

## Key Factors Affecting the Development of Public-Private Partnerships in Water and Wastewater Services in the Jiangsu Province, China

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### Abstract

The marketization reform from the open-door policy in 1978 was not only booming export-oriented industries with foreign investment but also expanding the role of private actors in the Chinese water sector. Private Sector Participation (PSP) has become an important element in developing urban infrastructure by providing better services with advanced facilities. The rapid development of PSP-driven urban water infrastructure in China has a positive impacted on Chinese economic development, particularly in coastal areas.

PPPs in some coastal areas have successfully spread out over China since China applied the first Build-Operate-Transfer (BOT) mode in the water sector in the early 1990s. The market-oriented water and wastewater, Public-Private Partnership (PPP) mechanism in the initial period of China has been transformed into a state-dominated PPP mechanism. The development pattern of the water and wastewater PPPs in China has been divided in four stages: the first period from 1984 to 2002, the second period from 2003 to 2008, the third period from 2009 to 2014, and the last period after 2015.

The study aims to investigate the successful process of water and wastewater PPPs in local areas through five socioeconomic elements: export-oriented economic strategy, urbanization, cheap land policy, infrastructure investment, and water issues and climate change. In addition, the study focuses on analyzing the extent to which the Chinese government re-asserted its control over the PPP mechanism by classifying five elements in three different development Phases from early 2000 to 2020. The Jiangsu Province in the eastern coastal area has actively invited PPP projects in the water and wastewater sectors. The successful introduction and rapid growth of PPPs in the urban water infrastructure has made the province an attractive area for a foreign investor.

**Keywords :** Public-Private Partnership, Water Sector, Jiangsu, China

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