

## The future of Algerian public institutions in the context of closer public-private partnership

Chamia BENABBES \*, Akram LAOUAR \*\*

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### Abstract:

*The purpose of this study is to analyse the public-private partnership contract as a modern strategy that helps public institutions to share experiences with private institutions in the area of knowledge and technology, and contributes to improving their performance in the current circumstances of Algeria owing to the economic crisis. As for the methodology adopted, the analytical, descriptive approach based on desk research and review of the current literature, as well as the case study of Algeria and successful studies by some States in this area, has been used. The results indicate that the public-private partnership contract aims at creating an effective economic partnership to promote Algerian institutions in various economic sectors and to serve the best interests of the country while formulating an exit strategy that determines the success of public-private partnerships in promoting economic development.*

**Keywords:** *public-private partnership; Contracting out; Te economic crisis; Economic development.*

**JEL Classification:** L33, H4.

### مستقبل المؤسسات العمومية الجزائرية في ظل عقد الشراكة بين القطاعين العام- الخاص

ملخص :

تهدف هذه الدراسة إلى تحليل عقد الشراكة العمومية- الخاصة، باعتبارها استراتيجية حديثة تساعد المؤسسات العمومية على تبادل الخبرات مع المؤسسات الخاصة في مجال المعرفة والتكنولوجيا، وتساهم في تحسين أداء هذه المؤسسات في ظل الظروف الراهنة التي تعيشها الجزائر بسبب الأزمة الاقتصادية، أما المنهجية المعتمدة فقد تم استخدام المنهج الوصفي التحليلي الذي يستند إلى البحث المكتبي ومراجعة الأدبيات الحالية، وكذلك دراسة حالة الجزائر مع دراسات ناجحة لبعض الدول في هذا المجال، تشير النتائج إلى أن تعاقد الشراكة بين القطاع العمومي والخاص يهدف إلى إيجاد شراكة اقتصادية فعالة للنهوض بالمؤسسات الجزائرية في مختلف القطاعات الاقتصادية وخدمة المصلحة العليا للبلاد، مع صياغة إستراتيجية الخروج التي تحدد نجاح الشراكات بين القطاعين العام والخاص في تعزيز التنمية الاقتصادية.

**الكلمات المفتاحية :** الشراكة العمومية- الخاصة، التعاقد، الأزمة الاقتصادية، التنمية الاقتصادية.

**تصنيف JEL :** L33، H4.

\* Professor Lecturer A, University Abbes laghrour khenchela, Algeria, chamiasiham@yahoo.fr .....

(Corresponding author)

\*\* PhD Student, Université Abbes laghrour khenchela, Algeria, akramlaoua@hotmail.com

## 1. Introduction :

Internationally, public-private sector partnership has become a dominant phenomenon in recent years due to insufficient investments and increasing pressure on government budgets, in addition to the general concern about the inefficiency of services provided by government institutions, and governments around the world have gained experience with increasing private sector engagement in delivering.

Public services, These initiatives took many forms, the most important of which is external contracting or the use of projects as Public-Private Partnerships (PPPs) .B, 2006)

Contracts of the public-private partnership are among the most effective mechanisms for applying economic transactions in many countries, accordingly many developing countries are searching for positive impacts on the efficiency, equity, and quality provision of the public services through increasing competition and active participation of the private sector, considering public-private partnerships (PPPs) as the appropriate instrument to attain such endeavor. Accordingly, PPPs have been used for many and widespread purposes, ranging from the construction of physical infrastructure to the provision of health and social services to public administration.

As for Algeria, as a result of the financial burdens suffered by public institutions and the deficit crisis in the public budget, a sustained collaborative effort to attain a common objective is assumed, which entails a joint alliance between the public and private sectors beyond the traditional contractual relationship.

Given the mid-term, or long-term, nature of that objective and the transformation generated by the shift in roles, the joint alliance needs to be sustained over a long time, The longer the nature of the objective, the more critical and relevant a PPP becomes. To address this issue, we raise the following problem:

**How does the Public-Private Partnerships (PPPs) sector supports the efforts of public institutions to accomplish future projects?**

**1.1.Study Hypothesis:** The general hypothesis of the research is formulated as follows:  
**The Public-Private Partnerships (PPPs) sector in Algeria will be achieved a net benefit to the society and the economy as a whole for the public entity.**

**1.2. Study importance:** The task of this paper is to determine if the increasing need of public institutions for massive investment in infrastructure, which the public treasury is unable to fund on its own in the current circumstances, and also to determine what these success factors may be needed.

