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Public-Private Nexus in Health Services Delivery in Developing Countries: What Makes Them Relevant?

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Abstract

This paper is based on empirical assessment and reviews of Public-Private Partnership (PPP) literatures and evidence in health services delivery in developing countries. The review includes theory, models and evidences published in different articles from developing countries. Objective of this paper is to discuss the role played by the PPP in provision of the health services and factors that determine their efficacy and relevancy. Factors that pose challenges to the propelling of PPP in health services will also be pointed out.

Although different papers published in journals have documented real cases of PPP models in health services delivery, there appears to be a lack of systematic summary of what they have already provided. Consequently, significance of this paper is the review of PPP studies published particularly on health services delivery. Through this analysis the paper will give insights or directing further PPP research particularly in developing countries. Additionally, little have been discussed about PPP in health services delivery in developing countries, henceforth the paper will contribute to the literatures on PPP in health services delivery in developing countries.

***Key words*:** Public Private Partnership, Health Services Delivery, Developing Countries, Relevancy.

I. Introduction

Given the long history of the marginalization of the private sector which has contributed to poor capacity and mistrust between the government and the private sector, the areas of partnerships are increasing in number and demand (Itika *et al*, 2011)-particularly in developing countries. The collaboration of public and private sector for more effective and efficient implementation of projects or services traditionally carried out by the public sector provides the foundation of public-private partnership (PPP). Public-private partnerships (PPPs) have evolved as a result of pressure to ensure quality in providing public services. Also, as demand for social services is constantly growing and as development becomes complex, the need for PPP is inevitable (Thomas & Curtis, 2003). With other partners (private sector) doing development/implementation, the government gets more room to deal with policymaking, security, regulation, and justice. The need for Public-Private Partnership (PPP) arose against the backdrop of inadequacies on the part of the public sector to provide public goods on their own in an efficient and effective manner, due to lack of resources and sufficient management(Thomas &Curtis,2003).

Meaning of Public Private Partnership (PPP)

According to Jütting, (2002) Public-Private Partnership (PPP) is the institutional relationships between the government and entrepreneurs, where the government and entrepreneurs jointly participate in defining objectives, methods and implementation of an agreement of cooperation. Public Private Partnership (PPP) as a catchy phenomenon has been used differently and gained momentum in the 1990s. The partnership involves governments and intergovernmental agencies on one hand, and the social entrepreneurs or commercial entrepreneurs on the other hand (Itika *et al*, 2011). Scholars share common understanding of PPP as collaboration between the public and private sector organizations where there is pooling together of resources (financial, human, technical, and information) from public and private sources to achieve a commonly agreed social goal. Here the term "private" is used loosely to mean stakeholders who are not part of the government organs. In this case, the formality or informality of partnerships is not considered as important as the end in itself. For the purposes of simplicity, the term is used to signify collaboration, participation, and partnership interchangeably (Itika *et al*, 2011).

Many scholars are divided on how to define PPPs. To attain a better understanding of the contribution of PPPs in improving access to quality healthcare it is important to revisit the theoretical debate on the definition about PPPs. Literatures shows that there are no inconsistencies or inadequacies in the literature on how to define PPPs, but just different perspectives. Hodge and Greve (2005) define a PPP as a co-operation of some sort between the public and private sector to develop products and services and share *risks, resources and costs* over a defined period of time. They further mention two dimensions of PPPs, namely organizational and finance, implying that PPP may have impacts on the settings of organization (involve in the projects/services delivery) and financial structure. Mörth (2008) and Gerrard (2001) add a legal view to the definition of PPPs. Mörth refers to PPPs as arrangements where the private sector finances, builds, or operates infrastructure assets that are traditionally provided by the public sector. Gerrard (2001) adds that the profits of the PPP business are constrained by the contract rather than market forces. In clarifying the definition of PPPs Mörth (2008), Greve (2008) and Grimsey and Lewis (2004) contrast PPPs with privatization, out-sourcing and vouchers. A privatized business is one where a formerly government entity is now owned by a private firm. It also assumes full responsibility for service delivery. Such privatized entity may operate in highly competitive markets, for example airlines, or in a monopoly as the postal services or electricity supply. As a result government may impose some form of

regulation over the price, the rate of return or profit and/or constrain profit by contract (Gerrard 2001). Privatization is very common in both developed and developing economies, particularly when the country is undergoing the economic reforms and tries allowing some of the formerly state owned entities to be operated by the private firms.

