



PUBLIC SERVICES AND PUBLIC-PRIVATE PARTNERSHIPS (PPPs)

KEY MESSAGES

- The provision of high quality and efficient public services is of fundamental importance for European society and the competitiveness of European companies as users of these services.
- With increased pressure on public budgets, major societal challenges to tackle, and demands for more efficient and cost-effective public services, national governments need to modernise public administration and rethink the provision of public and e-government services.
- Stronger cooperation between the public and private sector can improve the provision of public services and greatly contribute to modernising the public sector, primarily through setting up public-private partnerships (PPPs).
- PPPs can often offer better value for money, enforceable quality standards, wider choice, innovative solutions and the possibility to combine the expertise and skills from both the private and public sector. PPPs can also offer new sources of financing and risk allocation, and may provide a way of channeling (additional) private funding into public infrastructure, networks and services.
- Better use of ICT and digital tools can also drive the necessary modernisation of the public sector and help develop innovative ways of delivering its services. It will unleash efficiencies and drive down costs, both for public authorities and users of public services.

WHAT DOES BUSINESSEUROPE AIM FOR?

- 1 Commitment from national governments to modernise the public sector and make public spending more growth-oriented, also through stronger cooperation between the public and private sector, the setting-up of PPPs and outsourcing.
- 2 Further development of e-government tools to make public services more efficient, provide easier access for businesses, and considerably reduce administrative burden.
- 3 The promotion of PPP structures to offer better public services, enhance competition in the public sector and drive the modernisation of public administration, leading to more efficient public spending.

KEY FACTS AND FIGURES

In 2013, the aggregate value of PPP transactions was 16.3 billion euro, a 27% increase compared with 2012 (12.8 billion euro), with 80 projects reaching financial close, significantly more than the 68 in 2012.

The UK remains the most active PPP market (in 2013: 31 projects with a total value of 6 billion euro).

Today, less than 40% of citizens and 70% of businesses in the EU use online public services.



- 4 Better use of ICT tools to develop e-procurement, e-invoicing, the use of e-signatures and e-ID across borders, and cloud computing for public services.
- 5 Despite a slightly more positive outlook on the PPP market compared with previous years, it is clear that the opportunities and possibilities that PPPs can offer still need to be better promoted, notably by creating more public awareness and offering more guidance and training to public authorities responsible for public tendering.

RECOMMENDATIONS

Especially in times of increased pressure on public budgets, Europe can gain a lot from stronger cooperation between the public and private sectors in the delivery of more efficient and cost-effective public services. In this context, BUSINESSEUROPE recommends to:

- 1 **Promote a holistic culture in the management of public services and infrastructure** that focuses on result-oriented strategies, performance and innovation, including through better use of ICT.
- 2 **Facilitate and encourage the setting-up of PPP structures** at cross-border, national, regional and local level, that focus on delivering results through performance targets, delivering better and more efficient public services.
- 3 **Ensure transparency and fair treatment** of private operators in the delivery of public services through open and competitive tenders. This includes ensuring equality of access to European or national funding for public authorities regardless of how they organise the provision of public services, i.e. through a public or private entity.
- 4 **Make better use of EU and national financial means to promote PPPs.** Use the European PPP Expertise Centre (EPEC) as a platform to identify obstacles to the implementation of partnerships and ensure close dialogue with the private sector.
- 5 **Exchange best practices between the public and private sector.** This includes offering guidance and training programmes for Europe's civil servants to enhance their capabilities in working with PPP contracts and public tendering, for instance through the EPEC.

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