

International Public-Private Partnership Policies:
Convergence in Themes from ASEAN, the European Union, IMF, OECD, the UN,
and the World Bank?

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Abstract

This paper focuses on how international public-private partnership (PPP) policies are formulated and implemented by international organizations. PPPs for infrastructure projects are relevant and present in many countries around the world. The literature is full of studies of individual countries and various aspects of PPPs governance and finance. But what has been less emphasized in the literature is the way in which international organizations have been developing and promoting policies for PPPs. This paper makes a first attempt in trying to describe and analyze the way international organizations make policy for PPPs and to focus on perception issues related to their actions. The research questions are: How do international organizations make policy for PPPs? Do the PPP policies from international organizations converge on the same kind of themes? The theoretical lenses used will be from theories of the policy process, including the Advocacy Coalition Framework and process tracing in historical institutionalism. The empirical focus will be on international organizations' approaches to PPPs. The paper examines policy papers from selected international organizations, including the the ASEAN countries, the European Union, International Monetary Fund, OECD, UN, and the World Bank. The methodology is to examine the most recent policy papers (documents and reports) and compare their content. The hypothesis of the paper is that international organizations converge on roughly the same themes, and that there seem to be overall agreement about the main messages and recommendations for the use of PPPs in infrastructure projects. International organizations also cooperate on certain issues in policy development for PPPs. But each organization likes to promote its own tool for PPP project scrutiny. This is not necessarily a problem, but it does beg the question if a broad policy consensus on PPPs is within reach. The paper will contribute knowledge on the degree to which international organizations' PPP policies converge.

Introduction

Public-private partnerships (PPPs) for infrastructure are relevant and present in many countries around the world. PPPs have been defined as: 'long term contractual arrangements between the government and a private partner whereby the latter delivers and funds public services using a capital asset, sharing the associated risk' (OECD 2012: 18).

The literature is full of studies of individual cases in countries and various aspects of PPP governance and finance (see Hodge, Greve and Boardman, eds. 2010 for an overview). Many PPPs can be considered megaprojects (Flyvbjerg 2012). PPPs are becoming more widespread in countries like the U.S. where states have developed PPP legislation (Geddes & Wagner 2013). There is said to be an infrastructure gap and that the time now is right for an infrastructure push (Barrett 2015; IMF 2015, Hughes 2015).

But what has been less emphasized in the literature is the way international organizations have been developing and promoting policies for PPPs. The consequence is that there might be assembled important knowledge and evidence at the international level about how to establish and govern PPPs. Countries and individual organizations might fumble in the dark if they do not take advantage of this assembled body of knowledge. The research questions are: How do international organizations make policy for PPPs? Do the PPP policies from international organizations converge on the same kind of themes?

This paper makes a first attempt in trying to describe and analyze the way international organizations make policy for PPPs and to focus on perception issues related to their actions. The theoretical lenses used will be from theories of the policy process, including the Advocacy Coalition Framework and process tracing in historical institutionalism. The empirical focus will be on international organizations' approaches to PPPs. The paper examines current policy papers from selected international organizations, including the ASEAN countries, European Union, IMF, the OECD, UN, and the World Bank

The paper argues that international organizations converge on roughly the same themes, and that there seem to be overall agreement about the main messages and recommendations for the use of PPPs in infrastructure projects. International organizations also cooperate on certain issues in policy development for PPPs. But each organization likes to promote its own tool for PPP project scrutiny. This is not necessarily a problem, but it does beg the question if a broad policy consensus on PPPs is within reach.

Methodology

The methodology is to examine the most recent policy papers (documents and reports) and compare their content. This is an embedded case study where the case is international PPP policy and the sub-units are the different international organizations' policies (McNabb 2010). In addition to the written sources, the author has also been a participant in two recent OECD PPP meetings and has observed the discussions and the deliberations among countries, experts and jurisdictions on PPP matters.

Theoretical framework

The theoretical lenses used are from theories of the policy process, including the Advocacy Coalition Framework (ACF) and the concept of path dependency in historical institutionalism (HI). The focus here is on understanding which international actors shape PPP policy making, why they do it, and if a consensus is possible. The ACF perspective can help in this matter (Sabatier & Jenkins-Smith 1999; Jenkins-Smith, Nohrstedt, Weible & Sabatier 2014). The other issue is if organizations are going in the same direction and if there events or arguments on PPPs that lead them there. The HI perspective on path dependency might be helpful (Pierson 2004). At this stage of the research, these theoretical concepts are used as lenses mainly in order to get a perspective on the material. Other more systematic approaches, like the mapping of global public policy networks (McNutt & Pal 2011)) may be relevant, but will have to be dealt with at a later stage in the research.

