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Investigating the Potential of Public-Private Partnership (PPP) for Infrastructure Development at Metropolitan, Municipal and District Assemblies (MMDA)

by

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A Thesis submitted to the Department of Building Technology, College of Art and Built Environment in partial fulfilment of the requirement for the degree of

MASTER OF SCIENCE

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DECLARATION

I hereby declare that this submission is my own work towards the MSc Procurement Management and that, to the best of my knowledge, it contains no material previously published by another person, nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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ABSTRACT

Local government procurement systems in Ghana do operate in rather challenging and complex political, economic, cultural, religious and technological context. Roads and housing gaps exist perennially with demand far outstripping its provision. With the continual dwindling of government finances and other demands being made on scarce resources, PPP seems a viable alternative for infrastructure development at the local government level. This Study was therefore conducted to investigate the potential for this approach to infrastructure procurement to succeed given the characteristics of the local government system. Primary data were collected with questionnaires administered to respondents from some MMDAs in the Ashanti region. The key respondents selected from the MMDAs were the following critical stakeholders: Procurement Officer, Finance Officer, Planning Officer and the Chief Executive. The collected data from the key respondents was examined, categorized and tabulated using the Statistical Package for Social Science (SPSS).The findings showed that national development priority was rated as a factor highly related to the implementation of PPPs in MMDAs. Expansion of economic activities, economic feasibility of projects and reforming procurement of public projects were rated as related factors for the PPP success. The very critical need factors for PPP in MMDAs are more infrastructure facility needs the complication of state budget constraint, restricted recourses to public financing. State capital locked up in investment and high public service overheads were also rated as critical imperatives for utilizing PPP in infrastructural development. Limited private sector capacity to execute PPP projects and lack of trust between the public and private sectors were rated very critical barriers to the implementation of PPP projects. To establish private interest and trust in PPP, the study recommends the need to entrench the principles of transparency in PPP projects.

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DEDICATION

To my late father, Mr. Kwaku Brenya-Kurankye

CHAPTER ONE

INTRRODUCTION

1.1 BACKGROUND OF STUDY

The private sector is assuming progressively critical parts in delivering products and giving administrations that were once viewed as "open" and hence solely the duty of governments. Public-private partnerships (PPPs) and different types of participation between the private division and indigenous and national governments are utilized much of the time far and wide to create and grow vitality and utility systems and administrations, develop media communications and transportation frameworks, build and work foundation, sewer, and waste treatment facilities, and give health, training and additional services. In several developing countries, governments are additionally utilizing PPPs to fund and oversee toll expressways, air terminals, shipping ports, and railways and also to diminish ecological contamination, construct minimal effort housing and create ecotourism (Wittig, 1999).

In the course of the most recent a quarter century, inclusion in financing and conveying foundation has become fundamental as governments looked for approaches to influence rare public assets, particularly without devoted subsidizing sources for the development of base. Lately, there has been as incredibly extended enthusiasm for PPPs to speed up framework ventures expected to oblige the changing and growing needs of the economy. Even with expanding gaps between infrastructure financing prerequisites and incomes, public organizations regularly see PPPs as an approach to speed up infrastructure that may some way or another not be manufactured. The benefits of PPPs and the criticalness of the framework needs has prompted an expanding readiness by public organizations at both the national and local levels to consider and now and again apply subsidiary staking, financing, contract conveyance, and life-cycle protection strategies to influence the rare public resources.

In Ghana, the planning, development, management and maintenance of public infrastructure in the country are the sole responsibilities of the Government of Ghana. The test to accomplishing its corporate target is the prerequisite of substantial capital infusion to build up the infrastructure to accommodate the expanding demand. This study is therefore carried out to explore innovative avenues of financing the infrastructure development through PPP.

1.2 PROBLEM STATEMENT

Every country, both developed and developing, needs developmental projects as a support system for its citizenry. It has therefore become a necessity for various projects to be undertaken but due to inadequate funds from the government to support construction, rehabilitation and upgrading of infrastructure, the pace of development in Ghana is not as desired. It is for this reason that Public Private Partnering approach to establishing developmental projects is gradually weaving its way into the system. Partnering represents a significant change in the way projects are managed and such changes are likely to meet resistance (Larsen & Drexlor, 1997).Local government procurement systems in Ghana do operate in rather challenging and complex political, economic, cultural, religious and technological context (Boakye, 2014). Roads and housing gaps exist perennially with demand far outstripping its provision. With the continual dwindling of government finances and other demands being made on scarce resources, PPP seems a viable alternative for infrastructure development at the local government level. There is the need to investigate the potential for this approach to infrastructure procurement to succeed given the characteristics of the local government system.

1.3 RESEARCH AIM

The aim of the study is to investigate the potential for success with PPP in infrastructure development at the MMDA level.

1.4 Research Objectives

The study seeks to achieve the following specific objectives:

1. To determine the imperatives for PPP in infrastructure development at MMDAs.
2. To determine the barriers to the use of PPP for infrastructure development at MMDAs.
3. To determine the enablers for PPP for infrastructure development at MMDAs.

1.5 SIGNIFICANCE OF STUDY

The study has the tendency to benefit various stakeholders. The study will be of national significance since decentralization has become the national agenda for development through the various District, Municipal and Metropolitan Assemblies. The District and Metropolitan Assemblies specifically, would be the recipient of the study subsequent to the findings and the recommendations would go far to help in connecting the infrastructure shortage through public-private partnership. The residents of the district and metropolitan assemblies would be in the ultimate beneficiaries to enjoy better infrastructure such as schools, roads, health, water and sanitation. The reason is that the infrastructural burden of MMDAs will be reduced and the available funds will be used to finance the provision of socio services to the citizenry. Private investors who also seek profitable ventures to invest in will also gain an understanding on risk, return and the right framework on working with the public sector in financing infrastructure projects. Furthermore, the study also seeks to inform policy makers on the pragmatic framework for designing public-private partnership programs for the MMDAs and other public agencies in the country. The study also adds to the literature on public-private partnership financing and the findings could also serve as a basis for further research in related area or other sectors.

1.6 SCOPE OF STUDY

The study explored innovative ways of using public-private partnership to finance the Infrastructure development in district assemblies. The study was restricted to building projects between the private stakeholders and MMDAs in the Ashanti Region.

1.7 ORGANIZATION OF STUDY

The research is structured into five chapters, as presented below: Chapter one covers the background of the study, statement of the problem, research questions, goal of the research, significance of the study, scope of the study, limitations and organization of the study. Chapter two reviews the relevant and related literature on the research topic. Chapter three provides a detailed methodological issues comprising target population, source of data, sample, sampling procedure and research instruments for data collection. Chapter four deals with presentation, analysis and interpretations of the data gathered. Chapter five covers the summary of findings, conclusions drawn and the researcher"s recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter presents an audit of written survey and current thinking on Public-Private Partnerships. For the purpose of this study, the literature review is presented as stated in the following sub-headings:

- The Concept of Public-Private Partnership
- Defining Public-Private Partnership
- Theories Underlying PPPs
- Models of Public-Private Partnerships
- The Government of Ghana Policy on Public-Private Partnerships
- Barriers to the Use of Public-Private Partnerships
- Good Practices in Managing Public-Private Partnerships
- Merits and Demerits of PPP
- MMDAs: Overview, Powers and Function

2.2 PUBLIC-PRIVATE PARTNERSHIPS: CONCEPT AND DEFINITIONS

The Public-Private Partnership (PPP) concept differs from country to country and organization to organization. The Ghana National Policy on PPP (2014) defines PPP as "a legally binding course of action between a public entity and a private division party, with clear concurrence on shared objectives for the arrangement of public infrastructure and administrations generally provided by the people with the private segment party performing part or the majority of the administration's conveyance capacities and accepting the related risk for a noteworthy timeframe which consequently, the private segment party might get a benefit or money related compensation (as indicated by predefined execution criteria), which might be gotten totally from administration duties or client charges, government spending plans, which might be settled or mostly altered, intermittent payments(annuity) and unforeseen or a mix of the above and whereby the facility is reassigned to the public segment party after the concession time frame or reimbursement. Most countries are reorganizing their Public segment administration and are keen to continue the process, inasmuch as governments keep on seeking methods for modernizing their public organization structures, to enhance administration conveyance, react to household outer weights and meet the difficulties of globalization. This quest for new techniques for creating and conveying public administrations, among different reasons, has achieved new ideas, for example, New Public Management (NPM) concentrates on the utilization of business sector sort instruments connected with the private segment to realize modifications in the administration of public services (OECD, 2013).

Ross (2014) identified the difference between outsourcing, privatization and PPPs, contending that outsourcing and privatization are inversely related, with PPPs some place in the middle. Ostensibly, there are critical contrasts between the three types of administration conveyance. An emblematic contracting out includes a private-sector party giving economically, an already delivered service by the public sector. The private sector is usually faced with minimum risk and absolutely zero participation in the decision making process.

Interestingly, to begin any PPP arrangement, there is a need to assign powers and control to the various sectors involved in the partnership. This, most of the time leaves the private sector in basic leadership. What's more the private-division accomplice would likely be a supplier of capital resources and a supplier of services. For the purpose of this study, the term PPP will denote the complete public and private joint effort; privatization and contracting out are dealt with as types of PPPs. **Figure 2.1** outlines the scale of PPP considered in the study.

