COMMISSIONED DESK-BASED RESEARCH

Mapping Of Donors’ Policies and Approaches Towards Non-State Service Providers

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MAPPING OF DONORS’ POLICIES AND APPROACHES TOWARDS NON-STATE SERVICE PROVIDERS

This document provides an overview of donor agencies’ policies towards non-state service providers (NSPs) and the main approaches that they advocate for engaging with them. It is accompanied by an Annex which contains profiles of individual donors’ policies.

Definitions and Methodology

Choice of donor agencies and sectors: Donor agencies were included in the review based upon the terms of reference for the study as a whole, consultation with DFID, and the availability of information suggesting they were engaged in interesting work on NSP. The sectors reviewed are those set out in the terms of reference, namely, Primary & Basic Education, Primary Healthcare, Water Supply and Sanitation. Some donors actively engage with NSPs in only some of these sectors, and this is reflected in the coverage of the individual donor profiles (see Annex). Information on donors’ engagement with NSPs in other sectors is included here if it was thrown up in the course of the investigation and is considered to be of interest for other sectors.

Definition of Non-State Service Providers: The working definition of NSPs adopted here includes all those individuals and organisations acting otherwise than under the direction of the state. This includes for-profit and not-for profit organisations and actors, NGOs, faith-based organisations, communities and community-based organisations. The NSPs covered in donor policies vary widely in terms of degree of formality, and size and scale of operation. While all forms of NSP falling within this definition have been included, particular care has been taken to include those small-scale and informal providers which are often relatively underrepresented in donors’ policies.

Sources of Information: The main sources of information for this review have been donor websites and policy statements, supplemented wherever possible by input from contacts within the relevant donor agencies.

Introduction

None of the donors surveyed have general, cross-sectoral policies on engaging (with) non-state service providers. Explicit policies, where they exist, are sector-specific. However, certain agencies de facto strongly favour engaging with NSPs across all sectors reviewed. ADB, USAID and the World Bank fall into this category. Conversely, in all sectors Sida currently takes a relatively cautious approach to NSPs. A qualified exception to this rule applies to GTZ much of whose engagement with NSPs is determined by its cross-sectoral policy on economic development and employment rather than its sector policies.

Education

In the Education sector, all donors recognise the important role played by NSPs in supplementing government provision of basic education and donor policies include a variety of different ways of engaging them. However, donors are more reticent than in other sectors to suggest that governments consider withdrawal from direct provision of education services. The World Bank supports governments in selectively purchasing capacity from privately run schools. USAID, CIDA and ADB actively consider
engagement with NGO or faith-based schools either directly, or through government. These types of organisation are considered particularly suitable for running adult literacy and numeracy training (ADB, USAID, GTZ) and for teaching school drop-outs (ADB). In addition, GTZ supports NGOs and communities setting up, financing and running schools in areas unserved by the state. Sida reserves its active support for non-state education providers for situations of state crisis.

**Water Supply**

In the Water sector, the World Bank, ADB and GTZ strongly support the involvement of the private sector in urban water supply infrastructure and suggest a variety of mechanisms by which this can be achieved, ranging from public-private partnerships, various contracting and leasing arrangements, to full-scale privatisations. GTZ’s work on business development also encompasses SMEs in the water supply sector. The World Bank too has identified the important role played by many SMEs, CBOs and informal for-profit actors in the sector and believes that further research should be carried out to identify opportunities for engagement.

Smaller-scale partnerships are also considered appropriate by many donors for financing, running and monitoring water supply systems, especially in rural, small town and peri-urban areas. For instance, the World Bank and USAID support partnerships involving NGOs and the private for-profit sector that are responsive to community needs and demands. AFD is active in the design of water and sanitation systems that combine both private sector and community involvement in finance, operation and maintenance, and monitoring. In small- and medium-sized municipalities UNDP promotes three-way water supply and sanitation partnerships, between communities, local governments and the private sector. ADB makes a general statement in support of user-participation in the running of certain local water services.

**Sanitation**

In many donors’ policy statements the Water Supply and Sanitation sectors are not fully distinguished from each other. So, as with the Water Supply sector, the UNDP and USAID promote partnerships in delivering sanitation services, the ADB supports selective user participation, and the World Bank recognises the under-studied contribution of SMEs and informal providers. However, in the area of hygiene promotion, the World Bank, USAID and UNICEF are partners in The Global Public-Private Partnership for Handwashing with Soap which involves collaboration with research institutes and multinational corporations. Audiences in-country are targeted through mass media, direct consumer contact and government channels of communication. In addition, UNICEF works directly with community-based actors to pilot new technologies and systems. USAID supports social marketing of hygiene and sanitation products by local entrepreneurs and NGOs.

**Health**

The World Bank and ADB advocate that governments actively consider purchasing health services from NGOs and civil society providers. The World Bank, GTZ and Sida, are currently undertaking research on how the private sector can be better integrated in future health systems development.

The World Bank and ADB advocate government engagement with both formal and informal non-state providers through partnerships, capacity development programmes and licensing. The World Bank’s team on Child Health promotion consider that viable
partnerships can be built with pharmacies, pharmaceutical companies, producers and suppliers, shopkeepers, and traditional healers. ADB considers NGOs, private practitioners, pharmacies, private hospitals and traditional healers among the range of suitable partners. In addition, the World Bank, ADB and USAID endorse social marketing of essential medicines and healthcare items. USAID favours working directly with NGOs, FBOs and CBOs on HIV/AIDS interventions and with the private sector more generally on Child Health promotion. It also supports strengthening of community systems to improve maternal and peri-natal health awareness. Similarly, UNICEF supports efforts to improve community- and family-based care. UNICEF also believes NSPs have a particularly important role to play in supporting those affected by HIV/AIDS, and in the direct delivery of health services during emergencies.

Amongst the other donors, GTZ promotes PPPs between employers and healthcare providers to support employees with HIV/AIDS. Sida’s policy towards NSPs in healthcare focuses on Ministries’ of Health ability to regulate and monitor the private sector.

**Donors’ Methods of Engagement with NSPs**

Most donors contribute a mixture of financial and technical assistance in support of their policies on NSP. However, there are observable differences between donors in the methods through which they engage with or promote NSP in partner countries.

World Bank and ADB policies generally focus on encouraging country governments to facilitate NSPs and on supporting governments in adapting their own role to one of regulator. In the case of the World Bank this may to a certain extent reflect the fact that there are limitations on it lending to entities without government guarantee and that the IFC is still developing financial instruments suitable for making smaller investments appropriate for social sectors such as Education and Health. The IFC does participate directly in financing private infrastructure projects in the Water sector. The ADB, on the other hand, is able to lend and invest in private enterprises without government guarantee and has made a limited number of investments in private health and education providers. In the case of both, financing is used in combination with technical assistance.

USAID does encourage national governments to work with NSPs, notably in the primary education sector, but much of its support to NSPs is channelled to local actors, including NGOs and CBOs. In many cases, the agency’s US or regional partners are responsible for overseeing the implementation of projects. UNDP and UNICEF also provide direct support to CBOs. In the water and sanitation sector, both USAID and UNDP support local level public private partnerships.

GTZ favours working with the private for-profit sector, ranging from large multinational corporations to SMEs and informal sector enterprises. In the case of education, however, it also works with NGOs and communities themselves. Where necessary, GTZ works with governments to improve the conditions for private sector development and investment. AFD follows a similar approach, emphasising its commitment to encouraging private investment in infrastructure, and to a mixture of community and private sector participation in the delivery of local water services.

Sida puts particular emphasis on national-level ownership of policies and directs most of its funding to Health and Education through the Sector Programme Support mechanism which covers all actors- state and non-state- in each sector. Where it does support NGOs
independently of this mechanism, the assistance is channelled through Swedish partner organisations. In many ways, CIDA pursues a similar approach. Although it has worked successfully with NSPs over many years, the agency now commits itself to working within government strategies wherever possible, and to supporting these through sector-wide approaches.

UNESCO and WHO operate as high-profile advocates for improvements in education and Health respectively. This role also involves spearheading international-level partnerships to raise momentum and resources for particular campaigns such as Education for All and Roll-back Malaria. This means that these agencies have little direct involvement with local NSPs, but do have significant influence over the approach which national governments take to involving NSPs in education and health strategies.
ANNEX: DONOR PROFILES

Asian Development Bank
Canadian International Development Agency
French Agency for Development
German Agency for Technical Cooperation
Swedish International Development Cooperation Agency
United Nations Children’s Fund
United Nations Development Programme
United Nations Economic Scientific and Cultural Organisation
United States Agency for International Development
World Bank
World Health Organisation
Asian Development Bank (ADB) & NSP

**SUMMARY**
The ADB encourages the role of non-state providers in the sectors reviewed. In the Education sector it supports NGOs as providers of literacy training for adult illiterates and school drop-outs. In certain environments, it also considers supporting public-private partnerships and the ‘mainstreaming’ of NGO and faith-based schools. In the Water sector, the emphasis is put upon the provision, operation and maintenance of infrastructure and services by private companies. However, the Bank also suggests that user participation is suitable in some circumstances. In the Health sector, the Bank believes there is a significant role for public-private partnerships (PPPs) with a variety of formal and informal non-state actors to boost delivery of services. Among the non-state providers which the Bank identifies in this case are: NGOs, private practitioners, pharmacies, private hospitals, and traditional healers. It believes that NGOs have potential, not just as service providers, but also as regulators of the private sector, organisers of health financing schemes, and policy formulators.

Across all sectors, the Bank suggests that governments take responsibility for contracting, regulating and monitoring privately-provided services. In the Health sector in particular, emphasis is put on governments’ ability to maintain an ‘activist’ role and to ensure the standard of care delivered by non-state providers.

**EDUCATION**

**Key Document**

**Policy**
The ADB’s principal priorities for education sector development are reducing poverty, enhancing the status of women, and facilitating economic growth. One of the subsidiary priorities, by which it hopes to achieve its overall goal, is through ‘mobilizing resources for sustainable education delivery, in particular facilitating the role of the private sector, while protecting access by the poor to affordable basic education’ (Chapter 9, Para.43.iv).