**1.3. Study objectives:** Public-private partnerships (PPP) Receive the subject sectors, a large private in The last term importance, given what this subject it is one of the entrances tasks at hand on the scene for the implementation projects, which is one of the pillars upon which -Developing the Algerian government -in the formulation and implementation of plans sustainable development, but it stimulates economic growth, and solve the problem of the big problems faced by these countries, a problem finding the necessary funding for the implementation of those projects, especially with the presence of the continuing deficit in their balance sheets.

## 2. Main text

### 2.1. Define the public-private partnerships (PPP):

The public-private partnership (PPP) sectors is a new concept, several definitions have been put forward from several sides, where can one say it no specific definition of the concept of partnership, In general, the public-private partnerships (PPP) are defined as :

- " cooperative institutional arrangements between public and private sectors ". (Busler, 2014, p. 02)

- " It is a broad field of unclear terms, from a legal standpoint, it may be a catalytic reflection in a state of complete independence based on a new type of management ". (Dallaire, 2008)

PPP is a sustained collaborative effort between the public sector and the private sector to achieve a common objective while both players pursue their interests. (Bettignies & Ross, 2004)

Previous definitions imply that in a PPP each partner shares in the design; contributes a fraction of the financial, managerial, and technical resources needed to execute, and sometimes operate, the project by each partner's comparative advantage, and partially takes on the risks associated with the project and obtains the benefits, expected by each partner, which the project creates.

As such a PPP requires a shift in the roles and attitudes of public and private entities, moving away from the usual client-contractor approach towards focusing on the core functions of supervision and regulation by the public authorities, and assuming greater responsibilities and risks in execution, operation and the mobilization of resources by the private sector. This change requires a transformation of the partners as some capacities of the public sector are transferred away to the private sector. (Pessoa, Public-Private Sector Partnerships in Developing Countries Are Infrastructures Responding To The New ODA Strategy?, 2007)

Therefore, in this context, PPPs will be defined as a partnership between a public entity and a private concern where capital is provided by the public concern, to foster economic growth.

For a public-private partnership to succeed, there are six principles of good governance: (Bruce, Sebastian, Huib, Anna, & Vaes, Principles for public-private partnerships towards sustainability?, 2016, p. 10)

➤ Responsibility: in which institutions and individuals should take appropriate responsibility for their actions as well as for the consequences of these actions;

➤ Fairness: development agents should neither discriminate nor provide preferential treatment to special interests. Horizontal equality should be a core value;

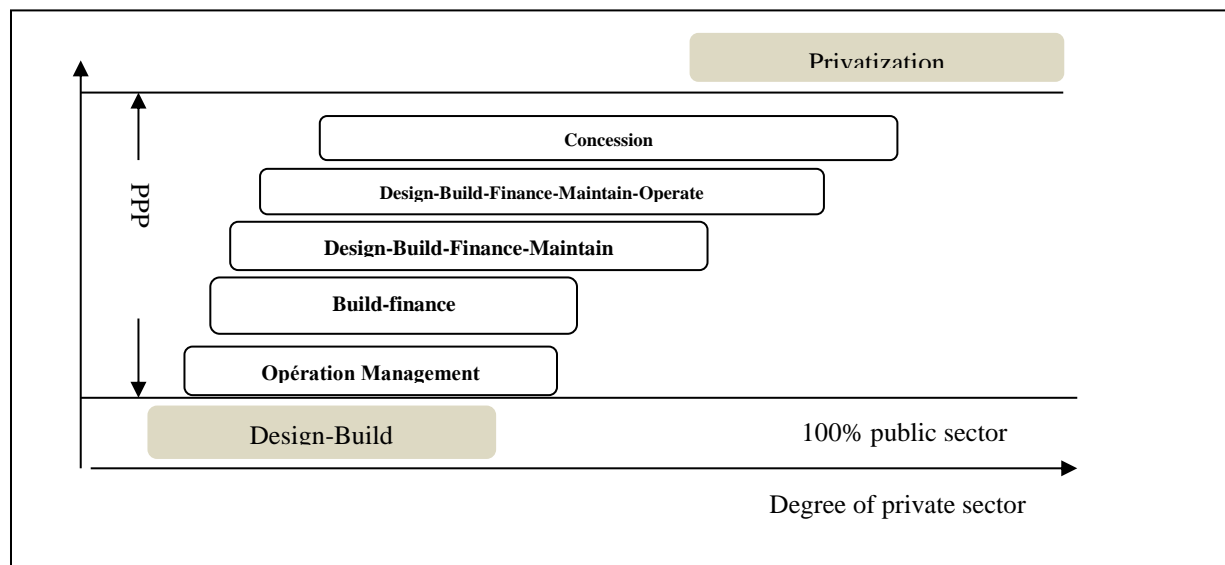
➤ Honesty: highlights the importance of promoting openness and transparency, as well as the disclosure of conflicts of interest and avoidance of misrepresentation;

