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THE IMPORTANCE OF PUBLIC- PRIVATE PARTNERSHIP IN THE ACCOMPANIMENT OF SPORT PROJECTS

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Abstract

Introduction. Over the past decades, the sport industry has changed and transformed. The growing sophistication in terms of infrastructure and scientific and technical support needs, the increased visibility of competitive sports and the emergence of sport as a lucrative sector have given credence to the public-private partnership initiative.

Thus, various agreements concluded between public institutions and private companies have been put in place during the last decade in Morocco to promote the development of new projects, including sports facilities. Several forms of partnership have been adopted. In this context, the public-private partnership is presented as a hybrid organizational agreement between the public sector and private initiatives in the launch of the Hassan II Park, a project with a triple sporting-societal-tourism vocation launched by King Mohamed 6 in 2014 and inaugurated in November 2018.

Aim. After the meeting of Skhirat, Morocco seeks to develop sport sector. Among many projects, the country has set as a finality to develop sports infrastructure. In this sense, the Parque Hassan II project was launched from public-private partnership logic. Partnerships, in different sectors, offer the promise of the greatest success when the strength of several partners is required.

Material and methods. This study is in the form of an integrative review of the literature focusing on public-private partnership in the sports sector and more particularly in sports facilities. This article is designed from the perspective of descriptive research.

Results. The Hassan II Park is perceived as a project carrying several opportunities given its openness to the associative world and to civil society, it allows to create a real synergy between the real needs of the territory and the objectives of the district and the city.

Conclusions. The study of public-private partnership in the sports sector reveals different logics of specialization of sports projects. It is the political or strategic constraints and wills that define the way in which a sports project is presented. To identify this, we presented the advantages of the orientation towards a mode of partnership which encourages collaboration between the public-private sectors in the implementation of sports projects by presenting the concrete case of the Hassan II project in Rabat.

Key words: public-private partnership, sports facilities, territory.

Introduction

The place of sport in cities has continued to grow through the construction of specialized equipment, by the appropriation of public spaces for multiple practices and by accelerated mobility, which leads each to be from several places and environments. At the same time, to appropriate peri-urban spaces and to create cities in natural spaces.

Sport as a social activity developed so rapidly that it first used undifferentiated places and invested spaces intended for other uses, such as the Hassan II Project created in the city of Rabat in Morocco. The implementation of this project, with a sporting and social vocation, prompted a huge partnership between several Moroccan groups.

A private-public collaboration shed light on this project considered to be the first multidimensional park in the history of the Kingdom of Morocco.

Indeed, there is a certain consensus in the literature according to which public establishments are experts in construction, while the private sector has other fields of expertise relating to maintenance (Ghere, 1996).

In theory, public-private political partnerships could combine their powers to set up successful projects.

The public sector draws attention

to considerations of public interest, stewardship and solidarity.

Public administration is oriented towards social responsibility and environmental awareness. She has knowledge and local experience with populations that are difficult to satisfy.

While the private sector is more creative and dynamic, brings "access to finance, knowledge of technologies, efficiency in management and an entrepreneurial spirit".

Private companies specialize in carrying out economic tasks, innovating and replicating successful experiences, adapting to rapid change, abandoning unsuccessful or obsolete activities and performing complex or technical tasks.

Aim of the research

Partnerships, in different sectors, offer the promise of the greatest success when the strength of several partners is required.

In our article, we are interested in public-private partnership (PPP) in the sports sector.

Material and methods

This study is in the form of an integrative review of the literature focusing on public-private partnership in the sports sector and more particularly in sports facilities.

This article is designed from the perspective of descriptive research.



The research is based on Boolean logic using different operators such as AND, OR, impact, effect, was carried out in the databases that cover each of the selected journals, namely Google scholar, Scopus, Research Gate, archive of the Ministry of Youth and sport of Rabat. On this basis, and after a selection of 30 studies, we identified 17 articles, which could constitute our theoretical base.

Results and discussion

The development of PPP in the sport sector

Sport has been the object of growing instrumentalization for several decades [5], it must create jobs, contribute to local economic development, help reconversion of brownfields, participate in regional planning, strengthen social cohesion or protect the environment.

This diversity of the objectives underlying the practice of sport [4], a vector of legitimation, was the guarantor of the intervention of the public sphere in the name of a general interest.

Over the past decades, the sport industry has changed and transformed. The growing sophistication in terms of infrastructure and scientific and technical support needs, the increased visibility of competitive sports and the emergence of sport as a lucrative sector have given credit to this initiative.

Thus, various agreements concluded between public institutions and private companies have been put in place during the last decade in Morocco to promote the development of new projects, including sports facilities.