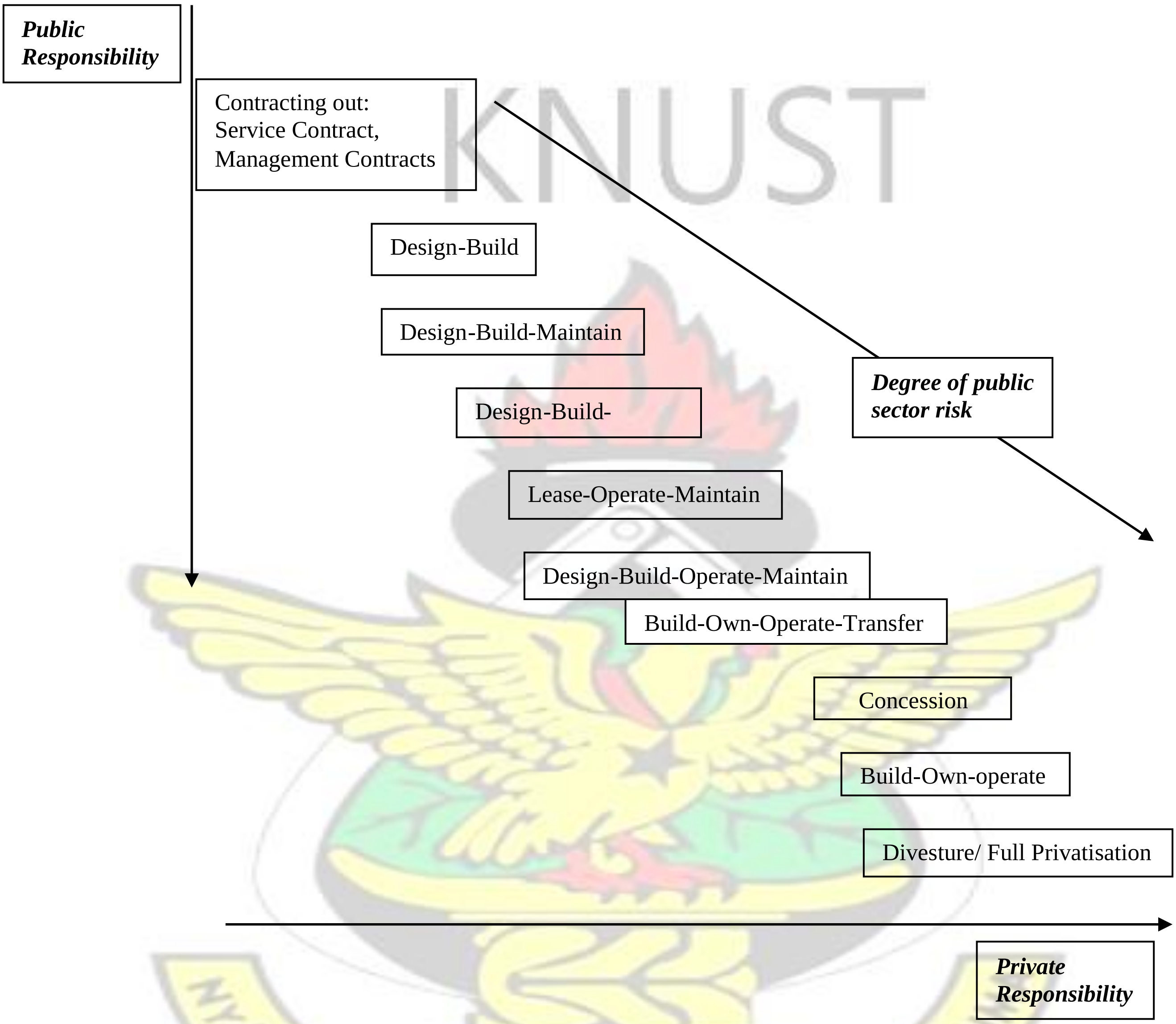

Figure 2.1: Scale of Public-Private Partnership

(Source: Deloitte Research, 2006)

From the discourse above, it is obvious that PPPs have been characterized distinctively by a few scholastics, public offices and global associations, with the outcome that an all-inclusive definition to which all would concur to. The focal component presented in these definitions is collaboration: sharing of duties, basic leadership force and power, sharing of risks and rewards/common advantage, seeking after attuned objectives and joint speculation. One of the main reasons behind the PPP is for the citizens to know for a fact that their monies are well invested (value for money). Several definitions are discussed in the succeeding sections.

2.2.1 Management reform

The term 'partnership', as defined by Osborne (2010) is the incorporation of authoritative plans, collusions, helpful assertions, and collective exercises utilized for policy advancement, programme backing and conveyance of government projects and other services.

2.2.2 Risk shifting

According to Carr (2008), PPP is a collective endeavour executed by the general population and private sectors, based on the skill of every accomplice that is in coherence with the public needs through fitting distribution of assets, risks and recompenses. Public–private corporation is an association between two parties comprising of unilateral and/or joint destinations and a recognized appropriation of particular tasks or duties between the members. This association can either be formal or casual, legally binding or intentional. When these parties (public and private) come together to form an incorporation, they pull their assets together, embrace the risks involved, possess equal powers or authority and enjoy equal remunerations (Lewis, 2012).

2.2.3 Restructuring

According to United Kingdom HM Treasury (1998) an agreement involving several parties that gives them the power to engage in public administration work towards an attuned objective. This also includes equal dispensation of power by both parties, combination of assets, even share in risk and rewards. A partnership can be said to be an agreement that exist between parties who have consented to work agreeably towards an attuned goal and in which each party is entitled to equal authority and duty; incorporation of assets; shared risk; and preferably, shared reimbursements (European Commission, 2003). PPP has gone up against an extremely expansive significance, the key component, in any case, is the presence of an association style which deals with the arrangement of foundation rather than a long distance supplier relationship. Each party assumes liability for a component of the collective venture and cooperation, or both sides assume joint liability for every component. A PPP includes an equal distribution of risk, duty and remuneration and very much accepted when the citizens in a country view the PPP as a value for money venture (The World Bank, 2013).

2.2.4 Power sharing

Kernaghan (2013) noted that the expansive working meaning of a public–private association utilized in this context is an association between two parties which involves an equal power sharing, work load and remuneration towards the accomplishment of joint objectives and benefits.

2.3 THEORIES UNDERLYING PPPS

2.3.1 Agency Theory

Also referred to as the principal-agent theory, it confirms suspicions about the circulation of information in the composition of agreements that characterize associations. Specifically, it concentrates on the relationship amongst principals and specialists who exercise authority in the interest of associations. The theory contends that principals must unravel two fundamental undertakings in picking and controlling their operators: in the first place, they need to choose the best agents, whether workers or contractual workers, and make actuations for them to act as preferred. Also, they need to screen the conduct of their operators to guarantee that they are executing as agreed (Ayee, 2000). An issue emerges when the objectives of the parties become difficult to accomplish or when it becomes demanding or costly for the principal to confirm where the partnership is heading. Data asymmetry here presents an antagonistic choice and an ethical risk problem.

2.3.2 Transaction cost theory

According to Niehans (1969), transaction costs basically, are the costs involved in transferring ownership from one entity to another. Basically, an agreement ought to likewise check all the costs made with a specific end goal to achieve that contract. The contracting procedure can be expensive or economical based on the level of incorporation; organizing, observing, holding and remaining misfortune expenses of the foremost principal-agent problem. Additionally, there is an incorporation of the expenses of conciliation. All the parties involved in the PPP have specific goals they intend to achieve. The private agency for instance, will aim at increasing his profits whiles reducing the operational cost. At the point when there is government arrangement, production expenses will to a great extent decide the aggregate social expenses, and in light of the fact that they are disguised, operation expenses are liable to be low. In any case, administrative inefficiencies can lead to high cost of production; this is evident in several government infrastructure projects where expenses have frequently shot over the budget. PPPs can bring down these costs by introducing policies that will dispose off these administrative incompetence. Deductions from the economies of scale denotes that private sector firms most of the time incur minimum costs of production. In any case, private partnership can increase operation costs since government needs to arrange with suppliers and also monitor their activities (Vinning and Boardman, 2008). Government establishments ordinarily have certain targets when expanding infrastructure. They have to choose which method of conveyance best suits their goals. With PPPs, they likewise need to consider which specific course of action takes into consideration the ideal transfer of duties and risks to the private firm to meet the said targets.

Bozeman groups types of PPPs as indicated by ownership, financing and control. The state or private entity can exercise ownership, as well as incorporate into a joint venture. Financing alludes to the measure of capital investment originating from either partners, while control alludes to the entity that is accountable for the operations and maintenance of the PPP projects. Rodal and Mulder (2012) argues that, the sort of partnership exhibited is mostly dependent on the amount of inclusion of the private party. The most referred to, and extensively the most clear, grouping of PPP arranges distinctive partnership variations on a scale that reveals how risk is transferred between the contracting parties. The scale, as established by the British Colombia Taskforce (2006) keeps running from a contribution contract with insignificant risk transfer to BBO partnerships, which have the most extreme risk transfer. In the middle of the two are a few conceivable blends of capacities the private part can attempt: design, fund, build, maintain, operate, own, transfer, lease, develop, and buy (Rodal and Mulder, 2012). No single classification can be considered to be the best and valuable method. The risk transfer continuum is considered to be the single method with the most consideration than all the others methods and has been utilized broadly by the World Bank, the United Nations Development Program and the European Commission, particularly for infrastructure projects. It is intriguing to note that a few sectors work better with a few types of PPPs. For instance, complete privatization is viewed as most proper for projects where there is competition. For example, broadcast communications projects. In a circumstance where strong competition exist, for example, in broadcast communication, concessions, service management and lease contracts are prominent.

2.4 MODELS OF PUBLIC-PRIVATE PARTNERSHIPS

Design-Build (DB): The public entity undergoes a contractual agreement with a private company to design and build a facility as per the prerequisites laid down by the governing body. In the wake of finishing the facility, the government expect obligation regarding the operation and maintaining the facility. This technique of procurement is also called Build-Transfer (BT) (Hall, 2009).

Design-Build-Maintain (DBM): This model is like Design-Build with the exception of the fact that the private firm additionally maintains the facility. The public sector, on the other hand, holds duty of operating the facility.

Design-Build-Operate (DBO): The private sector, under this model is responsible to design and build the facility. The facility is later transferred to the public upon successful completion, whiles the private entity still takes charge of the operations of the facility for a predefined period. This acquisition model is also known as BuildTransfer-Operate (BTO).

Design-Build-Operate-Maintain (DBOM): This model takes the design-build procurement further by incorporating the operations and maintenance of the facility for a predefined period of time. Toward the end of that period, the public sector is made to undertake the operation of the facility. This technique is also known as BuildOperate-Transfer (BOT).

