

EXAMPLE FROM THE TANZANIA ASSESSMENT: SHORT AND LONG-TERM RECOMMENDATIONS

RECOMMENDATION #1: INVEST IN THE CAPACITY OF THE PPP UNIT TO OPERATIONALIZE PPPS

Creating capacity to effectively engage and partner with the private health sector will require time as well as significant government and donor investment. There are several activities that the PPP Unit can initiate in the short-term (6-12 months), while creating the foundation for longer-term activities (up to two years) that will establish operating systems and build new expertise and capacity.

Short Term Strategies to Strengthen the PPP Unit

Formalize the PPP Unit mandate: The PPP Unit is lacking fundamental tools and instruments to guide its structure and implementation. Essential steps include:

- 1) developing terms of reference for the PPP Unit;
- 2) drafting scopes of work for staff persons, based on terms of reference;
- 3) securing funding, both in the short-term and long-term, to support the additional staff identified; and
- 4) communicating the PPP unit's scope and activities with internal and external stakeholders.

Build capacity of PPP Unit and Department of Policy and Planning: While the PPP Unit is staffing up to meet its mandate, the MOHSW should consider relocating the unit to the Department of Policy and Planning where there are staff that share the same focus (health system strengthening) and similar technical skills. The functions of a PPP Unit imply a range of skills currently not available in the MOHSW. The PSA team has identified four critical areas needed immediately: contract design and management; feasibility analysis and due diligence approaches; costing of health services and other activities; and PPP portfolio management. A first step is to assess the PPP Unit and Policy and Planning Department's skills, map out training needs, and draft a training plan.

Advance and institutionalize MOHSW knowledge on existing PPPs in health: One of the key functions of the PPP Unit is to be the resident expert and institutional memory on all health PPPs. In the short term, there are several activities the PPP Unit can undertake towards achieving this objective. These include building a PPP/Health pipeline¹: creating an inventory of current PPPs in health; developing a database to track and manage health PPPs; and establishing a system to identify, track and manage PPPs. In order to disseminate PPP knowledge more widely the PPP Unit should also create and maintain a webpage on the MOHSW website. This page could include: TORs; PPP database; relevant policies, laws and regulations; fact sheets on PPPs in health; a directory of key MOHSW divisions involved in PPPs; and PPP Unit workplan.

Implement a Communication Strategy: The main objectives of a communication strategy are to build internal MOHSW support for the PPP Unit and to inform the private sector what the PPP Unit will do to promote PPPs in health. Possible activities include designing promotional

¹ The PPP pipeline system would track PPPs in various stage of development: PPPs in process, PPPs in procurement, PPPs in implementation, and PPPs in close-out.

materials and developing informational presentations. Materials might cover: description of the private health sector; discussion of the risks and rewards of health PPPs; definition of health PPPs and overview of PPP Unit functions; and MOHSW priority areas for health PPPs

Long-Term Strategies to Institutionalize the PPP Unit

Longer-term strategies will focus on consolidating the gains made in the first twelve months while building the policy framework, systems and capacity needed so that the PPP Unit becomes fully functional. Long-term strategies focus on ensuring the capacity of the PPP Unit to broker PPPs.

Establish operating systems: This includes designing and building the operating systems and supporting operational manuals that outline the Unit's functions, policies and procedures, as well as linkages with other departments within the MOHSW and other government ministries such as the Ministry of Finance and Tanzania Investment Corporation.

Suggested operating systems and manuals, based on other PPP Unit best practices, include:

i) *Operations Manual*

Contains: Tanzania Regulations for PPPs; Code of Good Practice for PPPs; PPP Inception; PPP Feasibility Study; PPP Procurement; Managing the PPP Agreement; Auditing PPPs; Evaluation of PPPs; and Introduction to Project Finance.

ii) *PPP Manual and Standardized Provisions*

Describes how to broker a PPP deal and standardized provisions for key contractual terms for all MOH PPP agreements, to reduce PPP transaction time and cost.

This process will also require Training PPP Unit staff in the new operating systems which include building skills identified in the training plan. Once the PPP Unit has consolidated these skills, they in turn can begin training other MOHSW staff at the county levels in PPP skills.

Build knowledge on PPPs in health: Using the PPP Unit as the gateway to information and knowledge on PPPs in health, the PPP Unit will: i) gather and post tools and methodologies on the PPP Unit webpage; ii) gather and post reference documents and key links with other website on PPPs in health; iii) communicate on and market PPPs in health; iv) develop quarterly newsletters on MOHSW health priorities and stories on PPP successes and challenges; and v) post PPP Health policies and guidelines as they come on-line.

Strengthen the PPP Unit's communication skills: A critical task for the PPP Unit will be to foster support and buy-in for both the PPP Unit and for a common concept on PPPs in health. The PPP Unit will continue to implement the proposed communication and advocacy activities in partnership with other organizations – both in the public and private sectors. The PPP Unit will also benefit from training in communication and advocacy skills.

Assist the PPP Unit to Broker and Manage PPP deals: The proof of the PPP Unit's success will be the design and implementation of PPPs for improved health outcomes. The PPP Unit will identify a few feasible proposals for short term PPPs for improved health service delivery, working through both the PPP inventory and through consultations with the private health sector, via a newly created National PPP Steering Committee and the PPP-TWG. Donors can support technical assistance for the PPP Unit to broker some of the PPP ideas, as proposed in Recommendation 6.

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