



*Creating Markets, Creating Opportunities*

# Private Health in Emerging Markets – Our Observations

UHC2030 Private Sector Constituency

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# About IFC

IFC is the largest global development institution focused exclusively on the private sector in emerging markets



**300+**

Billion Invested  
in EM since 1956



**~2,000**

Private Sector  
Clients



**~100**

Countries with  
Global Presence



**900+**

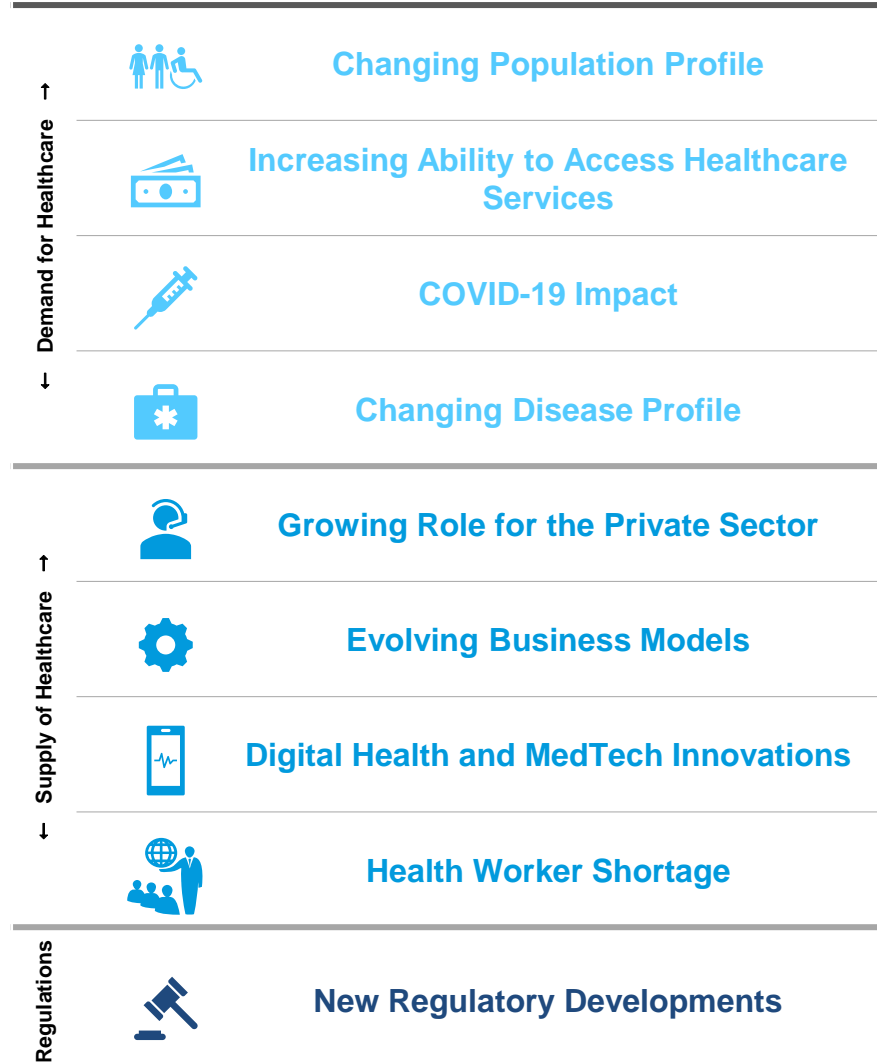
Network of  
Financial Institutions

- A member of the **World Bank Group**
- **AAA Credit Rating**
- Over **60-year history in Emerging Markets (EM)**
- A Global Institution, now owned by **185 member countries**
- **100+ offices** in ~100 countries worldwide
- **3,940 staff** (55% are based outside Washington DC)
- **US\$6.5B Total Healthcare Sector Investments by the IFC**

# Global Health Trends

Demographics, changes in disease profiles and technology are shifting the healthcare landscape

## Common Trends



# Global Health Platform (GHP): A Snapshot

Global Healthcare Platform launched in 2020, is a critical pillar of the WBG response with IFC committing **US\$2billion** and mobilizing private investment to close the massive healthcare supply gaps faced by developing countries