➤ Social justice: development agents must promote social justice through efforts towards poverty reduction and the prioritization of the need of the poor over the need of the rich;

➤ Protection of life and promotion of security: above all else, this refers to the obligation to 'no harm'. Beyond this, development agents also have to protect human lives and rights, including gender equality;

➤ Promotion and protection of democracy: the obligation to include beneficiaries in decision-making processes that affects their livelihoods. Promote democracy on a wider communal or national scale.

On this basis, PPP provides ways in which the private sector can complement the government work and resources and encourages a valuable transfer of skills and experience between the two sectors. as such categorizes PPPs according to the degree of the private sector involvement and the degree of risk transferred to this private partner in a PPP project. Accordingly, PPP could be categorized as follows:



Source : (Abdelmalik Mezhouda, Juin 2018)

**Figure (1): PPP categorization according to the risk transferred to a private partner**

The above figure shows that:

PPP could also be categorized based on the division of responsibilities between the public and private partners. The purpose of the categorization of PPP, in general, is to find who is responsible for each project development step, including the initiative stage, the design stage, the financing stage, the construction stage, the operation, and the maintenance stage.

In the case of the concession model, for example, the private sector involvement is very strong, contrary to the operation and maintenance model. In the case of the concession, the private partner provides the integrality of the project funding which is a considerable advantage for the public partner. However, the degree of risk is very high in this case. (Roehrich, Lewis, & George, 2014, pp. 110-119)

## 2.2. Conditions for building PPPs and the need for regulation in Algeria:

The economic crisis is often the starting point for the rethinking of government activities, in addition to other factors that have drawn attentiveness to PPPs, we mention them: (Pessoa, Public-Private Sector Partnerships in Developing Countries: Prospects and Drawbacks, 2006, pp. 20-22)

-Both macroeconomic and microeconomic conditions affect the building of a PPP in Algeria: at a macro level we find all the incentives for putting up a PPP; at a micro level, we find all those circumstances related to the capacities of the different actors in acting as a competent partner.

- One of the most important conditions for establishing a PPP. First of all, there must be an interest and a commitment of some individuals to make a PPP happen.

-there are financial pressures that have led the Algerian government to look for innovative solutions and for maximum effectiveness in reallocating resources. In this strand, various studies have shown that there is a large potential for gains inefficiency in the public service sector.

-some other studies demonstrate that private providers either non-profit or for-profit-oriented can play an important role in social service provision, a role which has been, in the past, largely neglected by the Algerian government.

- In terms of the legal framework, the credibility and transparency of the cooperation between the different players are critical determinants for the long-term success of a PPP.

-As a matter of fact, for the partnership to be effective, three conditions must be met, regulators are required to fill three qualities: competence, this quality is measured by access to technical expertise in a wide variety of areas; independence, both from government interference and from capture by service providers and interest groups; and legitimacy, i.e., both long-lasting by existing legal principles and practices and being transparent and accountable.

Finally, we say that many, if not all, regulators in developing countries lack one or all of the qualities required for effective regulation. These deficiencies can be due to different reasons, including limited resources, repeated political interference in regulatory decisions, difficulty in attracting and retaining competent staff, and short or no history of performing regulatory functions. All these deficiencies are particularly apparent in the case of countries emerging from social conflict or where the political environment makes it difficult to set up any kind of independent institution.