The ACF framework notes that there are competing advocacy coalitions who promote or reject a certain policy. They have various kinds of policy beliefs (deep core, policy core, secondary beliefs) and resources at their disposal. The coalitions' views are mediated by policy brokers. Policy brokers focus is to find "reasonable compromise" that will reduce the intense conflict (Sabatier & Jenkins-Smith 1999: 122). Policy-oriented learning is expected to take place, defined as "enduring alterations of thought or behavioral intentions that result from experience and which are concerned with the attainment or revision of the precepts of the belief systems of individuals or of collectives" (Jenkins-Smith et.al. 2014: 198). It could be argued whether international organizations should be viewed as coalition partners or if they could mean seen mostly as policy brokers. Jenkins-Smith et.al. (2014: 195) expects as one of their hypotheses (coalition hypothesis #2) that "actors within an advocacy coalition will show substantial consensus on issues pertaining to the policy core, although less so on secondary aspects". On policy learning, one hypothesis (learning hypothesis #2) is that "policy oriented learning across belief systems is most likely when there exist a forum that is (1) prestigious enough to force professionals from different coalitions to participate, and (2) dominated by professional norms" (Jenkins-Smith et.al. 2014: 200). And on the type of data inductive to learning, the following hypothesis is set forward (learning hypothesis #3): "Problems for which quantitative data and theory exist are more conducive to policy oriented learning across belief systems than those in which data and theory are generally qualitative, quite subjective, or altogether lacking" (Jenkins-Smith et.al. 2014: 200).

The HI approach focuses on path dependency mechanisms, and in particular on critical junctures and increasing returns. Critical junctures focus on particular events that shape future policy action. Path dependency means that a certain path of development is chosen. Increasing returns mean that actors get a stream of benefits for pursuing a specific way. Increasing returns could come from more actors using the same concepts (learning effects), more actors referring to the same policy core beliefs (coordination effects), and more actors being oriented in their practice towards a common framework (adaptive effects). There has been a great debate with HI if the concept of path dependency excludes more dynamic form of institutional change and researchers have come up with a more fine-grained theory to address that, but for the purpose of this paper, the concept of path dependency will be employed because it can cast light over why PPP as a policy instrument developed steadily and moved from nation to nation and became an attractive policy instrument of international organizations.

The way the theoretical framework will be employed is to see if there is policy learning taking place and a common ground is emerging on PPP policy. The framework focuses on international organizations as policy brokers, but also as part of advocacy coalitions. The HI approach is used to explore if there are increasing returns in pursuing a common core PPP policy.

International Public-Private Partnership Policies

This section examines the recent policies for PPP of a number of international organizations. The international organizations are presented in alphabetical order in examining their PPP policies: ASEAN, European Union, IMF, OECD, They have all contributed new policy documents, tools or guidelines.

ASEAN

The ASEAN countries adopted their new PPP principles in late 2014. The principles are organized in 4 sections: 1. Policy and organizational framework for private participation; 2. Project selection; development and implementation. 3. Affordability and budget transparency. 4. Transnational infrastructure connectivity. There are 14 principles in their framework. The first 12 follows the OECD framework (see below), and OECD also assisted ASEAN in forming the principles. The ASEAN countries' interest in PPP principles should be seen in the perspective of the growing interest in PPP in the region. China is of course a highly interesting market for PPP projects at the moment. The two last principles concern "prudently assess the potential for cost recovery, regardless of degree of private sector participation" and "mechanism for cross-jurisdictional co-operation also at regional level". Writing in November 2014, the ASEAN secretariat noted how "PPPs are seen to be beneficial in meeting ASEAN infrastructure needs, estimated by the Asian Development Bank at USD 60 billion per annum. Private participation in infrastructure provision can enhance existing public capacity in providing economic (e.g. transport, telecommunication, power, water, and sanitation) and social (e.g. health and education) infrastructures" (ASEAN 2014).

The European Union

The European Union has been discussing PPPs for a more than a decade now, but the EU has never had a powerful PPP policy (for an extensive overview, see Tvarnø 2010). This is partly because the idea of partnering and close cooperation sometimes comes into conflict with the EU grounding principle of free movement of goods and competition. The existing policy reflects the tensions within the EU about the use of PPPs because procurement law is based on the common market and the elimination of barriers to movement in business, labour and capital (Tvarnø 2010: 217). The EU's Statistical Office Eurostat delivered an influential statement of how assets should be recorded on or off the balance sheet (Eurostat 2004). The new approach in 2014-2015 by the EU is connected to its growth strategy. The new European Commission president, Jean-Claude Juncker, announced in December 2014 "An Investment Plan for Europe". The plan is widely regarded as the new president's flagship policy for creating growth in the European economy. The Investment Plan for Europe aims to secure 315 billion EURO for investment in infrastructure in 2015-2017. Most of the investments must come from the private sector and the European Union will only provide a smaller amount to encourage the private investors to come forward. The plan is firmly based on promoting PPPs as a main mechanism to combine public

