

Paving the Way for PPP's to Infrastructure Projects in Iraq

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ABSTRACT

The political situation experienced by Iraq before the events of 2003 that led to the collapse of infrastructure. rebuilding costs were estimated after 2003 by 187 (million USD) according to the estimates of the basic needs as stated in Five-Year Plan 2010-2014. The difficult in financing projects and the continuous demands for maintenance and operating cost, and working by contemporary styles in different countries, the strategic option is to adopt the government entering the private sector as a partner in the development process. Since public-private partnership (PPP's) is at a germinating stage of development in Iraq, it has been studied the critical success factors (CSF's) in the experiences of countries that have implemented the style (PPP's) in infrastructure projects which can be ensured or controlled in some way and in the effective management of those already embarked upon. It should pave the way for enhanced decision making in the choice of suitable projects. The mainly aims of this paper are:

- 1- To highlight the importance and need of PPP's contracts in Iraq.
- 2- Establishing a model of CSF's for infrastructure projects in Iraq. collected (87) success factors which characterized by the state directly in PPP's projects consists of (8) main criteria (Privatization and investment Policy, Economical, Legal and political, Financial and commercial, Administration and organizational, Social and environmental, Technical and Support, motives and guarantees of government) and found out (40) CSFs among them through questionnaire experienced in these projects to work to assess the standards and compare them and come to decisions by the decision maker, and therefore have a database of views experienced for use in other projects.

Keywords: public private partnerships (PPP's), infrastructure projects, investment tendencies critical success factors (CSF's), decision making

تمهيد الطريق لمشاركة القطاع الخاص للعام في مشاريع البنى التحتية في العراق

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الخلاصة

بسبب الاوضاع السياسية التي مر بها العراق قبل احداث 2003، والتي ألت الى انهيار البنى التحتية، تم تقدير تكاليف اعادة الاعمار بعد عام 2003 بـ 187 مليار دولار، وفقا لتقديرات الاحتياجات الاساسية كما ماورد في الخطة الخمسية 2010-2014. في ضوء هذه المتطلبات المتزايدة ومايصاحب ذلك من صعوبات في تمويل هذه المشاريع والتكاليف المستمرة للتشغيل والصيانة. وعملا بالاساليب الحديثة في مختلف بقاع العالم، فان الخيار الاستراتيجي هو تبني الحكومة دخول القطاع الخاص كشريك في عملية التنمية. تعتبر تجربة مشاركة القطاع الخاص للعام (PPP's) في العراق ضمن مرحلة النمو، فقد تمت دراسة عوامل النجاح الحرجة في تجارب الدول التي طبقت اسلوب PPP's في مشاريع البنى التحتية التي من الممكن ان توفر بصورة افضل تأثيرا اكبر على نجاح مشاريع الشراكة والتي من الممكن ان تضمن او تسيطر على الادارة الفعالة لنجاح هذه المشاريع لاجل تمهيد الطريق لتحسين اتخاذ القرارات المتخذة لاختيار المشاريع المناسبة التي من الممكن ان تنفذ بهذا الاسلوب، وتتضمن اهداف البحث بصورة رئيسية، مايلي:-

1- ابراز الاهمية المطلوبة لادخال مشاريع البنى التحتية تحت نمط مشاركة القطاع الخاص للعام(PPP's) في العراق.
2- تاسيس نموذج لعوامل النجاح الحرجة لمشاريع البنى التحتية في العراق.اذ تم جمع (87) عامل من العوامل الاساسية التي يجب ان تتميز بها الدولة للمباشرة في مشاريع المشاركة مقسمة الى (8) معايير رئيسية (سياسة الاستثمار والخصخصة، اقتصادية، قانونية وسياسية، مالية وتجارية، إدارية، اجتماعية وبيئية، تقنية وفنية ومعايير الدعم والحوافز الحكومية)، واستنتاج(40) عامل من عوامل النجاح الحرجة من خلال معرفة مقدار الاهمية لهذه المعايير الرئيسية وترتيب اولوياتها من خلال استبيان ذوي الخبرة في هذه المشاريع لعمل التقييم والمقارنة بينها والخروج بالقرارات بواسطة متخذ القرار، وبالتالي يكون قاعدة معلوماتية لاراء ذوي الخبرة للاستفادة منها في مشاريع اخرى.

1. INTRODUCTION

The criticisms of the traditional method of procurement are known and documented in many literatures and researches. Such issues include delay in time, cost overrun, lack of single point responsibility, tendency to adversarial relationships, lack of utilization of construction knowledge, backwardness in innovation, among others. The private sector in the world is increasingly getting more involved in the provision of public infrastructure and services across a wide range of industries and sectors in order to alleviate the spending on governments' budgets. Over recent years the interest in adopting public private partnerships (PPP's) has increased internationally. Many research studies have presented positive reasons for the governments and the private sector to welcome this form of procurement, rather than continue adopting the traditional options. A PPP's can provide a number of benefits to the public sector such as:

1. Speedy, efficient and cost-effective delivery of projects;
2. Creation of added value through synergies between public sector and private sector, in particular, through the integration and cross-transfer of public and private sector skills, knowledge and expertise;
3. Alleviation of capacity constraints and bottlenecks in the economy through higher productivity of labor and capital resources in the delivery of projects;
4. Competition and greater construction capacity;
5. Accountability for the provision and delivery of quality public services;
6. Innovation and diversity in the provision of public services; and
7. Effective utilization of state assets to the benefit of all users of public services.

2. IRAQ INVESTMENT TENDENCIES AFTER 2003

Encouraging private sector for the good deed in economical development will reduce the burden left on state shoulders and will contribute to attract more unemployed hands through achieving more economical bases variations. After the 2003 war, several laws went into effect improving Iraq's business environment and changed the legal regime attracting foreign investment and allowing foreign investors national compliant treatment. The following are the Iraqi investment tendencies after 2003.:-

2.1 Constitution of Iraq 2005(al-Waqā'i 'al-'Irāqiyah,2005)

The most important state investment tendencies in Iraqi new constitution(2005) which concerns with these issues that comes in the constitution articles with direct touching in organizing the economical affairs ,which concentrate on the investment issue especially in the following:

Article 112-second: Refers to (depending on new marketing technical principle encouragement of investment, because by changing the economical order from socializing to capitalizing and encourage the adventure towards marketing economics spontaneous stricter through the offer and demand ways).

Article 111: Oil and gas dominated by the Iraqi people to all regions and governments; the fortunes is owned by the government to people; the state view has changed in possessing the natural fortunes from the state possessing to people possessing.



Article 25: Iraqi state guarantees reforming its economic according the modern economical foundation, which ensure its full sources investment, varying its sources, encouraging special sector and developing it.

Article 26: Iraqi state guarantee encouraging investment in different sectors, and organized by law, the investment will be according to marketing economics, so that the state will take the investment supporting role which will complete through especial sector not the investor role.

Article 23: The special possessive reserved by low and the owner has the right to get benefit by his possessing and uses it and disposal it.

Article 23-second: It is impossible to take the property dispossess of the owner by force except in general benefit (public fair) benefits in opposite to fair compensation.

Article 23- third: Iraqi has the right to possess any thing every where in Iraqi land.

Article 24: Special and local education is guaranteed and organized by role.

2.2 Iraqi Investment law I.I.L.(, al-Waqā'i 'al-'Irāqiyah,2006)

Iraqi parliament gives the agreement on the (I.I.L) NO.13 2006 on October, and becomes valid from January 17-2007, this law encourages both local and foreign private investors to invest in the country and which protects investors' property rights. The investments do not include investment less than 250 000 USD and awards fundamental privilege and guarantees include:

1. Exempts approved investment projects from certain taxes and fees for at least 10 years;
2. Allows investors to repatriate investments and profits from investments ;
3. Allows investors to rent or lease land for the whole period of an investment project,
4. Allows investors to insure projects with any national or foreign insurance company;
5. Permits investors to open accounts in Iraqi or foreign currency or both at Iraqi banks or at banks outside Iraq.

