

# Maternity Matters

Funding the future



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A photograph of a woman with dark hair and a nose ring, smiling and holding a young child. The image is overlaid with a teal color filter.

# Introduction

Every day, over **800** women die from preventable causes related to pregnancy and childbirth. Nearly **15,000** children under 5 also die each day, mostly from preventable causes, according to the World Health Organization. While the number of maternal deaths worldwide dropped by **44%** between 1990 and 2015, much progress still needs to be made.

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, as well as to ensure universal access to sexual and reproductive health care services. To realize the SDG targets by 2030, it is clear that more meaningful and innovative collaboration between government and the private sector is needed.

Reaching SDG 3 will require strong public-private collaboration and private sector capability, including but not limited to business and scientific expertise, innovations, and capital.

One area of focus is addressing the **\$33 billion** annual financing gap affecting reproductive, maternal, newborn, child, and adolescent health — or RMNCAH — services. This amount could prevent the deaths of an **estimated 24 million to 38 million** women, children, and adolescents by 2030.

There is broad consensus that public sector finance alone is not enough to bridge this gap. After decades of steady growth, donors' development assistance for RMNCAH services has generally stagnated since 2011, and political headwinds in most donor countries predict an end to substantial increases in traditional foreign aid for the foreseeable future.

**More meaningful and innovative collaboration is needed to achieve the SDGs, including but not limited to engagement of the private sector — such as local private providers — for capacity, scientific expertise, innovation, and capital.**

This has put increased pressure on domestic health budgets and a need for support in resource mobilization and best practices.

These trends underscore the urgent need for a concerted effort to leverage the private sector, as envisaged in SDG 17 on partnerships.

How can the private sector bridge this \$33 billion funding gap in RMNCAH services? The global health community acknowledges that, as a source of funding, the private sector is critical in supporting RMNCAH, yet it also offers significant expertise and innovative and business-minded best practices and models that the public sector can use.

While most donor agencies see the private sector's value and are officially committed to engaging it to support the SDGs and the health of women, children, and adolescents across the world, currently there is a lack of data and limited shared understanding around the range of private sector contributions and collaborations within the global health development ecosystem. As a result, the specific impact of private sector engagement on advancing the global health agenda is hard to determine and build upon.

## The path forward: Driving forward shared data availability

Greater data availability and transparency will help the donor community track private sector engagement in RMNCAH. Reporting these partnerships will provide new opportunities for stakeholders to develop and learn about best practices, new funding models, innovations that scale, and new health strategies and resources that may save lives.

Over the next several months, Devex and MSD for Mothers will be releasing donor briefs that provide a snapshot of donors' private sector engagement on RMNCAH gathered from in-depth interviews from over a dozen donor officials and global health experts, as well as through extensive research of donor policies and development finance databases. Our first donor brief, attached to this report, is on the Global Fund to Fight AIDS, Tuberculosis and Malaria and its engagement with the private sector to support RMNCAH.

Data is key to this initiative. In 2018, Devex, with support from MSD for Mothers<sup>1</sup>, conducted the first [overview](#) of the opportunities and challenges

