

## UNECE PPPs in Health Policy Draft Standard Public Review Log of comments and observations

This paper sets out comments received in response to the formal review of the draft standard issued to UNECE on 21 May 2015.

Nr / Date	Originator	Comment	Response
1 3 Jun 15	Mark Halliday, BAB	Emphasise that PPPs are about sharing risks and that successful PPPs result from allocating risk to the party best able to manage it.	E5 includes specific reference to the need to clearly set out risk transfer proposals, and develop them in consultation with the private sector as described in E1. Add text in Line 51: "Since the success of PPP programmes depends on the appropriate allocation of risks to the party best able to manage them, governments should assess and build market capacity as necessary."
2 3 Jun 15	Geoffrey Hamilton, UNECE	Consider reflecting service-based PPP programmes such as health awareness, R&D, public advocacy, regulation and training partnership projects.	The standard offers guidance for PPP programmes where there is a significant long term public sector commitment, but the definition in the introduction has been broadened to include the potential for programmes of this kind. <ul style="list-style-type: none"> <li>• Add to Line 58: "or long term public sector commitments are made to private sector partners in relation to public healthcare programmes."</li> <li>• Add to Line 62: ", and programmes of public health promotion, research, advocacy, regulation and training."</li> <li>• Add to Line 69: "service programmes or"</li> <li>• Add to Line 71: "programmes or"</li> </ul>
3/1 3 Jun 15	Celso Manangan, CoE	Mention success stories in the introduction, to inspire countries to implement same to further the cause of development in the health sector of their countries. Define terms with a separate section for definition of terms.	The standard will present an overview of a large and complex sector, and projects which are a success from one perspective may not be successful from another. The Standard is relatively 'static' headline guidance but is supported by a website at <a href="https://www2.unece.org/wiki/display/pppp/Health+Policy">https://www2.unece.org/wiki/display/pppp/Health+Policy</a> The website will be regularly updated and maintained by the Centre of Excellence and will include case studies, examples of good practice, exemplar documents etc. Defined terms are introduced when first mentioned.

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3/2 3 Jun 15		Emphasise the need for staff training during the development stage	The need for a coherent staffing and training policy is identified in D1. Specific reference is made under D2 to the need to train 'programme management' resources, the second paragraph of which refers specifically to staffing during the development phase.
3/3 3 Jun 15		Incorporate a sequential process for implementation of a healthcare PPP programme	The process adopted by individual governments must depend on the scope and scale of their requirements but examples of best practice will be shared via the website.
3/4 3 Jun 15		Recommend that projects are properly screened for viability, affordability and social acceptability	The whole of sections B and C are committed to providing advice about the screening and approval of projects. <ul style="list-style-type: none"> <li>• Add to line 279: "viable and"</li> <li>• Add to line 393: "and acceptability"</li> </ul>
3/5 3 Jun 15		Recommend an arbitration process to provide private sector parties with assurance that contracts will be honoured even when political change takes place.	Section B5 describes the need for governance independent of political influence. <ul style="list-style-type: none"> <li>• Add to line 345: "and the agreements themselves should feature mechanisms for dispute resolution which are politically independent."</li> </ul>
3/6 3 Jun 15		Include specialist advice for PPP unit from communication / PR specialists to ensure there is public support.	<ul style="list-style-type: none"> <li>• Add to line 222: ", and promote the programme in a way that ensures it has widespread public understanding and support using professional communications expertise"</li> </ul>
4/1 12 Jun 15	Carmencita Padilla / Hilton Lam, University of the Philippines	Consider including projects which do not require capital investment, eg security, temporary staffing, equipment rental etc.	The scope of the standard is limited to PPP programmes where there is a significant public sector commitment, and we have avoided the risk of encompassing all public procurement. The definition has been broadened as described in 2 above.
4/2 12 Jun 15		Recommend that governments carry out a full assessment of the existing healthcare market so that legislation is crafted to ensure that the expected benefits of PPP will be achieved.	The need for a full assessment is explained in E1, to be carried out as part of the development of the PPP Delivery Plan.

<sup>1</sup> Types of comments: ge = general; te = technical; le = legal; ed = editorial

