The Emerald Handbook of Public–Private Partnerships in Developing and Emerging Economies

Perspectives on Public Policy, Entrepreneurship and Poverty
The Emerald Handbook of Public–Private Partnerships in Developing and Emerging Economies

Perspectives on Public Policy, Entrepreneurship and Poverty

Edited by

João Leitão
University of Beira Interior, CEG-IST, University of Lisbon and IME, Universidad de Salamanca

Elsa de Morais Sarmento
University of Aveiro and NOVAFRICA, Nova Business School of Management and Economics

João Aleluia
Instituto Superior Técnico, University of Lisbon

United Kingdom – North America – Japan – India – Malaysia – China
## Contents

About the Editors ix  
About the Authors xiii  
Foreword xxiii

### Part I Understanding PPPs in Developing and Emerging Countries

| CHAPTER 1 | Top 10 Reasons Why (Not) and How (Not) to Implement PPPs in the Developing and Emerging Economies  
Boštjan Ferk and Petra Ferk | 3 |
| CHAPTER 2 | Infrastructure Development through Public—Private Partnerships in Africa  
Emelly Mutambatsere | 45 |
| CHAPTER 3 | The Degree of Private Participation in PPPs: Evidence from Developing and Emerging Economies  
Maria Basílio | 81 |
| CHAPTER 4 | Public—Private Partnership in Developing China: Evolution, Institutionalization and Risks  
Ningzi Li and Qi Song | 113 |
| CHAPTER 5 | Public—Private Partnership for Development: Governance Promises and Tensions  
Stella Pfisterer | 141 |
Part II  Making PPPs Work for the Poor

CHAPTER 6  Pro-Poor Public—Private Partnerships for Development in Africa: Where Are Local Communities?  
Kei Otsuki and Bram van Helvoirt  167

CHAPTER 7  Public—Private Partnerships for Agricultural Transformation — Trends and Lessons from Developing Countries  
Marlo Rankin, Eva Gálvez Nogales, Pilar Santacoloma, Nomathemba Mhlanga and Costanza Rizzo  191

CHAPTER 8  Understanding the Nature of PPPs in Social and Commercial Infrastructure Sector using Qualitative and Quantitative Indicators: Insights from Emerging India  
Upinder Sawhney and Tanvi Kiran  221

CHAPTER 9  Making PPPs Work for the Poor: PPPs at the African Development Bank  
Elsa de Morais Sarmento and Khaled Hussein  247

Part III  Public Policy, Public Management Practices and Entrepreneurship

CHAPTER 10  How to Support African PPPs: The Role of the Enabling Environment  
Thibaut Mourgués and Christian Kingombe  269

CHAPTER 11  Social Entrepreneurship as a Success Factor in Public—Private Partnerships: Three Case Studies from Pakistan  
Sacha St-Onge Ahmad and Mohsin Bashir  311

CHAPTER 12  Public—Private Partnership Evolution in Kosovo: An Approach to Achieve the Dream of Being an European Union’s Member  
Liliana Reis  335
Part IV Implementation and Evaluation of PPPs: Practical Considerations and Case Studies

CHAPTER 13 Achieving Affordability in the Delivery of PPP-Based Services
Arthur L. Smith 363

CHAPTER 14 Infrastructure Development through PPPs: Framework of Guiding Principles for Sustainability Assessment
Nilesh A. Patil, Boeing Laishram and Ganesh A. Devkar 385

CHAPTER 15 Public—Private Partnerships for Sustainable Healthcare in Emerging Economies
Roberto Moro Visconti, Anna Doñ and Asli Pelin Gurgun 407

CHAPTER 16 Boosting Public—Private Partnership in Infrastructure: PPP Expansion in Colombia
Francisco Carballo-Cruz 439

CHAPTER 17 Towards Rethinking Public—Private Partnership Implementation: Insights from the Nigerian Context
Osikhuemhe O. Okwilagwe 465

CHAPTER 18 Opportunism Galore: The Case of Delhi—Gurgaon Super Connectivity Limited
Swapnil Garg and Diptiranjan Mahapatra 489

Tatjana Volkova and Murod Sattarov 513

CHAPTER 20 Public and Private Partnerships for Renewable Energy Enhancement in Developing Countries: A Case of the Solar Rooftop Project in Gujarat, India
Younsung Kim and Kyoo-Won Oh 537
CHAPTER 21  Unsolicited Proposals in Infrastructure — Lessons from Brazil and Chile
Fernando T. Camacho, Bruno C. L. Rodrigues and Heldo M. M. Vieira  559

CHAPTER 22  Theory-Based Evaluation of Public—Private Partnership Projects and Programmes
Mehmet Uzunkaya  579

Index  605
About the Editors

João Leitão is Assistant Professor at the University of Beira Interior (UBI). He holds a Ph.D. in Economics from the UBI and a Habilitation (submitted) in Engineering and Management from the Instituto Superior Técnico, University of Lisbon, specializing in Technological Change and Entrepreneurship. He is associate researcher of the Centre for Management Studies of Instituto Superior Técnico (CEG-IST), University of Lisbon and of the Center for Mechanical and Aerospace Science and Technologies (C-MAST), UBI. He is external research fellow at the Small Business Research Centre London, Kingston University, United Kingdom; and at the Instituto Multi-disciplinar de Empresa, Universidad de Salamanca, Spain. Previous professional appointments include positions as visiting scholar/researcher at: the Universidad de Granada, Spain; the Friedrich-Schiller-Universität Jena, Germany; the Universidad Carlos III, Madrid, Spain; the Università degli Studi di Napoli Federico II, Italy; and the Max Planck Institute of Economics, Jena, Germany. He is author of research papers, chapters, books, patent applications; and editor of books and one handbook in two focus areas: entrepreneurship and innovation. His publications cover a diversified range of related topics, such as, benchmarking, human capital, clusters, cooperation networks, entrepreneurship, public entrepreneurship, entrepreneurial and innovative ecosystems, entrepreneurial finance, entrepreneurship education, industry 4.0, public–private partnerships in developing economies, business models for SME, innovation, competitiveness and quality of life. He integrates the editorial boards of the following journals: Journal of Small Business Management; International Journal of Entrepreneurial Behaviour and Research; International Review on Public and non-Profit Marketing; International Journal of Public Sector Performance.
Management; International Journal of Entrepreneurial Venturing; Revista de Gestão dos Países de Língua Portuguesa; and Revista Portuguesa de Marketing. He is editor of the Springer Series: Studies on Entrepreneurship, Structural Change and Industrial Dynamics. He is the executive coordinator of the UBI's Alumni Office. He is President of the Fiscal Council of the Portuguese League of Fight against the Cancer; and member of the General Assembly of the Sporting Clube da Covilhã. He is member of the Academy of Management; of the European Council for Small Business (ECSB) and Entrepreneurship; of the Ordem dos Economistas; and of the Associação Portuguesa para o Desenvolvimento Regional. He was administrator of the Polytechnic Institute of Portalegre, UBI and Social Services of the UBI; and former elected director of the ECSB, in the Policy area. His main research interests include entrepreneurship, innovation, public policies, organizational economics and business models.

