# A Way to Effective Service Delivery in Fragile States

Public-Private Partnerships



Installation of water and sewerage pipes in the Yemeni town of Yarim along the Sana'a Highway.

## BY ANOOP SWAMINATH

EFFECTIVE DELIVERY OF SERVICES to the public is a key test of legitimacy for any government, but especially those in fragile and conflict-affected states. Where multiple challenges such as ethnic fragmentation, succession struggles and rebellion threaten to send a country into a spiral of deterioration, failure to deliver water, health, education and other vital services can cripple a government's chances of survival. By the same token, success and effectiveness in this area can establish the legitimacy of a fragile state's government, and thereby reduce its fragility. Public-private partnerships (PPP) offer a viable approach to achieving this goal.

In most countries, citizens expect their governments to provide basic public services such as health and education, and utilities such as water and power. In fragile states, weak institutional capacity often results in poor performance, and failure to meet these expectations.

The constraints are numerous, and constitute the primary reason for fragility. They include, among others:

- Fragile states are often both cause and result of stunted human development among their people; there are simply not enough educated and capable people to help develop and run the country. Challenges at the individual level have translated into more pronounced difficulties at the institutional level.
- The politics of patronage stymies development of a culture that would reward efficient public service delivery. Fragile governments have been short-sighted in their views on

power, national self-interest, and investments in the country. With inadequate checks and balances or political restraints in place, service delivery often takes a back seat (Collier 2007).

- A combination of geographic challenges and weak or destroyed national infrastructure from conflict scenarios has cut off access to public services for many citizens in fragile states. Remote and isolated areas are often wholly neglected, further exacerbating fragility within the country.
- Fractured relations among ethnic groups and communities can impede provision of services. Delivery of services to preferred groups, and their denial to others due to politics, power, and conflict has caused egregious divisions, particularly in Africa.

These phenomena have resulted in people living in fragile states growing exhausted with conflict, disgusted with existing political culture, and desperate about their future. For these people, the highest priority is the return of the country to some sense of normalcy. A hallmark of this sought-after normalcy and stability is the provision of basic health, water, and primary school education.

Public-private partnerships are invaluable in driving an effective strategy towards better results in servicedelivery that helps pre-empt deterioration. Such partnerships can offer a synergy that overcomes weaknesses inherent in having services delivered by a single either public or private provider. But to succeed, they must be conducted under the right conditions, including:

- A recognition that strategic selectivity is a must; health, water, and education are proven strong entry points.
- A directed effort at nurturing microeconomies of agglomeration around these core service themes can help embed service clusters on a regional and national level.
- Specific attention to points of fragility, such as ethnic fragmentation, will ensure that services reach previously alienated communities; a special effort to reach difficult-ofaccess regions offers significant gains as well, creating de facto

"strong zones" amidst the chaos.

Practitioners have acknowledged that interventions in fragile states must deliver some "quick wins". What does this strange term mean? In some ways, it brings us back to the quest for legitimacy and effectiveness. "Quick wins" are visible displays of competence which, so far, have been few and far between in most of these countries.

Apart from public-private partnerships in extractive industries, there has not been a systematic approach by international organizations, enterprises, and governments to apply this tool in a coordinated manner on fragile states. But with the rapidly-emerging consensus among development partners that fragile states are a global priority, various eager players have emerged looking for ways to make an impact. There is an opportunity here to apply some fresh partnership models and schemes to implement effective delivery of public services.

Managing expectations is a critical factor in perceived success. This is espe-



Working on electrical power lines outside the town of Macia, Mozambique.

cially important when engaging with multiple actors in overwhelming scenarios, such as the Central African Republic. Quick wins are about small-scale successes across dispersed geographic regions and diverse communities.

The actors perhaps most uniquely positioned to deliver success in such cases are social organizations. They often have the advantages of authentic intentions to deliver social benefits, adept implementation capacity, and experience in cultivating change agents at the grassroots level. These qualities position them as effective potential advocates for the PPP model in tough environments:

- Mercy Corps has been an active player in fragile states delivering interventions from water infrastructure in Somalia to health and HIV/AIDS prevention in challenged Chinese ethnic minority states. Their efforts have relieved many communities of various hardships (www.mercycorps.com).
- The Gates Foundation has worked with various fragile governments on malaria eradication and clean-water projects that have saved many lives in Africa (www.gatesfoundation.org).
- The International Association for Human Values has played a pivotal role in delivering primary school education to tribal children in India's Jharkand province, historically one of the country's worst-performing states. Where previously no education services were available, the Foundation worked with the government to create 18 certified schools with free education, uniforms and food for the students (www.iahv.org).
- The Ashoka Foundation has targeted fragile states in West Africa, empowering over 100 social entrepreneurship fellows to work with countries on health and human services. Tens of thousands of lives have been touched through different types of projects (http://www.ashoka.org/africa).

