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PPP Program Objectives

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Governments pursue PPP programs for different reasons. Some countries begin using PPPs to resolve a crisis or remove bottlenecks in a particular sector. For example, PPPs were first used in South Africa in the roads sector to build more highways. In the Philippines, many of the first PPPs were in the power sector, where the state-owned power company contracted with independent power producers to solve a power crisis. In both cases, the use of PPPs subsequently extended into other sectors.

Most governments define broad PPP program objectives when formulating and documenting their PPP policies. The choice and relative priority of these objectives cascade from the government's other policies and priorities. They can include:

- Enabling more investment in infrastructure, by accessing private finance
- Encouraging a whole-life-cost approach to infrastructure
- Putting a greater focus on the quality of service to the end-user
- Accessing additional management capacity through private operation of infrastructure
- Achieving value for money in the provision of infrastructure and public services
- Improving accountability in the provision of infrastructure and public services
- Harnessing private sector innovation and efficiency
- Stimulating growth and development in the country

Example PPP Program Objectives provides examples of PPP program objectives in countries' PPP policy statement or law.

Example PPP Program Objectives

Country	Reference	PPP Objectives
Australia	National PPP Policy Framework (AU 2016b, 3)	Describes the aim of PPPs as being “to deliver improved services and better value for money, primarily through appropriate risk transfer, encouraging innovation, greater asset utilization and an integrated whole-of-life management, underpinned by private financing.”
Indonesia	Regulation of Government Cooperation with Business Entity in the Supply of Infrastructure (ID 2005, Chapter II Article 3)	The purpose of cooperation of government and the private sector (through PPPs) is set out as follows: • To fulfill sustainable funding requirements in the supply of infrastructure through mobilization of private sector funds • To improve the quantity, quality and efficiency of services through healthy competition • To improve the quality of management and maintenance in the supply of infrastructure • To encourage the use of the principle where users pay for services received; or in certain cases the paying ability of the users shall be taken into consideration

São Paulo (Brazil)	Law 11688 (SP 2004a, Article 1)	States that the objective of the PPP program is to “promote, coordinate, regulate, and audit the activities of the private sector agents who, as collaborators, participate in the implementation of public policies aimed at the development of the state and the collective wellbeing.”
Mexico	PPP Law (MX 2012, *Ley de Asociaciones Publico Privadas*, Article 1)	States that the objective of the PPP program is to increase social wellbeing, and investment levels in the country.

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- **Public Financial Management Frameworks for PPPs**
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- **Municipal and other subnational PPPs**
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- Country Profiles
- Legislation and Laws - General and Sector Specific

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