Elsa de Morais Sarmento is an economist and a lecturer at the University of Aveiro in Portugal, and external associate research member at NOVAFRICA of the Nova Business School of Management and Economics, Portugal. She has lectured economics, international trade and econometrics in Portugal, Spain and the United Kingdom for over a decade and has authored papers and reports on private sector development, international trade, entrepreneurship and Small- and Medium-Sized Enterprises (SMEs), as well as impact evaluation. She has also worked as a researcher at the Centre for Economic Performance of the London School of Economics in the United Kingdom, the Center of European Studies of the Portuguese Catholic University and the European Parliament. At the Portuguese Ministry of Economy, where she was appointed as Director of the Supervision of the State’s Financial Participation in Companies and Director of Economic Analysis, she has dealt directly with public policy matters related to private sector development and PPPs. During her career, she also worked for the African Development Bank, European Commission, United Nations, World Bank, Millennium Challenge Corporation, the Organisation of Eastern Caribbean Countries (OECS), the Dutch Ministry of Foreign Affairs, the Netherlands Development Finance Company (FMO), the Instituto Camões of the
Portuguese Ministry of Foreign Affairs, the Wageningen UR — Centre for Development Innovation, the G-19 Development Partners of Mozambique, amongst others, in over 70 countries including many fragile, developing and emerging economies. Moreover, she acted as Portugal’s Delegate at the OECD’s Committee on Industry, Innovation and Entrepreneurship, the United Nations’ Team of Specialists on Innovation and Competitiveness Policies, the European Commission’s Inno-Partenering Council, and was Portugal’s representative at the House of Commons (United Kingdom). She has peer-reviewed PPP-related work and has co-authored the AfDB’s ‘Utilization of the Public Private Partnership Mechanism Stocktaking Report’, and the publication ‘Lessons learned on AfDB’s Small and Medium Enterprise Assistance’. She is also a member of the PPP sub-group at the European Evaluation Society.

João Aleluia is the Managing Director and Co-founder of Volution Sustainability LLP, a consultancy and advisory firm based in Singapore specialized on sustainable waste management and climate change in developing Asian countries. He worked for more than five years with the United Nations (UN) Economic and Social Commission for Asia and the Pacific, where he coordinated a regional program that supported a number of countries in the implementation of low-carbon, financially sustainable and pro-poor solid waste management approaches. In the course of his work, he supported the establishment of PPPs in the waste sector and worked with policymakers in countries such as Pakistan, Sri Lanka and Vietnam in the design of climate change policies and programs. He also worked on initiatives related to green growth and the efficient use of energy, authoring the first major study on the status of cleaner coal technologies in North-East Asia. Prior to joining the UN, he managed the operations of a Norwegian-owned company based in Beijing, China. He holds an MSc in Engineering and Industrial Management (University of Lisbon), as well as a Master’s in Energy Management from ESCP-EAP (Paris), IFP-French Petroleum Institute, and BI Norwegian School of Management. He is in the process of completing his PhD degree in Sustainable Energy Systems, in the scope of the MIT Portugal Programme.
About the Authors

Sacha St-Onge Ahmad is a public health practitioner and researcher. She is currently a Program Manager at the Information Technology University in Lahore, Pakistan. She holds a Master’s degree from the University of Nottingham, United Kingdom in Public Health (International Health). Her research interests include maternal and child health, user experience research and sustainable social enterprises.

Mohsin Bashir is an Assistant Professor at the Suleman Dawood School of Business, Lahore University of Management Sciences (LUMS), Pakistan. He holds a PhD in Public Administration and an MBA. His research interests include leadership and effectiveness of organizational networks, strategic management in public and nonprofit organizations and the dynamics of power and politics.

Maria Basílio is an Adjunct Professor at the Management Department from the Polytechnic Institute of Beja, Portugal. She holds a PhD in Management from the Lisbon School of Economics and Management (ISEG) and received her MSc in Management (Finance) from the Universidade Lusíada in Lisbon, Portugal. Since 1997, she has been teaching several Finance and Management Accounting subjects. Her main research interests include PPPs, econometric models, risk and performance analysis.

Fernando Camacho works in the fields of regulatory economics and business strategy in infrastructure industries. He published in journals such as the Energy Policy and Journal of Regulatory Economics. He has also a decade of work experience as an independent consultant in infrastructure economics and is currently a project leader in the PPP Advisory Unit at the Brazilian Development Bank (BNDES). He has coordinated the preparation and procurement of PPPs in transport, energy and health sectors.
Francisco Carballo-Cruz is Professor of Economics at the University of Minho, Portugal. He has a PhD from the University of Oxford, with a thesis in the field of Transport Economics. He regularly teaches undergraduate and master courses in the fields of Public Finance, Regional Economics and Global Economics. He is the Coordinator of the Advanced Programme in Business Internationalization at UMinho Exec (Executive Business Education). He has coordinated numerous consulting projects for public entities, mainly in Portugal and Spain, and several research and technology transfer projects.

Ganesh A. Devkar is currently working as Associate Professor at the Faculty of Technology, CEPT University, Ahmedabad. He has completed his PhD from the Indian Institute of Technology Madras (IIT Madras). His research interests are in the areas of construction project management, PPPs and urban infrastructure development.

Anna Doś is assistant professor in the Department of Corporate Finance and Insurance at the University of Economics in Katowice, Poland, and holds an MA and PhD. She has authored several publications on corporate finance, corporate social responsibility, sustainability and risk management. She has been actively engaged in strategic partnerships for higher education in the area of sustainable finance. Moreover she has been a trainer of public officials in the area of public–private partnerships. She is also a Pro bono consultant of sustainable development in Upper Silesia region, Poland.

Boštjan Ferk is Managing Director and one of the founders of the Institute for Public–Private Partnership, Slovenia. He is also an Assistant Professor for Public Administration at the Graduate School of Government and European Studies and at the European Law Faculty, Slovenia. His academic research, as well as consulting activities, are focused on PPPs and public procurement. He is one of arbitrators of the Arbitration Centre at the Chamber of Commerce and Industry of Slovenia.

Petra Ferk is one of the Founders and Assistant Director at the Institute for Public–Private Partnership, Slovenia. She is also an Assistant Professor for Public Administration at the Graduate School of Government and European Studies, Slovenia. Her academic research, as well as consulting activities, are focused on PPPs, public procurement and state aid. Petra is a member of the steering committee of the Fédération Internationale pour le Droit
Européen (FIDE) and the International Academy of Comparative Law (IACL).

Swapnil Garg is an Associate Professor at the Indian Institute of Management in Indore, India. He has over two decades of techno-managerial experience in the railroad industry. He earned his PhD from the University of Florida, USA. His dissertation studies include coordination aspects in PPP implementation. His research interests span from organizational and coordination issues in PPPs, to public sector management in emerging economy contexts, and alternative pedagogies in management education.