Although PPPs take place in different shapes, there are seemed to be major two types of partnerships in literature and in practices; namely *economic partnership and social partnership* (Hodge and Grevea 2005). Economic partnership has tended to dominate the literatures on PPPs. These are partnership where the private sector participates in designing, building, financing and operating the infrastructures or services together with public sector partner (Greeve 2008). This article focuses on the social partnership where public sector enters into partnership with private sector (social entrepreneurs) to deliver/ provide social services. Taking health care provision in developing countries as the case, the government of these countries entrust the private sector in most cases in the provision of health services.

Background of PPP in provision of public services

The literature on PPPs is relatively new, but the concept is old. The French were first to employ PPPs by using privately finance in public infrastructure through the French concession model. Canal de Briare and Canal du Midi were financed and constructed in France in 1663 and 1666 respectively in this way. During the 19th and 20th century France used PPPs to finance its infrastructure, water, electricity, railways and tramways (Grimsey and Lewis 2005). While the French can claim of be the founders of PPPs, the evolution of PPP has been accelerated in Britain. The origins of PPP can also be traced in the turnpikes in Britain and in the USA. A turnpike is a road wholly or partly paid for by fees collected from tollgates. The first British turnpike was established in 1663 and in the USA the first turnpike road was authorized in 1785 (Grimsey and Lewis 2005). The development of Britain as a naval super power in the 16th and 17th century is also as a result of financing by private merchants. In the recent history, the United Kingdom has been in the forefront of the development of innovative approaches to engage the private sector in delivering public services. Canada, Australia and New Zealand are also considered as front runners in the development of PPPs (Carroll 2008).

Growing appreciation of the importance of the market mechanism, coupled with success of privatization in various countries have sharply increased interest, in the continuously emerging of PPP phenomenon (Jamali, 2004)- this has been one of the reasons for the change in paradigm from the traditional public services delivery to existing PPP models available. It is argued that, international financial institutions such as World Bank and IMF advocate shift to efficient and facilitative role of governments which adopt the market liberalization and privatization. Financial support to developing countries often linked to the focus and orientation of government from direct involvement and intervention to the role of revolving around the partnership and facilitation (Hughes, 1998).

Objective and Structure of the paper

Despite the fact that studies focused on PPP in health services delivery have been increasing in developed countries, to date there appears to be a lack of attention paid to PPP in developing countries particularly in healthcare services and the need for summarizing what has already been presented in the literatures. In addition, a critical review of the existing literature may improve our understanding of the PPPs relevancy. As Li et al, (2000) suggested, *"rather than arguing for a particular viewpoint, it would be more beneficial to investigate systematically what we do know and how we can proceed to learn more".* Therefore, a systematic review of relevant PPP studies in developing countries is undertaken in this paper. In particular two research objectives have been derived:

i. To provide discussion on the role played by the PPP in health services delivery in developing countries.
ii. To identify, summarize and reveal the uncovered key aspects (if any) that makes PPP relevant for health services delivery in developing countries.

The paper starts with description of the PPP, that is the background and definition as well as objectives of the article are presented in *Section one*. *Section two* includes PPP in health services delivery, and PPPs in developing countries. Factors for the of PPPs relevancy in health services delivery in developed and developing countries are presented in *Section three*. Lessons learnt and prospects of PPPs in health system in developing countries are presented in *Section four*. Conclusion and Recommendation for policy making as well as suggestions for future studies on PPPs in health (particularly in developing countries) is provided in *Section five*.