2.3 International convention action with Iraq(2007)

In May 3rd _2007 the prime minister (Noori Almaliki) has released and the united nation secretary general (Ban Q Mun), the international convention action with Iraq in Sharm Alsheikh, this convention is an action released by Iraqi government aims to hold new partnership between Iraq and international community, the purpose of this action to achieve national vision to Iraq aims to support peace and to achieve political, economic and social development through coming five years, it has been taken the investment and reformation program in details. the aims of the development of private sector and encouraging investment are:

1. To create a suitable environment for private investment and to find work chances.
2. To confirm sovereignty of law in financial and commercial fields.
3. To develop the justice system and law abilities in this field to ensure protection for private ownership and credibility of contracts.
4. To a plicate investment law and to issue and a plicate a new commercial law.
5. Improve and facilitate establishing commercial works, workers employment property registration, gaining loans, dealing with license and over boarders' trade, ,
6. Improving finance for private sectors, especially for small and medium companies. Including loans assurances, good aspects of finance including small and medium companies ,
7. Listing lawful texts within the legislation and instructions of general contracts to encourage public private partnership.
8. Joining the economical cooperation and investment organization for Middle East and North Africa which are interested in private sectors and encouraging investment.



2.4 National development strategy in Iraq (2010-2014)

It displayed the preferences strategies to rebuild and develop Iraq, we fixes the goal for the purpose of achieving the fundamental national view in regaining Iraq its suitable rank in the international community as continental economical flourish power, opened on all marketing economics. Under chapter 11, the Objectives and Means of Achieving the vision "An interactive, participatory, and competitive private sector that supports sustainable growth, are:-

Objective1: Enhancing the Private Sector's Developmental Role:

1. Increasing its percentage contribution in gross domestic product generation and capital formation.
2. Increasing its percentage contribution in job creation by the scope of the private sector.
3. As private sector savings are key sources for funding plan projects,
4. Making the private sector a source for diversification of commodity supply using the method of private integrated industrial Complexes.

Objective2: Partnership between the Private and Public Sectors:

1. Determining the forms of partnership and choosing the most appropriate,
2. Legislating and activating a privatization law.
3. Establishing support for technological projects and expanding their adoption.

Objective3: Promoting an Environment that Encourages Investment:

1. Adopting flexible policies that respond to local and international economic changes.
2. Expanding establishment of economically feasible shareholding companies
3. Completing the law and regulation system that supports the private sector and the economy
4. Developing banking systems, capital markets, and lending plans
5. Updating economic regulations that support a market economy,
6. Relying on transparency as the basic premise for building the investment relationship between the private sector and the state
7. Developing the government institutions' capabilities,

Objective4: Privatizing of Public Sector Projects

1. Developing the Iraqi stock market from an administrative, technical, and technological perspective.
2. Instituting a flexible and transparent privatization law that protects state and worker rights,
3. Offering stocks for public subscription ,
4. Providing workers with a portion of the shares of the companies sold

Objective5: Developing the Banking Systems and Supporting Financial Institutions

1. Liberating interest rates and exchange rates and reducing restrictions on the flow of capital
2. Developing financial risk management technologies and systems to mitigate the impacts of said financial risk
3. Revitalizing private banks to promote the effectiveness of the private sector's financial transactions
4. Strengthening banking systems' technical and guidance roles to provide support and financial advice to private sector investors.

Objective6: Developing the Private Sector's Competitive and Export Capabilities

1. Examining potential export markets and creating a database thereof
2. Completing the export infrastructure consisting of cold storage, cargo shipping...etc,
3. Focusing on quality, packaging, and marketing,
4. Orchestrating extensive marketing campaigns in regional and international markets,
5. Developing business partnerships with the various economic blocs to enhance trade,

Objective7: Strengthening the Private Sector's Role in Regional Development

1. Distributing roles between the state and province on the one hand, and the private sector on the other hand
2. Promoting decentralization in the management of development facilities,
3. Activating the private sector's role in developing slow-growing provinces,
4. Encouraging the private sector to participate in province development plans.

2.5 Infrastructure law in Iraq

The draft has been put in 2009 in order to do the strategic projects execution like (ports, hospital and rebuilding the establishment and substructure of vital projects) which effect on social and economical life .The costs of achieved projects must be paid for the execution companies during not more than five years from handing the project over date, or any agreed period not less than five years .in order not to bear debts of the execution projects the law limits of sum of the contracts by 70000 million dollars .establishing the infrastructure raise the projects economical value, which represent their production and their services an opening to infrastructure projects and to the projects stand its production on the services which supplied by the infrastructure.

Never the less this law does not appear for reasons for other side concerning:

1. Open the corruption and wasting funds.
2. Drowning Iraq into debts.

The international development studies center reveal (in London)that infrastructure law in Iraq will contribute to increase the Iraqi exhausted economy burdens with debts and interest without any guarantees protect Iraqi people development rights.

3. INVESTMENT ENVIRONMENT CHALLENGES IN IRAQ

In spite of present investment environment distinguished, especially by investment law (2006), containing many of necessary motives, but the challenges still face the investors are:-

1. inflexibility of administration state in required interaction and the absence of working by one window, in addition to that ,there are miscellaneous items approved represented by discovering administration
2. Weak commercial banks, which could by high flexibility fast responsibility for investment requirement in addition to weak of insurance companies presence.

These factors contribute to make the investment environment weak comparison with other countries. When we review to surveying have done by international bank 2014 (doing business in Iraq) see **Fig.1**.The World Bank ranks Iraq 166th out of 183 countries in its "Doing Business 2011" behind even Haiti and Zimbabwe to 151th out of 189 countries in its "Doing Business 2014", and thus still indicates a very serious situation.

In particular, survey of the ease of doing business around the world, the worst ranking of any country in the Middle East., Iraq ranked 128th globally in terms of "protecting investors" and 142th in "enforcing contracts". The World Bank scored it 4.3 out of 10 on its "strength of investor protection index". The survey notes that court proceedings to enforce contracts in Iraq require 51 procedures taking an average of 520 days. By contrast, Singapore, which topped the global ranking, requires 13 procedures, which take 150 days. So we found the survey solution reflects the high hard degree in using economical activities.

Table1.showing the ranking of Iraq according to mainly ten index about starting business, Where the government administration incapable to create a suitable and encouraging circumstances to bring qualified businessmen and contractors.

It is noteworthy to compare Iraqi investment environment and ranks relative to comparator economies and relative to the regional average, see **Fig. 2**, by using the economic survey data which presented by The International Bank for Reconstruction and Development, **international**

bank,2014.we found a big difference refers to that Iraq relatively represent a difficult investment environment.

4. SITUATION OF INFRASTRUCTURE FACTS IN IRAQ

In 2010, after the new investment law was passed the private finances including investment contracts in some major infrastructure and residential projects were estimated over \$40 billion in all sectors see **Fig.3**. Since 2009 Iraq has attracted investments worth \$23 billion, **National Investment Commission,2009**.

Dr. kamal (Iraq institute for economic reform) has revealed in practical study including public sector during 2007, the negative effective factors in retardation of execution, we found in **Table2**.schedule number of factors, for example 91%of state administrations think that the negative effective factor is the late to prepare the site for working commencement. Dr. kamal has perform two studies once in 2008,and the other 2011 ,which the images doesn't differs so much than 2008 but many details about worse execution matters embodied by the following:-

A- outer factors(the factors don't affect on foundation disability) : represented by

- 1.security circumstance influences
- 2.supervision foundations standard obstacles,
- 3.absence of infrastructure projects
- 4.general budget agreement delay
- 5.Inflexible rules and arrangement.
- 6.Law domination weaker because of exceptional circumstances of political operation faces.

B- Interior factors (specialized by productive foundation for services) ,this factors lead to project delay and in consistency. Represented by:

- 1.Good leader ship required weakness implementation (decision making transparency, Depending on adequate (qualified person), Remote planning etc).
- 2.The weakness leadership reflects on technical knowledge not being found in project administration, like tender opening and analysis commission, resident engineer's directorate, disability of technical as measuring devices and laboratories..
- 3.Responsibility inducement absence and complication of administration central systems.

C- Complementary working weakness factors between different foundations. Coordination factors between different estate administrations. Its include for example:

- 1.Weakness cooperation between government administrations concerning the land designation.
- 2.Weakness of financial allowances decisions (ministry of planning).
- 3.Weakness of paying government allowances(ministry of financial)
- 4.Opening LC(Central Bank and Iraqi commercial Bank).....etc

Rebuilding costs were estimated after 2003 by 187 billion USD for the period 2010_2014 according to different economical sectors essential needs which represent maximum standard for required investment in rebuilding and saving citizen fundamental needs ,they distributed as they come according to fifth plan(2010-2014) in the following schedule, It is distributed in **Table 3**.