Asli Pelin Gurgun holds a PhD and is an Assistant Professor of Construction Management at Yildiz Technical University, Istanbul, Turkey. She has authored several publications on construction risk management, Public–Private Partnerships, sustainable structures, green buildings and decision making.

Bram van Helvoort is a Postdoctoral researcher at the International Development Studies (IDS) in Utrecht University, the Netherlands. He is involved in the Netherlands Organisation for Scientific Research (NWO) funded ‘Follow the Food’ research project, which aims to enhance the understanding of the impact of foreign agribusiness investments on local food security in Africa. After finishing his PhD, he worked at the Ministry of Foreign Affairs as a Policy Officer at the Sustainable Economic Development Department, and at the Effectiveness and Coherence Department. Furthermore, at the Research and Development Department of the Centre for the Promotion of Imports from Developing Countries (CBI), he got engaged in applied research on international trade, global value chains and trade policies.

Khaled Samir Hussein is a Principal Evaluator with the African Development Bank (AfDB). He previously worked with the Islamic Development Bank and the Egyptian Ministry of Trade and Industry. His work focuses on AfDB’s private sector interventions and on thematic areas of Small and Medium Enterprises, PPPs and trade finance. He holds a BA in Economics and an Masters in Finance and Risk Management from the ICMA Centre, University of Reading in the United Kingdom.

Younsung Kim is an Associate Professor of Public Policy and Management at the Department of Environmental Science and Policy at George Mason University, USA. Her research investigates the private sector’s role in promoting global sustainability...
and evaluates the impact of non-regulatory environmental policy tools. She received the Academy of Management, Public and Private Management Division’s 2016 Best Paper Award for her research article ‘Business as a Collaborative Partner: Understanding Firms’ Sociopolitical Support for Policy Formation’. Prior to joining academia, she worked for the Ministry of Environment of South Korea, as Deputy Director of Policy Communication, and for the World Banks’ Carbon Finance team.

Christian Kingombe co-founded the 4IP Group LLC, where he is a Managing Partner, after a long career working for a number of International Organizations (UNCTAD, African Development Bank, ILO), academia (Graduate Institute Geneva; Centre for the Study of African Economies at the University of Oxford; ENSAE-CREST at ParisTech), and think tanks (Overseas Development Institute; OECD Development Centre). He has earned a PhD in Applied Economics from Imperial College London, University of London, United Kingdom.

Tanvi Kiran is presently working in the Department of Economics of the Panjab University in Chandigarh, India, as a Post-Doctoral Research Fellow of the University Grants Commission (UGC). She has published research papers in various national and international journals related to Agriculture Economics, Natural Resource Economics, Macro-Economic issues and International Economics. She is also the recipient of the Role Model Award for the year 2005–2006 by India’s Swami Vivekananda Study Circle.

Boeing Laishram is currently working as Associate Professor in Department of Civil Engineering at the Indian Institute of Technology Guwahati. He has a wide professional experience, varying from construction industry to investment banking. His research interests include sustainability assessment of PPPs, relational contracting, Building Information Modeling (BIM) in PPP projects, and Multiple Criteria Decision Methods (MCDM) in PPP project selection.

Ningzi Li is a PhD candidate in sociology at Cornell University. Her research focuses on economic sociology and organizational theories in the context of emerging financial markets. She has been focusing on how financial markets develop in existing political institutions, how organizational networks generate market outcomes and how the state impacts economic activities.
Diptiranjan Mahapatra has worked for over a decade in the infrastructure and energy sector before earning his PhD degree from Indian Institute of Management in Ahmedabad, India. His research interests lie in Regulatory Economics and Public Policy. He is especially interested in investigating the relationships between regulation and competition issues in the context of monopolies, state versus private provisioning of goods and services, and the political economy of the energy market. Currently, he works as a Professor at the Adani Institute of Infrastructure Management (AIIM) Ahmedabad, India.

Nomathemba Mhlanga is an Agribusiness Officer (Development) at the FAO sub-regional office for Eastern Africa (FAO-SFE). She has been with FAO since 2008, where she has contributed to the organization’s normative work and field programme on agribusiness development, value chain development and agricultural finance and investment. She holds both a Master and Doctoral degree in Applied Economics and Management from Cornell University, USA, and a BSc Honours Degree in Agricultural Economics from the University of Zimbabwe.

Roberto Moro Visconti is a Professor of Corporate Finance at the Catholic University of the Sacred Heart in Milan, Italy. He holds an MA and a PhD. He has authored several publications on PPPs, healthcare project financing, microfinance, evaluation of intangible assets and other related topics, all retrievable from www.morovisconti.com and from https://www.researchgate.net/profile/Roberto_Moro_Visconti2. He is also a chartered accountant and auditor, and a professional consultant specialized in business planning, company appraisal, intellectual property evaluations, supply chain valuation, and restructuring. He is a pro bono consultant of healthcare centres in Northern Uganda.

Thibaut Mourgues co-founded the 4IP Group LLC, where he is a Managing Partner. Building on his former project finance background, he has served as Team Leader for technical assistance projects dealing with the operationalization of PPP programs, notably in Jordan (2010–2012) and Morocco (2015–2016), as well as a PPP expert in several long-term assignments for the African Developing Bank. He currently advises institutional clients and private investors on impact investing and PPP-related issues, which range from institutional frameworks to transaction advisory work with a focus on Sustainable Development Goals.
Emelly Mutambatsere is a Chief Development Economist at the Research Department of the African Development Bank. She has also worked as Regional Economist for Southern Africa, and Economist at the Infrastructure Department. Prior to joining AfDB, she was a Post-Doctoral Associate with the Emerging Markets Program at Cornell University. She has published in the areas of infrastructure, natural resources and commodity markets. She holds a PhD in Applied Economics and Management from Cornell University, USA.

Eva Gálvez Nogales holds bachelor degrees in Economics and Business Administration from the University of Deusto, Spain, and a PhD in Applied Economics. Following several work assignments in Spain and Peru, she joined the Food and Agriculture Organization (FAO) of the United Nations in 2003, where she serves as leader to the agribusiness team. She has 20 years of experience in normative and field activities related to agribusiness policies and value chain strategies in developing regions of Africa, Asia and Latin America. She is currently working on contract farming, territorial tools for agro-industrial development, and agricultural PPPs.

Kyoo-Won Oh is a Senior Underwriter at the Multilateral Investment Guarantee Agency (MIGA), the political risk insurance arm of the World Bank Group (WBG). He joined MIGA in 2010 after working at the World Bank as a Financial Sector Specialist. In his current position, he is responsible for leading the underwriting process for investment projects, including renewable energy PPPs in developing countries (namely a number of solar PV PPP projects in Honduras, Burkina Faso, and Burundi). He also has significant experience underwriting projects in fragile and conflict-affected states. Prior to joining the WBG, he held several positions in the Export-Import Bank of Korea, including on project finance, trade finance and debt capital market. He holds a bachelor’s degree from Seoul National University, South Korea, and an MA in Economics from the University of California at Davis, USA.

