

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



RECENT SHIFTS WHAT HAS CHANGED?

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





- 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 <u>impact at scale</u> 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 <u>without</u> 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



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



- 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?

