

# Economic Development and Public Interest

The public sector has a number of important and critical roles and functions within the PPP process. Its overarching development role is to promote social and economic development, through a number of mechanisms, and includes reducing poverty i.e. not only encouraging economic growth. Infrastructure provision is one of these mechanisms and PPP is one part of its overall means or tools to develop adequate infrastructure.

Therefore in terms of highway development, the government's highway planning institutions should develop a highway planning framework as described in Module 3 -> Sector Planning and Strategy.

In its goal towards socio-economic development the public sector has a number of functions at different levels:

- Meeting macro economic development goals such as access, opportunity
- Meeting economic needs such as cost reductions, global competitiveness, etc
- Meeting social needs such as poverty reduction
- Mitigating social and environmental impacts through design and planning safeguards
- Assessing infrastructure needs and required facilities
- Providing funding either directly or through facilitating the private sector or through a mixture by support measures
- Regulation of the sector
- Monitoring the sector



Public Private Partnerships in Transport; Policy Research Working Paper 4436;  
Estache, Juan and Trujillo. 2007.

In undertaking these roles and functions, the public sector has the responsibility to promote positive impacts and at the same time protect the public interest through the elimination and/or mitigation of negative impacts.