Osikhuemhe O. Okwilagwe holds an MSc in Management from Robert Gordon University in Aberdeen, an MBA from the University of Brighton and PhD from Bournemouth University, all in the United Kingdom. She is currently a lecturer in Strategy at Bournemouth University Business School, United Kingdom. Her research interests revolve around strategy, public policy,
collaboration and PPPs, as well as economic development in emerging and developing countries. Her research has been presented at various national and international conferences.

Kei Otsuki is a development sociologist and currently an Assistant Professor at Utrecht University, The Netherlands, specialized in sustainability and community development issues in Latin America and Africa. She holds a PhD in Development Sociology from Wageningen University, The Netherlands and an MSc and BA degrees from the University of Tokyo, Japan. She has published widely on inclusive and sustainable development, community resilience and dynamic social change, with empirical work mostly focused in Brazil, Mozambique and Ghana. Her most recent book is ‘Transformative Sustainable Development’ (Routledge).

Nilesh Agarchand Patil is a research scholar at the Infrastructure Engineering and Management Division of Civil Engineering Department at Indian Institute of Technology Guwahati, India. He holds a Master’s Degree in Construction and Management from the College of Engineering Pune, University of Pune, India. His research interests include procurement processes of infrastructure projects developed through PPPs from the perspective of sustainable development.

Stella Pfisterer is a Research Associate at the Partnerships Resource Centre, Rotterdam School of Management at the Erasmus University, The Netherlands. Her research focuses on the effectiveness of cross-sector partnerships in international development cooperation. Her areas of expertise include development policy analysis, inter-organizational relationships, in particular governance and management of collaborations, and institutional development. She also provides trainings for executives on effective partnership management.

Marlo Rankin is an Agricultural Economist employed by the United Nations Food and Agriculture Organization (FAO). She holds a Ph.D. in Agribusiness from the University of Queensland, Australia. Prior to joining FAO, she gained extensive project management experience working as an agribusiness consultant in Southeast Asia for 12 years. Her current research interests include private sector engagement in global agricultural value chains, contract farming and public sector institutional strengthening for rural transformation.
Liliana Reis is currently Assistant Professor at the University of Beira Interior, Portugal and Director of its Degree in Political Science and International Relations and Masters in International Relations. She is a researcher at the Political Science Research Center of the University of Minho, Portugal. She holds a PhD in Political Science and International Relations from Universidade do Minho. She recently received the honourable mention of the José Medeiros Ferreira Prize.

Costanza Rizzo holds Master degrees in development economics from the University of Rome Tor Vergata, Italy and in diplomacy and international studies from the University of Bologna, Italy, and a Bachelor degree in human rights. Since 2013 she has worked as a consultant at FAO, where she conducts research mainly on agribusiness investment promotion through territorial approaches, PPP for agribusiness development and contract farming.

Bruno Rodrigues holds an MSc in Public Administration from the Escola Brasileira de Administração Pública e de Empresas (FGV/EBAPE) in Brazil. His research interests include regulatory economics, PPPs in social infrastructure and business strategy in infrastructure industries. He has published in national and international journals such as Applied Financial Economics. Bruno has worked for six years at the Brazilian Development Bank (BNDES) PPP Unit, where he was responsible for structuring PPPs and concessions. He also teaches at the MBA PPP of the London School of Economics, United Kingdom.

Pilar Santacoloma is a FAO Agri-food Systems Officer. She is Colombian and holds a Ph.D. in Agriculture Economics from Hohenheim University, Germany, and an M.Sc. in Agriculture Economics from the National University in Colombia. She has more than 18 years of professional experience in agricultural economics and rural development, including specialized knowledge on agribusiness, market linkages, value chain development, agricultural policy, PPPs, and project design and management in different countries. She has written several analytical and capacity building reports both for FAO and international journals.

Elsa de Morais Sarmento is an economist and a lecturer at the University of Aveiro in Portugal and external associate research member at NOVAFRICA of the Nova Business School of Management and Economics, Portugal. At the Portuguese Ministry of Economy, she was appointed to several management
positions, such as Director of the Supervision of the State’s Financial Participation in Companies and Director of Economic Analysis, where she dealt with public policy related to private sector development and PPPs. During her career, she worked for several research centers, governments and international organizations (e.g., African Development Bank, World Bank, United Nations, European Commission, European Parliament) in over 70 countries. She has a BSc from the Nova Business School of Management and Economics and a Master in European Economics by the Universidade do Minho (Portugal) and the University of Leicester (United Kingdom).

Murod Sattarov is a PhD student at the BA School of Business and Finance, Latvia. Since 2002, he has been the General Director of Global Business Services Ltd (GBS), Uzbekistan, holding extensive experience in advising water utilities. Prior to GBS, he worked at KPMG, and at the World Bank representation office in Tashkent. He holds an MBA in Finance from the American University, USA and an MSc and Honorary Doctorate degree from Tashkent State Economic University, Uzbekistan.

Upinder Sawhney has taught at the Panjab University Chandigarh, India, for the last 33 years. She is presently the Chair of the Department of Economics. She has been a Fulbright Fellow and a Deutscher Akademischer Austauschdienst (DAAD) Scholar, and has been actively involved in research, having published in national and international journals on public policy issues related to the Indian economy. She has also worked in inter-disciplinary areas with colleagues from other social science disciplines.

Arthur L. Smith is Chairman of the National Council for Public–Private Partnerships (USA) and Vice-Chair of the United Nations Committee on Innovation, Competitiveness, and Public–Private Partnerships (UNECE). His PPP experience spans five continents and more than 30 years, working with organizations that include Multilateral Development Banks (World Bank, ADB, AfDB, and IADB), and international organizations, such as the UNDP, OECD, USAID, EuropeAID, focusing on infrastructure and economic development in developing and emerging contexts.

Qi Song is a PhD student in sociology at Northwestern University. She received her BA and MA degrees in sociology at Tsinghua University, China. Her research interests include
economic sociology, political sociology and China studies focusing on fiscal and financial phenomena. Her Master’s thesis analyzes how the fiscal system in China has caused imbalanced intergovernmental relations, and has thus distorted the effects of fiscal policies.

Mehmet Uzunkaya has extensive experience in public investment management and various aspects of PPP policy making, project implementation and evaluation in the national and international context. He has a bachelor’s degree in Civil Engineering, a Master’s degree in International Development Policy, and a PhD in Finance. He is currently the leader of the Thematic Working Sub-Group on Evaluation of PPPs within the European Evaluation Society.

Heldo Matos Monteiro Vieira holds a degree in Computer Engineering from the Instituto Militar de Engenharia (IME), Brazil. He is doing an MBA in PPPs and Concessions at the Fundação Escola de Sociologia e Política de São Paulo (FESPSP), Brazil, in partnership with the London School of Economics, United Kingdom. He currently works in the privatization area of the Banco Nacional de Desenvolvimento Econômico e Social (BNDES) in Brazil, in privatization, concession and PPP projects. He has experience in reinsurance, urban mobility, transportation and sanitation sectors.

