

PART II

Maternity Matters

Funding the future



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MSD
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Executive Summary

The Sustainable Development Goal to ensure healthy lives and promote wellbeing for all (SDG 3) puts great emphasis on reducing child and maternal mortality and achieving universal access to sexual and reproductive health care services. Like every other SDG, achieving SDG 3 will require the concerted effort of various stakeholders. The private sector in particular is a linchpin for ensuring universal health coverage with their vast resources, R&D capabilities, and distribution channels that enable them to reach last-mile communities.

Already [the case has been made](#) that private sector involvement in ensuring universal health is mutually beneficial: by providing the expertise needed to develop vaccines and medicines at accessible price points, and the know-how to develop innovative solutions that increase access to quality health care, pharmaceuticals, biotechnology firms and other private health service providers stand to benefit from serving a patient pool that is expected to balloon by the billions.

Private sector involvement in the reproductive, maternal, newborn, child, and adolescent health (RMNCAH) space has gained traction in recent years, with major philanthropic organizations such as the Bill & Melinda Gates Foundation providing investments around family planning, maternal and newborn health, HIV, vaccine development, and other global health areas. But while private sector engagement in RMNCAH has increasingly gained prominence in global development initiatives, it hasn't been well tracked.

In an effort to measure private sector engagement in RMNCAH, Devex conducted in-depth research into three major development funders – The Bill & Melinda Gates Foundation, Global Affairs Canada, and the Netherlands Ministry of Foreign Affairs – to highlight key policies and programs involving partnerships between donors and private sector actors. Specifically, this report focuses on three types of private sector engagement, namely through financial instruments, business and scientific expertise, and local private sector development.

Bill & Melinda Gates Foundation (p.6-10)

The Bill & Melinda Gates Foundation partners with a wide range of companies from large pharmaceutical firms to startups in the health sector. By offering various forms of [investments](#), the foundation provides incentives for health research and service providers to deliver medical supplies and other health-related commodities at affordable price points. The foundation also supports activities that strengthen supply chains to prevent stock-outs and ensure access to reproductive health commodities. In 2019 the Bill & Melinda Gates Foundation awarded [\\$950 million](#) in RMNCAH-related grants, with the private sector receiving approximately [\\$161 million](#), or 17%, under its Global Development Program.

Global Affairs Canada (p.11-14)

Women and children's health forms a substantial part of Canadian assistance. In 2019, Canada announced that it will earmark [\\$1.4 billion](#) to support sexual and reproductive health rights and maternal, newborn, and child health annually – a ten-year commitment beginning in 2023. Of this amount, \$700 million will go toward sexual and reproductive health rights yearly. Global Affairs Canada's private sector initiatives in maternal, newborn and child health include [Born on Time](#) (2016-2020), a partnership with Johnson & Johnson aimed at reducing preterm birth rates in Bangladesh, Ethiopia and Mali; [Grand Challenges Canada](#) (2016-2025), a platform that supports innovators through funding and technical support for solutions that address maternal, newborn, and child health and SRHR challenges in low- and middle-income countries; and the [Pneumococcal Vaccine Advanced Market Commitment](#) (2007-2021), which guarantees funds for the development and purchase of vaccines for pneumococcal diseases. These initiatives combine for a total of \$385 million.

The Netherlands Ministry of Foreign Affairs (p.15-20)

The Netherlands Ministry of Foreign Affairs acknowledges the private sector's potential for contributing to stronger health systems both in terms of financial resources and their ability to deliver quality services through robust distribution channels. To foster private sector engagement, the Netherlands Ministry of Foreign Affairs recently introduced a variety of innovative financing instruments to spur private investment while partnering with private sector organizations. In Ethiopia and Kenya, for instance, the ministry partnered with Philips to strengthen local health infrastructure. In 2019, the Netherlands Ministry of Foreign Affairs allocated [439 million euros](#) to finance initiatives around sexual and reproductive health and rights globally, of which 19 million euros were spend on private companies, the Dutch ministry told Devex.



