

# Advisors and Organization

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## The effective use of the private sector requires a strong advisory team

Regardless of the intended mix between the public and private sectors in providing a particular service, the success of any PPP program depends on the organization of government and its ability to use advisory services. Before a technical assistance project is undertaken, it is important to decide how its results will be disseminated and acted upon. The following questions should be answered:

- To whom will the advisors report?
- What level of official input is required to ensure effective implementation?
- Have the relevant officials been informed about the upcoming decisions?
- Do ministers know of and support the process?
- If ministers or the head of state must make decisions, has sufficient time been set aside for them to act?
- Are the relevant resources available or has the procurement process started?

The senior official responsible for a PPP initiative should select a strong government team. The government team should have clear responsibilities for managing the advisory team, and should establish lines of communication to all other relevant senior officials for full consideration of the advisors' recommendations. Obtaining a strong advisory team is expensive and presents a challenge.

PPP requires changes and is also designed to produce change in the socio-economic environment. Since achieving these positive impacts depends on properly implementing the changes, outside expertise may be needed to:

- identify the changes required to meet the government's objectives;
- recommend the best way to implement the required changes; and
- assist in the implementation.

The expertise required related to PPP may not exist within the government. External advisors may be required.

However, the public sector should also consider that by appointing external consultants, the risk presented by the lack of in-house knowledge is reduced. However there is a risk that the use of external consultants will cause in-house knowledge to stay low, and the contracting authority organization will remain dependent on external consultants. Thus, it is important to remember that contracting authority organization has to assume responsibility and transfer back the lessons learned and knowledge to the organization.