Build-Own-Operate-Transfer (BOOT): The public organization awards a franchise to a private company to design, build the project, own and operate it for some stipulated timeframe during which the private entity observes total control over the facility. The government later takes ownership of the facility towards the end of that period. This type of arrangement helps the government to undertake large projects with private agency support.

Build-Own-Operate (BOO): Under BOO, the public agency allows the private company the right to fund, design, build, operate, own and maintain a project. The private organization exercises complete authority over the project and retains all risks associated with the project. The private organization is not obliged to release the title of the facility to the government. This method of procurement is very common in the energy sector.

Design-Build-Finance-Operate/Maintain (DBFO, DBFM or DBFO/M): In this structure, the public agency enters into an agreement with the private organization to design, construct, finance, operate and/or maintain a facility for a specific lease period. The private entity, upon assumption of all these responsibilities is entitled to receive fees or payments (tolls) from direct users of the facility for a stipulated timeframe. The facility is transferred back to the government at the end of the lease period. In a few nations, DBFO/M curtails both BOO and BOOT. PPPs can likewise be utilized for existing projects notwithstanding new or upcoming projects. Some of these models are explained below:

- Service Contract: The public agency goes into agreement with a private entity to deliver services that have previously been performed by the government.

- Management Contract: This procurement method is in contrast with the service contract. The private entity, under this contract, is charged with the responsibility to take care of all parts of the operations and support of the facility.

- Lease: The public sector gives a private association a leasehold interest in an asset. The private association works and keeps up the benefit according to the terms recorded in the lease.
- Concession: The government concedes a private organization maintains ownership over any future improvements so long as they are within the concession period. The public sector continues to hold the title to the original asset, while the private organization holds responsibility for developments made amid the concession time frame.
- Divestiture: The government transfers the title to an asset, either to a limited extent or the whole title to the private organization. For the most part, the public agency will incorporate certain conditions with the offer of the asset for guarantee so that changes can be made as and when the need arises (Deloitte Research, 2006).

2.5 THE GOVERNMENT OF GHANA POLICY ON PUBLIC-PRIVATE PARTNERSHIP

The Government of Ghana (GoG) faces a lot of challenges in infrastructural development and this is because the provision of these infrastructures are viewed by the citizenry as government responsibility but the government is faced with limited budgetary resources to provide all these recourses and infrastructure.

According to the PPP policy (Mofep.gov, 2011), government will require about 1.5 billion dollars per annum to address the infrastructure deficit over the next decade. The Government of Ghana through the ministry of Finance and Economic Planning because of this has come out with a policy to encourage PPP as a means of solving this infrastructural deficit.

By the PPP policy the GoG has set the following key objectives to be achieved:

- Leverage public resources and assets with private sector assets from indigenous and transnational markets to quicken required interests in infrastructure and services;
- Encourage and enhance investment by the private sector by making an empowering situation for PPPs where value for money for government can be unmistakably illustrated;
- Intensification of the accessibility of public infrastructure and services and also enhance service quality and efficiency of projects;
- Essential and standard local and international social and environmental principles should be observed;
- Protect the interests of all partners including clients, affected individuals, government and the private segment;
- Set up proficient and straightforward institutional arrangements for the identification, organizing and competitive tendering of PPP tasks;
- Provide a system for creating proficient risk sharing instruments;

Empower and propel local Ghanaian private sector collaboration in the provision of public infrastructure and services. This Policy is in this way intended to help the organization of a wide assortment of quality and auspicious public infrastructure and services. This will be accomplished through speedier project enactment, greatest utilizing of public funds, improved accountability and a swing to whole-life cycle costing and infrastructure management by the private sector.

2.6 BARRIERS TO THE USE OF PUBLIC-PRIVATE PARTNERSHIPS

From one perspective, the incorporation of PPP in our system comes with certain risks that are connected with the enactment. These kind of risks has to be distributed suitably amongst the contracting parties as per which of the two parties is well equipped to handle the risk. These risk are almost evident in all project-financing action and has the capacity to affect the project at hand. As indicated by Deloitte Research (2006) they incorporate technical and operating risks. The technical risks are in the form of failures in the design, construction risk such as defective construction procedures etc. and may bring about cost increments and deferrals in the project. Operating risks on the other hand are in the form of implications of higher operating and maintenance costs. Revenue risks also come about when request for the products and services sold is unpredictable. Budgetary risks emerge from deficient supporting of income streams and financing costs incurred during the project lifespan. Ecological dangers ensue due to the unfavourable effect are posed by the project on the environment. Administrative and political risks comes about because of changes in work schedule, alterations in legal arrangements and unsupportive policies by the government. Lastly, risks that come about as a consequence of disasters and acts of God. The fundamental request is constantly whether wage streams can deal with working costs, service debt financing and make arrangements for returns for risk capital. Also, there are different risks suffered by PPPs that should be moderated to guarantee projects are accomplished. These are the parts that prompt to the failure of

PPPs and include Grimsey and Lewis (2004):

- Weak hierarchical structure: authority in government is some of the time feeble and inflexible, particularly in delicate states.

- Lack of clarity: most of the time, the private partner is not briefed or made aware of the expected results of the project in the early stages of commencement.
- Poor communication: inadequate communication and participation amongst government and private contractors can bring about failure in the execution of the project. Together, all the parties involved have to concur on personal, financial and material assets required to effectively achieve the set goals.
- Inappropriate risk modelling: the utmost differentiating factor for PPPs is the amount of risk suffered by the private partner. An effective PPP necessitates the outline of contractual agreements preceding competitive tendering that designate risk bearers properly (Grimsey and Lewis, 2004). A typical error is the transferring of demand risk to the private sector notwithstanding the fact that, the contractual worker has no power over the measure of utilization of the facility. Risks are normally pushed to the partner who is fit to better manage them. Appropriate risk distribution permits governments to modify PPP methods to deal with particular situations and sectors.
- Lack of internal capacity: it is for the most part the case that both contracting parties don't have the capacity required to administer complex PPP ventures.
- Inadequate planning and poor setup: the accomplishment or failures of PPPs can oftentimes be followed back to the fundamental plan of PPP policies, authorization and direction. Moreover, without evaluating the business section in the planning stage, the administration can form a situation where a few bidders seek after different undertakings.
- Lack of operational focus: the government may see PPPs as financing instruments rather, thus focusing a lot on the transaction and not on the operation itself.

- Failure to acknowledge value for money: this happens when there is an irregularity between the borrowing and tendering costs associated with PPPs or when authorities of the public sector don't have a genuine cognizance of how to test value for money.

2.7 INCENTIVES IN PUBLIC PRIVATE PARTNERSHIP

According to Grimsey and Lewis (2004) Public Private Partnership has emerged the most famous policy used in closing infrastructure, efficiency, accountability and other gaps for both government and organizations. Worldwide practice has revealed that Public Private Partnership if correctly practiced can offer a range of benefits to the Government. A number of these merits are:

1. The use of Public Private Partnership helps to reduce public sector administration and capital cost.
2. Public Private Partnership helps to improve sustainability, accountability and the achievement of value for money on infrastructure and other services.
3. Public Private Partnership facilitates modernization in infrastructure growth.
4. There is the transfer of risk and its management at the best suitable lowest cost.
5. The use of Public Private Partnership can help in reducing the life-cycle cost of a project and also expedite in time of delivery of a project.
6. Public Private Partnership helps promote employment opportunities in the economy.
7. Public Private Partnership can improve efficiency and quality delivery in infrastructure works.

In spite of the stated merits in infrastructure development, the use of Public Private Partnership has its other side of demerits. These include:

1. If care is not taken, Public Private Partnership could lead to high legal issues and costs.
2. There is a limit of competition due to high tendering cost.
3. Public Private Partnership could be more costly in implementation as borrowing from the private sector is quite expensive as compared to the public sector.
4. There could be the tendency of encouraging monopoly in awarding projects in the system.
5. Public and private sectors may lack appropriate knowledge and skills in implementing long-term projects under Public Private Partnership.

2.8 ENABLERS OF USING PUBLIC PRIVATE PARTNERSHIP

The implementation of Public Private Partnership regulates investment opportunities in construction, maintenance or operation of public infrastructure facilities and gives way to other activities in the interest of the public. Maitin (2003) put it that, Public Private Partnership arrangements can bring together non-governmental organizations, government agencies, private partners and the society in an inter-sectional relationship. This model of collaboration involving the public and private sector has been useful in other European Union member states such as Greece, France, Great Britain and Spain. The following are some of the opportunities to be produced for the use of Private Public Partnership:

1. The use of Public Private Partnership will offer the public sector an opportunity to access private funding for growing of services, healthier planning and new ideas. This can be a prospective area where the Government has a poor credit score in raising much or enough capital for infrastructure development. It will create an access to additional capital for the government.

2. The use of Public Private Partnership brings out private sector expertise and innovation to bear in infrastructure development within the society. This can deliver greater value for money relative to the traditional method of procurement.
3. Public Private Partnership allows the government to focus on its leading services rather than managing capital works and maintenance. With a competent plan government could concentrate and deliver its priorities.
4. Public Private Partnership practice more frequently includes a superior level of quality assurance than the standard public procurement process as the Public Authority readies its activities and draws in the business sector. The Public Authority will confront request by parties outside government, for example, financial specialists whose capital might be in holding up over a long haul depending on execution.
5. Utilizing of Public Private Partnership as a way of development creates an opportunity to transfer appropriate risk to the private partner over the whole life cycle period for the project. Risk is a true project cost. This initiates from the design stage, construction, operation and maintenance. Without doubt, any risk transfer to the private partner is likely to reduce that borne by the public sector. This promotes a shared risk among partners allied with the partnership project and the cost associated with risk management is reduced.