investment and private investment. The EU will establish a European Fund for Strategic Investments with the European Investment Bank (EIB). The key areas are 1) energy, 2) transport infrastructure and systems, and 3) digital single market. A quote from the Juncker Plan reads: “The Investment Plan is not a one-off measure, but an investment offensive that will unfold over the three years to come. This is a Plan that fundamentally change policy and the financing tools underpinning investment in Europe, to achieve the highest economic and societal return for every euro spent” (European Commission 2015: 16). Some countries are skeptic. The German finance minister, Wolfgang Schauble, remarked at the launch of the plan: “What matters is what’s implemented. I am fed up that in Europe we are always discussing big showcase amounts of money, but when you ask afterwards what came out of these funds, the results are always lamentable” (Financial Times 29-30 November 2014, p. 6.). The plan was debated most of the spring of 2015. European commissioners went on a “roadshow” to promote the plan. The plan was finally endorsed by all European governments at the EU-summit (Council of Ministers) in June 2015. A number of European countries have already pledged funding for the new European Fund for Strategic Investments. The European PPP Expertise Center provides a wealth of data and information about PPPs in the European Union (see more at <http://www.eib.org/epec/>). Their mission is “to strengthen the ability of the public sector to engage in public-private partnership transactions. It does this by helping its members to share experience and expertise, analysis and good practice”.

International Monetary Fund

IMF has produced a number of reports, briefings and more on PPPs. IMF has been publishing on PPPs at least since 2001. Several reports deal with relevant economic perspectives: “Determinants of PPPs in Infrastructure” (2006), “PPP, government guarantees and fiscal risk” (2006), “Public investment and PPPs” (2008), “Optimal capital structure for PPPs” (2008), “Towards a principal-agent typology of risks in PPPs” (2009). A key lesson from IMF on infrastructure currently is: “Do it now, choose the right projects, invest efficiently” (IMF 2014). The IMF addressed PPP with the World Bank at their joint annual meeting in 2014. (A video exist of the panel debate, see IMF website). Isabel Rial (2014) presented view on budgetary sustainable investments at a meeting in OECD in Paris. IMF worked together with the OECD for the OECD senior budget officials’ network meeting in Paris in 2015. IMF is developing a more coherent framework on “Public Investment Management Assessment” (PIMA). IMF is also developing another tool. Isabel Rial (2015) from IMF reported recently on a new model – called the PPP Risk Assessment Model “(P-FRAM)” the IMF is working on. The IMF (2015) released the paper on efficient public investment in June 2015. In that report, PPPs are judged the following way: 1. Used effectively, PPPs can deliver substantial savings relatively to purely public provision of goods and service. 2. Not all investment projects can be delivered as PPPs. 3. Evidence of PPP success is mixed. 4. IMF can help countries manage PPPs, through the new P-FRAM model. Richard Hughes (2015) from IMF explained how countries “can get more bang for their investment buck”. The P-FRAM is an Excel-based tool that will provide a coherent way to collect PPP project data in order to calculate the fiscal impact. The organizations that might be interested in such a tool include ministries of finance, individual countries and organizational entities that are starting a PPP project and economists in international organizations. It is supposed to estimate fiscal impact on a cash or accrual basis. The P-FRAM consists of four steps (see

also IMF 2015e for details): 1) Who initiates the projects? 2) Who controls the asset? 3) Who ultimately pays for the asset? 4) Does the government provide additional support to the private partner? The P-FRAM model is currently being pilot-tested and will likely be rolled out later in 2015.

