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The health of women, children, and young people is critical to building healthy and stable societies worldwide. Yet, every day, over 800 women die from preventable causes related to pregnancy and childbirth. COVID-19 has only exacerbated the issue, putting increased strain on already weak health systems and making it hard to uphold basic services such as maternal health. A *Lancet* study warned of potential increases in maternal mortality as a result of decreased coverage of essential maternal and child health interventions. In the least severe scenario, reductions in coverage would result in 253,500 additional child deaths and 12,200 additional maternal deaths.

In 2015, the 17 Sustainable Development Goals for addressing global challenges were adopted. **SDG 3** on health and well-being is a universal call to action to reduce child and maternal mortality and ensure universal access to sexual and reproductive health care services. To realize the SDG targets by 2030, more meaningful and innovative collaboration between government and the private sector is needed.

Achieving SDG 3 will require strong public-private collaboration and engagement with the private sector, including but not limited to business and scientific expertise, innovations, and capital. This report details how the private sector can work with the public sector and play a catalytic role in improving reproductive, maternal, newborn, child, and adolescent health.

The report draws insights from extensive conversations from some of the most senior officials from a range of organizations such as the World Health Organization, the United States Agency for International Development, and the Global Fund to Fight AIDS, Tuberculosis and Malaria, among others. The collection of these seven interviews covers a wide variety of topics related to private sector engagement as defined by the Organization for Economic Co-operation and Development.

**Private sector engagement**

As defined by the Organisation for Economic Co-operation and Development, this is an activity that aims to engage the private sector for development results, which involve the active participation of the private sector.

The definition is deliberately broad in order to capture all modalities for engaging the private sector in development cooperation, from informal collaborations to more formalized partnerships.

*To read more about the definition and how Maternity Matters: Funding the Future is exploring the topic, click here.*

The report is part of Maternity Matters: Funding the Future, an initiative launched by Devex with support from MSD for Mothers, that explores how donor funding is leveraging private sector engagement to further RMNCAH solutions. The initiative aims to encourage RMNCAH funders to measure and share their investments and best practices for private sector engagement in standardized ways.

This effort aims to ultimately shed light on some of the successful models and best practices that donors have used to work with the private sector to support RMNCAH.
When it comes to the role of the private sector in health system strengthening, the World Health Organization sees it as key, especially in terms of service delivery, according to Dr. Anshu Banerjee, WHO’s director for the department of maternal, newborn, child, and adolescent health, and ageing.

The COVID-19 pandemic has put a strain on health systems and highlighted the lack of resources that often jeopardize basic services such as maternal health. This has helped to shine a spotlight on the role local private sector providers — whether community pharmacies, private clinics, or midwives — can play within wider health systems.

“Many country health systems are mixed systems [private and public], whereby service delivery is either outsourced or by capitation and there are many kinds of systems that allow the private sector to be involved and to implement government policies and programs on behalf of the government with the ministry of health,” Banerjee explained, adding that COVID-19 has brought with it lessons about engaging the private sector from a universal health coverage perspective.

Speaking to Devex, Banerjee shared the lessons, explained how WHO engages the private sector, and how it tracks private sector engagement in the reproductive, maternal, newborn, child, and adolescent health space.
Private sector engagement

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A lot of reproductive health services in low- and middle-income countries are delivered by local private providers. How is WHO looking at this part of the health system to help in achieving reproductive health targets under SDG 3?

In a number of countries, there are agreements with the faith-based organizations to deliver services. For example, when I was working in Malawi, about a third of the health centers were from the Christian Health Association of Malawi. They had an overarching agreement with the government to provide services. We also had a local NGO that was providing family planning services nationally and this increased the availability of services, so we do see value in partnership.

With the NGO that was providing family providing services, we had quite a lot of interaction between the district health services management and that particular NGO so I do think that engagement — whether it’s private providers that are for profit or not-for-profit — is part of our overall service delivery systems.

Are there lessons COVID-19 is teaching us that could inform how the private sector should be viewed from a UHC perspective?

One thing we’ve learned in the last six months is that where maybe initially people felt that we couldn’t have made this digital leap, it was actually possible. We can reach people in more ways, in different ways and we need to build on what we’ve learned from the COVID-19 period. This will also apply to the private sector.

I think the private sector has learned how to remain functional — or as functional as possible — and has moved a lot to digital solutions. This is an area where we need to work together in order to maximize some of the gains: on how to work together, how to reach people, look at what really needs to be provided offline, and what could be replaced through an online service platform in reaching people and provide support more easily.

[One example is] Sustaining Health Outcomes through the Private Sector plus USAID’s flagship initiative in private sector health, developed an e-pharmacy model that delivers drugs to patients’ doorsteps in India.

How does transparency in investments help improve health system strengthening and outcomes?

Transparency is key because that allows us really to learn the lessons. For example, one of the things WHO has done is to ask countries to sign up to particular clinical trials and provide data for those clinical trials so that people use comparable information from different countries. That [means], once we have the results, it can really be shown that it’s based on different inputs from different countries. People are given the same information and feedback so the results will be as transparent as possible.

I think that for anything we do, transparency is going to be very important for us to be able to learn lessons and share lessons — both on what works and what doesn’t work.
How are you tracking WHO’s engagement with the private sector in the area of RMNCAH?

