

Sustainable Development and Public Private Partnerships

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Barriers

- Lack of knowledge about what sustainability is.
- Inadequate regulatory framework.
- Perceptions that ‘being sustainable’ costs more.
- Lack of political will.

Aims

- Apply the principles of sustainability to PPPs
- Identify key sustainability goals
- Develop output specifications for sustainability goals
- Incorporate sustainability goals into contract design and award criteria
- Effectively monitor and evaluate the delivery of sustainability goals

1. The Case for Sustainable Development and PPPs

- The principles of sustainable development and PPPs
- Creating ‘win-win-win’ scenarios
- Responsibilities and requirements for incorporating sustainability into PPPs
- Key factors determining success

2. Assessing Need

- Project identification
- Why consult stakeholders?
- Identifying needs for a specific project
- How to involve stakeholders

3. Output Specifications and Contract Design

- Output specifications
- Green procurement
- Menus of sustainability criteria and output specifications
- Thinking to the future: beyond the PPP's lifespan
- Competitive dialogue and incentivisation
- Flexibility

4. Award Criteria

- Setting award criteria to reward bids that incorporate sustainability
- Selecting the right team to deliver sustainability

5. Effective Monitoring

- Monitoring output specifications and linking performance to payments
- Using evaluation to enhance project efficiency

Conclusions

- Needs assessment - consultation with stakeholders should occur at the start of the process in order to identify needs and secure support for the project, and continue throughout the PPP project through the formation of a stakeholder steering group.
- Clear output specifications - sustainability goals must be translated into measurable specifications in the PPP contract.
- Transparent award criteria - based upon the output specifications and using a points system that is made clear in advance of the bidding process to reward bids that incorporate sustainability.
- Effective monitoring – audited self-monitoring of measurable performance criteria for each output specification, linked to a clearly defined system of payments and timetable for periodical evaluation.

Case Study Desiderata

We require detailed examples of:

- Output specs, a tender and selection criteria with sustainability goals built in (pref. costed over project lifetime)
- Competitive dialogue leading to increased sustainability features
- Successful use of monitoring to link sustainability performance to rewards
- Ongoing evaluation to improve sustainability performance