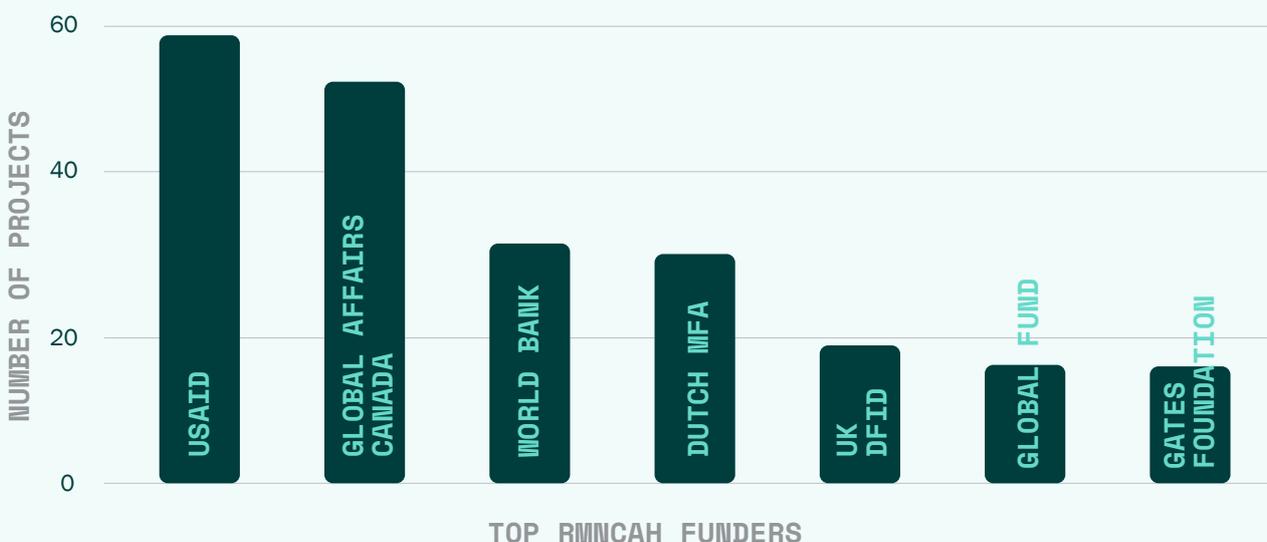
experienced in donor-driven private sector engagement with RMNCAH. The underlying conclusion was that reliable numbers on RMNCAH investments leveraging private sector expertise and contributions do not exist.

To address this, Devex and MSD for Mothers launched [Maternity Matters: Funding the Future](#), an initiative that explores how donor funding is leveraging private sector engagement to find RMNCAH solutions. The initiative aims to encourage RMNCAH funders to measure and share their investments in and best practices for private sector engagement in standardized ways.

As part of this initiative, a data feed is being developed that gathers publicly available data on donors' RMNCAH activities that have private sector involvement. These efforts aim to indicate the landscape of donors' private sector engagement in RMNCAH and encourage the development community to track progress, learn best practices, and create opportunities around private sector engagement.

<sup>1</sup> MSD for Mothers is MSD's global initiative to help create a world where no woman has to die while giving life. MSD for Mothers is an initiative of Merck & Co. Inc., Kenilworth, New Jersey, U.S.

### RMNCAH activities with private sector engagement since 2019 – in progress



The estimated levels of engagement with the private sector for seven of the 10 largest RMNCAH funders, according to data publicly available from January 2019 until May 2020. This is a snapshot of [the RMNCAH data feed](#), an in-progress, interactive visualization tracking RMNCAH activities involving the private sector.



## The path forward: Learning what works

The goal of this effort is to shed light on some of the successful models and best practices that donors have used to work with the private sector to support RMNCAH. We also want to foster data availability and transparency with donors and their work with the private sector around RMNCAH.

Currently, the best publicly available information is the number of RMNCAH activities. However, this is not sufficient for accurately characterizing the contributions of the private sector toward RMNCAH goals. To understand the impact, successes, and learnings from private sector engagement, we need to standardize inputs toward processes, outputs, and outcomes.

As defined by the Organisation for Economic Co-operation and Development, [private sector engagement](#) is “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 to capture all modalities for engaging the private sector in development cooperation, from informal collaborations to more formalized partnerships. Of the definitions of private sector engagement described in the OECD report, this effort – Maternity Matters: Funding the Future – will focus on three categories, within the context of private sector engagement for RMNCAH service delivery:

### **1 Private sector financial instruments – private capital to close the \$33 billion financing gap in RMNCAH.**

Private sector financial instruments are “all financial instruments that are used to engage the private sector in development co-operation,” including “grants, reimbursable grants, debt instruments, equity, guarantees and other unfunded liabilities.”

