



GOVERNOR OF PUERTO RICO LUIS FORTUÑO

COMUNICADO DE PRENSA

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GOVERNOR SIGNS PUBLIC-PRIVATE PARTNERSHIPS ACT

Canóvanas, P.R. – “We are betting on Puerto Rican entrepreneurship, on our commitment and ingenuity, and on our passion for mutual growth, in partnership, to change our course and build a better Puerto Rico,” Puerto Rico Governor Luis Fortuño’s declared today following his signing into law the legislative measure that clears the way for creating public-private partnerships, during an event on Route 66, where work continues on phase one of this vital public road. This important law encourages partnerships between the public and private sectors in order to boost infrastructure projects, and thus create jobs and maximize resources for the benefit of all citizens.

The legislative measure, which became law today, creates the Public-Private Partnerships Authority (PPPA), a public corporation inside the Government of Puerto Rico that will be affiliated to the Government Development Bank (GDB). The PPPA will be constituted by a Board of Directors, which should include the GDB President, the Treasury Secretary, the P.R. Planning Board President, and two individuals named by the Governor, to be recommended by the Senate President and House President, respectively. PPPA is the only government entity with authority to implement public policy on these partnerships and the only government entity responsible for such implementation, and it will determine the functions, services or facilities for which said partnerships will be established.

According to Fortuño, “this way, even during times of lack of fiscal resources in the Government, infrastructure projects can be developed, government assets can be run and essential services can be provided.” This kind of initiatives allows the non-governmental partner to take on responsibilities of project development in exchange for a reasonable benefit for operating the project. During today’s event, the Governor highlighted the positive effect of carrying out projects such as the extension of Route 66—which could be developed through the vehicle of public-private partnerships, on the quality of life of thousands of Puerto Ricans. “With this road’s extension, municipalities from Carolina up to Fajardo will benefit,” the Governor pointed out. Currently, the Administration has identified nine projects, including the Route 66 extension, to be developed through the tool of public-private partnerships.

In general, to evaluate projects, PPPA will create a Partnership Committee for per proposed initiative. The Board of Directors and the Committee will divide the responsibilities of evaluating each project in its various phases. The Board will evaluate the desirability and convenience of proposed developments and a Partnership Committee will be created and assigned the project. The Committee will, in turn, request qualifications and proposals, select proponents and negotiate contracts, among other functions that will be under its purview. Together with the government entity associated with the project (i.e. PRASA for water projects, for instance), the Board will have the responsibility of making the final recommendation regarding the proponent and the contract. The final decision will be made by the Governor or the person appointed by him.

“Through these partnerships, we will be able to determine how to push forward strategic infrastructure projects. Together, by using our best engineers, our best qualified carpenters and workers, we will reconstruct our economy and get Puerto Rico working again,” the Governor stated, as he also emphasized that “these partnerships will not constitute the transfer of ownership of any public asset, and these will continue to be the property of the Government.”

“Forming these partnerships allows us to, not only achieve larger private-sector investments in infrastructure, but to generate thousands of short- and long-term jobs that will benefit our Puerto Rican families directly,” the head of the Government stated.

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