While the ADB recognises that governments are the main source of education funds and services, it believes that they may not always be the most effective providers of education. In this respect, the bank endorses partnerships with the private sector (especially for higher education and skills training) and with NGOs at the national and community levels. It also advocates community participation in the design and implementation of education projects (Chapter 8, Para.39.vii). Partnership with the NGO sector is considered particularly appropriate for providing literacy training to adult illiterates and school drop-outs.

In addition, the ADB aims to support countries with low retention rates by developing alternative approaches to conventional schooling. For example, the Bank may provide assistance for governments to upgrade and mainstream schools such as madrasahs and NGO-run schools. (Chapter 9, Para.57)
**Approach**
In the education sector generally, the ADB has used a variety of lending modalities. These include project loans, sector loans and, increasingly, Sector Development Programs (SDPs) which blend program and project lending. As part of SDPs, borrowers agree to certain policy reforms in exchange for a quick-disbursing program loan, while the parallel project loan provides more detailed and targeted support for implementing activities related to policy implementation. SDPs are especially appropriate where ADB is supporting the implementation of a broad sector policy reform. (Chapter 5, Para.17).

The ADB’s support for non-state education provision may also involve direct lending to private sector education institutions and education-related industries and services. However, the ADB also provides assistance for governments in formulating policies and regulatory frameworks conducive to the growth of the private education sector (Chapter 9, Para.48).

The Policy Paper highlights two ADB-funded programmes in the sector. The Bank provided loans for the governments of Bangladesh and the Philippines to enable them to support non-formal education provision by NGOs. The government took responsibility for contracting, monitoring and evaluation of the programmes while the NGOs were responsible for delivery. (Chapter 8, Box 5)

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**WATER & SANITATION**

**Key Document**
Especially Chapter 3, Sections A & D

**Policy**
In general, the ADB is committed to improving and expanding the delivery of water services and is committed to achieving this through increasing the autonomy of service providers and promoting private sector participation and partnerships. (Para. 22, iii; Para 24). It believes governments should ‘modify their role from one of service provider to regulator’ (Para 37). ADB supports **private sector investment** in infrastructure including through public-private partnerships (Para 38, 39). It will also support utility privatisation and contracting out. (Para 38).

ADB also supports **user participation** in the running of certain water services. Small and medium-scale irrigation and drainage schemes, local water supply and local sanitation projects are identified as the most suitable areas in which to foster consumer participation (Para 40). ADB also supports the ‘phased turnover of responsibilities for distribution system operation and maintenance to farmer groups’ and the agency ‘will seek to initiate monitoring and benchmarking exercises for irrigation and drainage service providers to track value and performance parameters’ (Para 42).

**Approach**
ADB’s policy is to support necessary non-state involvement in the water sector through a mixture of financial and advisory support. This include designing financial packages for lenders to infrastructure projects, acting as guarantor for privatised entities seeking credit,
supporting governments in the identification of suitable concessions and concessionaries, and advising on contracting modalities.

HEALTH

Key Document
ADB, February 1999, Policy for the Health Sector, Manila
Available at: http://www.adb.org/Documents/Policies/Health/default.asp?p=policies

Other Documents
These documents provide details of the ADB’s support to the pilot testing of an innovation wherein the provision of primary health care (PHC) services was contracted to NGOs in five provinces of Cambodia.

ADB, May 2001, Technical Assistance to Cambodia for the Second Basic Health Services Project, Manila

ADB, May 1996, Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Kingdom of Cambodia for the Basic Health Services Project, Manila

Policy
The ADB’s ‘overall approach to the health sector will be to assist its DMCs in ensuring that their citizens have broad access to basic preventive, promotive, and curative services that are cost-effective, efficacious, and affordable’ (p.25). Its activities in the sector are guided by strategic considerations that include: support for testing of innovative approaches to the management and financing of the health sector; and encouraging country governments to take an appropriate and activist role in the health sector that includes increasing public investment in PHC as well as facilitating private sector involvement in health. (Policy for the Health Sector, p.27)

The ADB aims to facilitate partnerships between the public and private sectors in health as means of increasing efficiency and acquainting country governments with the large and growing private sector in healthcare. The non-state providers the Bank considers when designing health projects with country governments, include NGOs, private practitioners, pharmacies, private hospitals, and traditional healers. It is hoped that ‘as governments get used to actively collaborating with the private sector, levels of trust will increase and governments will do less direct service provision’(ibid. p.25).

The Bank has been involved in formally assessing service delivery where NGOs have been contracted by government to provide healthcare. However, the bank believes that the role of NGOs can extend beyond that of direct service providers for government. ‘NGOs, together with community-based organizations, can play a vital role in the area of regulation of private sector activities, the organization and operation of health financing schemes, the development of innovative health activities, and policy formulation’ (ibid. p.22).

The Bank’s Policy Paper also considers the potential of private drug sellers’ sales networks for distributing commodities like contraceptives and oral rehydration salts.
**Traditional healers** are considered a vital, low-cost resource through which the government can improve the delivery of certain essential health services (perinatal care, antimalaria precautions). Collaboration between government and **private providers**, either individuals or hospitals, could help ensure the standards of care the private sector provides (through regulation or licensing). It could also lead to sharing resources between the two sectors and to the government purchasing capacity from the private sector (ibid).

**Approach**

The ADB emphasises its partnerships with WHO, UNICEF and UNFPA as well as a wide range of bilateral agencies. It believes that its comparative advantage in supporting the health sector of its member countries resides in its financial, economic, and technical expertise.

Because of the relatively large-scale and long-term financing it can provide, the Bank also has an advantage in addressing broad issues of health care systems development, which often require more substantial investments than can be provided by other bilateral or multilateral partners. The Bank is also able to carry out large scale tests of innovations in health care financing and management, and is able to support the scaling-up of programmatic interventions designed by other agencies. ‘For example, in Lao PDR, UNICEF helped the Government develop a community-based approach to malaria control that was then expanded with Bank financing.’ (Ibid, p. 13)

The Policy Paper emphasises the impact of the policy on the Bank’s lending modalities: ‘There are a number of characteristics of the health sector that will require flexible use of existing lending modalities… pilot testing innovative approaches to the management, organization, or financing of health services might require adaptation of current procedures or the development of new products. For example, the important policy and software aspects of health sector activities may require relatively small but more frequent loans.’ (Ibid, p.26)

Where the Bank has supported arrangements non-state provision, for instance, in the Basic Health Services Project and the Second Basic Health Services Project in Cambodia, it has been through a mixture of technical assistance and lending.
Canadian International Development Agency (CIDA) & NSP

SUMMARY
CIDA is committed to working with the Canadian, international and local volunteer and private sectors with a view to achieving improvements in its basic education, health and nutrition, and HIV/AIDS programming. In the education and rural water sectors, CIDA has previously established programmes involving non-state actors such as NGOs, village committees and local businesses in the delivery of services. CIDA also supports the participation of Canadian businesses in infrastructure partnerships (PPI) and the involvement of Canadian NGOs in partnerships with local NGOs, particularly in combating HIV/AIDS.

Currently, however, CIDA favours the use of sector-wide approaches, focusing on influencing a country’s policy environment and its government’s reform strategy. Within these approaches non-state actors generally have a greater role in advocacy, project design, and the management of devolved services, than in direct service delivery.

EDUCATION
Key Documents
CIDA, April, 2002, CIDA's Action Plan on Basic Education, Hull
Available here: http://www.acdi-cida.gc.ca/cida_ind.nsf/b2a5f300880e7192852567450078b4eb/e4fc8a9ae2b9b129852569ba005550bc?OpenDocument

Other Documents

Policy
CIDA is strongly committed to the Education for All (EFA) initiative and its education programming is based on the EFA principles. The Sustainable Development Strategy 2004-2006, states that CIDA will ‘continue to support the initiatives of Canadian and international partners in the volunteer and private sectors, together with their local counterparts, to contribute to the achievement of basic education objectives’ (p. 39-40). However, CIDA aims to balance this with its broader commitment to working within government strategies: ‘CIDA has long had effective partnerships with non-governmental organizations that work in education, largely at the local level. But it is important to integrate the efforts of local communities and NGOs within the reforms led by governments in the formal education system. CIDA’s programming in education will support initiatives in capacity-building for national, district, and local partners in educational planning and administration’ (CIDA’s Action Plan on Basic Education, p.23).

One area in which CIDA does identify particular potential for the non-state education sector is in improving access by delivering education through non-traditional channels: ‘CIDA will support improved access for children, adolescents, youth, and those with special needs and disabilities, while giving special attention to gender. This access may be provided through alternative, innovative, nonformal, community-based education. CIDA will support the facilitation of complementary activities in the area of early
childhood education when these activities have been designed as part of an integrated strategic plan that has a direct impact on basic education’ (ibid., p.33).

In addition, CIDA has a broad commitment to supporting public participation in decision-making and to engaging civil society in the governance and management of education systems. This is particularly relevant where education systems are decentralised, a process which CIDA generally endorses (ibid. p. 33-34).

**Approach**

CIDA supports education sector reform through a mixture of capacity development, largely, though not exclusively, directed at the public sector, and aid. Aid delivery mechanisms which it uses include debt relief and coordinated investment in sector-wide approaches. The agency does not differentiate strongly between its support for state and non-state actors, since it aims to support an integrated approach to educational reform. CIDA stresses that it works in partnership with recipient governments, bilateral and multilateral donors, and partner NGOs. Wherever possible ‘CIDA will work to address the broad policy and institutional environment within which educational reform occurs. We will work to enhance donor collaboration with the support of partner NGOs and with direction and leadership from our developing country partners. All policies and programming in the education sector should work together and reinforce one another’ (*CIDA’s Action Plan on Basic Education*, p.22).

**WATER & SANITATION**

**Documents**


**Websites**


**Policy**

CIDA does not have an independent policy to deal with Water and Sanitation issues. Its Health and Nutrition policy addresses problems of access to water and sanitation services and related health risks (*Sustainable Development Strategy 2004-2006*, p. 41) while its
Industrial Cooperation Strategy supports Canadian businesses who want to invest in socially and environmentally aware infrastructure projects in developing countries.

