

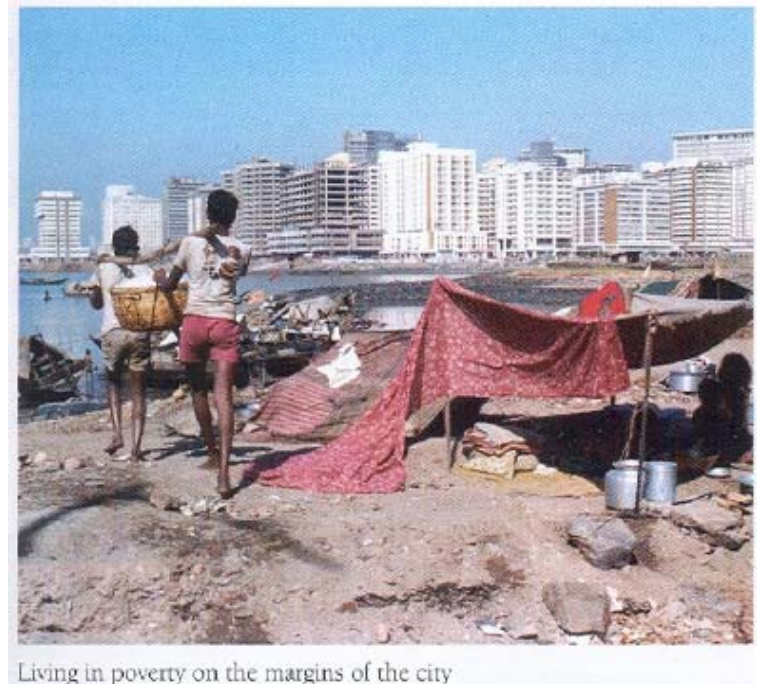
Cooperation conference
Thursday, March 13th 2008

Public Private Partnerships

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Professor, EPFL

Structure of presentation

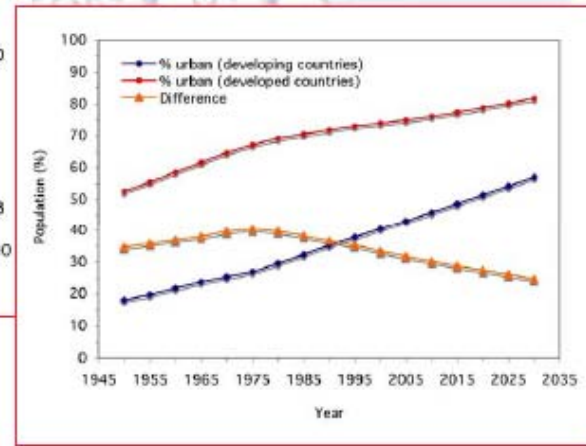
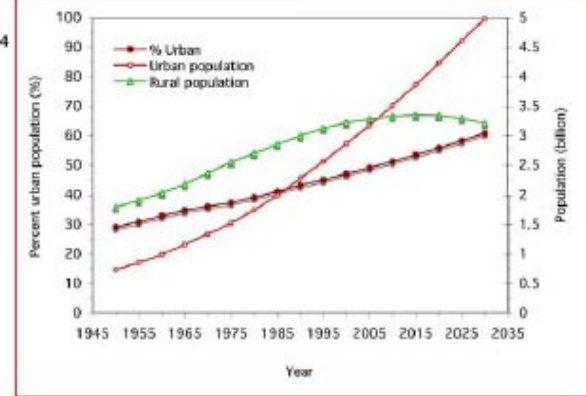
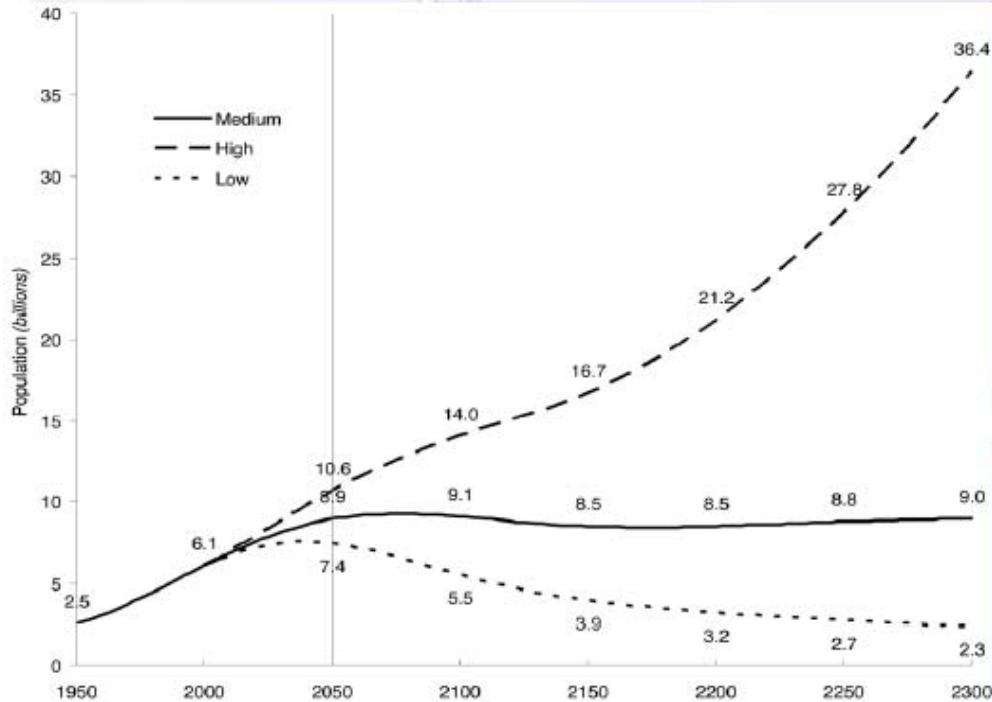
- Cities in the South
- The evolution of cooperation
- Public Private Partnerships
- Conditions for success



Living in poverty on the margins of the city

Global Population Growth and Urbanization

- A Historic Turning Point



- ❖ Humans are turning into an urban species!
- ❖ Almost all future population growth will occur in urban areas.
- ❖ Rural populations have essentially stopped growing.
- ❖ Most future population growth will occur in developing countries.

