



Sustainable
Energy
Communities



Tool No: 4.5.1.3 Performance Contracting Guidelines for Municipalities

SEC-TOOLBOX

Tool Category no. 4.5.1 Guidelines on Establishment of Public Private Partnerships

Overview	
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Description

The guidelines makes a rough classification of Public-private partnerships into three categories:

- The public authority and a private organisation form a private/mixed company. Both participate in that company. The new company carries out the public services.
- The public authority signs a contract with a private organisation for a planned duration, who carries out the public tasks (such as, for example, construction and maintenance) with his own investments, but the responsibility for providing a public service to citizens still lies in the hands of the public authority. This is Performance Contracting (PC).
- The private organisation is granted a concession to provide a service and is allowed to charge the citizens using that service a fee. This is concession contracts.

The guidelines are concerned with the second of these categories.

In this context the objective of the guideline is to present a clear explanation to local authorities of why this form of contract might be of interest to them and which precautions are to be taken.