2.9 GOOD PRACTICES IN MANAGING PUBLIC-PRIVATE PARTNERSHIPS

Public agencies hoping to draw in the private division into a public service agreement needs to cogitate all the problems talked about above, including the conceivable risks that are likely to be encountered. To stay away from these risks, one needs to recognize practices that add to effective execution of projects. Examples are given below:

- There are requirements for an organizational arrangement with plainly characterized duties and parts for agencies and personnel.
- Both contracting parties must acknowledge that the contract is not a buyersupplier contract but rather a partnership in which risks encountered must be shared as well as tasks to be performed.
- In order for PPPs to succeed, there has to be a sound statutory and regulatory system to regulate the partnership. There is the need to evaluate existing information to guarantee that there exist a suitable corporate and business laws set up to bolster private investment.
- Establishing devoted PPP units in government as learning focuses and utilizing this to improve service development. However, capacities ought to be unmistakably isolated even inside this unit to keep away from a situation where the unit sees its prime job as boosting PPPs (Vinning and Boardman, 2008).

- Value for money or performance reviews ought to be carried out in all sectors and PPPs. External auditors can be employed to review projects as this will serve as a check for the project.
- Governments ought to advance the utilization of available benchmarking to guarantee conservation of value for money for existing projects.
- The bidding process needs to be kept competitive whiles applying the appropriate procuring methods. Public sector parties must be allowed and urged to bid.

- Accountability to public values ought to be considered at all times to maintain a strategic distance from loss of trust in the democratic procedure.
- The PPP contract ought to be adequately adaptable to assess any new targets and reporting prerequisites that may develop over the entirety of the project.
- Authorities must guarantee that private contractual workers don't "cherry pick" just the most appealing projects.
- The government ought to get the financial related terms of the arrangement done before engaging in a PPP, and also set up a convincing timetable for completing the project.
- The citizens who are going to use the facilities should be allowed to share their views on the projects; local authorities ought to encourage client forums and proper mechanisms for feedback.
- A thorough appraisal of the amount of risks shifted to the private division ought to be directed. Also, an evaluation of the effect of the project on different sectors is imperative.
- Government can likewise support the development of private entities through expelling controlling boundaries that once confined private firms from rendering a service. Further, by bringing down taxes, the private sector can be urged to join government partnerships.

2.10 MERITS AND DEMERITS OF PPP

Different perceptions, views and thoughts have emerged over the years concerning the pros and cons of PPPs. It is necessary to look at these advantages and disadvantages because they could be considered for future projects and can also provide an important guidelines in terms of considering the specific opportunities and threats associated with PPPs (Boyne, 2002).

2.10.1 Merits of using PPP

Resources: A partnership permits a pooling of assets so that bigger projects or more parts of a project can be handled than is workable for an individual agency or it permits the agency to commit a few assets targeted at one policy to be acknowledged for use somewhere else (Osborne, 2000).

Effectiveness and Efficiency: Depending on the nature of the problem, incorporation can incredibly build an individual's organizations viability and proficiency, particularly through enhanced coordination between (and within) organizations. The resulting outcome is that greater productivity and cost reserve funds may be attained (Osborne, 2000).

Increased investment in public infrastructure: The private sector supports the government in raising funds for projects. This helps to reduce the pressure on the national budget and prevents the need to raise or seek for budget add-ons.

Optimum Allocation of risks: Risks are identified and allocated to a party who is able to deal with them. In PPPs, project risks such as financial, schedule, planning permits, community consultations, etc. are mostly transferred to the party best equipped to handle it, both in terms of expertise and costs, to the longevity and benefit of the project. The public sector can enjoy the advantage of the private sector taking care of any cost overrun that may occur in the execution of the project (Osborne, 2000).

Value for Money: Because of the private sector"s expertise, it can bring a more commercialized approach to projects. Using private sector propensities and innovation to deliver projects in a more proficient way, bringing about a reduction in expenses or a prevalent item for the same investment. Value for money projects deliver greater value for money compared with that of an equivalent procured conventionally. Also, value for money is achieved because in PPP project, an output specification defines the performance standards to be achieved by the delivery of the service. That is good specification means good job.

Speed of Delivery: By the utilization of PPP, projects can finish quicker on the grounds that they don't need to sit tight for government to make funds accessible. Projects are also completed quicker because the private sector generally wants to earn revenue as soon as possible. The social and economic advantages flowing out of the project are also excelled. The end result of early delivery can contribute towards economic growth and increased tax income for government (Boyne, 2002).

Shifting construction and maintenance risk to the private sector: Infrastructure projects usually have cost overruns which are borne by the public sector. Budget constraints also put immense pressure on the maintenance priorities culminating in reduced spending on maintenance and the result is that maintenance is often deferred. Very well composed PPP"s can improve the above issues by exchanging certain development and maintenance risk to the private entity. The ability to shift some of these risks to the private party can be an important benefit for public sector (Deloitte and Touche, 2006).

Development of new business sector: The PPP idea has created new business opportunities. In Europe for instance, firms experienced in building and working PPP projects are noted to be increasing over the years. Nations embracing PPP have frequently utilized foreign counsellors at first but have soon built up their skills and are presently contending on the global stage for business in different nations (Harris, 2007).

Political advantage: There is a political leverage to be gained from PPP assertions as far as open recognition and financial administration certifications, as projects are delivered according to schedule with less effect on the financial plan and provide quality infrastructure and services (Harris, 2007).

2.10.2 Disadvantages of using PPP

Goals: Partnerships have failed because the aims and goals of the project have not been clearly identified. Partnerships sometimes have broad aims and this leads to misunderstandings, lack of coordination and thus conflict between partners (Osborne, 2000)

Performance enforcement: The management of performance in a PPP contract can sometimes be problematic which can lead to bad customer relations. The issue of performance specification is problematic because it is hard to formulate in a way that is suitable for an arms-length contract (Katz, 2006). Arms-length contracts are reasonable and enforceable if both sides to the agreement have generally equal powers of negotiations upon entering the agreement. Neither one of the parties has a lopsided measure of authority to strong arm the other party into a biased deal. Furthermore the public sector in many cases does not have the capacity to monitor these projects and the private sector can abuse the situation by not complying with agreed service standards.

Resource costs: Partnership involves a considerable amount of resource cost because of the time it takes to finalize a deal. The time spent on discussions and consultation can also cause delay and be costly. The cost of procuring the services of transaction advisors is also high and this is seen as an obstacle by departments (Osborne, 2000)

Unequal Power: There may be unequal power relation between the public and private sector which can sometimes lead to tension as the parties may try to alter another‟s priority. Although there are different types of power, the greatest power generally rest with those controlling resources (Osborne, 2000).

Impact on other services: It is argued that PPP project impacts on other services because resources are drawn from other projects reducing the effectiveness of a department. The road sector has highlighted this as big problems of PPP projects. It is argued that sometimes other projects have to be cancelled in order to finance the unitary monthly payment of the PPP (Osborne, 2000).

Organizational difficulties: Sometimes partnerships fail because there are difficulties in successfully coordinating the programs and approaches. Furthermore barriers such as lack of institutional capacity can also impact on the partnership. The inability of departments to enforce agreements has been highlighted as one of the major stumbling blocks in the failure of PPP projects (Osborne, 2000).

Higher cost: The rates of borrowing allowed by the private sector might be higher than that accessible to governments. An expensive tender and arrangement process, including higher contract transaction costs paid to legal and accounting firms, can counteract any funds made in design and construction stages. Risk transfer between the parties has a cost and as such the private firm will expect guarantees of income proportionate to its risk burden.

Lack of capacity: It is important for both parties involved in the PPP to have specific limit for signing and administering effectively. Such limit is missing from numerous prerogatives, both at a national and local level, and it takes both time and experience to set it up. An over-dependence on expatriates has led to an expertise flight, where any knowledge accumulated all through projects are not recorded by public bodies or private firms, but instead lost to outer sources, making it hard to construct information and lessons for the future. It is worth noting that both interested parties involved in a Public Private Partnership arrangement; that is the potential investor or the government must have an early consideration in developing a project to avoid influx of several challenges that may conflict the process.

Public Private Partnership is deemed to have a long- term relationship amongst interested parties. At times, there are several disappointments and flexibility in this anticipated long-standing relationship. Williamson (1999) argues that, the disparity in working styles of two separate organizations may hold back their corporation. From a practical perspective, such holdbacks could create lock-ins or delays on project burying the intended good initiatives. Some of the encountered challenges could be:

1. Public Private Partnership arrangements hinged on public grounds

There are several procedures designed to incept and complete any Public Private Partnership objective. At times, these procedures are well drafted to protect public partner from private sector interventions. Whiles this right plays an important role the public sector is set to ensure that all defined procedures are appropriately followed.

It is important for all interested parties to understand the scope of such arrangements to avert from any litigation that could arise to disrupt the entire Public Private Partnership arrangements.

2. Mistrust of Private Sector Involvement

The conviction that the private sector concentrates on profit instead of performance becomes of a factor of mistrust in Public Private Partnership arrangements. This idea may also conform to the fact that the public agency may always be seen losing out in negotiations since the private sector is seen to provide many resources to every negotiation.

3. Planning and Environmental issues

When planning, byelaws need to be followed or adhered to because there is a possibility of one party or the planning authority challenging as to how the project was awarded. This may have to stop the execution of works for the observation of proper planning procedures before the continuation of the project. In the event that any environmental impact is observed, it is also going to be a determinant factor to hinder progress.

4. Improper Procurement Procedures

Where it is established that the laid down procurement processes were breached then there could be opportunity for an interested party to challenge the award process.

5. Political Interferences

Interest from higher political powers and consistent interferences creates a major challenge gap. Such interferences could despair the sanity of the process and establish a strong support to private agencies of their choice (Williamson, 1999).

2.11 MMDAs: OVERVIEW, POWERS AND FUNCTIONS

The authorities and obligations of District Assemblies, have been built up in the 1992 Constitution and the Local Government (Act 462) of 1993. In various illustrations, regardless, such powers and limits are bestowed to central government organizations, not unlike the double structure in which the focal and neighborhood government foundations work in parallel, typical for the pre-1988 period. A key request requests whether the progressive relationship continues existing or whether District Assemblies now have independent discretionary controls over developmental projects in their areas.