### **2.3. Economic Impact of Public-Private Partnerships (PPPs):**

There are many drivers of those efficiency gains in PPPs, and they include the following: (Ruiz, 2016, p. 03)

-Under the current right circumstances, PPPs can mobilize additional financing sources for infrastructure, the main argument in that is that they can lead to Profit in the long term in addition to efficiency gains in service delivery.

-By subjecting assumptions to the market test of attracting private finance, PPPs can go some way to improving project selection. As long as the private sector faces significant risks, projects that are not profitable will fail to reach financial closure reducing optimism biases in project selection.

-By bundling construction, operation, and maintenance, life cycle costs are optimized with better infrastructure quality and adequate maintenance leading to efficiency gains. Full integration incentivizes the single party to complete each project function in a way that minimizes total cost. The later will usually be realized when the quality of service can be well defined, measured, and enforced.

-By allocating the risk to the party which is in a better position to manage it, it can reduce the project overall cost. Infrastructure projects usually carry substantial risks and therefore the benefits of managing them effectively are significant.

- By specifying outputs in a contract rather than prescribing inputs, it incentivizes the use of innovative solutions that could lead to efficiency gains.

In the end, we say when there are public institutions are simply not feasible from Country economics, the Only solution is to share risk and cost with the private sector and increase associational benefits for companies that join partnerships.

#### **2.4. The role of public-private partnerships (PPPs) in achieving sustainable development:**

Public-private partnerships for sustainable development have been in operation for several decades. This is captured by the so-called shift from 'government' to 'governance', signaling that governments are no longer the only providers of public policy but increasingly engage private actors. In this type of public-private partnership, private actors have been involved in one or more of the different steps or parts of policy-making: agenda-setting, negotiation, resource provision implementation, monitoring, and/or enforcement.

The success of this type of partnership this type of public-private partnerships a key policy function is delegated to private actors. Because that this form of public-private partnerships is still hierarchical and dominated by public policy-makers. Private actors perform functions that public actors cannot do or which private actors perform more efficiently.

In order to With the adoption of Sustainable Development Goals, public-private partnerships have become even more prominent secure a sustainable future including education, health, economic development, social protection, environmental protection, and natural resources governance.

Sustainable development in the region calls for the following principles: (p. 46)

-First, Sustainable Development should be inclusive to ensure no one is left behind - enhancing access, among others, to energy, water, and sanitation, transportation and ICT, including in Shadow areas.

- second, Development projects need to be climate-friendly - greenhouse gas emissions can be only reduced if the region moves away from energy and pollution-intensive Development solutions.

-third, Development should nurture seamless connectivity to promote better economic and social integration – key to optimal resource allocation and providing the much-needed impetus to investment and trade flows.

Achieving sustainable development requires not only attracting private finance to develop infrastructure but also ensuring better access to Quality of services that put people and the planet first. Thus, the private sector's role should not only be to provide financial resources but also to contribute towards improving the quality of life.

The issue of partnership is also considered one of the basic methods in creating procedures that allow the private sector to enhance its role in economic activity, and work side by side with the public sector to advance the economy and achieve economic development, as the partnership was applied mainly in the areas of economic infrastructure, which are shown in the following table:

