

Private Sector Update



Role of private sector in GFF

1. Mobilizing private financial capital for GFF countries, with results and equity focus

e.g., Performance based IBRD loan buy-down, blended finance

2. Scaling proven innovations in RMNCAH-N

e.g., Nigeria Innovation Challenge for delivering health services and products in fragile settings; Senegal last mile supply chain transition support

3. Providing technical assistance/resources for GFF countries to leverage private capacity/ expertise

e.g., financing and capacity building support to GFF government service delivery contracting with private sector at scale in Cameroon, DRC, etc.

GFF private sector strategy in first two years of implementation (1)

1. Leveraging private sector for country Investment Cases

1. Service delivery contracting:
 - GFF countries leveraging private capacity and TA to complement govt. through performance-based contracts at scale
 - Private for profit and not for profit delivering essential services at national or multi-state scale
- i. Private sector service delivery quality improvement:
 - Kenya: Joint Health Inspection Checklist implementation
 - Uganda: capacity building of private providers in RBF to manage and deliver quality services
- ii. Supply chain: private sector solutions for last mile
- iii. Learning and capacity building: Support for systematic analysis (private sector assessments); Managing Markets for Health (MM4H) online and face to face training



Senegal MM4H face to face workshop: countries learning from each others' models for leveraging private sector capacity and innovation; analyzing what works for their country context...

GFF private sector strategy in first two years of implementation (2)

2. Global and regional partnerships

- MSD for Mothers first private sector financier to GFF Trust Fund; also brings technical expertise (e.g., supply chains)

3. Innovative financing

- First GFF IBRD performance-based loan buy-down approved for US\$100 million loan for Guatemala for curbing malnutrition of pregnant women and children; focus on indigenous populations for equity
- Blended finance impact investments pipeline in development with International Finance Corporation (IFC) based on Investment Case priorities; strong focus on underserved women and children
- Growing interest from GFF country governments to explore innovative ways to mobilize private capital

Successes and Challenges

Successes from early implementation of strategy:

1. Pay for performance focus for financing instruments and service delivery, enabling countries to channel resources for equity agenda
2. Strong demand from countries for partnering with private sector, knowledge exchange on partnership models
3. Capacity building of governments to design, manage and monitor strategic engagement with private sector
4. Keen interest from private sector on shared value partnerships for sustainable business models

Challenges have included:

1. Scale of private sector engagement and mobilization of private capital, and corresponding impact
2. Enabling environment, varying level of government capacity to engage
3. Transaction cost, time required (for all stakeholders) to develop and manage private sector partnerships

Future directions for GFF's private sector strategy

1. Strategic engagement at country level

- Expanded support to GFF countries on systematically analyzing role of private sector and potential engagement for Investment Case priorities and equity objectives
- Includes:
 - Learning resources and analytical tools, capacity building workshops
 - Intensive technical assistance from GFF partners

2. Partnering with global and regional private sector:

- Shared value partnerships with private sector for thematic priority areas across Investment Cases (e.g., "Frontline First")
- Entry points for private sector companies to match their resources to benefit GFF countries' RMNCAH-N priorities

3. Innovative finance at scale:

- Design and launch of new innovative financing instruments to meet the scale of ambition and financing gap for RMNCAH-N
- Leverage World Bank Group institution expertise, GFF partners

GFF PARTNERS



BILL & MELINDA
GATES foundation

Canada



MINISTRY OF FOREIGN AFFAIRS
OF DENMARK
Danida



USAID
FROM THE AMERICAN PEOPLE



WORLD BANK GROUP



World Health Organization



Learn more



www.globalfinancingfacility.org



GFFsecretariat@worldbank.org



[@theGFF](https://twitter.com/theGFF)