

UNECE PPP Healthcare Standard

Questions on lessons learned in the development of Public-Private Partnership (“PPP”) programmes in the healthcare sector.

UNECE is developing a standard providing guidance to governments planning to use PPP programmes to raise investment in their healthcare sector, and helping them to properly pursue and achieve the United Nation’s Sustainable Development Goals. The team working on the standard has a number of questions about lessons learned by private sector participants in healthcare PPP programmes, to provide evidence on which the recommendations in the standard can be based. We would be very grateful for any information you can provide in response to any of the questions.

We have identified six broad themes under which we will analyse experience to date. While there are a number of cross-cutting issues, this will help provide a structure to help governments develop their PPP policy.

- A. **Policy and legislation:** this theme will discuss the policy and legal context of the PPP programme, and how governments can ensure that the programme is legally constituted and consistent with other government policies.
- B. **Economic context and affordability:** this theme will cover issues which help ensure that the PPP programme is affordable and realistically deliverable within national and local governments’ economic constraints.
- C. **Planning, objectives and business cases:** this theme will provide guidance on how the PPP programme is planned and objectives are set, and how business cases for individual projects are prepared, evaluated and approved.
- D. **Training and resources:** this theme will help identify the resources necessary to plan and implement a PPP programme, and the skills and training needed to make sure public and private sector participants can understand and manage risks effectively.
- E. **Market assessment and engagement:** successful PPP programmes realistically reflect the needs and capacity of the commercial sector, so this theme will provide guidance on engaging with the private sector market and structuring the programme accordingly.
- F. **Transparent procurement and management:** Transparency during procurement, delivery and operation of PPP projects is a key factor in attracting investment and demonstrating value for money; this theme will identify governance measures that will support it.

These questions are intended for sponsors, lenders, investors and advisors that are currently, or have been recently, involved in international healthcare PPP programmes. Any feedback you can provide, however brief, is most welcome, and if a question is not applicable please simply say so.

Many thanks for completing the questionnaire.

A Policy and Legislation

1. In a PPP context, is there any gaps, conflicts or overlaps between the government's fiscal and healthcare policy. What aspects of national healthcare policy and/or PPP policy represent a barrier to your participation in projects to procure healthcare facilities or services through long term private sector contracts?
2. What are the major criticisms and plaudits for the healthcare PPP programme in the market you operate and to what extent are they valid? Are commercial issues tackled in a timely and efficient ways in the project design? What would you suggest should be changed?

B Economic Context & affordability

1. During the project design, do you think significant attention is given by the government for enhancement of project affordability & bankability? What guarantees/incentives do the states provide in respect of PPP concessions, and how important are they to your business? What are the key factors that influence investors in deciding whether to bid for a health PPP?
2. How did your pricing of PPP projects and risk appetite change as the PPP programme became established? Could you have improved value for money by pre-empting these changes, and how did you ensure pricing was realistic and deliverable?

C Planning, Objectives & Business Cases

1. What is your view on how procuring public authorities assess project needs, current and future supply and demand and associated risks for healthcare services?
2. Do you find the Key Performance Indicators and output specifications set in the project by the government authority compatible? How do you think that such KPIs and output specifications should be established for greater VFM? Are standard technical specifications used and if so, which?
3. How transparent is the basis for the evaluation of tenders for PPP projects? Why? Do you think the right performance indicators are used to measure success? What do you suggest? How innovations and potential future changes (in technology, service delivery etc.) are addressed in the Tender Document?

D Training and Resources

1. During the development of your government's healthcare PPP programme and the procurement and implementation of individual projects, in which areas did you observe gaps in

government and external resources and need for capacity building in the design, structure, oversight, regulation and approval of the projects, and could these have been improved with different resources and training?

2. What issues have you encountered in finding suitably qualified people, and sufficient financial resources? While bidding for a project and following the award of each project, what resources and training were needed from the private sector to manage construction, commissioning and delivery of services of the new health care facilities?

E Market Assessment & Engagement

1. What is the extent of private sector engagement undertaken by the government in developing a) PPP policy and legislation, b) selection and c) design & structuring of the projects (such as road shows, project fair, stakeholder discussions, focused group discussion, promotional meetings, investor days, formal technical and commercial dialogue, competitive dialogue etc.)? Is there are issues that have been or are overlooked?
2. In your opinion what are the key project criteria and factors that you would need to understand at an early stage for deciding whether to pursue for a project or not. What is the extent of competitive dialogue process that is used to finalise project scope? Did you feel that the government authority provide accurate and meaningful debriefing and compensation for losing bidders, and to what extent?
3. In your experience, what could governments do better to encourage broader interest and engagement by potential investors and providers both before and during procurement, to improve efficiency and achieve longer, more competitive tender which could deliver better value for money to the public healthcare?

F Transparent Procurement & Management

1. Do you have a formal policy defining corrupt practices and how do you identify, record and address them including the accountings of expenditure in your business processes to ensure your procurement transparency?
2. What is the extent of publication of tender evaluation reports by government authority? Do you advise government to conduct value for money assessment post contract award to match the business case planned for greater public and private sector transparency? ,
3. Do you consider the project specific pre-qualification and evaluation criteria and evaluation methodology to be fair, objective and transparent? How could they be improved? How fairly are the technical and financial aspects of your tender proposals assessed? Is it clear how do the evaluation team compare/weight service quality, technical solutions, financial criteria, assumptions, demand estimation etc., and how could that process be improved?.
4. In general, what is the time associated to major stages (PQ, competitive dialogue, Proposal submission, negotiation etc.) for healthcare PPP procurement in your markets? What could the

government do to ensure that the procurement process is more transparent and fair? Could international PPP bodies facilitate transparent and efficient management of the procurement process, and how?