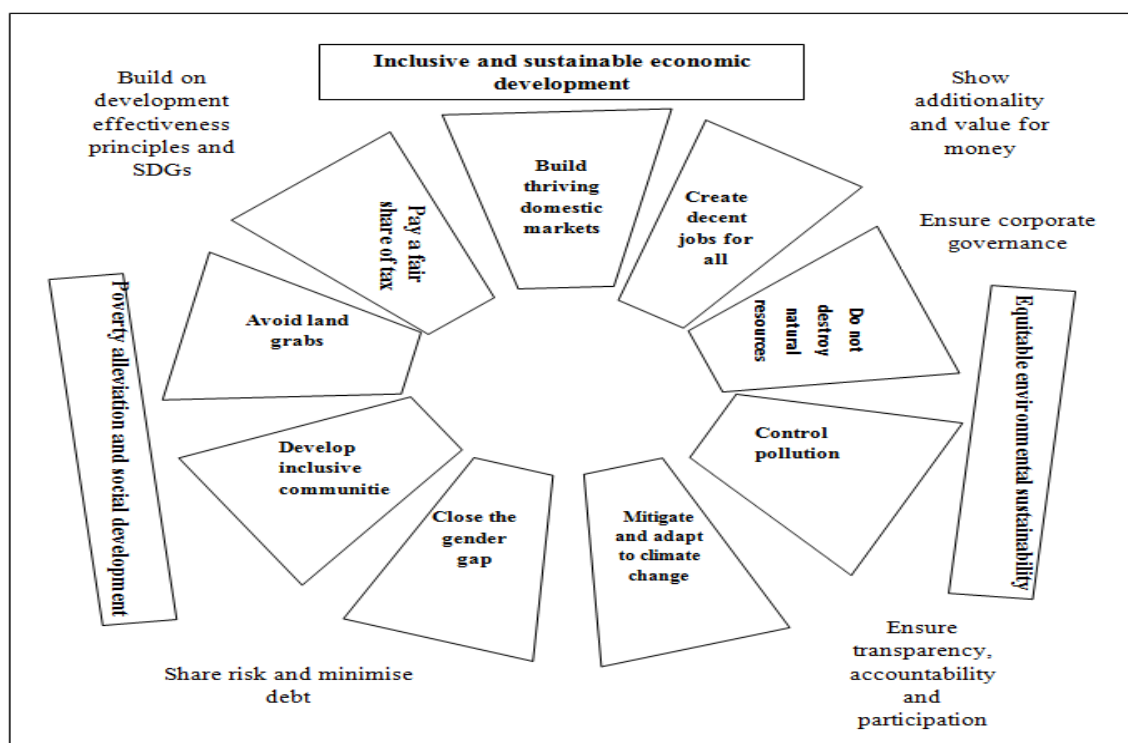
**Table (1): Areas of application of public-private partnerships**

Transport	Supply/disposal	Public building construction	
streets, bridges, tunnels	energy: generation, distribution	administration: city halls, tax offices, ministries	security: police buildings, prisons, barracks
airports	water: production, preparation, distribution, canalization	health care/ seniority: retirement homes, hospitals	leisure/culture: sports facilities, museums
waterways, harbors	garbage: collection, disposal, recycling	education: kindergartens, schools, colleges, universities	others: exhibition grounds, business parks
public transit			

Source: (Lobner, 2009, p. 08)

The above table shows:

- Fields of application of public-private partnerships we can find in most mainly in the areas of economic infrastructure such as infrastructure projects, all kinds of transport projects, electricity, telecommunications, water, and sanitation...
- Finally, a coalition of CSOs -CAFOD, Oxfam6, ActionAid UK, EURODAD, WWF, and BOND -recently developed a set of principles for involving the private sector in development, visualized in Figure 02 below:



Source: (Bruce, Sebastian, Huib, Anna, & Vaes, Principles for public-private partnerships towards sustainability?, 2016, p. 11).

**Figure (2) : CAFOD Sustainable Development Principles**

These principles cover many of the challenges that private sector involvement and finance can lead to, beyond pure public-private partnerships. While the UN Compact provides minimum requirements however, these are far more wide reaching, including standards addressing the indirect consequences of sub-optimal business practices.

### **2.5. Examples of successful international experiences in the field of public-private partnerships (PPP):**

There has been a significant number of case studies on PPPs, Case studies have shown that PPPs are common but vary with the type and size of the projects and with the context in terms of regulatory environment and governance, the following table shows the most important experiences of successful countries in the field of partnership, See Annex, Table of The experiences of successful countries in the field of partnership.

### **2.6. The reality and prospects of partnership with the private sector in Algeria:**

Algeria is facing a combined shock from halving oil prices, a public health crisis and the consequences of global economic disruptions following the COVID-19 outbreak. An oil price at US\$ 30/barrel in 2020 would decrease Algeria's total fiscal revenues by 21.2%.