The common trend among these organizations is their profound service orientation at the individual level and their ability to work collaboratively with existing, albeit weak, public sector channels. Organizations operating in fragile states need to be supported to scale up the size and scope of their impact.

Likewise, it is important to craft new roles for public sector entities to account for state fragility. One suggestion is to reform the role of parliaments. Parliaments in fragile states have functions ranging from peacebuilding to ensuring representation, social accountability, gender mainstreaming, and others. But many parliaments in fragile states are filled with inexperienced novices; during their electoral campaigns, they promised to improve service delivery, but quickly learn that parliaments do not directly perform that function. At most, they oversee budgets and through financial flows impact service delivery (O'Brien, Stapenhurst 2008).

Parliaments can, however, play a role in forming associations with private sector entities to develop partnership models to deliver services to citizens. Through stronger broad-based coalitions, parliaments would be able to keep a closer eye on implementation, as well as the capacities of relevant ministries.

Institutional strengthening of the ministries actually responsible for service delivery is another imperative. Fragile states are crippled by often non-existent capacities in service departments. International actors, including multilateral organizations, can respond by providing training and technical assistance on building institutions, as well as policy advice. Also, education programs focused on leadership, accountability, and the responsibility of public service have achieved progress in many settings. Fragile states will stabilize only when their governments and leaders promote a return to professionalism in public service (Pradhan 2009). A valuable byproduct that emerges from private-public collaboration is that some of the private companies' skills and knowledge seamlessly transfers to the state.

In sum, the emphasis on public-private partnerships in fragile states is not just about improving tactics. The objective of any intervention of this kind should be to protect against the destruction of precious and irreplaceable human capital, specifically that held by youth. Most fragile states have been stuck with their desperate status quos for decades. The only plausible way out is to ensure that the future generations are privy to fundamental public services. Public-private partnerships offer a way to get there.

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## PARTNERSHIP FOR DEMOCRATIC GOVERNANCE AND AFRICAN DEVELOPMENT BANK

## Contracting Out Core Government Functions and Services in Post-Conflict and Fragile Situations, 8-9 June, 2009, Tunis, Tunisia.

On the 8-9 June in Tunis, the Partnership for Democratic Governance held a conference on "Contracting Out Core **Government Services and Functions in Fragile and Post-Conflict** Situations." This event was co-hosted by the African Development Bank and benefited from financial support from Japan. The conference gathered around 100 participants from a wide range of development aid stakeholders: OECD members, non-DAC donors (Brazil and Chile), international organizations (UNDP, UNICEF, UNECA, ADB), NGOs and the private sector. Fifteen partner countries from Africa and Asia were represented at senior level, including the Minister of Finance for Timor-Leste and the Minister of Health for Liberia. The objective of the conference was to examine how the contracting-out of government functions and services in fragile states can be compatible with local capacity development and state building.

## **AREAS OF CONSENSUS**

There was strong agreement over the following points:

- Contracting out government functions and services should
- be preceded by a thorough assessment of existing national capacity. Where possible, joint ventures with local constructors (for example, road construction and maintenance in Papua New Guinea) should be preferred.
- Contracting-out requires a clear contractual agreement stipulating duration, services delivered and accountability mechanisms.
- The regulatory role of the government is key; therefore regulation and management capacities should be one main focus for donors' well-sequenced support.

### FUTURE QUESTIONS

There was significant debate and interrogation on the following points:

- What should be the appropriate timing and sequencing of contracting-out arrangements? How long does it take to
- exit? While much attention must be paid to country context, what lessons can be drawn to promote good practice?

While it was agreed that Governments (even the most fragile) should be the ones to decide on contracting-out needs, even when those contracts are donor-funded, the weak capacity of many such governments presents a "chicken and egg" dilemma which is not addressed in international documents like the Paris Declaration.

As a way forward, greater focus could be given to the lessons from the broader contracting literature, rather than taking a sectoral or development approach. Specific questions here include: how can the outputs be specified? What is the appropriate allocation of risk between parties? How enforceable is the contract in practice?