

## Public-Private Endeavours: Present and future of PPP in a changing world

Presented by Professor John Cameron ([International Institute of Social Studies, Erasmus University](#))

Bringing about insights after evaluating the progress of 5 FDW projects over the span of 4 years, Professor John Cameron reflected on the idealized PPP, where the Public Sector provides regulatory consistency and certainty (**effectiveness**), the private sector provides cost reduction and timeliness (**efficiency**) and the third sector (i.e. NGOs) provides bottom-up accountability and responsibility (**equity**). Bringing his years of experience, the key takeaways from his presentation and audience questions are illustrated below:

### KEY TAKEAWAYS

- Though context-specific, it was found that each actor can bring their own motivations to a PPP which one should be reflected on early. For example, (1) the public sector can deal with spatial rivalries but at the same time are the frontiers of bureaucratic engineering. (2) The private sector is found to be genuinely interested in Corporate Social Responsibility (CSR) but the interest can be presented as benign. And, (3) the third sector can claim virtues but at the same time can be dependent on external funding and exit.
- There is a general inclination for a projectized view on development with short timeframes and focus on outputs. Instead, steps should be taken to move towards more **transformative PPP's**, rather than only ones which are transactional. PPP's tend to push for longer timescales, time to explore the differing desired activities, relationships and Theories of Change (ToC), as well as time to generate the appropriate impact(s).
- PPP's bring about their own unique risks, but there tends to more awareness around 'engineered' risks rather than the 'relational' risks. Risks are the white elephant in the room that no one wants to point out, and especially **more attention should be paid to relational risks** at the proposal stage.
- **Take time to explore the known knowns, known unknowns and unknown unknowns.** We all learn along the way and PPP's should be allowed the time to explore them and modify when necessary and/or appropriate.
- The current PPP model as subsidized by RVO where one partner is in the lead raises the question whether this is an **effective model for deliberation** and a true partnership (i.e. risk is there by not equally shared)? It is important to explore what steps can be taken to create a relational partnerships and avoid an engineered one.
- Partnership objectives can push partners to compete, which raises the question as to how to deal with competing tendencies? Here the **need for flexibility** is important, as well as being realistic, aware of the context and setting clear expectations. Actively work on partner **expectation management** to ensure for deliberative processes and to **create a sense of ownership** for all partners involved.

## SYMPOSIUM ON PUBLIC-PRIVATE PARTNERSHIPS 2023 16<sup>th</sup> February 2023

### Introduction

To celebrate 10 years of project implementation, the Netherlands Enterprise Agency (RVO) organized a 1-day symposium on the 16<sup>th</sup> February to share practical experiences in Public-Private Partnerships (PPP) under ODA Conditions. Inspiring and open dialogues took place where participants shared experiences and insights on how to increase mutual understanding and effective collaboration amongst private and public actors, local and Dutch, with RVO as the facilitating agent. Attendees ranged from policymakers from ODA programmes on food, WASH, IWRM and private sector development, as well as partners and actors from the FDW, FDOV and GWW networks.

The day started off with some welcoming words from Michiel Slotema (Team Global Water Issues - RVO) and Christina van der Heden (Team Global Food Issues - RVO), who indicated the value of **looking in hindsight** at 10 years of PPP experiences. It is namely the case that the **three programmes collectively hold 35 years of experience** to be reflected on, as pointed out by moderator Dr. Raimond Hafkenscheid. This was further supported by the words of Tjerk Opmeer (Director of International Programmes - RVO), who remarked on how **RVO aspires to be a learning organization** (and immediately sparked some critical thinking with his use of a Chat GPT generated speech). Finally, Karin Roelofs (Head of Water Unit, IGG - Ministry of Foreign Affairs) formally contributed to the opening of the day by recognizing that PPP's can act as a potential instrument to upscale development, but that it is important to look back at what works in the field and in PPP's as opposed to in policy.

With this introduction and invitation to being critical and open, the day commenced with various speakers, each contributing their own invaluable personal experiences and thoughts. On the following pages, key takeaways and lessons learned from each session are summarised.

## Looking to the Future

### For donors

- Allow for longer duration PPP's to explore risks, build relationships and generate impact.

### For consortiums

- Have a manageable number of partners to ensure effectiveness.
- Be aware of explicit government and deliberative processes within PPP's. I don't fully follow this, especially explicit government
- Create space for learning opportunities associated with partnership risk analysis.