Several forms of partnership have been adopted. In this context, PPPs

present themselves as a hybrid organizational agreement between the public sector and private initiatives.

On October 24, 2008 in Skhirat, King Mohamed VI addressed the actors of Moroccan sport and dealt with the mediocrity of Moroccan sport and the disastrous dysfunctions experienced by this sector and included directions and changes to support sport development and launch it. On good foundations.

The PPP has taken its place in the structural reform of the sports sector:

“Faced with the neglect to which this type of sport is subject, it becomes eminently urgent to look into the question and to endeavor to ensure that this activity is more open and to improve its infrastructures and conditions. This obviously poses the problem of financing which remains the keystone of modern sport... We call for diversifying its sources, whether through the increase in public funds allocated to the sports sector or by the establishment of partnerships between the public and private sectors.» (Royal Letter of October 24, 2008).

Admittedly, the launch of projects and the development of sports infrastructure in PPP undeniably strengthens Morocco's reputation and promotes sports excellence at the national level, but these can be reduced to very short-term benefits if they are not operated and implemented under a well-formulated and comprehensive long-term vision to promote the vision of "Sport for All".

The direct economic benefits of establishing sports infrastructure and facilities in line with international standards would also have limited impact if not underpinned by adequate



legacy planning and PPPs in this sector.

The indirect benefits, including the modernization of urban infrastructure and the increase in sports tourism, are essential, but must again be accompanied by a robust, dynamic and adaptive strategy, which would allow these benefits to be maximized, without colossal progress, nor micro - manage and contain the general benefits.

The PARC MY HASSAN project, which is the subject of this article, aims to take a holistic approach to the development of sport taking into account the benefits for health, recreation, education, society, economic benefits and national pride that ensues.

This would require a realignment of responsibilities between the Moroccan government and the private companies involved in this project.

PPP in sports facilities projects

The sports sector is a dynamic and unique industry. This field of activity not only contributes to the creation of private value but far from it, it ensures the satisfaction of interests and social good by shaping an identity, a notoriety and brand image of local communities [12].

The sports industry is a huge market and one of the most globalized in the world. It ensures the socio-economic development of all countries, particularly through the creation of jobs and added value throughout the world.

The scale of the sports sector attracts private investors and promotes the public-private partnership.

The implementation of PPP projects in the infrastructure sector has generated numerous benefits in terms of performance at different levels [14].

A collaboration of the two public and private sectors generated better

value for money compared to the traditional public method (IMF, 2004; World Bank, 2012).

The comparison of the advantages of economic intervention between the traditional public offer and the private offer has been the subject of a permanent debate, the PPPs being considered as a method of supply allowing a qualitative leap in the effort aiming to combine the market forces of the public and private sector [11].

The use of PPPs favors the economic rationality provided by the interactions between public and private partners [8].

The role of the private partner is to create added value so that the public-private partnership is economically more powerful than the traditional public offer.

Value for money measurement, typically uses the technique of benchmarking between the net present value (NPV) of disbursements generated by the PPP project and traditional public provision, commonly known as the public sector comparator (PSC).

According to the European Commission (2003), on the economic level the *public sector* is the main actor, which will have to ensure the following elements:

- ✚ Regulatory and compliance authorization.
- ✚ Control and monitoring.
- ✚ The support of fixed costs in part or in full.
- ✚ Preparation of the land on which the project will have to be developed.

The *private sector*, for its part, will have to bring back:



- ✚ Financial capital and liquidity.
- ✚ Human expertise.
- ✚ Technological development.
- ✚ Support for variable costs.

The PPP guarantees profitability and a very motivating return on investment if there is a respect for the conditions of the equitable distribution of responsibilities indicated above.

Forms of PPP in the development of sport infrastructure

The most used forms of partnerships in the development of sports infrastructure are presented below:

(-) **Lease-backs:** The private company takes care of the development of a stadium and transfers its right of use in part or in full to the public establishment in partnership. This whole procedure follows the preconditions placed on the contract established between the two entities.

(-) **Rental through leasing:** this is when the private company leases the exclusive or partial use rights of the stadiums to a public agency.

(-) **The Pump priming:** it applies when a private company uses a portion of its assets to attract public sector investment in infrastructure development sport that has mutual benefits for both parties;

(-) **RMO model,** in which the private entity repairs, maintains and operates the installation.

(-) **Upgrading of facilities** existing or stages of public sector through sub-contracting to the private sector.

Towards the success of the PPP in infrastructure projects

Each agreement concluded between the public sector and the

private sector must respect a certain number of elements to ensure the success of the project and maintain its sustainability.

Various researchers have focused on obligations that will have to appear during the deployment of the project.

It is obvious that the private partner has to adopt a global vision of the life cycle of the project, thus stimulating the effectiveness and efficiency of the services provided to the public service [10].