Introduction



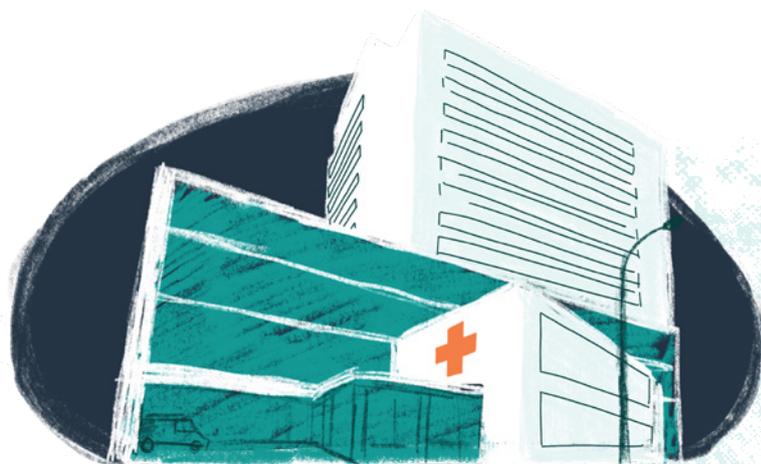
Every day, over 800 women die from preventable causes related to pregnancy and childbirth; 15,000 children under five also die each day according to the World Health Organization, mostly from preventable causes. In 2015, the 17 Sustainable Development Goals to address global challenges were adopted. SDG 3 on health and wellbeing is a universal call to action to reduce child and maternal mortality, as well as ensure universal access to sexual and reproductive health care services. To achieve this goal by 2030, strong collaboration between the public and private sectors will be needed, with private actors sharing technical capabilities around science and innovation, business development, and capital, among other areas.

Robust data systems are equally important. Greater data availability and transparency means the donor community can track private sector engagement in Reproductive, Maternal, Newborn, Child and Adolescent Health (RMNCAH) more effectively, providing 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.

In 2018, Devex, with support from MSD for Mothers¹, conducted the first [overview](#) of the opportunities and challenges around donor-driven private sector engagement in RMNCAH. The underlying conclusion was that consistent, standardized 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 leverages private sector engagement to find RMNCAH solutions. The initiative aims at encouraging RMNCAH funders to measure and share best practices on private sector engagement and investments in standardized ways.

As part of this initiative, Devex is releasing donor briefs that provide snapshots of donor-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. In [Report 1](#) of this series, we explored three categories of private sector engagement, and our first donor brief on the Global Fund to Fight AIDS, Tuberculosis and Malaria and its engagement with the private sector to support RMNCAH.



¹ 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.



Revisiting Private Sector Engagement

As defined by the Organization for Economic Co-operation and Development, private sector engagement is an activity that aims to engage the private sector for development results, involving 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. Of the definitions of private sector engagement described in the OECD report, this effort – Maternity Matters: Funding the Future – focuses on three of these categories, within the context of private sector engagement for RMNCAH service delivery:

1 Private Sector Financial Instruments: Private capital to close the \$33B financing gap in RMNCAH

Definition: 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 Engagement: Business, technical and scientific expertise being leveraged to close the innovation gap

Definition: Modalities for Private Sector Engagement include innovation, knowledge and information sharing, policy dialogue, technical co-operation, and capacity development.

3 Local Private Sector Development: Activities supporting local private health providers to close the supply gap

Definition: Activities carried out by governments and development organizations with the objective of promoting an enabling environment for the private sector in their respective countries. Activities include the creation of an adequate policy environment, addressing market imperfections (e.g. value chain development) and interventions at the organizational level (e.g. capacity building, access to finance and markets).

Bill & Melinda Gates Foundation

The Bill & Melinda Gates Foundation is the largest private foundation in the world, awarding over **\$5 billion** in grants in 2018. The foundation consistently dedicates **more than half** of its annual giving to health-related interventions.

The Bill & Melinda Gates Foundation believes that the problems affecting the world's poorest people are complex, and solving them requires collaboration between governments, the private sector, NGOs and academic institutions.

The organization believes that the private sector can play a catalytic role for the world's poor

by drawing on its innovation and technology platforms, entrepreneurial and scientific talent, commercialization and low-cost manufacturing, business models and access to large pools of capital. "Some of the most exciting technology and innovation and some of the best drugs and vaccine development experts are found in biotech and pharmaceutical companies," Andrew Farnum, head of the Gates Foundation's Strategic Investment Fund **told** Devex. "We have to have the ability to access that expertise, access that technology, work with these companies directly, and give them an incentive to apply their technologies to our target diseases or our target issues."

"It's really the private sector that has the skills, experience, and the capacity to turn discoveries into viable products, that's why this engagement is so critical."

- Bill Gates, Bill & Melinda Gates Foundation



How the Bill & Melinda Gates Foundation Works with the Private Sector

Among the different ways it engages with the private sector, the Bill & Melinda Gates Foundation particularly focuses on partnering with companies from large pharmaceutical firms to new startups to deliver novel solutions and place bold bets on breakthrough technologies that can save and improve lives.

The Bill & Melinda Gates Foundation's work in developing countries focuses on improving people's health and lifting them out of poverty. Under its Global Development Program, the organization's work in developing countries focuses on critical RMNCAH services including family planning and maternal health services, among others.

The Bill & Melinda Gates Foundation awarded **\$950 million** in RMNCAH-related grants in 2019, with the private sector receiving approximately **\$161 million**, or 17%, under its Global Development Program.