Tatjana Volkova is a professor of Strategic Management and Innovation Management at BA School of Business and Finance, Riga, Latvia. She holds a Doctoral degree in Economics from University of Latvia and is a member of the Editorial Committee of scientific journals in Latvia and abroad. Her research work has been published in several peer reviewed books and journals, and presented at several international conferences.
Foreword

The interest and use of Public–Private Partnerships (PPPs) to plan, build and deliver infrastructure worldwide have grown substantially over the past decade. PPPs offer governments, private sector stakeholders, and donors a complementary approach to development solutions at times when traditional funding for development is under strain, while also convening power and synergies for leveraging their talents, expertise and technology. PPPs have enabled the public sector to raise capital and bridge the financing gap, whilst making efficiency gains along the process. As an African proverb that states, ‘If you want to go fast, go alone. If you want to go far, go together’. Just like marriages, PPPs require a long-term relationship, serious commitment and a constant effort. When successful, PPPs can be powerful unions where the final outcome is greater than the sum of the parts.

The major benefit of PPPs is their ability to deliver value for money in public service procurement and operations. But PPPs are being asked more than ever to respond to the call to improve the economic and social value equation of investments. However, certain key factors are necessary for this to be successful. These start by a clear institutional framework to govern PPPs combined with legislation and enforcement, political will, transparency, an adequate level of capacity in public institutions, as well as a dynamic and prepared private sector. Every step from conceptualization, feasibility studies, design, financing, construction, operations, maintenance, to stakeholder communication takes substantial coordination and planning. Under the current circumstances, it is unlikely that many countries at the bottom of the development pyramid can meet this daunting challenge on their own. Several do not yet meet international agreed minimum standards for infrastructure and regulatory oversight, this being primarily not only a financial challenge, but also a problem of good governance and political will. Thus, decisions to invest in developing and emerging economies seem to be relatively more
determined by factors related to the institutional environment and governance framework, the economic and political predictability, the market dimension and the end-user purchasing power. This highly compromises local private fund raising, and developing countries often find themselves struggling to attract foreign direct investments in parallel to forming PPPs, as long-term finance needs to come from external financiers. At the same time, private sector investors and financiers have not been able to find enough pipelines of bankable or investment-ready projects.

The focus on value for money approaches has not always addressed equally well welfare changes of the affected communities. Although large-scale infrastructure projects can play a critical role in alleviating poverty, they do not necessarily meet all the day-to-day needs of communities living in the developing world as they often take a long time to roll out and are costly to implement. It has increasingly becoming clear that the new waves of investment projects implemented through PPPs have created a complex network of effects on local contexts. As earlier experiences of investment projects have shown, PPPs must take seriously into account the impacts on local communities and marginalized groups, as well as address any negative and/or collateral effects produced by their implementation and activity, if they wish to become genuinely pro-poor (Otsuki, Read, & Zoomers, 2016) and sustainable. The fulfilment of both value for money and wellbeing objectives for PPP investments constitutes an added challenge for the future, requiring a larger focus on the assessment of the additionality of PPPs and the intricacies of their impact on poverty alleviation and inequality.

Understanding how PPPs can better contribute towards developing and emerging countries’ development and inclusive growth in a post-2015 framework is at the core of this Handbook. The world economy has become very dynamic and changed dramatically over the past two decades since the Millennium Development Goals (MDGs) were agreed. Some low-income countries with chronic development problems started growing and became major contributors to global growth. In parallel global poverty has fallen at an unprecedented rate. In 2013, the year for which the most comprehensive data on global poverty is available, an estimated 10.7% of the population still lived below the international poverty line of 1.9 US$ per person per day, compared to 35% in 1990 (World Bank, 2016a). Moreover, global inequality has diminished for the first time since the industrial revolution, but between country inequalities
remain at a much higher level than inequality within countries (World Bank, 2016a). Despite all this progress, over 750 million people still live below the poverty line (Cruz, Foster, Quillin, & Schellekens, 2015), of which more than a half live in emerging and developing countries.

The long-standing academic debate on poverty and its connection with inequality has been very fruitful especially after the high visibility of works such as those developed by Piketty and Saez (2003) and Piketty, Saez, and Stantcheva (2014). They paved the way for further work, such as that by Bapuji and Neville (2015), focused on the analysis of the socio-political consequences of high income inequality on business. This paper concludes that income inequality substantially impacts on firms and markets, as high levels of income inequality may bring about social movements which will limit firms’ actions, giving rise to alternative organizational forms which replace existing ones. Furthermore, high-income inequality impacts negatively on firm performance and survival by fostering the emergence of new political and regulatory risks.

In the context of developing countries, inequality also tends to increase entrepreneurship measured through total entrepreneurial activity (Hillel, 2002), being this effect conditioned by a series of moderating factors (Meh, 2005), namely financial constraints acting as determinants of firm creation and households’ stock of wealth (Hurst & Lusardi, 2004). Human capital among the poor, the stock of skills and the scarcity of capital also play an important role in determining necessity-entrepreneurship (Barnerjee & Duflo, 2007). These factors have led Acs and Armington (2005) to advocate that the role played by income inequality still deserves further research (Deutsch & Silber, 2004).

Given this setting, the post-2015 framework was developed around a growing consensus about the possibility of dealing with inequality and ending extreme poverty. In this regard, multi-stakeholder partnerships have been considered quintessential to the achievement of these development priorities (United Nations, 2015a). The 2030 Agenda for Sustainable Development (2030 Agenda) calls for a ‘collaborative partnership’ in order to implement 17 Sustainable Development Goals (SDGs) and 169 targets (United Nations, 2015b). The post-2015 framework emphasizes even more than the MDGs did the role of domestic institutions in contributing towards the end of poverty, the fight against inequalities and climate change. The interest created around the
role PPPs can play in the implementation of the SDGs and in the alleviation of poverty, in particular in developing and emerging countries is thus considerable.

PPPs are a good platform to support financing and help implement the SDGs, while the latter are also a good framework to fine-tune PPP design and implementation. PPPs and SDGs should thus be aligned and synergized. This addresses the underlying statement of objective of SDG 17, which calls unambiguously for ‘Partnerships: public, public–private, civil society partnerships’ and for global partnerships for sustainable development. In particular, the establishment of ‘effective public, public–private and civil society partnerships’ is explicitly encouraged and promoted. SDGs should eventually trickle down to public sector procurement processes (UNEP, 2015), including considerations associated with the establishment of distinct models for PPPs.

An additional aspect raised by the previously referred 2030 Agenda is the goal of ‘leaving no one behind’ and the imperative to address the needs of the poorest and most vulnerable. The pro-poor PPP concept, usually abbreviated under the simplified moniker ‘5Ps’, has gained traction in recent years around the role of partnerships, and especially PPPs, in support poverty alleviation and the vulnerability of low-income groups. The 5Ps explicitly target the provision of services to low-income groups which tend to be overlooked in traditional PPP models in that private sector participants perceive higher risks and lower returns on investment, for example due the low-cost structure of those customers, lower levels of consumption, or the absence of a payment culture within a given community (ADB, 2016). By reaching the poorest customer base, they have the potential to unleash the participation of small and informal entrepreneurs and leverage micro-finance schemes. The commitments and policy directions outlined in the Addis Ababa Action Agenda and the outcome document of the Third International Conference on Financing for Development, convened under the auspices of the United Nations (United Nations, 2015c), further elaborates on the role that private sector actors can play in addressing development challenges.