Indeed, the first obligation concerns the ownership of assets. In a PPP, the private partner can hold a large part of the property rights throughout the life cycle of the project.

The concentration of property rights and decision-making rights in the sphere of private partners would promote productive efficiency (reduction of operating costs), in particular in areas of contractual incompleteness [17].

In this case, the private partner would have added incentives to make new investments in order to improve its productive performance.

However, innovations aimed at improving cost-effectiveness can come at the expense of reduced quality [10], which requires the establishment by the public sector of control mechanisms [3].

In each PPP, the private company will have to carry out each phase of the project (construction, operation and maintenance) with increased operational efficiency, while minimizing the total costs associated with the supply, equipment and public service.

In fact, taking over both construction and operation creates additional incentives to mitigate

behaviors that lead to deterioration in quality ex post [3].

The third potential source of obligation lies in the distribution of risks and rewards between the parties in an equitable manner.

According to L. Bing [1], the public institution will have to identify the risks inherent in the PPP project, by establishing the most relevant problems for each stage, the probability of occurrence of each risk event and the potential financial consequences.

This is necessary so that the responsible public entity can define the type and amount of risk that should be transferred to the private partner.

HASSAN II Park: A project set up by the PPP in Rabat

Nowadays, the process of reusing pre-existing places is visible in several Moroccan cities where sport, at the initiative of the first followers, is slowly building up. In fact, the municipalities of the various cities of the kingdom have gradually built installations that symbolize the public will.

The current trend poses new questions to the management of urban facilities and their programming, which must take into account several changes which are gradually modifying the prospects for use.

The first is linked to the emergence of an increasingly diversified demand from practitioners who are looking for places adapted to changing needs and lifestyles.

The second is determined by the accentuation of daily or weekend mobility which calls into question the methodical organization of local places.

Public management by the

standards outlined by municipal socialism and imposed by the welfare state is no longer sufficient to guide demand and new offers from the market are gradually being established using modern marketing techniques.

This is how a new stage has taken shape in recent years with the strengthening of the public-private partnership in the creation of sports facilities intended to promote the democratization of sport as well as the resumption of the market and the taking into account educational, tourist and sociability elements in the design of buildings and sports spaces.

Among the sports facilities in cities, sports parks take a special place because they have become emblematic places, bringing together hundreds of families and young people. From there arises the idea of the creation of the Hassan II Park having sporting-tourist and societal vocations.

General presentation

The Moroccan state is now developing a policy of attraction of the territory linking sport and tourism, culture and tourism or the three sets. An environmental project aimed at territorial attractiveness and the development of the population.

This project is part of the integrated program, Rabat city of light launched by King Mohammed VI in May 2014.

Princess Lalla Hasna, president of the Mohammed VI Foundation for the protection of the environment, launched the development works of the Hassan II Park (see *Fig. 1*), which establishes Rabat as the capital of green zones.



Figure 1. **Hassan II Park: project**

Unlike several cities in the country where concrete is predominant, Rabat is developing its green space as part of its urbanization and development policy.

Thus, the development works of the Hassan II Park were launched in December 2015 and inaugurated in November 2018.

It should be noted that this is the first time that Morocco has adopted such a multidimensional project, which brings together a panoply of interdisciplinary components. Intergenerational in an ecological framework where the citizen is at the heart of the project.

Park covers an area of 30 ha and includes several green spaces and local sports grounds. A tourist area for sport, health, leisure and culture.

The implementation of this project of such magnitude required the

establishment of a public-private partnership plan; thus the partners of this park are four in number:

- 1) Wilya of Rabat, which represents the public sector.
- 2) Rabat Arrangement Company from the private sector and headquartered in Rabat.
- 3) CDG Development holding company is a 100% subsidiary of the CDG, which is a semi-public company. It was created in 2004 to embody the strategy of the CDG group in territorial development activities.

CDG Development has a vocation of operator and long-term investor, reconciling financial performance and collective utility and placing the concerns of the country at the center of its action.

Present throughout Morocco, CDG

Development offers innovative development tools and efficient products and services that generate progress for the community in all its areas of intervention.

Through the business expertise of its various subsidiaries, which operate in key sectors of activity for the development of Morocco, the Holding contributes to the revitalization and development of the national economy.

4) Maroc Telecom, acronymized **IAM**, is a telecommunications company founded in 1998 in Morocco. Partially privatized by the Kingdom of Morocco from 2001, it became a subsidiary of the French group Vivendi. In 2013, negotiations took place between Vivendi and the Emirati operator Etisalat for the sale to the latter of this stake, a sale, which took place in May 2014.