District Assemblies are agreed enormous powers by the 1992 Constitution and the Local Government Act of 1993 inside their allocated geographical zone. They are the:

- Highest political and administrative authorities;
- Planning authorities;
- Development authorities;
- Budgeting authorities;
- Rating authorities (Ayee, 2000).

The 1992 Constitution and the Local Government Act of 1993 outline six general elements of the District Assemblies, as follows:

- To give political and administrative bearing, provide direction and to supervise all other managerial establishments in the District;
- To practice deliberative, legitimate and official functions;
- To be accountable for general improvement of the District and the certification of the status of (a) Development agreements of the District and (b) The budgetary arrangement of the District identified with the proposed courses of action;
- Effective preparation of the assets vital for general improvement of the District;
- Promotion of gainful activity and social improvement; To co-ordinate, join and fit the execution of projects under attested advancement plans for the district and other projects done by ministries, departments, public corporations and other statutory bodies and non-governmental organizations in the district (Ahwoi,2000).

There appears a reasonable expectation that the District Assembly acts as the principal power, with general obligation regarding developmental issues, inclusive of planning and coordinating those of other development actors. These broad limits are then given detail and sub-separated into 86 specific capacities, showed in the Legal Instruments that made the District Assemblies, and including such huge regions as "roads, forestry, rural augmentation, secondary education, health service delivery, fire preventive services, town and country planning" (Nkrumah, 2000). Ayee (2000) categorized these particular capacities into de-focused, delegated and devolved public administrations, along these lines showing the association of different actors, mostly central government agencies and departments, and their differential powers.

De-concentrated public administrations involve national government organizations, (for instance, fire service, police service, customs and excise, immigration, internal revenue service, etc.), having a branch or office in every one of the 110 districts. Such services are not directly under the District Assembly, however there exist a close cooperation amongst national and local authorities in these sectors. District Assemblies do render a few services in this category, in any case, as organizations of national state establishments, for instance, the maintenance of trunk roads as proxies of the National Highways Agency, and the maintenance of every single open building built and possessed by the central government (Ayee, 2000). Enlightenment was required on who bears the financial cost of giving such services, central or local government, as there is a possibility of shifting of duties by the central government.

Appointed public services are categorized by Ahwoi (2000) as those zones where District Assemblies partake in the provision of specific services, with tasks assigned to them by the key responsible institution, usually a central government ministry or department. Basically District Assemblies give off an impression of being executing focal government policies as a lower level political power, however without basic essential administration or discretionary powers in these regions. Examples include: the arrangement of general wellbeing in dialog with the Ministry of Health; water supply in conjunction with the Ghana Water Company; public lighting in conjunction with the Electricity Corporation, etc. Some appointed tasks are finished by sub-region structures, for example, the registration of births and deaths by Unit Committees (Ahwoi, 2000). Developed public service include full power and duty abiding in the hands of the District Assembly, having definitive power to make bye-laws, income generating forces, and basic leadership powers.

Examples of such devolved services are: district development planning; construction of public facilities such as roads, parks and graveyards; provision of relief services at times of disaster (Ayee, 2000). It was only in this category of devolved public services that District Assemblies apply autonomous discretional authorities. Plainly District Assemblies have a fractional obligation in regards to a far reaching number (86) of goal and broad capacities and open administrations. However they just have full control over the minority of devolved public services, acting close to deconcentrated state institutions or as executing agents of the central government policies in the other two classifications. From one viewpoint, the action of self-ruling revelation power was obliged to reverted open administrations, assessed as speaking to one fourth of District Assembly Common Fund (DACF) installments (USAID, 2003). Then again, a broad scope of administrations has been sent to the central government from its own areas of expertise to the local government, prescribing a level of passing the buck and liberating themselves of grave tasks, while overburdening District Assemblies. However, the central government‟s power at the district level has been greatly retained, given most of District Assembly activities incorporate weak or assigned administrations. It is the central government, not the District Assembly that remains the primary authority, in spite of communicated constitutional and legislative disposition. Indeed, the idea of a hierarchical structure as as depicting the pre-1988 period (Ayee, 2000), would seem to proceed and hold a contemporary significance. This raises issues of District Assembly constrain. Most worryingly, the overburdening of District Assemblies could adversely affect their ability to deliver the constrained extent of services for which they do have sole obligation and optional powers, undermining public trust in the locale level government.

2.12 CONCEPT OF INFRASTRUCTURE

The term infrastructure is defined as the basic physical and organizational structures or fundamental facilities needed for a nation or government to work efficiently. There are several definitions to explain this term by different scholars or academicians such as Cleveland (2008), Chism (2009), Sheffrin (2003) and Woochong (2009).

According to Chism (2009), infrastructure is defined as the physical structures that grant or allow provision of social services like health and education, water supply, transportation, energy generation and transmission etc. In effect, Chism‟s explanation means that infrastructure underpins the excellence in quality life.

Current effort by Sheffrin (2003) explain infrastructure as the facilities and services essential for an economy to function. Woochong (2009) also argues that, the term infrastructure is mostly used to express large structures made of steel and concrete such as, water supply systems, power plants, roads, increasingly information and communications systems. Woochong (2009) also claims that these are part of the built environment that strengthens a country‟s economic potential growth and in this modern days it is difficult for a country to succeed without a firm infrastructure support.

2.12.1 Types of Infrastructure

In developing an economy, one of the basic needed facilities is infrastructure development. Openly it does not produce goods and services but helps in the achievement of primary, secondary and tertiary performance created by economies. The idea in policy terms has been fluid, as it appears to be including social facilities such as schools, hospitals, prisons etc., industrial capacity and others (Cleveland, 2008). Developed countries in this context have made a lot of advancement due to great growth of economic and social infrastructure.

There has been ground breaking progress in communication and transportation in these countries. Infrastructure could be broadly put under two umbrellas. These are:

1. Soft Infrastructure
2. Hard Infrastructure

1. Soft Infrastructure

This framework requires and maintains a variety of institutions. It includes both physical and non-physical assets. The soft infrastructure involves the system of delivery of service to the society. An example is education which does not directly influence economic activities like distribution and production but ultimately helps in the economic development of a country by producing intellectuals in various fields for the society.

2. Hard Infrastructure

This is in relation to physical network that keeps an industrialized nation to function smoothly. Components such as buildings, drainage systems, roads, subways, airports, dams, bus terminals warehouses and among others are examples of hard infrastructure.

Cleaveland (2008) explains that the scope of infrastructure and the central importance of infrastructure to society makes infrastructure a necessary factor in achieving its sustainable goals.

2.12.2 Social Effect of Infrastructure in National Development

The absolute need for infrastructure in national development is one of the immense worldwide challenges of our time. Not only do the latest big economies like India, China, Dubai etc. want more and improved infrastructure but globally even ageing infrastructure in Europe and elsewhere need replacing. Now many governments are creating the right conditions for investment, even where the investment would be led by the private sector.

Dirie (2005) and Kumar, et al. (2006) have argued that infrastructure plays several significant roles in the world to the extreme point that the lack of infrastructural facilities is carefully considered to be the most important structural weakness which holds back the economic growth and development in a country. According Chang (1999) some studies conducted by the World Bank show that public investment in fundamental infrastructure does not only increase output but also alleviates private investment in the medium to long-term.

Foster (2008), also notes that infrastructure has played a vital role in the spin of Africa"s current economic growth and the focus on development will be greatly achieved if the continent develops keen interest in it. Estache (2004) also claimed that infrastructure helps to broaden growth benefits which make the development process within a country more comprehensive. Again, according to Estache (2004) the accessibility of good and quality physical infrastructure improves the ambience for direct foreign investment. This helps mitigate the cost of total investment incurred by foreign partners or investors and thus raising the rate of return. For this reason it is claimed that government expenditure on infrastructure should continue during periods of fiscal adjustment because such ventures will improve public investment, harmonize private investment and signify economic development in the long-term.

The management of infrastructure development by the public sectors in most countries has not been the best in that there is no proper asset register to record and maintain them as and when due. Once this is not done properly, it is also not managed properly. Many infrastructure decays at a very cold pace in that no one is aware of things before they start falling apart. Creating a National Infrastructure Plan will be a good initiative to address several concerns on management and maintenance.

2.12.3 Characteristics and Risk Classification of Infrastructure

Ploeg and Casey (2006) explain that the main characteristics for infrastructure are essential in influencing the applicability of a particular innovative financing tool. Also from the viewpoint expressed by the researchers such as Cleaveland (2008) and Mor *et al*. (2006), infrastructure can be classified based on its key characteristics such as: construction time, payback period, size, up-front costs, asset life, future commitments, complexity, marketability, priority, new construction or refurbishment, coverage, integrated or single project, hard or soft asset, user profile, risk level, location specific and rates of return.

According to Cardone and Fonseca (2006), accepting these characteristics have implications on the choice of infrastructure finance tools including: loans, user fees, domestic taxes, grants, direct private investment, mixed credits and export funds, voluntary finance scheme, micro-finance or micro-credit, environmental charges, equity, dedicated or special purpose fund, debt swaps and bond markets.

In infrastructure development, risk could be distinguished by their source of funding. This could be grouped under three main categories.

1. Technical Risk: All risk linked with the complexity of development project, skills in operating, construction and technological know-how.

2. Regulatory and Political Risk: These could pop up through the actions and inactions of government regulations and policies. It is quite difficult to measure the cost and value on the impact from political devices since the political risk can be extremely biased.
3. Macro-economic and business risk: Fluctuations, inflations and higher inters rates are variables that generate macro-economic and business risk. These could normally be attributed to variations, change orders among others.

2.12.4 Approaches to Provision of Infrastructure

Cardone and Fonseca (2006) puts it that, in financing infrastructure project it will be suitable to examine the ways to the provision of infrastructure which includes the funding delivery and financing of the infrastructure. Ploeg and Casey (2006) argued that, two vital methods are concerned in each part of the three approaches to provision of infrastructure (financing, funding and delivery), and that this triple-two rule is a useful frame for any discussion of innovative financing of infrastructure.

