



UNIVERSITÄT
ERFURT



WILLY BRANDT SCHOOL
OF PUBLIC POLICY

AT THE UNIVERSITY OF ERFURT

**Prof.
Philippe
Burger, PhD**

**Public-Private
Partnerships,
the Financial
Crisis and the
Government
Response**

The seminar investigates the impact of the global financial crisis on public-private partnerships (PPPs), government responses, and the circumstances under which providing support to new and existing projects is justified. Based on country evidence, cost of and access-to-finance are found to be the main channels of transmission of the financial crisis, affecting in particular pipeline PPP projects. Possible measures to help PPPs during the crisis while preserving value-for-money include contract extensions, output-based subsidies, revenue enhancements and step-in rights. Governments also responded by increasing project credit delivered through state-owned banks. To limit government's exposure to risk, while preserving private partner's efficiency incentives, intervention measures should be consistent with the wider fiscal policy stance, be contingent on specific circumstances, and be adequately costed and budgeted. Governments should be compensated for taking on additional risk.

Philippe Burger is professor of economics and head of department at the University of the Free State, South Africa. He finalised his PhD in 2001 and subsequently received the 2002 Founders Medal of the Economic Society of South Africa for the best PhD completed at a South African university.

Public Guest Lecture

June 28, 2010

4:00 pm

**Nordhäuserstr. 74,
Building 39/0114**

University of Erfurt

Willy Brandt School of Public Policy

Sebastian Dworack ♦ 0361/737-4933 ♦ publicpolicy@uni-erfurt.de ♦ brandtschool.de