

**The utilisation of public-private partnerships: Fiscal
responsibility and options to develop intervention strategies for
HIV/AIDS in South Africa**

by

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Abstract

Strengthening health care systems in government meant cost containment and improved equity. Escalating costs and poorly constructed strategies are weakening the efficiency and effectiveness of service delivery in health care. This has a negative impact on value creation and internal processes as critical elements such as human capital, information and organisational capital are not aligned with strategies and roll-out plans for HIV/Aids interventions.

This research study therefore questioned the extent to which these strategies have impacted on the roll-out plans for HIV/Aids interventions, and investigated if the utilisation of public-private partnerships (PPP) resulted in applying fiscal responsible mechanisms in health care reforms (effectively, efficiently, economically and equitably (4Es)). Trends in the new public management (NPM) movement inspired a shift towards business-like reforms and saw PPP as a mechanism that improved efficiency and effectiveness in service delivery as it offered the promise to strengthen the capacity of government policy.

The study aimed to put forward value-creating strategies and develop a best practice model that strengthened government's policy capacity by providing efficient, effective, economical and equitable service in health care and thereby improving strategies that impact on the roll-out plans for HIV/Aids. This comparative study comprised four international case studies (developed and developing countries) which presented benchmarks against which the performance of the national case study was measured. A better understanding of the influence which different ideologies had on the architecture of international and global governance structures was gained as it highlighted and compared the key issues that influenced strategies for HIV/Aids intervention between the developed and developing countries.

Results of the study indicated that there are conflicting views between government departments in how to achieve value-for-money outcomes and their application of risk allocation. The conflicting views widened the gap between public and private governance structures and relations. The focus of the PPP definition as applied in the national context of health care is not perceived as being health-specific or effective as it excludes some forms of interactions occurring in the health sector. PPP goals

emphasised efficiency, affordability and value-for-money approaches, while health care goals emphasised the interest of the “patient” and public health.

KEY WORDS

HIV/Aids interventions, sustainable development, health care reforms, public-private partnerships, fiscal responsibility

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LIST OF ABBREVIATIONS

ABC	abstinence, being faithful, correct use of condoms
ACP	Aids control programme
ADAP	Aids Drug assistance programmes
AGOA	African Growth and Opportunity Act
Aids	acquired human immune deficiency syndrome
AME	annually managed expenditure
APEC	Asia Pacific Economic Cooperation
APRM	African Peer Review Mechanism
ART	antiretroviral treatment
ARV	antiretroviral
ASEAN	Association of Southeast Asian Nations
AsgiSA	Accelerated and Shared Growth Initiative for South Africa
AU	African Union
AZT	zidovudine
BAS	basic accounting system
BBB	better business bureau
BBBEE	broad-based black economic empowerment
BEE	black economic empowerment
BIG	basic income grant
BOT	build-operate-transfer
CBA	cost-benefit analysis
CBO	community based organisation
CFO	chief financial officer
CHBCS	community home-based care services
COMESA	Common Market for Eastern and Southern Africa
CoN	certificate of need
CSD	Commission on Sustainable Development
CSO	community service organisation
DAMP	district Aids mobilisation project
DANIDA	Danish International Development Agency
DFID	Department for International Development

DLO	Direct Labour Organisations
DHC	district health care
DISA	Data Interchange Standards Association
DMO	district medical officer
DoE	Department of Education
DOH	Department of Health
DORA	Division of Revenue Act
DPW	Department of Public Works
DSD	Department of Social Development
EAC	East African Community
ECOSOCC	Economic, Social and Cultural Council
4Es	efficiency, effectiveness, economy, equity
EMA	eligible metropolitan area
Epivir	lamivudine
EU	European Union
FAO	(UN) Food and Agriculture Organisation
FDA	(US) Food and Drug Administration
FDI	foreign direct investment
FMI	financial management initiative
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GDP	gross domestic product
Gear	Growth employment and Redistribution
GEMS	Government Employers Medical Scheme
GNP	gross national product
GPPP	global public-private partnership
HAART	highly active antiretroviral therapy
HCFA	Health Care Finance Administration
HIV	human immunodeficiency virus
HHS	Department of Health and Human Services
HHSPC	HIV Health Services Planning Council
HIPC	Heavily Indebted Poor Countries
HM	Her Majesty
HON	Health of the Nation

