

Fairness and Equity in Public-Private Partnerships: The Case of Airport Infrastructure Development in the Philippines

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This paper explores an element of fairness in the public-private partnership (PPP) scheme in the Philippines, i.e., procedural fairness, focusing on the airport development of the Ninoy Aquino International Airport (NAIA) 3, using the build-operate-transfer (BOT) policy. It provides the macro context in adopting BOT as a mechanism for PPP in the case at hand and examines the processes, issues, and prospects in fostering the fair, just, and equitable implementation and management of partnership agreements. It concludes with some observations on the fairness and equity in the PPP/BOT policy and practice in the country.

Keywords: *public-private partnership, build-operate-transfer, (procedural) fairness, equity, just compensation*

Introduction

Public-private partnerships (PPP) are special features of governance today. Many governments throughout the world have used these schemes not only to shift the boundaries between government and market, but also to redefine governing and governance and the roles of the state, market, and civil society in development. These partnerships proffer a spectrum of possibilities, particularly in infrastructure development in the country, which may be fair to one party but disadvantageous to others. That is, they raise issues of fairness and equity.

Fairness and equity have always been implicit principles in administering public services. Good administration of government is

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