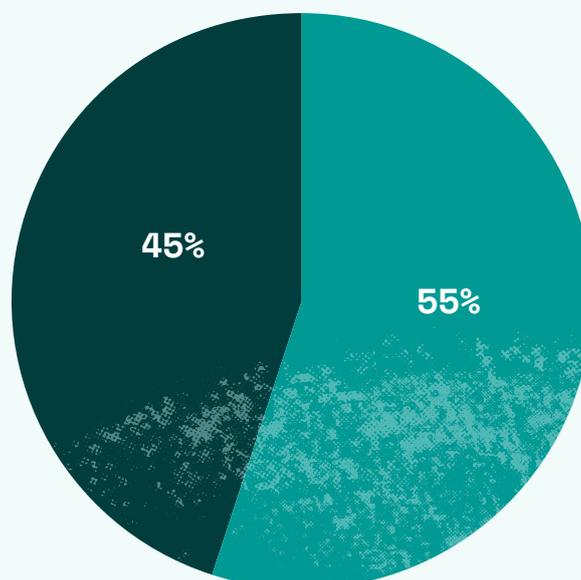
Local companies providing essential medical supplies or family planning commodities in emerging markets across Africa, India, China and Indonesia received the majority of the grants, totaling **\$89 million** or 55%.

For instance, Chinese pharmaceutical company **Aurisco Pharma** received a grant of **\$200,332** to increase the affordability of contraceptive products for women and girls in low- and middle-income countries.

Another example is Nigerian dairy company **Fan Milk PLC**, which received a **\$552,900** grant to promote and distribute an affordable, fortified milk product that meets the nutritional needs of vulnerable women. The intervention also aimed to illustrate how corporations such as Fan Milk PLC can contribute to better nutrition outcomes via a market-based approach.

Companies located in developed markets in Europe, the United States, and Australia received the remainder of the **\$72 million** in awarded grants, or 45%. For instance, American company **Macro-Eyes** received a **\$2 million** grant to improve vaccination coverage in Tanzania by applying statistical machine learning to the supply chain, predicting vaccine demand at individual health clinics to ensure the right vaccines and levels are always in stock. French company **MedinCell SA** was awarded a **\$19 million** grant to advance the development of a 6-month contraceptive injectable that is suitable for low-income settings.

RMNCAH-related grant awardees by region



Emerging Markets

Developed Markets



Private Sector Financial Instruments in Practice

While the Bill & Melinda Gates Foundation primarily works through grants, there is a growing emphasis on leveraging financial instruments.

Many of the challenges that the Bill & Melinda Gates Foundation is tackling requires the expertise of the private sector. However, companies have little financial incentive to develop products for people who cannot afford them.

“The reason that our foundation focuses on global health is we saw it as the place that we could have the greatest impact,” Bill Gates told Devex. “The market isn’t naturally going to create a malaria vaccine. There’s just no financial reward for doing that. And yet the private sector expertise has been key to the progress we’ve made in doing that,” he added. The Bill & Melinda Gates Foundation’s Strategic Investment Fund partners with companies – through investments – to harness the power of the private sector to create change for those most vulnerable. Companies agree to use the investment proceeds to support the foundation’s programmatic and charitable objectives.

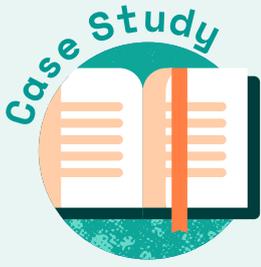
The Strategic Investment Fund has a [\\$2.5 billion investment pool](#) and uses a variety of investment tools including direct equity investments, fund investments, or volume guarantees to support

development outcomes. These investments cover a broad range of RMNCAH areas including family planning, HIV, maternal, newborn and child health, as well as vaccine development.

For instance, the Bill & Melinda Gates Foundation partnered with Indian pharmaceutical company [Biological E. Limited](#) to reduce the cost of the Pentavalent vaccine from [\\$2.17 to \\$1.19 per dose](#). The partnership was established through the Strategic Investment Fund’s [volume guarantee](#) which assured that the foundation would compensate Biological E. Limited if it could not sell a certain volume of the vaccine over a five-year period. This led the company to expand production of the vaccine and sell it significantly below the market price at the time.

Similarly, in partnership with the United Nations Programme on HIV/AIDS and the Clinton Health Access Initiative, the Bill & Melinda Gates Foundation established a volume guarantee agreement with [Aurobindo Pharma](#) to broaden access to high-quality antiretroviral therapy to public sector purchasers in over [90 low- and middle-income countries](#).

Ultimately, these innovative financial instruments improve and save millions of peoples’ lives and will play a significant role in the future development of private sector engagement and philanthropy.



Family Planning

Family planning is central to women's empowerment and gender equality and a key factor in reducing poverty. Yet, according to the United Nations Population Fund, an estimated **217 million women** in developing countries who want to avoid pregnancy are not using safe and effective family planning methods. One of the reasons they are unable to access family planning methods is the high price of contraceptives in developing countries.

