainstorming with the whole 4H project team
- Learning and idea capture
- Advances Search

CONCLUSIONS

- **New document needed:** A guidebook that would exclusively contain a step by step approach on how to use public-private cooperation approaches in the revitalisation of cultural heritage.
- The topic of public-private cooperation is important, but it is just one of the potential approaches to the revitalisation of cultural heritage.



STRUCTURE

1. Introduction
2. Definition of the public-private cooperation
3. Use of the public-private collaboration approach in the cultural heritage revitalisation
4. Use of the public-private partnership approach in the cultural heritage revitalisation
5. How and when to test the appropriateness of Public-Private Cooperation approaches for the revitalisation of cultural heritage buildings
6. Lessons learned



DEFINITION

- There is no consistent, international standard definition of Public-Private Partnership (PPP).
- The phrase “public-private partnership” has become a generic one that has been applied whenever representatives of the public and private sectors sit at the same table.
- We use definition of the Public-Private Cooperation used in the Second Chance project.
- In all cases of public-private cooperation, be it PPC, PPP or joint ventures, the public sector can generally control the degree of its influence on the basis of the partnership agreement.



DEFINITION

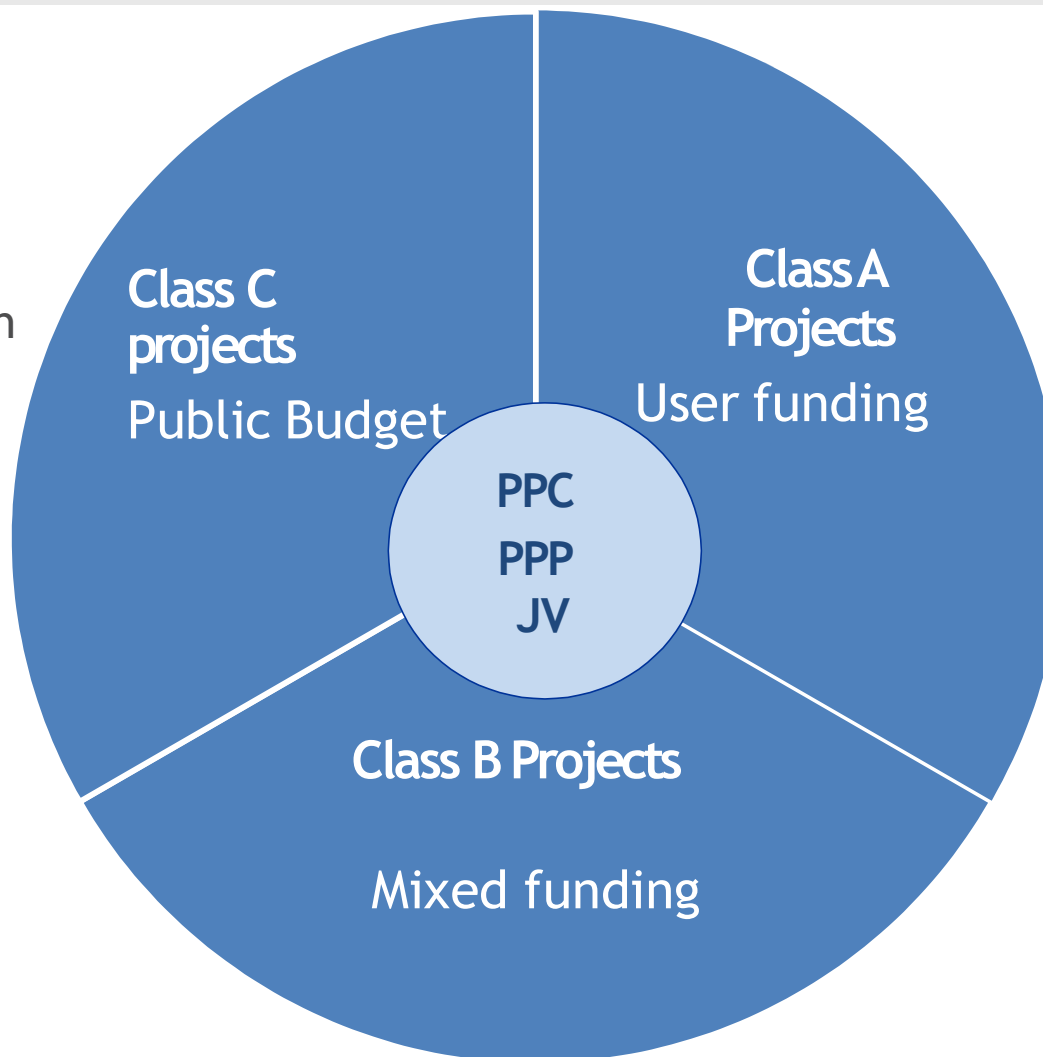
PPColl	Public-Private Collaboration <ul style="list-style-type: none">• Short term contractual agreements• Joint/complementary objectives concerning agreed activities• Private partner contributes to public cultural activities
PPP	Public-Private Partnership <ul style="list-style-type: none">• Long term contracts• Special purpose partnership• Tasks and risks of public authorities are partially transferred to the private partner
JV	Public-Private Joint Venture <ul style="list-style-type: none">• Unlimited duration• Special purpose company/institution• Risk-sharing between private and public shareholder



