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THE ROLE OF PUBLIC PRIVATE PARTNERSHIP IN THE MACEDONIAN HEALTHCARE SECTOR

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THE AIM OF THE USE OF PUBLIC-PRIVATE PARTNERSHIP

- PUBLIC-PRIVATE PARTNERSHIP SHOULD BRINGS A BENEFIT OF PUBLIC INTEREST THAT EXCEEDS THE BENEFITS RESULTING FROM THE USUAL WAY OF PROVIDING CONDITIONS FOR THE PERFORMANCE OF PUBLIC SERVICES.
- FORMS OF COOPERATION BETWEEN PUBLIC AUTHORITIES AND PRIVATE ECONOMIC OPERATORS, OFTEN IN ORDER TO PROVIDE FINANCING, CONSTRUCTION, RENOVATION, MANAGEMENT AND MAINTENANCE OF INFRASTRUCTURE OR TO PROVIDE A SERVICE.

A BENEFIT OF PUBLIC INTEREST MEANS IN PARTICULAR COST SAVINGS FOR THE PUBLIC PARTNER, A HIGHER STANDARD OF SERVICES PROVIDED AND OTHER PUBLIC BENEFITS .

THREE MOST COMMON PPP MODELS IN HEALTHCARE

1. THE INFRASTRUCTURE-BASED MODEL- UNDER THE INFRASTRUCTURE-BASED PPP MODEL, THE PRIVATE PARTNER IS CONTRACTED TO BUILD, REBUILD OR REPLACE A PUBLIC ASSET, AND IS RESPONSIBLE FOR MAINTAINING THE INFRASTRUCTURE THROUGHOUT THE LIFE OF THE CONTRACT. USUALLY LONG-TERM CONTRACT AT 25-30 YEARS. THE PRIVATE PARTNER IS RESPONSIBLE FOR: DESIGN, BUILD, FINANCE, MAINTAIN, OPERATE. THIS MODEL IS WIDELY USED AROUND THE WORLD (UK, CANADA, AUSTRALIA, ITALY)

2. THE DISCRETE CLINICAL SERVICES MODEL- MODEL IS USED TO: IMPROVE MANAGEMENT OF CLINICAL SERVICE DELIVERY FOR SPECIFIC, HIGH-DEMAND SERVICES; TO IMPROVE QUALITY OF AND ACCESS TO SPECIFIC CLINICAL SERVICES; TO MOBILIZE PRIVATE SECTOR INVOLVEMENT IN THE DELIVERY OF HEALTHCARE SERVICES. THESE TYPES OF CONTRACTS EXIST IN MANY FORMS AND CAN COVER A VARIETY OF SERVICES, INCLUDING LABORATORY, DIAGNOSTIC, DIALYSIS AND OTHER SPECIALIST SERVICES. THE PRIVATE PARTNER IS PRIMARILY RESPONSIBLE FOR: FINANCE; MAINTAIN AND OPERATE & DELIVER. USUALLY SHORT- TO MEDIUM-TERM IN DURATION (LESS THAN 10 YEARS) TO ALIGN WITH THE LIFECYCLE OF CLINICAL. THIS MODEL HAVE BEEN IMPLEMENTED ACROSS A RANGE OF COUNTRIES THAT EXPERIENCE INADEQUATE CAPACITY FOR SPECIFIC CLINICAL SERVICES (INDIA, ROMANIA).

3. THE INTEGRATED PPP MODEL - THE PRIVATE PARTNER IS RESPONSIBLE FOR DESIGN, BUILD, FINANCE, MAINTAIN, OPERATE AND DELIVER. THIS MODEL REQUIRES A COMPLEX SET OF AGREEMENTS WITH THE PRIVATE PARTNER (OR PRIVATE CONSORTIUM) TO MANAGE THE COMPONENTS OF FINANCING, DESIGN, CONSTRUCTION AND SERVICE DELIVERY. TRANSFERRING RESPONSIBILITY FOR CLINICAL SERVICE DELIVERY TO A THIRD PARTY REPRESENTS A MAJOR CHANGE FOR GOVERNMENTS, AS THEY MUST SHIFT FROM BEING A PROVIDER OF SERVICES, TO A MORE ARMS-LENGTH RELATIONSHIP AS A CONTRACTOR OF SERVICES AND MANAGER OF QUALITY VIA CONTRACT AND PERFORMANCE MANAGEMENT. (AFRICA, SPAIN, PERU)

WHEN AND HOW EU RULES APPLY?

