Determinants of Attracting Public Private Partnership as a Financial Strategy to Develop Power Generation Infrastructures in Sri Lanka: A Concept Paper

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Public Private Partnership (PPP) has been recognized as an investment strategy to develop power generation infrastructure as per Sri Lanka Electricity Act No 20 of 2009. It is observed that no power plant brought by Ceylon Electricity Board (CEB) after 2014 and in turn the economy is undergoing a deficit of power. The existing literature and related theories such as the theory of project finance and theory of value for money (VFM) have not provided answers for why PPPs are not flowing to the CEB, the monopolist of power generation in Sri Lanka. Hence, it is vital to explore the factors which influence attracting PPP for CEB to develop power generation infrastructures. Thus, this paper proposes a model for CEB to identify the critical success factors of attracting PPP as a financial strategy to develop power generation infrastructures. This study will employ a qualitative research approach, particularly the case study method under grounded theory followed by a literature review. One to one interview will be used as the main data collection method. The results of the study will add new empirical findings to the academic literature in respect to the power sector of Sri Lanka and further will inform future research into PPP as a financial strategy to attract investments through generation of a conceptual model. Moreover, results shall assist CEB and policy makers to bring power generation infrastructure as planned by making PPP more attractive to private investors.

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