## Objectives

1

Meet the urgent needs of developing countries access to critical Healthcare Products and Services

2

Create manufacturing and delivery capacities for Healthcare Products and Services currently under development

3

Strengthen the regional and local manufacturing and service capacities of developing countries health systems

## Target Companies



Service Providers



Manufacturers of Healthcare Products and Vaccines



Suppliers of Raw Materials and Components

## Location & Availability



Developing Countries  
Availability  
3 years



Developed<sup>1</sup> Countries  
Availability  
1.5 year

## Platform Amount

Investment needs to scale up private sector capacity to fight COVID-19 is estimated to exceed **US\$60 billion**  
IFC is committed to finance **US\$2billion** and is looking to mobilize **US\$2billion** with the help from MDB/DFIs and/or commercial banks

**US\$4  
Billion**

Total Investment



**US\$2  
Billion**

IFC's Own Account

**US\$2  
Billion**

Mobilization

1: These companies will commit to a certain percentage of their products to be supplied to the developing countries. IFC will also aim to work with some of these companies to develop manufacturing capacities and facilitate technology transfer to developing countries, in line with the Facility's medium-term objective of increasing resilience to future crises

# Health services looking to the future

Slow move to consolidation models and increased focus on integrated health systems.

## Key Drivers of Change in the Health Services Sector

Evolving Social Insurance

Continued growth and demand for NCD

Improving Access, Equity, & Quality

Push for value and need to manage financial burden (co-payment)

Greater integration of care & use of digitization

Increasing role for the private sector across health service sub-sectors

## Anticipated implications (and a role for the private sector)

Continued push for newer and integrated models of care.

- For example: Diagnostic PPPs

Expansion of secondary and some specialist care with more effective referral processes between rural and urban settings.

- For example: Networks not silos

Government funding to improve public sector service access in rural areas and more generally focus upon specific programmatic initiatives

- For example: Private sector model expansion for NCDs

Social insurance to better manage funds to continually review benefit and tariff structures which could result in revisions in care processes and improved integration.

- For example: Private sector systems and processes

As social health involves and continues to face funding challenges, it is possible that contract negotiation with providers will be more protracted and a push for improved volume: cost focus.

- For example: New contracting models (volume for price)

Opportunity for increased use of relevant and appropriately supported medical technology to improve outcomes and efficiency of delivery.

- For example: Better access to finance

Revised health professional retention strategies to offset the migration challenge posed by EU membership (for some countries).

- For example: Expanded private education

Increased focus by Government on specific care programs and health promotion activities to support better early detection and rolling care management.

- For example: Digital Health

# Ethical Principles in Health Care (EPIHC)

Ten fundamental principles to be shared across the health care ecosystem, adding clarity to decisions, transactions, practices, and encounters that affect every aspect of operations

<p><b>1</b></p> <p><b>Respecting Laws and Regulations</b></p>	<p><b>2</b></p> <p><b>Making a Positive Contribution to Society</b></p>	<p><b>3</b></p> <p><b>Promoting High Quality Standards</b></p>	<p><b>4</b></p> <p><b>Conducting Business Matters Responsibly</b></p>	<p><b>5</b></p> <p><b>Respecting the Environment</b></p>
<p><b>6</b></p> <p><b>Upholding Patients' Rights</b></p>	<p><b>7</b></p> <p><b>Safeguarding Information &amp; Using Data Responsibly</b></p>	<p><b>8</b></p> <p><b>Preventing Discrimination, Harassment, Bullying</b></p>	<p><b>9</b></p> <p><b>Protecting and Empowering Staff</b></p>	<p><b>10</b></p> <p><b>Supporting Ethical Practices and Preventing Harm</b></p>

- Developed in collaboration with the World Bank, with extensive and diverse input from health care providers, policy experts and other stakeholders
- Adopted voluntarily, help to shape values and behaviors, and strengthen the bonds of trust between health care providers and their stakeholders
- IFC has tools and resources available to assist organizations with the implementation of the EPIHC principles

## Founding Signatories



Find more information on the EPIHC initiative and how to become an EPIHC signatory here: <https://www.epihc.org/>