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 Investment Fund sought to increase the availability and affordability of contraceptives. For this reason, the strategic investing team chose a financial instrument known as a volume guarantee to stabilize demand for suppliers and lower costs for purchasers.

With the U.S. Agency for International Development and the UK Foreign, Commonwealth & Development Office supporting implementation, and the government of Norway, Sweden, and the Children's Investment Fund Foundation serving as guarantors, Bayer agreed to reduce prices in return for purchase commitments over six years.

As a result of the partnership and financial instrument, in the first five years of the agreement, more than **42 million contraceptive products** have been distributed to the world's poorest countries. The combined guarantees will generate nearly **\$500 million** in procurement savings over the term of the investment. Bayer has also committed to extend the pricing for an additional five years beyond the guarantee commitment term, increasing access and improving affordability to many women across the developing world.



Private Sector Business and Scientific Expertise in Practice

The Bill & Melinda Gates Foundation has also worked with private sector companies to leverage their business and scientific expertise to support women, children and young people. In Senegal, together with the Ministry of Health and **MSD for Mothers**, the foundation worked with a locally-based implementing partner on a public sector supply chain transformation initiative, called Informed Push Model, with Third-Party Logisticians (IPM-3PL). A key provision of the transformation was to integrate third-party logistics operators (3PLs) into health commodity distribution. These local private providers can leverage their business expertise in product distribution to help women access critical, lifesaving contraceptive commodities.

In Senegal, at the time of IPM-3PL's launch, the percentage of women who were using at least one modern method of contraception (mCPR), **was among the lowest** in the world due in part to product stock-outs at public health facilities.

To solve the stock-out problem, the Bill & Melinda Gates Foundation and its partners leveraged their business and supply chain expertise to design, pilot and scale up the Informed Push Model using 3PLs as logistics providers to ensure a more reliable last-mile distribution of health commodities. Through this model, the 3PLs delivered health commodities directly to health facilities

nationwide, making real-time stocking decisions based on inventory and consumption data electronically captured and provided. The 3PL logisticians perform distribution, inventory management, consumption-based forecasting and invoicing in lieu of health facility staff.

Since 2015, the model has reduced contraceptive stock-outs to an average of 2% of all public health facilities nationwide, improving access to contraceptives for an estimated 3.2 million women. By late 2017, management of the model has transitioned to the government of Senegal to ensure country ownership, although this transition surfaced challenges in the governance structure, processes and human resource capacity within the National Pharmacy Supply and relevant organs of government to fully accommodate the needs of the IPM-3PL module. Nonetheless, there is executive-level commitment that this model, locally referred to as ‘Yeksi Naa’ (“I have arrived” in Wolof) is the way forward. An evaluation, along with subsequent recommendations for improvements to re-start the model, has been delivered to the Ministry of Health & Social Services. The Ministry is currently working toward this re-start.

Local Private Sector Development in Practice

Globally, Nigeria has one of the **lowest rates** of women who use modern contraceptives. This is in part due to limited access to a broad range of quality family planning methods. The failures of the primary health care system in Nigeria have also overburdened the private health sector, allowing the informal health care sector to flourish. The private sector in Nigeria accounts for **58% of health services provision**, including child-related health services.

In partnership with MSD for Mothers and a coalition of partners led by the **Society For Family Health**, the Bill & Melinda Gates Foundation is supporting the **“IntegratE” project** to expand access to a range of quality family planning services by implementing the **Pharmacists Council of Nigeria’s** tiered accreditation system for local private drugs shops, also known as proprietary patent medicine vendors (PPMVs) and community pharmacies (CPs). Working with over 1,200 PPMVs and CPs, the project increases their capability to offer a broader range of contraceptive products and services, and improves reporting, regulatory oversight, and referral practices.

Future Outlook

Bill Gates has **commented** on the foundation’s growing emphasis on innovative financial instruments – including equity investments and volume guarantees – which accounted for 15% of the foundation’s overall budget in 2018 – up from 5% just a few years ago. He expects their use to increase.

“The creativity of how we can get in at an early stage, find platforms that are of common value for rich world health and developing world health, that’s really the ideal for us,” Gates said. “The goal is to get medicines and vaccines out to everybody who needs them and so that’s a case of innovating and it’s a case of being able to finance those and having the delivery systems,” he said.

These investments have led to new drugs and vector control work and accelerated the introduction of vaccines, which Gates called the one category where the foundation has had the greatest success.

“Achieving health equity in our lifetime is not just a possibility. It’s almost an imperative because everyone deserves a chance to live a healthy and productive life,” he said.





Global Affairs Canada

Supporting women and children's health is a major priority for Canada. In 2019, the government announced that it would fund **\$1.4 billion** annually to support sexual and reproductive health rights and maternal, newborn, and child health – with **\$700 million** of the annual investment dedicated to sexual and reproductive health rights (SRHR) starting in 2023.