On the other hand Cardone and Fonseca (2006) also state that infrastructure financing should not be narrowed to payment from debt financing and accumulated resources but must embrace equity financing which sometimes is used in situations where infrastructure is offered through public-private partnership arrangements.

2.13 PRIVATE SECTOR PARTICIPATION

There is a vast need for infrastructure development worldwide. Government upon governments have put in efforts to financially support this course but have not been successful. Harris (2007) argues that the involvement of the private sector is the contribution of the private sector in projects development by the government.

The provision of good policies, negotiations with clear risk responsibilities and roles, well developed structures and expertise would draw the private sector in engaging in Public Private Partnership projects. According to the World Bank Group Report during the first half of 2014, private sector participation in infrastructure in developing countries raised to US$1.2 Billion, representing a 23 percent increase from same period in year 2013.

2.13.1 Public Private Partnership Finance

Generally, Public Private Partnership projects are financed with the use of the available financial arrangements at hand. Investors rely on the cash flow generated from the project to repay their debts on the project and earn their profit on investment in return. A sound financial plan is critical to the success of every Public Private Partnership project. This idea is reflected in the higher weight allocated to the financial criteria in assessing Public Private Partnership proposals. An instance is the Hong Kong

Government adopts three sets of criteria (engineering, financial and planning) to evaluate tender documents for its BOT projects. Weights allocated to these three criteria sets are around 65%, 20% and 15% respectively.

2.13.2 Privatization

Most often Public Private Partnership is used as a synonym to privatization but Osborne (2000) argues that there is a clear dissimilarity between these two concepts. Privatization is mostly familiar and broadly accepted in sectors that are not conventionally considered as public services, such as construction, manufacturing, etc. The responsibility for service provision is transferred to the private sectors subjected to a supervisory body or market regulation.

2.14 CONCLUSION

The incorporation of PPP in the local government administration is not the only solution to the numerous challenges in public administration. With that notwithstanding, they have contributed immensely to enhancing the proper delivery of public service. Notwithstanding the risks and difficulties discussed above, MMDAs are deliberating on whether or not to participate in PPPs. In the same vein, they ought to try to comprehend the skills that are deficient with regards to; absence of expert capabilities as opposed to administrative abilities. The benefits of PPP have been found to exceed the demerits, therefore making it imperative for MMDAs to discover innovative ways of bridging the infrastructure gap through PPP.

CHAPTER THREE

METHODOLOGY

3.1 INTRODUCTION

This chapter presents the methodology of the research. It covers the research design, source of data, population of the study, the sample size used for the study, the sample techniques used in selecting the respondents, the data collection tools and the data analysis techniques.

3.2 RESEARCH DESIGN

The main objective of the study was to explore public private partnership can be used to finance infrastructure at the local government level. Based on the goal of the research, the exploratory research design is employed for this study. The prime motivation behind exploratory research is to find more insight into the nature of a situation and recognize any specific objectives or any data needs to be addressed through extra research. Exploratory research is most appropriate when a researcher wishes to better comprehend a situation and/or recognize decision alternatives (Malhotra, 2007).

3.3 SOURCES OF DATA

Primary and secondary sources of data that serve the objectives of the research were collected. The primary data were collected through the use of questionnaires administered to respondents at some selected Metropolitan, Municipal and District Assemblies in the Ashanti Region.

3.3.1 Primary Data

Primary data were collected with questionnaires administered to respondents from some MMDAs in the Ashanti region. This was to assist the researcher to obtain firsthand information on the ground. In doing this, respondents were first identified and subsequently contacted. The key respondents were: Procurement Officers, Finance Officers, Planning Officers and the Chief Executive Officers.

3.3.2 Secondary Sources

Relevant data from the following secondary sources were utilized to supplement the primary data collected. The sources included but were not limited to the following:

1. Local government bulletin and laws
2. Central Government Budget Statements
3. District Assembly Plans, Budgets and Financial Reports
4. Documents on Awarded PPP Contracts and Agreement

3.4 POPULATION OF AND CENSUS SAMPLING

The target population for the study comprised all Metropolitan, Municipal and District Assemblies in the Ashanti Region of Ghana. There is One (1) Metropolitan Assembly, seven (7) Municipal Assemblies and twenty two (22) Districts assemblies, making a total of thirty (30) MMDAs in the Ashanti region and this constitutes the study population. Under the census survey framework, all the MMDAs in the Ashanti region were used as sample for the study.

3.5 DATA COLLECTION PROCEDURE

Questionnaires were prepared and distributed to the selected respondents to be filled. The researcher asked permission from the Coordinating Directors of the MMDAs and solicited for their help in administering the questionnaire. The respondents were given some days to provide the answers because they were busy at work and could not provide the information instantly. Face to face interview sessions were arranged with key informants with knowledge and experience on PPP projects.

3.6 RELIABILITY

Reliability indicates certainty in the answers provided by the respondents. Expressed in another way then it is the question about the collected material stability and freedom from haphazard influences (Saunders et al., 2003). Reliability is dependent on the interviewee , the consistency of judgments using the same evidence .The way of acquiring and interpreting data gained must also be consistent in both judgment and result .However, when you are studying human experiences ,replicating the experience will not be possible and answers will be influenced by personal agendas.

District Assemblies attempt will be made to avoid biasing the respondent"s answers by including more close-ended questions in the questionnaire.

3.7 VALIDITY

Validity simply means whether the methods approaches and techniques actually measure and is related to the problem at hand. According to Collins and Hussey (2009), validity is defined as an instrument to measure exactly what it is supposed to measure. To increase the validity, an abridged version of the questionnaire was sent to the respondents in advance. This gave the respondents enough time to prepare for the response and research on the topic in order to give correct or relevant information.

3.8 Analysis of Data

The Statistical Package for Social Science (SPSS) was used in the analysis of quantitative data in this study. The data was examined, categorized, tabulated and recombined the evidence to address the research objectives and the research questions.

3.9 ETHICS

The study was carried out taking into consideration the highest form of research ethics and standards. First and foremost the confidentiality of respondents was protected by not attaching names to responses. Again respondents‟ privacy and freedom were respected to ensure data was collected in the most convenient atmosphere.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1 INTRODUCTION

This chapter deals with the analyses and discussions of data obtained from respondents in the study. A total of one hundred and twenty questionnaires were distributed to key officers all over the MMDAs in the Ashanti Region. Due to time constraints and time schedule of the respondents, only eighty questionnaires were retrieved which was used for the analysis. The chapter first presents the data on background information of respondents, and then follows with the main analysis of data in line with the specific objectives of the study.

4.2 BACKGROUND INFORMATION OF RESPONDENTS

The background information of the study respondents included their position, years of working experience and the number of PPP projects executed by their assemblies. Out of the 80 respondents, 31(38.7%) were procurement officers, 22(38.7%) were finance officers, 16(20.0%) were planning officers and 11(13.38%) were District Chief Executives (DCEs).

In terms of working experience, majority of the respondents, 53(66.3%) had worked from 5-10 years whiles only 7(8.5) have less than 3 years working experience. In terms of PPP projects executed by their respective assemblies, majority of the respondents 54(67.5) indicated that their assembly had executed at least one PPP project with 8(10%) their assemblies had not executed any PPP project. The findings are presented in Table 4.1.

Table: 4.1 Background information of respondents

Characteristics	Frequency	Percentage
Position		
Procurement Officer	31	38.7
Finance Officer	22	27.5
Planning Officer	16	20.0
Chief Executive	11	13.8
Years of working experience		
Less Than 3	7	8.5
Between 3 And 5	12	55.0
Between 5 and 10	53	66.3
More Than 10 Years	8	10

Number of PPP Projects		
1-5	54	67.5
>5	18	22.5
None	8	10
Total	80	100

Source: Field Data, 2016

4.3 LEVEL OF UNDERSTANDING AND KNOWLEDGE OF PPP PROCUREMENT

To ascertain the respondents view on the level of understanding and knowledge of PPP procurement, the researcher guided respondents with the following options; Do not know; Least experienced; Fairly experienced; Experienced and Successfully experienced. The responses are presented in Table 4.2

Table 4.2 Level of Understanding and Knowledge of PPP Procurement

Level of Understanding	L.E	F.E	E	S.E
	%	%	%	%
Level of understanding of PPP procurement in your assembly	0.0	18	47	35
The extent of availability of PPP information in your assembly	7	20	49	24

Source: Field Data, 2016

Note: L.E=Least Experienced; F.E=fairly experienced; E=Experienced; S.E= successfully experienced.

For the level of understanding of PPP procurement, 47% which forms majority of respondents asserted that the MMDAs are experienced, 35% indicated the assemblies are successfully experienced,18% indicated Fairly experienced and no respondent indicated for least experienced. The results show that the level of understanding and knowledge of PPP procurement are high in the MMDAs. With the extent of availability of PPP information in the assembly, 49% rated the MMDAs as experienced, 24% rated them as successfully experienced, and 20% rated them as fairly experienced and7% rated them as least experienced.

4.4 PERCEIVED FACTORS AFFECTING THE DECISION ON ADOPTING PPPS

Views of the respondents were solicited to identify the factors perceived to influence MMDAs decision to adopt PPP for infrastructural development. On a scale of 1 to 7 where 1 = strongly unrelated; 2=very unrelated; 3= related; 4= moderately related; 5 = related; 6 = highly related; 7= strongly related, the mean scores were calculated to find the factors related to the decision on adopting PPP. The results are shown in table 4.3.