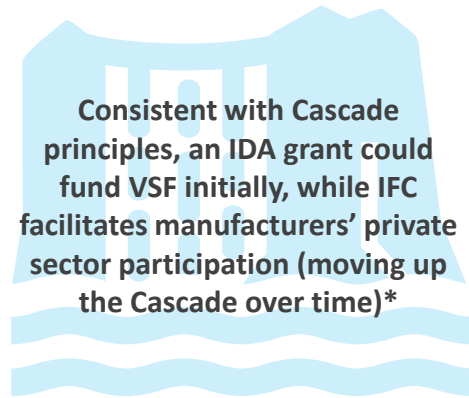
# World Bank Group: Vaccine Supply Facility

The Vaccine Supply Facility (VSF) is a World Bank Group initiative that proposes to create dedicated capacity for IDA-eligible countries on an open access basis

IFC engages a manufacturer while ensuring other manufacturers are aware and offering them similar terms

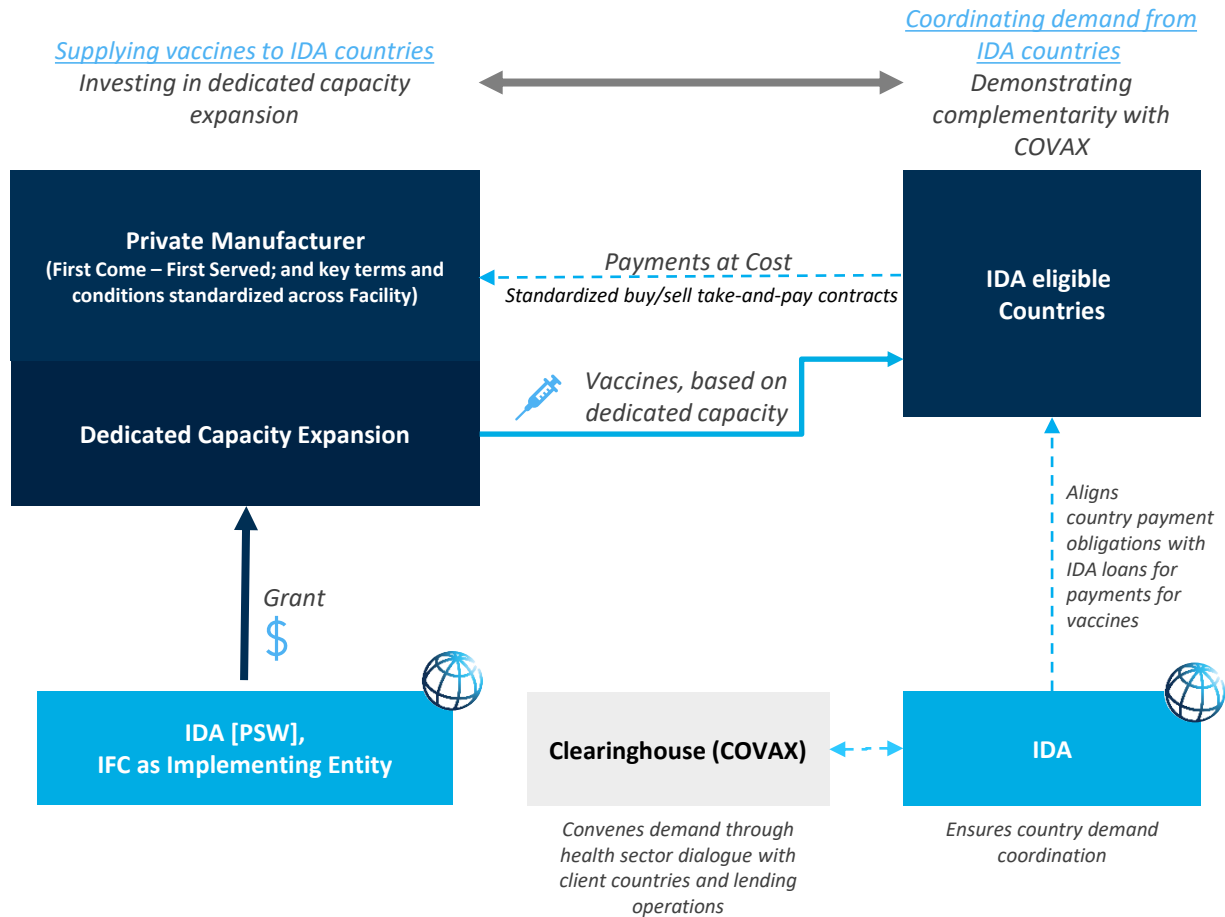
## Up to [US\$1.5bn]