### **2 Private sector expertise and capabilities – leveraging business and scientific expertise to close the innovation gap.**

Modalities for private sector engagement include knowledge and information sharing, policy dialogue, technical cooperation, and capacity development.

### **3 Local private sector development – activities supporting local private health providers to close the supply gap.**

“Activities carried out by governments and development organizations with the objective of promoting an enabling environment for the private sector in partner countries.” These “include the creation of an adequate policy environment, addressing market imperfections (e.g. value chain development) and firm-level interventions (e.g. capacity building, access to finance and markets).”

We feature these approaches below with examples from each top RMNCAH donor.

## 1 Private sector financial instruments: Private capital to close the \$33B financing gap

Financing instruments commonly used in the investment world can help attract more resources, especially private capital, to support development outcomes. This is an area of growing experimentation, with financial institutions, private investors, and global corporations collaborating with government aid agencies and private foundations to test new models and incentives to increase funding for lifesaving programs. Examples include equity, guarantees, development impact bonds, and grants.

For instance, the Bill & Melinda Gates Foundation's Strategic Investment Fund focused on empowering women and girls by providing them with options for family planning, including access to safe and affordable contraceptives. The strategic investing team chose a financial instrument known as a [volume guarantee](#) "to stabilize demand for suppliers and lower cost for purchasers."

With the U.S. Agency for International Development and the former U.K. Department for International Development supporting implementation and Bayer agreeing to reduce prices in return for purchase commitments over six years, more than 42 million contraceptive implants have been distributed to the world's lowest-income countries. "The combined guarantees will generate nearly \$500 million in procurement savings over the term of the investment," according to the Gates Foundation. Actors like the World Bank have partnered with the private sector and governments to leverage financial resources in support of RMNCAH through the [Global Financing Facility for Women, Children and Adolescents](#). GFF acts as a catalyst to finance countries using modest grants to significantly increase their domestic resources, alongside financing from the World Bank's International Development Association and the International Bank for Reconstruction and Development, as well as private sector resources.





## 2 Private sector expertise and capabilities: Business and scientific expertise to close the innovation gap

Apart from financial instruments, alliances between donors and the private sector in RMNCAH can leverage each partner's unique expertise and capabilities to achieve development outcomes. These partnerships utilize the private sector's business and scientific expertise, helping close the innovation gap and supporting the health of women, children, and adolescents.

For instance, MSD for Mothers, together with GFF, the Gates Foundation, and The UPS Foundation, launched a [public-private partnership](#) "to improve the effectiveness and efficiency of supply chains in low- and middle-income countries."

The partnership is focused on "leveraging private sector expertise in critical areas — such as transport, warehousing and distribution — to improve women, children and adolescents' access to life-saving medicines and health commodities in GFF countries, particularly among the poorest and most vulnerable people."

The partnership also focuses on "scaling-up best practices from the private sector on supply chain management" and "evaluating supply chain reforms to build greater understanding of what could enhance supply chain efficiency."

### CALL FOR DATA

Help us track how donors are addressing the \$33 billion annual financing gap for RMNCAH services.

### SHARE YOUR STORY



### 3 Private sector development: Supporting local private health providers to close the supply gap

Donors have also increasingly taken note of the importance of local private health providers to reach those furthest behind. For many in isolated, rural communities in LMICs, informal drug shops, pharmacies, and general merchandise stores are the first point of contact for health care. WHO estimates that between **30% and 70%** of febrile children in LMICs are treated in the private sector, including through informal drug shops.

The private sector is the first point of contact for health care for an estimated **60%** of the population of rural Uganda. Global Affairs Canada through Grand Challenges Canada is investing in local private providers — they are engaging private drug sellers to diagnose and treat common childhood diseases to reduce child mortality. The results were impressive: 73.3% of children with fever received a rapid diagnostic test for malaria, compared to **0.6%** at the baseline, indicating a remarkable increase in the accurate diagnosis of children with fever.

