



Healthy Markets for Health Investments: Policy Considerations from the Private Sector

The international community is considering how best to collectively ensure the sustainability and resiliency of health systems following the COVID-19 pandemic. There is a common need for more resilient, interconnected systems that can weather shocks and continuously respond to the evolving health needs of people around the world. Investment in health is vital to the stability of economies worldwide.

In response to ongoing conversations in support of sustainable access to health products and technologies, including calls for greater local and regional manufacturing capacity, private sector stakeholders have convened to advance discussions. As a committed partner in promoting and protecting health, the private sector seeks to be a constructive collaborator in the identification and implementation of solutions toward a sustainable and resilient health ecosystem.

The following set of principles outline the private sector perspective on health sector investment:

- Because no single country can produce every health product it needs, robust, uninterrupted supply chains across borders are critical to domestic and global health security.
- Investment impact can be greater when local capacity serves not only local markets, but also regional and global needs.
- Public health spending should not be viewed as a short-term cost, but rather as a strategic investment for economic growth and security backed by cross-government support and effective governance.
- Both public and private sector investments in healthcare are critical and can be vast and varied.
- Investments can encompass areas such as research and development, clinical trials, disease education, capacity building, manufacturing, as well as registration and maintenance of healthcare products within and across markets.
- A predictable, transparent, and well-enforced legal and regulatory environment, including for intellectual property (IP), is essential to support health investment.

The table below outlines core pre-requisite policy elements that make for a healthy market, conducive to sustained and robust health investment. Together, these policies support the predictability, efficiency, stability, and sustainability necessary to attract private investment, thus improving access to healthcare and achieving robust economies.

Focus Area	Key Elements
<p>STRONG INFRASTRUCTURE FOR HEALTH</p> <p><i>Well-functioning public services and health infrastructure, including streamlined and secure</i></p>	<p>Public Service Infrastructure</p> <ul style="list-style-type: none"> • Dependable transportation network, including roads and ports. • Reliable internet, cellular capacity, and electricity. • High-quality municipal water and waste management systems. • Public safety, adequate security and enforcement and adherence to international anti-corruption standards.



<p><i>supply chain and logistics, all embracing modern digital tools and processes.</i></p>	<p>Healthcare Delivery Infrastructure:</p> <ul style="list-style-type: none"> • Ability to access essential healthcare, including through insurance coverage. • Well-resourced network of hospitals, including primary and specialty care. • Predictable and transparent logistics costs and timelines • Well-functioning cold-chain infrastructure. • Secure warehouse and transport networks. • Supply chain protection from fraud and abuse, including product diversion. <p>Digital Infrastructure</p> <ul style="list-style-type: none"> • Integrated and secure electronic health records and data systems. • Clear and organized adoption of evolving digital tools and technology when available. • Freedom from data localization requirements. • Established data access framework, including adequate systems for big data analysis and appropriate regulation governing data use and analytics.
<p>OPEN AND COMPETITIVE MARKETS</p> <p><i>Predictable and transparent market for health products, in line with international standards</i></p>	<p>Open Market</p> <ul style="list-style-type: none"> • Open and efficient supply chains and free markets that <ul style="list-style-type: none"> ○ refrain from unnecessary export restrictions, ○ maintain low or zero tariffs, ○ streamline customs protocols, ○ refrain from discriminatory localization policies, ○ implement IP systems that align with international best practices, and ○ prevent illicit trade and product diversion. • Maintain open, transparent, predictable, and value-based procurement system in compliance with international standards. <ul style="list-style-type: none"> ○ Accurate demand forecasting and supply monitoring. ○ Clear procurement award criteria. ○ Parity for local and foreign suppliers in procurement.



<p>FAVORABLE REGULATORY ENVIRONMENT</p> <p><i>Clear, evidence-based, consultative regulatory framework harmonized with international standards</i></p>	<p>Regulatory Framework</p> <ul style="list-style-type: none">• Clear, defined pathways for submission, authorization, and review of health products (including novel medicines, generics, biosimilars, medical devices, diagnostics).• Predictable review and decision timelines with public metrics to provide accountability for delays.• Establishment and implementation of effective regulatory reliance mechanisms between regulatory authorities.• Regulation harmonized with international standards, including for assessment and monitoring of product quality.• Establishment of efficient, effective, safe, and ethical clinical trial governance framework.
<p>STRATEGIC HEALTH FINANCING</p> <p><i>Government-wide commitment to stable, long-term health sector financing</i></p>	<p>Financial Governance</p> <ul style="list-style-type: none">• Multi-year health financing strategy with defined, long-term objectives.• Transparency and consultative approach to government budget setting and resource allocation, involving stakeholders including private sector.• Inter-agency coordination, including between Ministries of Finance and Health, to advance health as an important investment in a well-functioning society.• Openness to innovative approaches to health financing, in partnership with private sector.
<p>HUMAN CAPITAL</p> <p><i>Investment in skilled labor, including in partnership with private sector</i></p>	<p>Workforce</p> <ul style="list-style-type: none">• Government strategy for development of highly skilled healthcare workforce (including skills in research, product development, manufacturing, care delivery, health data and healthcare regulation).• Education and labor policies designed to expand the base of qualified healthcare workforce, including through forecasting of future healthcare needs.• Coordination with the private sector in workforce capacity building.



<p>SUPPORT FOR R&D</p> <p><i>Broad government support for the long-term value of R&D</i></p>	<p>R&D Investment</p> <ul style="list-style-type: none">• Dedicated public expenditure for basic healthcare research.• Incentives for R&D, such as reduced tax burden for R&D activities.• Adequate access for R&D investment through capital markets, venture capital and public-private partnerships.• Voluntary and predictable university/industry technology transfer framework.• Commitment to private-to-private licensing framework
<p>PREDICTABLE LEGAL & GOVERNANCE ENVIRONMENT</p> <p><i>Legal certainty and commitment to enforcement</i></p>	<p>Legal Certainty & Rule of Law</p> <ul style="list-style-type: none">• A legal system that has comprehensible laws, predictable timelines, and an appropriate appeals process.• Limited indemnification from liability claims.• Predictable and rapid enforcement of IP laws and regulations. <p>Strong Governance System</p> <ul style="list-style-type: none">• Good Regulatory Practices (GRP) Framework<ul style="list-style-type: none">◦ Consultative approach to policymaking, including through public comment periods, multi-stakeholder workshops, expert engagement, impact assessments, and scientific data to support decision-making.• Transparent public-private partnership framework with government support and funding for cooperative research policies.