PROJECT TYPES

Example:
School Buildings

Developments which
are defined as core
public tasks
Pure public interest



Example:
Hotel

Developments which
are driven by
private funding
Pure private
interests

Example:
Sport Facilities



PUBLIC-PRIVATE COOPERATION AND CULTURAL MANAGEMENT

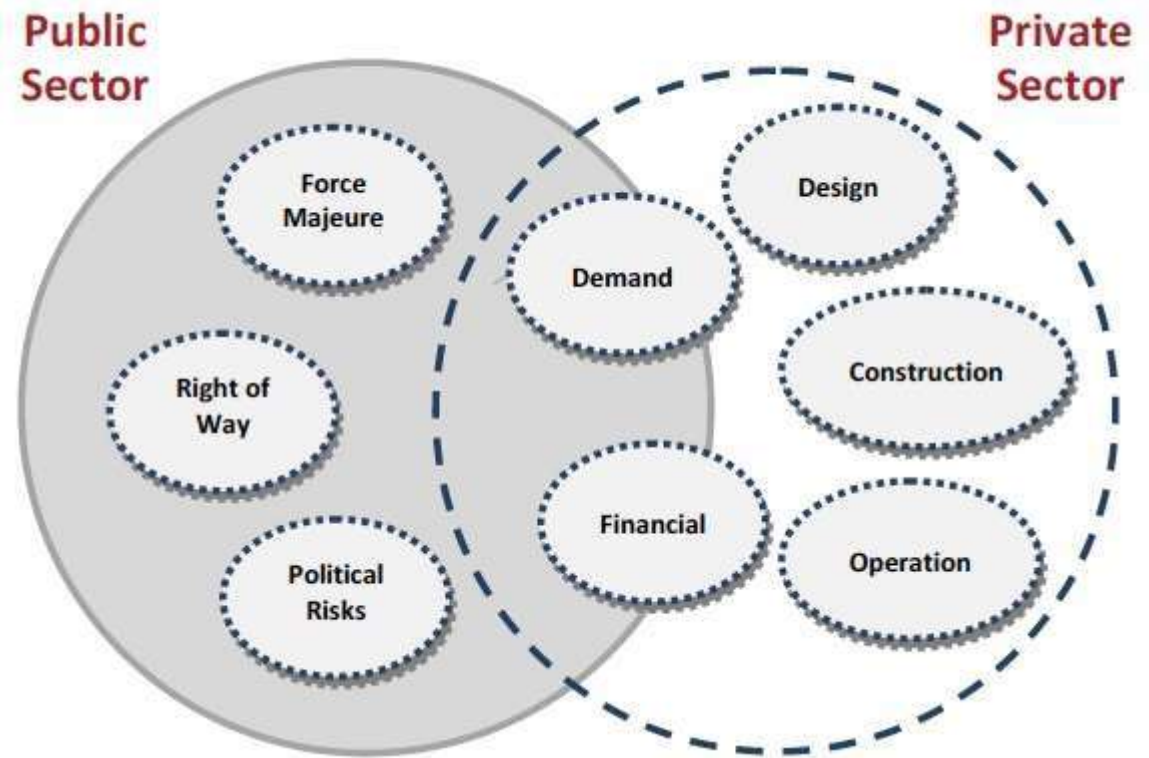
Cultural management consists of three basic activities:

- Program management: program-related activities are often subject to public-private collaboration models.
- Property management (design, build, operate): is increasingly using the public-private partnership model. Public-private partnership models mostly work as availability-based models paid for out of the public budget and are pre-financed by private partners. Some services are able to generate revenues and can contribute to a part of the financing of the operation of cultural activities.
- General management: public-private joint venture structures seem to be appropriate for general cultural management activities.

