

Public-Private Partnerships – PPP

Strategic alliances

The PPP programme was initiated in 1999 by the German Federal Ministry for Economic Cooperation and Development (BMZ) and is implemented by the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH.

In development partnerships, also called public-private partnerships (PPPs), public and private partners join forces to realise projects that are profitable and have a development-policy benefit in developing, more advanced and transition countries. The parties share responsibility, costs and risks equally. Thus public and private partners combine their individual strengths, helping to promote development in the partner countries and make sustainable improvements to people's living conditions.

Strategic alliances go one step further.

GTZ enters into strategic alliances with German/European companies or business associations to initiate particularly broad-based projects.

They are therefore usually supraregional; they may cover entire sectors throughout the world and follow a multi-stakeholder approach to bring together a variety of actors from trade and industry, government and non-governmental organisations, and other national and international organisations.

When does a PPP become a strategic alliance? The criteria.

In addition to the general PPP criteria of complementarity, subsidiarity, fair competition, own input and compatibility with the German Government's development-policy directives, strategic alliances must meet also additional criteria. If a project meets a total of at least six of the criteria listed here, at least two of which must be quantitative ones, it has the potential to be a strategic alliance.

Quantitative criteria

- The project has a supraregional focus and is implemented in at least two countries (or in at least two regions in Brazil, China or India).
- At least two private partners play a key role in implementing the project.
- The total volume of the project is at least EUR 750,000.

Qualitative criteria

- The development-policy significance of the project is higher than average, and the project is of a pilot nature, acting as a "lighthouse".
- The project gives actors on the meso and macro level an important role to play, and thus generates above-average structure-building and sustainable results.
- The project follows a multi-stakeholder approach.
- The project has a broad-based impact and generates positive results for large sections of the poor or disadvantaged population.
- The project is highly innovative.
- The project has the potential for replication and serves as a best practice.
- The project is linked to a priority area of bilateral technical cooperation in at least one partner country.



Strategic alliances are as varied as they are effective, ranging from the introduction of minimum ecological and social standards for cotton production in Africa and the development and dissemination of microinsurance for poor population groups in Asia to the preparation of guidelines on the disposal of special waste worldwide.

Aid by Trade Foundation: Cotton Made in Africa

This strategic alliance is improving the livelihood of many thousands of small-scale farmers by introducing an environmentally and socially sustainable production standard for the cotton industry in sub-Saharan Africa. Various large textile companies have teamed up to promote the demand for cotton made in Africa. This partnership is actively including the farmers, the private sector, civil society and the public sector and is contributing to environmentally, economically and socially sustainable development of the cotton sector in sub-Saharan Africa. It guarantees the companies access to a major raw material and gives the farmers important opportunities for work and income.

Allianz AG: Social security for the poor

Allianz AG, the United Nations Development Programme (UNDP) and GTZ have joined forces to develop microinsurance products for poor population groups in India, Indonesia and Laos. This means that they can insure themselves against social risks at very low premiums. The partnership is of great benefit both for the population and for the company: Insurance models are created that cost the insured only a few euros a year, and the insurance companies gain access to important future markets.

Holcim AG: Guidelines on waste recycling

In cooperation with Holcim AG, a leading supplier of cement, building materials and concrete, GTZ has prepared internationally recognised guidelines on the energy recovery of waste and special waste in cement production. The guidelines are being implemented in Mexico, Chile, Morocco and the Philippines, for example. In addition to technical requirements and safety regulations, key elements of these guidelines include information on emission limit values and steps to follow in approval procedures.

GTZ's services

- Together, we develop a project concept and support you throughout the entire project implementation.
- As an unbiased development cooperation organisation, we mobilise our networks and contacts to governments, authorities and NGOs.
- We contribute our sectoral, intercultural and management know-how drawn from many years of experience in development cooperation worldwide.
- In addition to technical expertise, we also help meet the project costs in the partner country.

Do you require further information or have an idea?

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