Through a historical look, and in light of government obligations toward inflated operating expenses, particularly in terms of the magnitude of salaries, pension payments, and expenses pertaining to security and price subsidies, the public budget can allocate what corresponds to 30 percent of these revenues to investment spending, i.e., 117,119 billion dinars or US\$100 billion. See **Table 4**.

The magnitude of investment needed to achieve the plan's target growth rate of 9.38 percent annually is 217,637 trillion dinars, or US\$186 billion. It is anticipated that development partners (the domestic and foreign private sector) will fund US \$86 billion, which will be spent in the

various fields specified by the plan, as well as other activities not set forth in the plan such as insurance, banks, and other personal services. See **Table 5**.

Government investment as well as domestic and foreign private sector investment will contribute to executing the plan's aggregate and objectives. Specifically, the government will contribute 53.7% of investment, with the foreign and private sector contributing 46.2% of investment during the years of the plan.

According to what is presented and working by contemporary styles in different countries. the Strategically chosen for rebuilding and rehabilitating the infrastructure projects in Iraq is adapted by PPP's contracts to public sectors in accordance of it, the public sector partner (regulator) agreed with private sector partner (provider) to execute the infrastructure projects according specification and limited period of time. It is necessary to use this type of contracts to develop private and public sectors inside the form of harmony (twin) between local sector and foreign sector.

5. PPP's CONTRACTS

5.1 PPP's definition

No universally acknowledged and convincing definition of PPP's exists. One cause lies in the complexity, multi-dimensionality and changeability of the concept , **Ziekow,2008**. Accordingly, various definitions are very global and embrace all forms of co-operation between public and private actors, **Ulli Arnold,2011**.

According to International Monetary Fund, **IMF, 2004**. public-private partnerships (PPP's) refer to arrangements where the private sector shares the risks by supplying infrastructure assets and services that traditionally have been provided by the government, see **Fig.4** .Partnership is a means of mobilizing the energies and talents of diverse sector of society to bring about social and economic transformation. The inter-sectoral collaboration between government, the business sector and civil society is based on the premises that partners have distinctive assets that can be combined in a more productive manner to find long lasting solutions to complex problems, **Fourie, 2006**.

5.2 PPP's forms

The World Bank and PPIAF Private Participation in Infrastructure (PPI) Project database is divided into sectors as follows ,**World Bank, 2012**..

- Energy (electricity and natural gas)
- Telecommunications
- Transport (airports, seaports, railways, and toll roads)
- Water and sewerage (treatment plants and utilities).

Within these four sectors, the database identifies four types of projects: management and lease contracts, concessions, green field projects, and divestitures. and identifies sub-categories for each of the four types of projects- the World Bank classification is depicted in **Table 6**.

1-Management and Lease Contracts - A private entity takes over the management of a state-owned enterprise for a fixed period while ownership and investment decisions remain with the state. There are two subclasses of management and lease contracts:

- Management contract - The government pays a private operator to manage the facility. The operational risk remains with the government.
- Lease contract - The government leases the assets to a private operator for a fee. The private operator takes on the operational risk.



2-Concessions - A private entity takes over the management of a state-owned enterprise for a given period during which it also assumes significant investment risk. The database classifies concessions according to the following categories:

- Rehabilitate, operate, and transfer (ROT): A private sponsor rehabilitates an existing facility, then operates and maintains the facility at its own risk for the contract period.
- Rehabilitate, lease or rent, and transfer (RLT): A private sponsor rehabilitates an existing facility at its own risk, leases or rents the facility from the government owner, then operates and maintains the facility at its own risk for the contract period.
- Build, rehabilitate, operate, and transfer (BROT): A private developer builds an add-on to an existing facility or completes a partially built facility and rehabilitates existing assets, then operates and maintains the facility at its own risk for the contract period.

3-Greenfield Projects - A private entity or a public-private joint venture builds and operates a new facility for the period specified in the project contract. The facility may return to the public sector at the end of the concession period. The database classifies Greenfield projects under the following categories:

- Build, lease, and transfer (BLT): A private sponsor builds a new facility largely at its own risk, transfers ownership to the government, leases the facility from the government and operates it at its own risk up to the expiry of the lease. The government usually provides revenue guarantees through long-term take-or-pay contracts for bulk supply facilities or minimum traffic revenue guarantees.
- Build, operate, and transfer (BOT): A private sponsor builds a new facility at its own risk, operates the facility at its own risk, and then transfers the facility to the government at the end of the contract period. The private sponsor may or may not have the ownership of the assets during the contract period. The government usually provides revenue guarantees through long-term take-or-pay contracts for bulk supply facilities or minimum traffic revenue guarantees.
- Build, own, and operate (BOO): A private sponsor builds a new facility at its own risk, then owns and operates the facility at its own risk. The government usually provides revenue guarantees through long-term take-or-pay contracts for bulk supply facilities or minimum traffic revenue guarantees.
- Merchant: A private sponsor builds a new facility in a liberalized market in which the government provides no revenue guarantees. The private developer assumes construction, operating, and market risk for the project.
- Rental: Electricity utilities or governments rent mobile power plants from private sponsors for periods ranging from 1 year to 15 years. A private sponsor places a new facility at its own risk, owns and operates the facility at its own risk during the contract period. The government usually provides revenue guarantees through short term purchase agreements such as power purchase agreement for bulk supply facilities.

4- Divestitures - A private entity buys an equity stake in a state-owned enterprise through an asset sale, public offering, or mass privatization program. The database classifies divestitures in two categories:

- Full: The government transfers 100% of the equity in the state-owned company to private entities (operator, institutional investors, and the like).
- Partial: The government transfers part of the equity in the state-owned company to private entities (operator, institutional investors, and the like). The private stake may or may not imply private management of the facility. These would not be PPPs as defined in this paper.

6. JUSTIFICATION OF PPP's IN IRAQ

We may limit these justifications as following:

- 1.The accelerating technical and economic changes which provide an opportunity for the reduction of the costs of projects.
- 2.The increasing pressures of competition and the reduction in the rates of growth.
- 3.The limitations on the financial, human resources and technology available to the public sector, in view of the multiplicity of spheres and projects which are in need of implementation.
- 4.The limitation of the financial resources allocated for social development programs, and the demands of citizens for improving the services offered by governmental institutions.
- 5.To increase the effectiveness and capabilities through adopting the principle of comparative advantage and the rational division of labor.
- 6.To support the partners by affording them complete solutions required by the nature of the problems.
- 7.To enhance decision making in the service of the public interest.
- 8.To achieve a higher value on the invested capital .

7. REQUIREMENTS OF SUCCESSFUL PARTNERSHIP FOR INFRASTRUCTURE

For countries that are new at adopting PPP's, it is even more important for them to identify the success factors in order to maximize the advantages of this method and to reduce the risks for all parties. The concept of 'Critical Success Factors' (CSF's) was first introduced by Rockart 1979, **Dada,2012**.CSF's are 'those few key areas of activity in which favorable results are absolutely necessary for a particular manager to reach his or her own goals'. Critical success elements are significantly important to help firms or organizations to identify key factors that firms should focus on in order to be successful in a project ,**Hardcastle ,2005**.

Some researchers have been conducted to identify CSF's for project success using quantitative measures of various factors. However, these factors are only confined to the project management efforts. The same approach also cannot be adopted to cover intangible factors or be used when hard performance data are not available. Alternatively, CSF's have also been identified using expert opinions. The impact of experience possessed by project key personnel toward project outcomes has been widely recognized. A comprehensive literature review to identify the CSF's of PPP's has been conducted. Relevant published literature including textbooks, research reports, journal articles, conference papers, and internet materials were reviewed thoroughly. **Table 7**, shows a summary of the analysis of these pieces of literature.

7.1 CSF's for infrastructure projects under PPP's model

To assessing CSF's for the viability of government component includes 87 significant decision factors shown in **Table 8**, grouped and classified according to relevance under eight main criteria including (Privatization and investment Policy ,Economical ,financial and commercial, legal and political, social and environmental, technical, administration and organizational and support and government incentives).