We have a very transparent process whereby our program budget is approved by our member states, we highlight what we’re going to deliver, we report back midterm, and at the end of the two years, we report back on what we’ve achieved to member states. From that respect, what WHO does is a very transparent process. Now, together with the Partnership for Maternal, Newborn and Child Health for example, there’s a larger tracking exercise on commitments that have been made by governments towards the Global Strategy for Women’s, Children’s and Adolescent’s Health 2016-2030 and whether those commitments are being held. That is a different tracking process around investments as part of the Every Woman, Every Child commitment process.

*Devex and MSD for Mothers co-hosted a virtual roundtable earlier this year to discuss the role of local private sector solutions to deliver care in LMICs both during COVID-19 and in a post-pandemic landscape. Catch up on the event.*

“Many country health systems are mixed systems [private and public], whereby service delivery is either outsourced or by capitation and there are many kinds of systems that allow the private sector to be involved and to implement government policies and programs on behalf of the government with the ministry of health.”

- Dr. Anshu Banerjee
There are significant gaps in timely, recurring, complete, correct, and real-time health data that is needed to inform funding decisions, resourcing needs, policies, and decisions, said Bianca Drebber, portfolio manager for private sector engagement at The Global Fund to Fight AIDS, Tuberculosis and Malaria.

The Global Fund investments are a key part of building better health systems and data systems, but domestic financing is most important, she said. “When it comes to investing in health systems, data is definitely a concern because we need the right level of data to know where and how to invest for impact, but also then to track and course correct when needed,” she said.

The Global Fund invests over $4 billion annually in over 100 countries and is a major international funder of reproductive, maternal, newborn, child, and adolescent health interventions.

“There’s real potential there to change the way that we use data,” Drebber said, adding that there are huge capabilities in the private sector when it comes to data use.

For example, The Global Fund partnered with IBM, and the India HIV/AIDS Alliance to improve the quality of care for people living with HIV and TB using a tablet-based application that collated data. The eMpower platform was piloted in several districts in India and — by tracking people living with HIV, monitoring their adherence to
treatment, and uploading the data so it was accessible to health workers — it has reached 2 million people. Other The Global Fund partners in the health data space include The Rockefeller Foundation, Mastercard, Microsoft, Google, Orange, and Zenysis.

“We know that there will be more pandemics and more public health threats coming and that data systems will perform the backbone to addressing those,” Drebber said.

Speaking to Devex, she explained the other roles the private sector can play in the RMNCAH space and how the Global Fund is leveraging private sector expertise in data and other areas.

This conversation has been edited for length and clarity.

**How does the Global Fund work with the private sector?**

The Global Fund works through, or with, the local private sector through the problems we support. In the context of national responses, everything that we do, wherever the private sector comes into play — either at global partnership level or at local level — is driven by the country and country ownership.

There are, in principle, four key ways that the local private sector can engage: one is through hands-on implementation as principal recipients or self-recipients of Global Fund grants... Secondly, there is the formal, local private sector so clinics, overall private health providers, certified doctors, health centers, and so on... Thirdly, there’s the noncommercial private sector — so faith-based organizations, community-based organizations, and NGOs who provide critical services. And finally, the informal local private sector [such as] pharmacies, traditional healers, and basically everything beyond formal health systems delivery.

The Global Fund strategically mobilizes resources to bridge the gap between government resourcing and the resources needed to fulfill health system needs. How does the private sector help bridge that gap?

There are two key ways the private sector can come in to bridge the gaps: through funding, and through skills, solutions, and capabilities. Providing financial resources is the more straightforward one, and a very key one obviously to our work, because the private sector not only provides funding for critical gaps, but goes beyond what Global Fund grants are doing. The private sector has the unique positioning [to be able to] earmark or direct funding into specific issues, countries, or gaps, in a way that public sector donors can’t. Those contributions really help extend the Global Fund reach.

Obviously, there are funding partners like the (RED) partnership, for example, that provide a platform for private sector funding. More broadly, we also work with partners like the Children’s Investment Fund Foundation and The Rockefeller Foundation to support and to specifically invest with catalytic funding — or catalytic resources as we call them — that can really go beyond what our Global Fund brands are doing and address key issues.

For example in the case of CIFF, it’s HIV self-testing, so really changing the way that HIV services are being delivered. In the case of the Rockefeller Foundation, through the Data Science Catalytic Fund, it’s investing into digital health with a specific lens on community health data.
When we speak about catalytic support, it really goes beyond financial resources because we need to allow for innovation and space to develop solutions for the future. This means new funding, but also leveraging and enhancing the expertise and solutions that already exist in the private sector. The ideal scenario would actually even combine both.

**How do you perceive the level of transparency around private sector investments and how can it help improve health system strengthening and outcomes?**

Transparency is one of four key principles the Global Fund is grounded in. That means both in our investments and also in the impact... All the data is publicly accessible. We’re also extremely transparent with everyone involved in the Global Fund ecosystem from donors to implementers to communities, because, for us, it’s absolutely clear that transparency is needed if we want to drive impact and we want to succeed.

Beyond a control function of just tracking results or investments, the point that you make on sharing best practices findings and learning not only within the Global Fund or in between Global Fund investments, but between all partners involved in global health is and will be critical.

