Perfecting Procurement Practices of Public Private Partnerships

Thesis submitted by
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STATEMENT OF ORIGINALITY

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Perfecting Procurement Practices of Public Private Partnerships

Student: 9705178

“Opening up yet another fragment on the frontier of beauty” Einstein

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“Give me a place to stand on, and I will move the Earth” Archimedes
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SYNOPSIS

This dissertation represents a comprehensive study of the decision processes within the procurement of Public Private Partnerships (PPPs). The PPP style of contract is a complex but effective method for the delivery of much needed infrastructure and services for governments around the globe. The prime advantage is the use of private capital, minimising the burden on government coffers and the tax payer.

This research focuses on the methodologies and maturity levels of PPPs on a multi-national scale. Critical success factors and failure mechanisms identified in previous projects were reviewed, based on the procurement and implementation of the contract itself rather than on the provision of infrastructure or a service.

This research identifies gaps in the extant literature and practices within the delivery of PPPs, and develops a ‘lessons learned’ framework to guide the research and to close the gaps for future projects. This research principally adopts a content analysis methodology. It involves a mixed-methods approach, incorporating qualitative and quantitative reviews of the survey and a semi-structured interview protocol, augmented by in-depth case study analysis.

The area of risk management and ownership within the PPP project presents itself as a common theme throughout the research. This area represents an opportunity for improvement throughout the contracting process, from feasibility to construction. The rules of assignment of risk to the entity that is best prepared to manage that risk have blurred. This adds undue complexity to a project that is already convoluted by nature.

The culmination of the study offers a new model that can be used to increase the opportunity for success in the delivery of projects. This model focuses on the management of the contract. PPPs are unique in the way that they are financed and in the financial models that are employed during their delivery and through life service; however, the contract and management thereof share the same principles.