*CIDA’s Action Plan on Health and Nutrition* states that CIDA will be involved in raising public awareness on water and sanitation issues, and supporting capacity development in national, regional, and local institutions that provide water and sanitation services. It does not contain an explicit commitment to working with non-state actors in the sector, nor details of how non-state actors would be involved. Despite this, CIDA is open to working with non-state actors in the sector, as evinced by several of its projects. For instance, in a project in Adamouea province, Cameroon, where CIDA is currently working, it aims to achieve the empowerment of representative *village committees* to manage and maintain their water supply systems, and to raise awareness of sanitation issues. In an example from northern Ghana, CIDA ran a programme to deliver safe water which helped create opportunities for 100 *small businesses* in the rural water sector.

**Approach**

CIDA’s approach to working with non-state actors in this sector is based on capacity development for both public and non-state actors and strengthening of systems. The agency will also participate as appropriate and as requested in sector-wide approaches for health and nutrition in partnership with local, national, and international players.

**HEALTH**

**Key Documents**


Available at: [http://www.acdi-cida.gc.ca/cida_ind.nsf/b2a5f300880e7192852567450078b4cb/61e4364421dcbfc685256918006292ea/$FILE/aidsactionplan2.pdf](http://www.acdi-cida.gc.ca/cida_ind.nsf/b2a5f300880e7192852567450078b4cb/61e4364421dcbfc685256918006292ea/$FILE/aidsactionplan2.pdf)

**Other Documents**


**Websites**


**Policy**

*CIDA’s Action Plan on Health and Nutrition* states that CIDA will support national governments in their efforts to deliver priority health and nutrition programmes, as well as supporting the creation of ‘strong partnerships across the public, non-governmental, and private worlds’ (p.46). The agency’s *Sustainable Development Strategy, 2004-2006*, states
that CIDA will support ‘the initiatives of Canadian and international partners in the
volunteer and private sectors, together with their local counterparts, to contribute to the
achievement of HIV/AIDS objectives…and health and nutrition objectives’ (p.40, 41-2).

Among other strategies, the CIDA’s Action Plan on Health and Nutrition states CIDA will
support integrated, community-based treatment and prevention programmes for
communicable diseases, and capacity building for peri-natal community-based care and
referral. CIDA is also committed to supporting health sector reform and advocates that
‘governments should play a crucial role as stewards of development planning for health,
providing significant public finance, setting up regulations, coordinating development
assistance and harnessing the energy of both voluntary and private-sector
organisations’ (p.54). On the other hand, it believes that empowered civil society ‘can
promote and advocate good health-sector governance and stronger national health
systems’ (p.55).

In supporting the fight against HIV/AIDS, CIDA supports a country-focused approach
in partnership with other donors along the lines of a sector-wide approach (SWAp) or
sector investment program (SIP). The role it identifies for non-state actors, is largely one
of advocacy (CIDA’s HIV/AIDS Action Plan, pp.9, 17). However, this is not exclusively
the case. For instance, CIDA supports strengthening support networks within
communities for children affected by AIDS, including psychosocial support and life-
skills development (ibid p.18). It also advocates the training and strengthening of AIDS
service organizations (ASOs) to provide care and support, especially to front-line
workers and vulnerable groups, including through partnerships with Canadian ASOs
(ibid p.18).

**Approach**
Wherever possible, CIDA supports a health-systems approach, strengthening capacity at
all levels of a health system. The agency will also participate as appropriate and as
requested in sector-wide approaches (SWAPs) for health and nutrition against
HIV/AIDS in partnership with local, national, and international players. CIDA also
stresses its partnerships with UNICEF, WHO and its involvement in public private
partnerships such as the Global Fund to Fight Aids, Tuberculosis and Malaria and the
Global Alliance for Vaccines and Immunisation. It has also funded programmes
delivered through international NGOs, such as the Sub-Saharan Micronutrient and
Health Program (MICAH) which is implemented in Ethiopia by World Vision Canada. It
also supports greater involvement of Canadian NGOs in the fight against HIV/AIDS
through a small-grants competition to encourage linkages between Canadian NGOs and
developing-country partners.

**PRIVATE SECTOR DEVELOPMENT (PSD) & INDUSTRIAL
COOPERATION**

**Key Documents**
Websites
Industrial Co-operation Program: http://www.acdi-cida.gc.ca/inc

Policy
In its Sustainable Development Action Plan 2004-2006, CIDA indicated that it put a new emphasis on economic well-being and hence on agriculture and rural development and pro-poor private sector development. This policy focuses on developing financial institutions and micro-credit facilities, changing the institutional environment to facilitate PSD, supporting SMEs and linkages to international trade. The PSD policy does not focus on the social sectors, although the PSD programme for Ghana incorporates creating an enabling environment in the water and agriculture sectors.

CIDA also supports an Industrial Cooperation Program (INC) which promotes investment by Canadian businesses in the private sector of developing countries with a view to enhancing economic and social development in host countries. Emphasis is put on businesses producing goods, providing services, and developing infrastructure through private participation in infrastructure (PPI) mechanisms. Water, sewage and waste management PPI projects are among those eligible for CIDA support.

Approach
CIDA delivers its support to PSD through capacity development for private sector institutions and support for national policy reform. It stresses that it works in partnerships with other donors and IFIs, recognising that it does not have comparative advantage in the following areas: infrastructure projects, efforts in privatisation, public expenditure management, reform of macro-economic policy or of the investment climate for foreign investment.

CIDA’s support for its INC program comprises financial support for project design and implementation, with particular focus on ensuring the positive social and environmental impact of the investment.
SUMMARY
AFD engages with the non-state for-profit sector primarily through its involvement in infrastructure development projects in the education, health and water sectors. It also encourages partnerships between local authorities, communities and the private-sector particularly in delivering water services.

INFRASTRUCTURE FOR BASIC SERVICES

Documents
Etienne, J. (AFD), April 2003, ‘Approvisionnement en eau des centres semi-urbains au Mali’, Presentation

Websites
Strategic Priorities: http://www.afd.fr/english/activite/priorites_strategiques_1.cfm

Policy
Improving access to basic education, health and drinking water forms one of AFD’s strategic priorities. The policy focuses on supporting infrastructure development and, as an accompaniment to the building and equipping of schools and health facilities, the provision of water points, latrines, accommodation for staff in rural areas, buildings to store medical supplies or accommodate families, and access to power and telecommunications. There is no explicit commitment to working with non-state actors in implementing this policy, but, de facto, AFD frequently works with local members of civil society, local authorities, businesses and NGOs.

AFD has been particularly active in engaging non-state actors in the water sector. In rural and semi-urban areas in Mali and Burkina Faso, for example, the agency has supported decentralisation of water utilities. It considers a range of structures for managing decentralised utilities, ranging from community-based to private-sector operators, and from management by user-committees to local authority delegation to private operators.

AFD cooperates with French ‘International Solidarity Organisations’ (ISOs), particularly with a view to strengthening development project management capacity in local authorities; and to increasing ownership by beneficiary communities of projects that facilitate their access to basic services or develop their economic activities.

Approach
As well as giving direct financial aid AFD also co-finances projects with other donors and development finance institutions (such as KfW Development Bank). It uses a variety of funding mechanisms, lending to both the public and private sectors, and particularly supports public-private partnerships (see below ‘Private Sector Finance’).

PRIVATE SECTOR FINANCE

Websites
Finance for the Private Sector: http://www.afd.fr/english/activite/secteur_prive_1.cfm
Policy
Strengthening productive investment is a central commitment in ADF’s approach. The primary focus is on supporting SMEs and encouraging public-private partnerships. Among the sectors which AFD considers under this approach are electricity supply, education and health infrastructure and telecommunications.

Approach
As well as creating incentives to invest AFD deploys a range of enterprise and project financing instruments. It invests both directly using its own resources and by delegation to local institutions. It also engages in co-financing with other funding agencies. Through its private sector finance subsidiary, PROPARCO, it offers equity investments, medium and long-term loans, and guarantees against local currency and project risk.
SUMMARY
GTZ supports a wide range of non-state providers across the sectors of Education, Health, and Water and Sanitation. In the Education sector it supports local communities and NGOs in taking responsibility for school maintenance and monitoring to support the role of the state as principal provider of education services. Where state capacity is more restricted, NGOs may take responsibility for providing basic education and skills training themselves. In the Water and Health sectors, GTZ promotes the potential benefits of public private partnerships (PPPs). In the Water sector, the emphasis is on municipalities partnering with utilities companies for the development and maintenance of infrastructure. In the Health sector, the agency encourages private sector employers to support health and information services for their employees. It is also developing guidelines for the participation of the private sector in health systems.

One of GTZ’s distinguishing characteristics is its focus on promoting Economic Development and Employment in its partner countries. Its policies for supporting SMEs, small enterprises and entrepreneurs are cross-sectoral and embrace non-state service providers, particularly in the water and sanitation sector, where appropriate.

EDUCATION

Key Documents

Websites

Policy
GTZ’s policy on education is based on an integrated approach to educational needs. The agency’s approach includes supporting educational processes both in and outside schools and covers various target groups, age levels and contexts. The emphasis is on developing skills for life and capacity for broad social development.

With regard to the involvement of non-state actors in the education sector, GTZ endorses a participatory approach to planning education policy reforms and interventions. While the state should be held primarily accountable for providing ‘Education for All’, GTZ believes that there is a valuable contribution to be made by other actors: parents should take responsibility for ensuring children can go to school; local communities should organise school committees and become responsible for taking care of and maintaining their schools, and for ensuring regular attendance of students and teachers. In areas of countries where governments are not in a position to provide education services local communities are encouraged to set up their own schools and to recruit and pay teachers while the state should provide school inspectors and ensure the comparability of qualifications. NGOs have a role to play in offering initial vocational courses for young people, adult literacy and numeracy courses.

Approach
GTZ’s approach in the education sector is to provide consultancy and technical assistance to partners in the field. The agency stresses its reliance on partnerships and shared ownership and financing of projects.

WATER & SANITATION

Websites
Public Private Partnership in Infrastructure: http://www.gtz.de/ppi/english/
Vietnam project to strengthen local sewerage operators: http://www.gtz.de/ppp/english/praxisreport/#vietnam

Policy
GTZ is committed to the creation of Public Private Partnerships for Infrastructure (PPI) and supports their creation for the development of water infrastructure as well as in the waste management, energy and transport sectors. PPI projects can range in scope from leasing and licensing/franchising contracts, to full-scale privatisations. Build-Operate-Transfer (BOT) contracts are an option in greenfield projects. GTZ endorses PPI measures only when they are carried out in the course of sector reforms, and when the framework conditions are stable. It believes projects should be implemented according to a context-specific design. GTZ has also supported PPPs in operation and maintenance functions. For instance, it supported a PPP between a German company and sewerage operators in Hanoi.

