

Driving Change: Impact Investing in Global Health

WEBINAR REPORT

17 September 2024

Invest4health Webinar series

Developing and implementing social impact bonds: from theory to practice June – November 2024

WEBINAR 2:

Driving Change:
Impact Investing in Global Health

17 SEPTEMBER 2024
14:00-16:00 SAST (online)

AGENDA

Overview of impact investing ecosystem: <ul style="list-style-type: none">Defining impact investing, its potential to improve social outcomes, and an overview of possible mechanisms and tools.	Peter Hinton (Saïd Business School, University of Oxford)
Impacting investing for global health: <ul style="list-style-type: none">Exploring the benefits, opportunities, and potential impact of impact investing in global health with real-world examples.	Cliff Prior (The Global Steering Group for Impact Investment – GSG Impact)
The private sector in impact investing: <ul style="list-style-type: none">The role of the private sector in sustainable financing for global health through impact investments, including motivations, criteria, and examples of private sector partners.	John Fairhurst (The Global Fund)
Impact investors in Africa: <ul style="list-style-type: none">Case study on blended financing: Medical Credit Fund.	Frank Aswani (African Venture Philanthropy Alliance – AVPA)
Impact bonds in Africa: <ul style="list-style-type: none">An overview of current impact bond projects in Africa, the role of government as outcomes funders, and key learnings.	Petro Rousseau (Innovation Guru)



Peter Hinton
(Oxford University)



Cliff Prior
(GSG Impact)



John Fairhurst
(The Global Fund)



Frank Aswani
(AVPA)



Petro Rousseau
(Innovation Guru)

UP NEXT:

WEBINAR 3: Topic to be confirmed

Speakers and exact dates for Webinar 3 to be announced



INTRODUCTION

On September 17, 2024, the South African Medical Research Council (SAMRC), in collaboration with the University of Cape Town's Bertha Centre, and Genesis Analytics, hosted the third webinar in the Invest4Health Learning and Action Network (LAN) series.

The webinar, titled '*Driving Change: Impact Investing in Global Health*,' was the second in a series dedicated to exploring the development and implementation of social impact bonds (SIBs) and the wider innovative financing ecosystem. This webinar provided an in-depth look at the impact investing ecosystem, with a particular focus on its application and potential benefits within the global health sector.



Expert speakers delivered insightful presentations, followed by an interactive Q&A segment, where key considerations, challenges, and lessons learned related to impact investments were discussed.

The virtual event was attended by over 80 participants from 16 countries across Africa, Europe, Asia and North America.

PRESENTATIONS AND SUMMARY OF KEY POINTS

1. Setting the scene

The webinar was facilitated by Nevilene Slingers, Executive Programme Manager at the Social Impact Bond Office of AIDS and TB Research, and Director of invest4health at the SAMRC.

She provided an overview of the **invest4health LAN** that was established in 2023 with the purpose of building a community of interest around outcomes-based financing approaches for health and development in South Africa and in Africa more broadly. It is run by a core team within the SAMRC, and is supported by Genesis

Analytics, the University of Cape Town Bertha Centre and the Government Outcomes LAB (GO Lab) at the University of Oxford.

The LAN is a core component of the invest4health programme with aims to:

- Facilitate learning including peer-to-peer learning and knowledge sharing.
- Provide an African-centric knowledge hub for OBAs, that comprises virtual and live learning events, publications, data sets, toolkits and guidelines.
- Provide a platform for professionals to exchange ideas, share best practices, and collaborate on research and projects.



Nevilene set the scene by highlighting the Presidential Health Compact 2024-2029 recently signed by the President of South Africa. This agreement seeks to accelerate health system strengthening and achieving universal health coverage. The Compact explicitly states that **“The government and other stakeholders commit to creating the necessary regulatory environment for innovative financing instruments and a pathway for approvals of innovative financing transactions”**, making the discussions in the webinar particularly timely.