Largely through its international affairs agency, Global Affairs Canada, **Canadian health assistance** prioritizes reducing infectious diseases through immunization, strengthening health systems and improving nutrition. Canada has a **Feminist International Assistance Policy** that believes that promoting gender equality and empowering women and girls is the most effective approach to eradicating poverty and building a more peaceful, more inclusive and more prosperous world.

Under this policy, Canada has sought to leverage the role of the private sector as a partner and investor in identifying new solutions to development challenges. Global Affairs Canada is currently developing a private sector engagement strategy that broadens and deepens their development programs' engagement with the private sector, in support of the SDGs.

“Through our Feminist International Assistance Policy, Canada has committed to increase its partnerships with the private sector to advance sustainable development, including global health. In line with this goal, Canada will leverage the role of the private sector as an investor in development and as a broker of innovative solutions to development challenges.”
- Senior Official, Global Affairs Canada

Private Sector Financial Instruments in Practice

Global Affairs Canada's key private sector initiatives in maternal, newborn and child health include: [Born on Time](#) (2016-2020); [Grand Challenges Canada](#) (2016-2025); and its [Pneumococcal Vaccine Advanced Market Commitment](#) (2007-2021). These initiatives have a total value of \$385 million.

Born on Time

Initiated in 2016, the Born on Time project is a public-private partnership between Global Affairs Canada, which provided \$20 million, and [Johnson & Johnson](#), which provided \$10 million to prevent preterm births in Bangladesh, Ethiopia and Mali and ensure every child has an opportunity for a healthy start in life.

Through a health consortium – led by World Vision Canada, and including Plan Canada and Save the Children Canada – this project aims to contribute to the reduction of preterm birth rates through various activities such as: (1) training health care workers on high quality care for pregnant women and newborns; (2) training front line service providers; (3) conducting outreach activities to address knowledge gaps related to healthy pregnancies and prevention of preterm birth; (4) empowering women's self-confidence, negotiation and leadership skills by conducting awareness raising at the community level; (5) improving data collection and registration on birth, death and stillbirth by providing training to health care providers.

Grand Challenges Canada

Another private sector initiative funded by the Government of Canada is [Grand Challenges Canada](#) (GCC), a not-for-profit corporation dedicated to supporting innovation to accelerate the achievement of the SDGs. Canada's current contribution agreement with GCC supports the [Innovation Platform for Maternal, Newborn and Child Health](#) for \$158.7 million.

The innovation platform for Maternal, Newborn and Child Health aims to improve the lives of women, newborns and children under the age of five living in low- and middle-income countries by providing funding and technical support to innovators who have identified solutions to maternal, newborn, and child health and SRHR challenges. Innovative ideas are solicited through annual calls for proposals and are funded following a scientific peer review. Through these efforts, GCC engages with private sector partners.



Examples of GCC's private sector partners include Aakar Innovations Pvt Limited, a Mumbai-based social enterprise that provides access to affordable, biodegradable sanitary pads and menstrual health education to low-income women and girls in rural India. GCC provided funding of \$1 million over a 2-year period that will enable Aakar Innovations Pvt Limited to grow its network of mini-production facilities across three Indian states.

Similarly, GCC also supports [Bempu Health Private Limited](#), an Indian company that developed a newborn temperature-monitoring wristband that intuitively alerts caregivers if a newborn is hypothermic, thus enabling an intervention well before complications or death can occur.

Lastly, GCC supports [ZanaAfrica Group](#), a hybrid social enterprise based in Nairobi, Kenya, that provides access to safe, affordable sanitary pads

from renewable resources. The company incorporates fun, interactive comics in pad packages for girls. Tested for behavior change and health outcomes, all products are developed with girls using human-centered design.

Pneumococcal Vaccine Advanced Market Commitment

Financing instruments commonly used in the investment world can be leveraged to support development outcomes. This is an area of growing experimentation with government agencies such as Global Affairs Canada testing new models and incentives for life-saving programs.

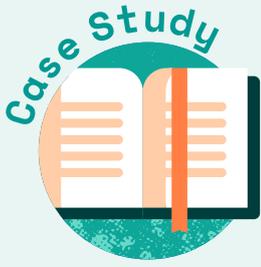
The **Advance Market Commitment (AMC)** is a financial commitment by multiple donors, including Global Affairs Canada, to help pay for the future purchase of a vaccine for pneumococcal disease, which is responsible for more than **1.7 million deaths per year**. Of these deaths, almost **90%** occur in developing countries, and half occur among children under age five.

The AMC is an innovative way to protect the lives of the world's poorest and most vulnerable children by

making vaccines available in developing countries more quickly. It is based on the concept of putting money aside to guarantee the purchase of vaccines once they are developed as long as they meet criteria specifically set out for the developing world. It aims to stimulate vaccine makers to accelerate the production of vaccines for developing countries and sell them at prices that poor countries can actually afford. Canada's total commitment to the AMC is **\$200 million**.