The ambition and challenges contained in the UN’s 2030 Agenda are enormous and thus new PPPs frameworks are needed. While the 2030 Agenda underpins the existence of a broad, almost universal recognition that PPPs can make a strong contribution to the achievement of SDGs, it also lays bare the difficulties and complexities associated with the set-up of
well-functioning PPP arrangements, especially if posed from the perspective of government authorities, either national or sub-national, which occur in view of the context and sectorial specific nature of PPPs. Furthermore, beyond the more obvious challenges for developing countries, emerging markets also struggle with immature financial markets and a lack of bankable projects, as investments in basic infrastructure often require substantial hard currency investments.

In parallel, there has been a major transformation of the international financial scene. Both domestic and international flows have grown at a fast pace and the mix of resources now available is fundamentally different from that of the last two decades. More recently, Multilateral Development Banks (MDBs) came together to launch ‘The Global Infrastructure Forum’ (an outcome of the Addis Ababa Action Agenda on Financing for Development), with a new approach for infrastructure development within the objectives of the Paris Agreement and the SDGs, to provide a platform for governments, MDBs, United Nations agencies, and other development partners to mobilize resources for infrastructure improvements. Developing and emerging economies are now able to reach out to a larger, more diverse and innovative range of financial resources than ever before. Consequently, efforts to stimulate the uptake of new and innovative financing instruments to facilitate access to finance have grown and have become a core objective of policies and programmes.

But these innovative financing mechanisms have also been driving global goals forward. In 2016, at the Third International Conference on Financing for Development, the UN pointed out the key roles of ‘public and private investment’ in infrastructure financing through various tools and mechanisms, such as PPPs and blended finance. Blended finance instruments are already being used in support of PPPs to lower investment risks and foster additional private sector finance across key development sectors (Pereira, 2017). Moreover, impact investment is gaining traction among governments, investors, Non-Governmental Organisations (NGOs), academia, and is expanding the range of opportunities available (Finance in Motion, 2014). But the achievement of these more ambitious objectives within the post-MDG setting needs to be supported by a pragmatic and costed strategy, able to attract and draw on domestic and international resources. To plan for and finance the end of poverty, one needs to understand the scale and scope of all potential resources,
including institutional capacity for PPPs and private sector collaborations.

The pipeline of well-designed and sound projects that both the public and private sector investors can confidently support at the global level is feeble and the actual infrastructure investments still fall far short of demand. Despite the increase of private sector’s participation in infrastructure finance in recent years, namely in the telecommunications and electricity sectors, private finance still provides a small share of aggregate infrastructure investment in the developing world (Ks, Chowdhury, Sharma, & Platz, 2016). In the poorest of the poor, the situation worsened since 2012. In 2015, Private Participation in Infrastructure (PPI) investments and the number of projects reached its lowest level in International Development Association (IDA) countries1 since 2011 (World Bank, 2016b). Recent research has estimated around 3.3 to 4.5 trillion US$ of investment per year is needed just for global infrastructure to keep pace with its projected growth (Global Impact Investment Network, 2016; World Economic Forum, 2013) and 5 to 7 trillion US$ per year to achieve the SDGs on infrastructure, water, sanitation, clean energy and agriculture. Driven by a growing population, economic growth, urbanization and industrialization, this financing gap is estimated at 2.5 trillion US$ per year in the developing world alone (UNCTAD, 2014).

The sustainable growth and progress of developing and emerging countries hinges greatly on the provision and maintenance of adequate infrastructure and access to basic services. A precondition for tackling this issue is understanding what resource flows are available. Domestic resources, fundamental for engendering PPPs, still represent the largest pool of funds available to developing and emerging countries. In 2010, government expenditure totalled 4.8 trillion US$ in all developing countries (Strawson, 2013), while the sum of all foreign flows received by developing countries (international resource flows) was estimated at around one-third of that of total government expenditure. But even if several countries are on a path of growing domestic resources and shrinking resource constraints, a second group of countries, largely fragile states in sub-Saharan Africa, are likely to face continued domestic resource constraints. The

---

1As defined by the World Bank, IDA countries are those whose Gross Net Income (GNI) per capita is below the threshold of 1,215 US$. 
effects of these constraints are most likely to affect the poor, at least in the short to medium run, as they hamper the capacity of public and domestic institutions to implement interventions aligned with poverty alleviation. Even if international community efforts (in the form of technical support and capacity building), and their resources both have an important role to play in supporting and adding to domestic efforts, PPP approaches will tend to be increasingly differentiated between these two different types of countries. It is thus necessary to consider how to help improve the way countries are supported in the development of their own strategies to attract private sector investment and form PPPs in much-needed sectors, especially in those with the greatest needs.

PPPs have remained on top of the policy agenda worldwide, but the availability and credibility of information and resources to support governments and their advisors in their decision-making on PPPs has not kept an equal pace. Recently, new initiatives were launched to address this gap, such as the PPP Knowledge Lab, the Public–Private Partnership Reference Guide, or the UNECE’s ‘People First Public-Private Partnerships’, which deals with the challenges contained in the UN 2030 Agenda for Sustainable Development, constituting major advancements in this domain.

Reflecting the momentum of these initiatives and the rising interest from multiple governments and global leaders, we are excited to have taken on the opportunity to become editors of this Handbook, which tries to address, in a pioneering way, a growing demand by public officials and practitioners for information and tools to develop, benchmark and evaluate the effectiveness of PPPs, as well as to create the appropriate conditions for these to prosper and contribute to SDGs.

This Handbook aims to support policy-makers, national governments, national and regional public administrations, PPP officers, practitioners, international institutions, development agencies, financial institutions, academia and the evaluation community, in the design, implementation and assessment of appropriate responses to foster PPPs uptake in the context of developing and emerging economies. It aims to be a valuable information resource and a practical guide, not only by documenting the key role of PPPs in developing and emerging countries, but also by exposing cross-country diversity in respect to their institutional and governance framework, strategic resources and business environment. These dimensions are particularly relevant as PPPs are also affected by barriers and inefficiencies in
the business environment and market failures in the knowledge-based economy.

This Handbook resulted from highly valuable contributions of a diverse range of authors originating from three international organizations (African Development Bank Group, United Nations and World Bank Group), the Brazilian Development Bank (Banco Nacional de Desenvolvimento Econômico e Social) and the Instituto Brasileiro de Administração Municipal (IBAM), and academic institutions from 12 countries (China, India, Italy, Latvia, Mexico, the Netherlands, Pakistan, Portugal, Slovenia, Turkey, the United States, and the United Kingdom).