Find [here](#) more information about the evaluation.



## Effectiveness, impact and sustainability: The role of PPP in development policies and ambition in 3 presentations

### Circular wash in Ghana

presented by Aart van den Beukel (Regional Representative, West Africa for [IWMI](#)).

Lessons learned were shared by speaker Aart van den Beukel, who reflected on working on Safisana, which has opened a fifth facility in Ghana. [Safisana](#) aims to fundamentally improve the health and wellbeing of people living in non-sewered urban areas. By re-using waste as a resource to provide biogas and organic fertilizer as well as a by building and operating a large number of locally embedded recycling plants, the ambition of Safisana is to create social, economic and environmental impact.

### KEY TAKEAWAYS

- **Be aware of the public context** and realize early where or who (from the government) to go to for the access to resource, land, permits and/or certifications, and sales. Take the time to understand who does what and how to work together.
- **Involve the local government early on**, and make clear why both you and they want to do this activity.
- As the project faced challenges of limited local government buy-in, work towards strengthening your partnership in Public Relations (PR).
- As the project faced challenges in having limited local financial commitments, it revised its strategy to focus on industries in the value chain(s) to generate additional financing.
- **Make clear what your revenue streams are** and will be, by having a clear understanding of how to manage your operational costs (OpEx) via the income of sales and utilize subsidies for investment costs (CapEx).
- When the business drive is purely financial it can create less impact, so take steps towards **building local ownership**.
- **Take time to redefine your business model** and report on what the social returns are.
- Navigate balancing the day-to-day activities with keeping all those involved in the loop.

Read more about the project [here](#).

## Environmental Social Economics of PPP (Indonesia, Ethiopia)

Jeroen Jurriens ([Wetland International for EcoShape & Building with Nature](#))

Bringing insights from a PPP which has been working across disciplines and sector, with an innovation and business case thinking, speaker Jeroen Jurriens shared his experiences from a partnership in Indonesia. [Wetlands International Indonesia](#) works on sustaining and restoring wetlands, resources and biodiversity. The PPP has successfully had a spin-off program in multiple sectors and the Indonesian government is replicating the approach in various coastal areas. Reflections from the session are outlined below.

### KEY TAKEAWAYS

- Think of your dream scenario and bring people together who can work towards that.
- **Address PPP's on urgent issues which need to be addressed and where there is social, political and/or market interest.** This is especially important to get governmental support and political will. Work both from top-down as well as bottom-up.
- Mainstreaming worked because project addressed a pressing problem (coastal erosion) and government saw potential to replicate.
- Work with local universities for knowledge exchange and partnerships. **Consider the value of mixing scientific and local knowledge**, and consider the value of online courses for mainstreaming and replication of interventions.
- **Start with flexible funding prior to stepping into PPP's.** Be aware of the requirements of a PPP and, if needed, invest in an experienced project manager to navigate the requirements and partnership challenges.
- Be flexible and **avoid a fixed management system (i.e. xxx.** PPP's are bound to change, so one has to adapt.

### Looking to the Future

#### *For donors*

- Reduce the burden of proposal development requirements. It is a challenge to keep public and private partners engaged, especially with delays in approval (especially long inception periods).
- Understand unique business cases of each company
- Calibrate funding to public and private benefits; HOW?
- Have longer term planning for social and market change: Id don't follow? Longer term planning?

#### *For consortiums*

- Understand the difference between a partnership and contracted services i.e. ?

Read more about the project [here](#).

Intern gebruik

## Food security and PPPs (Nigeria)

Stuart Morris, Director, ([East West Seeds](#))

East West Seed works to provide innovative seeds and services that help improve the livelihood of tropical vegetable farmers and promote sustainable farming and business practices. With the aspiration of being a leading tropical vegetable seed company, speaker Stuart Morris reflected on East West Seed's PPP in [Nigeria](#) which focused on positioning vegetables as an attractive business opportunity.