Table 4.3: The Mean Score of Perceived Factors Affecting the Decision on Adopting PPPs

Factor	Mean
Expansion of economic activities	5.83
Social progression and advancement in the economy	3.79
Environmental viability of the projects	3.70
Social / public acceptability of the projects	3.67
Economic feasibility of the projects	5.63
National development priority	6.14
Domestic private sector development	3.47
Reforming procurement of public infrastructure/services and boosting policy clarity and sustainability	5.20
Total	4.68

Source: Field Data, 2016

The findings in table 4.3 shows that national development priority was rated by respondents to be highly related factor ($\bar{X}$ =16.14) affecting the decision to implement PPPs. Expansion of economic activities, economic feasibility of projects and reforming procurement of public projects were rated as related factors with mean ranking of $\bar{X}$ =5.83, 5.63 and 5.20 respectively. Other factors like social progression and advancement in the economy, environmental viability of projects, social acceptability of projects and domestic private sector development with mean score of $\bar{X}$ =3.79, 3.70, 3.67 and 3.47 respectively were perceived by respondents to be factors related to MMDAs decision to adopt PPP in infrastructural development. The total mean score was $\bar{X}$ =4.68 indicating that all the perceived factors combined are highly related to the adoption of PPP by the MMDAs.

4.5 IMPERATIVES FOR USING PPPS IN INFRASTRUCTURE DEVELOPMENT

The first objective of the study sought to determine the imperatives for PPP in infrastructure development at MMDAs. In line with this objective, the respondents were asked to rate five (5) need factors expected to be imperative for deploying PPP using the following scale: 1 = not critical; 2 = least critical; 3 = fairly critical; 4 = moderately critical; 5 = critical; 6 = very critical; and 7 = extremely critical. The mean scores of the need factors are presented in Table 4.4

Table 4.4 Imperatives for Using PPPs in Infrastructure Development

Need Factors	Mean
More infrastructure facility need from society	6.88
Public money tied up in capital investment	5.49
The problem of public sector budget restraint	6.70
High public service costs	5.56
Non-recourse or limited recourse public funding	6.23
Total	6.172

Source: Field Data, 2016

From table 4.4, it can be observed that the very critical need factors for PPP in MMDAs are more infrastructure facility need from society is very critical ($\overline{X}$ =6.88), the problem of public sector budget restraint ($\overline{X}$ =6.70) and non-recourse or limited recourse public funding ($\overline{X}$ =6.23). Public money tied up in capital investment ($\overline{X}$ =5.49) and high public service costs ($\overline{X}$ =5.56) were also rated as critical need factors. The total mean score was 6.172 indicating that there is a very critical need for PPP as a tool for infrastructure development in MMDAs.

4.6 BARRIERS TO PPP PROCUREMENT IN MMDAS

In line with the second objective of the study, the respondents were asked to assess criticality of the following barriers to using PPP projects within MMDAs using the following seven-point rating scale:1 = extremely low criticality; 2 = very low criticality; 3=low criticality; 4 = moderately critical; 5 = critical; 6 = very critical; and 7 = extremely critical

Table 4.5 Barriers to PPP Procurement in MMDAs

Critical Barriers	Mean
Lack of trust between the public and private sectors	6.22

Fear of expropriation	5.12
Limited understanding of **PPP** procurement	5.33
Lack of clarity on benefits/usefulness of PPPs	5.46
History of failed PPP projects	5.44
Limited private sector capacity to execute **PPP** projects	6.47
Lengthy negotiation periods	5.21
Total	5.60

Source: Field Data, 2016

Table 4.5 shows the critical barriers based on the mean rating by the respondents. The factors that were rated below the critical threshold ($\bar{X}$ <5) were excluded. It can be observed from the table that limited private sector capacity to execute PPP projects and lack of trust between the public and private sectors were rated very critical ($\bar{X}$ =6.47) and ($\bar{X}$ =6.22) respectively. Other barriers that were deemed critical are fear of expropriation ($\bar{X}$ =5.12), limited understanding of PPP procurement ($\bar{X}$ =5.33), lack of clarity on benefit of PPP ($\bar{X}$ =5.46), history of failed PPP projects ($\bar{X}$ =5.44) and lengthy negotiation periods ($\bar{X}$ =5.21). With a total mean score of 5.60, it emerges that the barriers are critical to prevent sustainable deployment of PPP in infrastructure development.

4.7 ENABLING FACTORS FOR PPP ADOPTION IN MMDAS

The third objective of the study sought to assess the impact of enabling factors on the use of PPPs to provide infrastructure in Ghana based on the following rating scale:1 = extremely low; 2 = very low; 3 = low; 4 = moderate; 5 = high; 6 = very high; and 7 = extremely high impact.

Table 4.6: Factors Enabling Procurement of Infrastructure/Services through PPPs

Enabling strategies	Mean
Availability of Viability Gap Fund (VGF) program	2.27
Ghana‟s PPP Unit	5.41
Use of a panel of transaction advisors(e.g., to support project selection and structuring)	3.24
Effective coordination agencies (e.g., to support arranging debt funding to project development)	3.41
Institutional reforms (e.g., devolving responsibility to public agencies, departments, etc.)	4.42
Encouraging community support and involvement	3.24
Knowledge transfer and management	4.14
Pragmatic approach to toward PPPs	5.23
General impact of the above enabling strategies on the use of PPPs in MMDA	5.76
Total	4.10

Source, Field work 2016

As shown in Table 4.6, three enabling factors were rated with high impact; Ghana PPP Unit ($\bar{X}$ =5.41), Pragmatic approach towards PPP ($\bar{X}$ =5.23) and general impact of all enabling factors on the use of PPPs in the local assemblies. Institutional reforms ($\bar{X}$ =4.42) and knowledge transfer and management ($\bar{X}$ =4.14) were found to have moderate impact on the use of PPPs. The combined mean of all the enabling factors was 4.10 meaning that the enabling factors have a moderate effect on the use of PPPs in the MMDAs.

4.8 DISCUSSION OF RESULTS

The level of experience and knowledge in PPP among MMDAs, together with the findings from the background information provided by majority of the respondents that their respective MMDAs had executed at least a PPP project indicates that most of the assemblies have experience in PPP procurement. The respondents, who are the key decision makers and coming from MMDAs with knowledge and experience in PPP are deemed well-resourced to provide objective and empirical views on the issues raised in the study. Also the availability of information on PPP in the MMDAs show that PPP as a concept and practice is being gradually integrated into the infrastructural and other development agenda at the local government level. As an emerging technical and paradigm, knowledge on PPP is normally not clear. Also understandings and experiences in PPPs are not common among many organizations and professionals. As asserted by Ross (2014), there is a difference between outsourcing, privatization and PPPs, in that contracting out and privatization are at inverse closures of the range of private versus public involvement, whereas PPP is somewhere in the middle. A study seeking to survey opinions in this area requires professionals with theoretical and practical know-how in order to inform objective analysis. The present study fulfils this requirement given the level of knowledge and experience in PPP in the MMDAs.

A MMDAs decision to adopt the PPP model in its infrastructural development strategy is dependent on a many factors that needs to be properly scrutinized. The study findings reveal that national development priority is the highly related factor that influences MMDAs to use PPP. As the base and integral part of the national government, MMDAs development is tied to the economic priorities of the country as a whole, despite the fact that they can modify projects that suit their unique constituencies. Also as dependent bodies on the District Assembly Common Fund which is based on allocations of the national budget, the decision by MMDAs to adopt PPP models will definitely be tied to the national development and funding priorities. In this direction, MMDAs can use PPP as an infrastructure development strategy, PPP projects are utilized in areas not covered by the national funding budgets or where there are insufficient funds.

With expansion of economic activities and economic feasibility of projects, it is expected that MMDAs will use PPP procurement to meet emerging infrastructure demands and fill existing gaps. In high total mean score of all the factors lead to the conclusion that the use of PPP procurement for infrastructural development in MMDAs is dependent on many factors with potentials to speed it up or slow down its adoption.

The critical need factor analysis reveals that with increasing the expanding infrastructure deficit, MMDAs will have no option but to use the PPP procurement given the limited public funding potentials. With non-physical development priorities competing for the limited public funds available to the MMDAs, it is only prudent to partner private entities. This helps to build the infrastructure demand in the country so as to channel proportionately, part of its budget into other important areas. These areas may include: the environment, education, security and community

empowerment, among others. The total mean score further elaborates the criticality of the need for PPP if adequate infrastructural gaps are to be closed.

The local assembly is a corporate sector which represents government on the public segment in PPP arrangement. It is under the Ministry of Local Government. The Assembly normally handles PPP arrangements with private investors or contractors registered with the assembly. The nature of infrastructure determines the type of PPP to be used. Mostly the arrangement is into construction of markets, KVIP‟s, and filling stations etc.

The core function of PPP is good but adversely subjected to few hitches mostly political. At times there are loop holes in the documentation leaving the future generation to suffer because mostly these arrangements take longer years before transferred back to the Assembly. In terms of delivery one can trust of the speed since the private investor mostly per the agreement is financing the works. Using PPPs‟ mode of procurement has created opportunities in the municipality since more infrastructure developmental works has been provided. This has also improved the GDP rate for the municipality and Ghana at large.

In handling PPP projects in the MMDAs it sometimes commences with the advertisement for project partnership in the daily‟s or private investors seeing opportunities in certain areas and seeking the response from the assembly in venturing into it.

With some of the arrangements the assembly only provides the land or site for the project but in other cases, the assembly provides a partial support with both land and funds. The general objective for government initiating the PPP Policy is excellent but political interferences are trying to make things cumbersome. The capital invested into the project is solely the responsibility of the private investor. In the event that the assembly must partly support with funds as partial support to the project it mostly doesn‟t go beyond 30% of the project cost. During the operating stage, the assembly per arrangement will receive some payment from the private investor on monthly, quarterly or annually basis as per the conditions in the contract as a support to the assembly. Mostly the amount of capital invested by the private investor determines the years in operating before transferring to the assembly. It could take several years such as 15years, 20years, 25years, 30years etc.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents the summary of findings, conclusions and recommendations for policy and for further research into the topic.

5.2 SUMMARY OF FINDINGS

Majority of the respondents 31(38.7%) were procurement officers followed by 22(38.7%) who were finance officers, 16(20.0%) were planning officers and 11(13.38%) were District Chief Executives (DCEs). In terms of working experience, majority of the respondents, 53(66.3%) had worked from 5-10 years whiles only 7(8.5) have less than 3 years working experience. In terms of PPP projects executed by their respective assemblies, majority of the respondents 54(67.5) indicated that their assembly had executed at least one PPP project. However with 8(10%) their assemblies had not executed any PPP project.