II. PPP in Health Services Delivery

Generally the delivery of the health care in almost every country involves some form of public-private partnership (Mc Kee *et al*, 2006)-including both developed and developing countries. It is now common knowledge that the private sector, the government and the community can all gain from PPP if there are genuine concerted efforts to work together (MoH/PORALG, 2005, Itika, 2007). Lees (1961) argued that services in healthcare sector do not possess characteristics which differentiate them sharply from other services /goods in the market and hence should be provided through market mechanism, implying that both the government may participate in delivery of health care. By the 1980s, Lee's arguments for privatization of health systems were reflected in publications of the World Bank. In developing countries particularly Africa, the relationship between the public and private sectors in healthcare delivery has its roots which can be traced back to the 1940s when there was an expansion of mission hospitals and later in the 1970s when mission hospitals were nationalized in the homelands (in African countries Tanzania was a good example). These interactions between the public and private sectors were accelerated after increase in pressure demanding Governments to provide quality health services to the rapid increasing population (Jokozela, 2012) - which led to the increase in budget pressure in these developing countries.

The public sector in this paper refers to ministry of health and social welfare, districts and regional authorities dealing with health sector, municipal administrators and local government institutions, as well as inter-governmental agencies with the mandate of delivering 'public goods', particularly health care services, While private sector implies the (non-governmental) entrepreneurs cooperating with government in delivery of health services. The

word entrepreneurs denote two sets of structures: the commercial entrepreneurs encompassing commercial enterprises of any size in one hand and the social entrepreneurs referring to religious and other not-for-profit institutions on the other hand, this paper focuses on social-entrepreneurs. The word partnership in this paper refers to long term, task oriented, and formal relationships based on the agreement between the parties involved (public sector and private sector). Put simply, a partnership is a "relationship based upon arrangements, reflecting mutual responsibilities in furtherance of shared interests" (ADB, 2000) – specification of the shared interests and mutual responsibilities are two important keys elements for the partnership to work. Both in developed and developing countries, for the partnership to be successful there are special features that must be in place. In the article by Buse and Walt (2000) the following features were pointed out as the characteristics of the successful partnership between the private and public sector:

i. Clearly specified, realistic and shared objectives;
ii. Clearly delineated and agreed roles and responsibilities
iii. Distinct benefits for all parties
iv. The perception of transparency
v. Active maintenance of partnership
vi. Equality of participation
vii. Meeting agreed obligations

When compared with the list prepared as the joint exercise by a conference held by the *Asian Development Bank Institute* on Public –Private partnership in the social sector in Japan in July, 1999 both lists seemed to put much emphasis on the *transparency accountability* and *common understanding* on what is expected .

PPP Model in Health care in Developing Countries

Public Private Partnership (PPP) adaptation in health services delivery obviously implies advantages for each party involved to the partnership. **Fig: 1** describes partnership like a tool of assistance in response to the challenges of health system in a decision-making process. PPPs in health services delivery in developing countries has been dominated by the services contract model. Partners to the PPP are: *Public sector which is* the government, local authority, government agencies or the state owned entity (Grimsey and Lewis 2004) –taking part in the partnership arrangement. The government is responsible in creating the conducive environment, monitoring performance and managing community expectation. *Private sector* includes the special purpose vehicle (SPV), subcontractors, advisers, financiers and other parties such as insurer involved (Grimsey and Lewis 2004). Their initiative and their work are financially rewarded by their working improvement, but also socially, by positive publicity rising from the optimal service offered to the population. This is carrying interesting solutions for the structure and finances. It aims to improve quality of care, to reabsorb deficits and to employ administrators, doctors, hospital personnel and people of businesses in the management.