7.2 Identification CSF's for infrastructure projects under PPP's model in Iraq

A questionnaire was designed to acquire different views about the CSF's. The respondents (46) person, include government sector, private investors, and academic experts who have engaged in the PPP's projects. Experts' respondents were requested to rank these factors for success the implementing of PPP projects according to a five-point Likert scale (1 = Least Important and 5 = Most Important). By using statistical program (**IBM/SPSS,V20**), the researcher analyzed the questionnaire answers within three steps:

- 1- Making arithmetic average for factors then arrange them according to their importance.
- 2- Having the general average for factors importance according to the analysis of the questionnaire.
- 3- Limited importance and Significance indexes for factors.

The evaluation results were shown as **Table 8**. Delete those factors whose significance indexes values are less than 60% and the factors left are critical success factors. For the particular study, The researcher taking the most important five ranking factors in order to inviting government obligation to fulfill these aims and discussing the briefing description of CSFs

7.3 Brief description of CSF's

This paper has attempted to summarize the main issues surrounding the development of PPP's initiatives for infrastructure projects, and has highlighted the necessary structuring principles to strengthen the identification and analysis of that type of projects. Basing on the characteristics of CSFs for infrastructure projects under PPP's model and the viewpoints of experts during the questionnaire of this study, the priorities of CSF's in PPP's model have ranked as a key issues in five ranking under eight main criteria, are:

1- Privatization and investment Policy criteria

The government must be clearly obliged to words PPP's in development of infrastructure services. The government controls many of necessary success factors of infrastructure projects under PPP's. Nobody can participate or investor or borrower unless it without depending on the inviting government which is fixed all the project period.

the most important five Privatization and investment Policy criteria factors which The inviting government obligation must fulfill these aims:

- The country need for private sector finance and technique.
- Obvious national political for development clearly obliged the private sector participation in financing substructure projects.
- A good national reputation.
- Participation notion of people acceptance
- The government obligation in compliance with substructure projects based on PPP's.

2- Economical criteria

According to the infrastructure investment importance of national development, the government must put a work scheme for economical evaluation to make sure that better decisions are made then achieve a value for finance by using the country local sources and the foreign investment with limitation of the government participation with the project profits. the most important five economical criteria obligation must fulfill these aims:

- Multi benefit objectives.
- Economical development flourish's contribution.
- Real demands promising (perspective).
- Level of economic development.
- Public debt problem salvation and lessen deficit

3- Legal and political criteria

Whether to assess the contracting authority has the legal ability to enter into a PPP contract. The legal viability assessment should also consider the legal implications of the project in relation to existing employees, assets and contracts. Attractiveness of any PPP's projects to private sector investor depends on the way which the government treats main legal cases like carrying out contracts and private ownership ,taxes, insurance, foreign sector finance, profits they are all critical things for all foreign investment in PPP's projects. The most important five legal and political critical factors which the government obligation must fulfill these aims:



- Legal framework for realization of PPP's projects.
- Political stability.
- Expropriation.
- Government skills in PPP's projects.
- National resources and services use.

4- Financial and commercial criteria

The Development in the financial market is a great importance in attracting local and foreign investments because they make it easier for the investor access to financial resources when needed and the ability to be employed when there are assets, and they are easier for the investor out of the market with minimal losses. The most important five Financial and commercial criteria factors which the government obligation must fulfill these aims:

- Contracts execution ability ;
- Availability of foreign currencies ;
- Sufficient rules for foreigner property and company establishment;
- Efficient capital market;
- Commercial banking jobs legislation and insurance.

5- Administration and organizational criteria:

The government should establish a framework to host administratively credible and effective implementation of the strategy for PPP's successfully so that the complex bureaucratic procedures and lack of decision-making authority to managers often referred to as a serious bottleneck for operations PPP's. the effective administrative framework will greatly accelerate private sector investment in projects of PPP's. There is no management framework and perfect single for the development of all PPP's projects so that each country has its own Special administrative and special culture administrative region. the most important five Administration and organizational criteria factors the government obligation must fulfill these aims:

- Legislation suggestion and putting administration systems to activate and watching projects.
- Penetrate the bureaucratic obstacle to secure the immediate ratification and auditor.
- Limit and put priority for PPP's projects in compliance with ministries and government organization and local executive corps.
- Training of administration person to understand and value the plans of PPP's.
- Using consultative corps to check, certification, development and PPP's projects executive.

6- Social and environmental criteria

the development and implementation of most PPP's projects is a customary in traditional infrastructure projects, take a survey of social , environmental ,social impact assessment , environmental standards and characterization of environmental performance standard is particularly important. The most important five social and environmental critical factors which the government must follow to make successful PPP's projects as appeared in analysis of questionnaire are:

- Job security and achieve development implementing
- The impact of Wars and terrorism
- Private sector participation activation
- Local support from the surrounding community to the project
- Existence of environmental policies.

7- Technical criteria

This refers to the availability expertise in terms of technology, management, material, equipment and human resources to undertake infrastructure projects in Iraq. The government is seeking projects in the PPP's to increase the benefits of the PPP's projects up to the maximum for each of

them, local capacity-building and technology transfer from the project sponsors , guarantors and contractors and so the PPP's projects can formulated to provides for the transfer of advanced technology and reduce the countries' dependence developing on foreign technology and improve the self-reliance of technology they have. The most important five Technical criteria factors which the government obligation must fulfill these aims :

- The applicable technology to infrastructure projects must be aligned with national available input and with the current and expected needs of the country.
- Training and the use of national elements trainees to transfer technology.
- Cooperation between local companies and project companies to manufacture equipment.
- The acquisition and transfer of technology from sponsors.
- The use of local goods and services to insure local participation as long as it is rival in (quality, service and time table for delivering and price)

8- Support and government motives and guarantees criteria

the governments should assess the need to provide incentives support both direct and indirect in all PPP's projects almost , and vary the degree and type of support varies greatly too , depending , among other things on the country risk and the feasibility of the project and the country's need for the project and the competitive position of the Government .The most important five Support and government motives and guarantees criteria factors which the government obligation must fulfill these aims:

- Currency exchange protection.
- The host government Contributions coming from the existing assets
- Land and Facilities for other logistic made by government.
- Providing incentive and tax guarantees.
- Financial support Subsidy.

7. CONCLOTION

According to what is presented in this paper about the facts of infrastructure projects in Iraq and the tendencies of investment after 2003. the Strategically chosen for rebuilding and rehabilitating the infrastructure projects in Iraq is adapted by PPP's contracts to public sectors in accordance of it, the public sector agreed with private sector to execute the infrastructure projects according specification and limited period of time.

This paper has presented the requirements of successful partnership in Iraq, depending on the basis of reviewing relevant researches of (CSF's) in PPP's projects and local factors in Iraq and findings from a questionnaire survey including looking at the 87 previously identified CSF's for PPP's models. The significances index technique was used to identify the ranking of CSF's. The findings showed that five underlying grouped factors accounting in responses were derived from the 87 success factors. All loadings for the CSF's were greater than 60% indicating a high absolute value for each.found out (40) CSF's. thus they are especially important CSF's based on our interpretative structural model. These findings will be of help to the successful scientific decision-making of infrastructure projects in their evaluation of CSF's for PPP's projects in Iraq.

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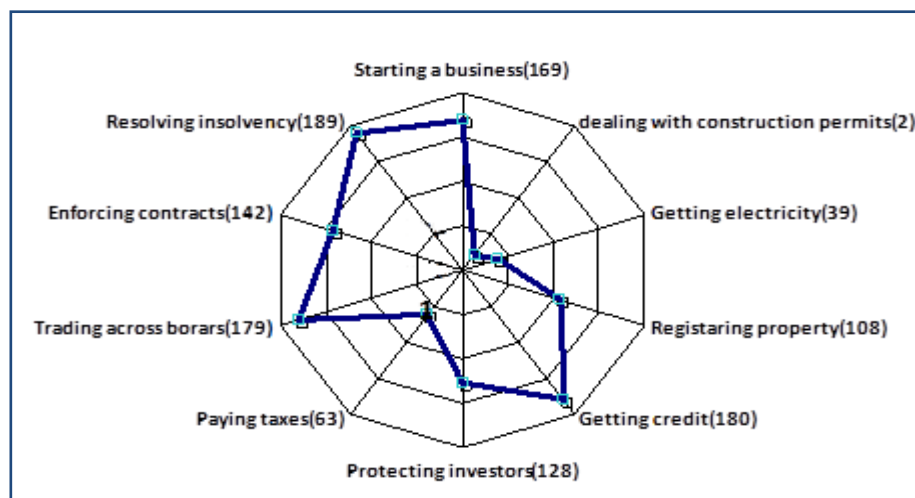


Figure 1.How Iraq ranks on Doing Business topics (doing business in Iraq 2014) .

