

GENERAL INTRODUCTION

1. GENERAL CONTEXT

One morning when I woke up, I got into the shower to take my morning bath. I turned on my faucet; not a drop of water came out. That's when my wife informed me that the water supply had been cut off by the water authority as part of its program to rationalize the water supply in the city of Lomé. The following month, during a professional visit to Cotonou, I sat down one evening when I got out of the office in front of the television set in my hotel room, to follow the final of the European *Ligue des champignons* ("mushroom league") cup. Imagine my surprise to see a sudden power cut. When I asked, the hotel reception informed me that it was city-wide. The following week, I found myself in Bamako for a two-day association congress. During this stay, it was impossible to communicate through the internet. A month later, I went to the airport in Ouagadougou for a business trip to Senegal. As we were about to board, we were informed that the flight had been postponed for technical reasons related to the plane that was to make the flight.

These examples are indicative of the difficult living conditions faced by households and populations in developing countries, especially in sub-Saharan African countries. They reflect both the lack of infrastructure and the poor operating conditions of the existing infrastructure. These living conditions are still abysmal for populations living in semiurban and rural areas,

deprived of basic socioeconomic infrastructures: water and sanitation, electricity, transport, basic education, health. These living conditions, which border on precariousness, are likely to get worse with the population explosion in the countries concerned. Indeed, these countries face economic difficulties, government budgetary constraints, and a scarcity of public financial resources. Despite these countries' good intentions to develop investment programs to improve the living conditions of their populations, these obstacles hamper their willingness to develop infrastructure, both qualitatively and quantitatively.

Faced with this existential situation, several solutions have been recommended both by the literature in the human and social sciences – including public economics and management sciences – and by specialists in socioeconomic development issues, such as international development institutions and the ministries in charge of finance, the economy and development in developed and developing countries. These include all forms of association bringing the public and private sectors together to design, finance, build, operate or maintain public utility or general interest infrastructures. Known by the term public-private partnership (PPP), these associations have been expanding rapidly in Africa, particularly in sub-Saharan Africa, since the late 2000s and early 2010s. All countries are interested in them. Not a day goes by without national or international media coverage of PPPs. Thus, PPPs have become a fashionable phenomenon, used at every turn to solve the thorny problem of the construction and financing of infrastructure.

The developments described above represent a simplified conception of PPPs as experienced by the average person. They give a clearer picture of a topical issue that is gaining momentum over time. One is then tempted to ask whether PPPs are a myth or a reality aimed at improving the living conditions of households through the construction of quality infrastructure accessible to all. This question is well founded on the one hand, because of the extreme poverty of households and their living conditions at the limit of humanity, and on the other hand, because of the scarcity of financial resources to finance infrastructures, especially public utilities. Moreover, the Conference of Heads of State and Government of the West African Economic and Monetary

Union (UEMOA) has taken up the subject of PPPs by inviting the Union's executive bodies to reflect on them.

2. RESEARCH PROBLEM

In view of the above, it seems more than appropriate to question the conceptual and pragmatic foundations of PPPs. Where do they come from? Why are governments in developing countries interested in them? Do they contribute to solving the thorny issue of infrastructure construction and development to help get African countries out of their precarious state?

This is how we became interested in the issue of PPPs. We addressed it in the course of the Executive Doctorate in Business Administration program of the Business Science Institute in Luxembourg (BSI), a doctoral program that is the result of a collaboration between the BSI and several public and private universities, including Université publique Jean Moulin Lyon III (France). The research topic was the following: the impact of financial and ownership structure on the overall performance of PPP projects in UEMOA countries.

Far from wishing to present the whole thesis in this book, we have extracted those parts that are likely to be of interest to the general public and to generate a great deal of debate. These portions report on the issue of PPPs in relation to their performance by drawing on (i) the results of a sample of 29 PPP projects financed by multilateral development banks in Africa, and (ii) the assessment of the process of building a regional PPP initiative initiated within UEMOA at the request of the highest authorities of this Union. Specifically, the study was conducted on the basis of primary and secondary data. The primary data come from an online user satisfaction survey of 29 PPP projects in various sectors in seven countries of the West African Economic and Monetary Union.

Thus, this book offers the advantage of reflecting on a current issue, that is, how to finance projects by means of a public-private partnership that can satisfy all partners: private, public and users. This is a question that affects African countries, but which can also be asked of developed countries that have

a constantly increasing public debt. Public authorities are now faced with the problem of dwindling resources and growing financing needs to meet strong societal demand for public services and infrastructure. Therefore, the key issue is to build the most appropriate financing instrument for this situation and to find the optimal organizational form to respond to this dilemma. Faced with this problem of a poor match between resources and financing needs, the intervention of the private sector can represent an alternative solution for raising private resources for the construction of public infrastructure. However, the heart of the question is the definition of the financing instrument and the form of organization.

Throughout this work, the African context of PPPs, particularly in the UEMOA countries, is well explained and illustrated. The choice of the field (geographical area of UEMOA countries) reinforces the originality of the work and highlights the relevance of the research question. This makes it possible to understand the failures and successes of the various African initiatives in infrastructure financing.

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This study, which is strongly field-based and ends with the issuance of detailed managerial recommendations, is part of an action-research project and aims to produce actionable knowledge, an essential characteristic of DBA research work.

Through this research and the question of the combination of public infrastructure financing with private management, this book launches a topical managerial debate. The results obtained shed useful light on the construction of PPPs. A number of operational managerial recommendations are made at the end of the book. It therefore allows the reader to make a personal assessment of the results of the implementation of PPPs in UEMOA, while answering the following question based on the feedback received: Are PPPs a myth or a reality?

3. OUTLINE OF THE STUDY

This study is presented in two parts. The first part deals with the research problem, governance, environment and theoretical framework related to PPPs. It is divided into three chapters.

General Introduction

The first analyzes infrastructure financing, evaluation and governance of public policies, including PPPs. The second chapter focuses on the PPP environment in general and more specifically in the UEMOA region. The third chapter examines the conditions for financing PPPs within this area.

The second part of the study, which contains two chapters, is devoted to the presentation and discussion of the results and managerial recommendations. To this end, the first chapter presents and discusses the results of the study. The second chapter summarizes the results of the thesis that may be of interest to a wider audience concerned with the issue of policy evaluation results and formulates managerial recommendations based on the knowledge generated.