According to Global Affairs Canada, this initiative can be considered a significant success as it has facilitated the development of a pneumococcal vaccine and negotiated agreements with three vaccine manufacturers to subsidize the purchase of vaccines at a set price. The AMC has facilitated the contracted supply of 1.75 billion doses of the vaccine through 2030. The supply of vaccine doses has resulted in the introduction of the vaccine in 61 low-income countries since 2009, helping to protect more than 225 million children across 60 low- and lower-middle-income countries from pneumococcal disease, saving more than 700,000 lives.





Hewa Tele Limited

With financial support from Global Affairs Canada, GCC has provided a \$1 million loan to [Hewa Tele Limited](#), a social enterprise focused on saving lives in Kenya by providing affordable quality [medical oxygen to health facilities](#).

Their for-profit oxygen production plants partner with Kenyan county governments to supply individual health facilities with medical oxygen, while an associated NGO arm provides relevant health care provider training on oxygen therapy and equipment. GCC funding has supported the establishment and operation of two new Hewa Tele Limited production facilities and three depots to enhance distribution in Nakuru and Nairobi counties.

Since the beginning of the project period in 2017, nearly 20,000 women of reproductive age and children have received oxygen in medical facilities, resulting in more than 8,700 lives saved and an additional 9,800 lives improved.

According to GCC, the project's success stems from: (1) the public-private partnership between Hewa Tele Limited and the Kenyan county government's commitment as a partner and customer; (2) the entrepreneurial, motivated and well-connected team within Kenya's medical and public health systems; (3) GCC's ability to provide innovations with targeted, flexible capital; and (4) Hewa Tele Limited's strategic focus on customer service and retention.

Even with the project's success, Hewa Tele Limited is experiencing challenges in scaling up the project, requiring non-financial support to address gaps in operational capability. This serves as an important reminder that we need continued private-public partnership to foster sustainability and scale, and the utilization of different types of private sector engagement beyond financial investment.



Future Outlook

As mentioned, Global Affairs Canada is currently developing a private sector engagement strategy, which is in alignment with Canada's Feminist International Assistance Policy. This policy commits the agency to "engage in private sector partnerships that attract co-financing and investment, help identify new solutions and increase and diversify the range of mechanisms for working with the private sector".

According to Global Affairs Canada, their private sector strategy will present the tools and entry points for partnerships with the private sector. The strategy will also recommend activities that reflect the development context in specific markets, countries and regions. In order to address challenges, the strategy encompasses sharing information and seeking alignment with the private sector to identify shared interests, capabilities and expertise.



Netherlands Ministry of Foreign Affairs

The Dutch government is a global supporter of RMNCAH. Through its Ministry of Foreign Affairs, it spent **439 million euros** in 2019, supporting SRHR across the world.

The government invests in women and young people's access to SRHR information, health products, quality health care and rights. These investments have helped provide **2.7 million** women and girls with access to modern contraception since 2012, and **over 1 million** young people with accurate SRHR information.

The Dutch government also launched [She Decides](#) in January 2018 – a global initiative to promote, provide, protect and enhance the sexual and reproductive rights of every woman and girl.

Working with the private sector in global health, the Ministry of Foreign Affairs values: (1) the business sector's specific knowledge on maternal and reproductive health that allows services and commodities to reach those most in need, essentially reaching the last mile; (2) the private sector's investments that may help to scale up services and 'front load' health impact; (3) private entities that can provide health care services in addition to public services; and (4) the financial instruments that allow the ministry to go beyond the traditional public health systems and reach more women and young people.

In 2019, the Netherlands Ministry of Foreign Affairs channeled 19 million euros in sexual and reproductive health and rights (SRHR) support through the private sector.





Private Sector Financial Instruments in Practice

The Netherlands has experience leveraging financial instruments to support the health of women and young people. According to the Ministry of Foreign Affairs' strategy, [Investing in Global Prospects](#), a variety of new financial products have been introduced in recent years.

One example featured in their strategy is a guarantee facility of only 2 million euros, which has been used to attract supplementary financing worth 60 million euros for doctors and health clinics in Africa. These funds have facilitated a significant improvement in health care.

"Through innovative financing, you can find ways that go beyond the traditional public health systems and already-existing ways of reaching women," Reina Buijs, Director-General for International Cooperation at the Netherlands' Ministry of Foreign Affairs [told](#) Devex.

The Ministry of Foreign Affairs has also partnered with private companies to develop the [Health Insurance Fund](#) to provide the people of Africa with better access to health care through market-based health financing and delivery innovations. The fund's initial value was [100 million euros](#) and is implemented by [PharmAccess Foundation](#).

