

The private health sector in West Africa: A Six-Country Macro-Level Assessment

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This publication was produced for review by the United States Agency for International Development. It was prepared by Bettina Brunner, Andrew Carmona, Alphonse Kouakou, Ibrahima Dolo, Chloé Revuz, Thierry Uwamahoro, and Leslie Miles for the Strengthening Health Outcomes through the Private Sector (SHOPS) project. The views expressed in this material do not necessarily reflect the views of USAID or the United States government.



Executive Summary

Recognizing that the private health sector represents a key opportunity through which African countries can work to strengthen health indicators, in October 2013, the USAID West Africa Regional Health Office (WA/RHO), commisioned the Strengthening Health Outcomes through the Private Sector (SHOPS) project to carry out macro-level assessments of the private health sector in four ECOWAS countries—Burkina Faso, Côte d’Ivoire, Niger, and Togo—as well as Cameroon and Mauritania. To complement and strengthen WA/RHO’s 2012–2017 Family Planning Strategy and its 2012–2016 HIV and AIDS strategic plan, the objectives of the six-country assessment were set in the context of product and service delivery for FP as well as HIV and AIDS. Objectives included: 1) assessing the role of the private sector in the context of FP and HIV; 2) determining the legal and regulatory framework governing the private sector with regard to FP and HIV; 3) identifying key public-private partnerships and corporate social responsibility (CSR) opportunities to expand FP and HIV services; and 4) identifying local and international NGOs and commercial sector companies engaging in FP and HIV activities. Outcomes of the macro-assessments can be used by USAID West Africa’s FP and HIV implementing partners to shape future activities.

## Methodology

To achieve these objectives, the assessment team began by reviewing published and gray literature as well as available data from the most recent Demographic and Health Surveys, national health accounts, and international donor reports. Key stakeholder interviews with over 150 respondents were conducted during country visits between December 2013 and March 2014 to validate findings from the initial literature review, fill information gaps, and determine partnership opportunities. The assessment team then analyzed quantitative data and qualitative interview responses to synthesize key findings and draft recommendations. At a March 2014 meeting, USAID implementing partners validated these findings and recommendations and offered suggestions for revising the final report, which was completed in May 2014.

## key findings from the assessment

The results of the assessments provide real opportunities for private sector strengthening, especially in the areas of FP and HIV. The key findings by regional theme are listed below.

### *Health expenditures*

Out-of-pocket spending represents over 75 percent of private expenditures in all six countries. These data suggests that individuals do not have other ways to pay for health care costs, such as insurance, and therefore they make most of their payments for health care out of their own private funds. Since the public sector in each of the focus countries often provides services free of charge, these data also suggests that people may be sourcing some of their health care in the private health sector.

### *Scope of the private sector*

None of the focus country governments has an accurate picture of the scope of the private sector. Based on existing data, the private health sector appears much larger than anticipated. In Cameroon and Côte d’Ivoire, for example, private facilities represent 44 and 52 percent of all health facilities, respectively.

Within the private nonprofit sector in all six countries, IPPF and PSI affiliates are key stakeholders and are contracted by governments to provide FP and HIV services.

The informal sector is thriving in each of the six countries, but limited data are available beyond anecdotes. Lax regulations and difficult business procedures make it easy for unlicensed health businesses to flourish.

### *Enabling environment for private health practice*

Regulation of the private health sector is weak. The six countries share the following regulatory characteristics: poor enforcement of laws regarding non-compliant private health facilities; lack of incentives to develop private health facilities in rural areas; outdated, inadequate, and poorly enforced inspection standards; and poor private sector reporting, including disease surveillance.

Private sector involvement in the national health strategy is weak, mostly due to lack of communication and agencies’ lack of knowledge of the private sector. The six countries show varying levels of distrust between the public and private sectors, with Mauritania exhibiting the most distrust and Burkina Faso exhibiting the least.

Where forums for public-private interaction exist, they do not meet regularly and may not include the private for-profit health sector. Two exceptions are Burkina Faso and Côte d’Ivoire. Burkina Faso, with support from the World Bank Group, is developing a forum that includes the private health sector, though it is still at an early stage. In Côte d’Ivoire, with support from USAID/Côte d’Ivoire, SHOPS is working with public and private stakeholders to amend a government decree to allow for a more representative forum.

It is difficult to establish and operate a health business in the region. The six focus countries are at the bottom of the World Bank’s Ease of Doing Business Report.

