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PPP Policy

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The first step for government in establishing a PPP framework is to articulate its PPP policy. PPP policy is used in different ways in different countries. This *Reference Guide* uses *PPP policy* to mean the government's statement of intent to use PPPs as a course of action to deliver public services and the guiding principles for that course of action. A PPP policy would typically include:

- **PPP rationale/program objectives**—why the government is pursuing a PPP program
- **PPP program scope**—what types of projects will be pursued under the PPP policy
- **Implementing principles and governance arrangements**—how PPP projects will be implemented, to ensure the PPP program meets its objectives

The following sections provide examples of how different countries define their PPP program objectives, scope, and implementing principles.

Many governments issue a PPP policy statement or document to communicate their intention to use PPPs to civil servants, the public, and potential investors and the rationale behind this decision. The policy statement also describes how PPPs will be implemented. The **OECD's report on fostering investment in infrastructure** (OECD 2015b, 16–17) highlights the importance of a stable government position on private participation. The following sections reference some examples of PPP policy documents. Other countries incorporate these elements of PPP policy within PPP laws and regulations, or guidance material. PPP policies benefit from being more comprehensive public investment or infrastructure policy framework, as described further in PPP Processes and Institutional Responsibilities.

Key References

PPP Policy Examples

- AU. 2016b. *National Public Private Partnership – Policy Framework*. Canberra: Commonwealth of Australia. Sets out the policy objectives, scope, assessment of projects as PPPs, and principles guiding the application of PPPs.
- ID. 2005. *Peraturan Presiden Republik Indonesia Nomor 67 Tahun 2005*. Jakarta: President of the Republic of Indonesia. Sets out the purpose, scope, and principles of the PPP program in Indonesia, as well as defines the PPP process and responsibilities.
- SP. 2004a. *Lei No. 11.688 de 19 de maio de 2004*. São Paulo: Governo do Estado de São Paulo. Sets out the objectives of the PPP Program, creates the PPP Management Council, the São Paulo Partnerships Corporation, and the PPP Unit within the Planning Secretariat. Also establishes the private partner's responsibilities, and establishes the rule for PPP contracts.
- MX. 2012. *Ley de Asociaciones Público Privadas*. Mexico City: Gobierno de México, Cámara de Diputados. Sets out the scope, principles, and processes for the PPP program in Mexico.
- BR. 2004. *Lei No. 11.079 de 30 de dezembro de 2004*. Brasília: Presidência da República, Casa Civil. Defines PPPs and the PPP process, including requirements for the tendering process and contract design. Also establishes the institutional framework for the PPP program.

- CL. 2010b. *Ley y Reglamento de Concesiones de Obras Públicas: Decreto Supremo MOP Nº 900.* Santiago: Gobierno de Chile, Ministerio de Obras Públicas.This law creates the Concessions Council, defines all the preparatory activities that must be carried out by the contracting agency, establishes the procurement process, sets rights and responsibilities, and establishes processes for dealing with change.
- CO. 2012a. *Ley 1508 de 10 de enero de 2012*. Bogotá: Congreso de Colombia. Sets out the scope, principles, and processes for the PPP program in Colombia, as well as institutional responsibilities for developing projects.
- SG. 2012. *Public Private Partnership Handbook. Version 2*. Singapore: Government of Singapore, Ministry of Finance. Introduces PPPs, their structures, and the process for procuring and managing PPPs in Singapore. It also defines the scope of Singapore's PPP program.
- PE. 2014. *Ley No. 30167: Ley que Modifica el Decreto Legislativo 1012*. Lima: Presidente de la Republica del Peru.This decree is the national law and it sets out the PPP policy in the country. Defines and classifies PPPs, sets out the principles that should guide the implementation of the policy, define the institutional framework, and sets out the financial rules for PPPs in Peru.
- KAR. 2015. *Proceedings of the Government of Karnataka: Amendments to the Karnataka Infrastructure Policy 2007*. Bengaluru, India: Government of Karnataka. Sets out the State of Karnataka's policy relating to PPPs, including procurement principles and the composition and organization of PPP cells.
- SN. 2015. *Loi Relative aux Contrats de Partenariat (PPP) et Decret d'Application. Loi 2014-09 du 20/02/2014 et Décret 2015-386 du 20/03/2015*. Dakar: Gouvernement du Sénégal. Defines Senegal's PPP policies and sets out how contracts are structured and implemented.

Visit the PPP Online Reference Guide section to find out more.

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- **PPP BASICS: WHAT AND WHY**
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- **PPP Processes and Institutional Responsibilities**
- **Public Financial Management Frameworks for PPPs**

- **Broader PPP Program Governance**
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- **PPP CYCLE**

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- PPP Legal Foundations - Further Reading
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Implementing Principles

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