Despite cuts to public investment (-9.7%) and public consumption (-1.6%) envisaged by the 2020 Finance Law, the fiscal deficit would increase to 16.3% of GDP. Meanwhile, the sharp decline in export revenues (-51%) will lead the trade deficit to expand to 18.2% of GDP and the current account deficit to peak at 18.8% of GDP in 2020, despite efforts to contain imports and weak domestic demand. (the world bank, 2020)

Algeria is among the top five African countries that invested the most in public-private partnership projects over the past 15 years according to the 2017 report on economic development in Africa issued by the United Nations Conference on Trade and Development (UNCTAD) Algerian News Agency website, 2017). (united nations conference on trade and development, 2020)

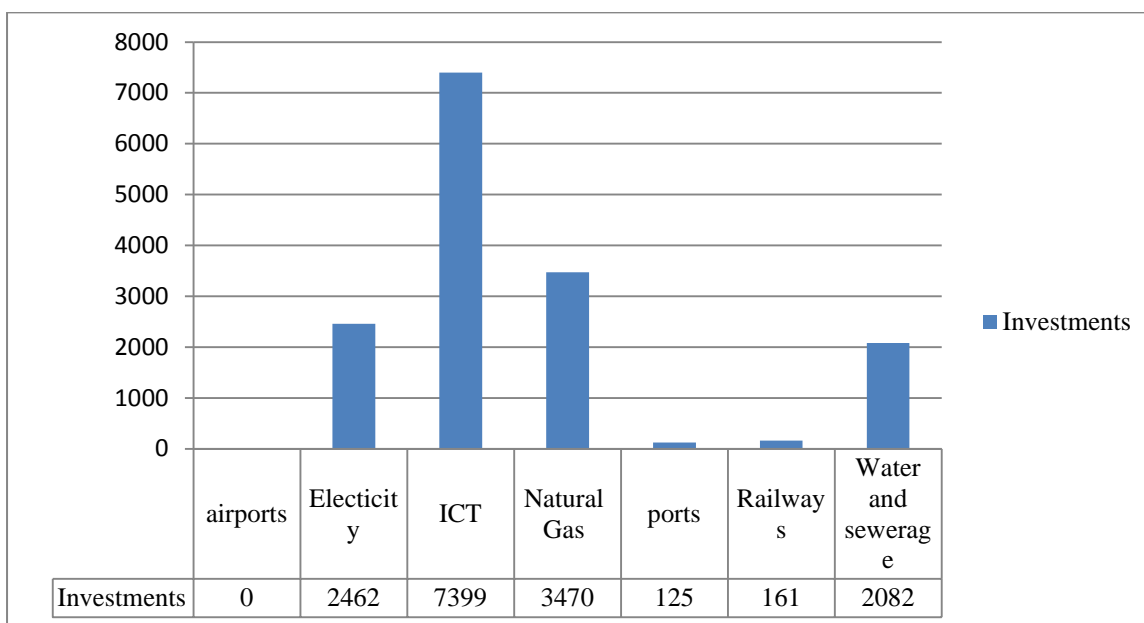
It is only natural that at the present time the Algerian state is going through difficult circumstances, They need this type of co-financing that is appropriate for this financial circumstance on the one hand, On the other hand, the national private sector can make good use of its financial resources and management capabilities, To maintain the means of production and growth, especially the maintenance of jobs.

In addition to other goals that Algeria seeks to achieve through this partnership, we mention: (BOUGRIOU & BENTERKI, 2018, p. 874)

- Attracting alternative sources of funding for the state budget.
- Put the dynamism of the private sector to the public-sector service.
- Better control of the projects in terms of cost and time.
- Optimization of risk-sharing between partners.
- Deferral of capital expenditures of the state over a long period.
- Sanctuary operating expenses (by contracts).

The partnership is divided into different sectors, which we explain in the following figure:





Source: (Public and private sector investment project data, 2020).

Figure (3): Investment in partnership projects by sector during the period (1990-2016)

1. The experience of energy alternative: Algeria's geographic location has several advantages for extensive use of most of the renewable energy sources (RES)(wind, geothermal, biomass, solar, etc.), the most important investments in this field are: (Oxford Business Group, 2020)

✓ As oil output declines and fields mature, state-owned Sonatrach is relying more on Algeria's extensive gas reserves to maintain exports while meeting growing domestic demand, with gas the focus of its SH2030 Leading the Change transformation strategy. There are seven exploration wells planned for 2020 and 12 in 2021 – with half to be carried out by Sonatrach and the other half in partnerships with foreign companies. While more and more offshore and shale gas opportunities are being identified, they may prove challenging to harness. Unconventional gas is thus in a strong position to attract investors, especially in light of the new hydrocarbons law currently in preparation.

