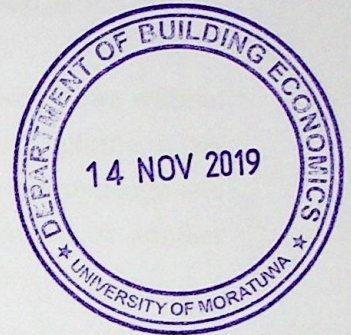


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**REGULATING PUBLIC PRIVATE PARTNERSHIP IN
SRI LANKA: THE PUBLIC SECTOR PERSPECTIVE**

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**Dissertation submitted in partial fulfillment of the requirements of
for the degree of Master of Science in Construction Law and Dispute
Resolution**

Department of Building Economics

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ABSTRACT

Regulating Public Private Partnership in Sri Lanka: The Public Sector Perspective

Governments around the world have sought to involve the private sector in the delivery of public services that have customarily been within the public authorities' domain through Privatization and Public Private Partnership is an innovative approach to procurement, where the intersection of the public and private sector forces to provide a public service or facility. According to the recent years' budget speeches, it was revealed that there is a vast trend in Public Private Partnerships in future Sri Lanka. Lack of well-established legal and regulatory framework has been identified as one of key challenges among implementing Public Private Partnerships. Thus, this study attempts to identify how existing PPP procurement law should be reformed to meet challenges in procuring Public Private Partnership.

Widely used national and international model laws, guidelines, constitution, government circulars, published reports and case laws were used to collect secondary data while case studies has been adopted to collect primary data. Desk review method has been used to analysis secondary data and primary data were analysed through content analysis and cross case analysis methods.

This study identified that based on international model laws and guides, various countries around the world, have been enacted special Public Private Partnership law or guidelines to regulate it in their countries. In Sri Lanka, there is no specific act dealt with Public Private Partnership procurement and Part II Guideline and subsequently issued supplements to it, form Public Private Partnership procurement law in Sri Lanka. Research results revealed that short term and long terms reforms are required for existing Public Private Partnership procurement law to meet future challenges in procuring. Finally, as a guide a framework for reforming existing Sri Lankan Public Private Partnership procurement law was developed.

Key words: Economic Development, Public Private Partnership, Tradition Public Procurement

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ABBREVIATIONS

ADB	- Asian Development Bank
BII	- Bureau of Infrastructure Investment
BOI	- Broad of Investment
BOO	- Build, Own and Operate
BOOT	- Build, Own, Operate and Transfer
BOT	- Build, Operate and Transfer
CANC	- Cabinet Appointed Negotiation Committee
CBSL	- Central Bank of Sri Lanka
CE	- Chief Engineer
DGM	- Deputy General Manager
DL	- Director Legal
DPD	- Deputy Project Director
EBRD	- European Bank for Reconstruction and Development
EOI	- Expression of Interest
GDP	- Gross Domestic Product
LO	- Legal Officer
LTA	- Lead Transaction Advisor
MOF	- Ministry of Finance
NC	- Negotiation Committee
OECD	- Organization for Economic Co-operation and Development
PC	- Project Committee
PD	- Project Director
PFI	- Private Financial Initiatives
PFIP	- Privately Financed Infrastructure Project
RFP	- Request for Proposal
PPP	- Public Private Partnership
PS	- Procurement Specialist
SPV	- Special Purpose Vehicle
TPP	- Traditional Public Procurement

UNCITRAL	- United Nation Commission on International Trade Law
UNIDO	- United Nations Industrial Development Organization
USAID	- United States Agency for International Development
VFM	- Value for Money
WB	- World Bank