

# The many definitions of public-private partnership in the health sector

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## Clarity about different PPP definitions can help us communicate and collaborate

- Designing and implementing PPPs requires people from many different places, professions, and training to work together.
- It also requires they communicate clearly, so that they can share their knowledge, experiences and insights with their colleagues.
- A very common barrier to clear communication is that people use the term PPP to mean different things.
- Establishing a consensus definition is not possible; most people are quite attached to their own definition.
- The best way to enable clear communication despite different definitions is to:
  - Always state your own definition
  - Keep in mind the definitions other people use, when you are conversing

Your PPP definition	Your process focus	Your goal focus	Where you work &/or live	Your training	“Tribe” you belong to
Gov’t and private actors establish an on-going relationship to work together on health sector issues of common interest	Getting engagement to happen; dialogue on specific health sector issues/gaps; involving private sector in policy and planning	Public health priorities or programs goal (e.g. increased access to family planning services) or health system impact	USAID (and/or its implementing partners); WHO; World Bank Africa, Asia	Public health; medicine; health policy and economics	Global health “tribe”
Gov’t establishes long-term contract for services (may include use of public assets)	Selecting right model; contract management and monitoring arrangements; ensuring private partner pays fair price for use of public asset	Health system impact; value-for-money	USAID (and/or its implementing partners); World Bank; OECD country; academic or policy research institution	Health policy and planning; health management; health systems; health economics	Health services/ systems “tribe”
Mechanisms to mobilize private actors to invest capital in delivery of health services and products	Ensuring fair and open competition through sound transaction/ tender processes and bidder interest	Risk is properly allocated; capital investment forthcoming; PPP entity runs well; public health impact	IFC; management consulting firm	Health economics; health finance and management; accounting; law	Economics/ infrastructure “tribe”

## Example: Sao Paulo hospitals

Gov't tendered for medium-term operating contracts for private operators to run publicly owned hospitals

- Global health tribal members say “PPP”
- Health services/ systems tribal members say “PPP” (public purchases services; private leases facility)
- Economics/ infrastructure tribal members say “contracting”, not PPP – as *no capital investment*

## Example: Pakistan primary care

Gov't established contracts to fund private operators an NGO to provide a package of PHC services in public clinics

- Global health tribal members say “PPP”
- Health services/ systems tribal members say “PPP”
- Economics/ infrastructure say contracting, not PPP – as *no capital investment*

## Example: Kenya Policy Reforms

World Bank and USAID collaborate with the Government of Kenya to bring private sector representatives into health policy dialogue, and revision of health legislation

- Global health tribal members say “PPP”
- Health services/ systems tribal members say policy and planning not a “PPP” – *where are the services?*
- Economics/ infrastructure say not a “PPP”, *no contracting and no capital investment*

## But, what about GAVI? Isn't that a PPP?

In global forums, we also hear talk of health PPPs. People who operate in global or international domains refer to GAVI, the Medicines for Malaria Initiative and similar entities as “PPPs”. This is yet another way to use the term. These global or international PPPs constitute formal structures for on-going collaboration among international public & private actors with related health objectives.

These “global PPPs” are an organizational solution to the challenge of creating a governance structure to support on-going collaboration among private multinational companies, international organizations, philanthropies and sometimes governments, in pursuit of a shared health-related goal.

## Remember!

- The goal is to communicate clearly.
- And to compare “like” PPPs with “like”. While all the different forms of PPP we have outlined here involve both public and private actors collaborating, it is critical to distinguish fundamentally different forms of collaboration to know what insights may apply from one place to another.
- Both GAVI and contracting for PHC services in rural Pakistan involve private actors. But lessons from one, are rarely relevant for the other.