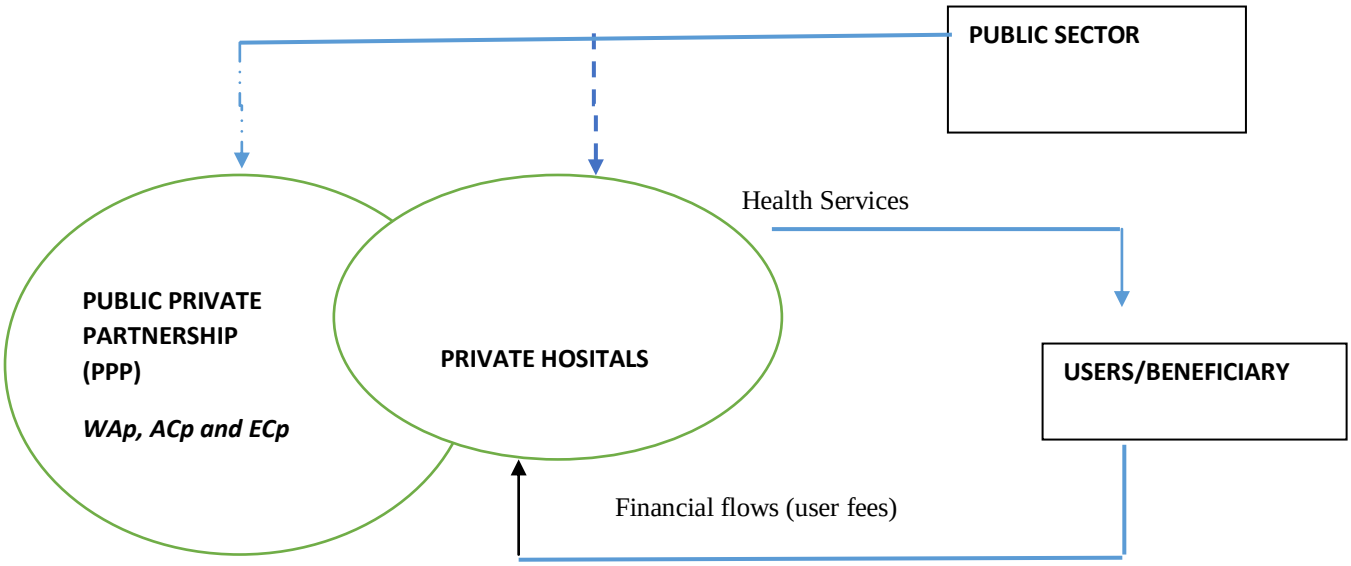

Fig 1: Service Contract as the PPP model in Health services

Regulation layout on PPP
Public sector working with Private operator as partners

WAp - willingness and ability to cooperate
ACp - Areas to cooperate
ECp – Extent of partnership (cooperation)

Literatures on Social partnership reveal that *Areas of cooperation, Extent and willingness of Cooperation as well as ability to collaborate* yield the foundation for specifying an empirical model of collaboration. The conceptual framework of this study suggests that Areas of cooperation, Extent of Cooperation and willingness &ability to collaborate will have the influence on beneficiaries/stakeholders' perceptions on how a health service is delivered through Public Private Partnership (PPP).

Clearly, in the course of attaining its objectives, partnership has to consider user into the decision process since through this it will improve the accessibility, quality and the continuity of the services to the user as well as

rendering health services more efficiently. The health network and the social services do not escape from the liberalization agreements. Since it is obvious that the major role of a responsible State is to ensure a social justice for its population, particularly in its fundamental needs, its quality of life and its development like in health whether it is through the traditional procurement or PPP arrangement. In these terms it can become the only real alternative to the privatization of the system. PPP in health system presents great advantages in management, which makes more place with the production of officially agreed healthcare services from private, so as to create the necessary emulation to carry out profits of effectiveness and efficiency. It would be essential to attenuate at least rigidities of the system and to create new dynamics for users with a feeling to take a certain control on their activities and 'their' system of services. These private resources can produce services managed with contract under PPP for the good of all. Although, the World Health Organization (WHO) considers that many developing countries still have a weak system of public health in the world with public expenditure on health very low. It is also important to note that PPPs are compelled with the same collective agreements as the public services, to the same standards of quality and must offer all the range of services.

III. Particularities and Experience of PPP in Healthcare Delivery in Developing Countries

Many developing countries have recently started employing practical applications of cooperation between the public and private sectors (Jamal, 2004) - this does not left the health services delivery behind. According to the suggested model, private providers and competitive pressure plays a big role within a guiding framework imposed by the public health authorities. The guiding framework could take the form of regulation but research has shown that regulatory influence to be weak in less developed countries (LDCs) (Kumaranayake, 1998). An alternative argument derived from the revised model proposed that gains from improved management could be obtained within a contracting framework without introducing either competition pressure or private sector organizations. Additionally, it has been argued that using contracts between the funders and providers even when both are public and no competition allows funders distance themselves from providers and consequently, it is argued that contract is in itself a useful tool for changing the behavior of providers (Mills, 1997).