On one hand, the Global Fund invests about $1 billion a year to strengthen the underlying health systems. That includes human resources for health, funding community health workers, data systems and management of data, lab and diagnostics, and the supply chain is a part of that as well. In that sense, being transparent about those investments, making sure the impact of those investments is the highest, is absolutely key and core to how we work. It means our partners in countries, private sector partners, especially civil society partners and communities in the countries, their feedback, involvement, engagement, and also criticism is absolutely critical to keep all those investments on track.

**How do you currently perceive access to this data within the global health field and how can it be improved?**

We see the urgency [for real-time health data] becoming more and more acute. Especially now [with] COVID-19, we see it as a concern and it’s something that will make the public health threats that we’re already dealing with even more complex. It adds an additional level of complexity also for reporting data systems in countries, which are already constrained. That means that we need more and better data systems to produce the real-time and reliable data that can then form the basis of decision-making across all of those levels.

Through the Global Fund mechanisms and our stand up reporting, we ensure to have the right checks and balances in place. Be it the local fund agents when it comes to financials and reporting in countries, further checks through audits through the office of the inspector general through technical review panels, the whole investment continuum is a core part of the Global Fund model and an important way in verifying our investments and their impact. That transfers into the regular reporting and the annual reporting that is all accessible publicly.

[With] the skills and technologies the private sector can bring in, there’s real potential to change the way that we use data, the way that data is being raised, and how that goes beyond what we do.

**Devex and MSD for Mothers co-hosted a virtual roundtable earlier this year to discuss the role of local private sector solutions to deliver care in low- and middle-income countries both during COVID-19 and in a post-pandemic landscape. Watch the roundtable.**

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**For Pro subscribers: Can the private sector save the world? Q&A with the ‘godfather of sustainability’**

Sustainability guru John Elkington discusses his new book “Green Swans,” and the role of the private sector and impact investment in creating a better future for all.
Q&A: The need for more early stage investment in RMNCAH solutions

The United Nations Population Fund believes COVID-19 has put reproductive, maternal, newborn, child, and adolescent health further at risk in critical places, estimating that over 47 million women may have lost access to contraception, resulting in a potential 7 million unintended pregnancies. Maternal mortality could also see an increase, according to The Lancet, a result of decreased coverage of essential maternal and child health interventions.

Yet it can be a struggle for local private sector providers to secure the initial funding they need to get an RMNCAH solution off the ground. Dr. Annie Theriault, chief investment officer at Grand Challenges Canada — an innovation funder that supports both nonprofit and for-profit organizations developing and transitioning to scale solutions to health and development challenges in low- and middle-income countries and Canada — where she also oversees the Every Woman Every Child Innovation Marketplace, urged more players to provide early-stage capital for social entrepreneurs specifically within maternal health.

“We do understand that a lot of the individuals benefit from the services that they receive from these private providers — whether it’s a private health provider or an application that helps them through a maternal journey — and so I’d like to see more players be willing to provide that early stage capital to limit the stop-go growth pattern we often observe,” she said, adding that consideration should be given as to whether something is more suited toward a grant, more commercial investment or a blended structure among a group of investors with different risk-reward preferences.
Speaking to Devex, Theriault explained how GCC engages with the private sector under the RMNCAH umbrella and the benefits of these collaborations.

This conversation has been edited for length and clarity.

**Grand Challenges Canada specifically invests in early-stage innovations. How is the private sector utilized to develop and scale these innovations?**

To give you perspective, we have funded over 1,300 projects in 106 countries, approximately 20% of which are led by private companies. It’s a very large number of projects and our mandate from the government of Canada is really to leverage every dollar that we invest with other capital from other sources and some of those sources come from the private sector.

You can find out more information on the impact GCC has made since its inception on our 10 years of impact page, which was launched to commemorate a decade of doing this important work.

In total, GCC matches our investments by $2.19 for every dollar that we invest and about 12% of the total co-investment comes from the private sector. That’s composed of three categories: One is multinationals, so organizations like Philips or Merck; funds and accelerators; and angels and other types of investors.

As an organization, we really like that when we invest in a social enterprise, we see other investors come in at the same time from the private sector for a lot of reasons, but primarily because of the way we’re structured. We fund projects and so investees receive our capital according to specific recipes, roles, and a budget ahead of time.

What we find is that funds, accelerators, and multinationals invest more traditionally. They can put their capital toward building the organization to help with their growth, which in turn drives impact.

I should say that we would love to see the level of those collaborations grow and to co-invest with more new players from the private sector, especially new impact funds and accelerators, as they can provide strong validation for the work entrepreneurs do and also provide a significant amount of hands-on support to their investees that can complement the support we provide.

**Can you give an example of such a collaboration?**

**Jacaranda Health** is one of our investees. They operate a maternal health delivery center in Nairobi and in their most recent financings the co-investors included Asia Africa Investment and Consulting — a venture capital firm based in Japan and Nairobi — the UBS Optimus Foundation, which funnels angel investor capital or private investor capital, Johnson & Johnson, a multinational, and SwedFund, the Swedish Development Finance Institution.

Each group came in with related, but different structures that complemented each other and we were able to assist Jacaranda to catalyze this funding.

We invested in Jacaranda Maternity a few years ago and, at that time, they had one center that was somewhat in the early stages. Today, they’re operating almost at capacity and new funding that came into place from the groups I just mentioned is going to be used to finance two new health centers, so they’ll be a larger organization.

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The goal ultimately is that they will operate seven to 10 health centers in the region.