Several key aspects associated with the processes of designing, implementing, operating and evaluating PPPs are discussed in this Handbook, in connection to the creation of better conditions to ensure PPPs result in the highest value for public money and welfare, within the SDGs framework. In particular, this Handbook covers the following core areas: recent trends on PPPs in developing and emerging economies, public policy practices and social entrepreneurship, implementation and evaluation of PPPs, empirical analysis of PPP determinants, identification of the constraints, triggers and determinants to PPP implementation, guiding principles for PPP sustainability, and finally, lessons learned and emerging best practices from a range of case studies.

The Handbook is structured in four parts. Firstly, Part I: Understanding PPPs in Developing and Emerging Countries, introduces the key definitions, concepts, risks and tensions relevant to the institutionalization of PPPs, then presents the drivers of investment in these countries, and finally considers the importance of the governance of the PPP framework.

In Chapter 1, Boštjan Ferk and Petra Ferk analyse the implementation of PPPs in the developing and emerging economies as a multifaceted challenge. The authors highlight key aspects, as well as key ‘for’ and ‘against’ arguments to be taken into consideration by governments when implementing PPPs, namely: feasibility, planning, optimization, modernization and development, financing, project delivery, project operation, supervision, user satisfaction, and accounting issues.

In Chapter 2, Emelly Mutambatsere provides an analysis based on data from the World Bank’s Public Participation in Infrastructure (PPI) project, covering the 1990–2013 period. In addition, the author uses hand-collected evidence on project performance in order to examine how PPPs are applied to infrastructure development in Africa and how the expected benefits were
delivered. The analysis reveals an increasing trend in terms of growth in both the number and volume of PPP investments, which are weaker and more volatile than those observed in other developing regions.

In Chapter 3, Maria Basílio performs an empirical analysis on the determinants of the degree of private sector participation in PPPs in the context of developing and emerging countries through fractional response models, using data obtained from the World Bank’s PPI database for the period 2000–2014. The results reveal that the type of project is a key determinant of the degree of private sector involvement. She concludes that favourable fiscal conditions and the existence of explicit support from the government increase the degree of private involvement. In addition, multilateral support reduces private participation, pointing to a substitution effect. In the same way, private sector involvement acts as a substitute to overcome failures in countries with poor financial systems.

In Chapter 4, Ningzi Li and Qi Song analyse the complex approval procedures in PPP implementation in China. The authors outline the disadvantages faced by partnerships established by governments and state-owned enterprises, due to the lack of specialized legislation, unequal competition between private companies and state-owned enterprises, and the opposition from civil society members. Furthermore, they identify political risks as the most influential, in the sense that the latter may lead to the misallocation of other risks between public and private parties, which then contribute to higher failure rates of PPP projects in China.

In Chapter 5, Stella Pfisterer identifies partnering approaches and governance orientations based on an extensive literature review concerning the emergence and evolution of partnerships oriented towards development cooperation. The main remarks stress that efficiency and participation orientation highlight competing governance rationales, logics and partnership characteristics. Moreover, the chapter outlines that in the context of partnership approaches, it is important to deal with the inherent governance paradox between control and collaboration.

Secondly, Part II: Making PPPs Work for the Poor. It presents the pro-poor PPP concept and how it can be applied to local communities, to agricultural transformation in developing countries, and to social and commercial infrastructure.

In Chapter 6, Kei Otsuki and Bram van Helvoirt explore how and to what extent pro-poor PPPs projects engage with local
communities and which possibilities exist for communities to become genuine partners with governments, businesses, and civil society organizations. The authors analyse three different PPP projects funded by the Dutch international cooperation agency with a pro-poor emphasis in Africa and find varying patterns of how local communities are positioned to benefit from each project. The main findings reveal that in existing pro-poor PPP projects, local communities are there to either be consulted (mere beneficiaries), or to become business partners, or else to lead the project. Each PPP project made a particular assumption about the capacity and need for a local community to get involved in the project, and this is materialized through how local communities are treated in the PPP modality. In Chapter 7, Marlo Rankin, Eva Gálvez Nogales, Pilar Santacoloma, Nomathemba Mhlanga and Costanza Rizzo examine the potential of PPPs to contribute to the achievement of rural transformation objectives in the agriculture sector of developing countries. The authors take as reference the work developed by the United Nations Food and Agriculture Organization (FAO) (2016), in which 70 case studies of agri-PPP projects from 15 developing countries in Africa, Latin America and Asia were analysed. The authors identified a set of four common project types, namely: (i) partnerships that aim to develop agricultural value chains; (ii) partnerships for joint agricultural research, innovation and technology transfer; (iii) partnerships for building and upgrading market infrastructure; and (iv) partnerships for the delivery of business development services to farmers and small enterprises. The main findings suggest that while positive contributions to agricultural transformation objectives exist, there are still open issues associated with the impact of agri-PPPs on poverty reduction and inclusion, which still merit further research efforts.

In Chapter 8, Upinder Sawhney and Tanvi Kiran, provide a detailed account of qualitative and quantitative information through an indicator analysis approach, which aims at enabling stakeholders (including government agencies, policymakers, domestic and foreign private investors as well as general public) to have a better understanding of the PPPs factors in the social and commercial infrastructure domains in India. The findings relate to the future implementation of PPP projects in the social sector, which is particularly relevant for human development in the context of developing economies.

In Chapter 9, Elsa de Morais Sarmento and Khaled Hussein approach the African Development Bank’s (AfDB) current
into infrastructure development and the strategic context of PPP employment during the 2006–2014 period, analysing the role played by the Bank in implementing PPPs in Africa. It covers a portfolio of 33 PPP projects in 18 countries, in which 64,4% of the its volume allocated to lower middle income countries and 23,3% to low income countries. The authors also use information drawn from the AfDB’s ‘Evaluation Results Database’, covering the 2001–2012 period to provide insightful lessons learned. The authors conclude that PPP projects in Africa should be necessarily complemented by policy work, technical know-how provision and post transaction support, as it is necessary to support the development of a ‘soft infrastructure’ in order to reap all the benefits from physical infrastructure provision.

Thirdly, Part III: Public Policy, Public Management Practices and Entrepreneurship. It considers the enabling environment setup and social entrepreneurship as success factors to support and streamline PPP implementation.

In Chapter 10, Thibaut Mourgues and Christian Kingombe provide a selective review of the vast literature on PPPs and a first-hand experience on the ground. The authors advocate that PPPs are well suited to promote and accelerate the provision of public sustainable infrastructure in Africa. Moreover, they identify a highly valuable set of shortcomings and pitfalls through a holistic approach, by handling one by one all the key aspects of project preparation considered as an integral part of the institutional framework for PPPs.

In Chapter 11, Sacha St-Onge Ahmad and Mohsin Bashir survey the reference literature on social entrepreneurship and identify the main traits of social entrepreneurs. The authors collected data both from primary (i.e. interviews with leaders’ former colleagues) and secondary sources (using grey literature, independent reports, web searches, and the implementing partners’ websites). The main findings reveal that social entrepreneurship is an important driver of PPP success. The authors conclude that the PPPs under analysis had a focal person, the social entrepreneur, who exhibited critical qualities for the success of the partnership.

