EUROPEAN EVALUATION SOCIETY
TWG ON PRIVATE SECTOR EVALUATION

Sub-group on
Evaluation of Public Private Partnerships

Annual Work Programme

1. Group composition and work programme
   - Identifying the group members and getting to know each other.
   - Agreeing on the annual work programme.
   - Taking stock of the areas of specialization of the members to make sure that the group represents full capacity for PPP evaluation.

2. The output
   - A discussion paper to be presented at the 11th Biennial Conference in Dublin as a collective product of the sub-group.
     - The paper aims at drawing lessons from a representative sample of ex-post evaluations on PPP projects towards finding the principles of successful PPPs and making methodological recommendations for better evaluations.
     - In collaboration with the sub-group members, ten ex-post evaluation studies will be selected.
     - The sample would consist of ex-post evaluations from various levels and classes.

3. Activities towards the output

   Phase 1: Sample formation
   - Collecting ex-post evaluation reports on PPP projects worldwide.
   - Selecting ex-post evaluations from various levels and classes; and/or based on whether DAC evaluation principles (relevance, efficacy, efficiency, outcome, impact) are applied or not (provided that a sufficient number of evaluation reports are obtained in this regard):
     - From developed, developing and least-developed countries.
     - Greenfields and brownfields.
     - Medium-large projects as well as those in which the SPV can be considered as a small-medium enterprise (if available).
   - Selecting ten ex-post evaluations among them.
   - Reviewing the evaluations

   Phase 2: Lessons Learned
   - What are the critical issues towards achieving successful PPPs?
E.g. Ensuring the sustainability of the partnership between public and private sector?

Assessing and mitigating risks? The issue of bankruptcy of the project company when the higher private costs cannot be offset by the increased efficiency of private firms, and as a result, when the public sector, which had to maintain the delivery of the service, was left to remedy to the situation.

Open competition? The materialization of the risks of accepting an unfair commercial offer, especially in the absence of assistance from competent and expert advisers.

Fair labour contracts? Inclination of trade unions to strike at early signals of deterioration during PPP implementation, with the fear that working conditions would become worse under a controversial PPP.

Good legal frameworks? Whether legal frameworks are adequate to lead to sustainable contractual relationships.

The impact of ideological complexities on policy formulation and management?

Methodological issues? What are the main shortcomings in PPP evaluation? Severity and the significance of the problem (if any), underlying issues and roots.

Phase 2 Output: Interim Report1

Phase 3: Developing an Evaluation Framework for PPPs (if methodological issues reviewed in Phase 2 turn out to be significant and problematic)

- Goals and objectives
- Identification of suitable methodological framework and techniques
  - Ex-ante, mid-term, or ex-post?
  - Cost-benefit analyses, multi-criteria?
  - Financial and/or economic analyses, public sector comparators?
  - Deterministic or probabilistic?
  - Potential innovative methods?
- Main elements of the proposed evaluation framework

Phase 3 Output: Interim Report3

Phase 4: Completion of the Final Report