



NIGERIA PUBLIC PRIVATE PARTNERSHIP NETWORK (NPPPN) MEETING: PUBLIC PRIVATE PARTNERSHIPS IN HEALTH

Venue: Virtual (Zoom) Meeting

Date: 26th April 2022 (11AM)

Meeting Overview:

The meeting was organized by the Nigeria Governors' Forum (NGF) in collaboration with the Infrastructure Concession Regulatory Commission (ICRC) to explore the opportunities for Public Private Partnership (PPP) in the health sector. The meeting proffered a platform for Yobe and Kaduna States to present their experiences and achievements with Public Private Partnership in the health sector.

It was expected that the meeting will foster scalable collaborations with the private sector through the Pharmaceuticals Manufacturers Group of Manufacturers Association of Nigeria (PMG-MAN) / Africa Resource Center for Excellence in Supply Chain Management (ARC-ESM) and build trust with the public sector to close the widening gaps in access to quality medicines through Public Private Partnerships and ensuring sustainability.

Opening:

The meeting commenced with remarks and well wishes from the leadership at the Nigeria Governors' Forum and the Infrastructure Concession Regulatory Commission. The objectives of the meeting were highlighted: sharing experiences of Yobe and Kaduna States and exploring opportunities for scaling up PPP in health across the States.

Presentations:

Presentations were made by the Infrastructure Concession Regulatory Commission (ICRC), Kaduna State and Yobe State. Summary of the presentations are:

1. Responsibilities and Achievements of the ICRC in the Health Sector – Olusola Ogunsola (Head Social Infrastructure, ICRC)



Mr. Olusola in his presentation pointed out the responsibilities and achievements of the ICRC in the health sector. The responsibilities outlined during the presentation amongst others were:

- i. Partnership with the United Nations in the delivery of Sustainable Development Goals (SDGs)
- ii. Partnership with FGN in achieving the Universal Health Coverage (UHC) and other government health policies
- iii. Health Insurance Scheme
- iv. Bridging financing gap by ensuring PPPs.

The achievements of the ICRC stated during the presentation were as follows:

- i. The concession of the Garki Hospital to a private party as the first in the health sector
- ii. Warehouse in a Box Project
- iii. Renovation and upgrading of School of Nursing Student's Hostel University College Hospital, Ibadan
- iv. Issuance of Outline Business Case (OBC) compliance certificate to Federal Ministry of Health.

Amidst the responsibilities and achievement of the ICRC, Mr. Olusola also mentioned some of the challenges faced by the ICRC as follows:

- i. Nigeria spends less than 5% of its budget on health as opposed to recommended 15% of total budget best practice
- ii. Majority of stock of 55 Federal Tertiary care Facilities in Nigeria were built & equipped between 20-115 years ago (2019 Vesta Healthcare partners)
- iii. Quality, financing, efficiency and sustainability of health care
- iv. Rapid population growth (2018 population 198 million, 2050 estimated population of 410 million).

**2. Public Private Partnership and health: Kaduna State Experience – Dr. Amina M. Baloni
(Commissioner of Health, Kaduna State)**



Dr. Baloni started off the presentation stating that Kaduna being the 3rd most populous state in Nigeria with 23 LGAs has 1,164 Primary Healthcare Centers (PHCs). Explaining the state policy environment, Dr. Baloni stated that though the health sector indicators had improved, progress has been slow and challenges around availability and retention of Human Resources for Health (HRH), inadequate infrastructure, availability of essential drug and other commodities remain. This puts the planned achievement of the SDG goals in the State at risk. The Kaduna State Ministry of Health in 2020 came up with strategies to improve the health status of its residents through engagement into PPP arrangements and a PPP policy was developed to guide the process. Dr. Baloni pointed out that Kaduna State entered PPP arrangements on drugs and other health technologies with the following private players:

- i. Zipline: a logistics network of autonomous delivery drones to improve access and availability of routine and emergency medicine to health facilities; with services operating around the clock from three distribution centers equipped with 30 drones delivering to over 1,000 health facilities.
- ii. PMG-MAN: In pursuance of the State Governments objective in ensuring the supply of quality and affordable essential medicines to the citizens of the State, the PMG-MAN were engaged in a Public Private Partnership.