In Chapter 12, Liliana Reis addresses the specificity of an European case, that of the recent Kosovar state, which denotes several fragilities that can jeopardize, on the one hand, the growth of the country and, on the other hand, the desired consolidation of independence. The author positions PPPs as an additional alternative instrument for fostering the economic and
political success of Kosovo, thus helping to meet the requirements needed for a future membership to the European Union. The author concludes that in the near future, PPPs could pave the way for Kosovo’s desired achievement of stronger economic growth, the ruling out of corruption and a rapid convergence to European standards.

Fourthly, Part IV: Implementation and Evaluation of PPPs: Practical Considerations and Case Studies. It provides practical considerations for the implementation of PPPs in service-based sectors and infrastructure; introduces a theory-based approach to PPPs evaluation to ensure credible performance evaluation processes and the full compliance with public policy objectives. In addition, it provides empirical evidence of the relationship between project characteristics and macroeconomic and institutional factors affecting the degree of private sector participation in infrastructure PPPs in developing countries. Moreover, it discusses the experience of Brazil, Chile, Colombia, Nigeria, Senegal, Turkey, India, and Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan) in implementing PPPs. Finally, it presents key guiding principles to ensuring long-run sustainability and value for money in infrastructure PPPs.

In Chapter 13, Arthur L. Smith examines three PPP projects from different sectors which used creative mechanisms to enhance affordability and expand the user base. These are the Pamir Power project in eastern Tajikistan, the urban water PPP in Dakar (Senegal), and the East Coast Toll Road in Tamil Nadu (India). The author provides several insightful findings on how these experiences can be expanded and become a part of a PPP’s planning process to arrive at a more affordable and sustainable growth, in the context of developing economies.

Finally, in Chapter 14, Nilesh A. Patil, Boeing Laishram and Ganesh A. Devkar use a grounded theory approach (interviews as primary and literature as secondary sources of data) to develop a framework of guiding principles to achieve goals of sustainable infrastructure development through PPPs. The study makes use of the core principles of sustainability postulated by Gibson (2005). This framework is comprised of eighteen guiding principles, which are due to act as guidelines of sustainable practices throughout the life-cycle of a PPP infrastructure project.

In Chapter 15, Roberto Moro Visconti, Anna Doş and Asli Pelin Gurgun describe what can be learned by developing countries from the developed ones, as to the management of PPPs projects oriented to the provision of healthcare. Turkey’s successful
experience is used to frame how healthcare PPPs can work for developing countries. Additionally, benchmarks and best practices are provided for guiding the future implementation of successful healthcare PPPs.

In Chapter 16, Francisco Carballo-Cruz develops a case study, based on the PPP model adoption in Colombia, where its new legal and institutional framework is described and the most relevant PPPs programmes and projects are presented. The author points out that, despite the developments in recent years, PPPs schemes continue to be very concentrated in the transport sector. He suggests that the government should extend these type of partnership schemes to other areas, including the provision of social infrastructure and services. It should also aim to improve some institutional aspects and project attractiveness to investors in order to increase private capital, required to finance PPP projects which currently make part of the government’s portfolio.

In Chapter 17, Osikhuemhe O. Okwilagwe analyses the institutional context in which PPPs operate in Nigeria, given that the country’s government has been opening its infrastructure markets to private sector provision. The author uses data that was collected through semi-structured interviews with key stakeholders involved in two infrastructure PPPs — a Toll Road Partnership and Bus Transport Partnership — to conduct a thematic analysis. The main findings reveal that the Toll Road Partnership and Bus Transport Partnership were established with both partnerships sharing a common vision and concerns towards the provision of infrastructure and public services in Nigeria. Both partnerships faced challenges attributed to bureaucratic practices in government institutions, disruptive actions of external actors and ineffective mitigation of project risks.

In Chapter 18, Swapnil Garg also addresses the problematic of Infrastructure PPPs, especially in what regards long-term infrastructure concessions, which are usually governed by ex-ante contractual arrangements which seek to mitigate opportunism and allocate optimal risks between public and private actors. He describes the dynamic nature of opportunism over the life cycle of a highway project in India which has flaunted a galore of opportunism for over one and a half decades. The rationale is based on the fact that the opportunistic stance displayed by actors’ behavioral changes over time is determined by several different factors, which need to be taken into account to fully understand PPPs when a life-cycle lens is used in the analysis.
In Chapter 19, Tatjana Volkova and Murod Sattarov provide a pragmatic logical framework to enable decision-makers to be more familiarized with successful factors of PPP implementation. If applicable, this logical framework could improve efficacy and sustainability of PPP undertakings in the water supply sectors in developing countries. Based on case studies from urban water utilities in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, the article takes stock of the last two decades of efforts to upgrade the drinking water supply infrastructure of Central Asia, and the meagre outcomes produced by these investments.

In Chapter 20, Younsung Kim and Kyoo-Won Oh provide an overview of renewable energy development in the context of developing economies, using the World Bank’s Private Participation in Renewable Energy Database. The authors examine a pilot PPP of a 5 Megawatt solar project in Gujarat, India, which was implemented in 2012, in partnership with large multinational private utility firms. The authors stress the importance of the so called ‘Green Incentive’ given to rooftop owners, which empowered local residents to be part of the project as co-producers of electricity. The authors also provide highly valuable insights into the promise of PPPs for small-scale electrification promoting global sustainable development.

In Chapter 21, Fernando T. Camacho, Bruno C. L. Rodrigues and Heldo M. M. Vieira analyse Unsolicited Proposals in Brazil and Chile and compare these countries’ experiences in several dimensions, including the transaction costs and the existence of regulatory tools to mitigate potential conflicts of interest. The findings suggest that non-proponents rarely win the tender for a project based on an USP. Moreover, the USPs may work better in infrastructure sectors where the government has developed higher capacity to take advantage of its own in-house expertise. In addition, USPs appear to work best for projects that are clearly economically viable ex-ante, generally in dense urban population centres. The authors also stress that, in specific conditions and with the appropriate design, USPs may result in successful projects and private sector innovation, although this could lead to higher transaction costs for the government.

In Chapter 22, Mehmet Uzunkaya describes the theory-based evaluation process of PPP projects/programmes and proposes an intervention logical framework. The author outlines the importance of going beyond the measurement of project/programme results, in order to address not only the question of whether or not the project/programme worked, but also how and why.
In addition, he develops a theory-based analytical framework that identifies an explicit path towards ultimate impacts so as to assess, in a more systematic and integrated way, the success or failure of a PPP.

Acknowledgment

The editors gratefully acknowledge Emerald for providing a very constructive support for the conclusion of this challenging editorial venture. A special debt of gratitude is also due to all the contributors for the high quality chapters that enrich the global quality of this pioneering Handbook.

Funding

The first editor acknowledges the grant given by Fundação para a Ciência e a Tecnologia: SFRH/BSAB/127908/2016.

João Leitão, Jena, Germany
Elsa de Morais Sarmento, Paris, France
João Aleluia, Bangkok, Thailand
Editors

References