Approach
GTZ provides consultancy services for the promotion of private-sector participation in infrastructure. In particular, it supports: sector-policy reform in infrastructure and other relevant sectors (legal, financial, economic and foreign trade policy); the setting-up and support of regulatory authorities; the preparation and implementation of tender procedures; and the process of commercialisation in publicly run companies.

HEALTH

Key Documents
Available at: http://www.gtz.de/themen/social-development/download/broschuere-190803_mt.pdf

Other Documents
Available at: http://www.gtz.de/themen/social-development/download/health-system-reforms.pdf

Websites
GTZ Public Private Partnerships website: http://www.gtz.de/ppp/english/
GTZ promotes the establishment of public-private partnerships, especially in the field of HIV/AIDS. In conjunction with for-profit companies, GTZ is a partner in established workplace programmes (with DaimlerChrysler, Volkswagen and others in South Africa, and with Heineken in the Democratic Republic of Congo) that aim to address and manage the impact of HIV/AIDS on the workforce. GTZ’s programmes in this area target national as well as small and medium companies and public-sector clients.

GTZ aims to develop innovative conceptual approaches, the experiences and results of which will provide further input for project design. One of these approaches has been to analyse and promote appropriate institutional reforms that strengthen state capacity and foster the integration of private sector providers in the delivery of health and education services. Such concepts and reforms comprise ‘New Public Management’ (NPM), decentralisation, community-based initiatives, contracting and the privatisation of services. This research is still underway.

**Approach**

In developing PPPs in the field of HIV/AIDS, ‘GTZ provides comprehensive advisory services in all phases of a programme. Initially, GTZ conducts the necessary extensive analysis of the impact of HIV/AIDS on the company, the design and implementation of the prevention and treatment programme, including a cost-benefit analysis. During the ongoing programme, GTZ assesses the employees’ knowledge about HIV/AIDS and their behaviour, and supports the implementation of a non-discriminatory corporate HIV/AIDS policy. Further, the workplace programme offers advice on how to adjust employee benefits and insurance systems, and renders technical assistance for the establishment of an overall monitoring and evaluation system.’ (GTZ Division of Health, Education and Social Protection, 2003, p.13)

In addition the German federal Ministry Federal Ministry for Economic Cooperation and Development (BMZ) provides a separate fund to finance PPP projects. The grants can be up to 200,000 euros in usual circumstances, and the amount depends on the development-policy benefit of the project for the partner country. The projects are jointly planned, financed, and implemented. GTZ supports only the aspects of the projects that go beyond the core business of the firm.

**ECONOMIC DEVELOPMENT AND EMPLOYMENT**

**Websites**


**Policy**

The focus of GTZ’s work on private-sector development is on developing the small and medium-sized enterprise (SME) sector, which it believes is a key driver of economic development particularly in the local social and geographical sphere. It also works to
promote the **small enterprise sector**. The agency conceives of the small enterprise sector as consisting of various forms of productive self-employment and micro-enterprises which exist ‘somewhere between the subsistence-only economy and the SME sector’. GTZ believes that they can make a significant contribution to poverty reduction in developing countries by providing poor sections of the population ‘with employment, income opportunities and products and services’.

In its work with the small enterprise and SME sectors GTZ deals with for-profit actors in a variety of sectors. Mr Jim Tomecko of GTZ Nepal has indicated that this work may include for-profit enterprises in all sector of development, not excluding those in the health, education, and water and sanitation sectors. He mentions that GTZ Nepal has previously worked with low caste or informal garbage collectors although this was not popular with the government and had to be terminated.

**Approach**

GTZ’s approach in this field is primarily to provide business advisory services and to improve access to and the quality of such services within countries. In the case of SMEs it believes that subsidising economic development programmes is likely to inhibit enterprise and competitiveness. The approach taken by GTZ in working with SMEs is to: improve vertical and horizontal linkages and ‘value chains’ amongst enterprises; to improve the sectoral-policy dialogue between SME representatives and the state; and to provide advice on creating an enabling environment in which such businesses can thrive.

For small enterprises, GTZ focuses on creating a market for financial and non-financial services; fostering negotiating power among small entrepreneurs; and improving the economic and legal framework in which they work. GTZ believes that there is an intermediary role for the government and non-governmental organisations to play in achieving these objectives, but that they, too, often need support to professionalise their own strategic and administrative competence.
SUMMARY
Sida’s policy towards engaging non-state service providers is open-minded but cautious. In the fields of both Education and Health, the agency acknowledges the significant role of non-state providers, but does not make a long-term commitment to supporting them except in emergency situations. In both sectors priority is given to supporting national ownership of development priorities and processes which entails Sida working in partnership with country governments and within national policy frameworks. Similarly, where Sida supports NGOs, it does so through designated Swedish NGOs which will prioritise partnerships with organisations that have influence at the national level.

Sida has been actively reviewing its policy in two areas and the outcomes may have an impact on its future engagement with NSPs. Firstly, Sida is a partner in a current research project which is looking at the role of the private sector in healthcare and implications for governments and donors. Secondly, a recent review of the agency’s private sector development policy has suggested paying closer attention to the links between private sector development in all sectors and poverty reduction, which remains Sida’s overriding aim.

EDUCATION

Key Documents
Sida, April 2001, Education for All: A Human Right and Basic Need: Policy for Sida’s Development Cooperation in the Education Sector, Stockholm
Available at: http://www.sida.se/Sida/articles/16100-16199/16145/EducationForAll%20NY.pdf

Policy
Sida’s policy towards education is grounded in a strong commitment to the Dakar principles on Education for All. The agency emphasises working in partnership with country governments on education policy. However, it also identifies roles for non-state actors in particular circumstances: either in providing support to complement national education programmes; or in delivering education services in the absence of legitimate governments. It acknowledges that the support of non-governmental actors is particularly appropriate where these are ‘spearheading innovations, democratic participation or demand for education’ (p.18).

Approach
Sida’s role is normally threefold: to provide funding; to be a partner in dialogue; and to support capacity development. (p.18). Funding is provided largely through Sector Programme Support, an approach which covers Sida’s support to all education programmes, whether they are concerned with sector-wide approaches (SWAs) to governments, or core support to international, regional, or national institutions or NGOs. In all cases, the principle of partner ownership is primary.

Sida’s approach to contract-financed technical cooperation, or twinning arrangements, for capacity building is based on demand from the partner country or organisation. A formal request for Sida support is required, often after informal discussions. Support to education NGOs in developing countries is mainly channelled through Swedish NGOs,
which are part-funded by Sida through its Department for Cooperation with NGOs and Humanitarian Assistance (SEKA). In addition, other departments at Sida may give direct support to education NGOs when they play a crucial complementary role for education change (p.21-22).

HEALTH

Key Documents
Available at: [http://www.sida.se/Sida/articles/9100-9199/9182/policy.pdf](http://www.sida.se/Sida/articles/9100-9199/9182/policy.pdf)

Policy
Sida recognises the important role that both for-profit (private pharmacies, clinics and small hospitals) and not-for-profit (NGOs and missions) non-state providers play in the health sector. The agency acknowledges that market based systems can improve efficiency and quality of provision but is concerned that social goals such as equity and gender equality are protected. Sida's policy towards the non-state sector has therefore been focused on strengthening capacity of Ministries of Health in regulating and monitoring public and private service providers.

Currently, Sida does not have a detailed strategy for working with non-state providers. For instance, it doesn’t have a policy on how to involve NSPs into the national strategic plan in a country or on how to engage NSPs in reaching important public health goals, or MDGs. However, Pär Eriksson, Program Officer of Sida’s Health Division has provided details of a research project that Sida is carrying out on this issue in conjunction with IHCAR at the Karolinska Institute in Stockholm and the Harvard School of Public Health. Pär Eriksson writes:

‘IHCAR and HSPH have during the last two years together with research institutes in 6 countries been mapping out private providers, at district level. The countries are Laos, Vietnam, China, India, Uganda and Zambia. We are now preparing for a conference on the subject, the title is "The Scope and Potential for Working with the Private Sector to Improve Health" in May 12-14 [2004] here in Stockholm. The aim of the conference is to report on the research so far, and plan for a second phase of the project. In the second phase we will look more into the modalities for working with the private sector, how to strengthen the MoH and other regulating bodies to function in their roles towards the private sector’ (Email communication 2/2/2004).

Approach
Swedish aid to the health sector is directed through a range of mechanisms. Sida’s Health Division in its Department for Democracy and Social Development provides technical assistance through capacity building. Financial assistance may be provided for local costs and international procurement. In general, the agency is moving towards Sector Programme Support in countries where there are clear health policies and transparent management and budgetary systems. This approach involves channelling aid through partner government or ministry allocation systems. In addition, the Health Division contributes funds to support the health work of various UN agencies.
Sida’s Department for Cooperation with NGOs and Humanitarian Assistance (SEKA) allocates funds to Swedish NGOs which work in partnership with national NGOs on health projects. In addition, the department for Infrastructure and Economic Cooperation provides financing for procurement and capital development through concessionary credits to countries with poor credit ratings.

PRIVATE SECTOR DEVELOPMENT

Key Documents
Available at: http://www.sida.se/Sida/articles/5100-5199/5184/PSD%20Policy%20final.pdf

Sida, October 2003, Challenges to Sida’s Support for Private Sector Development: Making Markets Work for the Poor (Provisional Edition), Stockholm
Available at: http://www.sida.se/content/1/c6/02/24/25/SIDA3049enWEB.pdf

Policy
In late 2003 Sida issued Policy Guidelines on supporting private sector development (PSD). The guidelines were developed during a review of Sida’s approach to PSD which recommended that Sida define a common policy applicable to all elements of PSD. The guidelines have implications for the way Sida may interact with non-state providers of services in the future.

