CONCLUSION

Conclusion

As much as $30 billion in new investment over the next decade will be required to meet the region's health care demands, and up to two-thirds of that may have to come from the private sector. Fortunately, increased political stability has led to improved economic prospects in the region. Vibrant local stock markets and an influx of new foreign investors attest to the increasing role of the private sector across all economic activities in Sub-Saharan Africa, and health care is no exception.

The private sector already accounts for a remarkable share of the region's health care. Private parties financed roughly 60 percent of all health expenditure—predominantly in the form of out-of-pocket payments by individuals, and about 50 percent of that went to private providers. But private health care will require support and increased supervision if it is to continue to play the important role that it currently plays.

This report identifies a number of significant impedments or barriers to the further development of a sustainable and socially responsible private health sector, integrated into the broader strategies and systems developed by the governments of Sub-Saharan Africa. To help knock down these barriers, it advocates:

1. Developing and enforcing quality standards through both government and self-regulation to foster the development of a more formal, sustainable and higher-quality private sector;
2. Fostering risk pooling programs to improve the financing of health care;
3. Using the private sector to deliver services by encouraging the public sector and donors to more closely engage with that sector;
4. Modifying local policies and regulations to support and mobilize the private sector by streamlining bureaucratic processes, liberalizing human resource regulations, and reducing tariffs and other import barriers; and
5. Improving access to capital from financial institutions by educating local banks about the true risk profile of the health care sector, using international financial backing to encourage local financial institutions to lend to health care enterprises, and developing equity-focused financing vehicles for health care enterprises.

Even before those initiatives are tackled, the estimated $11–$20 billion in private investment needed to support the expected growth in health care spending in Sub-Saharan Africa over the next decade will provide opportunities that yield both financial return and health impact for investors of all kinds.

This report was based in large part on interviews with many innovative, principled, and socially minded entrepreneurs who are dedicated to building strong health care enterprises in Sub-Saharan Africa. Their enthusiasm and commitment coupled with appropriate policy changes by donors, governments and the investment community can create a private sector that is a robust and integrated component of a broader health system—one that can help provide the region's inhabitants with the healthier future they have so long deserved.