- ALL PUBLIC PROCUREMENT PROCEDURES IN THE EU ARE CARRIED OUT ON THE BASIS OF NATIONAL RULES. FOR HIGHER VALUE CONTRACTS, THESE RULES ARE BASED ON GENERAL EU PUBLIC PROCUREMENT RULES.
- THE VALUE LIMITS (THRESHOLDS) THAT MARK WHEN EU RULES ARE USED DEPEND ON THE SUBJECT OF THE PURCHASE, AND WHO IS MAKING THE PURCHASE. THESE THRESHOLDS ARE REVISED REGULARLY AND THE AMOUNTS ADJUSTED SLIGHTLY.
- THE MAIN LIMITS ARE:
 - EUR 1 40 000 FOR MOST TYPES OF SERVICES AND SUPPLIES PURCHASED BY CENTRAL GOVERNMENT AUTHORITIES
 - EUR 5 382 000 FOR CONSTRUCTION CONTRACTS
- NATIONAL PUBLIC PROCUREMENT RULES APPLY BUT THE GENERAL EU PRINCIPALS OF TRANSPARENCY AND EQUAL TREATMENT SHOULD BE RESPECTED.

LEGAL BACKGROUND – NORTH MACEDONIA

- DIRECTIVE 2014/24/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 26 FEBRUARY 2014 ON PUBLIC PROCUREMENT AND REPEALING DIRECTIVE 2004/18/EC
- DIRECTIVE 2014/25/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 26 FEBRUARY 2014 ON PROCUREMENT BY ENTITIES OPERATING IN THE WATER, ENERGY, TRANSPORT AND POSTAL SERVICES SECTORS AND REPEALING DIRECTIVE 2004/17/EC
- DIRECTIVE 2014/23/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 26 FEBRUARY 2014 ON THE AWARD OF CONCESSION CONTRACTS
- LAW ON CONCESSIONS, ЗАКОН ЗА КОНЦЕСИИ , СЛУЖБЕН ВЕСНИК БР. 25/2002 И БР.24/2003
- LAW ON CONCESSIONS AND OTHER PUBLIC PRIVATE PARTNERSHIPS (ЗАКОН ЗА КОНЦЕСИИ И ДРУГИ ВИДОВИ ЈПП, (СЛУЖБЕН ВЕСНИК БР. 7/ 2008; 139/2008; 64/2009 И 52/10))
- LAW ON CONCESSIONS AND PUBLIC PRIVATE PARTNERSHIPS (ЗАКОН ЗА КОНЦЕСИИ И ЈАВНО ПРИВАТНО ПАРТНЕРСТВО , (СЛУЖБЕН ВЕСНИК БР.6/2012; 144/2014; 33/2015; 104/2015; 153/2019; 261/2019, 2022))
- LAW ON PUBLIC PROCUREMENT
- DECREES AND
- RULEBOOKS
- AGREEMENTS FOR PPP

INSTITUTIONAL FRAMEWORK

- THE GOVERNMENT OF THE REPUBLIC OF NORTH MACEDONIA /
 - COUNCIL FOR PUBLIC PRIVATE PARTNERSHIP
- MINISTRY OF ECONOMY
- MINISTRY OF FINANCE
- LOCAL GOVERNMENT (MUNICIPALITIES , CITY OF SKOPJE)
- PUBLIC ENTERPRISES AND OTHER PUBLIC BODIES AND AGENCIES

TYPES OF THE PPP ACCORDING TO LAW ON CONCESSIONS

- CONCESSION FOR PUBLIC ACTIVITIES
- CONCESSION FOR PUBLIC SERVICE
- PUBLIC PROCUREMENT CONTRACT OF ACTIVITIES
- PUBLIC PROCUREMENT CONTRACT OF SERVICES

COMBINED CONTRACTS

• PRE/CONDITIONS FOR SUSTAINABILITY OF THE PPP IN THE MACEDONIAN HEALTHCARE SYSTEM

- POLITICAL WILL FOR TRANSPARENCY
- CONSISTENCY OF THE LEGISLATION
- STRONG MANAGEMENT FROM THE PUBLIC SECTOR
- TO DEVELOP CLEAR ROLES AND RESPONSIBILITIES BETWEEN THE ADVISORS AND GOVERNMENTAL PLAYERS
- TRUST BETWEEN THE PARTNERS



THANK YOU

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**HEAD OF THE BUSINESS LAW DEPARTMENT, FACULTY OF LAW, GOCE DELCEV UNIVERSITY -STIP
JEAN MONNET COORDINATOR EU E-HEALTH AND NORTH MACEDONIA: FROM CURRENT
PRACTICE TO IMPLEMENTATION (EUEHL) -2020-2022**

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