

# **Project Proposal**

## **PPPs in Health Policy**

Governments often use PPP without placing projects within an overall health policy. This can lead to problems in policy implementation. If, for example, the goals of health policy are to improve access for patients to primary health care and a country initiates an expensive PPP hospitals programme, then much of the funding from the national health budget will be considerably used up and not enough will be left to pay for the necessary investments in the primary health care sector. Accordingly PPP should be placed within the overall targets and objectives of its health policy if coherence and delivery are to be assured.

### **1. Project purpose**

The purpose of the project is to develop a UNECE Standard on best practice in relation to the management of Public-Private Partnership (PPP) programmes in the healthcare sector, under which capital investment in healthcare infrastructure (hospitals, clinics etc) is funded using commercial finance repaid over a long-term (>10-year) concession period. The project aims to improve universal access to good quality healthcare by providing guidance on the transparent and efficient delivery of PPP programmes that will support the health (and fiscal) policy of governments.

### **2. Project scope**

There is rapidly growing demand globally for healthcare services. Changing casemix, scientific and technological developments and increasing patient demand is driving a growing need for investment in healthcare systems and infrastructure to meet the Sustainable Development Goals. Many governments – particularly those with low or middle income – have limited capital reserves available to respond to that need. To address this challenge a number of governments have turned to PPP programmes to access commercial funding for capital projects under contracts for the design, construction, financing and management of the new facilities. In many cases the scope of the programmes have also included services such as cleaning and catering, and clinical services.

Governments have implemented a wide range of PPP programmes in the healthcare sector, with different objectives and diverse outcomes. This project aims to provide guidance in the development and implementation of a healthcare PPP policy which supports and is consistent with governments' existing health and fiscal policies.

The project will assess different models of PPP in the healthcare sector using feedback from markets where PPP programmes have been established, and recommend best practice for the establishment and management of robust PPP programmes. It is anticipated that this guidance will be provided under six categories related to the use of PPP in the health sector:

- Overall health policy and legislative framework
- Economic context and affordability
- Planning, objectives and business cases
- Resourcing and training
- Market assessment and engagement
- Transparent procurement and management processes

The project will specifically address the use of PPP programmes to fund capital investment in physical infrastructure and systems such as medical equipment and ICT. It will consider

healthcare social infrastructure projects ranging from acute hospitals, mental healthcare facilities and community clinics, diagnostic and treatment centres to outreach services such as dialysis and radiotherapy centres. While these programmes may include some services including clinical services, this project will not address partnerships limited solely to the delivery of healthcare services which do not require capital investment.

### **3. Project deliverables**

The project deliverables are:

- PPP Programme analysis – An analysis of existing PPP programmes, the rationale for their structure and an objective assessment of their advantages and disadvantages.
- A Standard setting out best practice in the development and implementation of governmental policy in relation to healthcare PPP programmes and projects, which is supportive of healthcare and fiscal policy.

### **4. Geographical focus**

The focus is global.

### **5. Project Team membership and required functional expertise**

Membership is open to experts with broad knowledge in the area of healthcare PPP programmes and projects, especially in low and middle income countries. The team may also require analytical expertise in established PPP markets.

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### **7. Resource requirements**

Participants in the project shall provide resources for their own participation. The existence and functioning of the project shall not require any additional resources from the UNECE secretariat.

### **8. Timetable**

June 2014 - Project initiation and approval by the UNECE Team of Specialists on PPPs

October 2014 – First draft ready for review by key stakeholders

November - January 2015 – Publication of draft standard on UNECE website for public review

February – March 2015 – Endorsement of draft standards by TOS PPP Bureau

April 2015 – Draft standard submitted to CECI