The fund has pioneered financial innovations such as the [mobile health wallet](#) – M-TIBA health wallet –

that people can use to pay for care when they need it. First launched in Kenya, this technology provides a departure from an out-of-pocket approach to payment that risks impoverishing people in their time of need, and instead offers a pre-payment savings and insurance model. In Kenya, M-TIBA continues to grow with 4.4 million individuals registered.

The COVID-19 crisis has also revealed an urgent need for remote care. The [M-TIBA](#) health wallet helps in this area by allowing individuals to connect on their own terms, regardless of where they live.

Similarly, in response to the COVID-19 pandemic, the [Medical Credit Fund \(MCF\)](#) – part of PharmAccess – provided COVID-19-specific loans earmarked for manufacturing, importation and/or distribution of COVID-19-related commodities such as face masks, eye protection, gloves, gowns and hand sanitizers. Ansell Pharmaceuticals Limited, a local Kenyan wholesaler and distributor of medical, pharmaceutical and surgical products from Kiambu County was among the first recipients of the COVID-19 loan by the MCF.

"The loan from MCF is a timely intervention as it enables us to be in the frontline to supply the much needed medical equipment and related supplies to combat the pandemic," [said](#) Dr. David Karanja, a pharmacist and owner of Ansell Pharmaceuticals.

Business and Scientific Expertise in Practice

The Ministry of Foreign Affairs has worked with private sector companies to leverage their business and scientific expertise to support women, children and young people.

“We collaborate with the private sector, both directly and indirectly – as we encourage our multilateral partners to engage in public-private partnerships,” said the Ministry of Foreign Affairs.

“Examples of direct collaboration include for instance working with [Philips](#), as they support the strengthening of health infrastructure in Ethiopia and Kenya, the support we give to public-private partnerships for product development (vaccines, diagnostics) or the support we have provided to small entrepreneurs such as [Healthy Entrepreneurs](#) in developing innovations in ensuring that health commodities reach the right people,” the Ministry of Foreign Affairs added.

With regards to Philips, the governments of Ethiopia and the Netherlands signed a seven-year agreement for the private sector firm to build Ethiopia’s first specialized Cardiac Care Center to address the critical shortage of cardiology services in the country. Philips is also equipping the facility, as well as providing staff education and equipment maintenance.

The Ministry of Foreign Affairs has also organized health missions, with Dutch health care organizations travelling to East Africa to meet with Kenyan public and private health stakeholders. Out of such health missions, [Philips](#) and the Government of Kenya agreed to develop a partnership platform in Kenya for accelerating primary health care in support of universal health coverage. The platform focuses on addressing gaps in human resources, health care financing, essential medicines, medical supplies, health information, and the use of technology.

[Philips](#) will leverage its in-depth clinical insights, innovation capabilities, and its experience to sustainably deliver improved health care through partnership with national and county level stakeholders.



“Primary health care is a key enabler to providing access to quality health care to all people at all ages but not at all self-evident in many regions,” said Ronald de Jong, Executive Vice President and Member of the Executive Committee of Royal Philips.

The Ministry of Foreign Affairs also leverages the private sector as a partner in implementing RMNCAH interventions across low- and middle-income countries. According to the ministry, of the [439 million euros](#) in SRHR support spent in 2019, 19 million euros was channeled through the private sector.

For instance, the Ministry of Foreign Affairs provided [2.5 million euros](#) to global development consultancy [MannionDaniels Limited](#) to support civil society advocacy on sexual and reproductive health and rights in developing countries. Activities include increasing access to comprehensive SRHR services for the most vulnerable and marginalized, eliminating gender-based violence and challenging stigma and discrimination.

Similarly, the ministry provided [346,000 euros](#) for development consulting firm Ecorys to provide technical expertise on reproductive, maternal, newborn and child health.



Yet, the vast majority of SRHR financing – **60% or 262 million euros** – was channeled to multilateral organizations such as the **United Nations Population Fund (UNFPA)** and **UNICEF**; while another **28% or 125 million euros** was directed to NGOs such as **Marie Stopes International** and the **International Planned Parenthood Federation**.

Consistent with **Dutch development cooperation policy**, much of SRHR financial support was directed to Africa and the Middle East, in countries such as **Uganda, Yemen and Ethiopia**.

Local Private Sector Development in Practice

The Ministry worked with Healthy Entrepreneurs, providing the organization a loan through the Dutch Good Growth Fund (DGGF). Healthy Entrepreneurs provides basic health care where no one else will go. The organization trains individuals, particularly women, with each investing \$40 worth of medical products, to sell in the most remote areas. The model provides basic health care in remote areas and an income for the entrepreneurs.