The other side of the Jacaranda organization is Jacaranda Health, their non-for-profit side that we also funded through GCC. They’re now scaling to upgrade a technology platform that allows mothers to ask questions to practitioners and that will cover the entire country.

**How do investments in the private sector differ from investments into the public or nonprofit sector?**

GCC invests primarily in two stages: The first is the proof-of-concept stage, via our open innovation calls, and the second is what we term the transition to scale stage, which is a stage where an innovation has proof of concept and needs to be demonstrated further or improved prior to scale. For for-profit entities, it’s often what is known as the angel or seed stage, though that’s not always correct since we do help later stage or mature organizations demonstrate their technology in new LMIC markets where the commercial value proposition is not proportional to their impact potential from time to time.

We often observe that the private sector offers strong potential of self-sustainability for the long-term, which is a key criterion for GCC as a funder. Being a government-funded enterprise ourselves, we’re really quite proud when our capital gets used in such a way that the benefit continues for the long-run and it’s in fact a factor that our anchor funder, the government of Canada, also values.

The other piece that we value from the for-profit sector is really the ability to be nimble, move fast, and respond to customer or patient demand in a very efficient manner.

A good example of that ability to be nimble is AskNivi. It offers sexual reproductive health advice via a mobile app and is a co-investment of GCC with MSD for Mothers.

When COVID began, very quickly the platform began to receive questions about COVID on their app, even though that’s not their mandate. As a funder, GCC responded and provided additional capital for the integration of COVID content to the platform and they were able to respond and offer that service.

**What best practices could you share with other funders and the wider community about how donors can engage with the private sector?**

From my vantage point of what I see with social enterprises, make it streamlined, make it consistent with what other funders are requiring if you can. If there are opportunities to agree to things that are common so that the entrepreneur isn’t writing a different report for each funder, this would significantly lessen the burden on the investee as many of them do not have staff solely dedicated to reporting impact, especially at the early stage or when there are language barriers.

More generally, I would also advise them to get involved and make investments in social enterprises as part of a portfolio of activities supporting other types of important organizations. By providing concessionary or return-focused capital to these ventures at the early stage, they can encourage more return-motivated investors to come into this sector.

Money moves where there is opportunity and by using some of the capital available to bolster the pipeline of social enterprises aiming to solve important problems in maternal health, funders can create long-term impact with the organizations they fund and also help grow the sector as a whole.

Devex and MSD for Mothers co-hosted a virtual roundtable earlier this year to discuss the role of local private sector solutions to deliver care in LMICs both during COVID-19 and in a post-pandemic landscape. Catch up on the event.
Q&A: How private sector integration in health systems can improve efficiency

Private sector integration is a key part of creating more efficient and equitable health care systems, according to Monique Vledder, head of the secretariat at the Global Financing Facility, a global partnership housed at the World Bank that is committed to ensuring all women, children, and adolescents can survive and thrive.

“We see the private sector as a really big contributor to the efficiency agenda, meaning that we think resources that are available for women’s and children’s health can be used together to scale up access to affordable, quality care and achieve better, more sustainable health results,” Vledder said.

By facilitating greater public-private collaboration, GFF is helping to build understanding, trust, and the enabling environment needed for the two sectors to work together and achieve greater impact in delivering affordable, quality health care and commodities, she said.

For example, in collaboration with MSD for Mothers, the Bill & Melinda Gates Foundation, and The UPS Foundation, GFF is leveraging private sector expertise in supply chain management and logistics to improve women’s, children’s, and adolescents’ access to medicines and health commodities — including family planning — in low- and middle-income countries. This is ensuring more efficient and effective delivery of health care where it’s needed the most.
In total, 270 million women of reproductive age have an unmet need for contraception.

While other such public-private partnerships exist in the reproductive, maternal, newborn, child, and adolescent health space to bring about more efficient health systems, Vledder said she believes more should be done to track such engagement so that successful initiatives might be better known and potentially scaled for greater impact.

Speaking to Devex, she discussed how GFF works with countries to engage the private sector, what steps it takes to keep track of engagement, and the lessons it has learned in its partnerships thus far.

**What is GFF’s level of private sector investment in RMNCAH?**

Overall, when we look at what has been achieved over the last few years in women, children, and adolescent health, one thing is clear: We cannot achieve universal health coverage and reach the poorest women, children, and adolescents without leveraging private sector resources and capacities to complement what the public sector is doing.

The private sector plays a really important role in the design of the GFF approach. They’re part of business planning and our governance structure, we have private sector representation, but more importantly we have approached the work of maternal and child health in countries from what I call a “mixed system” perspective.

We’re working across our partner countries to engage the private sector through the GFF country platforms to develop priorities to make sure we can deliver the essential services to women and children either through public services or private services. That service delivery part is very much an anchor that starts off by supporting governments in doing assessments to understand the role and scope of the private sector, and the quality of care that’s being provided, and then integrating those findings in the country investment cases.

**What challenges has GFF faced in working with the private sector in the area of RMNCAH?**

On a country level, in the initial phase — particularly when we start engaging with a country — one of our core challenges is a lack of data. We know the private sector plays an important role, but oftentimes there’s no data to see which services [are needed], [in] which areas of the country, who are they reaching, what are the prices, what is the quality of care.

We invest a lot when we engage in countries for the first time — ensuring that we do comprehensive assessments for their ministries of health — so that we’d be well positioned to understand and assess the best areas for improvement. We make these assessments publicly available on our website and share with relevant stakeholders through our country platforms.

