



News release

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PwC Public Sector & Infrastructure Leaders gather in Tbilisi, Georgia, to find solutions for public sector transformation and infrastructure development across Central & Eastern Europe

Tbilisi, Georgia - More than 100 PwC public sector and infrastructure practice leaders have gathered in Tbilisi, together with key decision makers from the local administration and representatives of international financing institutions, for a two-day conference aimed at finding viable solutions to boost infrastructure development across the countries of Central & Eastern Europe (CEE) and bringing valuable insight into public sector transformation in Georgia and in the wider region.

According to PwC estimates, CEE will need as much as \$3 trillion in investments over the next few years in order to meet the Global Sustainable Development Goals (SDGs) that world leaders agreed for a better world by 2030. The private equity appetite for responsible investment in sustainable development projects is growing, but the funding of infrastructure projects aimed at meeting the Global Goals remains hindered by several factors. Discussions at the PwC event focused on how to make the financing of sustainable development projects in CEE more attractive to private investors and international financing institutions.

The event featured a lively panel discussion on regional development, moderated by PwC Georgia Head of Advisory Tamta Shermadini and joined by a number of distinguished speakers: Irakli Karseladze, First Deputy Minister of Regional Development and Infrastructure of Georgia, Chairman of the Roads Department of Georgia; Aleksandre Revia, Head of Public Private Partnership Agency of Georgia; Ben Luckok, Regional Portfolio Manager - Eastern Partnership Hub, British Embassy Tbilisi; Catarina Bjorlin Hansen, EBRD Regional Director for Caucuses; and Louisa Vinton, UNDP Resident Representative in Georgia.

Irakli Karseladze, First Deputy Minister of Regional Development and Infrastructure of Georgia, Chairman of the Roads Department of Georgia, said:

“The private sector can participate in development projects not only as a recipient of public sector reforms, but as an active participant in them as well. We are looking at lessons learned from other nations on how to manage effectively the funding that is coming into this sector and other development projects in the country. We have made a good boost here in Georgia, but there is a

continuing need to develop and a need to have the right financial modelling to support such projects. PwC has a knowledge of this and this can provide a good background for further discussion of the PPP framework needed for making development projects happen in the country.”

The host country of Georgia was held up as a positive example of public sector transformation and development. Georgia’s economy has grown robustly in the past decade; deep reforms in economic management and governance have earned Georgia the reputation of “star reformer” in the region as well as amongst nearby EU countries.

“Public-private partnership is something the Georgian Government is using to achieve its development goals. We continue to have a gap in financing to meet these goals, so we are very keen to explore ways of engaging private sector investment. This needs to be done smartly. We don’t just look into the profitability of a project for the investor; we look into the externalities and make sure that the project is helping to achieve development goals in a sustainable way that will benefit the population as a whole. PwC has regional experience of implementing such projects and that is where you can be of help in implementing projects at a local level across our region: to help make sure that the private sector is working together with the government in an effective, agile way that employs the latest digital tools,” said **Aleksandre Revia, Head of Public Private Partnership Agency of Georgia.**

Still a lot needs to be done in Georgia and the wider region. The PwC Public Sector & Infrastructure practice is involved in key projects across the region meant at strengthening administrative capacity of local governments, developing critical infrastructure, and meeting the SDGs.

“It is good to see private sector interest in the SDGs. Many people see these goals as a UN agenda, but since every member state voluntarily and enthusiastically adopted the goals, they are very much part of any country’s national agenda. Decisions with regard to development projects need to be inclusive and participatory. What is needed is a way to canvas the community and get views of people outside those in power, who tend in our regions to be men. It is also important to consider ownership and sustainability for development projects at the municipal level. It is not enough to construct the facilities, you also need to put thought into who will use, maintain and pay the running costs of the new facilities,” said **Louisa Vinton, UNDP Resident Representative in Georgia.**

During the event, PwC public sector experts presented in detail the solutions developed in various CEE countries to help local governments successfully navigate the various challenges that they are faced with, such as the eGovernment initiatives undertaken in Slovakia, the tools for open data assessments, instruments for SDGs mapping across the value chain, best case scenarios for attracting FDIs, as well as ways for the disposal of non-performing loans by public sector institutions.

“In our integrated CEE Public Sector & Infrastructure team, we are combining the experience from 29 countries and from our global network in bringing together multiple stakeholders, connecting local governments and cities with international financial institutions, businesses, start-ups and educational institutions. We are working closely with international institutions such as the EU, UK DFID, EBRD, EIB, the UNDP and the World Bank on a variety of projects, ranging from promoting structural reforms through digital public sector and innovation, to transparency and market economy transformation,” said **Agnieszka Gajewska, PwC CEE Public Sector & Infrastructure Leader.**

“The success of our network lies in strong local leaders working together. The theme of the CEE Public Sector & Infrastructure conference this year is *Leadership Powered by Connections*, because we believe strongly that only by working together between the public and the private sectors can we find the best solutions to help our countries navigate the complex challenges we face, from improving public administration and developing our infrastructure to promoting policies that foster economic growth and preparing our countries for the digital revolution,” said **Nick Kós, PwC CEE CEO.**

The conference, which was co-hosted by Agnieszka Gajewska and PwC Georgia Country Managing Partner Lasha Janelidze, focused on the need for public sector transformation, including Georgia’s public sector modernisation and lessons learned for the CEE region.

“We decided to organize this important event in Georgia to highlight the excellent progress it has made in the past decade, not only in maintaining a high-level of GDP growth, but also being a model for public sector reform, reducing red-tape and improving the business environment. Obviously, there is still room for improvement, but we are proud to hold up modern Georgia as a success story for the whole region,” added **Lasha Janelidze, PwC Georgia Country Managing Partner.**

About the PwC Public Sector and Infrastructure Practice

Public Sector and Infrastructure is a strategic sector for PwC Central & Eastern Europe. Over the years, PwC has invested strongly in building top class expertise in order to support public sector transformation and infrastructure development in the countries of our region. We actively participate in projects for local governments and International Financial Institutions, including several large framework agreements, that support structural reforms and capacity building in CEE countries.

Drawing upon years of experience and best practices in projects implementation around the world, we provide services to private and public entities from planning and design, through implementation and fund raising in modern and effective manner.

Find out more at <https://www.pwc.pl/en/services/capital-projects-infrastructure.html>

About PwC CEE

At PwC, our purpose is to build trust in society and solve important problems. PwC is a network of firms in 158 countries with more than 250,000 people who are committed to delivering quality in assurance, advisory and tax services.

PwC has been active in Central and Eastern Europe for more than 25 years. PwC Central and Eastern Europe (PwC CEE) is a network of firms, consisting of separate legal entities in accordance with applicable local laws and regulations. We work to help our clients in local markets become more successful and globally competitive. Today we have more than 12,000 people, including 275 partners, working in 56 offices across 29 countries in the region.

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

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