OECD

The OECD has run a senior budget officials network on PPP since 2006. The senior budget officials meet every year at the OECD headquarters in Paris. The senior budget officials meeting material is available online (<http://www.oecd.org/gov/budgeting/ppp.htm>). OECD (2008, 2010) has produced several poignant reports on PPPs, including their “PPP: In Search of Value for Money and Risk Sharing” from 2008 and their report the experience on PPP units from 2010. OECD published a set of recommendations for public governance of PPPs consisting of 12 principles for good public governance of PPPs (OECD 2012). The OECD’s list of 12 recommendations is grouped under three themes: “a) Establish a clear, predictable and legitimate institutional framework supported by competent and well-resourced authorities: 1) The political leadership should ensure public awareness of the relative costs, benefits and risks of PPPs. 2) Key institutional roles and responsibilities should be maintained. This requires that procuring authorities, PPP Units, the Central Budget Authority, and the Supreme Audit Institution and sector regulators are entrusted with clear mandates and sufficient resources to ensure a prudent procurement process and a clear line of accountability, 3) Ensure that all significant regulation affecting the operation of PPPs are clear, transparent and enforced (...) b) Ground the selection of public-private partnerships in value for money. 4) All investment projects should be defined at the highest level (...) There should be no institutional, procedural or accounting bias either in favour of against PPPs., 5) Carefully investigate which investment method is likely to yield the most value-for-money (...), 6) Transfer the risk to those who manage them best. 7) The procuring authorities should be prepared for the operational phase of the PPPs, (...), 8) Value-for-money should be retained when negotiation, 9) Government should ensure there is sufficient competition in the market by a competitive tendering process and by possibly structuring the PPP program so that there is an ongoing functional market (...), c) Use the budgetary process transparently to minimize fiscal risks and ensure the integrity of the process”. 10) In line with the government’s fiscal policy, the Central Budget Authority should ensure that the project is affordable and the overall investment envelope is sustainable. 11) The project should be treated transparently in the budget process (...), 12) Government should guard against waste and corruption by ensuring the integrity of the budgetary process.” OECD actively assisted the ASEAN countries in formulating their PPP principles in 2014. The OECD invites to its meetings country representatives, consultancy and rating organizations, interest groups, think tanks, and academic experts (I went as one of the academic experts in 2014 and 2015). Participants present findings from their country or organization about the most recent experiences with PPPs. The usual format is a power point presentation (of which a shortened version often is available on the OECD homepage). The meeting is led by a former Treasury official who used to run the Private Finance Initiative in the UK. OECD works close together with other international organizations on PPP. The 2015-meeting in the Senior Budget Officials Network was organized together with IMF and focused on infrastructure and public investment. The OECD is currently working on a new document on infrastructure investment. The aim of the new policy is to propose an “integrated governance framework for infrastructure” (Alter 2015).

UN

The UN has long been championing PPPs (Bull 2011). The UN has an “Office for Partnerships” for partnering more broadly <http://www.un.org/partnerships/>. PPP for infrastructure is defined by one UN official from UNCE (United Nations Economic Commission for Europe) as “innovative long term contractual arrangements for developing infrastructure and providing public services by introducing private sector funds, expertise and motivations into areas that are considered the preserve of government”. The mission of the UNCE International PPP Centre of Excellence is: “to help governments do the very best in PPP, addressing many of mankind’s most pressing problems, including the greening of the economy and mitigating the effects of climate change and to discover what partnerships in the world constitute excellence and have the most beneficial impact on development” (UNCE website). The focus of working with PPPs for the UN is to attract finance into infrastructure/public services to better connect our region, improve the welfare of ordinary citizens and bring essential services to those who need. A UN presentation focused on three stages towards PPPs: First phase including design of the policy framework. Second phase is about introducing legislative reform, publishing public policy and practice guidelines and more. Third phase is where you get to a fully defined and comprehensive system with few legal impediments. The UNCE has 7 guidelines for promoting good governance for PPPs: 1) A coherent PPP policy, 2) Strong enabling institutions, 3) Legal framework “fewer, better, simpler”, 4) Cooperative risk sharing and mutual support, 5) Transparency in partner selection, 6) Putting people first, 7) Achieving sustainable development. UNCE cooperate with international partners such as the European Union and the World Bank. They have a training toolkit called “How to do PPPs” and a “PPP National Readiness Assessment Tool”. They have a guidebook on promoting good governance in PPPs (UNECE 2008). And they have trained specialists that can assist with PPPs. The UNECE holds “PPP days” for specialists, and the last event of “PPP days” was held in London on 15-16 June 2015 (UNECE website). The UNECE has set out to develop “international PPP standards and an innovative structure for producing them” in 2014. They will work together with the World Bank and the World Economic Forum on this. The UNESCAP (United Nations Economic and Social Commission for Asia and the Pacific) has an e-learning online course on PPPs called “E-learning series on Public-Private Partnerships” <http://www.unescap.org/our-work/transport/financing-and-private-sector-participation/public-private-partnership-course>. The UNESCAP (2011) has also produced a guidebook in 2011 called “A Guidebook on Public-Private Partnership in Infrastructure”.