Secondly, we’re very keen for the private sector to play a role in coordinating and aligning priorities with the public sector. In many countries, this engagement is lacking, so it is really important to support countries to bring the private sector in the discussions around the priorities as part of their investment case. That’s definitely an area where a lot of the progress needs to happen.
The GFF is providing financing and technical assistance to strengthen public-private dialogue and build trust between the two sectors. In some countries, we help the private sector form associations with common objectives to serve as a more effective counterpart to the government.

Finally, in a more regulated engagement of the private sector on country level, the ministry of health plays the role of steward and sets the priorities. It’s important we really ensure that if it’s not there, we support governments in the capacity to negotiate well with the private sector so that the contracting is in line with country priorities and also good value for money.

**What lessons has GFF learned from previous projects around collaborating with the private sector that could be applied to future projects, and how do you share any lessons learned among countries and partners?**

We work with a lot of countries to build government capacity to manage contracts with private as well as public facilities to deliver a high-quality, comprehensive package of maternal and child health services. The support helps strengthen transparency because the contracts have a clear focus and mechanisms to measure results before paying service providers, which brings a lot of accountability. It helps ensure that funding is directed to those women and children that are most vulnerable, that they receive the services they need with really high quality.

I think this is a good example of how we can effectively work with the private sector, as well as the public sector, to deliver essential services. Some of these examples are available in our latest annual report, and we are also in the process of systematically capturing experiences and lessons learned from these engagements.

On the global level, work with partners to develop innovative financing mechanisms to attract private investors who want to invest into areas where they know their money would have social impact. For example, two years ago we collaborated with the World Bank Treasury to create a sustainable development bond for women’s and children’s health. The bond has mobilized $2 billion in new funding. That was a new, exciting area for us to engage with a different part of the private sector on a really ambitious agenda.

**How are you tracking GFF’s engagement with the private sector in the area of RMNCAH?**

The data measurement and the monitoring that we do is comprehensive of services in the public and private sector. We have many other areas where we engage with the private sector that are part of our overall theory of change and our results framework as outlined in our annual report. We’re doing a lot of work to ensure that we have regular monitoring data, that we do assessments, and that we track the impact of that work, including what some of these innovations and partnerships bring to the agenda.

[This helps to] make sure that effective, smaller-scale private [initiatives] that we develop in partnership with others can be scaled up with support from the World Bank and other financiers. So for us, the monitoring, the implementation, research, and evaluation agenda is an incredibly important part of our strategy.

**Devex and MSD for Mothers co-hosted a virtual roundtable last year to discuss the role of local private sector solutions to deliver care in low- and middle-income countries both during COVID-19 and in a post-pandemic landscape. Watch here.**
Investments in health, whether made by the private or public sector, must be transparent in order to safeguard health systems, according to Dr. Alma Golden, assistant administrator of the Bureau for Global Health at the United States Agency for International Development.

“All of us are aware of experiences in the past where a lack of transparency created a skepticism about investments in health care,” Golden said, adding that transparency can help hold investors accountable for where and how financial resources are allocated, particularly in the area of reproductive, maternal, newborn, child, and adolescent health, or RMNCAH.

“A culture of accountability benefits policymakers, managers, health workers, and communities,” she said. “Transparency allows them to identify how funds flow, the financing gap, and pinpoint where resources are needed most and for what types of essential health care and lifesaving commodities.”

It also facilitates assessments of the investment risk and enables the entire health system — including private health providers — to respond and adapt appropriately to the continuously changing health needs of populations, particularly for those who are most vulnerable, she added.
Speaking to Devex, Golden discussed how USAID is tracking private sector investments, shared its best practices for doing so, and detailed why transparency in investments is so important in achieving the agency’s goal of preventing maternal and child deaths.

This conversation has been edited for length and clarity.

**Of the commitments USAID makes in global health, how much funding is directed toward RMNCAH and how much is invested in the private sector?**

Through the bipartisan support of Congress and the compassion of the American people, the U.S. government has invested more than $19 billion from 2012 to 2019 to prevent maternal and child deaths. As a result of these investments, USAID has helped 84 million women and children access essential and often lifesaving health care in just 2019 alone.

USAID has been a pioneer in drawing on the power of the private sector and innovation to tackle challenges in RMNCAH. As a founding partner of Saving Lives at Birth, USAID aims to identify and scale some of the groundbreaking approaches to saving the lives of mothers and newborns, particularly focused on hard-to-reach communities in and around the time of birth.

Over eight rounds and from a competitive field of more than 4,000 applicants, SLAB has funded over 100 innovations with the potential to save 150,000 lives or more by 2030. Beyond the original donors, the program and its innovators are estimated to have leveraged $147 million today in support of its overall aim to improve health in low- and middle-income countries. This is truly a testament to the sustainability of these new approaches.

**USAID’s first Private-Sector Engagement Policy came out at the end of 2018. What has changed about the way the agency engages with the private sector since then?**

The agencywide call to action encourages staff to work hand in hand with the private sector to design and deliver programs across all sectors — development and humanitarian — and to harness our resources to strengthen markets and open opportunities for local as well as U.S. businesses. This intentional shift pursues market-based approaches and investments.

