Conceptual Framework for a Decision-Making Model to Select the Public-Private Partnership (PPP) Structure for Urban Rail Transit in Jakarta

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Abstract – PPP scheme has been widely recognized as a cooperation between government and private sector to provide public service, both in developed and developing countries. In contrast with developed countries, PPP implementation faces several challenges in developing countries. Private sectors in developing countries tend to deliver an unsolicited PPP project; however, it is difficult for the government to define the appropriate PPP structure for a specific project due to lack of knowledge and experience. This paper focuses on developing a conceptual framework for a decision-making model to select the PPP structure model for urban rail transit. A clearly defined PPP structure at the early stages allows both parties’ allocation of responsibility and risk. It provides exact direction on the PPP project implementation, commonly established in a long-term contract period. It is expected that the multi-criteria decision-making tools by using the AHP approach may contribute as a guideline to support decision-makers in selecting the appropriate PPP structure for urban rail transit, particularly on unsolicited PPP proposal.

Keywords: Public-private Partnership, Unsolicited Project, PPP Structure Model, Analytical Hierarchy Process, Urban Rail Transit, Sustainable Transportation