Another example, the Netherlands Ministry of Foreign Affairs has partnered with private companies to develop the **Health Insurance Fund**, which invests in local private providers so that they can provide improved health care services in Africa. Its activities include reducing maternal mortality in Kenya and Tanzania by providing **better access to high-quality prenatal care** and delivery services.

It is no surprise that many donors are investing in local private health providers. For instance, Sweden's development finance institution, Swedfund, **recently invested in Kenyan maternal health** care provider Jacaranda Maternity. The Kenyan organization partners with government health systems and leverages tech-enabled, low-cost solutions to drive improvements in maternal and newborn health outcomes. Projects such as these show the diverse ways local private health providers can play in achieving RMNCAH outcomes.



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# The Global Fund to Fight AIDS, Tuberculosis and Malaria

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The Global Fund is a multilateral donor organization, created in 2002 to accelerate the elimination of AIDS, tuberculosis, and malaria as epidemics. It works by mobilizing and investing financial resources to support programs run by local experts in more than 100 countries.

A key constituency in global health, many companies within the private sector including Coca-Cola and Takeda Pharmaceutical Company, have longstanding partnerships with the Global Fund and have been represented on the fund's board since inception. Acknowledging that HIV, TB, and malaria disproportionately affect women, children, and adolescents, the Global Fund's [strategy 2017-2022](#) positions RMNCAH as one of its key pillars.

The fund has a two-pronged private sector strategy that focuses on working with the private sector to mobilize resources and strengthen health systems. Resource mobilization with the private sector is central to RMNCAH. Between 2017 and 2019, the fund spent \$600 million on RMNCAH-related programming, with the private sector contributing approximately \$42 million or 7% to those efforts.

In 2019, the fund updated its [framework on private sector engagement](#) to guide its resource mobilization efforts with the private sector — including for RMNCAH.

**“Between 2017 and 2019, the Global Fund spent \$600 million on RMNCAH-related programs with the private sector contributing approximately \$42 million or 7%. To build on this, the fund has developed a two-pronged private sector strategy that leverages the private sector in mobilizing resources and strengthening health systems.”**

## How the Global Fund works with the private sector

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### The Global Fund: Private sector financial instruments in practice

The Global Fund has over 30 partnerships with the private sector and nongovernment partners that mobilize money or expertise to eradicate its target diseases and support RMNCAH outcomes. These partnerships leverage six different types of innovative financing mechanisms with private sector investors, philanthropists, civil society organizations, and multilateral donors to increase the funding and impact of its health programs. For example, the fund leverages social impact bonds that focus investments from donors or private investors to programs that produce effective outcomes in helping end the three diseases.

For instance, since 2008, Chevron has contributed **\$60 million** to Global Fund-supported programs in Africa and Asia, helping ensure the prevention of mother-to-child transmission of HIV.

Similarly, Japanese pharmaceutical company Takeda has contributed **\$9 million** to support the improvement of maternal and child health by integrating quality HIV, TB, and malaria services in antenatal and postnatal care in several African countries.

The Global Fund has also partnered with (RED), a consumer marketing initiative that works with the world's most iconic brands and organizations — including Apple, Starbucks, and Montblanc — to develop (RED)-branded products and services that, when purchased, trigger corporate giving to the Global Fund. Since its inception in 2006, (RED) has contributed over **\$650 million** through the Global Fund to support HIV programs in Africa.





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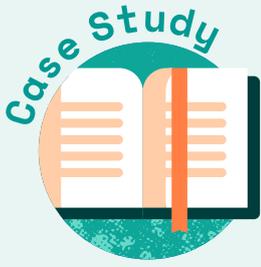
In South Africa, the fund supports a social impact bond to address [HIV in adolescent girls and young women](#). This is particularly crucial in South Africa, as adolescent girls 15-19 years of age are [eight times](#) more likely to be living with HIV than boys in the same age group, and young women aged 20-24 [three times](#) more likely. In fact, young women aged 15-24 account for 25% of all new infections in South Africa.