Consequently, USAID is transforming the way we approach planning and programming. Now USAID strategically consults with the private sector from the start. We harmonize goals and objectives to ensure alignment and collaborate to implement with the private sector to achieve a much broader scale, greater sustainability, and ultimately better health outcomes.

In addition, the USAID Bureau for Global Health supports private sector innovation using strategic planning, market shaping, and innovative financing to identify and scale the interventions that have been proven.
An example of innovative financing at work is a co-designed initiative called the Maternal Outcomes Matter — or MOMs — Initiative, a collaboration between the [U.S. International] Development Finance Corp., MSD for Mothers, and Credit Suisse. USAID mobilizes these blended financing solutions by combining debt and grant funding so that we can scale innovations and support market-based approaches to ensure that healthy pregnancies and safe deliveries are available where women are most in need.

The MOMs Initiative makes catalytic investments in promising enterprises that are primed to have an even greater impact on maternal health outcomes because of their successful track record in areas that directly and indirectly contribute to maternal health.

How has USAID's strategy toward guiding grantees and partners changed since the introduction of the Private-Sector Engagement Policy?

Our PSE Policy has been instrumental in strengthening private sector engagement into how we do all of our work and engage with our partners. A key tenet of the PSE Policy is moving from a donor-led approach to a co-creation approach. Co-creation is not just part of the procurement process; it’s a philosophy that’s based on four operational principles.

The first principle is that we want to engage early and often so that the private sector is a regular stakeholder. The second is to incentivize the private sector participation throughout the program cycle. So that would include helping to identify what our goals and objectives are, what’s reasonable in that environment, those sorts of things.

The third is to expand USAID and private sector approaches so that we’re looking beyond what we traditionally have done. And then fourth, of course, as we can build on what works, let’s look at the evidence that both the private sector and USAID bring to the table so that we can really think through what this creation process should look like and what the resulting program should be for.

Our new suite of MOMENTUM [Moving Integrated, Quality Maternal, Newborn, and Child Health and Family Planning and Reproductive Health Services to Scale] awards is a prime example. Here, USAID used an extensive co-creation process to refine the challenges we wanted to solve, and the specific expertise needed in order to improve the landscape of possible partnerships, in turn creating avenues for new and underutilized partners, including the private sector.

We recently awarded MOMENTUM Private Healthcare Delivery with a ceiling of up to $75 million, subject to annual appropriations, to strengthen the capacity of private health providers to deliver comprehensive and quality care for women and children. By expanding local private sector partnerships and promoting a total market approach, health care coverage in high-burden countries can be improved.

### Utkrisht Development Impact Bond

USAID partnered with MSD for Mothers and others on the Utkrisht DIB as a results-based financing approach, where payments to implementing partners are tied to achievement of specific health outcomes or outputs. The DIB aims to reduce the number of maternal and newborn deaths in the Indian state of Rajasthan.

In this structure, private capital from UBS Optimus Foundation covers the upfront costs of improving the private clinics while USAID and MSD for Mothers pay back the investment only if the project meets specific targets, particularly the accreditation of the facilities. This allows for a high degree of transparency, as well as a more efficient use of resources, flexibility, and implementation, and shifts risk to the investors.
With a focus on RMNCAH, what best practices could you share with other funders and the wider community about the need to measure how donors engage with the private sector?

With the introduction of our PSE Policy, USAID made a commitment to be accountable for results, measuring impact, and developing a robust agencywide perceived learning agenda. In the past, private sector metrics have largely focused on tracking the financial resources that the private sector brings, and we didn’t really look that closely at the value-add and helping achieve better and more sustainable development or even the humanitarian outcomes. Historically, this focused on dollars leveraged, but that doesn’t always equate to greater development impact.

In response, USAID released the Private-Sector Engagement Evidence and Learning Plan in May 2019, and this helped fill a critical knowledge gap to improve the rigor of the PSE research.

The plan outlines three qualitative learning questions on which the agency is currently focused: one, how and to what extent private sector engagement improves the development and humanitarian outcomes; two, what specific factors drive effective engagement with the private sector; thirdly, which private sector engagement relationship qualities influence results so we understand who best to partner.

When we document what works, where, and for whom, we can design stronger, more effective programs and make targeted investments that are responsive to private sector needs. Ultimately, all of these efforts advance our collective vision of a world where all women and children have the same chance of a healthy life, regardless of where they are born.

“A culture of accountability benefits policymakers, managers, health workers, and communities. Transparency allows them to identify how funds flow, the financing gap, and pinpoint where resources are needed most and for what types of essential health care and lifesaving commodities.” - Dr. Alma Golden
A lack of strategy, tools, and know-how about working with the private sector is impacting countries’ responses to COVID-19 and universal health coverage efforts, according to David Clarke, team leader for UHC and health systems law at the World Health Organization.

The private sector could be playing a critical role in providing maternal health and other essential health services, especially when the public sector is so overwhelmed, he said, but many countries don’t have the necessary governance know-how or infrastructure in place to allow this to happen.

“This is a really important issue because now more than ever, countries need a whole-of-government, whole-of-society approach if they’re going to tackle COVID-19,” Clarke said, adding that many countries have large and growing private sectors that are major sources of services but that historically they have been weakly governed and poorly coordinated.

“We think private sector providers can and should be engaged in the [COVID-19] battle, but we do need to fix this long-standing governance problem. Otherwise, they can’t be effectively engaged.”
To help its member states, WHO — having started working on this governance issue prior to the pandemic — has begun rolling out a new governance strategy on engaging the private health delivery sector in mixed health systems as part of its work on UHC that could be considered more vital now than ever.