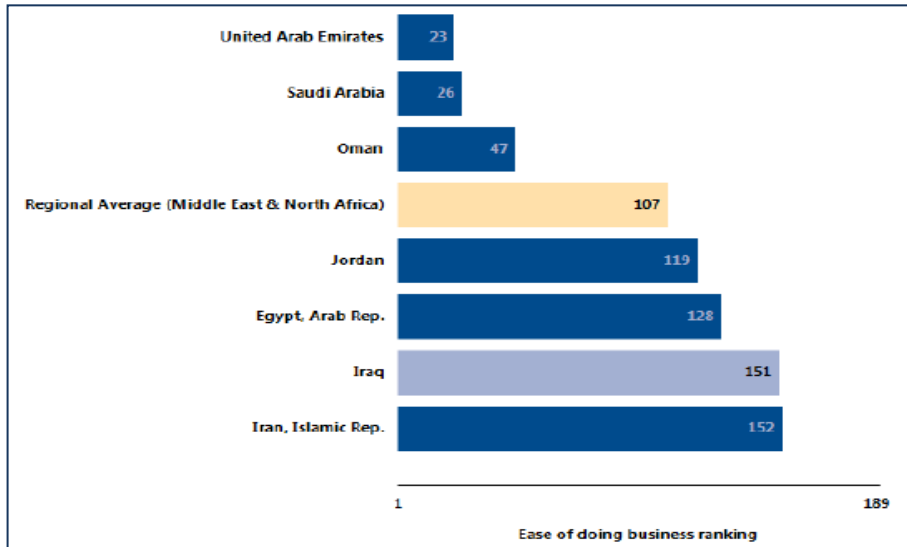


Figure 2. How Iraq and comparator economies rank on the ease of doing business.

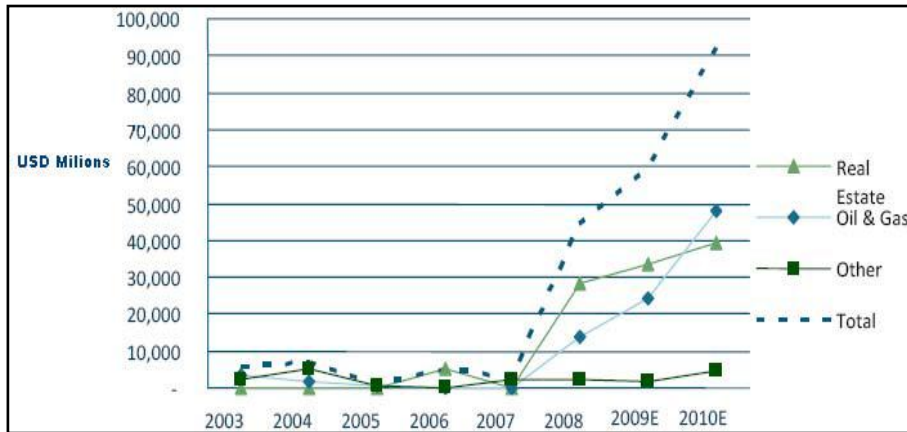


Figure 3. Investment in Iraq by sector ,Investment overview of Iraq, 2009.

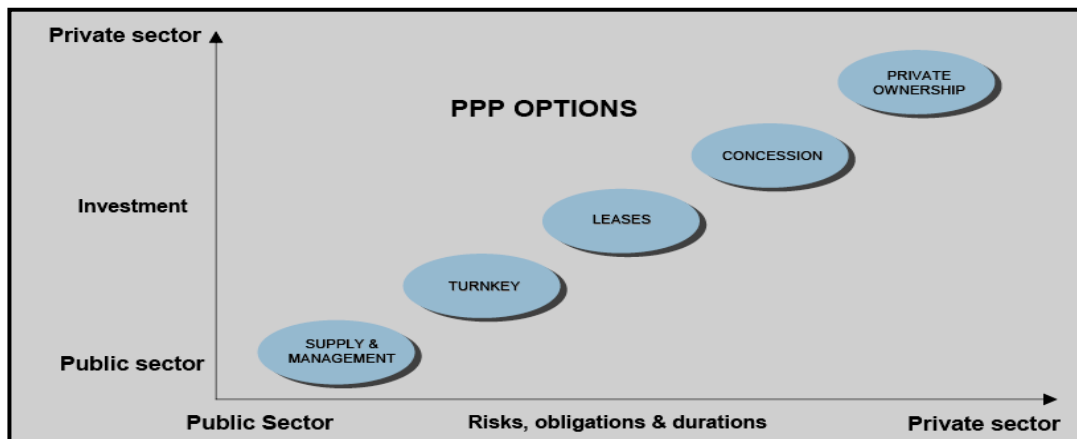


Figure 4. PPP models and assumption of risks by the private sector.



Table 1. How Iraq ranks on Doing Business topics (doing business in Iraq 2014).

TOPICS	DB 2014	DB 2013	Change in
Starting a Business	169	168	↓ -1
Dealing with Construction	20	28	↑ +8
Getting Electricity	39	49	↑ +10
Registering Property	108	99	↓ -9
Getting Credit	180	177	↓ -3
Protecting Investors	128	127	↓ -1
Paying Taxes	63	65	↑ +2
Trading Across Borders	179	182	↑ +3
Enforcing Contracts	142	143	↑ +1
Resolving Insolvency	189	189	No change

Table 2. balanced sheet (2006-2010).

NO.	Effective factor	Ratio %
1	Working commencement delay because of preparing site.	91.30
2	Security absence	86.96
3	Unlimited of the period of opening and analyses and remits.	76.19
4	Un chosen apt contractor.	76.19
5	Complete working investigation not has been found.	73.91
6	Financial allowances delay transformation	69.57
7	Changing order taking decisions delay	68.18
8	Contractor advance payment delay	52.38
9	Incompatible observation and management	40.91
10	Site receiving delay of the contractor	38.10
11	Unavailable of gas oil and asphalt and others	36.48

Table 3. The investment Estimation of the economic sector.

the investment Estimation needs of the economic sector						Milliards of \$
activities	2006(1)	2007	2008	2009	2010	total
Crude oil extraction	3.4	8.4	8.7	9.3	9.6	36.0
Electricity		6.0	4.4	3.5	2.6	16.5
Water Resources		1.0	1.5	1.5	1.2	5.2
Agriculture		1.1	1.0	1.0	1.0	4.1
Manufacturing		0.3	0.2	0.2	0.1	0.8
Transportation, transport		7.5	7.5	7.5	7.5	30.0
Building and construction		1.5	1.5	1.5	1.5	6.0
Home ownership		10.0	12.0	15.0	15.0	52.0
Health		2.5	3.3	4.4	4.5	14.7
Education		0.6	0.6	0.6	0.6	2.4
communications		0.3	0.3	0.2	0.2	1.0
Water and sanitation		1.4	1.9	2.5	2.7	8.0
Development of regions and provinces		205	2.5	3.0	4.0	11.0
total	14.9	43.1	45.4	49.7	49.5	187.7

Table 4. The budget of Iraq state.

Designated and paid investment spending for(2007-2012)					
year	2008	2009	2010	2011	2012
Operating spending	52.4	46.3	52.2	66.6	79.9
investment spending	21.7	12.8	20.2	30.1	37.2
% total budget	29%	22%	28%	31%	32%
Total budget	74.1	59.1	72.4	96.7	117.1

Table 5. Anticipated Financial Revenues for the Years 2010-2014 (Billions of Iraqi Dinars).

Table 3 Anticipated Financial Revenues for the Years 2010-2014 (Billions of Iraqi Dinar)					
Year	Committee Estimates for Oil Revenues	Non-Oil Revenues	Total (-1)	Alternative Oil Estimates	Total (-2)
2010	55,089.45	3,263.6	58,353.1	55,089.4	58,353.1
2011	61,880.13	5,628.2	67,507.7	61,880.1	67,507.7
2012	72,598.5	6,354	78,952.5	82,506.1	88,860.1
2013	81,310.32	6,846.9	88,157.2	99,006.6	105,853.5
2014	90,022.14	7404.4	97,426.5	118,808.8	126,213.2
Total			390,397		446,787.6
Plan Calculations					
Alternatives	30 percent of budget revenues targeted to investment spending		Portion funded by the domestic and foreign private sector		
	Billions of dinars	Billions of dollars	Billions of dinars	Billions of dollars	
Alternative One	117,119.1	100	152,345.9	130.2	
Alternative Two to be adopted after 2010	134,036.3	114.6	83,600.7	71.5	

Table 6. Classification of public- private partnership.