✓ In October 2018 Sonatrach signed an agreement with BP and Norwegian multinational Equinor to explore and develop unconventional resources in the basins of south-western Algeria, which are seen as having considerable potential. The agreement, signed on the sidelines of the Algeria Future Energy Summit, includes a research program that provides for a new 3D seismic acquisition, and the drilling of several exploratory and appraisal wells. According to a company statement announcing the signed agreement, in the medium term, the development of this project is expected to make it possible to replace gas production in existing deposits, as well as extend the operating life of surface installations.

✓ In November 2018 the government released a new series of tenders for electricity production from renewable sources. A total of 200 MW of solar capacity is available for development, of which 150 MW can be bid on by international independent power producers (IPPs) in partnership with local firms, while 50 MW are reserved for state-owned utility operator Sonelgaz. This is a key step in opening up the solar segment to IPPs, as Sonelgaz subsidiary SKTM currently dominates the country's production of electricity from solar power, there are 21 photovoltaic (PV) power stations in the country, with a total

capacity of 344.1 MW. In 2017 five PV stations were opened, with a combined capacity of 125 MW.

✓ The government's renewable energies Partnership strategy. The country's first and only wind farm was constructed in 2014 at Kabertene in the wilaya of Adrar, with a generation capacity of 10 MW. Two 20-MW wind farms were slated to be constructed between 2014 and 2015, but these have yet to be built. The government aims to boost wind generation capacity to 1.7 GW by 2030, and is also planning the development of a wind industry with a targeted integration rate of 50% by 2025.

✓ Algeria could one day be exporting solar energy to markets in Europe, as they will soon be connected to European energy networks. In fact, the Algerian Energy Company (AEC), Sonatrach and Sonelgaz in partnership with foreign companies (Spain and Germany) will realize, in future, a 2000 MW project of which a share of the production will be exported to Europe (4% of the projected power or 75 MW will be produced by a 150 MW concentrated solar-gas hybrid station in Hassi R'mel). Plans are underway for two undersea cables with capacity of 1.2 GW each from Algeria to Spain and Italy which represent the concept of a MENA-Europe Link using HVDC power transmission.

2. Partnership investments in the agriculture sector: the agriculture sector contributes 12.3% to Algeria's GDP, and employs 20% of the population in rural areas. Algeria has 8.5 million hectares of arable land. The agriculture sector is a priority for the Government of Algeria (GoA) in its efforts to diversify the economy. Algeria's agricultural development strategy places special emphasis on improving food production and quality to reduce Algeria's import bill. The government encourages the continued development and modernization of the agricultural sector to achieve self-sufficiency and promote exports. And that is through Partnerships between Algerian public and private investors, Algerian private investors only, or a foreign investor with an Algerian partner. That agriculture in Algeria is primarily rain-fed and often suffers from droughts, which have worsened in recent years due to climate change. The government, therefore, has plans to expand irrigation networks to cover 2m ha, or 25% of arable land, by 2021 – 700,000 ha more than the 1.3m ha irrigated in 2018. (export.gov, 2019)

### **2.7. Suggested factors for the success of the partnership in Algeria:**

A successful public-private partnership requires a clear legal and regulatory framework that can ensure a transparent and credible relationship between the various actors, as well as 10 key factors: Specific plan/vision, commitment, open communication, trust, desire for compromise, respect, community awareness, political support, expert advice, risk education, and clearly defined roles, as well as some of the secondary factors mentioned below: (Abdelmalik Mezhouda, Juin 2018, pp. 50-51)

➤ The Public-Private Partnership contracts, regardless of their schemes (BOT, DBOO, BOOT, Concession, etc.), are admittedly a strategic choice for the Algerian government to achieve developmental goals.

➤ PPP model is the appropriate frame allowing public authorities to take advantage of the private know-how in running effectively and efficiently complex or mega projects.

➤ as requires from the Algerian government to engage additional reforms to improve the investment climate. These efforts include particularly the following action:

✓ Setting up clear bylaws and a well-defined regulatory frame which insure the good governance of PPP projects particularly in case of the involvement of foreign partners.

Such frame will encourage private investors to react positively to any governmental call for projects and minimize certain kind of PPP risks.

✓ Establishment of a Council responsible for promoting PPP projects in different sectors. This council will be also responsible for monitoring PPP governmental policy, organizing discussions related to PPP issues sponsoring scientific researches publishing standards, guidelines for key PPP subjects.