The World Bank

The World Bank has been active in making PPP policy for a considerable time. Paul Noumba-Um (2011) provides an accessible overview in his stocktaking on the World Bank experience with PPPs. The starting point for the World Bank was that “neither the public nor the private sector alone can meet the access, quality, financing and policy infrastructure gaps” (466). During the Infrastructure Action Plan-period, “the World Bank shifted its focus from privatization to a flexible range of PPPs” (467). The World Bank began to see PPP a solution to some of the issues confronting developing countries: “In general, establishing a robust PPP policy and a legal framework has proven to be challenging in most countries as it entails in-depth institutional reform in the way governments operate and perform” (...) “Likewise, the development of pipelines of PPP projects has remained a far-reaching goal in many of the Bank’s client countries. Preparing a realistic pipeline of PPP projects has been far more challenging than originally

expected” (469). Another issue is the role of investors, and they would typically like to see a pipeline of projects outlined: “Having such a pipeline has proven to be an important driver for PPPs’ success, as investors could anticipate a flow of transactions over a given period of time. PPPs are costly and time-consuming procurement processes. Therefore most investors look at the prospect of developing future PPP transactions in a given country” (469). The World Bank has developed a guide for “How to Engage with the Private Sector in Public-Private Partnerships in Emerging Markets? Published by the PPIAF and authored by Edward Farquharson, Clemencia Torres de Mästle, and E.R Yescombe with Javier Encinas in 2011. There is a trend towards seeing PPPs as part of a larger initiative to strengthen public investment (see Rarajam 2015; Rarajam et.al. 2014).

The World Bank launched a major new initiative in 2015 with a “PPP Knowledge Lab”. The World Bank also provides a free on-line course on PPPs. The PPP Knowledge Lab is a collaboration between the Asian Development Bank, the European Bank for Construction and Investment, the Multilateral Investment Fund within the IMF, the Inter-American Development Bank, the Islamic Development Bank, the Public-Private Infrastructure Advisory Facility and the World Bank. The main policy and tool presented is “the PPP cycle” based on the PPP Reference guide v.02 by the very same organizations. “The PPP cycle” has 7 steps: 1) Decide whether PPP is the right choice, 2) Set up the legal and institutional framework, 3) Plan a PPP program, 4) Structure the PPP transaction, 5) Design the PPP contract, 6) Market and tender the PPP, 7 Manage the PPP contract.

Others: Think tanks, universities, think tanks etc

Universities, think tanks, research and policy centers are beginning to publish guidelines and recommendations. The most recent ones are from the Brookings Institutions and from Harvard University. The Brookings report entitled “Private Capital, Public Good. Drivers of successful infrastructure public-private partnerships” (Sabot & Puentes 2014) have 9 recommendations: 1. Create a strong legal framework at the state level, 2. Prioritize projects based on quantifiable public goals, 3. Pick politically smart projects, 4. Understand what the private sector needs, 5. Find the right revenue stream, 6. Create a clear and transparent process, 7. Build an empowered team, 8. Actively engage with stakeholders, 9. Monitor and learn from the partnership. A Harvard Kennedy Policy Review article in 2015 argued that the U.S. cannot have an “A” grade economy with a “D” grade infrastructure (Deye 2015). Martin et.al. (2013) made 10 recommendations for establishing transport financing PPPs in the future: 1. Transportation projects should be both complex and large (USD 100million or greater). 2. A structured process though a business case analysis should be used to determine if a proposed PPP meets the need of the government. 3. Stakeholders should be involved in transportation PPPs from the outset. 4. Where multiple transportation PPPs are contemplated, dedicated PPP units should be created. 5. Risks should be assessed and optimally allocated between the public and private partners. 6. A Value-for-Money (VfM) analysis should be conducted on all transportation financing PPPs. 7. A separate corporate Special Purpose Vehicle should be created for each PPP project. 8. Project financing should be used to protect both the public and private sector partners. 9. A procurement process should be used. 10. Transportation financing PPP project contracts should be recognized as ‘incomplete contracts’, average between 30 and 40 years and include key performance indicators (KPIs). The KPIs should form the basis for contract monitoring” (Martin et.al. 2013: 22).