### *FP and HIV service provision*

The private sector varies as a major source for obtaining family planning methods, ranging from just 5.4 percent of Nigeriens to over 50 percent of people in Cameroon, Côte d’Ivoire, and Togo.

Private provision of HIV and AIDS services vary by country, by type of services, and by private provider category, but in general the for-profit sector is marginally involved. Mauritania and Niger have no registered private sector sites offering ART, while in Burkina Faso and Côte d’Ivoire the totals are in the single digits or low teens. The private nonprofit sector is much more involved in treatment, comprising 45 percent of all ART treatment in Togo and maintaining 65 sites in Côte d’Ivoire.

Free or subsidized provision of many FP and HIV products limit the private sector’s incentive to provide these products. In all six countries, HIV products are free. In Mauritania and Niger, there is also free provision of FP products, while in Burkina Faso, Côte d’Ivoire, and Togo, these commodities are provided on a cost-recovery basis. In Cameroon, FP products are subsidized.

Governments in all six countries tend to contract out for HIV services—and in some cases FP services—with local and international NGOs, who in turn contract with community-based organizations. This is the case, for example, in Burkina Faso, Côte d’Ivoire, Niger, and Togo.

Private providers in all six countries expressed an interest in expanding the provision of FP and HIV services, provided that a clear regulatory environment exists that legally allows them to charge a fair price for their work.

### *Corporate social responsibility*

In general, CSR is not well developed in the region. CSR initiatives exist mostly among the oil and mining companies, as well as large-scale agricultural and brewery conglomerates. These activities focus more on HIV than FP. Côte d’Ivoire is considered to be the most advanced in terms of CSR in the region.

Each of the six countries has organizations and business coalitions that can help USAID navigate the CSR landscape and connect with companies interested in health partnerships. For example, *Coalition Nigérienne des Entreprises du Secteur Privé contre le SIDA*, *la Tuberculose et le Paludisme,* and *Coalition des Entreprises de Côte d’Ivoire contre le SIDA* have multinational and donor members.

### *Partnerships*

In general, the region has a low number of public-private partnerships (PPPs) when compared to other areas such as East Africa. Among the six countries in this report, most PPPs are focused on service contracts with NGOs tied to community-based distribution of HIV and FP products and services. For example, in Burkina Faso, local NGOs (including BURCASO and URCB) have partnerships with the Ministry of Health to provide HIV and FP services in specific regions.

Across the region, legislation regarding PPPs is incomplete, and no country has significant health-specific PPP activity. While a few countries have PPP policies (Burkina Faso, Cameroon, Côte d’Ivoire), there are no private health sector policies or operational PPP Units in health. Côte d’Ivoire has a health focal point for PPPs, but has not moved forward with any health projects.

## Recommendations

Based on these key findings, the assessment team has put forth regional and country-specific recommendations outlined below.

## *Regional Recommendations*

### Improve the public-private landscape across the region through collaboration with WAHO as catalyst, convener, and connector.

In collaboration with the West African Health Organization (WAHO) and with guidance from representatives of the East Africa Healthcare Federation, develop a regional private sector allicance in West Africa that can advocate for private sector issues to governments. WAHO could work with this newly formed West African private sector alliance to develop standards across the region for private sector engagement, reporting, and disease surveillance.

In response to the changing donor environment, WAHO can take the lead in assisting countries with resource mobilization strategies to fill the funding gap for FP and HIV products and services. By coordinating resource mobilization strategies, WAHO can encourage regional synergies. With WAHO’s leadership and convening power, it would be useful to develop private health sector strategies in each focus country to increase the private sector’s role in health care delivery.

WAHO could also help fill the knowledge gap about the scale and scope of unregulated informal providers. Ministry of health representatives interviewed in each country were eager to document both unauthorized health facilities and illegal drug sellers.

Since WAHO is a key stakeholder in FP, HIV and AIDS, it would be useful to present the findings of this report and the companion report on mHealth to WAHO as part of a one-day meeting.

### Develop a total market approach to FP through contraceptive security committees.

WAHO’s current collaboration with KfW on contraceptive procurement includes a component related to the total market approach, yet government stakeholders interviewed had little understanding of TMA or desire to pursue it. USAID projects would do well to work with countries on market segmentation activities, which will also require capacity building of the public sector.

