

Cercle de Grenelle - Déclaration of Paris

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MESSAGE FROM THE PRESIDENT



One of the IGD's missions is to assist its founding members in ensuring their actions are in line with an innovative strategic reflection that is open to the outside world. This approach is difficult, yet necessary in times of crisis and the increasingly strained environment in which executives shoulder their responsibilities. We therefore undertook a search for an effective formula that would save their valuable time. It was with this objective in mind that on July 7, 2009, the IGD decided to create the « **Cercle de Grenelle** » a forum for dialogue and exchanges among leaders of public and private sector organizations who are founding mem-

bers of the Institut de la Gestion Délégée. This Cercle brings together infrastructure management companies and public service operators, and pursues a prospective reflection to achieve a common vision of the role and organization of public services: the development of urban centres and urban planning, contractual governance and regulations, financial performance and business, competition and globalization, solidarity and a dialogue with citizens, the sustainable management and evaluation of rare resources, public-private partnerships and financing, etc.

The inaugural session was presided by Jean-Louis Borloo, Minister of State and Minister of Ecology, Energy, Sustainable Development and Seas, responsible for Green Technologies and Climate Nego-

tiations, who was presented with the “**Declaration of Paris**” by Jean-François Roverato, Chairman of Eiffage and spokesperson for the members of the Cercle de Grenelle on this occasion. This declaration sets out the joint undertakings of the fifty leading public service organizations to society in general: clients, citizens, bodies corporate, public entities ... These leaders thereby demonstrate their intent to concretely contribute to stimulating the French economy and the implementation of the “Grenelle de l'Environnement” policies, in particular through public-private partnerships (PPP). In the following pages, you will find the full text of the “Declaration of Paris” and Jean-Louis Borloo's speech, as well as press reviews.

Claude MARTINAND ■



Claude MARTINAND, Jean-Louis BORLOO and Jean-François ROVERATO

DECLARATION OF PARIS



The senior executives of the founding member organizations of the Institut de la Gestion Déléguée made the following

commitments in the present Declaration signed on July 7, 2009. This Declaration's undertakings are to be communicated and promoted within their structures and to their partners: elected officials, public agents, and user and employee representatives. The present Declaration is a reference document that presents the role of PPP and the companies that participate in their implementation in France and abroad. The fundamental role of PPP and the shared vision inherent in the present Declaration are fully supported by the members of the Cercle for whom serving the public interest is a guiding principle.

Public service operators undertake to:

Innovative corporations serving urban communities

- In the current environment in which the financial, economic and social context requires a strong response from public and private sector leaders, entrepreneurs, public service operators, infrastructure management companies and their financing institutions underline the fundamental role of PPP. They confirm their desire to do all they can to contribute to the common effort through public-private partnerships capable of facing 21st century challenges. They also underline their crucial contribution to urban life and territorial planning.
- For decades, by relentlessly adapting to an increasingly complex environment, PPP tangibly meet the needs of sustainable development, competitiveness and the elimination of social and territorial inequalities. These partnerships can impact essential areas such as the environment, public health, water, sanitation, waste, energy, travel and information. Operators thereby respond to today's societal challenges: knowledge, communication, digitalization, mobility and security.
- Better informed today than ever before, users and citizens demand practical

and accessible solutions that meet their expectations, present a high level of excellence and durability, and provide user guarantees. These solutions have become a standard for service organizations. To satisfy these new standards, operators must use "green technologies", which require a faultless control over processes, state-of-the-art engineering and significant investment in research and development. Operators are committed to these goals and demonstrate their ability to invest over the long term in research and development, and to implement on a reasonable cost basis innovative technological solutions that suit local contexts.

High performance corporations at the service of good governance

- Operators confirm their commitment to the fundamental principals of efficient public governance that is socially equitable and environmentally responsible: separation between publicly controlled missions and operational implementation, free choice of management methods and reversibility of this choice based on harmonized competitive conditions and the objective comparison of performance and cost, shared undertakings as to project advancement throughout the contract, control, transparency, ethics, pluralistic evaluations and user participation.
- For operators, public-private partnerships, whether they involve public contracts, partnership contracts, concessions or any form of delegation of a public service, contribute to growth and stimulate economic, social and cultural development. In accordance with European regulations, they adapt to society's new demands thanks to contractual and pricing innovations. Entering into public-private partnerships is an effective and responsible solution today.
- In fact, PPP allow for projects to be managed in a global and durable fashion by integrating all related costs and risks. Operators contractually commit to the permanent control of costs and the quality of services billed to consumers, as well as the realization of projects in shorter timeframes. These undertakings also fulfil the objectives of sustainable development as they are in-

cluded as early as the project or service design stage by the organization responsible for project execution, management and maintenance.

