

THE GROWTH OF THE PRIVATE FOR-PROFIT HEALTH SECTOR IN EAST AND SOUTHERN AFRICA

What is the private for-profit health sector?

The sector includes health service providers and organisations that help fund health services that are not part of government structures. These providers want to cover the costs of providing a service (or running an insurance scheme) and generate a profit.

Key concerns with private sector growth?

- Only the very rich benefit from private for-profit services.
- Limited tax money is used to support private for-profit health care providers and insurance, rather than funding public sector services to benefit all.
- When the private sector grows, there are fewer doctors and other health professionals working in the public sector.

Who is promoting the growth of this sector in Africa?

The main groups pushing for the growth of private for-profit health care providers and private insurance schemes in Africa are the International Finance Corporation of the World Bank and Dutch companies supported by the Dutch government.

How is this investment spent?

Most of the investment is going into companies to produce drugs and private hospitals, particularly hospitals to serve the richest citizens, expatriates and tourists. Quite a lot of the investment is coming from South African companies. There are also efforts to increase private health insurance, which helps to pay for services from private health care providers.

What should civil society organisations do?

Contribute to monitoring efforts:

- Find out if any activities in your country are being funded or promoted by the Africa Health Fund, PharmAccess, the Investment Fund for Health in Africa, or African Medical Investments.

Call on government:

- Not to use tax funds to support the development of the private for-profit sector.

- To assess the impact of any proposed for-profit activities on the overall health sector before allowing it to proceed, and to make this impact assessment report publicly available.
- To put in place adequate regulations and to collect accurate information on private sector health services.

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