Ppp option /activities	Service contracts	Management contracts	Lease contracts	BOT contracts	Concession contracts
Financing investment	Puplic sector	Puplic sector	Puplic sector	Private sector	Private sector
Financing workings capital	Puplic sector	Puplic sector	Private sector	Private sector	Private sector
Contractual relations with customers	Puplic sector	Private sector(on behalve of Puplic sector)	Private sector	Puplic sector	Private sector
Private sector responsibility and autonomy	low	low	Low to medium	medium to high	high
Need of private capital	low	low	low	high	high
Financial risk for	low	low	Low to	high	high



private sector			medium		
Duration of contract license	6 months-2years	3-5 years	5-15 years	15-30 years	20-30 years
ownership	Puplic sector	Public sector	Public sector	Private then Puplic sector	Puplic sector
management	Mainly Puplic sector	Private sector	Private sector	Private sector	Private sector
Setting prices	Puplic sector	Public sector	Contract and regular	Public/Private sector	Contract and regular
Collecting bills	Puplic sector	Private sector	Private sector	Puplic/Private sector	Private sector
Main objective of ppp	Improve operating efficiency	Improve technical efficiency	Improve technical efficiency	Mobilize private capital and /or expertise	Mobilize private capital and /or expertise

Table 7 . Critical Success Factors for PPP Projects through Literature Review.

NO.	CSF's	Ppp type	Author
1-	Tiong identified six CSF's for private contractors in competitive tendering and negotiation in BOT contracts as: 1- entrepreneurship and leadership; 2- right project identification; 3- strength of the consortium; 4- technical solution advantage; 5- financial package differentiation; and 6- differentiation in guarantees	BOT	Tiong (1996)
2-	Tiong identified CSF's in winning BOT contracts, which include factors such as: o right project identification, o strength of consortium, o financial package differentiation' and o supportive and understanding community.	BOT	Tiong and Alum (1997), Gupta and Norasimham (1998)
3-	Buksbaun describes Public Private Partnership as: 1- new institutional relationships , 2- effectively address critical socio-economic challenges. 3- developed by mobilizing the energies and talents of diverse sectors to bring about social and economic transformation. 4- result of mature democratic tradition	PPP general	Buksbaun (1999)
4-	Qiao established Eight independent CSF's ,were 1- appropriate project identification; 2- stable political and economic situation	BOT	Qiao (2001)



	<ul style="list-style-type: none"> 3- attractive financial package; 4- acceptable toll/tariff levels; 5- reasonable risk allocation; 6- selection of suitable subcontractors; 7- management control; and 8- Technology transfer. 		
5-	<p>Jefferies explored CSF's to Stadium Australia. And identified and examined 15 success factors relevant to the project and the most significant CSF's include,</p> <ul style="list-style-type: none"> 1-compatibility/complimentary skills among the key parties', 2-'technical innovation in overcoming project complexity' and 3-'efficient approval process'. 4-'environmental impact', 5-'developed legal/economic framework', 6-'political stability', 7-'selecting the right project', 8-'existing strategic alliances', 9-'good resource management', 10-'trust', 'community support', 11-'feasibility study', 12-'transfer of technology', 13-'financial capability', and 14-'consortium structure'. 	BOOT	Jefferies et al. (2002)
6-	<p>Solomon showed that</p> <ul style="list-style-type: none"> 1- well organized and committed public agency; 2- social support; 3- project technical feasibility and multi-benefits objectives. <p>are the CFSs that are most important to the private investors. On the other hand, factors such as:</p> <ul style="list-style-type: none"> 1- transparency in the procurement process 2- shared authority between public and private sector; 3- thorough and realistic assessment of the cost and benefits; 4- commitment and responsibility of public and private sector and 5- strong and good private consortium <p>are the CSFs that are most important to the public clients.</p>	ppp	Solomon Babatunde 2002 <u>Olusola</u>
7-	<p>Akintoye investigated Factors that:</p> <ul style="list-style-type: none"> 1- Contribute to the achievement of best value in PFI projects are detailed risk analysis and appropriate risk allocation, drive for faster project completion, curtailment in project cost 	PFI	Akintoye et al. (2003)



	<p>escalation, encouragement of innovation in project development, and maintenance cost being adequately accounted for.</p> <p>2- impede the achievement of best value in PFI projects are: high cost of the PFI procurement process, lengthy and complex negotiations, difficulty in specifying the quality of service, pricing of facility management services, potential conflicts of interests among those involved in the procurement, and the public sector clients' inability to manage consultants.</p>		
8-	<p>Jamali investigated the CSF's for PPP implementation in the telecommunication industry in Lebanon. Using a case study approach, the findings indicate that</p> <p>1- 'trust', 2- 'openness' and 3- 'fairness'</p> <p>are basic foundational underpinnings of successful PPPs</p>	Ppp general	Jamali (2004)
9-	<p>Zhang advocated that PPP project procurement should be based on a public- private win-win principle. It is under this premise that he was able to identify five CSF's and a number of SSFs. These are:</p> <p>1-favorable investment environment; 2- economic viability; 3- reliable concessionaire with technical strength; 4- sound financial package; and 5-appropriate risk allocation via reliable contractual arrangements</p>	Ppp general	Zhang (2005)
10-	<p>Hardcastle used factor analysis approach to identify CSF's in PPP/PFI projects in the United Kingdom construction industry:</p> <p>1- effective procurement; 2- project implementability; 3- government guarantee; 4- favourable economic conditions; and 5- available financial market</p>	PFI	Hardcastle, Edwards, Akintoye and Li (2005)
11-	<p>A grounded theory research, Trafford discovered five key characteristics that are crucial in ensuring the success of PPP projects:</p> <p>1- good communication, 2- openness, 3- effective planning, 4- ethos and 5-direction</p>	ppp	Trafford and Proctor (2006)
12-	<p>He research on factors like general government</p>	ppp	Hammami et al.(2006)



	balance, total debt, Aid per capita, fuel exports, ethnic fractionalization, chief executive's party orientation, opposition parties in legislature, population, real GDP per capita, inflation, money supply, international reserves, control of corruption, composite country risk, rule of law and common law origin as determinants of PPPs in developing countries		
13-	Bing Li show that the three most important factors are: ‘a strong and good private consortium’, ‘appropriate risk allocation’ and ‘available financial market’. Factor analysis revealed that appropriate factor groupings for the 18 CSF’s are: effective procurement , project implement ability, government guarantee, favorable economic conditions and available financial market.	PFI	Bing Li, A. Akintoye, P. J. Edwards Corresponding author(2007)
14-	Wong proved the Successful PPP's implementation requires a stable political and social environment, which in turn relies on the stability and capability of the host government (Political and social issues that go beyond private sector’s domain should be handled by the government. If unduly victimized, it is legitimate that the private sector participants should be adequately compensated	ppp	Wong, (2007).
15-	Wang proposed forty-five success factors of infrastructure projects under PPP mode in China are classified into eight main aspects, including 1-the own factors of PPP projects, 2-favorable investment environment, 3- project company competence, 4- project contractor and operator competence, 5-government support, 6- product quality, 7- project management and Regulation policy for PPP project. and found out twenty-one critical success factors ,among which, 1- reasonable risk-sharing mechanism, 2-financial system and policy for PPP projects, 3-the improvement of regulation and policy, 4-rational pricing mechanism and effective supervision mechanis:	ppp	Wang, LI Qi-ming, Deng Xiao-peng , LI Jing-hua (2007)
16-	Jacobson examined principal factors that contribute to successful PPP projects. Ten success factors were investigated: 1-specific plan/vision, 2-commitment, 3-open communication and trust,	ppp	Jacobson and Choi (2008)