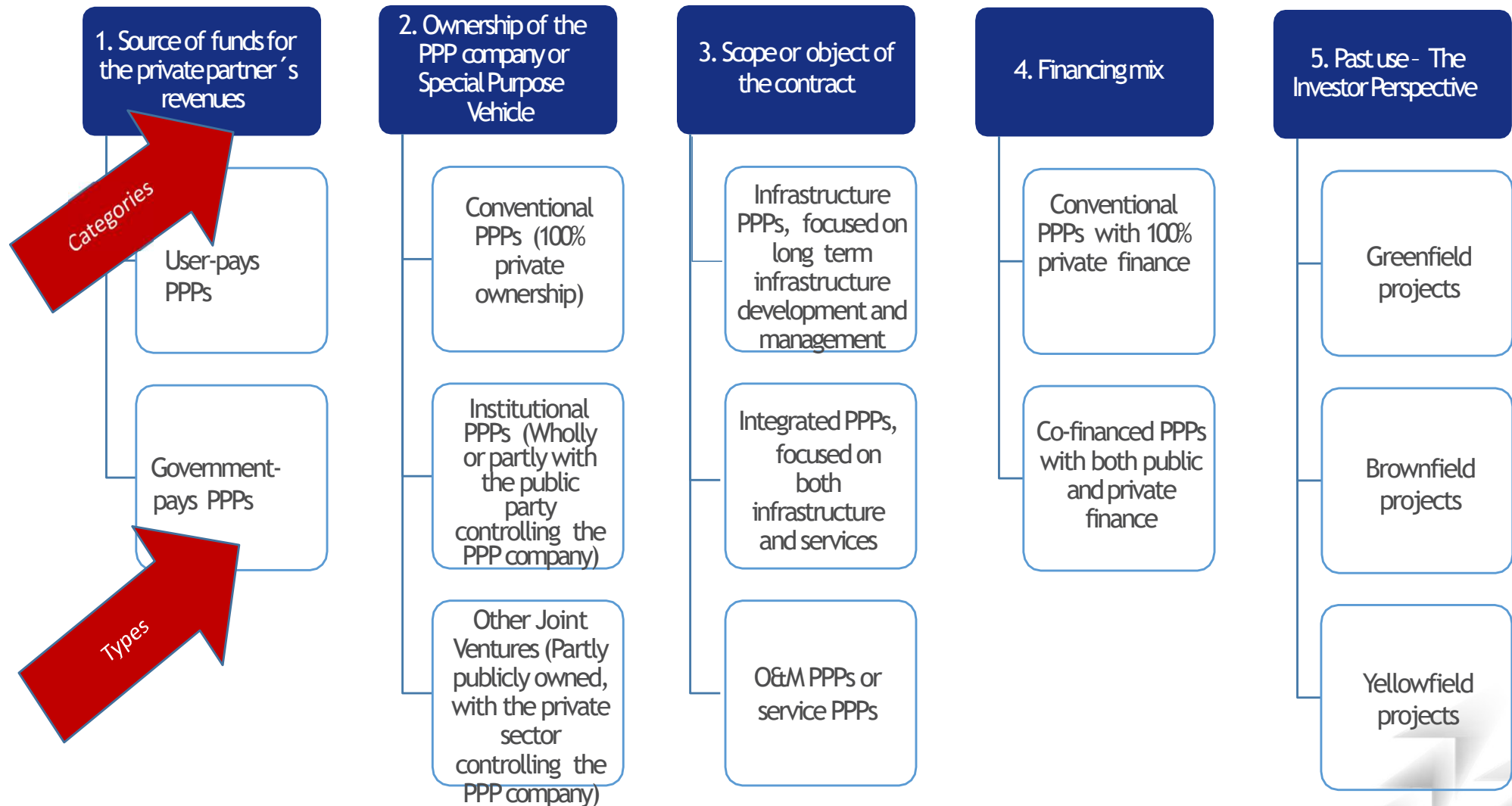


PUBLIC-PRIVATE COLLABORATION

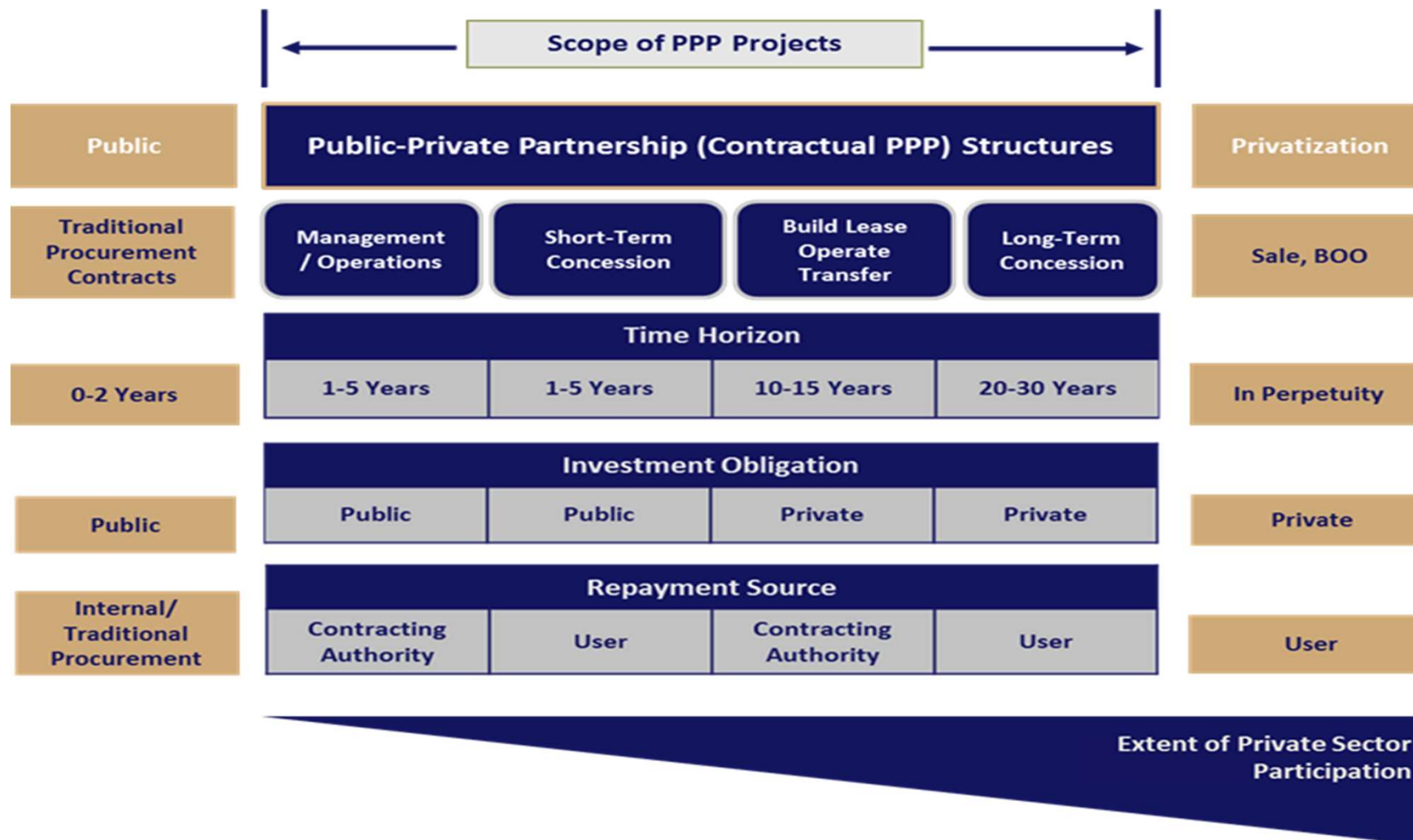
- There is no uniform definition.
- The level of risk to which the private sector is exposed is an essential prerequisite that distinguishes PPP contracts from traditional (conventional) contracts between the public and private sectors
- Public-Private Collaboration can take various forms such as sponsorship, donation, or patronage.