Initial research efforts on the public-private mix for healthcare in less developed countries (LDCs) began to take place in the early 1990s. These efforts took the international comparative research process forward to the stage of testing the theoretical model with experience in different countries (Mc Pake and Mills, 2000). Health systems in less developed countries (LDCs) largely derived their views and ideology from western countries (Lees, 1961). The promoters of more private system such as found in USA emphasized the value of competition and the stronger incentives for efficient performance that are associated with private institutions, on the other hand, promoters of more public systems such as those found in United Kingdom (UK) emphasized the 'market failure' implicit in health markets (McPake and Mills,2000). Developing collaborative relationship between the public and private sector for providing health services has emerged as an attractive policy option in recent years. It is a shift in paradigm from the traditional health systems structure. In the same line the Commonwealth countries have a history of certain collaboration between public and social entrepreneurs towards the national health policy implementation (Marieke, 2001). From this perspective, ensured growth of the PPP is of fundamental importance in guaranteeing improvement of health services in developing countries. The partnership is more visible between the public and Social entrepreneurs, particularly faith based organizations than the commercial entrepreneurs (HERA, 2005).

According to Makundi et al, (2005) there is a very high awareness of the health sector reforms and implementation of PPP aims mainly at obtaining the necessary funds, decreasing the costs of providing the services, obtaining access to new technologies and limiting the risk and involvement of experts possessing the knowledge of know-how, which is generally not adequately available in the public sector . Generally, the current debate favors increase of private sector involvement in the health sector, paying important role in delivery of health services and efficient or prudence use of the health inputs with the public sector playing the role of securing sustainable and equitable financing and stewardship.

Benefits of PPP and Factors for the Relevancy in Health Services Delivery

Literatures argue that PPP allows the realization of projects economically and financially robust. It works as the instrument for the reaffirmation of public intervention, while modernizing and continue reinforcing the state in the health sector. PPP is not only a tool for a better management of national debts, but also an instrument for a new way of state management in itself and for its missions of delivering social services such as healthcare. The government may gain through enhanced capacity to deliver health services to citizens .The private sector will improve capacity if it assumes that there are skills and resources that will benefit from public sector services, such as commercial incentive increased efficiency, and focus on customer requirements. The demand for PPP calls for innovative approaches and provision of regulatory frameworks that have direct links with the private sector**.** Generally, applying PPP model in Health services delivered revealed many advantages including:

- Acceleration of health services infrastructures (such as Hospitals) when public capital is not available or inadequately available.
- Faster implementation health services improvements using flexible and innovative processes available for private organizations.
- Reduced cost and taking the advantages of resources utilization as well as accumulative experience available to private organizations.
- Risk sharing between private and public organizations, plus participation of private organization helps in risk analysis phase with better risk study.
- Private organization has better incentives to perform and run the projects in more efficient ways.
- Better customer satisfaction due to more focus in services quality by private sector.

- Public authorities can have more control over the projects by taking regulator role instead of being involved in projects micro management.

Public Private Partnership as the formal cooperation is currently becoming popular in developing countries as it facilitates win-win situations. There are several factors that determine relevancy of PPP in health services:

i. One of the main driver for the application of the PPP in health services has been the emergency of number of the news philosophies to describe the reforms of public administration and enhance the provision of public services (English and Guthrie, 2003; Thai, 2005)-the reforms have been developed to keep pace with rising needs of quality health services in developing countries.
ii. Mattke *et al*, (2006) added that many countries have introduced reforms with the goals of making health care delivery more effective. These reforms include financing, delivery and management.
iii. In the same line of framework, PPPs are seen as the approach to make efficient use of the scarce resources (often created by reduction of taxes) and competencies, the best use of both private and public sector. It is also seen as the means to explore the potential innovative mechanism for public services provision (Bovaird, 2004; Teicher et al 2006).
iv. Reich (2000) argues that partnerships results into innovative strategies and positive consequences for well defined public health goals and creates powerful mechanism for addressing difficult problems by leveraging the ideas, resources and expertise of different partners.
v. The need to provide and improve the efficiency of the health care system delivery has been gaining alternative worldwide (Jamison *et al*, 2006). Therefore, PPP is one of the approaches that can be used to increase efficiency in public services delivery (ie. healthcare delivery).
vi. Evidence from the public-private mix indicated that private provisioning and financing already played greater role in the healthcare than was suggested by typical characterization of LDCs health systems as being dominated by the public sector (Mc Pake and Mills, 2000).
vii. Partnership has significant potential ties to the efficiency and effective high quality healthcare services. It aims to establish a functional integration and sustained operation of a pluralistic healthcare delivery system by optimizing the equitable use of the available resources and investing in comparative advantages of partners. Ensures the utilization of the potentials of both the public and private sector (Barakat, 2003).
viii. It is suggested that PPPs are able to solve a number of wicked problems in a society which seemingly cannot be resolved by the government alone. The need to solve these wicked needs necessitate the government to work in cooperation with a wide range of organizations such as not for profit and the private sector (Bovaird, 2004)
ix. Many governments struggle to deliver projects of high importance with the planned budgets which also motivated government to explore the utilization of emerging PPPs concepts.
x. There is an increase in the expectation of citizens for high level of public services (including health services) provision has also contributed to the development and implementation of PPPs in developing countries. Furthermore many governments are nowadays committed to reduce the role of government in the ownership of assets and direct delivery of services. Instead governments focus core competencies and elimination of non efficient operation (English and Guthrie,2003; Thai 2005, Teicher et al 2006)
xi. PPP also has been derived by the need to reduce the pressure on government budgets and achieve better value for money in the provision of public infrastructure and share risks (Teicher et al, 2006; Hodge and Greeve. 2007)
xii. PPPs aims at creating trust, improve transparency, increase accountability, increase efficiency and allow greater citizens involvements in decision making process (Bovaird,2004; Teicher et al 2006)

Additionally, literatures show that Private sector has became more customer-focused trying to conquer the market. The consumers got used to it and have increased their expectations of privately delivered products and services, so as public services. The solution is including the private sector in traditionally delivered public services to bring in the skills they have developed in meeting customer needs and developing value for money and work in partnership with the public sector to provide better services. Another reason, even more important, for searching for new, alternative ways of funding for public services is an increased public demand. Local and public budgets are regularly insufficient for direct financing of those more intensive needs for investing in public services and quality infrastructure solutions. Therefore it became necessary to generate or improve models which will attract investing of private capital in public sector programs or projects through contractual obligations network.

IV. Challenges and Lessons learnt from PPPs in healthcare in Developing Countries

Though such PPP creates a powerful mechanism for addressing difficult problems by leveraging on the strengths of different partners, they also package complex ethical and process-related challenges. Literatures on PPP argue that PPP projects are by their nature long-term projects. As contracts mature and the process evolves, different risks will materialize and other issues may arise. Furthermore, the complexity of the current reforms in health sector in developing countries and the challenges ahead are quite immense. Regulation governing PPP are extremely variable and depend on the type of relation and the sector concerned. In fact, in several fields and particularly in health sector, the regulation increased with partnership, both in the USA and Europe (Sparer, 1999) – as it is true for the case of developing countries. Like many other developing countries, Tanzania has recently passed the specific regulation that can be used to design and initiate PPP projects in the country. In many cases initiation of PPPs in many countries has different forms depending on the situation at hand. This led to different interpretations of the terms in the agreement. It has also depended on the *readiness, willingness* and *ability of the private sector* individuals to sense the opportunity for collaboration and benefits.

PPP assures the design, realization and exploitation of having the private sector delivering health services on behalf of the Government. Apart from making use of the private sector in public services the promotion of PPP in