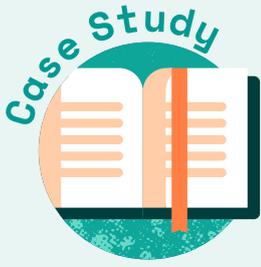
“Healthy Entrepreneurs is a franchise network of community health workers; 85% are women. From their mini pharmacies, they sell basic medicines and health products to people in the most remote villages. We train and guide the entrepreneurs. They invest \$40 in a starter pack of medicines and a tablet. They use the tablet to arrange their purchases and show informative videos. More than 3,000 entrepreneurs

are currently active in Uganda, 1,000 in Kenya and 500 in Tanzania. I am convinced that we will be able to reach some 600 million people in southern Africa with this model,” **said** co-founder Joost van Engen.

“Healthy Entrepreneurs is a social enterprise with vision and potential. Their unique model has a wide reach: medical care for people in remote areas and jobs for community health workers. Further upscaling is needed, however, to make the model profitable and sustainable. We are happy to contribute by providing a DGGF loan. It’s a wonderful example of how we can move from aid to trade,” **said** Barry Brouns, DGGF investment manager at the Netherlands Enterprise Agency.

More recently, in response to the COVID-19 pandemic, the Ministry of Foreign Affairs published a **call for proposals** inviting the private sector to work with local African partners to develop innovative products and services that can mitigate the collateral damage of COVID-19 on public health in a variety of African countries such as Niger, Uganda, Benin and Mali.

The call specifically looked for solutions that have the potential to be rapidly deployed at scale. The Ministry of Foreign Affairs also encouraged entrepreneurs, companies and organizations that have networks and established activities in the specified African countries, benefitting firms who have already been embedded within the local private sector and speaks to the Ministry of Foreign Affairs’ particular interest in building local private sector expertise.



A Mother's Journey

Every year, roughly **300,000 women die** as a result of preventable complications during pregnancy, and sub-Saharan Africa accounts for **66% of these deaths**.

For pregnant women in lower- and middle-income countries, navigating health systems comes with specific barriers. For instance, prenatal care could involve additional costs that are impossible for their household.

“Those who have no insurance, they come late. Maybe they come once. There are some who come at the ninth month. Then they deliver. If there is a problem, you will diagnose later,” **said** Coletta Kimario, who has worked for 20 years at Kibosho hospital, at the base of Mount Kilimanjaro in Northern Tanzania.

With support from the Ministry of Foreign Affairs and MSD for Mothers, PharmAccess, a network of nonprofit organizations working to improve access to quality health care in Africa, developed **MomCare**, a digital platform that connects expectant mothers to health care providers and specifies their care and treatments. In Kenya and Tanzania, the MomCare

platform partnered with top-notch health care providers to broaden access to critical care during a mother's pregnancy journey.

The platform allows expectant mothers to view provider information transparently. Moreover, once the expectant mother has selected her provider, the platform allows her to stay connected with her doctor to ensure that every step in her nine-month journey is addressed.

MomCare has grown substantially. According to PharmAccess, over 21,000 women have enrolled in Kenya, with over 10,000 skilled birth deliveries performed. Similarly, over 11,000 women have enrolled in Tanzania, and nearly 4,000 skilled birth deliveries have been conducted.

Apart from patient care, MomCare also supports broader quality improvement efforts. With near-real time data, the platform helps payers, donors and policymakers make more informed decisions on policies and programs.



Future Outlook

Looking into Netherlands' engagement with the private sector on global health and RMNCAH in the near future, the Ministry of Foreign Affairs pointed to innovative financing as key.

“The engagement will further increase, particularly in the field of innovative financing. We need more alternative funding flows in order to meet the needs for global health, and investments from the private sector may enable ‘frontloading’ of health gains,” the Ministry of Foreign Affairs said.

“Moreover, it would be interesting to contract services from the private sector more often in a ‘results-based manner’: not the Ministry of Foreign Affairs paying for the machine, but paying for the number of times the machine is being used,” the ministry added.

In addition, the Ministry of Foreign Affairs recently released its strategy toward increasing access to [reproductive health commodities](#), which outlines proposals for working with the private sector at the global and country level.

These include supporting private sector service providers to organize themselves better and become a reliable partner in the national and local health system; and generating knowledge about the reasons why people prefer to use the private sector to obtain their supplies in order to adapt strategies and policies accordingly (e.g., understanding the role of pharmacies/ drug stores, the type of clients they serve, supply preferences of their clients, etc.).

CONCLUSION

Through this report, we've spotlighted how varying types of private sector engagement spans across donors. While many examples exist, it is also clear that more data on the health and social impact of existing activities are needed. Advancing more opportunities for private sector partnership will be needed to reach SDG3.

With the Maternity Matters: Funding the Future series, an increasing trend in these donors' private sector engagement is an emphasis to leverage financial instruments to bridge the gap on RMNCAH financing and services. Donors also look to the private sector's business expertise from supply chains to vaccine development to help improve the health of the most vulnerable. Ultimately all types of private sector engagements are critical to ensure no one is left behind.