The Guidelines state that ‘PSD is not limited to a sector in the conventional sense, but encompasses agriculture, manufacturing and services, including trade, and increasingly also infrastructure and social services. It also includes all types of market players: the self-employed in the informal economy; small, medium and large enterprises; and transnational companies’ (p.1). An integrated approach is advocated: ‘it is a major challenge for Sida to identify and promote opportunities for partnerships between organisations in the public sector, the private sector, and civil society, in ways that reduce poverty; for example in the education, health, culture and media sectors’ (p.3). Sida aims to give close attention ‘to the reform of public enterprises including infrastructure reforms. Important elements are support to strengthen regulatory capacity and the development of financial instruments which facilitate private participation in infrastructure. Sida is prepared to support public-private partnerships including ‘output-based aid schemes’ which provide poor target groups with access to public services’ (p.4).

Approach
Sida aims to incorporate more analysis of the environment for PSD in its country strategy process and has proposed four tools for this purpose: the PSD profile, the PSD diagnosis, the sub-sector analysis, and the PSD checklist. It also believes economic growth and PSD should receive more attention in the PRSP process. Sida endeavours to provide PSD support in consortia with other donors where it believes a sector-wide approach can be applied. It will also consider supporting institutional capacity building by, for instance, creating links between relevant Swedish organisations and partner-
country enterprises. In addition, ‘participatory approaches are applied by Sida in PSD interventions, aiming at ownership by concerned stakeholders in the public and private sectors and, as far as possible, representatives of the ultimate beneficiaries, i.e. poor men and women’ (Policy Guidelines, p.5).
United Nations Children’s Fund (UNICEF) & NSP

SUMMARY
In all sectors surveyed, UNICEF considers the participation of non-state actors, important. In the Education sector, the Fund recognises the contribution that is played by non-state actors, such as NGOs, to delivering education and is working with a number of partners, including the private sector, to improve girls’ education. However, the Fund does not support non-state providers directly, but seeks to incorporate them into national strategies. In the Water and Sanitation sector, UNICEF works directly with community-based organisations, traditional leaders and local entrepreneurs to improve sanitation, hygiene and water security. In the Health sector, UNICEF works with a range of non-state actors, most often to improve community awareness and health practices, although also in the distribution of insecticide-treated mosquito nets to combat malaria. UNICEF particularly encourages non-state actors in the delivery of support to those affected by HIV/AIDS.

EDUCATION

Websites
UNICEF strategies for Girls’ Education:
http://www.unicef.org/girlseducation/index_strategies.html

Policy
Within the Education sector, UNICEF puts particular emphasis on Girls’ Education. The Fund is involved in partnerships with ‘governments, funding agencies, foundations, private sector organizations, non-governmental organizations (NGOs), children’s organizations, communities, schools and ultimately children and families themselves’. Partnerships are key to UNICEF’s acceleration campaign which aims to do everything possible to maximize the enrolment of girls in 25 countries where the situation is most critical, by the year 2005.

Approach
UNICEF-supported advocacy activities play a major role in increasing resources for education and in advancing legislation that eliminates discrimination against girls and women. UNICEF also works to improve the quality of education for all children, through refurbishing schools, providing materials and training teachers. It recognises that community initiatives that work with schools to identify concerns and take the necessary action are also crucial. Although UNICEF advocates the involvement of non-state actors in education, it does not support them directly.

WATER & SANITATION

Websites

Policy
UNICEF urges greater emphasis on sanitation and hygiene promotion in supporting the development of a country’s national policy on Water, Environment and Sanitation. However, the Fund also works directly with community-based organizations,
communities, and families themselves, to ensure that households have access to a clean and secure supply of water, and safe and convenient sanitary facilities. This includes building the capacity of communities and putting in place community-managed systems that are affordable and easy to maintain. As part of this work, UNICEF works with women, traditional leaders, faith-based organisations and other community organizations and local entrepreneurs.

To ensure community and household sanitation and water security, UNICEF promotes a range of appropriate, low-cost sanitation, water and hand-washing facilities. Communities are given the tools and the opportunity to participate in the design and choice of basic technologies that can be gradually upgraded. UNICEF also supports the introduction of community-based water quality surveillance systems.

**Approach**

UNICEF support for the water and sanitation sector comprises technical assistance for designing, testing and introducing new technologies, as well as capacity building for community-based actors.

**HEALTH**

**Websites**


**Policy**

UNICEF’s policy on health covers the areas of: immunisation; HIV/AIDS; malaria; integrated management of childhood illnesses (IMCI); and health in emergencies. UNICEF works to increase immunisation take-up among the public by working with governments, health workers and the media, but also with community leaders, NGOs, the private sector, religious leaders and traditional healers. These actors are engaged for conveying information and increasing public awareness of the importance of immunisation, rather than for direct service-delivery.

In working to combat the HIV/AIDS epidemic, UNICEF works with government, non-profit organizations and religious groups, youth organizations and many other partners. These organisations are important for expanding the delivery of protection and support for orphans, vulnerable children and families living with HIV/AIDS, through home-based care, psychological counselling, helping parents write wills, and assisting families to pay school fees, among other activities. They are also important actors in community education programmes.

UNICEF is one of the founder members of the Roll-back Malaria Campaign (along with WHO, UNDP, World Bank). As part of this campaign, UNICEF works with NGOs and community and village health workers to develop local distribution systems of insecticide-treated nets. UNICEF supports improvement in family and community health practices which forms part of the IMCI approach which it endorses. The Fund
also supports the direct delivery of health services by NGOs during emergency situations.

**Approach**

UNICEF’s approach to working in the Health sector involves: engaging in and supporting policy advocacy; improving health services by assisting governments with technical and financial strategies; providing supplies and essential health commodities; and creating networks among key institutions within a country, such as universities, research centres, ministries, NGO’s and the private sector.

Capacity building is also central: UNICEF designs and conducts workshops and training sessions for its own staff, for staff from non-governmental organizations and other partners, and for government counterparts to improve the quality of community-based communication activities. Community workers are also trained in specific health-related areas such as malaria, nutrition, and water and environmental sanitation. These workers, who are mostly volunteers, assist parents and caregivers in their homes and in community-based child centres.
United Nations Development Programme (UNDP) & NSP

SUMMARY
For the purposes of this mapping exercise, the main areas of interest of UNDP’s work fall in the area of Water and Sanitation. Where UNDP works with non-state providers of services, it is strongly focussed on encouraging partnerships between government and CSOs. Thus, projects are designed on the basis of consultation between local communities, including NGOs and CBOs, and public sector officials (e.g. the LIFE programme). Where the formal for-profit sector is involved as a partner, the UNDP commits itself to working from the perspective of local communities and local government (e.g. the PPPUE programme). In some instances, the UNDP gives grants directly to NGOs with a track record of achievement in water supply and sanitation (e.g. the Community Water Initiative pilot). In all cases, the UNDP takes the role of facilitating organisation and provider of technical expertise for demand-driven projects which it finances through grants. The UNDP’s policy and activities do not encompass the informal for-profit sector.

WATER AND SANITATION

Key Documents
UNDP, September 2001, PPPUE Programme Platform

Other Documents
Available at: http://magnet.undp.org/Docs/dec/LIFE.pdf

Websites
UNDP Public Private Partnerships for the Urban Environment: (PPPUE) http://www.undp.org/pppue/

Policy
The UNDP is committed to nurturing strategic partnerships for poverty reduction and the achievement of the Millennium Development Goals. The UNDP’s Public Private Partnerships for the Urban Environment (PPPUE) is a facility that developing country partnerships can use to obtain support for their efforts to define, promote and implement Public Private Partnerships to reduce poverty at the local level. PPPUE supports reforms in the water and sanitation sector from the perspective of communities and local governments. It aims to support interventions which focus on poverty reduction and basic services in small and medium sized municipalities and peri-urban areas.

UNDP’s commitment to governance, entails it seeking to develop institutions and processes that are more responsive to the needs of ordinary citizens, including the poor. It seeks to assist countries strengthen their public administration systems, and develop a greater capacity to deliver basic services to those most in need. As part of its work on local governance, the UNDP supports partnerships through its Local Initiative Facility for the Urban Environment (LIFE). LIFE was initiated in 1992 as a pilot programme to promote local-local dialogue and partnership between NGOs, CBOs, local governments
and the private sector for improving the living conditions of the urban poor and influencing policies for participatory local governance. LIFE has supported many projects in the water and sanitation sector which have involved the participation of local communities. LIFE (1997, p.xix) notes that the approach it uses could easily be transferred to health and education projects.

The UNDP also supports Water Governance projects as part of its commitment to Energy and the Environment. The UNDP Community Water Initiative is a funding mechanism for community-based water supply, sanitation and watershed management. The initiative is being piloted in 2003/4 and will operate in close partnership with NGOs that have a demonstrated track record of achievement in water supply and sanitation. The priority areas it focuses on are: water supply for communities and households activities; household sanitation; local watershed management; innovative financing and management structures. It is envisioned that communities will set their own priorities and develop their own projects within agreed parameters.

**Approach**

UNDP’s core services to support governance, focus on: policy advice and technical support; capacity development of institutions and individuals; advocacy, communications, and public information; promoting and brokering dialogue; and knowledge networking and sharing of good practices. The UNDP also makes grants through various programmes which are usually demand-driven.

The PPPUE facility works primarily through existing programmes in a number of sectors, including water and sanitation, and seeks to complement and reinforce local PPPs which will usually have an existing relationship with UNDP, other donors, or other international organisations. It provides two main mechanisms of support: the Innovative Partnerships Grants and the Global Learning Network. Innovative Partnership Grants considers proposals of up to US$ 100,000. Grants are for use in one or more of the following areas: establishing policy, legal and institutional frameworks for local PPPs; building local capacity for PPPs; and designing innovative partnership arrangements. The Global Learning Network provides supporting guidance, tools and experience for clients supported through the Innovative Partnerships Grants and attempt to capture the ‘lessons learned’ from supported projects.

