

The BSS PPP Conference Opening Remarks 31 October 2009

DR F. AKHRAS, BSS CO-CHAIRMAN

Your Excellency the representative of HE President BA

Your Excellencies

Ladies and Gentlemen

Dear Members and Friends of the BSS

The convening of this Conference comes after many months of planning and preparation. Early in the year, and as a refreshing change, our Society was invited by the Syrian Government to organise this PPP Conference against the background of a series of conferences we have held, both in Damascus and in London, which carried forward the message of economic and financial reform over the last five years.

We would like to believe that we have been trusted with this endeavour as a result of the record we have achieved and the impact we have been able to realise, in relation to charting Syria's future course. We took on

the task knowing that this probably will be our biggest challenge to date.

Page 2 of 6

DR AKHRAS Opening Remarks/PPP Conference, Damascus 31 October 2009

The subject of Public Private Partnership is fraught with complexities and has had, if I could borrow a cliché from the theatre, ‘mixed reviews’, even in those countries such as Britain, which is an acknowledged leader in the theory and practice of PPP. Nevertheless we understand the extent to which the application of the concept, within the right legal, social, economic and political frameworks could open the path to international investment in Syria’s infrastructure, which is in need of great amounts of funding to cope with the requirements of modernisation and rehabilitation.

We at the British Syrian Society do not, of course, hold the answers to the big questions that will arise from this Conference. These will emerge, we hope, from the deliberations that our programme will produce over the next two days.

Page 3 of 6

DR AKHRAS Opening Remarks/PPP Conference, Damascus 31 October 2009

We have brought together, I believe, renowned experts in their field that will shed light on the various aspects of PPP, which is acknowledged as a very complex, controversial and challenging topic. It is nevertheless an important mechanism for supporting and accelerating infra-structure renewal, high public services and efficient use of public assets through better and stronger partnership between the public and private sectors. These experts will also exchange the know

how with their Syrian counterparts on how to structure and manage the model or models, and, critically, how to avoid costly errors of planning and implementation.

We are also fortunate to hear directly from Syrian Ministers each representing their respective sectors regarding how prepared they are to move towards PPP and how developed is their planning in that respect.

Page 4 of 6

DR AKHRAS Opening Remarks/PPP Conference, Damascus 31 October 2009

I am sure there will be a lot of interest in identifying particular major projects where PPP can be applied and towards which major regional and international investor groups can be attracted.

Partnerships between the public and private sectors are set to represent a cornerstone of this Government's

modernisation programme. Such partnerships enable the public sector to benefit from commercial dynamism, innovation and efficiencies, harnessed through the introduction of private sector investors who contribute their own capital, skills and experience.

It is hoped that they can deliver better quality public services by bringing in new investment and improved management, and help state-owned businesses achieve their full potential. In this way, they are believed to provide better value for money, which means that, with

the resources available, we can deliver more essential services and to a higher standard than would otherwise have been the case.

However, PPP are not a single model applied to every circumstance, but are instead a tailored approach. It is important to understand the extent to which the correct application of PPP within the right legal, social, economic and political frameworks could open the path to greater international investment in Syria's modernisation. When appraising the application of PPP to the circumstances and conditions of Syria, we ought to bear in mind that the key to Syria's economic future lies in a concerted drive to improving, even overhauling, its infrastructure to take full advantage of the geo-economic position it is occupying, and that has

seen in recent times, for example a qualitative leap in its relations with its neighbours - Turkey in particular.

The evolving dynamics and pattern of inter-regional and intercontinental transaction affecting trade, energy, transport and communication places Syria right in the midst of a swathe of mutually dependent economies. Many are starting to speak of this country as a 'hub' of this new post-industrial neo-'silk route'. But without the necessary up-graded infrastructure such a role can never be adequately fulfilled.

Hence the need for us to succeed in this Conference, and for that success to continue beyond the Conference, as we are intent on following through a process that, we are now firmly engaged in and on which a lot is at stake, affecting the nature and scope of an economy moving into a different gear.