Private Sector
PRIVATE SECTOR IN THE GFF STRATEGY 2021–2025

Early phase of GFF private sector support*: foundational activities (public-private dialogue, baseline analytics, knowledge and learning tools, performance-based contracting; integrating private sector in country platforms, assessments of role of private sector in health systems, identifying opportunities to partner for RMNCAH-N outcomes)

Challenges: unintended silos, shift from stand-alone activities to integrated programs, scale of impact, sustainability, capacity of countries and partners

GFF 2020 strategy refresh process: identified need to engage the private sector to realize the GFF’s mission
- GFF support for scaling private sector engagement integrated with overall health financing and service delivery objectives, to improve RMNCAH-N outcomes
- Priority to gender and equity goals in selection and design of private sector engagement activities

Pathways for implementation:
- Country support to leverage private sector resources, capacity, expertise and innovation for investment cases
- Innovative financing to mobilize private capital in support of investment case priorities

*Private sector engagement for GFF includes both for-profit and not-for profit actors
I. Impact of COVID-19
   • Private sector role in pandemic response and essential health services
   • Countries with existing public-private engagement in health able to pivot/ramp up response
   • Supply chain and procurement gaps

II. Health system resilience
   • Countries taking lead on re-imagining health systems, role of private sector in delivering services/products; increased requests for strategic support
   • Accompanying need for strong governance and accountability mechanisms

III. Increasing global development challenges
   • Climate change, debt crises, food insecurity, fragility and conflict
IMPLEMENTATION OF THE GFF PRIVATE SECTOR ENGAGEMENT: LESSONS LEARNED
1. Country governments are increasing strategic engagement with the private sector in health systems

- "Whole-of-system" approaches gaining traction, integrating private sector into overall policies/reforms in health financing, service delivery, and governance

- **Challenges:**
  - **Countries targeting integrated reforms:** sustaining engagement over longer time frame, building capacity, sufficient financing and technical support from partners
  - **Countries in early stages of private sector engagement** – what support provides most impact?

- Example of GFF support to strategic integrated reforms at scale: Cote d’Ivoire

2. **RMNCAH-N impact at scale requires greater prioritization of GFF private sector engagement**

- **Greater TA and financing needs** for medium-long term reforms on private sector - tradeoff between depth of engagement and number of countries + technical areas

- **Impact also requires equity and gender lens** for proposed private sector engagements (in analytics, design, implementation, results tracking)
3. Innovative financing for RMNCAH-N

- GFF partnership with WB Treasury and private investors; Development Impact Bond (Cameroon); loan buy-downs (Guatemala, Vietnam)

- Challenges:
  - Equity and inclusion being central to design to reach vulnerable women and children (IDA countries & IFC investments with private providers benefiting from concessional financing while serving poor)
    - Transaction costs vs. volume of financing (development impact bonds, investment pipeline building)
    - Balancing investor requirements with country needs and priorities
  - GFF’s intermediary role essential: to leverage private capital so countries can maximize investments in health without high financing costs; concessionality to increase equity and inclusivity, as bridge to ramp up sustainable public financing

4. Building on gender and equity results

- Progress underway with 2021-2025 strategy; potential for GFF private sector window to further **strengthen focus on equity and gender** through country support and innovative financing.

- Challenge: Inclusive private sector engagement in service delivery (access, quality) and health financing (affordability) reforms **requires strong government leadership, willingness from private sector**, along with technical support and financing from partners in order to succeed; aligning and sustaining these over time is critical

5. GFF partnership coordination on private sector engagement to maximize resources and results

- Presently partner coordination and collaboration on private sector varies greatly country by country, based on partner priorities, or specific technical areas; potential for greater alignment to scale up impact for RMNCAH-N

- Can build on successful GFF private sector collaborations, and GFF approaches in other areas e.g., SRHR, HRH
LOOKING AHEAD:
GFF PARTNERSHIP APPROACH TO PRIVATE SECTOR ENGAGEMENT
CONSULTATIVE REVIEW
GFF PARTNERSHIP PROPOSED APPROACH TO PRIVATE SECTOR

Proposed process

- Time-bound technical working group established with IG partners; external experts to inform review
- Consultative review process to be completed by Spring 2024 Investors Group meeting

RAPID CONSULTATIVE REVIEW
Joint mapping exercise:
- Country priorities and needs related to private sector in RMNCAH-N
- Partner activities and support on private sector

GFF PARTNER APPROACH
- Identify areas for collaboration and coordination to support private sector engagement for RMNCAH-N
- Focus on GFF’s comparative advantage

IMPLEMENTATION
- Aligned approach for operationalizing and measuring results
- Options for countries to draw on GFF partner support for private sector engagement
DISCUSSION

• What are the priorities for countries on private sector engagement in RMNCAH-N?
• What are current gaps and opportunities for strengthening support to countries?
• What are some of the challenges faced: delivery, governance, equity?
• Do you endorse the proposed process to develop the GFF’s approach to the private sector?
Discussion