LIFE uses an using ‘upstreaming - downstreaming – upstreaming’ approach to create strategies and awareness at local and national levels. It provides small grants (of up to US$50,000) directly to NGOs and CBOs. It also supports capacity development for local actors involved in projects and promotes advocacy and policy dialogue based on project experiences. The Community Water Initiative was inspired by the example of LIFE and other UNDP projects. It offers grants to a maximum amount of US $20,000 per community.
SUMMARY
For the purposes of this mapping exercise, the main areas of interest of UNESCO's work fall in the area of Education. UNESCO plays a central role in the co-ordination of the Education for All movement. Its policies on Education are derived from the international agreements on Education for All contained in the Dakar Framework for Action. These acknowledge the role of non-profit civil society organisations in achieving the goals of Education for All, including through direct service provision. However, UNESCO does not engage with or support non-state providers itself.

EDUCATION

Documents
Available at: http://unesdoc.unesco.org/images/0012/001211/121147e.pdf

Websites
Education Homepage:
Education Policies and Plans:
Education for All: http://www.unesco.org/education/efa/index.shtml

Policy
UNESCO plays a pivotal role in the Education for All (EFA) movement. The Organisation convenes the High-Level Group on Education for All and the World Education Forum which accords priority to the development and implementation of National Action Plans for Education For All. It is charged with coordinating the work of the EFA partners and with sustaining the global momentum towards the goals of EFA.

Within the Dakar Framework for EFA, the primary responsibility for achieving EFA lies with individual country governments: ‘Although education for all is everybody’s business (governments, international agencies, donors, and NGOs and civil society), the prime responsibility for achieving these goals lies with countries.’ However, in line with the Dakar Framework, UNESCO calls for a broadening of policy dialogue between governments, civil society and other EFA partners, especially at national level. It recommends ‘the engagement and participation of civil society in the formulation, implementation and monitoring of strategies for educational development’.

In particular, UNESCO believes that civil society, defined as NGOs or not-for-profits, has an important role in service provision where state provision is absent or insufficient. It believes that such organisations can be particularly successful in reaching marginalized and excluded groups, and in providing non-formal education.

Approach
Leslie Limage, Programme Specialist, Division of Educational Policy and Strategies writes that:
‘UNESCO is an intergovernmental agency that does not normally work through ‘locally-run providers’. It is not an operational organization but rather one of ‘intellectual cooperation’. There is no direct provision of education by the Organization through ‘locally-run providers’ (Email communication 22/1/2004).

Rather, UNESCO’s approach is to support capacity building and technical assistance. Most of these services are designed for country governments to enable them to develop integrated plans for achieving Education for All, although these are likely to incorporate an element of civil society involvement. The Organisation’s Policies and Plans webpage states:

‘Support provided to countries is primarily done through the provision of technical assistance. This can pertain to the entire education system within the framework of a sectoral approach, to a given educational subsector, or to certain stages of the educational planning and management process. Depending on each case, technical assistance is either provided directly by UNESCO for the ministries in charge of education, or development and reinforcement of institutional capacity, through advisory services, study visits, seminars, workshops and training activities.

Taking into account the diversity of national contexts, technical support primarily depends on the need expressed by countries themselves. According to the contexts, it can be a question of delivering technical assistance for the design of an education development plan, or for the preparation of a programme for rehabilitation and rebuilding of an education system in the case of a country in emergency or crisis. In certain cases, the request can relate to the reinforcement of national capacities in the area of designing school buildings and school facilities, or in the management of technical, human and financial resources.’
United States Agency for International Development (USAID) & NSP

SUMMARY
USAID actively promotes the role of non-state providers, particularly NGOs, in the sectors of education, health, and water and sanitation. The agency supports efforts to build upon the resources of local NGOs, CBOs and entrepreneurs through capacity building and training, particularly in the Water and Sanitation and Health sectors. In these sectors it also advocates public-private partnerships. In the Education sector, USAID supports various non-state actors (NGOs, FBOs) in delivering basic education services, but stresses the need to work with national governments on policy and reforms to a greater degree in education than in other sectors.

EDUCATION

Key Documents
Creative Associate International, BEPS - Basic Education and Policy Support Activity, Washington DC
Available at: http://www.beps.net/publications/BEPS%20Brochure.pdf

Websites
Basic Education and Policy Support Activity: http://www.beps.net/index.htm
Evaluating a Faith-Based Adult Literacy Program, Bolivia, May – September 2003 http://www.beps.net/basic_edu/basic_Evaluating_bolivia.htm
American Hospitals and Schools Abroad: http://www.usaid.gov/our_work/cross-cutting_programs/asha/

Policy
USAID's Office of Education in the Bureau for Economic Growth, Agriculture and Trade (EGAT/ED) works with USAID Missions to assist developing countries to improve their respective pre-primary, primary, and secondary levels of education. Teacher training for these levels, as well as adult literacy, are important elements of EGAT/ED’s programme. Basic Education and Policy Support Activity (BEPS) is USAID’s mechanism for providing much of the above support worldwide. Among the primary aims of USAID’s basic education policy and activities are commitments to: improving policies and resource allocation by governments to basic education; increasing the number of children receiving quality education, in both in- and out-of school settings; having a larger number of communities involved in their schools.

There are several instances of USAID’s engagement with non-state actors in the education sector. In terms of delivery of basic education, USAID has worked with a FBO in Bolivia to deliver adult literacy programmes. It has also commissioned BEPS assessments of NGO and madrasah education provision in Bangladesh with a view to identifying entry points for partnerships. In terms of education policy reform, USAID in Haiti has supported the government’s National Partnership Commission. This is a ‘forum for stakeholders to work together to develop and implement joint public-private sector activities, to meet the goals of the country’s national education plan, and to better
coordinate and regulate Haiti’s divided education system, ensuring greater consistency in school administration and management.

USAID also administers the American Schools and Hospitals Abroad programme (ASHA). The objectives of the programme are to strengthen self-sustaining schools (of secondary or higher education), libraries and medical centres that best demonstrate American ideas and practices abroad.

Approach
The BEPS Activity is the multiyear, worldwide, indefinite quantity contract through which USAID achieves its objectives in Basic Education. BEPS is implemented by Creative Associates International, Inc. (CAII) in partnership with CARE, the George Washington University, and GroundWork (a consultancy-type organisation). BEPS provides project management, policy support and technical assistance on USAID Core funded projects. In addition ‘through BEPS, USAID missions and regional bureaus can channel their own available funds towards locally-designed activities in basic education and policy support….Pending funding availability, each request will be considered based on its capacity to contribute to USAID strategic support objectives and each Mission’s strategic objectives.’

The ASHA programme is a grant-giving scheme. Recipients of ASHA grants on behalf of overseas institutions must be private U.S. organisations serving as the founder and/or sponsor of the overseas institution. Grants are made to U.S. sponsors for the exclusive benefit of institutions abroad. The institutions eligible for funding are schools of secondary or higher education and hospital centres that conduct medical education and research. ASHA grants are awarded to assist in capital improvements and procurement of scientific, medical and educational equipment. The ability of applicants to raise funds from other sources for grant-supported activities is an important consideration in the application review process.

WATER & SANITATION

Key Documents
Available at:

Other Documents
Available at:

USAID actively promotes the concept of integrated water resources management (IWRM) as a means of advancing what it calls a ‘blue revolution’. The agency actively promotes linkages between various sectors and draws on the water-related expertise of other US government agencies, academia, the private sector and CBOs. Within water projects, ‘participatory planning and transparent decision making is instilled to enhance political will, self-reliance, and stewardship by relevant stakeholders’ (Findley, Israel & Scott, 2001, p.7). USAID therefore provides assistance to establish water user associations, to improve management of local water related issues. The agency believes that ‘infrastructure and water service delivery should be demand-driven and service oriented, with every possible opportunity explored for public-private partnerships’ (ibid).

Within the overarching strategy of promoting IWRM, USAID’s Water team has several initiatives that involve significant involvement of various non-state actors. The Safe Water System (SWS) ‘is an international partnership that reduces diarrheal diseases in children and vulnerable populations through the provision of locally produced water disinfectant, safe water containers’, and advocating better hygiene techniques. The SWS uses local resources, typically involving public-private partnerships and a market-based approach. In some cases this involves the training of local entrepreneurs or NGOs in the social marketing of products. The Community Water and Sanitation Facility (an initiative of the multi-donor Cities Alliance) supports public-private partnerships to expand water and sanitation services to slum communities. It does this through supporting community-endorsed construction and encouraging innovative financing techniques, especially the mobilisation of local private finance.

**Approach**

Three central elements are at the core of the USAID Water Team’s activities. Firstly, the provision of technical and managerial assistance to USAID country missions and partners to incorporate IWRM approaches in field programs and policies. Secondly, the provision of education and outreach opportunities through the production and distribution of information on IWRM capabilities. Thirdly, the provision of international leadership and coordination through exchange of lessons learned, development of universal guidelines, and adoption of IWRM practices by the wider development community.

USAID support to SWS has taken the form of financial assistance to complement technical assistance from partner organisations. Support given to the Community Water and Sanitation Facility is usually in the form of highly leveraged grants for technical assistance or construction materials. USAID also makes use of its Development Credit Authority (DCA) to mobilise local capital by issuing partial loan guarantees.
HEALTH

Key Documents

Websites
USAID's work with Faith- and Community-based organisations

Policy
The 1999 *Strategic Plan* outlines USAID’s commitment to improving health in developing countries. Emphasis is put on stabilising population growth and protecting human health through programmes in maternal and child health, HIV/AIDS, family planning and reproductive health, infectious diseases, environmental health, and nutrition.

As part of USAID’s commitment to reducing fertility, it aims to enhance the capacity of public and private agencies, NGOs, and CBOs to design, implement, and finance sustainable family planning programs. As part of its strategy on Maternal Health and Nutrition, USAID supports the strengthening of community systems to improve the access that families have to obstetric services. It also provides assistance for community based, preventive and low-cost approaches for services through existing mechanisms and on-going NGO and public sector family planning, reproductive health, and maternal and child health programs. In the area of Child Health, USAID acknowledges the benefits of increasing private sector involvement in the delivery of interventions and related information and commodities (such as oral rehydration salts and insecticide-treated bednets).

USAID particularly promotes the involvement of non-state actors as part of its policy on HIV/AIDS. The 1999 *Strategic Plan* outlines the agency’s commitment to strengthening and expanding private sector organizations’ responses in delivering HIV/AIDS information and services. USAID assists both US private voluntary organisations (PVOs) and local NGO, CBO and FBO partners, to increase capacity to plan and implement effective HIV/AIDS interventions. It also looks to develop HIV/AIDS programmes in the commercial sector, both at the global and national levels.