Cities in the South

Interval	Class	1950		1980		2010	
		No.	%	No.	%	No.	%
< 1m	0	399	82.3	247	50.9	22	4.5
1m – 2m	1	52	10.7	143	29.5	257	53.0
2m – 4m	2	22	4.5	61	12.6	130	26.8
4m – 8m	3	10	2.1	19	3.9	49	10.1
8m – 16m	4	2	0.4	14	2.9	20	4.1
> 16m	5	0	0.0	1	0.2	7	1.4

Note: m refers to million persons

As is well known, the 485 metropolises are distributed around the world somewhat unevenly. The numbers of places (in the full data set) on each continent are as follows: Africa, 45 [9.3% of the total]; Asia, 245 [50.5%]; Europe (including all of the former USSR), 70 [14.4%]; North America, 73 [15.1%]; Oceania, 6 [1.2%]; and South America, 46 [9.5%]. In 1950, Europe contained cities that were on average the most populous (1.6 million), but by 2010 the South American cities should be on average the largest (3.3m).

Source: Mulligan & Crampton (2005)

485 metropolises:

Asia: 245

N. America: 73

Europe: 70

S. America: 46

Africa: 45

Oceania: 6

Challenges:

-Transport

-Water & sanitation

-Energy

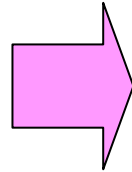
-Health

-Security

The evolution of “cooperation”

ODA/cooperation

Small scale
Rural
The poorest
Local communities
Cheap

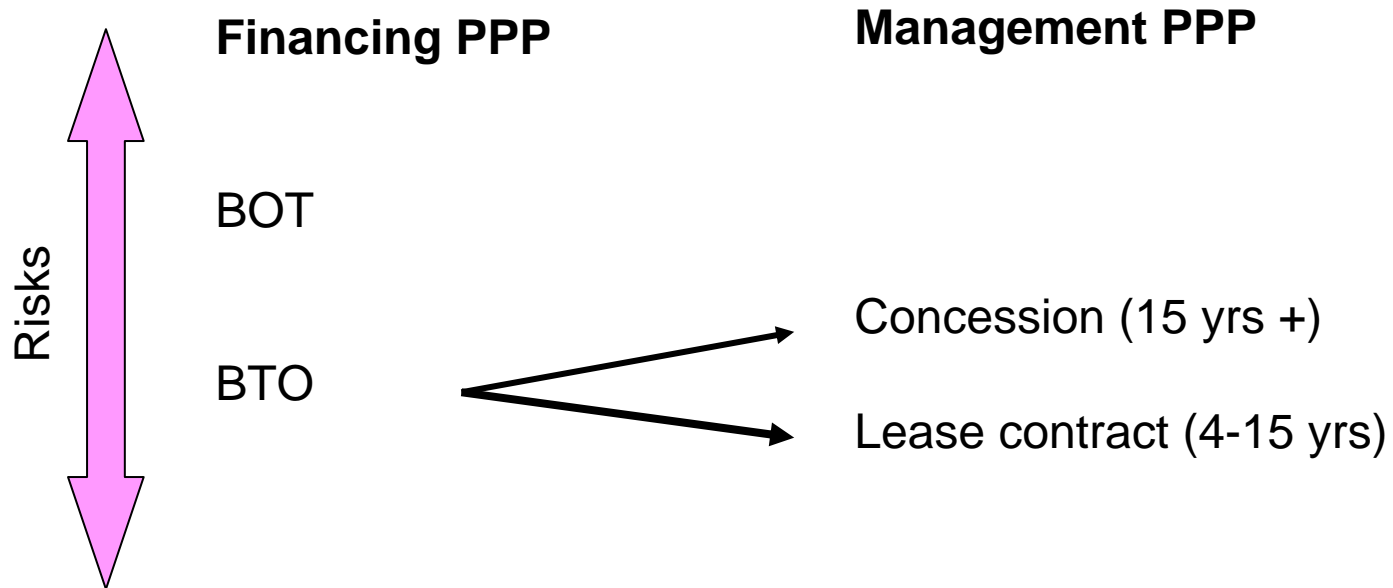


Infrastructure development

Metropolises
Urban
Emerging
Individuals, municipalities
Costly, investments

Expenses on public infrastructures
in the next 20 years: 15 bio. Euros
-Asia: 6 bio, Europe: 4 bio
-Water: 6 bio, transport, energy,
health 3 bio/each

Public Private Partnerships (PPP)

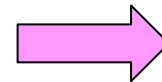


Investment needs (global):

- Water: x43
- Health: x10
- Energy x6
- Transport x4

Conditions for success

Good governance
Regulation
Legal security
Institutional capacity
→ Reduce uncertainty



Financing follows
as demand is there



Development
assistance



Institution building
Regulatory reform

... but at which level?