✓ Development of a Risk Allocation Guidelines which assist governmental agencies in different sectors to establish well-structured contracts.

✓ Encouragement of scientific research to address issues related PPP contracts management in Algeria.

✓ Finally, for a successful PPP program, the government must initiate the development of local market and banking system to encourage more potential foreign and local investors to participate in different PPP programs.

### 3. Conclusion

This document takes stock of the recent academic literature on the empirical impact of PPPs on efficiency gains in service provision, jobs, income distribution, Where the evidence shows that there is a positive and significant impact of private sector participation in access, quality of services, labor productivity, and reduction in technical losses. The magnitude of the impact varies by sector and size of the project and with the context, especially as it relates to the institutional and regulatory environment.

As that the study concluded that public-private partnership is an effective strategy to achieve steady economic growth rates for the country, but this depends on legislation and the provisions of the law, including tax policies, availability of infrastructure, appropriate economic policies, scientific research and continuous development, as well as stable political conditions.

**3.1. Conclusions and recommendations:** A number of findings and recommendations can be presented. We can summarize them as follows:

- PPPs can be a tool for sustainable development.
- Good governance is critical for success.
- Training is critical to develop action orientated PPPs, that are economically feasible and can attract the private sector.
- Focus of training should be on making PPPs work.
- A specific legislation must be enacting to PPP projects which would clarify all the projects phases, the projects awards and the contractual provisions.
- Focusing on empowering Algerian society as a central and essential party in the partnership for development, this is done through focusing on raising awareness and awareness of the role of the private sector as a partner in sustainable development.

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## Annexes:

Table (2): The experiences of successful countries in the field of partnership

Donor and PPP/PSD key policy framework	Programmes	Priority partners and/or sector	Approach towards working with the private sector
<b>Germany BMZ</b> <b>Key strategies:</b> - Sector Strategy on Private Sector Development (2013) - Forms of Development Cooperation involving the Private Sector (2011)	DeveloPPP.de Integrated.  Partnerships Africa Facility.  PPP Fund for Mano River Union Countries.	- Mainly medium to large sized firms. - Grid-bound infrastructure incl. energy, telecom, transport and water supply. - Social infrastructure incl. health and education.	"...to combine the innovative force of the private sector with the resources, knowledge and experience of development cooperation. This results, amongst other things, in job creation, the transfer of expertise to local businesses, the tapping of markets, and enhanced value added in partner countries"
<b>The Netherlands</b>  <b>Key Strategy:</b> A World to Gain, 2013	Matchmaking Facility.  PPP Facility for Sustainable Entrepreneurship and Food Security.  Dutch Good Growth Fund.	- Food Security. - Women's rights and Sexual and Reproductive Health and Rights. - Water, the environment and climate - Security, the Rule of Law and Good Governance.	A three pronged approach designed to develop: - aid relationship with fragile and low-income countries; - transitional relationships with low and middle-income countries with burgeoning economies, - trade relationships that promote trade and investment in the Netherlands
<b>The United Kingdom</b> Economic development for shared prosperity and poverty reduction: a strategic framework, 2014:	Trade in Global Value Chains Initiative.  Afghanistan Business Innovation Fund.	- Job-intensive activities and sectors. - Export sectors (goods and services) to create deep and durable markets.	- Encourage and support businesses to invest more, and responsibly, in poor countries as part of their core business strategy. - Promote business investment in upgrading supply chains to benefit
<b>Sweden</b>  Private Sector Development Portfolio	Public-Private Development Partnerships.	- Private sector development and trade. - Health. - Climate and	-"The private sector is the engine of innovation, investment and growth. Competitive markets are the most effective way of

<p>(2013)  Business for Development (2010)</p>		<p>Environment. - Human safety. - Human rights. - Education. - Infrastructure. “</p>	<p>creating more and better jobs, higher incomes and prosperity, leading to empowerment and economic freedom”. - “When it comes to direct support for individual companies, Sida is very restrictive so as to avoid distorting competition. Instead we prioritise projects that create the conditions for vitality in the business sector...Sida contributes towards the development of small-scale businesses through, for example, education, micro-loans and increasing the accessibility of markets for these poor business people”.</p>
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**Source:** (Bruce, Sebastian, Huib, Anna, & Vaes, Principles for public-private partnerships towards sustainability?, 2016, p. 10).