for multiple manufacturers to deliver vaccines on a faster timeline for lower income economies (starting in 2021)



## Up to [2 years]

initial availability period, with potential extension (subject to market conditions and Board approval)



\*VSF would require a number of waivers for IDA funding. In addition, Board approval is required.

Neither WBG nor manufacturer is responsible for in-country distribution; any risk of client countries not accepting vaccines will be mitigated by redistribution or resale of vaccines

# MedTech strategy for Emerging Markets (EMs)

**Goal: Access to medical technology for all**



## Make in EMs

- Build local manufacturing capacity for essential medical products



## Design or Produce for EMs

- Solutions appropriate for lower resource settings
- Market creation, market expansion for value segment products
- Leverage digital health and new service model



## Finance the access

- Help hospitals, clinics, labs access capital equipment
- Finance procurement and distribution



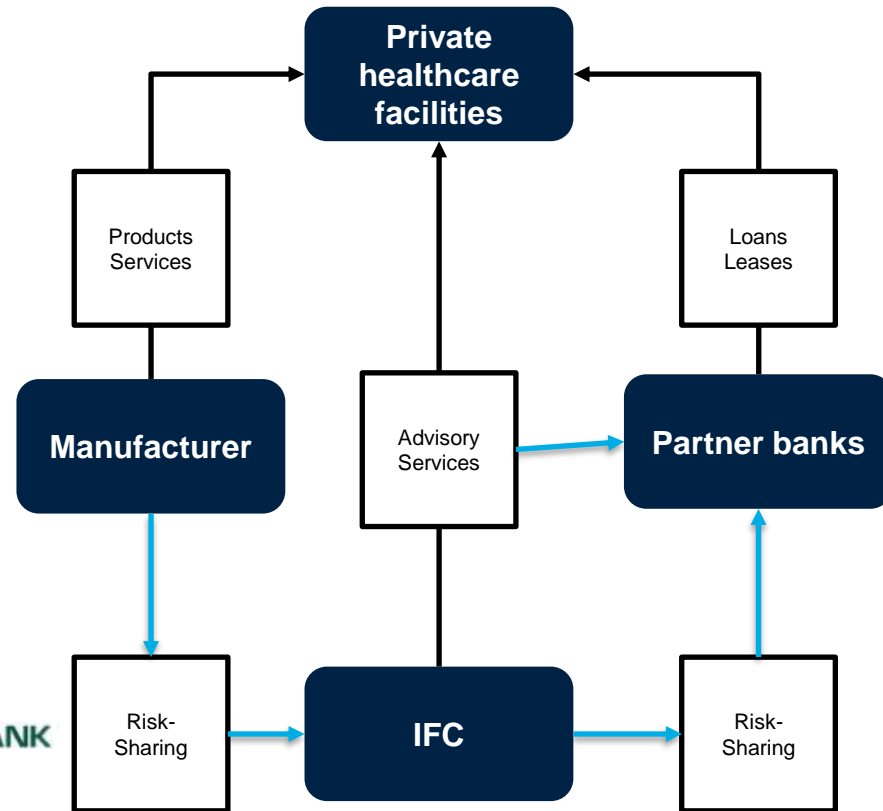
## Build sustainability

- Develop local talents
- Develop better service and repair capacity
- Facilitate the acquisition of technology and know-how



# Medical Equipment Financing Facility in Africa

Up to US\$300 m to support healthcare SMEs in 9 African countries



## Risk Sharing Structure

Partner Banks 50%	IFC 40%	OEM 10%
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[www.ifc.org/amef](http://www.ifc.org/amef)



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# Thank You

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