

Frequently Asked Questions: The Role of the Private sector in the Development and Governance of the Global Financing Facility

1. What is the Global Financing Facility?

A new fund at the World Bank Group that will support 63 low and lower-middle income countries to mobilize additional domestic and international resources to achieve the goal of ending preventable maternal, newborn and child deaths by¹ 2030. Additionally, some support will be available for lower-middle-income countries transitioning to upper-middle-income status.

2. When was the Global Financing Facility announced?

September 25th at the 69th UN General Assembly in New York City by the Governments of Canada, Norway, and the United States, and the World Bank Group. [Read the announcement](#)

3. Why is the Global Financing Facility necessary?

Without a significant increase in financing, the global goal of ending preventable maternal, newborn and child deaths cannot be met by 2030,² and the vision of the UN Secretary-General's Every Woman, Every Child movement will not be fulfilled.

4. How will the Global Financing Facility work?

The Global Financing Facility will support eligible countries to develop long-term “financing roadmaps” that identify domestic and international sources of financing to fund national health plans that outline strategies for ending maternal, newborn, and child deaths, with a special focus on achieving universal registration of births, deaths and cause of death, by 2030. The Facility will itself be a major investor in these “financing roadmaps” through mobilization of development assistance ranging from traditional instruments such as taxes, grants, credits, loans and guarantees, to more innovative approaches such as the World Bank's Health Results Innovation Trust Fund, impact bonds, buy-downs and health transformation funds from a variety of sources including bilateral and multilateral donors, domestic budgets, the private sector and innovative financing mechanisms.

5. How much money does the Global Financing Facility have?

The GFF has access to at least \$4 billion to date including \$600 million from the Government of Norway and \$200 million from the Government of Canada, which will

¹World Bank-classified “Low Income Countries” include Afghanistan, Bangladesh, Benin Burkina Faso Burundi Cambodia Central African Republic Chad Comoros Congo, Dem. Democratic People's Rep. of Korea Eritrea Ethiopia Gambia Guinea Guinea-Bissau Haiti Kenya Liberia Madagascar Malawi Mali Mozambique Myanmar Nepal Niger Rwanda Sierra Leone Tajikistan Togo Uganda United Republic of Tanzania Zimbabwe Somalia. Lower Middle Income Countries include Bolivia Cameroon Congo Cote d'Ivoire Djibouti Egypt Ghana Guatemala India Indonesia Kyrgyzstan Laos Lesotho Mauritania Morocco Nigeria Pakistan Papua New Guinea Philippines Sao Tome and Principe Senegal Solomon Islands South Sudan Swaziland Uzbekistan Vietnam Yemen Zambia Sudan.

² See [The Global Investment Framework for Women's and Children's Health](#), 2014, [Global Health 2035](#), 2014

be provided to countries in conjunction with low-interest loans and grants of up to \$3.2 billion from the International Development Association (the World Bank Group's fund for the poorest countries). The US Government has committed support of up to \$400 million in leveraged resources to these efforts.

6. Who will track where the money is going?

A rigorous business plan is currently being developed and will outline in full a comprehensive governance structure for the Global Financing Facility, to ensure that it is efficient, effective and transparent. The Facility will regularly report on financial matters as well as technical progress and achievements.

7. What is the role of the private sector in the Global Financing Facility?

The Global Financing Facility is fully inclusive of the private sector as a potential source of domestic and international financing and technical advice for financing country plans; as a potential recipient of financing from the Facility; as a provider of country health services that contribute to the achievement of national health plans; and as one of the sectors participating in the development of the Facility until it is operational by September 2015 and in its ongoing governance.

8. What is the role of the private sector as a potential source of domestic and international financing and technical advice for country health plans?

The private sector will be able to provide both technical advice in the mobilization and coordination of national "financing roadmaps" and funding to execute these plans so that countries achieve their national health goals relating to reproductive, maternal, newborn, child and adolescent health. Both domestic and international private sector technical expertise and financing are eligible, and the Facility is especially interested in innovative financing mechanisms.

9. What is the role of the private sector as a potential recipient of domestic and international financing for country plans?

The *Global Financing Facility Concept Note* states that the Facility will establish "dedicated multi-sectoral windows" for the financing of key initiatives (e.g. registration of vital birth and death statistics, global public goods, technical assistance) and that this can include financing for UN technical agencies, non-government organizations *and the private sector*. The details for these financing windows, criteria for country eligibility, financing and decision-making will be specified in the development of the Global Financing Facility Business Plan that is currently being developed for a May 2015 release.

10. What is the role of the private sector as a provider of health services?

The Global Financing Facility supports an integrated health system approach that looks for the best solutions, regardless of whether they are provided by the public,

private sectors or both in meaningful collaboration with each other. Annex 5 of the Global Financing Facility Concept Note lays out the opportunities for countries to leverage the Facility to strengthen the private provision of health services, especially to the most vulnerable women and children, and notes that in Africa, South Asia and East Asia Pacific, 50-80 percent of general outpatient pediatric care visits by the poorest quintile are to private providers and maternal deliveries in private clinics increased from 8 percent in 1990 to approximately 22 percent in 2008.

The Global Financing Facility can support the development of mixed public-private health systems by providing:

- Analysis and strategic thinking to match the right instrument (performance-based contracts, vouchers, insurance, etc.) to the specific objective;
- Experimentation with different approaches to costing and pricing of services that provide incentives for high quality services;
- Reform of licensing and registration regimes that push private providers to operate informally or seek work outside the health sector;
- Strengthening of the government's capacity to supervise and improve patient safety and quality of care;
- Private sector engagement through private provider associations and the creation of public private dialogue platforms;
- Advice on addressing inefficiencies in supply chains of essential medicines and commodities, improved price regulations and procurement practices;
- Facilitation of regulatory harmonization between countries to reduce unnecessary barriers to market entry for essential medicines and technology.

11. What is the role of the private sector in the development and governance of the Global Financing Facility?

The private sector is represented on the groups responsible for developing and overseeing the development of the Business Plan - the Business Planning Team and the Oversight Group. Further, the Partnership for Maternal, Newborn and Child Health, which is overseeing some consultations on the Global Financing Facility, has established a Consultative Advisory Group with private sector representation. To ensure that the private sector is widely and thoroughly consulted on the development of the Facility, the Partnership has joined forces with the United Nations Foundation, GBCHealth, the MDG Health Alliance, the International Finance Corporation, the Global Business Alliance, the Global Compact and other partners with strong business networks to ensure that the views of the private sector are reflected in the report that will be provided in January 2015 to the Global Financing Facility Working Group.