Businesses: good corporate citizens at the service of sustainable development

- The actions of operators intend to reconcile the general interest, as defined by public authorities, and financial profitability, which is simultaneously guaranteed by competition ensured by organizing authorities, the sustained financial performance of each operator and the general ethics adopted by the parties. These actions take the form of contractual relations that are stable and transparent, creating a social pact among public service corporations.

- Businesses in the relevant sectors have demonstrated their capacity for resistance during recessions by continuing to recruit employees locally. They are the backbone of a sustainable economy, using "green technologies", and are an asset to our country.

- Operators call on public institutions and research organizations to work closely together with them and their financing institutions in order to remove the barriers that decelerate or prevent technical, social, financial and contractual innovation, in particular by adapting financing methods to suit the economic context and by offering solutions that will make public initiatives as effective and relevant as possible.

Whether responding to the urgency of renewed economic growth on a national and European scale or to the challenges of the Millennium objectives to provide all worldwide populations with access to essential services, public service operators draw on the full expertise and creativity of more than 1,500,000 employees in France and around the world to identify and implement solutions that fulfil the objectives of public authorities and the expectations of citizens.

Claude MARTINAND

Jean-François ROVERATO

Jean-Louis BORLOO

SPEECH BY JEAN-LOUIS BORLOO



Thank you, Ladies and Gentlemen, dear Presidents and Directors General, President of the AMF,

A few words simply to say that **I believe the creation of the Cercle de Grenelle, a younger sibling of the Institut de Gestion Déléguée, is in fact a key milestone.**

We are living a moment in the history of humanity where peace and solid green growth are within our grasp, and potentially the end of an extremely painful history.

Today, the underprivileged regions of the world can still catch up on time – I am thinking of renewable energy – or, on the other hand, experience yet another disaster and remain victims of poor social and sanitary conditions, limited food supplies, as well as of a combination of phenomena: the reduction in agricultural land surface, the density of populations in urban centres, the cost of energy, CO² emissions – in other words, global warming.

It is rather exciting to deal with this essential issue. We should look at reality as it is and realize that we are extraordinarily fortunate to live **in a country which, with great serenity, has created the assets to find solutions to this issue, and a democratic maturity and values to work on it in depth.**

When I look at the analyses of our European friends, our own or those of the Boston Consulting Group, I can see that the process we have launched in France has already irreversibly reduced greenhouse gas emissions – according to calculations, by 22.8% to 25% - in one of the countries that emits the least among developed Western nations.

And with no major drama, I could say tritely. This seems to be good news and, in fact, it is good news.

At times, I have wondered why 18 or 19 of the other European countries have shown reticence to the climate and energy package, and not France. Why, after an extraordinary election in the United States of a President as charismatic as Barack Obama who has a solid, publicly declared interest in this field, his nation cannot create enough confidence within itself to move forward, but remains concerned, and emission reductions only total 4% to 6%. Why don't they believe in themselves? Why do the vast majority of European countries have no confidence in this regard? And why do we trust ourselves?

Negotiations on the climate and energy package were very difficult and more spectacular than the European constitutional reform issue in France, which had raised quite an animated debate. In every European country, this issue systematically raises voices; in some countries, even riots.

And in France, not a word!

For my part, I believe that one of the real answers is that **we, as a country, find ourselves facing two of our essential fundamental characteristics:**

First, the ability to manage complex and long-lasting situations, The French are ingenious: we invented headlamps and beacons, but also created the hydroelectric industry, engineering for major infrastructures, water and waste management, and also public transportation – the immense French capacity of a country of organized engineers.

Second, a French innovation, DSP*, which, since its origins and within the broadest meaning of “delegated management”, **is the capacity to combine the organizational forms of the public and private sectors**, which some, in times of what can be called “increasing deregulation”, have looked down on as a form of unhealthy connivance, but which is, in actual fact, **an agreement base on delegation and trust that is accountable and delves into the heart of the matter to combine the best of collective, public sector management and the best of private sector management.**

This is no doubt a national characteristic.

Today, we are no longer alone in the world, but **PPPs are a quasi-invention of France that dates back a few centuries.** .