USAID also administers the American Schools and Hospitals Abroad programme (ASHA). The objectives of the programme are to strengthen self-sustaining schools, libraries and medical centres that best demonstrate American ideas and practices abroad. For further details of this scheme, see the Education section above.

Approach
USAID’s Center for Population, Health and Nutrition works to achieve its strategic objectives by providing global leadership, research and evaluation, and technical support to the field. In addition to its global HIV/AIDS programme, USAID has two small grants programmes that provide funding to organizations working on HIV/AIDS.
Through the CORE Initiative (Communities Responding to the HIV/AIDS Epidemic) USAID provides strategic assistance in the form of organizational development, direct grants, and other support to CBOs and FBOs in developing countries. Priority is given to groups who commit their own resources and demonstrate the ability to meet needs for care and support (especially care for orphans and vulnerable children), and to help confront and reduce the stigma and discrimination.

The Community REACH fund was established to facilitate the efficient flow of grant funds to organizations playing valuable roles in the fight against HIV/AIDS, including regional and local non-governmental organizations, universities, and faith-based organizations. Awards are made in three broad categories: primary prevention and education, voluntary counselling and testing, and care for those living with HIV or AIDS. Grants made under this mechanism typically range from $100,000 to $500,000, with award terms of one to three years.
SUMMARY
The World Bank encourages the involvement of non-state service providers in all sectors reviewed here. The Bank’s emphasis on involving NSPs is strongest in the Water and Sanitation sector and most cautious in the Education sector, while in the Health sector the emphasis is directed at getting the right balance between the public and non-state providers. Among the various forms of non-state providers, the World Bank most commonly recognises and promotes the potential of relatively formal for-profit providers, for instance, private schools, private hospitals and utilities companies. However, the role of informal for-profit providers is recognised in the Health sector and is incorporated into the policy on Child Health. The role played by SMEs, entrepreneurs and informal for-profit providers in the water sector is identified as a subject for further research. NGOs are seen as important actors in education (along with FBOs) and in community-driven water projects.

In most cases, the World Bank suggests that government should assume the role of steward, overseeing NSPs. For instance, in the Water sector, the Bank advocates that governments should become enablers and regulators of private sector providers, although in some community-driven projects the community may take over the role of contracting and monitoring. A similar role is envisaged in the Health sector too, although the government is more likely to remain a targeted provider of services. In Education the government is likely to remain a major provider of early school education. In both the Health and Education sectors, however, the Bank encourages innovations such as the public sector purchasing services from the private sector.

EDUCATION

Key Documents
Available at: http://wblnt0018.worldbank.org/HDNet/HDdocs.nsf/2d5135eeb351de6852566a900b9bb6/f23230e81323b6a385256a67060b8e6c/$FILE/educbody.pdf

Available at: http://www.ifc.org/ifcext/ch/e/650f3e3c0d8b990fca25692100069854/9e94ac4c2d8f1f885256d9b004a3979/$FILE/Final%20Public%20Version%20Education%20Strategy%20Paper%202001.pdf

Other Documents

Policy
The World Bank Group is fully committed to working towards the international targets for education set out by the Education for All initiative (EFA). To help faster progress
towards these targets, the World Bank has launched special programmes that focus on
education for girls and education in the poorest countries. It also aims to have an impact
on the quality of teaching and learning through focusing on three ‘global priority areas’:
early intervention, innovative delivery, and systemic reform.

The 1999 *Education Sector Strategy Paper* sees a role for non-state providers within systemic
reform of education systems: ‘There are arguments in favour of (1) **selectively**
ecouraging management and/or ownership of institutions by NGOs,
community or religious groups, and entrepreneurs, (2) allowing students and their
parents to choose among different options, and (3) requiring some level of private
financing at post-basic levels.’ (World Bank, 1999, p. 33).

World Bank Group support for the private education sector focuses on ‘promoting the
establishment of policy environments conducive to private sector development; access
with equity; efficiency in resource allocation; quality; and capacity building ... These
projects aim to: respond to excess demand; improve the quality of privately provided
educational services; increase private sector access to public funding; promote teacher
training for primary and secondary education; and support system-wide capacity building
at tertiary and vocational levels.’ (IFC, 2001, p. 13)

**Approach**
The World Bank itself, and the International Finance Corporation (IFC - a part of the
World Bank Group), take different roles in implementing the policy towards the private
sector. The World Bank lends to governments for policy, regulatory and legal reforms,
including those that affect private sector activity (such as student finance, expenditure
programs and capacity building). It does this through public sector loans which may then
be on-lent to the private sector for specific activities. The IFC, on the other hand, invests
directly in the private sector to support private provision, or finances demand-side
schemes, such as student loan schemes. (IFC, 2001, p.9, Figure 5)

The World Bank channels money to education projects through a range of modalities,
but none are specifically designed to encourage the role of non-state providers in
education. Modalities discussed in the 1999 *Education Sector Strategy Paper* include
Structural Adjustment Loans, containing an emphasis on social protection, and
Adaptable Program Loans and Learning and Innovation Loans, both of which permit
more open-ended lending and allow for piloting and innovation over a relatively short
timeframe. A concern common to all the suggested modalities, is that they should be
designed with consideration for the broad social development aims of the country. HIPC
debt relief is also linked to improvements in social policy reform. (World Bank, 1999,
p.40-42)

The IFC invests in the private sector of developing countries using a variety of
instruments. These include loans, equity and quasi-equity finance, syndicated loans, risk
management products and intermediary finance. However, the IFC recognises that these
instruments are usually unsuitable for education investments, especially those in the ‘early
childhood’, primary and secondary sub-sectors, which tend to be small (often under $1
million). Most IFC investments into these sub-sectors have been channelled through the
Corporation’s African Enterprise Fund (AEF) and Small Enterprise Fund (SEF). The
development of financial instruments suitable for financing small projects has been
designated a ‘critical task’. Ideas include: education investment funds; extending lines of
credit and technical assistance to local financial institutions; and local currency loans and guarantees.

The World Bank, the IFC and private sector partners also operate an online information exchange highlighting investment opportunities in education in client countries (http://www2.ifc.org/edinvest). The exchange provides information for investors from developed countries interested in pursuing investment opportunities in developing countries. The World Bank has worked in several West African countries (targeting especially Senegal, the Gambia, Côte d'Ivoire and Mauritania), surveying the market for education and helping governments create an enabling framework for private sector development in education.

WATER AND SANITATION

Key Documents
Key Design Principles for Community Water and Sanitation Services: Strategy for Rural Areas and Small Towns, World Bank online publication
Available at: http://www.worldbank.org/watsan/ruralprinciples/basic.html

Albert M. Wright, November 1997, Toward a Strategic Sanitation Approach - Improving the Sustainability of Urban Sanitation in Developing Countries, UNDP/World Bank Water and Sanitation Program
Available at: http://www.wsp.org/publications/global_ssa.pdf

Other Documents
Available at: http://lnweb18.worldbank.org/ESSD/ardext.nsf/18ByDocName/Strategy


Websites
Global Public-Private Partnership for Handwashing initiative: http://www.globalhandwashing.org/

Policy
The World Bank supports the involvement of non-state actors (the private sector, communities and NGOs) in all areas of water resource management, including in infrastructure development, water and sanitation, and irrigation and drainage.

The Bank believes that involving the private sector in running water utilities is especially important when public service delivery fails. In urban areas there are a range of arrangements by which ownership, management and financing of utilities can be split between the public and private sectors. The Bank advises and assists country
governments in developing effective regulatory frameworks and in designing viable, ‘clean’ transactions that reconcile the interests of investors and consumers, and recognize the needs of the poor. Even where there are competent public-sector utilities, there may be advantages in outsourcing service tasks to small private providers.

In rural areas and small towns the Bank supports governments and projects using a demand-responsive approach (DRA) which complements the Bank’s policies on Community Driven Development (CDD). A DRA approach involves designing a project so that consumer demand determines investment decisions. Typically, the community owns, manages, and helps to finance services while the private sector and NGOs provide the service, and the government facilitates the process. Most projects stop short of giving communities full control over project implementation, especially in the area of contracting. However, there is growing interest in incorporating community contracting mechanisms in future projects.

Although the World Bank has recognised the importance of Small and Medium Enterprises (SMEs) and Independent Providers (small-scale entrepreneurs and CBOs, that sustain themselves without government resources and survive only by offering services which the customers want and are willing to pay for) in the provision of Water and Sanitation services, it has yet to develop a strategy incorporating these actors.

In the area of sanitation, the World Bank promotes partnerships with non-state actors. Wright (1997) notes: ‘The World Bank increasingly views NGOs as effective intermediaries on projects that depend on participation and capacity building at the community level’ (p.28). The Bank is also part of the Global Public-Private Partnership for Handwashing initiative.

**Approach**

For large infrastructure projects the Bank lends to governments or entities that enjoy a government guarantee. Where private companies are involved, the IFC can participate directly in private infrastructure projects through loans or equity, without the need for a government guarantee. In addition, other members of the World Bank Group, including the Project Finance and Guarantees Group and the Multilateral Investment Guarantee Agency (MIGA), offer risk mitigation products.

To fund small community managed projects including those in the water and sanitation sector, the bank uses Social Funds. It believes these are a ‘unique and invaluable instrument in reaching people at the local level directly and in capitalizing on the energies of a wide range of partners: public sector, private sector, NGOs and the local communities themselves’. With social fund financing and World Bank technical assistance, communities identify their own development priorities, hire contractors, manage project funds, and on completion of construction manage and sustain the project. In most cases, community meetings are held throughout subproject implementation to discuss progress. Bank funding also reaches the water sector through other multi-sectoral operations, such as integrated urban projects, municipal development credit lines and environmental projects.

The World Bank also put a strong emphasis upon partnerships as a means of sharing best practice experience and developing innovative solutions to challenges in the sector. One such partnership is the Water and Sanitation Program (WSP) which functions as an independent unit within the World Bank’s Department of Energy and Water and receives
funding from various international donors as well as from the World Bank. In the field, WSP collaborates with many of the most productive public, private, and non-governmental agencies in the sector to build capacity and support sector reform.