USAID West Africa projects can work to ensure that the private for-profit health sector is included in contraceptive security committees in each country. Of the six countries, only Niger currently includes the private for-profit health sector in its contraceptive security committee. SHOPS has found in other countries that this committee can be a catalytic vehicle for public private collaboration.

The Ouagadougou Partnership, launched in 2011 at the Regional Conference on Population, Development and Family Planning, consists of nine Francophone country governments in West Africa that are committed to reaching at least one million new users of family planning methods by 2015. Focus countries of this report have each developed strategies to re-launch family planning. Building on the momentum of the Ouagadougou Partnership, USAID West Africa projects can work with contraceptive security committees to conduct a market segmentation exercise and develop a total market approach in each country. WAHO’s role can be regional coordination of total market approach efforts in West Africa.

### Increase CSR opportunities within countries and regionally.

The CSR landscape has changed, and multinationals are more selective and less willing to engage in CSR activities unrelated to their core business function. Reach companies through CSR associations and business councils in each country, such as the *Coalition des Entreprises de Côte d’Ivoire contre le SIDA*, which helps pre-select companies interested in partnerships in HIV and FP.

### Develop and document PPPs within West Africa.

While mining companies in the region are smaller than in other parts of Africa, they offer the best opportunity for PPPs in health among multinationals present in the region. Based on their geographic distribution and interest in health, IAMGOLD and Vale are possible partnership candidates. HANSHEP’s Mining Health Initiative offers useful guidance for developing community health programs with mining companies. Since none of its case study examples are in West Africa, it would be useful to conduct research to better understand the role mining companies play in FP and HIV in the region.

## *Country-Specific Recommendations*

In addition to regional recommendations that WAHO and USAID West Africa projects can undertake, there are country-specific recommendations to help guide future FP and HIV and AIDS activities in the six focus countries.

### BURKINA FASO

**Improve policies and regulations regarding the private health sector.**

Despite reforms enacted by the government of Burkina Faso to enhance private participation in the health sector, more efforts are needed to remove the constraints that hamper its growth. It would be useful to work with the World Bank Group to improve the legal and regulatory environment, launch a private health sector federation, and improve enforcement of unlicensed clinics.

**Modify restrictions that impede growth of the private health sector.**

Private sector stakeholders expressed frustration that the health sector has to pay more tax than the education sector. Work is needed to streamline import regulations and value-added tax exemptions. USAID West Africa projects can design incentives for private providers to serve peri-urban areas with low access to health products and services to improve FP and HIV health outcomes.

**Increase the role of FBOs in provision of HIV services to most-at-risk populations.**

In Burkina Faso, FBOs have strong relationships with the Ministry of Health, but there is room for an increase in their role for key populations. *Union des Religieux et Coutumiers du Burkina pour la Promotion de la Santé et du Développement* has existing contracts for HIV provision and could add additional activities for most-at-risk populations, such as safe sex messages and development of tailored counseling activities.

### CAMEROON

**Ensure greater access to FP services and products.**

Cameroon’s access to FP services is concentrated in urban areas. To increase the coverage of these services in rural areas, USAID West Africa implementing partners can work with the Ministry of Health to supply FP products through community pharmacies. Currently, only child health products are provided through community pharmacies.

**Encourage private providers to deliver HIV treatment.**

Cameroon’s private sector is poorly represented in the provision HIV treatment. USAID implementing partners can work with the government of Cameroon to develop tax incentives and an enabling environment to encourage private providers to deliver HIV treatment.

**Work with the private sector to improve health outcomes.**

Existing donor-funded activities would benefit from expansion of scale. For example, USAID implementing partners can provide technical assistance to *Association Camerounaise pour le Marketing Social* to add HIV services to the ProFam family planning network in Bafousam, Douala, and Yaoundé.

**Develop a PPP with a mining or agribusiness company.**

Cameroon has a strong mining sector, with multinational companies that have existing health activities. USAID implementing partners can partner with mining companies and the Cameroon Business Coalition against AIDS for prevention and education campaigns.

### Côte d’Ivoire

**Strengthen policies to bolster private sector participation in FP and HIV service delivery.**

The country’s Reproductive Health Law, written five years ago, has yet to be signed into law. It would be useful to work with *Commission Paritaire*, an emerging public-private forum, to revise this law to include the private health sector in conjunction with the USAID-funded, Futures Group-led Health Policy Project.