The fund also works with partners to develop innovative financing mechanisms for a particular country. In India, with seed funding of [\\$15 million](#) from [Tata Trusts](#), the Global Fund worked to develop the [India Health Fund](#), an innovative financing platform that pools private sector resources within India and invests the money to tackle TB and malaria in the country, including for the health of women, adolescents and children.

The fund also has innovative philanthropic investment funds that allow different types of investors to pool their financial contributions to Global Fund-backed health programs.

### **The Global Fund: Private sector engagement in practice**

The Global Fund also leverages the private sector's expertise to strengthen health systems. For instance, the [Global Fund and Google](#) are partnering to leverage Google Cloud's expertise in artificial intelligence, data analytics, and visualization to help identify the missing cases of TB in India, a country that has the [highest TB burden worldwide](#).



## Project Last Mile

Nearly **50%** of people in Africa lack access to critical medicines, yet Coca-Cola is available almost anywhere in the world. Created in 2010, Project Last Mile is a partnership between the Global Fund and Coca-Cola to share its logistical, distribution, supply chain, and marketing expertise to get life-saving medicines and medical supplies to “last mile” communities and those that need it the most.

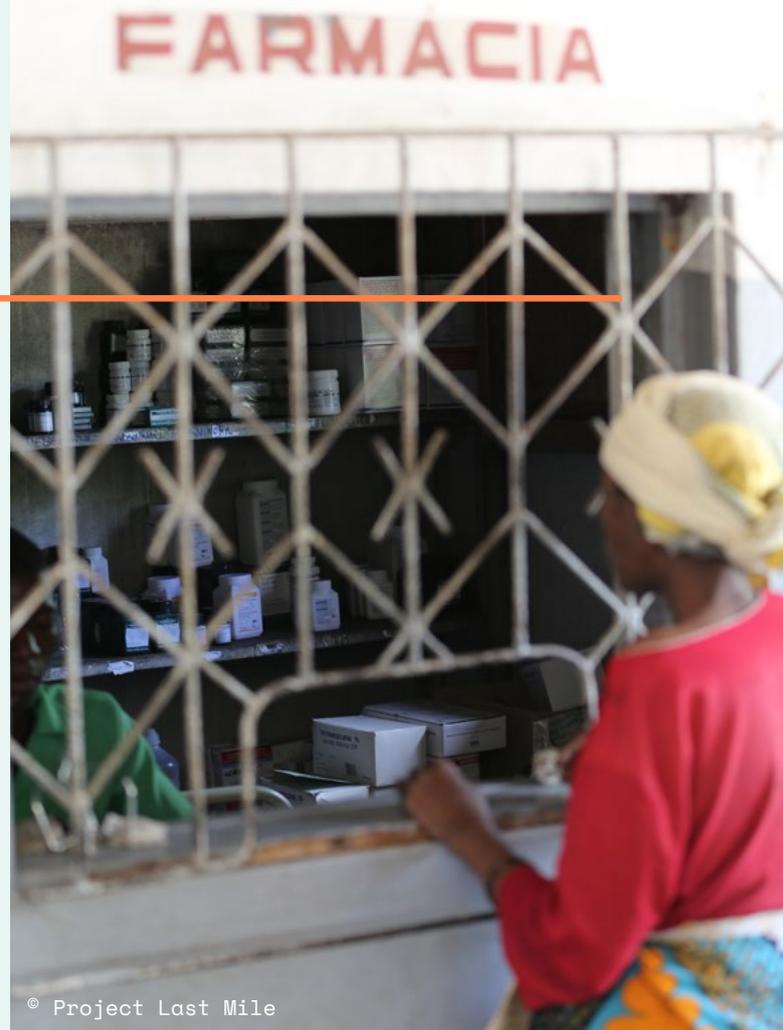
“Our partnership with Coca-Cola has taught us how it’s crucial to engage the private sector in the solution,” said John Fairhurst, head of private sector engagement at the Global Fund.