public services such as the health services at the national level rises from an important international development. The World Bank acts as leader in the promotion of the PPP, by actively preaching the public-private recourse to the partnerships. First of all, PPP come from a political motivation for a fundamental reason: the relative advantages are concretized in the short run, whereas problems and costs are reflected more in the long run. Division of risks between public and private partners is a major argument in favor of a greater recourse to PPP in Tanzania. But, although certain operational risks are transferred, the ratio concludes that managers of public sector remain the ultimate persons in charge of the delivery of public services. Consequently, public agencies have to supervise private partners, but also to, preserve an internal capacity to provide the service in the event of a supplier's failure. This incomplete transfer of the risk is never taken into account in comparative calculations between a public and a private production. By adding these risks, the relevance of future agreements could be strongly faded. On the other hand the study conducted by *Itika et al (2011*) revealed that Trust, Commitment and Accountability are very important aspects in Tanzania. Partners to the PPP should have certain strengths to fulfill agreed obligations, commitment and be ready to account for whatever happens. This requires the availability and reliability of sufficient resources to share and account for. In most cases both the Government and the private sector do not have enough resources to finance PPPs. Even if some private health providers could take the bigger share of the costs of partnerships, it would be difficult for the government to institute a flexible regulatory framework of accountability. PPP Studies have reported increased access and reversal of the decline in utilization of health services immediately after the introduction of the government subsidies to Private no-for profit (PNFP) health facilities. For example, Giutsi *et al*, (2004) argued that there were upward trend which has continued at an even steeper pace into the present day in Uganda. This is attributed to the effect of the government subsidy in replacing user fees and allowing the charges gradually to be pushed downwards.

The scope of successful of PPP should not be overestimated, and they do not constitute a panacea for all social services delivery in times of budgetary constraints (Larkin, 1994). Although, literatures show that there is a tendency of increase in the use of the health services after the adoption of the PPP arrangements particularly in the private not for profit (PNFP) hospitals, PPP does not always work as the solution to the budgetary difficulties in all social services provision. In the course of PPP implementation Principal-agent problem may arise, Fourie and Burger (1999) pointed out that the Principal –agent problems arise when the principal contracts an agent to perform tasks on his behalf but cannot ensure that the agent performs them in exactly the way intended by the principal key problem starts when the agent actions cannot be observed or can't be inferred to the observable variables. In the same line of argument, if the government which is considered as the principal in public services delivery (including healthcare) has no proper means of getting feedback or has inadequate / poor control mechanisms to control or monitor the PPP arrangements then the same may exist. However, one should be very careful with crude generalization in this regard. Not all cases of Government provision are inefficient and not all cases of of private sector provision are efficient. It is not in the interest of the public to base a PPP policy and PPP implementation process on unsubstantiated generalization (Fourie and Burger, 1999). Furthermore, literatures argue that there is no magic formula that will produce successful PPPs in all places under all conditions. Patients and careful analysis of each local situation is necessary perquisites to effectiveness of PPP.

V. Conclusion and Recommendations

Grounding on the existing achievements and working on the observed challenges should be placed as the most important motivating factor to improve partnerships in health service delivery in developing countries. Therefore, efficient means of getting feedback, close monitoring and evaluation of the health sector's performance over time is quite imperative for the betterment of healthcare delivery under the PPP arrangements. Based on the review of the PPP literatures on several studies conducted in developing countries the study also suggest that it is important to establish and keep effective tool of governance and regulation under the guiding PPP framework imposed by the public health authorities but agreed by both partners. We can conclude with comparison of theory grounded literatures many of which arguing that PPP in healthcare take care of dynamism in traditional health services delivery. However, given the fact that there is no magic formula that produces successful PPP in all places under all conditions, it is important therefore that prudence and careful analysis of local situation while inferring to the established theories and PPP perquisites is quite imperative when establishing the framework under which the PPP will operate. Since there are still existence of weak regulation governing PPPs and the *problem of mistrust, commitment as well as accountability* in many partnerships in health sector in developing countries, establishment of binding contracts and agreement between public and private sector could generate more positive expected results from the PPP arrangements.

This study was the literatures based, and the results obtained from the studies (on PPP in health services delivery in developing countries) reviewed are not sufficient enough to claim conclusion on the assessment of factors that determine the relevancy of PPP in health delivery in developing countries. Further studies should focus on the factors determines relevancy based on the research based approach. Extension of this study should also focus on comparison of factors determining the relevancy of PPPs in developed and developing countries. Conclusively, the study has portrayed what is happening in health sector with regards to PPP in developing countries, and found that the motive behind adoption of the PPP in healthcare is good and promising. However, strong regulations and implementation policy that will address the negative outcomes related to weak regulations, mistrust, as well as lack of accountability and commitment between partners are quickly required in place.

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