The results show that the level of understanding and knowledge of PPP procurement are high in the MMDAs. With the extent of availability of PPP information in the assembly, 49% rated the MMDAs as experienced, 24% rated them as successfully experienced, 20% rated them as fairly experienced and 7% rated them as least experienced.

The findings show that national development priority was rated by respondents to be highly related factor affecting the decision to implement PPPs. Expansion of economic activities, economic feasibility of projects and reforming procurement of public projects were rated as related factors

The very critical need factors for PPP in MMDAs are more infrastructure facility need from society is very critical, the problem of public sector budget restraint and nonrecourse or limited recourse public funding. Public money tied up in capital investment and high public service costs.

Limited private sector capacity to execute PPP projects and lack of trust between the public and private sectors were rated very critical respectively. Other barriers that were deemed critical are fear of expropriation, limited understanding of PPP procurement, lack of clarity on benefit of PPP, history of failed PPP projects and lengthy negotiation periods.

Three enabling factors were rated with high impact; Ghana‟s PPP, Unit, Pragmatic approach towards PPP and general impact of all enabling factors on the use of PPPs in the local assemblies. Institutional reforms and knowledge transfer and management were found to have moderate impact on the use of PPPs.

5.3 CONCLUSION

With most Metropolitan, Municipal and district Assemblies unable to fill the expanding infrastructural gaps in the country, adopting Public-Private Partnership is seen to be a strategic tool in providing infrastructure at the level of local government. The main drivers of PPP adoption at MMDAs lies in its potential to enable MMDAs to provide improved and adequate infrastructure through the use of private funds and human capital, thus freeing public funds for other equally important investments.

To fully tap the potential for PPP for infrastructural development at the MMDAs, the identified barriers need to be resolved and all barriers, especially political interference should be minimized. Clear terms of contract in PPP that establish trust among private partners need to be rolled out with risk and reward conditions associated with various infrastructural projects. When well-advertised and promoted, the public sector holds the potential to compete for private funds since the private organizations are always in search for stable, profitable investment opportunities. It is concluded that Publicprivate partnership, despites it‟s many risks and challenges, is a viable opportunity for bridging the infrastructural deficits at the MMMDA level.

5.4 LIMITATION OF THE STUDY

The census survey method made it difficult to get responses from all the key informants identified for the study.

5.5 RECOMMENDATIONS

Recommendations are now given based on the findings of the research. To establish private interest and trust in PPPs, there is the need to entrench the principles of transparency in PPP projects. It is fundamental to blend the procedure of PPP acquisition in the MMMDAs by bridling reasonableness and non-discrimination. For example, the inclusion of representatives of tenderers during tender openings, the disclosure of evaluation criteria prior to the start of tendering process, and additionally, the publication of tenders and contract awards are all evidence of the MMDAs commitment to transparency in the public procurement.

There is also the need for adoption of professional procurement practices in PPP projects. The adoption of professional procurement practices would minimize if not eliminates some of the issues confronted by private entities. There is the need for training of procurement officers and public sector officers on PPP. Training would equip PPP stakeholders to make sound and credible decisions which can add value to the partnerships. There is a need to maintain a database of partners and contractors who have executed various PPP projects so that all MMDAs can have access to this information as part of their project assessment procedures.

The following are some areas that could be explored for future research:

i. Compliance and implementation challenges of the PPP in MMDAs.
ii. Factors affecting successful implementation of PPP in MMDAs and other public agencies.

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APPENDICE

KWAMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

DEPARTMENT OF BUILDING TECHNOLOGY

QUESTIONAIRE FOR MMDAs IN THE ASHANTI REGION

The purpose of this questionnaire is to investigate The Potential of PPP for Infrastructure Development at Metropolitan, Municipal and District Assemblies (MMDAs).The result from the study is purely for academic purpose. You are quite assured that information provided will be treated with utmost confidence.

Instructions: Please tick or supply answers where appropriate. ✓

Note that Assembly refers to District, Municipal or Metropolitan Assembly.

SECTION A: BACKGROUND INFORMATION OF RESPONDENTS

Section A: General background information on respondents

1. Name of your Assembly: …………………………………………………………
2. Your role/position in the assembly: ………………………………………………
   a) Chief Executive Officer [ ]
   b) Procurement Officer [ ]
   c) Planning Officer [ ]
   d) Finance officer [ ]
3. Number of years of working in the Assembly………………………………………
4. Number of PPP projects your assembly has undertaken (if any) : ………………

A: Understanding and Knowledge of the PPP Procurement

Please, mark the choice to indicate your understanding of PPPs and the extent of availability of PPP information in your assembly: 1 = do not know ; 2 = least experienced ; 3 = fairly experienced ; 4 = experienced ; 5 = successfully experienced

Question	Ratings

	1	2	3	4	5
Level of understanding of PPP procurement in your assembly					
The extent of availability of PPP information in your assembly					

B: Perceived Factors Affecting the Decision on Adopting PPPs

Please, rate the following factors that lead to PPPs implementation by your assembly: 1 = strongly unrelated; 2 = very unrelated; 3 = related; 4 = moderately related; 5 = related; 6 = highly related; 7 = strongly relate

Decision factors	Rating				
	1	2	3	4	5
Expansion of economic activities					
Social progression and advancement in the economy					
Environmental viability of the projects					
Social / public acceptability of the projects					
Economic feasibility of the projects					
National development priority					
Domestic private sector development					
Availability government"s guarantees					
Reforming procurement of public infrastructure/services and boosting policy clarity and sustainability					

Imperatives for Using PPPs in Infrastructure Development

Please, rate the following reasons why your institution/organisation considered using, or uses, a PPP in its projects based on the following scale: 1 = not critical; 2 = least critical; 3 = fairly critical; 4 = moderately critical; 5 = critical; 6 = very critical; and 7 = extremely critical.

Need factors	Rating						
	1	2	3	4	5	6	7
More infrastructure facility need from society							
Public money tied up in capital investment							
The problem of public sector budget restraint							

High public service costs							
Non-recourse or limited recourse public funding							
Other, please state:							

Section D: Perception of PPPS

E1: Risks

Please, indicate an estimated impact (or severity) of each risk based on the following scale:

1 = extremely low; 2 = very low; 3 = low; 4 = moderate; 5 = high; 6 = very high; and 7 = extremely highimpacton PPP projects.

Risk factors on PPP projects	Rating						
	1	2	3	4	5	6	7
Design and construction risk							
Revenue (financial) risk							
Market risk							
Socio-political risk							
Legal and regulatory risk							
Performance risk							

D2: Performance criteria

Please, assess the performance of a PPP project in which you had/have a direct involvement based on the performance criteria below. Use the following seven-point scale:1 = extremely poor; 2 = very poor; 3 = poor; 4 = moderate; 5 = good; 6 = very good; and 7 = extremely good.

Performance criteria	Rating						
	1	2	3	4	5	6	7
Time							
Cost							
quality							
Scope							

Overall performance of the PPP project							

E3: Performance objectives in PPP projects

Please, indicate the level of significance of the following performance objectives in PPP projects:1 = extremely low significance; 2 = very low significance; 3 = low significance; 4 = moderate significance; 5 = significant; 6very significant; 7 = extremely significant

Performance objectives	Rating						
	1	2	3	4	5	6	7
Acceptable quality of project							
Within budget or saving money in construction and operation							
Solving the constraints of public sector budget restraint							
Transferring risk to private sector							
Quality public service							
Provide timelier and more convenient service for society							
Timely completion of projects							

F: Willingness to use PPPs in public infrastructure projects/services

Please, mark the choice to indicate the assembly"s willingness to use PPPs in public projects.: 1 = do not know ; 2 = least experienced ; 3 = fairly experienced ; 4 = experienced ; 5 = successfully experienced

Question	.atings				
	1	2	3	4	5
The assembly ins interested in PPP projects					
The assembly has considered using a PPP project to meet specific need(s)					

E: Barriers to PPPs

Please, assess the criticality of the following barriers to using PPP projects within the context of your assembly. Use the following seven-point rating scale:1 = extremely low criticality; 2 = very low criticality; 3=low criticality; 4 = moderately critical; 5 = critical; 6 = very critical; and 7 = extremely critical.

Critical barriers	Rating scale
Lack of trust between the public and private sectors	
Lack of political will toward PPP implementation	
Government‟s apathy toward PPPs	
Lack of enabling PPP legislation/law and institutional	
Fear of expropriation	
Limited understanding of PPP procurement	
Lack of clarity on benefits/usefulness of PPPs	
History of failed PPP projects	
Lack of support from the political machinery	
Limited private sector capacity to execute PPP projects	
Lack economic viability of PPP projects	
Lack of social/public support for PPPs	
Lack of effective coordination among public agencies	
Public sector capacity constraint to select and procure PPPs	
Poor project design and structuring	
High transaction and bidding costs	
Lengthy negotiation periods	
Other, please state:	
Other, please state:	

F: Factors Enabling Procurement of Infrastructure/Services through PPPs

The following are enablers to incentivize the use of PPPs for public infrastructure development. They may be used to address most of the barriers to PPPs in Section E above. Please, assess the impact of each enabling factor on the use of PPPs to provide infrastructure in Ghana based on the following rating scale:1 = extremely low; 2 = very low; 3 = low; 4 = moderate; 5 = high; 6 = very high; and 7 = extremely high impact

Enabling strategies		Rating scale
1	Availability of Viability Gap Fund (VGF) program	

2	Ghana Infrastructure Fund (GIF)	
3	Ghana‟s PPP Unit	
4	Use of a panel of transaction advisors(e.g., to support	
5	Effective coordination agencies (e.g., to support arranging	
6	Institutional reforms (e.g., devolving responsibility to	
7	Encouraging community support and involvement	
8	Knowledge transfer and management	
9	Pragmatic approach to toward PPPs	
10	PPP forums	
11	Encouraging public/community involvement	
12	General impact of the above enabling strategies on the use of PPPs in MMDA	

Thank You