Some of the Impacts of PPPs in the Kaduna State health sector include:

- i. Increased focus and availability of health commodities.
- ii. Increase in the average order fill rate from 38.41% in September 2021 to 76.85% in January 2022.
- iii. Increase in on-shelf availability of essential medicines and lifesaving commodities.

3. Public-Private Partnerships for Efficient Drug Management: Yobe State Experience - Dr. Muhammad Lawan (Commissioner of Health, Yobe State)



The Honorable Commissioner stated that the Yobe State Drugs and Medical Consumables Management Agency (YODMA) leverages PPPs in the achievement of their mandate . YODMA is in partnership with:

- i. Africa Resource Center for Excellence in Supply Chain Management (ARC-ESM) – for improvement in supply chain performance through Bill and Melinda Gates Foundation.
- ii. Pharmaceuticals Manufacturers Group of Manufacturers Association of Nigeria (PMG-MAN) – for supply of high-quality and affordable medicines/health commodities.
- iii. Kaizen Institute – for continuous improvement initiatives
- iv. Lifebank Tech. and Logistics – for fleet management and provision of digitalized innovative solutions for last mile delivery of health commodities.

He also emphasized that:

- i. YODMA will establish a Drugs Distribution Centre through the collaboration with PMG-MAN for extended availability of health commodities in Yobe State and distribution to its environs.
- ii. YODMA will scaleup the third-party logistics (3PL) service and establish a Last Mile Distribution (LMD) business model to improve distribution capacity and provide delivery services to customers within and beyond Yobe State.

Remarks from African Resource Centre (ARC) and PMG-MAN: The Chief Executive of ARC, Azuka Okeke started off saying that the whole idea of brokering relationships and facilitating PPP did not start from ARC-ESM rather, it started from the Federal Ministry of Health under the basic Healthcare provisional fund mandate. She stated that there was already an existing policy framework and what ARC-ESM did was to move from policy to action by helping the government broker relationship between the states and the local manufacturers of pharmaceuticals to ensure access to quality and affordable medicine. She also acknowledged the Nigeria Governors' Forum for not just staying at policy level but moving into action.

Frank Muonemeh, the Executive Secretary of PMG-MAN mentioned that trust in most partnerships was critical to the success of PPPs in the health sector and praised the work being carried out by the NGF and the ICRC. He also commended Yobe State for taking the bull by the horn in trying this disruptive model which



if well adopted can change the landscape of manufacturing in the pharmaceutical sector and the availability of quality medicines across the country; guaranteeing sustained access to life saving products; creating jobs; increasing capacity; reducing the burden on foreign exchange and other amazing ripple effects. Fully confident in the PPP model as the future, he posited that NGF is better positioned to encourage States to adopt this disruptive, sustainable model to ensure quality medicines remain available to the citizenry.

Given that the PPP network gives opportunities for States to learn from each other, Dapo Oduwole (DG, PPP Ogun State) got insights from Kaduna State on PPP arrangements for the construction of a hospital including the type of concession as a similar project was being planned in Ogun State. Yobe State also shared some of their challenges experienced in formalizing and implementing the collaborations.

The Lagos State Honorable Commissioner of Health (HCH), Prof. Akin Abayomi congratulated his counterparts on the initiatives in their respective States. He iterated that Lagos State had realized the financial gaps in budget allocations vis-a-vis the needs of the health sector and the imperative for PPP to bridge the gap. Aspiring to do something similar in Lagos and not wanting to re-invent the wheel, he looked forward to learning more from Kaduna.

The Acting DG of ICRC Mike Ohiani assured that the ICRC remains partners in progress and looked forward to scaling up the discussions, focusing on low hanging fruits.

The meeting came to an end with the commitment to further engage the States on the possibilities of scaling up the use of PPPs in collaboration with PMG-MAN & ARC. State PPP heads were also encouraged to reach out to the Commissioners of Health to discuss and explore the use of PPPs in health.

The next steps include:

1. ICRC & NGF to look into deepening the functionality of the NPPPN as it relates specifically to the health sector.
2. Follow up with the HCHs for States interested in the collaboration with PMG-MAN & ARC. This will lead up to joint sessions of both the HCHs and the Heads of the PPP Agencies for the States.