GO Lab Social Outcomes Conference (5-6 Sept 2024)

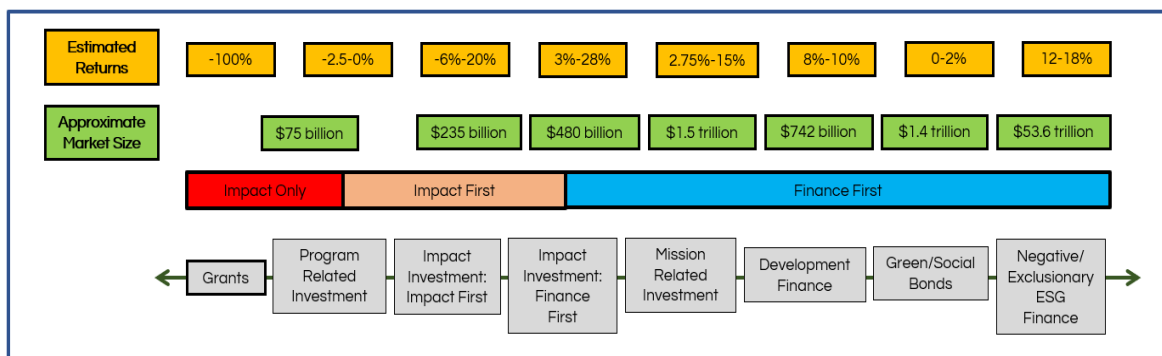
The annual Social Outcomes Conference took place in Oxford in the UK from 5-6 Sept as was hosted by invest4health’s partners from the GO Lab. The overarching theme of the conference **was Accountability, Transparency, Trust** and how these can be fostered in and through Outcomes Based approaches.

Visit their website read more about the conference [here](#)

2. Overview of the Impact Investing ecosystem

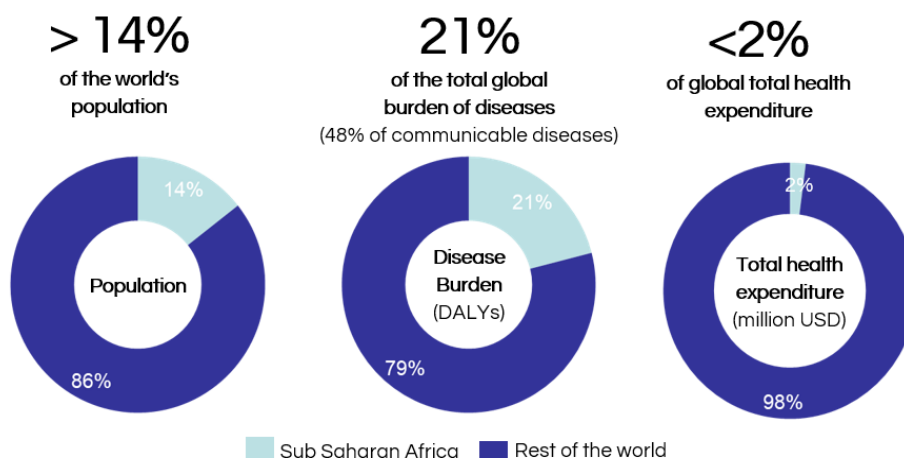
Peter Hinton from the Saïd Business School, University of Oxford, provided an insightful overview of the impact investing ecosystem, explaining how it leverages a wide spectrum of capital, from ESG and sustainable investments to grants, to drive meaningful social and environmental impact.

Figure 1: Spectrum of finance



He emphasized the importance of blended finance in mobilizing private sector investment in developing countries, highlighting the Medical Credit Fund—the first debt fund for healthcare in Africa—as a successful example of blended finance. The fund strengthens healthcare SMEs through technical assistance and local currency lending, demonstrating how innovative financial mechanisms can address critical gaps in health financing across Sub-Saharan Africa (SSA). The extent of this gap is illustrated in Figure 2 below where 21% of the global disease burden is concentrated in SSA, yet the region accounts for less than 2% of global health expenditure.

Figure 2: Comparison of population size, burden of disease and total health expenditure: Sub-Saharan Africa vs the rest of the world



Source: Our [World in Data](#); WHO

3. Impact Investing for Global Health

Cliff Prior, CEO of GSG Impact, discussed the pivotal role of impact investing in improving global health outcomes, and highlighted the Triple I for Global Health initiative, which seeks to connect various stakeholders and mobilize private capital to address global health challenges through impact investments.

