



SDC Health Network

The Private Sector as a partner in Health

Engagement modalities, limits and perspectives

This second event deep-dived into pro-poor health markets and the role of local businesses. The key objective of this webinar was to rethink the nature and role of the private sector in mixed health systems. This entailed departing from the association of private actors as exclusively profit-seeking sharks, multinational corporations or Swiss businesses only. Instead, guest speakers illustrated the diversity and comparative advantage of for-profit actors engaged in health and their importance in local contexts based on their experiences in Bangladesh, Tanzania, Bosnia and Herzegovina, and Somalia.

Summary

Discussions with the panellists and the audience debunked some common misconceptions in pro-poor health market development and highlighted the importance of better communication and trust-building in private sector engagement. The concept of “mass market”, as introduced during the keynote speech, strengthens the role of the majority of poor people as an economically active segment of the population, rather than a passive group of recipients. End-users are willing to pay for quality health products and services, and have the right to choose what they consider of best value for their money. Public health policies should learn to differentiate between poor market players and “have-nots”, as well as design health financing and strategic purchasing approaches accordingly. If properly regulated and coordinated, private providers can enable better access and cover a wider range of needs, thereby complementing the efforts of the public sector. Successful public-private partnerships start from the mutual recognition of valuable comparative advantages and from the belief in a common goal.

Take-home messages

1. Recognising the complementary roles of private and public actors is crucial.
2. People’s needs exceed by far the capacity of any single sector to respond, hence collaboration between public and private health system components is inevitable.
3. Effective PSE can only work in partnerships with common objectives and visions. Trust and common understanding between actors are necessary, already *prior* to starting to engage with one another.
4. Local businesses need incentives. They also need to stick to commonly agreed rules.
5. Private engagement is motivated by more than just profit. Specific local needs, networking, social responsibility, image and leadership aspirations are also powerful motivators.
6. Local businesses are an integral part of all health systems and tend to be the most reliable providers in informal economies. They should not be overlooked by context analysis.
7. The private sector tends to organically fill all the markets that have not been distorted by free money (including in the health sector).

In total 72 people from around the world participated to the webinar, including SDC staff, partners and other interested parties.