“In Project Last Mile, Coca-Cola is not just a passive bystander but is part of the solution-building and that works both ways. It means you get their capability and intellect in solving the problem, which is helpful, but it also buys them into maintaining the solution and supporting it in the long-term. We’ve had a 10-year partnership with Coca-Cola and the Project Last Mile team, supported by Coca-Cola, was willing to stay the course,” he said.

This long-term support and buy-in catalyzed some of the project’s most successful outcomes. In South Africa, Project Last Mile supported the health department in delivering medicines to almost 2 million people living with HIV – including women, children, and adolescents – by increasing the number of pick-up points for medicines – private pharmacies, grocery stores, and retail outlets – **from 180 in 2016 to 1,020** in January 2019.

Working together can be challenging, although ultimately rewarding.

“The word partnership is easier said but much harder to do,” Fairhurst said. “You need patience, commitment and partners that are aligned with your agenda and principles.”



### Private sector development in practice

The Global Fund also partners with the private sector in implementing programs and activities. Currently, the fund has four active grants, valued at **\$250 million**, focused on malaria and TB prevention.

These grants are implemented by four private sector providers – including **AngloGold Ashanti (Ghana) Malaria Control Limited (AGA Mal)** and **Rotary Club of Port Moresby Inc.**, with the fund recognizing these organizations as private sector partners.

For instance, in Ghana, where malaria accounts for **34.9%** of all outpatient cases, and **19.5% of all deaths**, the fund partnered with AGA Mal, awarding them a grant to accelerate the prevention of malaria scaling up of indoor residual spraying in the highest-burden communities. In Papua New Guinea, where malaria is also a significant burden, the Global Fund also awarded a grant to the **Rotary Club of Port Moresby Inc.** to implement a control program for the disease, testing and treating malaria cases as well as to strengthen the health information system and conduct monitoring and evaluations.

## Future outlook

Looking ahead, there is an expectation of an increase in funding for RMNCAH-related programs, given that the private sector and nongovernment partners pledged a total of **\$1.13 billion** to the Global Fund for the 2020-2022 period, a **29%** increase from the previous 3-year period.

In terms of working with the private sector, the Global Fund is particularly keen on engaging local private health providers.

“There is growing recognition of the importance of domestic private health providers to achieving the Global Fund’s goals,” Fairhurst said. “Reports have shown that in some countries over 40% of people are accessing malaria treatment through the private sector with significant proportions in TB too and there is a role for the private sector in HIV. We will need

better engagement with this sector to be able to eliminate these diseases.”

More broadly, the Global Fund sees increased engagement from the private sector as more critical than ever.

“There is so much potential for private sector capabilities and resources to support in this space,” Fairhurst said. “The pandemic has shown that the private sector is exposed to the state of global health security. It is exposed as an economic and business risk as much as through the health risk. The crisis has shown that if we don’t build health systems across the world that manage existing diseases as well as for the new ones, not only will millions continue to die unnecessarily, we will all remain at risk.”

## CONCLUSION

### Advancing private-public partnerships to address gaps to achieve SDG 3.1

While these are examples of private sector engagement across the three types of categories prioritized through Maternity Matters: Funding the Future, more opportunities for partnership exist and are needed.

In order to achieve SDG 3.1, we need a more concerted effort to learn from past and existing collaborations and provide concrete examples of how the private sector can effectively apply private capital, business, and scientific expertise, and support of private sector providers to achieve existing RMNCAH goals. In order to drive not just increased but impactful private sector contributions toward RMNCAH, we recognize the need for increased attention toward data collection and data sharing. This recognition drives the commitment of MSD for Mothers and Devex to Maternity Matters: Funding the Future. We look forward to sharing more data, information and case studies so that together we can accelerate progress toward ending preventable maternal mortality and meeting the SDG targets.