In an interview with Devex, Clarke discussed the challenges countries face with private sector engagement amid COVID-19, how the new strategy might help, and how WHO itself is leveraging the private sector in pandemic response efforts.

This conversation has been edited for length and clarity.

WHO recently did some research on local private health providers, specifically around low- and middle-income countries, amid COVID-19. Are you able to share any of the findings from that?

We looked at the problems countries were facing so we could tailor our governance support. Some countries simply lacked experience working with the private sector, so they were understandably unwilling to work with them in the current emergency, and we are working to fix this. Many countries didn’t have basic information about the private sector and so couldn’t undertake resource-based planning about private sector resources that might be available for the response. So we issued a plan to help.

We also found problems with some emergency laws. For example, some laws stopped governments from contracting private providers to provide extra capacity.

One big issue is the financial viability of private health businesses who have suffered significant financial losses because of COVID. Many businesses may go bust and lay off health workers. This is worrying because it affects access to health services and reduces the size of the health workforce just when it is most needed most.

There isn’t much known or discussed about this problem or its scale and severity. There is no guidance for governments on whether to support these businesses or on how to stem workforce losses. Because the private sector is such a big provider of health services to the poor, the prospect of large numbers of private providers going bust and health workers lost to the response could be catastrophic.

So we are conducting follow-up work to assess the scale and severity of the problem and provide guidance for governments on how to financially support the private sector where this makes sense because of domestic population health needs, including, of course, the needs of women and children.

An example of a possible solution is having the public sector focus its efforts on the COVID-19 response and contracting the private sector to provide essential health services, such as maternal health services.

**Private sector engagement**

As defined by the Organisation for Economic Co-operation and Development, this is an activity that aims to engage the private sector for development results, which involve the active participation of the private sector. The definition is deliberately broad in order to capture all modalities for engaging the private sector in development cooperation, from informal collaborations to more formalized partnerships.

To read more about the definition and how Maternity Matters: Funding the Future is exploring the topic, click here.
This model can be a win-win because it increases system capacity and also provides a financial lifeline to health businesses.

In its new strategy, what specific policies or practices is WHO recommending for private sector engagement?

In brief, [the strategy] outlines the importance of six governance behaviors critical to successful private sector governance. They represent a fundamental shift in approach and amount to doing governance in a new way.

A foundational behavior is building understanding through better data of private health sector activities. At the moment, we have a big data gap. The second thing we think is important is fostering relations between the public and private sector. Both groups need to understand each other’s priorities and activities if we want collaboration and collective health action.

The starting point for this is public-private dialogue — a structured mechanism that brings together public and private actors to identify, prioritize, implement, and measure policy reforms and actions. It’s a very important tool, and it’s already proven instrumental in bringing the private sector into the COVID response in countries we have supported, and we are writing up advice on how to do this.

We recommend that all countries have an agreed plan for private sector governance, setting direction and articulating roles and responsibilities for the public and private sector. Many countries don’t have this, and we have new guidance in development to help. We recognize that the key to implementing these plans are tools — regulatory tools, financing tools, and information tools — and so we will support governments here as well.

Two important and closely related aspects are aligning structures — to line up public and private structures, strategies, and activities — and creating an enabling legal, policy, and institutional environment that provides the governance infrastructure needed so the private and public sectors can fulfill their respective roles. This is very country-specific work, but we are planning to produce some models to help country efforts with this.

Last is the issue of how to build trust. When you talk about private sector engagement, the question of trust always comes up. We think that the best way to do that is sharing information and data using common metrics. We are currently working on a concept note about data-driven governance and how it can be used to build trust.

What's your recommendation for tracking engagement with the private sector?

I think it’s fair to say that there’s a major gap when it comes to data and information sharing, not just in the maternal and child health area but across the board.

As I said, this is a high-priority area for our governance support work. For example, if you’re going to work with private providers to provide maternity services, we need common standards and guidelines for care and quality which are applicable to all providers. We need the public and private sector to report on care practices, and we need integration of private providers in countries’ referral systems. This is a big governance challenge that we need to grapple with.

How is WHO strategically leveraging the private sector?

First of all, we’re looking to convene global health actors to build more political will to work on this topic because there are still countries who are unwilling to work with the private sector. We want to work with our member states and our global health partners, like the World Bank, using platforms like UHC2030 to discuss how we can help countries to work with the private sector.
We also need to ensure the governance behaviors we have developed are embedded in all work with the private health sector. So, we’re having a series of conversations at the moment with partners who are implementers at the country level about how to do this.

Obviously, WHO is a norms- and standards-setting organization, so we’re embarking on new work to look at the norms and standards that are necessary for private sector engagement, with a big focus on this whole question of data and the important topic of accountability.

We’re [also] talking to the research community about research topics that they should be looking at in relation to the private sector, especially looking at action research on engagement models. One [piece of research], funded by MSD for Mothers, is an example of this, looking at how the private sector can be engaged to help improve access to sustainably delivered quality care for mothers, newborns, and children.

To find out more, watch MSD for Mothers’ event on the topic from last year, Bridging the #RMNCAH Gap: Delivering UHC for mothers in the era of COVID-19.