Today, we must rapidly trigger new beginnings - the next 20 years will in no way resemble the past 20 years, whether in terms of the design of flows or products or consumption or behaviour, because we are experiencing major changes. **Our country is well armed to face these changes thanks to what you represent today and the healthy, contractual relations between public and private partners.**

The marketplace cannot implement these technological changes alone. An incentive system, a pricing system, and a progressive system are required to clearly orient the conceptual choices of industry and service providers. That is where France excels.

For this reason, I am truly convinced that we are fully capable of winning the war on “green growth”, even though, for certain products or technologies, we made certain strategic choices in the past (because we had been historically rather successful and well equipped, with a temperate climate and inexpensive electricity), and some sectors have taken off without us.

The proof lies in the Sharm el-Sheikh meeting last Monday. I was very impressed to see the Germans put forward the idea, a marvellous idea, of creating a global agency for renewable energy, IRENA (International Renewable Energy Agency), to promote this industry.

This project started with 20 countries, followed by France and, four months later, 156 countries joined this agency. Developing countries sought membership, obviously because they are seeking to achieve energy independence, which is absolutely crucial for their growth. So, last Monday a great battle took place on the organization of IRENA: where is the head office and who is in charge?

I won't spend time on the various candidates but, at the end of the day, two very powerful candidates, Germany and the United Arab Emirates, more specifically, Abu Dhabi, fought ferociously for the position, with Abu Dhabi making substantial promises: \$176 million per year in operational costs made available to the agency, \$400 million for the head office – what an investment! And they beat the Germans!

For the Director General's office, Abu Dhabi supported the Spaniards. Major countries were obviously candidates: Spain, Italy, Denmark, Greece, Japan ... For our part, our candidacy was modest.

When I presented France's candidacy, I referred to this modesty and the fact that this agency should obviously constitute a tool to collect comprehensive technological data and conduct intelligence in this field, with applied research axes to be identified, but, more importantly, it should be a tool to achieve equity.

This tool should not be used exclusively to effect technological and energy changes in major developed countries, but could also become the greatest tool in the world for social justice, as it could finally allow countries that never benefited from first generation facilities (in Africa, for example) to immediately exploit local energy sources. This will become a major moral and social challenge.

This is in your Charter. It is both public and private, technological and ethical. Because, after a century of excesses, the 21st century will respect nature, and therefore humans, and therefore our very selves.

For these reasons, in my opinion, this Charter of Commitments is particularly well founded and I strongly believe that France's team, this GREEN team that fights in France and on worldwide markets, must join forces, share information, create common projects and strive to enter into clearer, simpler, healthier and more productive relations with the State and its communities.

Thank you

Press reviews

Birth of the Cercle de Grenelle, a forum for dialogue between public and private sector organizations

On the initiative of the Institut de la Gestion Déléguée, a corporate foundation dating back to April 1996 and seeking to promote the improved quality and performance of public services, the "Cercle de Grenelle" has just been created.

Mardi 7 juillet, en présence de Jean-Louis BORLOO, Jean-François ROVERATO, président-directeur général d'Eiffage, a présenté la Déclaration d'engagements du Cercle. On Tuesday, July 7th, in the presence of Jean-Louis Borloo, Jean-François Roverato, Chairman and Chief Executive Officer of Eiffage, presented the Cercle's Declaration of Commitments.

PPP and closer relations with research institutions

The members of the Cercle insist on the fact that "public-private partnerships (PPP) are an effective, responsible solution today". They call on "public service and research institutions to work in closer collaboration with member companies and their financing institutions in order to remove the obstacles that slow down or prevent technical, social and financial innovation." [Source Le Moniteur.fr](#)



The green growth team

On this occasion, Jean-Louis Borloo reiterated that "Green growth is essentially based on public service missions, whether transportation, sanitation or waste management. And it is in these sectors that our country has major industrial champions. The Cercle de Grenelle, with its 50 companies, can be considered France's green growth team." Published by [Rédaction](#) on July 8, 2009 in the [Society & Ecology](#) category.

The environment: 50 companies commit to "green growth"

Some of the signatories of the "Cercle de Grenelle": Aéroports de Paris, BNP Paribas, Bouygues and a number of its subsidiaries, CDC, the Caisses d'Epargne et Banques Populaires Group, Crédit Agricole, Eiffage, Véolia Environnement and a number of its subsidiaries, Vinci [Source Bourcier.com](#)

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