Table 1. International organizations’ policies on public-private partnerships

International organization	Key policy paper or hub	Content	Models and tools	Work together sometimes with
ASEAN	ASEAN 14 PPP principles	4 areas: 1. Policy and organizational framework for private participation; 2. Project selection; development and implementation. 3. Affordability and budget transparency. 4. Transnational infrastructure connectivity.	Advice based on 14 principles	OECD
European Union	An Investment Plan for Europe EIB and European PPP expertise center	3 areas for investment: energy, transportation, digital single market.	Guidelines and tools through European PPP Expertise Center. Investment Plan website	EU
IMF	PIMA – public investment management assessment	Public investment policy that includes the use of PPPs	P-FAM	World Bank
OECD	Recommendations of 12 principles for PPP public governance	3 areas: clear institutional framework; ground selection in value-for-money; use the budgetary process transparently	Advice based on the 12 principles	ASEAN, IMF, World Bank
UN	UN Office for Partnerships International PPP Center of Excellence	PPP used as part of public investment policy	Guidebook on providing good governance on PPPs UNECE National Readiness Assessment Tool	World Bank, EU, UN agencies and programs
World Bank	PPP Knowledge Lab.	4 areas: Basics, framework, design and bid, implementation	PPP cycle with 7 elements and PPP reference guide	IMF, Asian Development Bank, the European Bank for Construction and Investment, the Inter-American Development Bank, the Islamic Development Bank, the Public-Private Infrastructure Advisory Facility
Others (think tanks; universities)	Example: Brookings	9 recommendations (Brookings); 10 recommendations (Martin et.al. 2013)	Follows from recommendations	OECD, World Bank, The Florida Department of Transportation

Summing up: International Organizations' PPP policies

The content of the international organizations' PPP policies seems to circle round a number of distinct issues. These include: 1. A robust institutional framework, 2. Selection of projects must be based on value-for-money judgments and well prepared economic analysis, 3. Management and leadership skills and competences are needed for PPP projects, 4. A sound use of transparent procurement and budgetary procedures, including a contract, and a transparent way to check if budgets are kept. 5. Make room for learning of experiences with PPPs and looking for ways to broaden the perspective on the use of PPPs to include discussions on public investment and infrastructure development and governance.

Discussion: Convergence in Themes?

The main claim in this paper is that there is a convergence on the same themes with regard to PPP. This is because international organizations have learned from empirical experiences and have digested the information. The international organizations have taken a further step and have begun to create tools and models to support countries and organizations in establishing PPPs. To be sure there still some trade-off, balances and dilemmas to be addressed. One of the most important lessons is that best practice lists and recommendations for good public governance of PPPs does not resolve more deeply embedded tensions. Among these are if countries or organizations can afford PPPs (not only finance them, but actually pay for them throughout the years), if control and accountability systems are sound enough and if the most competent people inhabit the different leadership and management posts that are responsible for the practice of PPPs. The following section examines each of these points – convergence of themes, learning from experience, introduction of tools and models, and trade-offs and dilemmas - in more detail.

International organizations converge on roughly the same themes with regard to PPPs. There seem to be overall agreement about the main messages and recommendations for the use of PPPs in infrastructure projects. The OECD is a good example here. OECD has produced a list of 12 recommendations, grouped under three themes: “1) Establish a clear, predictable and legitimate institutional framework supported by competent and well-resourced authorities. 2) Ground the selection of public-private partnerships in value for money. 3) Use the budgetary process transparently to minimize fiscal risks and ensure the integrity of the process”. The ASEAN countries have adopted most of the OECD insights in their list of 14 recommendations. The two important additional recommendations in the ASEAN framework concern a call to “prudently assess the potential for cost recovery, regardless of the degree of private participation” and a “mechanism for cross jurisdictional co-operation, also at the regional level”. There are other recommendations and best practices recommended from think tanks, research centers and scholars. Both Brookings and Harvard have recently provided studies with ample recommendations for PPP projects. Martin and colleagues listed 10 internationally recommended best practices for transportation financing PPPs in 2013. These included advice on the size and complexity of projects (over 100 million USD), and the need for dedicated PPP units.

International organizations develop tools and also cooperate on issues in policy development for PPPs. Each organization likes to promote its own tool for PPP project scrutiny. The World Bank has recently unveiled its ambitious “PPP Knowledge Lab” online. The World Bank has also launched an innovative online PPP course that PPP practitioners can follow (“Public-private partnerships: how can PPPs help deliver better services?”). IMF is developing another tool. Isabel Rial from IMF reported recently on a new model – called the PPP Risk Assessment Model “(P-FRAM)” the IMF is working on. It is an Excel-based tool that will provide a coherent way to collect PPP project data in order to calculate the fiscal impact. The organizations that might be interested in such a tool include ministries of finance, individual countries and organizational entities that are starting a PPP project and economists in international organizations. It is supposed to estimate fiscal impact on a cash or accrual basis. The tool will enable users to analyze project cash flows, show fiscal tables and charts, assess long-term impact on deficit and debt, and perform sensitivity analysis. . The European Union is clearly linking their policy on PPP to a growth agenda through the “Investment Plan for Europe”. Here the attraction of private finance to public infrastructure projects is one of key planks of getting the European economy back on track. It will be a mix of public and private finance. The “Juncker Plan” as it is called after European Commission chairman Jean-Claude Juncker is an ambitious political project in the EU that aims to raise 315 billion EURO for investment in infrastructure in the period 2015-2017. The key investment areas are energy, transport infrastructure and systems, and digital markets. The European Investment Bank and the European PPP Expertise Center also has a dedicated website and a wide knowledge transfer on PPPs. Many international organizations and countries look to so-called leading jurisdictions with solid PPP experiences like Victoria in Australia, British Columbia in Canada and the UK government. For example, Mexico explicitly referred to the UK Private Finance Initiative when presenting its legal and institutional framework on PPPs in a recent OECD meeting (Colorado 2015). The framework in Victoria was developed in the early 2000’s. The Partnership BC-model is one of the most structured ways of organizing a PPP unit globally. The UK revised their policy thoroughly in 2012 and the new policy “PF2” is considered a coherent policy document (HM Treasury 2012).

