



**CRITICAL SUCCESS FACTORS OF PUBLIC PRIVATE PARTNERSHIP (PPP) IN
UGANDA: A CASE STUDY OF RIFT VALLEY RAILWAYS AND BUJAGALI
HYDROPOWER DAM PROJECT**

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ABSTRACT

The purpose of the study was to assess the critical success factors (CSFs) for PPP in Uganda. The study adopted the eighteen CSFs developed by Li *et al* (2005). The study used a case study approach focusing on experience in implementing Rift Valley Railways and Bujagali Hydropower PPP projects in Uganda. The study sample included 114 practitioners of PPP in Uganda from both public and private sectors who were selected using purposive sampling method. The data were analyzed using SPSS statistical package results presented based on the study objectives. The result of the study revealed that the top ranked five CSFs for PPP projects in Uganda were, favorable legal framework, project technical feasibility, sound economic policy, thorough and realistic assessment of the costs, and stable macro-economic conditions. The study also showed that private sector ranked Government involvement by providing guarantee as the most important CSFs for PPP in Uganda while public sector ranked favorable legal framework as the most important CSFs for PPP projects. The study revealed that CSFs had a significant positive effect on successful PPPs (beta = 0.384, Adjusted R square =0.133, sig.=0.002). The study concluded that a favorable legal framework is very important for the success of PPP in Uganda. Government involvement by providing guarantee for PPP projects was also highly valued by the private sector. Further, there exists a significant positive correlation between CSFs and success of PPP projects in Uganda (Pearson Correlation Coefficient (r) = 0.38, sig.=0.001). The study recommends that Government should ensure that a favorable legal framework is in place as soon as possible for successful implementation of PPP projects in Uganda. Further, Government should also focus on provision of favorable guarantees to private investors in order to help improve on the success of PPP projects. Finally, it recommends that Government should encourage use of international best practice in order to improve on the success of PPP projects in Uganda though country's specific issues should not be neglected.