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- David Clarke
Q&A: Why universal health coverage needs to be redefined

When it comes to universal health coverage, the sector should be “tracking the trend lines not the headline,” said Dr. Githinji Gitahi, group CEO of Amref Health Africa, and co-chair of the UHC2030 Steering Committee.

The goal of access to health care for all without financial hardship, may be the headline, but given its “utopian” nature, there are other things that should be being monitored, Gitahi said. “Are we reducing out-of-pocket expenditure consistently over time? Are we tracking the number of impoverished households? How would we drive that toward zero? It’s more about the trend lines than moving to the 100% of all services and 100% of all population.”

Wanting to redefine UHC, Gitahi said the most important thing is to identify those most left behind — such as the lowest-income families, people who are living in conflict states, people living with a disability — and focus on providing them with the services they need. “Then you could say you’ve achieved UHC, even as you try to cover the others,” Gitahi said.

"In a country where you have 40% of people living below the poverty line, the objective should be: how do you provide all services to all people living below the poverty line? That would be a great goal to achieve and then you progress so you can know when you are achieving the milestones,” he added.
Speaking to Devex, Gitahi explained the private sector’s role in helping to achieve the “trend lines,” specifically in the area of reproductive, maternal, newborn, child, and adolescent health, or RMNCAH, and how further integration of the local private sector into the broader health system can advance UHC.

This conversation has been edited for length and clarity.

How would you describe progress to-date toward achieving UHC?

UHC is a goal and all of us have to find a journey. The goal is very utopian: that everyone, everywhere has access to the quality services they need to give them their desired outcome without financial difficulty. Now, that’s a very utopian statement because we know that it’s very difficult to completely achieve that goal.

Secondly, the dimension within UHC assumes all services can be provided...Defining the dimension of services to the 100% of all services and defining how all those are paid up to 100% of the needs is very difficult.

How can further integration of the local private sector into the broader health system advance UHC?

When you talk about UHC, we’re talking about three key principles: access to needed health services, especially where people live and work; quality of the services; and financial protection.

It’s important to place the private sector conversation within the context of the fact that there’s no homogenous private sector, it’s a very heterogeneous sector. You have national and multinational, private sector for-profit and private sector not-for-profit, formal or informal, non-state actors as private sector, mission hospitals, NGOs, and faith-based hospitals. They’re all private sector.

If you’re to look at the lowest denominator, which is local and informal ... they must be supplementary to the public health system, so that you have one health system. You don’t have a private and a public health system, you have one health system that has different stakeholders, and the health system objective is providing accessible, quality health care. The different stakeholders may have different interests and those are the interests the state needs to consider and lead a conversation around how to address those interests...

So the question around the private sector is more a question about how to address the interests of the different players rather than addressing the service delivery. By so doing, you then make sure that people can access health services where they are, where they need, as long as the question around affordability and financial protection is addressed. And those become extremely important, because if you are a mission hospital in a slum area, you’re providing access to quality services for that community. That is part of UHC. The question is who pays for it?

The conversation [should be] on financial protection policy, legislation around quality services, ensuring the quality of services provided by both public and private, ensuring the data is owned by the state, and a complementary financing strategy.
Prior to the pandemic, there was a significant shortfall in RMNCAH services in Africa. How do you think the private sector could help fill the pre-existing gaps in basic services, which have been exacerbated by COVID-19?

We may celebrate participation of the sector, but we still haven’t managed to find a sustainable model of private sector engagement beyond service delivery. While the private sector is critical in the health system as a major service provider, and really in charge of innovation and production of commodities, we’ve not been able to find a good model that makes primary health care investable.

At Amref, we’re trying several models working with, for example, General Electric in Ethiopia to see whether production of diagnostics like a handheld ultrasound and the delivery of portable incubators for children that don’t require electricity, can be rolled out on a large scale. How do you create a financing model for that? Is it government that’s going to buy them? Are the people going to pay for them out-of-pocket? Or is there blended financing that comes into it? I think the question is: how do we create scalability beyond philanthropy?

That’s the model that needs to be discovered as we move forward. That’s what we really need to work on and I think there’s hope. We’ve seen models and feasibility studies. It can work, but there are various barriers in the way to scaling.

Do you think there are specific policy and environment changes that would help governments better integrate innovative solutions while also strengthening health systems?

Government public procurement has never been very good at procuring innovation. This is because of the scale at which governments purchase; the higher the scale, the more checks and balances to ensure there’s no fraud and that there’s transparency and accountability. Those things create procurement policies that are best suited for the purchase of commodities or human resources rather than innovation.

Of course, the private sector already supplies governments in big ways with commodities — all drugs purchased by governments are fact-checked, researched, developed, and manufactured by the private sector. At a commodity level, that works well and there’s a good relationship, but that relationship is a procurement relationship.

When you get down to improvement of service delivery through innovative models and innovation like technology, the challenge is: how does the government use its well-oiled procurement machinery to purchase innovation? And yet innovation is proprietary, and the government doesn’t have mechanisms for purchasing privately initiated innovations...So, yes there are policy, regulation, and legislative changes that need to happen, but they will require an enabling political environment to achieve them.

To find out more, watch MSD for Mother’s event earlier this year, Bridging the #RMNCAH Gap: Delivering UHC for mothers in the era of COVID-19, on the topic.

“UHC is a goal and all of us have to find a journey.” - Dr. Githinji Gitahi
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