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4/3 12 Jun 15		Labour markets can be hampered by the number and quality of healthcare education; consider the need for support systems for healthcare staff whose jobs may change or relocate.	<ul style="list-style-type: none"> <li>• Add to line 572: “specific support arrangements for staff whose role will change or relocate, and”</li> </ul>
4/4 12 Jun 15		Emphasise the role of PPPs in contributing to universal healthcare coverage.	<p>The second paragraph of the Standard refers to the role of PPP in improving population health.</p> <ul style="list-style-type: none"> <li>• Add to line 44: “universal”</li> </ul>
4/5 12 Jun 15		Incorporate recommendations on management of media, social media and public information.	See 3/6
4/6 12 Jun 15		Include reference list	<p>The Standard represents policy rather than research, but references used in developing it are set out on the website at <a href="https://www2.unece.org/wiki/display/pppp/Health+Policy">https://www2.unece.org/wiki/display/pppp/Health+Policy</a></p> <p>The website will be regularly updated and maintained by the Centre of Excellence and will include case studies, examples of good practice, exemplar documents etc.</p>
4/7 12 Jun 15		Include samples of Project Business Case, Value for Money assessment, procurement evaluation report, feasibility studies etc.	<p>The Standard itself is intended to provide simple, high level policy guidance but there is a need for more detailed guidance for governments developing PPP programmes. The website at <a href="https://www2.unece.org/wiki/display/pppp/Health+Policy">https://www2.unece.org/wiki/display/pppp/Health+Policy</a> will be regularly updated and maintained by the Centre of Excellence and will include case studies, examples of good practice, exemplar documents etc.</p>
5/1 17 Jul 15	Marcos Martinez, EBRD	I miss specific reference to recommendations for the monitoring of the contract after commissioning. It is key for the success of PPPs and administrations usually lack of processes and preparation to enforce and overview these complex contracts	<p>Monitoring of contracts after completion of the project is referred to in the Standard as contract management. There are references in A5 to the PPP Unit’s role in ensuring risks retained by the public sector are managed, and in A6 to the need for standard processes for contract management and monitoring throughout the delivery and operational phases. The precise scope of that role must depend on the scope and form of the projects themselves. B5 refers to the need for properly budgeted management resource throughout the term</p>

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			of each project.
5/2 17 Jul 15		Economic context and affordability: Suggest including in this section the assessment of the accounting treatment of the PPP program in the government balance sheet once the risk structure is define	A1 makes reference for the need – as part of the policy assessment of the need for a healthcare PPP programme – to determine the tax and accounting treatment of the programme.
5/3 17 Jul 15		Based on Canada, Chile and UK models, avoid award a PPP contract if it does not result in the expected VfM or at least positive VfM. Project Business Cases should have clear and objective measures of value for money, and outputs compared to the base case before award of a contract.	In line 749, replace “upon” with “before”.
5/4 17 Jul 15		Based on Canada, Chile and UK models, avoid award a PPP contract if it does not result in the expected VfM or at least positive VfM. Publication of the Project Business Case, and specifically the final Value for Money that results from the preferred bidder’s financial offer, prior to signature of contracts.	See response to 5/3.
6/1 31 Jul 15	Prof Irina Zapatrina, Chair of Ukrainian PPP Center	Is it really needed to obtain FORMAL support for the structure and policy from potential lender? If we leave this demand public authorities have to formally define a list of lenders, which have to provide their formal opinions (line 182)	We felt it important that government receive formal feedback in order that there is transparency in the way it is addressed within the programme. Evidence from some markets suggests that programmes have failed to progress because governments believed the funding market would be more flexible than it proved to be, so the consultation and actions taken in response will benefit from a transparent and objective approach.

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6/2 31 Jul 15		It is not understandable from the text – what type of PPP Unit is considering in the Standard. Is it PPP Unit which responsible for all PPPs in the country, or only for Health PPPs ? Is it expert body (line 219), regulator (line 246) or contracting authority (line 650-651)?	The form and role of the unit is a decision for the government, and will depend on the relative size of the healthcare PPP programme and other factors such as the availability of suitably qualified staff. The PPP unit may fulfil a number of functions, providing help and support to procuring authorities or managing the procurement and projects itself. It is unusual for the PPP unit to act as contractual counterparty itself, but may represent government or local authorities in procuring or managing the programme.
6/3 31 Jul 15		Act as the government's/ <b>local authorities</b> resource .... (line 219)	In line 220, add "or local authority" after "government"
6/4 31 Jul 15		Are the requirements set out in lines 250-256 for PPP unit members or for external professional advisers? It is not understandable from the text. In my opinion, these requirements will be very difficult to ensure for PPP unit	The PPP unit should benefit from expertise drawn from a wide range of healthcare, government, policy, and commercial expertise but that may come from directly employed or contract staff. In line 258 add: "The government should assess the skills mix needed for the programme as described in E2, and recruit or engage appropriate professionals to fill any gaps."
6/5 31 Jul 15		Why is it necessary to approve consistence with the Healthcare Infrastructure Development Program (line 377), economic and fiscal policy, etc. (lines 377-383) before signing contract with the preferred partners? What could change in these issues after finishing procurement process?	One key driver of value in a PPP programme is to ensure consistency between policy and legislation. If a project requires patients to pay directly for healthcare in PPP facilities but government facilities are funded from general taxation, for example, there is a risk of poor commercial performance and inequality of access.
6/6 31 Jul 15		... risks ( <b>including their costs</b> ) ....(line 449)	In line 452, add "(including costs)" after "risk"
6/7 31 Jul 15		Whether to require the establishment of a committee on a mandatory basis? ...Business Cases <b>could</b> be carried (line 659)	There is strong evidence of the need for an objective stakeholder evaluation of project business cases, but governments can be flexible over the constitution and membership of those committees.