Figure 3: The Triple for Global Health initiative

Triple I for Global Health News About Triple I Stories Partners Become a Partner Contact Us

Impact Investment Initiative (Triple I) for Global Health

Partners **84**

Invest in Global Health. Make an Impact.

Triple I is an ambitious initiative endorsed at the G7 Hiroshima Summit 2023, connecting various stakeholders and mobilizing private capital through impact investment to address global health issues in LMICs.

He discussed the challenges and opportunities for investors in low- and middle-income countries (LMICs), emphasizing the need to create enabling environments for impact investments by addressing regulatory barriers, capacity building, and adopting digital solutions.

4. The private sector in Impact Investing

John Fairhurst, Head of Private Sector Engagement at the Global Fund, delved further into the role of the private sector in impact investing for global health, and discussed the motivations behind private sector investments in social outcomes, emphasizing the balance between financial return, impact return, and risk.

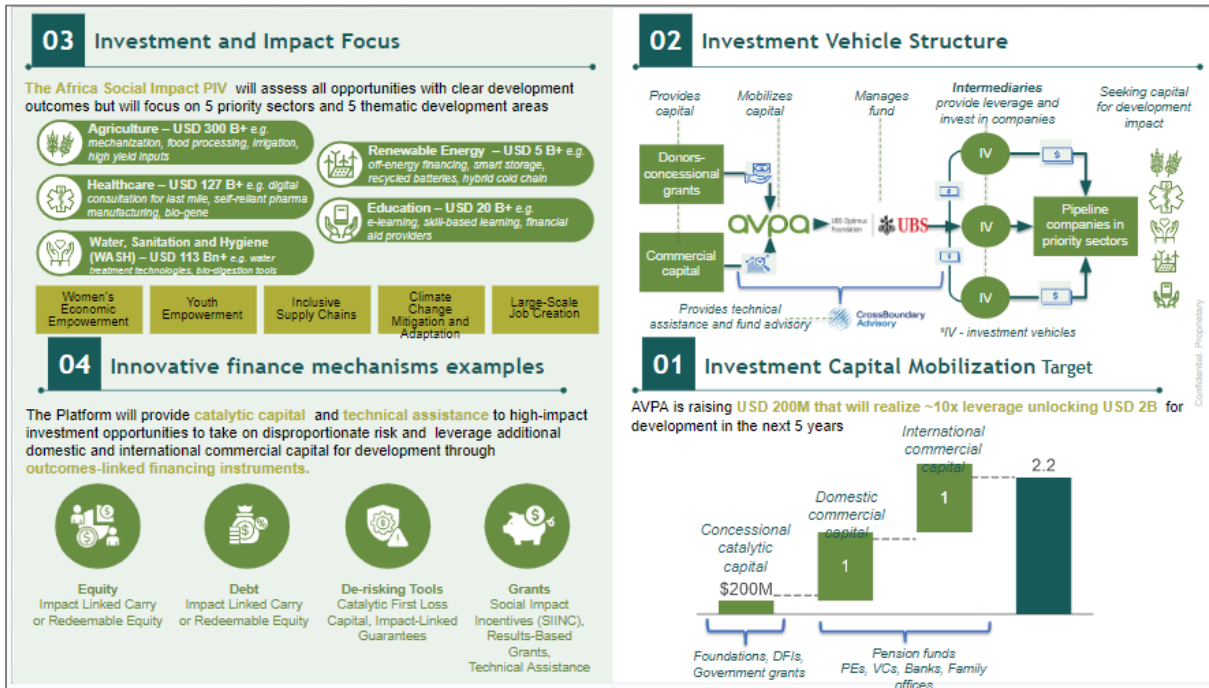
Figure 4: The nexus of private sector motivation for investment



5. Impact investors in Africa: AVPA's catalytic pooled fund

Frank Aswani, CEO of the African Venture Philanthropy Alliance (AVPA), presented a case study on AVPA's *Catalytic Pooled Fund*, a practical vehicle designed to facilitate impactful investments by mobilizing capital and providing technical assistance to high-impact investment opportunities in Africa.

