



Civil society strategy meeting: “The big push for Public-Private Partnerships: challenges and perspectives”

Concept note and agenda

When: Tuesday 4 October, 10:00 to 13:00

Where: Heinrich Böll Foundation – 1432 K Street, NW, Suite 500, Washington, DC

Background

Public-Private Partnerships (PPPs) have over the last decades spread across public services in developed and, increasingly, in developing countries. For example, from 2004 to 2012 investments in PPPs in developing countries increased by a factor of six, from US\$ 22.7 billion to US\$ 134.2 billion. Meanwhile, data from 2014 shows a new increase in the amount of money invested in PPPs and the highest-ever average project size of US\$ 419 million.

The global push for both large and small-scale PPPs is taking place in multiple sectors, as a way of paying for mega-infrastructure projects and – among other services – healthcare, education or water. This rise of PPP-funded projects is driven by many different factors, such as austerity measures that constrain public spending, perverse accounting incentives which allow governments to hide the true costs of PPP investments (off budget), an ideological push in favour of private sector management and delivery of services, and the corporate interests of some firms and investors.

The World Bank Group (WBG), together with the G20 and multilateral development banks (MDBs), have been playing a leading role in promoting PPPs. During the last couple of years the WBG has served as the G20’s go-to agency on PPPs by producing several policy papers, among them a [project checklist for PPPs](#), a ‘[Framework for Disclosure for PPP Projects](#)’ and a [Report on Recommended PPP Contractual Provisions](#)¹. In 2014 the WBG also created the PPP Unit, which is aimed at harmonising the PPP agenda across the Group, and set up the [Global Infrastructure Facility](#)². The G20, WBG and other MDBs are also keen to bundle smaller-scale PPPs into asset classes.

This year the WBG hosted the first Global Infrastructure Forum and committed to serving as the secretariat of the [Global Infrastructure Connectivity Alliance](#)³, which was launched at the China-led G20 summit which took place in September. In addition, with the signing of a “Joint Declaration of Aspirations on Actions to Support Infrastructure Investment”, eleven MDBs plan to invest a minimum of \$350 billion in 2016-18 in infrastructure development, especially to attract and partner with the private sector in energy, transportation, water, and ICT sectors.

¹ Civil society organisations have provided comments on the draft framework for disclosure for PPP projects and are awaiting an official response from the WBG. CSOs have also commented on a first version of the WBG’s report on recommended PPP contractual provisions. A second version will be available soon and open for comments by CSOs.

² A platform that facilitates the preparation and structuring of complex infrastructure PPPs to enable mobilisation of private sector and institutional investor capital.

³ The Alliance will develop regional infrastructure plans and “pipelines” for bankable infrastructure projects that connect countries, regions and continents to, among other things, facilitate trade.



Civil society organisations (CSOs) have repeatedly raised concerns about this push for PPPs as they are often less democratically accountable and lead to more expensive user fees, less investment in low-income communities, and poorer quality public services than those directly funded by governments. Evidence also shows that PPPs can negatively impact local communities, the environment, human rights, accountability and transparency, and worsen the fiscal problems against which they are offered as a solution.⁴

Proposal and objectives

The proposed strategy meeting aims to bring together Northern and Southern CSOs working on various topics (for example: human rights, debt, climate change, infrastructure finance, transparency & accountability) to discuss the different vulnerabilities behind PPP projects and exchange perspectives on potential joint advocacy activities. The meeting will focus on PPPs in different sectors and some of the cross-cutting implications, including for fiscal sustainability, human rights, and climate change commitments.

Expected participants: representatives of groups that carry out research and advocacy on infrastructure financing, climate change, debt sustainability, healthcare, education, water, transparency and accountability, public development banks, and more.

Please note that his meeting will be open to anyone interested from civil society. Feel free to pass by and join the discussion! RSVP is not required but appreciated by writing to Mathieu Vervynckt (mvervynckt@eurodad.org)

Objectives:

- Update each other on recent developments at the WBG, G20, IMF and UN on PPPs
- Update each other on wider CSO activities on PPPs and share future advocacy, campaigning and research plans
- Discuss cross-cutting implications, including for human rights, fiscal sustainability, climate change commitments
- Discuss possibilities for joint advocacy activities in 2017.

Draft agenda – 4 October 2016

Time	Topic
10:00 am	Welcome and introductions
10:10 am	Update on recent developments at the WBG, G20, IMF, UN and beyond
10:50 am	Discussion about cross-cutting implications: fiscal risks, human rights, climate commitments
11:20 am	Discussion about recent and planned CSO activities on PPPs
11:50 pm	Discussion about joint strategies and advocacy opportunities in 2017
12:50 – 13.00 pm	Closing

⁴ The following reports offer clear evidence of the problems mentioned: Eurodad (2015), [What lies beneath?](#); Jubilee Debt Campaign (2015), [Tanzania hit by costs of public-private partnerships](#); Public Service International (2015), [Why public-private partnerships don't work](#); Oxfam (2014), [A dangerous diversion](#); the 2015 Report of the [UN Special Rapporteur on the Right to Education](#); the latest UN [DESA Working Paper on PPPs](#).