### KEY TAKEAWAYS

- The funding and RVO services allowed for the ability to work in a partnership with a utility and demonstrated that privatization was not immediately needed.
- **Systemic change requires an array of skills.** No one partner houses all the knowledge and expertise needed, which is why a PPP can bring out the necessary change. Within a PPP, a partner can focus on what they do best and contribute accordingly. At the same time, keep the unique identify in the consortium and acknowledge who did what.
- **A PPP can lower barriers** by bringing in different accesses to finance, social capital, farmer groups, and inclusion of different target groups. You as a partner cannot do it all or alone, hence know what you are good at and bring in partners with skill sets needed.
- A PPP can reduce risks and enable change through co-funding. This allows you **to go beyond what your own budget and capacity** at that time.
- Partnerships have teething issues at the beginning, where different organizational structures and cultures come together. **Chemistry and trust** between partners are thus key factors for success. The PPP used the health check service provided by [The Partnership Brokers Association \(under SDGP\)](#) which helped improve governance and communication between partners. This service of moderated discussions helped us see different perspectives, allow clarity in roles and iron out expectations and perceptions.
- When you step into a PPP, you need to **educate partners what PPP's will deliver.** Take the time to explain all the requirements and expectations.
- You can't create/change a market with only 1,000 farmers so you need target a significant number.
- Co-financing has it limits. Expect RVO to support to replicate in another area, or promote to other donors.
- Revisit the use of logframes which as they do not allow for transformative change

Read more about the project [here](#).

## PPP's and the world of perspectives: Private, public and NGO considerations in 3 short presentations

### The complexity of the public perspective. An example with the BOOST project in Kenya.

Presented by Dr Rose Wangui Komu, Senior Industrial Training Officer The National Industrial Training Authority ([NITA](#))

[BOOST](#) is a 3 pillar program that supports the growth of decent work opportunities, green business, and access to sustainable technology, while fostering the circular economy of Mombasa. The following reflections were shared by NITA on the role of the public actor within this PPP, Dr Rose Wangui Komu.

#### KEY TAKEAWAYS

- The Kenyan government is supportive of PPP's, especially as it adheres to the government development agenda focused on circular economy, youth employment, access to high-quality and sustainable ICT assets, greener businesses, and focus on women and vulnerable groups. Harmonizing and mainstreaming the private activities alongside the government agenda is a key takeaway from the BOOST project.
- Legal compliance was an issue for the project. The project needed to circumvent curriculum process to try and get project curriculum approved.
- There was the **challenge of duplication of efforts** due to multiple similar projects. Boost was successful because they had right partner (NITA), highlighting the importance of selecting relevant government agencies in a PPP.
- The project learned that **public ownership was key** for success. This entails managing expectations on what can be expected from PPP's and having a shared vision.
- **Differences in views can be aligned through aligning project objectives to broader development agenda.**

Read more about the project [here](#).

### The private actor, true investments and market challenges. An example from Mali

Thierry Barbotte, Director, [Vergnet Hydro](#)

Providing lessons from a private operator, reflections from Vergnet Hydro by speaker Thierry Barbotte were shared on water sector development and maintenance with regards to the UDUMA programme in Mali. [UDUMA](#) aims to improve access to drinking water in rural areas of sub-Saharan Africa by taking charge of water supply equipment and ensuring its proper operation and maintenance for 15 years. The project worked on introducing a water services delivery model for tube well pumps driven by a viable business case.

#### KEY TAKEAWAYS

- The project was created in 2015 and worked on its business model then responded to a RVO call for proposals in 2016. The funding allowed for the project concept to mature. Mali selected as Public service delegation for rural water supply
- In a PPP government becomes a regulator. The donors roll is to promote the new rules (paid services).
- It is **imperative to understand what a customer wants**, not what they assume to need. A PPP can encourage the operator to find solutions.
- To enter a PPP, it is important to understand at all governance levels that **the role can change from implementor to regulator**. Understand what the rules are in the partnership and understand it is a contract, a marriage; **you are together working on a solution**.
- A true PPP works where there is **flexibility from the donor** and there is **trust between the partners**.
- A partnership requires **securing the investment**. A PPP can allow a business case to experiment through grants and mature by investments. It is a model for which implementation can be sped and scaled up.
- Understand that a **PPP has a business model**. For NGO's this requires understanding the constraints of a for-profit approach whilst safeguarding a pro-poor approach.
- Investors are looking for quick returns. If you want to attract private financing, we have guarantee to cover (initial) lost making years

Read more about the project [here](#).

## End-users and representations of local needs, an NGO perspective. An example from Ethiopia.

Antonie Treuren, Programmaleider Inclusive Agribusiness, [Woord & Daad](#)

Having been involved in numerous partnerships and reflecting specifically on its partnership in Ethiopia, Antonie Treuren shared insights on Woord & Daad's experiences in working in partnerships. In the same week Woord & Daad as the symposium they published a report which analysed 16 of its own PPP projects. These insights were shared of which the key takeaways are outlined below.

