

23 July 2021

Organised in collaboration with the SDC Humanitarian Aid, the **fifth module** of the PSE in Health cooperation webinar series explored different **modalities in which the private sector contributes to emergency preparedness and response**.

Summary

Most of the time, when we think of private sector engagement, we think about tapping into the business sector's most obvious added-value: funding – maybe even more so in the humanitarian sector where operations are resource intensive. However, in this session, we learned that **the private sector's contribution goes beyond just cash**.

In the most classic of modalities, private actors are **contractors**, supplying the materials or providing the services that allow for emergency and humanitarian interventions to take place. Humanitarian aid organisations rarely – if ever – have their own fleet of planes or helicopters to deliver medical supplies, or their own heavy machinery to, for example, drill and set up water pipelines. Hence **humanitarian activities cannot bypass the private actors who provide these indispensable goods and services**. However, even in the contracting model, the private sector's expertise and competencies are, more often than not, complementary to that of emergency responders, such that they **fill in the gap where humanitarian interventions would otherwise not be possible**. This manifests in **accessing areas with major safety issues**, or by **developing new products and technologies that address specific needs**. During this session, we heard of various examples from the SDC Humanitarian Aid, such as chlorine solutions that are produced from salt using electrolysis directly on the field for targeted uses (e.g. vector control, hand disinfectant, surface disinfectant or to make water drinkable), thanks to a set of devices specifically developed for these contexts by a Swiss company. But, in other cases, local companies are contracted to develop onsite, one-off, tailored solutions, such as furnaces to safely burn medical waste.

In view of better understanding other ways in which private actors directly intervene in emergency settings, the webinar welcomed guest speakers working for organisations engaging in private-public partnerships in fragile contexts.

First, the Medical Expert Group is part of the Swiss Humanitarian Aid Unit (SHA), the emergency operation unit of the Federal Department of Foreign Affairs (FDFA) that intervenes in crisis situations. Experts are part of a wide **pool** of specialists selected and trained through the SHA, then deployed for short-term missions in areas affected by conflict or natural disaster. The Medical Expert Group's work includes assessing the medical context, providing care for survivors, distributing health kits and supporting local hospitals. In the case of an epidemic, deployed experts work to limit the spread of the virus through preventive action with local authorities. The medical personnel sent to these areas comes from both public hospitals and private practices at the top of their field of expertise. The Geneva University Hospital (HUG) is one of SDC's longest partner in this regard. HUG provides medical personnel for emergency interventions for a yearly flat-rate. In turn, the institution and its personnel benefit from unique training possibilities, where practitioners develop new skills to treat patients in difficult and low-resource contexts, which they would otherwise not encounter in Switzerland. However, these activities do not come without risks, neither for those deployed, nor for the institutions who employ them. Hospitals and other practices must reshuffle their personnel to fill in the gap of someone leaving for several days to weeks within a few hours' notice. But most importantly, beyond just personal safety in the field, working in humanitarian contexts can have deep long-lasting, personal effects for those who are deployed and who might find it hard to readjust to their everyday personal and professional lives.

Secondly, the webinar learned from the <u>African Risk Capacity</u> (ARC), a specialised agency of the <u>African</u> <u>Union</u> that was established to help African governments strengthen their risk management system to better

plan and be better prepared to extreme weather events or natural disasters. Based on its experience with droughts, ARC has been developing a new programme, the **Outbreaks and Epidemics Programme** (O&E), to help countries strengthen their health systems, to contribute to national capacity in risk profiling and response planning, and to provide **rapid and predictable funds for countries to quickly respond to a public health emergency** once it arises, thereby alleviating the human and economic impacts of disease outbreaks (Ebola, Marburg, Lassa fever and Meningitis). To do so, **pathogen-specific risk profiles** are drawn to better understand existing country-specific disease and epidemic risks, as well as existing gaps. Based on this assessment, a **contingency plan** is developed using **costed response scenarios**, after which, outbreak models with different impact simulations of possible interventions allow to assess whether a country is able to contain an outbreak. If not, the **risk is transferred to private actors** through an insurance plan. Negotiations with the private sector are on a **continental risk basis**, however **contracts are signed at the country level**, with specific insurance premium and threshold levels to activate payments. While insurance companies are risk-takers looking to diversify their portfolio, they will try to minimise their own risks and therefore **incentivise governments to invest in system preparedness**.

The final example showcased the activities of the <u>Veolia Foundation</u>, a not-for-profit organisation under the Veolia Group, which specialises in water, energy and waste solutions. On a voluntary basis, the foundation **deploys experts from the private sector**, including from its parent company, to assist in emergency contexts. In collaboration with national governments, NGOs (e.g. Médecins Sans Frontières) and international organisations, they provide **needs-based solutions** to ensure that affected populations have **access to essential services**, such as water, sanitation, energy production or waste management. The foundation also works with local companies to carry out some of its activities in the field, as they have better access to and knowledge of the area. **These partnerships have led to win-win-win situations**, where (1) **local populations** benefit from Veolia's interventions and expertise, for example in long-term eradication of cholera in the Democratic Republic of Congo, (2) experts learn from working in the field and **develop new products**, and (3) local companies benefit from **knowledge transfer**, which elevates their standards to the international level and allows their business to grow and access funding from big donors.

With increasingly more complex settings that require humanitarian aid, contracts with the private sector are gaining in size and complexity as well. The SDC WASH Cluster, in collaboration with the International Committee of the Red Cross (ICRC), is now developing the <u>International Humanitarian Infrastructure Platform</u> (<u>iHiP</u>) to standardise contracts between humanitarian aid organisations and the private sector around the world to facilitate trust-building and accelerate operationalisation and deployment.

Key messages

- 1. Humanitarian interventions are a **market opportunity** for the private sector to develop new services, new technologies, but also new forms of engagement with the public sector.
- 2. The incentives for private sector to engage in the humanitarian sector can take multiple forms:
 - 2.1. Diversification of portfolio that guarantees company growth;
 - 2.2. Reaching higher international **standards**, in the case of local private actors who might not have the means to invest in research and development;
 - 2.3. Attracting new investors, both for local and international companies;
 - 2.4. Creating new partnerships with other businesses;
 - 2.5. Staying at **the top of the expertise and knowledge** of their field, most notably in the case of medical professional who receive specialised training and gain skills by working in conditions they would otherwise not encounter in their home country;
 - 2.6. Promoting a **positive image** of the institution or the company.
- 3. The **risks** involved in working in emergency settings represent nonetheless a **disincentive** for many private actors
- 4. The private sector's contribution tends to receive **too little recognition**, and yet their services are a **necessity** for emergency interventions.

5. Acknowledging the private sector's complementary competencies, skills and expertise is the first step in finding new opportunities, fostering more partnerships and strengthening collaborations between public and private actors that will, ultimately, better serve the populations in need.