

Public Private Partnerships 8. Governance

http://unctadsftportal.org/sftftoolkit/publicprivatepartnerships/chapter8/

Summary

This chapter focuses on what a country needs to do to be successful in introducing and maintaining PPPs.

Key Themes: Legal Frameworks -Principles of Good Governance

Good governance in managing PPPs is essential to ensure that the private sector's involvement yields the maximum benefit for society. Key requirements for good governance in PPP projects include competitively selecting the strategic private investor, properly disclosing relevant information to the public, and having a regulatory entity to appropriately oversee the contractual arrangements throughout the life me of the concession. The exact legal framework adopted will depend on a country's context but should always provide transparency for the process of selecting a PPP partner and the way in which public and private resources will be applied to the PPP. Given the potential scale of transport infrastructure PPPs, legal frameworks should also reduce the risk of corruption and opportunism. If the principles of good governance outlined in this chapter are followed, they will lay the foundations for a prosperous PPP environment, with increased political support for PPPs leading to economic benefits for governments.