**Work with the private sector to promote and strengthen PPPs and CSR activities.**

USAID West Africa implementing partners can work with the Africa Center for Information and Development to provide HIV and FP services in mining companies such as Newmont Overseas Exploration and Occidental Gold.

Another opportunity for USAID West Africa implementing partners is to work with *Association des Cliniques Privées de Côte d’Ivoire* to integrate FP services into the SHOPS-sponsored pilot network of private HIV service providers. Large agribusiness companies in southern and southwestern Côte d’Ivoire such as *Société des Caoutchoucs de Grand-Béréby* serve as potential partners for a health PPP.

### MAURITANIA

**Promote an enabling environment for the private sector at the national level and through PPPs.**

Mauritania’s policy documents have limited mention of the private health sector, particularly for HIV and FP. Implementing partners can increase the role of the private sector in strategic documents such as the national health development plan (*Plan National de Developpement Sanitaire*). Implementing partners can also advocate with the government to prioritize PPPs to deliver FP and HIV services in conjunction with the Plan to Reposition FP 2014–2018.

**Promote public sector strengthening of reproductive health/FP rights and access**

USAID West Africa implementing partners can advocate for quick adoption of the Reproductive Health Law and also promote access to quality FP services for remote populations through community-based distribution, in partnership with the Association Mauritanienne de Planning Familiale.

### NIGER

**Invest in community-based FP and HIV activities through partnerships with local NGOs**

USAID West Africa implementing partners can support community-based FP extension services through partnerships with ANBEF and ANIMAS SUTURA. Community-based outreach is essential in Niger, where only 49 percent of the population has health coverage. These outreach services must focus FP messaging on girls and couples. An additional focus must be on antenatal care visits for pregnant women. Focus on areas outside of Niamey, especially Maradie and Zinder; located along the border with Nigeria, these two regions have the highest unmet FP need. Support ANIMAS SUTURA mobile health vehicles for FP outreach services.

Opportunities exist to work through community radio stations to disseminate FP messages aimed directly at men. More than television or newspaper, community radio appears to be the medium of choice for receiving information, especially among rural Nigeriens. Messaging must be aimed primarily at men, as they hold power in traditional Nigerien culture. USAID can partner with ANIMAS SUTURA to support the 70 radio stations they work with.

While Niger has a relatively low prevalence of HIV, sex worker populations are the most vulnerable, with rates as high as 35 percent. USAID West Africa implementing partners can partner with the Nigerien chapter of Society for Women and AIDS in Africa to support preventive HIV services for sex worker populations, including promotion of female condom use.

**Engage the private commercial sector in improving health outcomes.**

USAID West Africa can support *Coalition Nationale des Entreprises de Lutte Contre le SIDA, la Tuberculose et le Paludisme* (CNEP-STP) as a coordinating mechanism for the private commercial sector. The organization has an energetic and ambitious director with a clear vision to work as a coordinating base for large enterprises in Niger to improve health outcomes. Work through CNEP-STP to strengthen workplace health programs.

Another opportunity to engage the private commercial sector is to work through Asusu’s women’s groups to disseminate FP messages at the community level. Asusu microfinance institution lends microcredit to a network of more than 20,000 women’s groups. USAID can use this network to incorporate FP messaging at regular meetings of the women’s groups.

### TOGO

**Improve private sector reporting.**

There is a need to train private sector facilities on reporting and monitoring and evaluation. Training opportunities (for NGOs and private providers) should be openly advertised through existing HIV and FP forums, such as *Plateforme des Organisations de la Société Civile contre le VIH/SIDA* and *Fédération nationale des ONG/Associations* *de lutte contre le VIH/SIDA/IST* *et de planification familiale*).

**Invest in community-based FP and HIV activities through partnerships with local NGOs.**

Community-based activities are well-established in Togo, and USAID West Africa implementing partners can expand existing partnerships with community health workers and local health authorities based on the AWARE II model developed with the NGO Adesco in three districts. Local NGOs such as *Espoir Vie Togo* and *Aides Médicales et Charité* are well-positioned to partner on these activities.

**Develop partnerships between the corporate and NGO sectors for the provision of HIV and FP services.**

The International Labor Organization model for HIV prevention in the workplace could be implemented in Cameroon in partnership with the Association of Employers and the Chamber of Commerce. The corporate sector could contract with NGOs for the provision of outreach programs that include FP and HIV.