

## The Chair « *Economie des Partenariats Public-Privé* » Sorbonne Graduate Business School– IAE of Paris 1 Sorbonne



**Professor Stéphane SAUSSIER**  
**Head of the Scientific Board of the Chair EPPP**

The Chair « *Economie des Partenariats Public-Privé* » is the fruit of long discussions between Sorbonne Graduate Business School – IAE and Suez Environnement, one of the world leader companies for water and waste management. Together, they had the willingness to create a Research Centre dedicated to the study of public-private arrangements. Indeed, the provision of public services (such as water distribution and sewerage, urban transports, education, infrastructure, waste treatment) has been the subject of much transformation and debate for the past twenty years. This is the case for both developed and developing countries.

The strong financial constraints borne by local and national public authorities have led to the development of public-private partnerships for projects requiring high investment levels. The current financial crisis has

strengthened this trend.

In the meantime, we observe that ideological debates often cloud the issue of the real economic opportunity and desirability of public-private arrangements. These dogmatic views drive diametrically opposite recommendations for public service provision from “fully public” to “systematic PPPs”.

Whereas the issue of public-private partnerships (in the widest sense of the word, public-private partnerships include concessions, lease contracts, PFIs and French “*contrats de partenariat*”) has been relatively neglected by the scientific community, there is a recent increasing interest for this subject. Researchers can rely on more and more data and feedbacks, and their investigations have enabled to increase the knowledge on this issue. The practices of central and local authorities as well as private parties are now much better understood.

On the theoretical side, several tools in the field of Contract Theories and New-Institutional Economics have been developed to provide a sound economic analysis of public-private arrangements. Most of the existing works are essentially theoretical and they focus on the determinants of the choice of arrangement to provide public services.

Researchers of the *Chaire Economie des Partenariats Public-Privé* use both theoretical and empirical approaches. Thanks to the collaboration of practitioners and academics, the *Chaire Economie des Partenariats Public-Privé* will pay particular attention to the execution of PPP projects and their evolutions, to make them sufficiently flexible so that they can adapt a very complex and changing environment. The evaluation of the efficiency of these contracts is also of high-priority in our road map.



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### **The issues raised by the Chair EPPP**

The E-PPP Chair adopts an approach of global analysis of public-private partnerships. Several questions are tackled in the works of the team:

- The advantages and limits of public-private partnerships
- The evaluation of PPPs performances, compared to traditional public provision.
- The strategic choices of public and private actors.
- The advantages and limits of the different procurement solutions for PPP contracts.
- The issues raised by the execution and adaptation of PPPs.
- The impact of the institutional and regulatory framework on the management of public services
- The contractual design of public-private partnerships.





## The founding companies

*Suez environnement and la Lyonnaise des Eaux*

## The other partners



## The output of the Chair

The Chair "*Economie des Partenariats Public-Privé*" aims at producing knowledge and tools to help decision makers. The objective is to progress in the understanding of public-private partnerships and their efficiency properties. Thus the principal scientific output of the *Chaire Economie des Partenariats Public-Privé* will be diffused through the publication of academic articles.

In order to adapt this production to the expectations of the practitioners implied in such partnerships, the researchers will also schedule regular events to make the different PPP actors and researchers come together through quarterly breakfast-seminars, seminars, workshops and annual international conferences.



## The structure of the Chair

The Chair « Economics of PublicPrivate Partnerships » of Sorbonne Graduate Business School- IAE is a group of researchers who work together to progress on the challenges of the Chair. They also consolidate the links with other institutions and researchers who are not permanent members of the Chair.

### Scientific Board

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### Scientific Board;

The Scientific board meets once a year to decide and validate the guidelines of the Chair EPPP.

## Some Recent Publications

- De Brux J., « The Dark and Bright Sides of Renegotiation: An Application to Transport Concession Contracts », *Utilities Policy*, 2010, vol. 18, p 77–85
- Saussier S., C. Staropoli, A. Yvrande, « Public– Private Arrangements, Institutions, and Competition: When Economic Theory Meets facts », *Review of Industrial Organization*, 2009, vol. 35 (1-2), p 1– 18
- Desrieux C., « Owner or Holder? A Critical Study of Property Rights in Public Services », *Journal of Institutional and Theoretical Economics*, 2009, vol. 20, p 230–249
- Amaral M., S. Saussier, A. Yvrande, « Auction Procedures and Competition in Public Services: the Case of UrbanTransport in London and France », *Utilities Policy*, 2009, vol.17, p 166 –175