Figure 5: AVPA catalytic pooled fund



He explained how the fund leverages philanthropic capital to attract private and commercial investment, with a focus on five priority sectors: healthcare, agriculture, water, sanitation & hygiene, education, and renewable energy.

Frank Aswani concluded by highlighting the upcoming [AVPA conference](#) as a key opportunity for stakeholders to connect and build investment ecosystems that can scale social impact across Africa, while addressing critical development challenges.

6. The Role of Government as Outcome Funders in Social Impact Bonds in Africa



Petro Rousseau, from Innovation Guru, discussed the role of governments as outcome funders in Social Impact Bonds (SIBs) across Africa as an example of a financial instrument that can be used in impact investing. She emphasized the critical role governments play in aligning SIB projects with national priorities and policies and presented key findings from a study on SIBs in Africa, highlighting both the enablers and barriers to success.

Figure 6: The role of government as outcome funders

The Role of Governments as Outcome Funders

- **Key Role of Government:** Governments in Africa serve as crucial outcome funders, aligning SIB projects with national priorities and policies.
- **Varied Government Involvement:** Some governments fully engage in SIBs (South Africa's Bonds 4 Jobs), while others only provide technical assistance (Sierra Leone).
- **Challenges:** Legal and regulatory gaps, capacity issues, and slow governmental readiness to adopt innovative funding models hinder SIB implementation.

"SIBs lack a clear legal framework and have complex relationships between outcomes funders and providers"



She concluded by stressing the importance of strong stakeholder and private sector engagement, the need for clear legal frameworks, and capacity building within governments to ensure the sustainability and effectiveness of SIBs.

Q&A Highlights

During the interactive Q&A session, participants raised several key questions on the application of social impact bonds (SIBs) and impact investing in healthcare. Below are a few notable highlights.

Yes, there are a few examples available on the **Triple-I website** at [here](#) and [here](#)

Collaborations and stakeholder engagement

Impact investing requires close collaboration with the government to align with national priorities. Building trust and accountability is key to engaging stakeholders and ensuring SIBs address real needs and challenges effectively.

Top Questions answered

Can you highlight any existing awareness-raising forums that showcase best practices in impact investing, particularly in areas like verification and measurement?

Can you share examples of leveraging grant or public capital to unlock private capital for scaling healthcare interventions in LMICs?

Everyone agrees on the 'what' and sometimes the 'why,' but how do we address the 'how'?

How can impact investing, especially SIBs, improve public services in South Africa, such as hospital financing and targeted testing for TB and HIV? Additionally, can SIBs engage community-based assets like traditional health practitioners to enhance patient outcomes and retention?

There are several platforms available.

- [Triple I for global health](#)
- [Global Impact Investing Network \(GIIN\)](#)
- [Convergence – The Global for Blended Finance](#)
- [Outcomes Finance Alliance \(OFA\)](#)
- [Government Outcomes Lab \(GO Lab\)](#)
- [Brookings Institution](#)

Knowledge sharing

Making information freely accessible is crucial for driving progress. Sharing practical examples helps stakeholders understand what works, while a focused marketing and PR effort is needed to ensure lessons and successes reach a wider audience.

Tailored solutions

It's crucial to recognize that not all social challenges are suited to impact bonds. Social impact bonds (SIBs) are just one of many tools, and having a diverse range of solutions is crucial for addressing different situations effectively.

WHAT'S NEXT?

This webinar was the second in a three-part series exploring the development and implementation of Social Impact Bonds (SIBs). The final webinar will be a hybrid event, offering the opportunity to participate either in person or online. Join us in **Cape Town** on **5 December 2024** for an engaging conclusion to the series.

Further details will be communicated soon!

USEFUL LINKS AND FURTHER READING

- [Invest4health website](#)
- [Go Lab toolkits](#)
- Webinar: [Impact Investing with Sir Ronald Cohen](#)
- Book: [Social Finance by Nicholls, A. \(2015\)](#)
- Book: [Doughnut Economics by Raworth, K. \(2017\)](#)
- Book: [Philanthropy by Vallely, P. \(2020\)](#)

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