Another partnership is the Building Partnerships for Development in Water and Sanitation (BPD) initiative (originally a cluster within Business Partners for Development) which the Bank continues to fund. BPD is an informal network that brings together the public, private, donor and civil society sectors to support multi-sector partnerships to provide water and sanitation services in poor communities. The emphasis is on conducting research, facilitating relationships between different stakeholder groups at the project level, building capacity of specific target groups to engage in and/or support partnership approaches, and sharing information and facilitating dialogue at the international level between a variety of interested stakeholders.

HEALTH

Key documents
Available at: http://wbln0018.worldbank.org/HIDNet/hddocs.nsf/0/80ac87ad5b7910e4852568f20051bdce/$FILE/hnp.pdf

Other documents
Available at: http://ifcln1.ifc.org/ifcext/che.nsf/Content/Strategy

World Bank, Health Systems Development Workplan and Budget FY03, Washington D.C.

Websites
Child Health and the Private Sector:

Policy
The World Bank promotes the engagement of various non-state providers in several areas of healthcare provision and supports governments in developing the capacity to contract, regulate, monitor and evaluate them. Generally, in low-income countries and many middle-income countries, where public sector activities dominate, the World Bank promotes greater diversity in service delivery systems by encouraging funding of civil society and non-governmental providers on a competitive basis, instead of limiting public funds to public facilities. This may involve the introduction of quasi-market mechanisms, such as vouchers, competitive contracting-out, and the increased use of client feedback. In many low-income countries where private providers dominate, the Bank encourages governments to take on new roles, including better regulation of the private sector (World Bank, 1997, p 26). The Bank’s Health Systems Development cluster is committed to exploring methods for pro-poor private sector engagement in health systems.
The Bank’s team on Child Health and the Private Sector, within the Public Health cluster, promotes private sector involvement at a number of levels. They define the private sector as including ‘all actors outside government, such as for-profit, non-profit, formal and non-formal entities. This broad definition includes service providers, pharmacies and pharmaceutical companies, producers and suppliers, shopkeepers, and traditional healers’. Measures the team considers for engaging the potential of the private sector include: encouraging governments to contract out to the private sector; promotion of social marketing; improving the quality of small-scale providers, such as private pharmacies through regulation and standard-setting; providing training for private sector actors to improve their skills and for households to improve their knowledge of appropriate care in the home and care-seeking behaviour; and franchising. The team emphasise that successful engagement relies on the capacities of both private and public sector agents and on political support and local ownership.

The IFC is also involved in financing private providers in the health sector. Historically, these have usually been investments in hospital construction and infrastructure but it is now aiming to broaden its involvement in the sector to include investments in: private health insurance provision; the pharmaceutical, medical device and biotechnology sub-sectors; and health workers’ education and training. The IFC is seeking ways to support the financing of small health projects in much the same way as it is in the education sector.

**Approach**

In the area of health sector reform the Bank is actively engaged in research and analysis to design and implement effective policies to promote the effective engagement of the private sector in health care. This involves consultation with a wide variety of actors. The 1997 Sector Strategy, for example, states (p.27):

‘Effective incentives and provider payment mechanisms can make a significant contribution to improving the performance of health systems. To implement this strategy, the Bank needs to work closely not only with ministries of health, but also with ministries of finance, privatization, and planning. Within the Bank, closer links will be established with the IFC and the Finance, Private Sector, and Infrastructure (FPSI) Network to build on lessons learned about divestiture of social assets and to facilitate the flow of finance to non-governmental recipients.’

The Child Health and the Private Sector team suggest that the starting point for designing policies should be an evaluation of the presence and potential of the private sector (including actors such as professional associations, producer organizations, community groups, and patients’ organizations) and the sector’s willingness to collaborate. This can be done using a private Sector Assessment for the Health, Nutrition and Population sector (HNP). Once this has been done, country-specific instruments and interventions can be designed.

The 1997 Sector Strategy (p.93) highlights the lending arrangements the Bank will use to encourage the activity of non-governmental actors in the healthcare sector. In the case of IDA credits and IRDB loans the Bank aims to increase product selectivity through: putting emphasis on a few critical activities in the public sector that will facilitate rebalancing of public and non-governmental service delivery activities; on-lending arrangements (subsidiary loan agreements) and working with IFC and MIGA to facilitate the flow of funds to non-governmental healthcare delivery systems; and the introduction
of mechanisms whereby countries can apply to the Bank for funding for programs that would be fully developed and implemented by other agencies or the private sector.
World Health Organisation & NSP

SUMMARY
The WHO does not have an overarching policy dealing with non-state providers of health services but develops approaches to tackling diseases on a case-by-case basis. Nevertheless, the Organisation is open-minded over the participation of NSPs, and in several of its initiatives advocates that NSPs are incorporated into national plans to combat disease. While WHO supports the involvement of NSPs, it rarely works with them directly, but rather encourages government agencies to develop integrated strategies for disease management.

HEALTH

Key Documents
WHO, December 2003, Neglected diseases: issues and recommendations for intensified control, Summary Report of International Workshop on Intensified Control of Neglected Diseases
Available at: http://www.who.int/lep/ND/NDsummary.doc

TB Strategy and Operations/Stop TB Department, 2003, Public-Private Mix for DOTS Practical tools to help implementation

Other Documents
Available at: http://www.who.int/lep/GlobalAlliance/evaluation.doc

WHO, November 2002, Guidelines on working with the private sector to achieve health outcomes, Report by WHO Secretariat
Available at: http://www.who.int/gb/EB_WHA/PDF/EB107/ee20.pdf

WHO Media Centre, currently under revision, Partnerships: how WHO works with the public and private sectors to fight infectious diseases, Fact sheet N°235
Available at: http://www.who.int/mediacentre/factsheets/fs235/en/

Websites
Community Care for Tuberculosis: http://www.who.int/gtb/policyrd/CommCare.htm
Tuberculosis: Public Private Mix for DOTS: http://www.who.int/gtb/policyrd/TBPPM.htm#Progress
Global Polio Eradication Initiative: http://www.polioeradication.org/

Policy
The following covers WHO’s policies and activities towards non-state providers in fighting tuberculosis, ‘neglected diseases’, such as leprosy, and malaria, and polio.

WHO is currently addressing the issue of involving private practitioners in Tuberculosis (TB) control. It believes that productive collaboration with private
practitioners could go a long way to achieving rapid DOTS\(^1\) expansion and to controlling TB. It encourages the identification and mobilisation of appropriate community organizations; the development of links between health services, community organizations and national TB programmes; and training and supervision of community members in TB control measures. While WHO states that more information, research and debate are needed to develop and finalise its policy guidelines to national TB programmes (NTPs) on the issue of private health sector involvement, the preliminary policy framework recommends that: links are formed between NTPs and all levels of the private sector; that local programme staff should enjoy greater autonomy in devising site-specific public-private mix delivery models which preserve the essential components of the DOTS strategy; and that public funding be made available for the provision of TB care by private providers. Private funding, if available, can usefully supplement the public funds.

In 2003 WHO hosted a workshop on Neglected Diseases (which are taken to include lymphatic filariasis (elephantiasis), schistosomiasis, intestinal parasites, leprosy and sleeping sickness among others). The workshop recognised the potential contribution of nongovernmental agencies and local networks of volunteers to meeting gaps in service delivery (Neglected Diseases, p.4). The report states, ‘The plan of work needs to be population-based, and not disease-based, and should be guided by an assessment of local needs and capacities. The workplan should engage communities and households, and consider all existing infrastructures – whether for health, education, or commercial purposes – as potential delivery channels’ (ibid., p.5). Innovative mechanisms for improving services for neglected diseases include: creating incentives for community volunteers; social marketing; and supporting informal networks for promoting self-care. WHO plays an advisory role in the Global Alliance for the Elimination of Leprosy (GAEL) which works closely with NGOs, and is supported by Nippon Foundation of Japan, the pharmaceutical and life-sciences company Novartis and the Danish International Development Assistance agency (DANIDA).

WHO is a founder member of the Roll-Back Malaria Global Partnership. This is a partnership between UN agencies, donors, researchers, governments, NGOs and the private sector to help mobilise additional resources to fight Malaria. The initiative encourages governments to consider health financing reforms (such as cost sharing, user fees, and public and private health insurance mechanisms) and to build partnerships with communities and private health-care providers. It also believes that operation of an effective malaria control programme requires training at many levels, ranging from traditional healers and shopkeepers, to National Malaria Control Programme managers.

WHO also spearheads the Global Polio Eradication Initiative, in association with Rotary International, CDC and UNICEF. The initiative incorporates a wide range of partnerships including with humanitarian and nongovernmental organizations (e.g. the International Red Cross and Red Crescent societies), and corporate partners (e.g. Aventis Pasteur, De Beers). Volunteers in developing countries are recruited to provide immunisations on National Immunisation Days, since an oral polio vaccine can be administered without knowledge of how to use a needle and syringe.

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\(^1\) DOTS is the internationally recommended strategy for TB control. DOT is Directly Observable Treatment.
**Approach**

WHO works with national governments, INGOs, donors, scientists, private companies and foundations to develop effective strategies for fighting disease. These strategies often recommend that governments or government agencies consider working with non-state providers, but WHO itself does not work directly with NSPs at the local or community level. Rather, WHO’s work centres on advocacy, information dissemination, and partnership-building with a view to fostering cross-sector collaboration, supporting research, and disseminating information on controlling and combating disease. WHO also provides technical assistance to national-level agencies in the implementation of country strategies.

WHO’s role in the Public Private Mix in Tuberculosis treatment (PPM-DOTS) is to advocate the potential benefits of private provider involvement; to co-ordinate and stimulate research on public-private mix models and set up networks to link researchers; to assist in arranging funds for pilot projects; and to assist in disseminating the results. WHO will also provide technical assistance to NTPs to implement public-private mix policies.

WHO works with the commercial sector through a number of channels. These often include participation in alliances and other relationships (sometimes with other public bodies, governments, nongovernmental organizations and foundations) to address specific health issues. The WHO also works with the private sector to exchange information; to pursue product research and development aimed at improving health; and to advocate engagement and commitment on health issues. (*Guidelines on working with the private sector*, p.3)