HSD	health subdistrict
IAS	Indian Administrative Service
ICJ	International Court of Justice
IDC	interdepartmental committee on HIV/Aids
IFC	International Finance Corporation
IHPF	integrated health planning framework
IMO	International Maritime Organisation
IMF	International Monetary Fund
INGO	international non-governmental organisations
IOR	Indian Ocean Rim
ITC	information technology communities
IT	information technology
JPPI	joint public and private initiative
KPI	key performance indicators
LA	local authorities
LDP	local delivery plan
LED	local economic development
LC	local councils
M&E	monitoring & evaluation
MAP	Millennium Africa Recovery Plan
MDG	Millennium Development Goals
MFPED	Ministry of Finance, Planning and Economic Development
MHS	municipal health services
MIIU	Municipal Infrastructure Investment Unit
MTBPS	medium-term budget policy strategy
MTEF	medium-term expenditure framework
MTFPF	medium-term fiscal policy framework
NACP	National Aids Control Programme
NACO	National Aids Control Organisation in India
NAFTA	North American Free Trade Agreement
NCPA	National Committee for the Prevention and Control of AIDS
NCPPP	National Council for Public-private Partnership
NEPAD	New Partnership for Africa's Development
NGO	non-government organisation

NHCS	national health care system
NHS	national health system
NIAID	national institute for allergies and infectious diseases
NIH	national institutes of health
NIP	national integrated plan
NMTEE	national medium-term expenditure estimate
NNGO	national non-government organisations
NPM	New Public Management
NPV	net present value
NRI	nucleoside reverse transcriptase inhibitors
OAU	Organisation of African Unity
OECD	Organisation for Economic Cooperation and Development
PCT	primary care trust
PEAP	Poverty Eradication Action Plan
PEM	Public Expenditure Management
PEPFAR	President's Emergency Plan for Aids Relief
PESTLE	political, economic, social, technological, legislative and environment
PFI	public finance initiative
PFMA	Public Finance Management Act
PGP	poverty and growth programme
PHC	primary health care
PHCS	primary health care system
PLWA	people living with Aids
PPI	public-private initiative
PMS	political mobilisation strategy
PPP	public-private partnership
PPPs	public-private partnerships
PRSP	poverty reduction strategy paper
PSC	public sector comparator
PUK	PartnershipUK
PWP	public works programme
R&D	research and development
RCs	resistance councils

ROI	return-on-investment
SACU	Southern African Customs Union
SADC	Southern African Development Community
SANAC	South African National Aids Council
SAP	structural adjustment programme
SCMS	supply-chain management systems
SIDA	Swedish International Development Agency
SITA	State Information Technology Agency
SSA	sub-Saharan Africa
STI	sexually transmitted intervention
SWAp	sector-wide approach
SWOT	strengths, weaknesses, opportunities and threats
TAC	Treatment Action Campaign
TANF	Temporary Assistance to Needy Families
TASO	AIDS Support Organisation
TB	Tuberculosis
TI	tageted interventions
TNC	transnational corporations
TOC	constraint theory
TRIPS	trade-related aspects of intellectual property rights
UAC	Uganda Aids Commission
UK	United Kingdom
UMA	Uganda Manufacturers Association
UN	United Nations
UNDP	UN Development Programme
UNEP	UN Environment Programme
UNFPA	UN Fund for Population Activities
UNICEF	UN Children's Fund
US	United States
VAT	value added tax
VCT	voluntary counselling and testing
Videx	didanosine
WB	World Bank
WID	women in development

WHO	World Health Organisation
WMO	World Meteorological Organisation
WTO	World Trade Organisation
WTP	willingness to pay
WSSD	World Summit on Sustainable Development