International organizations are becoming increasingly focused in why and how the advice on PPPs. The more general discussions on the good versus bad in PPP projects have been supplanted by detailed models and frameworks for assessing PPP projects’ possibilities and by display of data needed for analysis of PPP options. PPPs are being integrated in concrete policy proposals (The Investment Plan for Europe, for example) and intended for use tools like the P-FRAM model from the IMF have been developed.

A broad policy consensus on PPPs is within reach among international organizations. International organizations’ PPP policies tend to converge. There are not so many technical obstacles or disagreements about the public policy issues within professional circles. International organizations, public policy organizations and large consultancy companies have been debating many of the same issues over a period of time now, and focus on the same broad themes, while they may differ on the details or the pace of the approach. The convergence is to some extent not so surprising. The experts in the international organizations deal with projects in practice, they read and contribute to the literature on PPP, and they meet frequently to exchange news about experiences with PPPs.

The UN has been championing the partnership ideal for a long time in a consistent way. Most international organizations tend to agree that infrastructure need to be prioritized by governments, that investment plans need to be in place and be solid, that careful financial analysis is needed before projects can commence, that a robust institutional framework must be in place, and that the process need to be transparent in some way or another.

There are deliberations about PPPs going on all the time in professional for and in scholarly-practitioner dialogues. The deliberations and policy learning was observed first hand by the author in the OECD senior budget officials networks on PPP and infrastructure. Countries and organizations are submitting their most recent experience for an international dialogue and are ready to be questioned and made a subject for debate. New lessons from so-called leading countries or jurisdictions are being passed on to new comers or countries struggling with how to deal with new challenges in PPPs. The participants are very focused on what the technical details of the PPP policy are. This could, for example, include the interest rates that are paid on projects, the forecasts of the so-called infrastructure gap, and the ways that governments are approaching procurement (the UK started to procure primary schools centrally which other countries didn't necessarily do, but everyone was eager to learn more about how it was done).

There are still some tensions and trade-offs, balances and dilemmas in PPPs. As Pollitt & Bouckaert (2011: chpt 7) and Radin (2012) have learned us, every major policy reform effort is bound to have trade-offs, contradictions, limits, balances, dilemmas and paradoxes built into them. Some of the controversies revolve around at least three issues. How are the PPP deals going to be structured financially? Here the devil is in the detail. Specific financial models require close analysis. The advice is here to be vigilant and observant and attend to detail. This is why specialists are needed in this area particularly. The second issue concerns control over decision-making. In many countries, the finance ministry/department wants to do the controlling and is preoccupied with finance and economics while planning departments and/or transport ministries/departments focus on the content of the infrastructure proposals. Balancing this with international advice is often challenging. The third issue concerns the intensity of the monitoring. Most ministries and department lose interest after a while, and they might not send their best team to tend to the matter. But the evaluation and control tasks are crucial for a project. Keeping up an interest in the PPP projects is important (and where the PPP unit combined with an active audit body might be the preferred combination to make it work). These may very well be integral to the many lists and best practices - and therefore may not be addressed properly by the international organizations. It is only in the implementation phase that we can learn what the practice is. One approach might be to combine the best practice recommendations and list with solid empirical experiences and evidence to find out what works. The "best fit" is linked to knowledge about context as Levy (2014) from the World Bank as recently explored. PPPs must be analyzed and assessed in their concrete context. Good governance approaches have the characteristics that they often mention transparency and a prudent budgetary process as the main way to have an efficient PPP. But as most research has shown, the concrete financial models and choices are often the most difficult to use, and the recommendations do not say much about that dilemma.

Some of the tensions arise when countries are following what the so-called leading countries are doing, but the leading countries may already have left that practice. Many countries are establishing semi-independent PPP units, for example, but the UK government recentralized their unit into the Treasury and their more general Infrastructure Unit. Other dilemmas occur with countries appear to be wanting to go down the PPP route, but when a central ministry, for example a Ministry of Finance, is essentially blocking the way, and make the PPP units appear with less power and influence that otherwise would expect to have.