	<p>4-willingness to compromise/collaborate, 5- respect', 'community outreach, 6-political support, 7-expert advice and review, 8-risk awareness, 9-clear roles and 10-responsibilities. The results show that 'high degrees of commitment' and 'shared vision between the client, architect, and contractor' are the most important factors for construction success</p>		
17-	<p>Abdul Aziz examined the CSF's of ten PPP housing projects in Malaysia. The study identified 15 success factors for PPP housing projects: 1-action against errant developer', 2-robust and clear agreement', 3-reputable developer', 4-constant communication', 5-developer's profit sharing accountability', 6-developer's social accountability', 7-house buyer's demand', 8-negotiation skills', 9-adequate negotiation staff', 10-realistic projection', 11-competition', 12-ample time to evaluate proposal', 13-political influence', 14-consistent monitoring', and 15-compatibility between partners'. The results reveal that all 15 factors except 'political influence' contribute significantly to the success of a PPP housing project</p>	PPP	Abdul Aziz (2010)
18-	<p>Dulaimi, Concluded that political support was regarded as most critical factor, while lack of appropriate knowledge and skills of the consortia leads to project failure.</p>	ppp	Dulaimi, Alhashemi, Ling and Kumaraswam (2010)
19-	<p>Ahmadi find in the last experiences in developing countries and reaching a model for Iran Factors like GDP, macroeconomic stability, fuel export, budget deficit, trade deficit, business climate,</p>	ppp	Ahmadi et al.(2010)
20-	<p>Zhao investigated the factors contributing to the success of two PPP power projects – thermal power and wind power – that were developed using the Build Own Transfer (BOT) mode.the authors identified 31 success factors for the power projects and investigate the relative importance of the success factors specific to the individual thermal and wind power</p>	BOT	Zhao et al. (2010)



21-	<p>Chan Used 18 factors to investigate opinions on CSF's in PPP. The factors were decomposed into five underlying groups or factors:</p> <ol style="list-style-type: none"> 1- stable macroeconomic environment, 2- shared responsibility between private and public sector, 3- transparent and efficient procurement process, 4-stable political and social environment, and 5- Judicious government control. 		Chan, Lam, Chan, Cheung, and Ke (2010)
22-	<p>Marques described a Successful PPP's projects are based on three pillars</p> <ol style="list-style-type: none"> 1- all relevant criteria should be taken into account in the public tender phase (although the evaluation model should only contain the strictly necessary criteria to choose the best bidder); 2- the suitable risk management framework is determinant to protect the public interest; 3- the sound principles of contract management must be put into practice (including the definition of incentives and penalties, 	PPP	Marques and Berg (2010)
23-	<p>Akintoye achieving best value in private finance initiative (PFI) projects and the associated problems therein,find the Factors that contribute to the achievement of best value in PFI projects are</p> <ol style="list-style-type: none"> 1.detailed risk analysis and appropriate risk allocation, 2.drive for faster project completion, 3.curtailment in project cost escalation, 4.encouragement of innovation in project development, and maintenance cost being adequately accounted for. <p>Factors that impede the achievement of best value in PFI projects are:</p> <ol style="list-style-type: none"> 1. high cost of the PFI procurement process, 2. lengthy and complex negotiations, 3. difficulty in specifying the quality of service, 4. pricing of facility management services, 5. potential conflicts of interests among those involved in the procurement, and 6. the public sector clients' inability to manage consultants 	PFI	Akintoye, Cliff Hardcastle et al..2010
24-	<p>Chan showed that the 18 CSF's could be grouped into five underlying factors including:</p> <ol style="list-style-type: none"> 1—stable macroeconomic environment; 2—shared responsibility between public and private sector 3—transparent and efficient procurement process; 		Chan, A., Lam, P., Chan, D., Cheung,2010



	<p>4—stable political and social environment; and Factor</p> <p>5—judicious government control.</p>		
25-	<p>Rosa presented PPP infrastructure construction projects can be evaluated according to financial, technical, private partner selection criteria as well as social, economic, and environmental factors by using model for effectiveness evaluation of PPP infrastructure construction projects suggested by the authors:</p> <p>a- sustainability performance indicator</p> <ul style="list-style-type: none"> 1- economical aspects 2- Social aspects 3- Environmental aspects. <p>b- PPP effectiveness indicator</p> <ul style="list-style-type: none"> 1- Private sector partner evaluation 2- Project evaluation 	ppp	Rasa Apanavičienė , Rūta Rudžianskaitė Kvaraciejienė,2010
26-	<p>Mohamed found that the most important factors in Kuwait can be grouped in five clusters.</p> <ul style="list-style-type: none"> 1- Effective Procurement, 2- Project Implementability, 3- Government Guarantee, 4- Favorable Economic Conditions 5- Available Financial!Market 	ppp	Mohamed Ahmed Helmy,2011
27-	<p>The study has established for the Nigerian environment, Under favorable investment environment both the private and public sectors ranked</p> <ul style="list-style-type: none"> 1- Stable political 2- sound financial package, 3—appropriate risk allocation 		Dada, M.O.a* and Oladokun, M.G.2012
28-	<p>Basing on the overall respondents of 18 factors' results, the top five most critical factors, in descending order of importance are:</p> <ul style="list-style-type: none"> 1- good governance; 2- commitment and responsibility of public and private sectors; 3- favourable legal framework; 4- sound economic policy; and 5- available financial market. <p>The two factors that were ranked as least important for project success are government involvement by providing guarantee and political support.</p>	ppp	. Suhaiza Ismail, Shochrul Rohmatul Ajija 2013



28-	Ogunsanmi concluded that for successful implementation of PPP projects in Nigeria the contributive CSF's are: 1- transparent and sound regulatory framework, 2- comprehensive feasibility study, 3- appropriate risk allocation, 4- commitment, 5- responsibility of public and private sectors, 6- strong private consortium, 7- government guarantee, 8- realistic cost/benefit assessment, 9- stable macro-economic conditions and 10- sound economy policy that must	ppp	Ogunsanmi Olabode Emmanuel,2014
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Table 8 .statistical analysis results for infrastructure projects under ppp model.

NO.	factors	mean	Chang level	St. deviation	% significance index	95% Confidence Interval for Mean		ranking
						Low ending	High ending	
1- Privatization and investment Policy criteria:								
1.	Participation notion of people acceptance	3.21	.176	1.138	64.200	2.86	3.57	4
2.	Obvious national political for development clearly obliged the private sector participation in financing substructure projects	3.5000	.14952	.96903	70.000	3.1980	3.8020	2
3.	The government obligation in compliance with substructure projects based on ppp	3.1905	.16778	1.08736	63.810	2.8516	3.5293	5
4.	The country need for private sector financial and technical resources.	3.7381	.14076	.91223	74.762	3.4538	4.0224	1
5.	The government has a logic base to support ppp projects,	3.1429	.15828	1.02580	62.858	2.8232	3.4625	6
6.	Private sector participation activation	2.9524	.14836	.96151	59.048	2.6528	3.2520	9
7.	Public awareness supportance and laboure unions for private sector participation.	2.4048	.12779	.82815	48.096	2.1467	2.6628	10
8.	Stable political situation	3.0952	.15916	1.03145	61.904	2.7738	3.4167	8
9.	Well international reputation	3.2143	.17883	1.15897	64.286	2.8531	3.5754	3
10.	International plan consistency	3.1190	.18417	1.19353	62.380	2.7471	3.4910	7
2- Economical criteria;								
1.	Public debt problem salvation and lessen deficit	3.2143	.17883	1.15897	64.286	2.8531	3.5754	5
2.	Political and security stable	3.21	.176	1.138	64.200	2.86	3.57	7
3.	Country economical strength (economical development standard)	3.5000	.14952	.96903	70.000	3.1980	3.8020	4
4.	System and interest rate	3.1905	.16778	1.08736	63.810	2.8516	3.5293	8
5.	Project benefit of government participation rate	3.7381	.14076	.91223	74.762	3.4538	4.0224	1
6.	Interest achievement of sale price	3.1429	.15828	1.02580	62.858	2.8232	3.4625	9
7.	Market need for project	2.9524	.14836	.96151	59.048	2.6528	3.2520	13