The amount that was invested for

the construction of this project is 160 million dirhams divided between the public sector and the private sector: 30% was funded by private companies, 70% of the total amount was borne by the public sector represented by the Wilaya of Rabat.

For cons, the maintenance of the project falls under the responsibilities of private companies, which several missions entrusted namely the security, maintenance of sanitation and maintenance of green space that has been recommended by several researchers of the particular material [10].

They indicated that the private partner is led to adopt a global vision of the life cycle of the project, thus stimulating the effectiveness and efficiency of the services provided to the public service.



Figure 2. Hassan II Park: object



The impact of Park Hassan II project on the socio-economic development of Rabat city

The sporting philosophy of Park Hassan II (*fig. 2*) does not place the commercial goal in the rank of priorities.

This park is a means of enhancing a concept based primarily on the appropriation and self-organized sports practices. It therefore seems to us that the modification of the uses of a site, initiated, among others, by sport, could help to redefine the relationship to space [13].

The urban marking is reflected in elements of relaxation and greenery favorable to pedestrians. These new uses aim to renew the image of the city, stressful and polluted, into a new festive urban area [16].

Consequently, sport becomes a tool for legitimizing [6] urban projects, such as the Berges de Seine system [9], with a view to appropriating public space (Andres, 2006) by Parisians.

The public actor also finds, through the establishment of sports facilities, a particularly relevant tool for nurturing a heritage considered as a strong identity resource (Greffé, 2011).

The development of the Hassan II Park is part of a development strategy, a considered growth of the territory for the benefit of the inhabitants who welcome it.

The Hassan II Park is ready to welcome visitors, sportsmen, walkers and others. It shelters various spaces and sports grounds. The park has a particular amphitheater, a musical fountain, an administrative building, a play area, two skates parks, a climbing wall, as well as

courses for various sports (football, basketball).

This project impacts three different sectors namely:



These three components are important assets for the development of the territories and are among the main factors of the attractiveness of the district, the city and the country. It is imperative to create a positive synergy designed and managed by local development.

This is why before discussing what could be the key success factor of this successful project. It seems useful to us to specify what could promote, or not, the achievement of a major social impact.

First, see the citizen's request:

- Interest in sport, culture and tourism.
- Style of consumption with a focus on the development staff.
- Desire to live other experiences and of feelings.
- Ease of access to sport or culture.
- Have a territorial identity through this project.

Hassan II Park offers:

- services promoting local and regional development;
- easy access to information through social networks;
- emergence of new concepts in sport and leisure;
- development of culture, the sports and tourism through a space outdoor.



The Hassan II Park is perceived as a project carrying several opportunities given its openness to the associative world and to civil society, it allows to create a real synergy between the real needs of the territory and the objectives of the district and the city.

The district of Elyoussoufiya (172,863 inhabitants), which knows a rich associative fabric very diversified in sport and culture will be the best served.

The challenge is the implementation of a local, regional and international tourism development policy and that the citizen be at the heart of all interests, a policy based on an innovative concept bringing together:

- Sport: fitness course, entertainment, leisure, and competition (football, basketball, walking, jogging).
- Culture: theater, circus, and spectacle.
- New concepts: urban sport, park square and climbing for all levels.
- Pure ecological space.
- Mobility: the location of the Hassan II Park very well located, a highway connecting the airport of rabat salé to the heart of the city of Rabat through the park.
- Citizen: clean, secure, sanitary space.
- Family: access for the whole family from 0 to 77 years old.
- Convenience: benches, accessibility for PRM, covered space, lit at night.
- WI-FI connection.

Beyond its design and its tourist or economic impact, the Park has and will have a societal impact and will generate territorial vitality, these entertainment activities will contribute to the development of society in the short term.

If the tourist approach seems to be defined for this site, our work aims to highlight the social impacts and transformations, which can extend in the medium and long term, when this “social benefit” is applied in a defined territory.

Conclusions

Sports practices take place in spaces, which can be limited to one place, but which are never disconnected from a socio-spatial context, in this case a city and a territorial space, a political, economic and historical context. Indeed, they are also invented and carried out outside of institutional arrangements intended for their emergence, development and dissemination. It is therefore advisable to apprehend them in situation [15].

The study of public-private partnership in the sports sector reveals different logics of specialization of sports projects.

It is the political or strategic constraints and wills that define the way in which a sports project is presented. To identify this, we presented the advantages of the orientation towards a mode of partnership, which encourages collaboration between the public-private sectors in the implementation of sports projects by presenting the concrete case of the Hassan II project in Rabat.

Sport at local level is a symbolic and social issue because municipalities must make strategic choices pressed by diverse requests. Thus, in these cases, public-private investment in sports-cultural infrastructure can become very attractive for the development of the territory.



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