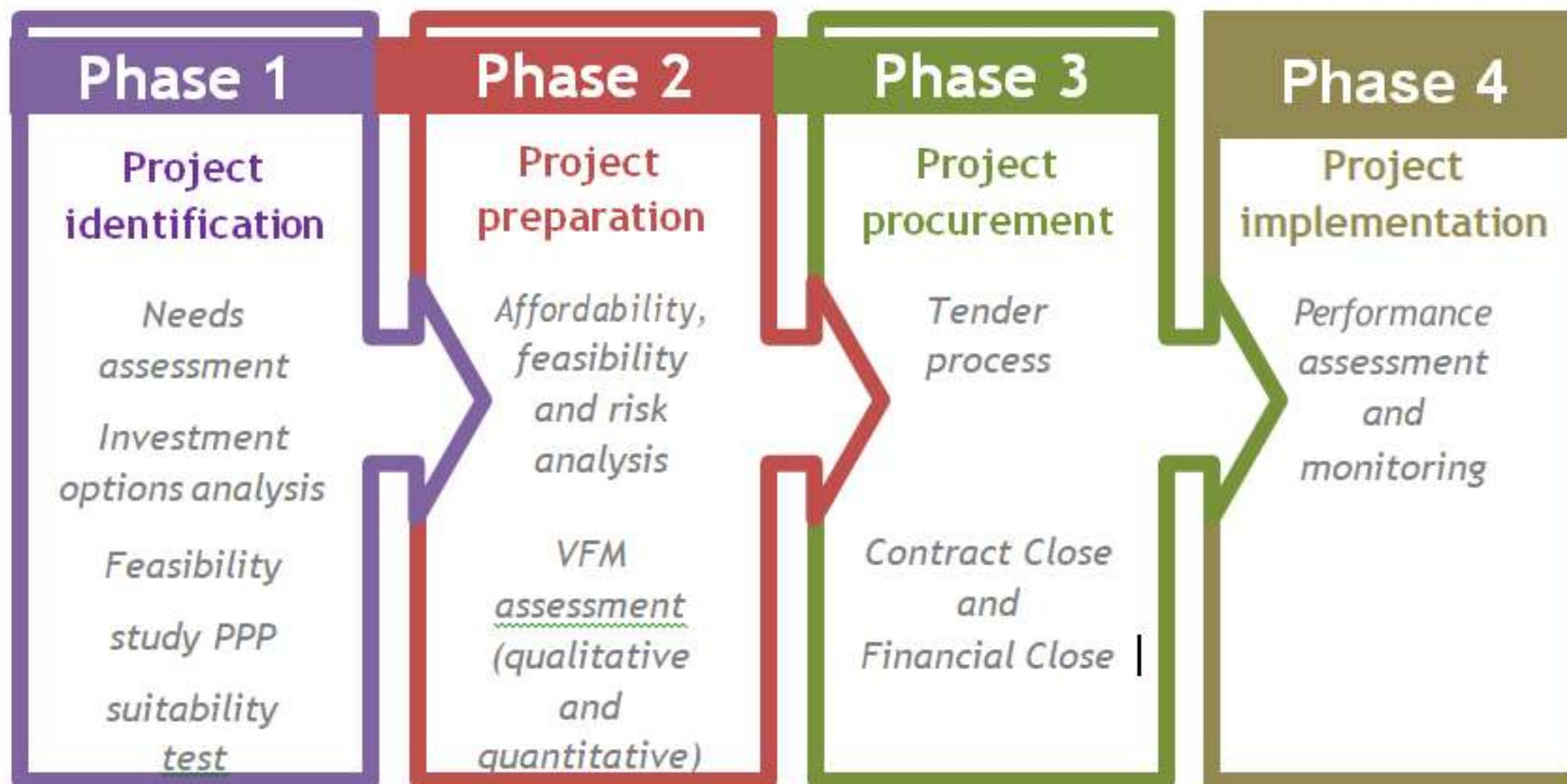
TYPES AND VARIATIONS OF PPPS



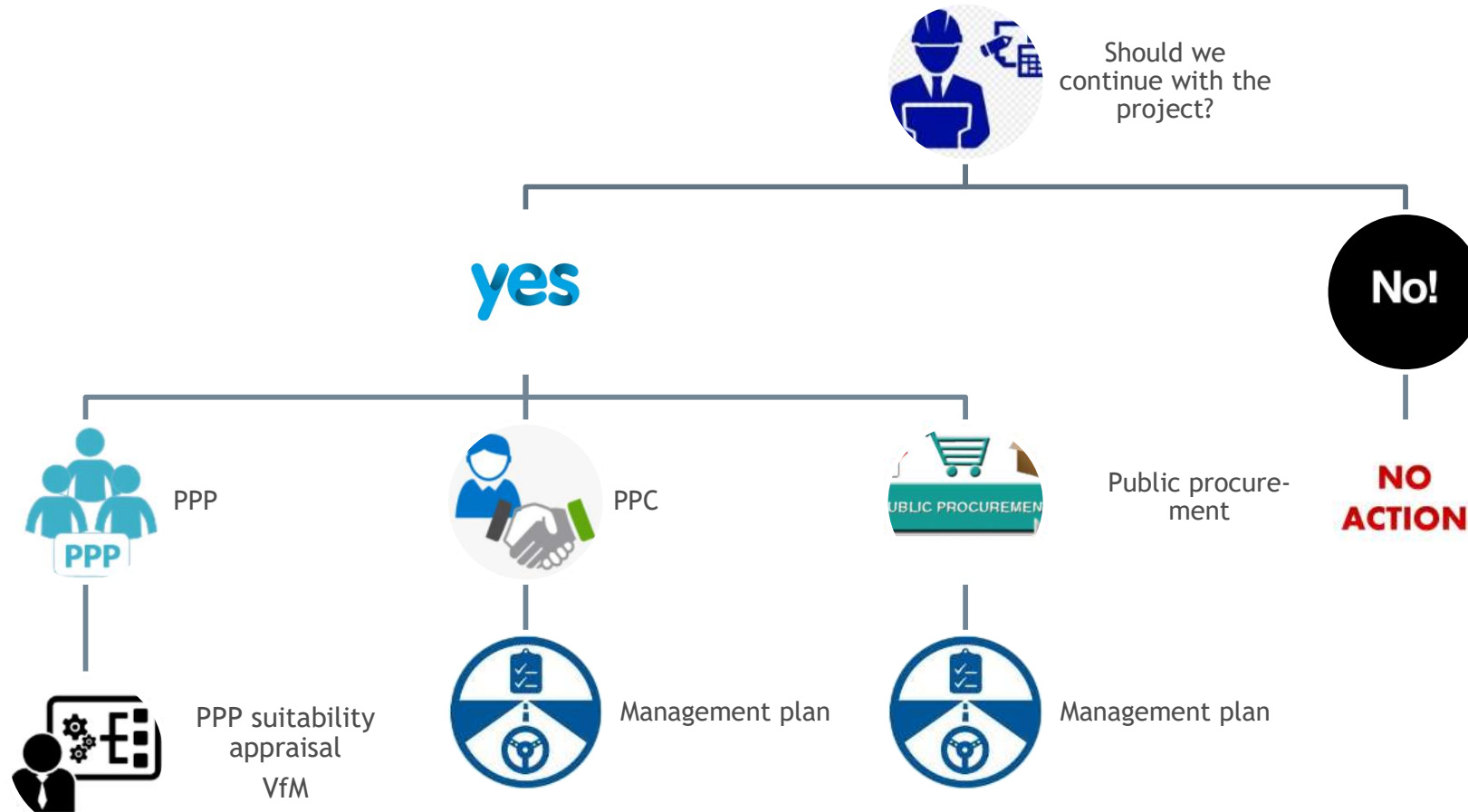
SCOPE AND DETAILS OF PPP STRUCTURES



PPP CYCLE



PPP CYCLE



DEFINITION:

- There is no consensus about how to define Public-Private Partnership (PPP) and Public-Private Collaboration.

APPROACH:

- Public budget spending for culture is steadily decreasing and public-private partnership (PPP) models are often seen as possibilities to obtain additional financial means. Certain sectors are more naturally suited for private involvement than others.
- Each project is very specific due to different project characteristics as well as relevant regulation and legal framework in the respective countries. PPP is not a miracle solution, and its applicability must be assessed on a case-by-case basis. A balance between the aims and needs of public and private partners needs to be ensured, because the public entities do not have purely commercial goals and private partners are primarily interested in the profit.



TRANSFERABLE ELEMENTS OF CH REVITALIZATION PILOT ACTIONS



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