8.	Demand progressive and buying assurances(warranty guaranties)	2.4048	.12779	.82815	48.096	2.1467	2.6628	14
9.	Investment attraction	3.0952	.15916	1.03145	61.904	2.7738	3.4167	10
10.	Joint – stock and local companies	3.2143	.17883	1.15897	64.286	2.8531	3.5754	6
11.	Economical development flourish's contribution	3.7351	.14076	.91223	74.702	3.4538	4.0224	2
12.	Real demands promising (perspective)	3.619	.17024	1.10326	72.380	3.2752	3.9628	3
13.	conventional and international society Interest	3.0476	.17361	1.12515	60.958	2.6970	3.3982	12
14.	Purchase orders for articles local equipment	3.0952	.14780	.95788	61.904	2.7967	3.3937	11
3- Legal and political criteria:								
1.	National merchandise and services use	3.1429	.15828	1.02580	62.858	2.8232	3.4625	5
2.	Resemblance of system and its stability	2.9514	.14836	.96151	59.028	2.6528	3.2520	9
3.	Privilege ending by government	2.4524	.11905	.77152	49.048	2.2120	2.6928	10
4.	Competition	2.9524	.14836	.96151	59.048	2.6528	3.2520	8
5.	The right for using land, roads and supporting establishments	2.4048	.12779	.82815	48.096	2.1467	2.6628	11
6.	Rarity of risks and argument	3.0952	.15916	1.03145	61.904	2.7738	3.4167	7
7.	Government skills in ppp projects	3.2143	.17883	1.15897	64.286	2.8531	3.5754	4
8.	Legal framework for realization of PPP’s projects.	3.7381	.14076	.91223	74.762	3.4538	4.0224	1
9.	The rate of foreigner property in the projects	3.1420	.15828	1.02580	62.840	2.8232	3.4625	6
10.	Political stability	3.4524	.14540	.94230	69.048	3.1587	3.7460	2
11.	Expropriation	3.2857	.15723	1.01898	65.714	2.9682	3.6033	3
4- Financial and commercial criteria:								
1.	Legal frame work to protect personal thoughts	2.9524	.14836	.96151	59.048	2.6528	3.2520	8
2.	Rules project property rights	2.4762	.14150	.91700	48.080	2.1904	2.7619	10
3.	Property rights protection from appropriation and natnalization	3.0238	.17540	1.13671	61.900	2.6696	3.3780	6
4.	Contracts execution ability	3.7381	.14076	.91223	74.762	3.4538	4.0224	1
5.	Sufficient rules for foreigner property and company establishment	3.1429	.15828	1.02580	62.858	2.8232	3.4625	3
6.	Rent legislation and privilege giving	2.9524	.14836	.96151	59.048	2.6528	3.2520	7
7.	Environmental and labour rules	2.4048	.12779	.82815	48.096	2.1467	2.6628	9



8.	Commercial banking jobs legislation and insurance	3.0952	.15916	1.03145	61.904	2.7738	3.4167	5
9.	Efficient capital market	3.1429	.15828	1.02580	62.858	2.8232	3.4625	4
10.	Availability of foreign currencies	3.1667	.15955	1.03398	63.334	2.8445	3.4889	2
5- Administration and organizational criteria:								
1.	Framing the government politics and choosing suitable sectors' for ppp projects	3.0000	.13632	.88345	60.000	2.7247	3.2753	8
2.	Legislation suggestion and putting administration systems to activate and watching projects	3.7381	.14076	.91223	74.762	3.4538	4.0224	1
3.	Submitting systems for rationalization and coordination administrative arrangements with ministries and government organizations	2.9524	.14836	.96151	59.048	2.6528	3.2520	9
4.	Limit and put priority for ppp projects in compliance with ministries and government organization and local executive corps.	3.2143	.17883	1.15897	64.286	2.8531	3.5754	3
5.	Using consultative corps to check ,certification, development and ppp projects executive	3.1429	.15828	1.02580	62.858	2.8232	3.4625	5
6.	Penetrate the bureaucratic obstacle to secure the immediate ratification and auditor.	3.3095	.15798	1.02382	66.190	2.9905	3.6286	2
7.	Training of administration person to understand and value the plans of ppp.	3.2381	.15546	1.00752	64.762	2.9241	3.5521	4
8.	The experience of the contracts owner and negotiation of ppp projects	3.0952	.14780	.95788	61.904	2.7967	3.3937	6
9.	Speed credits and monitoring extracts credits and speed monitoring extracts	3.0714	.16483	1.06823	61.428	2.7385	3.4043	7
10.	Management flexibility and responsibility determination	2.9048	.15916	1.03145	58.096	2.5833	3.2262	10
11.	Government intervention in the projects	2.4048	.12779	.82815	48.096	2.1467	2.6628	11
6- Social and environmental criteria:								
1.	Private sector participation activation	3.0952	.15916	1.03145	61.904	2.7738	3.4167	3
2.	Job security and achieve development implementing	3.7381	.14076	.91223	74.762	3.4538	4.0224	1
3.	The impact of Wars and terrorism	3.1429	.15828	1.02580	62.858	2.8232	3.4625	2



4.	Local support from the surrounding community to the project	2.9524	.14836	.96151	59.048	2.6528	3.2520	4
5.	Existence of environmental policies	2.4048	.12779	.82815	48.096	2.1467	2.6628	5
7- Technical criteria:								
1.	The use of local goods and services to insure local participation as long as it is rival in (quality, service and time table for delivering and price)	3.0952	.15916	1.03145	61.904	2.7738	3.4167	5
2.	The applicable technology to infrastructure projects must be aligned with national available input and with the current and expected needs of the country.	4.0238	.12972	.84068	80.476	3.7618	4.2858	1
3.	The acquisition and transfer of technology from sponsors.	3.3333	.15113	.97946	66.666	3.0281	3.6386	4
4.	The adaption of the most appropriate technology to the local conditions.	2.9524	.14836	.96151	59.048	2.6528	3.2520	6
5.	The introduction of local contractor in request for quotation for minor contracts(building national capacity secondary contracting)	2.5952	.14483	.93859	51.904	2.3028	2.8877	7
6.	Training and the use of national elements trainees to transfer technology.	3.9286	.14616	.94721	78.572	3.6334	4.2237	2
7.	Cooperation between local companies and project companies to manufacture equipment.	3.381	.15223	.98655	67.620	3.0735	3.6884	3
8- Support and government motives and guarantees criteria:								
1.	Providing incentive and tax guarantees.	3.4762	.15706	1.01784	69.524	3.1590	3.7934	4
2.	Currency exchange protection.	4.0238	.12972	.84068	80.476	3.7618	4.2858	1
3.	Exemption from income tax for foreign project staff.	2.7857	.14271	.92488	55.714	2.4975	3.0739	17
4.	The process of tax exemption (the tax exemption of real state).	3.0952	.15916	1.03145	61.904	2.7738	3.4167	12
5.	Land and Facilities for other logistic made by government.	3.7381	.14076	.91223	74.762	3.4538	4.0224	3
6.	Franchise (privilege) of tax.	3.1429	.15828	1.02580	62.858	2.8232	3.4625	10
7.	Exemption from import duties on equipment, raw materials and the components of the establishment and operating maintenance of the projects or divided.	3.1667	.13162	.85302	63.334	2.9008	3.4325	9
8.	Incentives and fines of achievement and performance	2.4048	.12779	.82815	48.096	2.1467	2.6628	19



9.	Government guarantees and financial reservation	3.0714	.16832	1.09082	61.428	2.7315	3.4114	13
10.	Reinforcement of petrol support.	3.2857	.15723	1.01898	65.714	2.9682	3.6033	8
11.	Indirect guarantees for operating income and stand by loans	3.0000	.16344	1.05922	60.000	2.6699	3.3301	14
12.	Corporation tax exemption to class commitment.	3.0952	.15916	1.03145	61.904	2.7738	3.4167	11
13.	Commercial freedom Guarantees.	3.3810	.17361	1.12515	67.620	3.0303	3.7316	7
14.	Rate interest compensation .	3.3333	.15113	.97946	66.666	3.0281	3.6386	6
15.	Reduction of incidents of unsecured force majeure	2.9524	.14836	.96151	59.048	2.6528	3.2520	15
16.	emphasis on non- rival projects	2.5952	.14483	.93859	51.904	2.3028	2.8877	18
17.	The host government Contributions coming from the exsisting assest	3.9286	.14616	.94721	78.572	3.6334	4.2237	2
18.	The government's commitment to the conclude of projects within a reasonable period of the government.	2.9286	.17837	1.15596	58.572	2.5683	3.2888	16
19.	Financial support Subsidy	3.4286	.18079	1.17167	68.572	3.0635	3.7937	5