

# READ THIS NEXT

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As PPPs have gained visibility in the development community, more and more is being written about them by think tanks, civil society organizations, and donors. But it is also clear that there is a lot of misunderstanding about what constitutes a PPP versus other forms of private sector participation, and many people are not fully aware of the complexities of PPPs and how risks are shared between the public and private sectors. For those in search of a broader perspective on how PPPs contribute to global development, their complexities and their potential, this selection of recent articles will make for some very interesting reading.

As the global community shifts to meet the challenge of universal health care (UHC), the new imperatives facing emerging economies will require attention and investment. Climbing costs, the rapid escalation of chronic diseases, emergence of complex morbidities, relentless urbanization, and the expanding expectations of citizens are simultaneously confronting countries as they move towards UHC. Investing in hospitals will be key to this success, and

PPPs have already played a significant role in the building, equipping, and maintaining of hospital infrastructure around the world. This report by the Center for Global Development pinpoints the role PPPs can play in creating a “Hospital Agenda.”



Maureen Lewis. 2015. “Better Hospitals, Better Health Systems:

*The Urgency of a Hospital Agenda.” CGD Policy Paper 053. Washington DC: Center for Global Development.*

Since 2009, infrastructure financing to Africa has grown, thanks to the efforts of national African governments, official development financing, and private participation in infrastructure investments. However, this financing is still not enough to reach the estimated \$93 billion gap in the continent’s infrastructure needs. A recent paper by Brookings Institution suggests that there has not been enough data to give us a realistic picture of this growth. In this blog post, the authors highlight five major trends in infrastructure financing in Africa that emerged from their paper, “Financing African infrastructure: Can the world deliver?”



Jeffrey Gutman and Amadou Sy, April 8, 2015. “Top five trends

in the changing landscape of African infrastructure financing.” Brookings Institution “Africa in Focus” blog.

Those in the development field may have an understanding of the technical fixes for develop-

ment challenges alongside an understanding of the political context in which work is done, but it's not always possible to connect the two. When implementing a PPP, however, technical success depends on navigating the political environment. This Overseas Development Institute paper examines how development professionals and donors have come to recognize the importance of political economy in the success of development initiatives, but suggests that how professionals plan and implement projects has not kept pace.



*Alina Rocha Menocal, 2013. "Getting real about politics: From thinking politically to working differently." Shaping Policy for Development series. London: Overseas Development Institute.*

When governments embark on a PPP, some are required to undertake value for money analyses or conduct public sector comparators, designed to ensure that a PPP is the best model to achieve government goals. Recently the U.S. Fed-

eral Accounting Standards Advisory Board (FASAB) called for greater disclosure of risks in PPPs. The Wall Street Journal's Risk & Compliance Journal takes a look at the FASAB's exposure draft and discusses PPPs and the topic of risk and disclosures with FASAB staff, Macquarie Capital, and the National Council for Public-Private Partnerships.



*Gregory J. Millman, February 17, 2015. "Risk Disclosure for Public-Private Partnerships Under Scrutiny." Wall Street Journal.*

International development efforts are not immune to failure, and we need to embrace the idea that failure is feedback that indicates when assumptions, processes, or implementations are flawed. PPPs by nature are about the sharing of risks among diverse partners, so being able to properly reflect on missteps along the way, and apply the knowledge to future projects, is a critical skill that needs to be developed and encouraged.



*Tricia Petruney, December 12, 2014. "Facing global development's fear of failure." Devex Impact.*

Transparency is always an important issue whether we are talking public procurement or PPPs, and there has been a push recently for all government contracts to be made public. The argument is that transparency not only inhibits corruption and builds trust in governments, but can help improve the contracts themselves. For example, in Slovakia, the publication of contracts led to a 50 percent increase in the average number of bids on government tenders; in Buenos Aires, Argentina, it reduced variation and lowered average prices for hospital supplies. What does this mean for PPPs, where openness and commercial confidentiality must find a balance? Can the two be reconciled? In this editorial, the authors make their case.



*Nancy Birdsall and Charles Kenny, December 26, 2014. "Publish all government contracts." AlJazeera America.*