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# Sheberghan Bus Terminal Includes Two Public-Private Partnerships

**Sheberghan citizens and businesses identified the construction of a bus terminal as their number one priority.**



*Sheberghan Mayor speaks to the media during the Bus Terminal inauguration on November 13, 2013.*

***The Sheberghan Bus Terminal project represents a successful and innovative example of public-private partnerships – a concept that until not long ago was unheard of in Afghan municipalities.***

U.S. Agency for International Development  
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The opening of the bus terminal in Sheberghan City, made possible through the Regional Afghan Municipalities Program for Urban Populations (RAMP UP) funded by the United States Agency for International Development (USAID), represents an emerging trend of increasingly innovative uses of public-private partnerships by Afghan municipalities. Completed in record time, this new public facility was inaugurated on November 13, 2013, at a ribbon-cutting ceremony attended by numerous provincial and municipal dignitaries, including the Honorable Bai Murad Qounly, Governor of Jawzjan Province.

Prior to the terminal's construction, passengers had to wait for buses on Sheberghan's main road – sometimes for hours – without access to public latrines or other facilities. Additionally, there was no organized parking for drop offs and pickups, causing traffic jams and frequent road accidents. Consequently, in September 2012, Sheberghan citizens and businesses identified the construction of a bus terminal as their number one priority for RAMP UP North support.

The project's two most notable aspects are that: (1) it includes a public-private partnership (PPP) for the operation and management of the bus terminal, greatly enhancing the long-term sustainability of the facility; and (2) the municipal contribution to the project, also accomplished through a PPP, is one of the most substantial to date, with an approximate value of \$60,000, more than one-third of the total \$150,000 cost of the project.

The PPP for the municipality's contribution is also more complex and sophisticated than others to date, as it provided for the construction of 16 municipally-owned shops adjacent to the bus terminal. In accordance with the PPP, the municipality made the land available to a local private investor to construct the shops at no cost to the municipality. In return for this initial equity investment in the project, the private partner will lease the shops from the municipality at no charge for a period of 5 years, during which period he will be able to recover his initial investment in the project, as well as a reasonable return on it. After the initial 5-year period, the private investor will begin making lease payments to the municipality, further contributing to the sustainability of the facility.

*"This new facility improves the public's perception of the municipality's ability to deliver services. The residents of Sheberghan truly appreciate the efforts that have been made by RAMP UP North and USAID"* declared the Governor of Jawzjan Province at the inauguration ceremony.

The news of the event was widely reported by Pajhwok Afghan News, Wadsam Business News Portal, Bayan Azadi-Shamal Radio, and Ariana's North TV Station.