Governments and other organizations can study the international organizations' recommendations with benefit. The PPP policy debate has raged for a considerable time. The challenges of building sustainable infrastructure in individual countries around the world persist. There is an investment gap although experts differ in their assessment of how big that gap is. International organizations have recently put a lot of effort into collecting and analyzing data about PPPs, processing information from various sources, debating and discussing PPP options against other alternatives, and have made an effort to synthesize knowledge about best- and smart practices on PPPs into an increasingly coherent set of recommendations. International organizations are also doing more to report on their findings and to disseminate their knowledge. A critical approach is always healthy, but now it seems like international organizations have upped their efforts in nurturing policy learning about PPPs through a variety of mechanisms (including free on-line courses or tutorials), and there is opportunity to learn systematically from what international organizations have found about PPPs and get inspiration for the public.

Interpreting the developments from a theoretical standpoint, it firstly appears that the international organizations act both as part of the PPP advocacy coalition, but also as policy brokers in the sense that they try to process available information about PPPs and turn them into workable and practical solutions and concrete recommendations for governments and other jurisdictions to meet. The international organizations also act as meeting places or “prestigious forums” as Jenkin-Smith et.al call it in the ACF, where deliberations about PPP matters, including more technical matters, can take place, and where experts from countries and experts from academia and think-tanks and consultancies can get together and discuss PPP developments. One example of such a forum could be the annual OECD PPP meeting. Another example of a forum is the new World Bank PPP knowledge center.

Secondly, it seems as if certain paths have been chosen by the participants in the international PPP policy process. The UK experience with PPPs and the original Private Finance Initiative spurred many countries onto the PPP path. Early PPP experiences with less salient PPP outcomes have let most participants and observers to stress the importance of a robust institutional and legal framework. This could be in line with more standard, say World Bank, practice now, and it is probably hard to pinpoint a very concrete critical juncture, but it does seem as if early events let to emphasis on this point. Also the second point of the OECD framework – ground the selection in VfM – can be traced back to the early criticisms of windfall profits and too excessive wins by investors which were acknowledged in the UK governments revised “PF2”-policy framework. And the insistence of budgetary transparency and the need to fight corruption is a path that governments and international organizations keep being concerned about and interested in acting upon. Hence, the transparency argument is now a staple of PPP policy recommendations. Increasing returns in using the PPP policy might be possible.

Conclusion: International Organizations' Converge in Themes on PPPs

International PPP policies are now evident in many international organizations' advocacy efforts. The evidence is the collected policies, guidelines resources and tools that international organizations possess and which have been documented in this paper. Prominent international organizations like ASEAN, the European Union, IMF, the UN, and the World Bank have formulated and displayed substantial policy documents on PPPs. The paper has shown that international organizations use roughly the same categories and conceptions of stages for what is needed to establish effective PPPs.

The main claim in this paper is that a broad policy consensus has emerged in international organizations on recommendations for good public governance of PPPs. The content of the international organizations' PPP policies focuses on a robust institutional framework, the selection of projects grounded on value-for-money judgments and well prepared economic analysis, management and leadership skills and competences needed for PPP projects, transparent procurement and budgetary procedures, and creating opportunities for policy learning of experiences with PPPs. Policy learning is enhanced by establishing "prestigious forums" in the OECD, World Bank and other international organizations,, processing and reporting on quantitative data, and transforming the knowledge into guidelines and other resources for organizations to use.

Countries and organizations can look and learn from these policies with recommendations for PPPs with benefit because the policy guidelines have been assembled over time and have involved collection and analysis of empirical experiences with PPPs and have been the focus of extensive deliberations and clarifications.

To be sure, there is still a potential gap between what the policies say and what is being implemented on the ground in practice. Contradictions, dilemmas and trade-off situations persist. International organizations provide guidance and specialists in implementation and governments and organizations acknowledge and process the information and knowledge from the policies.

The paper has also noted a trend to placing PPPs in a broader context of growth, investment and infrastructure governance. PPPs are increasingly linked to an economic growth strategy and a sustainability and resilience agenda for governments. This is evident, for example, in the European Union's "Investment Plan for Europe", in the IMF and World Bank's focus on investment management frameworks, and in the OECD's broader perspective on infrastructure governance.

To examine the issues further, a more systematic content analysis of the document can be conducted, and a closer examination of the way the international organizations' experts conduct policy making, including a discussion and analysis of the development of a global public policy network of PPP specialists.

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