

STATEMENT PREPARED FOR THE AUDA-NEPAD CEO

MRS. NARDOS BEKELE-THOMAS

ON THE

PRE-KIGALI HIGH-LEVEL HEALTH CONFERENCE

Under the theme:

***Strengthening Coordination and Accelerating
Implementation of ALM Declaration With a Focus on
Private Sector Engagement in Health and Health
Financing.***

24 NOVEMBER 2023

Ms Winnie Byanyima, Executive Director, UNAIDS,

**H.E. Dr Amani Asfour, President of the Africa
Business Council,**

**Prof. Julio Rakotonirina: Director for Health and
Humanitarian Affairs, African Union Commission and
AUC representatives present,**

***Our esteemed partners, Global Fund, UNAIDS, and
WHO,***

***RECS present here, SADC, EAC, WAHO, and
ECOWAS,***

Representatives of AU Member states,

Distinguished Ladies and Gentlemen,

it is my privilege to address this esteemed gathering of the Pre-Kigali High-Level Health Conference, which marks a significant milestone in our collective journey towards strengthening healthcare in Africa.

Our meeting today is a commitment to fortify coordination and accelerate the implementation of the African Leadership Meeting Declaration on "Investing in Health", which has provided us with a roadmap to advance the health agenda on the African continent. Crucially, the Declaration recognises the key role of the private sector in supporting governments' efforts to achieve Universal Health Coverage by strengthening and investing in health systems.

The declaration built on several initiatives the Africa Union has taken to increase private sector investment and engagement in health such as the adoption of the Pharmaceutical Manufacturing Plan for Africa (PMPA), the establishment of the Africa Medicines and Regulatory Harmonisation (AMRH) initiative, the setup of the African Medicines Agency, the start-up of the Africa vaccine manufacturing initiative, the adoption of the Third Industrial Development Decade for Africa (IDDA) and ratification and roll out of the Africa Continental Free Trade Area (ACFTA) aimed at opening accessibility to the African Market by private sector.

We come together today to reinforce our commitment to the Declaration and catalyse action. This means investing in health infrastructure, increasing private sector engagement in the health sector, strengthening health systems, and ensuring access to quality healthcare services for all. We must also address the social determinants of health, recognizing the interconnectedness of health with education, poverty, and gender equality.

Today, Africa faces an urgent health challenge. While the continent imports 95% of its drugs, it accounts for merely 3% of all medicine production globally. Additionally, it is estimated that Africa could be losing up to \$1 billion annually on overseas medical services. For example, Nigerians alone spend more than \$200 million yearly on medical tourism to India. Similarly, Kenyans spend about \$80 million annually to seek treatment for conditions such as cancer and brain tumors in India, underscoring the significant financial impact of such healthcare-related travel.

The private sector has a pivotal role to play in this endeavour. Their innovation, resources, and expertise can significantly

contribute to the achievement of our health goals. According to the IFC and World Bank, 60% of health care financing in Africa is attributed to private sources, with approximately 50% of the total health expenditure directed towards private providers. This underscores the critical role that the private sector and public-private partnerships plays in shaping the healthcare landscape across the continent. Investing in health is also a powerful statement of corporate social responsibility and offers a diversification of investment portfolios. Lastly, the COVID-19 pandemic has underlined the critical importance of resilient healthcare systems. It has shown us that investing in health is not just a business decision; it's a societal imperative.

I call upon the private sector to actively engage in the health sector, whether through investments in healthcare infrastructure, research and development, or public-private partnerships. Together, we can unlock new opportunities and drive sustainable impact.

AUDA-NEPAD, in consultation with Regional Economic Communities (RECs), development partners and private sector actors, has developed a **private sector engagement in health strategic framework** aimed at increasing private sector investment in health. The framework sets out to **strengthen governance, leadership, and accountability** to attract investment in health systems and better coordinate and improve private healthcare services; **identify opportunities and strategies** for private sector investment in health; **strengthen organisational and technical capacities** to engage with and attract private sector investment in health; and **support evidence-based private sector engagement** in health and improve efficiency and equitable healthcare delivery.

Health financing is at the heart of our ability to realize our health

objectives. Towards achieving this, AUDA-NEPAD, together with the Private Sector and RECs, has also spearheaded the establishment of Regional Health Financing Hubs, to serve as the nexus for rolling out key health financing reforms.

We must explore innovative financing mechanisms and leverage the strengths of both public and private sectors. Mobilizing domestic resources, exploring innovative financing models, and enhancing financial accountability will be instrumental in building resilient health systems that can withstand the challenges of the future.

By strengthening coordination, accelerating implementation, and engaging the private sector, we can pave the way for a healthier and more prosperous Africa.

I thank you all for your attention and look forward to the impactful discussions and collaborations that will undoubtedly emerge from this meeting. Together, let us chart a course towards a healthier and more resilient future for all.