### KEY TAKEAWAYS

- Woord en Daad conducted an analysis on system change and 16 of its own PPP projects. The following elements for success were:
  - Permanent government involvement
  - Preparatory framework
  - Knowing what the PPP requirements are
  - Cultural and organizational awareness
  - Careful partner selection
  - Having a careful vision and trusting relationships
  - Indispensable contribution of all partners involved, whether cash or in-kind, to ensure ownership
  - Having interests that are skilfully negotiated and packaged
- Determining factors that contribute towards an effective PPP is conducting a context mapping analysis, having an adaptive approach, focused governance and having favourable funding mechanisms.
- Key lessons learned include:
  - Having **learning questions** and **reflection moments** throughout the partnership period
  - Longer period (and financing) for proposal development
  - Long and phased financing
  - Changes in policy can be end of game.
  - Having **local involvement** and **listening actively**
  - **Having roles for all partners both in and outside of the PPP**

Click [here](#) to read the report and read more about the project [here](#).

### UNIDO reflection and interactive dialogues (after presentations)

- **Shifting towards transformative PPP's:** Projects tend to focus on sustaining revenues but how should we deal with non-revenue sustainability? Evaluate spin-off's and pay more attention to the qualitative results, rather than the quantitative.
- **Create rapport:** make sure partner interests overlap and the intervention occurs in that overlap. Have common goals and identify where the match is. *Don't overlook chemistry!*
- **Institutionalize the need:** once the need is identified, see how it fits within your workplan.
- **Learn from failed PPP's:** Learnings show that a cluster of problems can lead to a failed PPP (e.g. partners leaving, poor match, external factors (i.e. COVID-19), etc.). PPP's sometimes fail beyond anyone's control, but they provide valuable lessons. It's a matter of what we define as a failure.
- **Planting the seed:** From a business perspective, a PPP can serve as a means to plant the seed for opportunity, by sharing risk(s) and investment(s). From there on, others will and can continue with the activities. PPP's can help accelerate activities both on the short- and long-term, but it does not mean that without PPP's nothing will happen. PPP's can offer exposure, linkages to market, exchange of knowledge and access to resources.
- If working on systems development don't start with KPI's from the start. Donors need to be flexible in this regard..
- **Insights work better when you have everyone around the table:** It should be clear who is involved, what the expectations are and what they

## Personal reflection on the symposium

Dr Gábor Szántó, Senior Advisor, Team Global Water Issues - RVO

As the final speaker, Gábor Szántó congratulated all speakers and participants on the intriguing presentations and discussions. Reflecting on the entire event, Gábor reflected on the possible following 'missing' items during the symposium.

### KEY TAKEAWAYS / What was missed

- RVO to push (successful) model with other donors. Re-do this symposium with other donors.
- What capacity does a partnership need?
- How to fit local financing with subsidy rules.
- Long inceptions difficult for private partner. Phased financing needed.
- The positive aspect about PPP's is that they are agile and cover other partners' "weaknesses", by having a partner which can contribute skills and/or expertise you may not currently have in-house.
- PPP's bring about numerous difficulties for different partners, such as (1) how to build capacity locally, (2) how to deal with the long inception phases, especially for private partners and (3) how to navigate the Dutch finance system and fit the local financing with the subsidy rules. These are areas to consider and reflect upon early on in the process. RVO is aware of these difficulties and works towards flexibility and working with partners.
- The question surfaced whether the call for proposals is the correct format or is it more effective to facilitate the process towards a partnership? On the one hand calls for proposals offer an opportunity for partners to respond themselves and form their own partnerships from the beginning, whereas the latter offers more space to naturally transition towards a partnership.
- Model partnerships start in the countries themselves, which offers opportunity to learn how to locally embed innovative programs, what works per context and what capacity is needed. Herein a local project manager is key.

These findings can become the basis for future events. At the same time, we invite you to share your questions and/or ideas for future RVO dialogues!

Please reach out via our [Website](#) or [LinkedIn](#)

See here for more information about the [FDW](#) and read [FDW - A decade of RVO management 2022 | RVO.nl](#). Find more information about [GWW](#) and related water programmes [here](#)

Find more information about [FDOV](#) and related food security programmes [here](#)

