

BACKGROUND ON GHANA'S HEALTH SECTOR

Ghana's healthcare sector is one of the most advanced in West Africa and the government is actively making progress towards fulfilling its ambition of being the Economic Communities of West African States (ECOWAS)' hub for pharmaceutical and healthcare investment.

Ghana's healthcare sector is typified by a public sector that tries to serve the majority of the population through several initiatives to widen access to healthcare, including the subsidized National Health Insurance Scheme (NHIS), and a growing private sector that serves 40 percent of healthcare needs. Private participation in healthcare delivery has seen a sharp increase and steady growth over the past few years due to the government's encouragement.

With over 1800 public hospitals as at 2017, there were approximately 1,300 private clinics and 200 healthcare centers set up by non-governmental or religious groups which play an important role in providing the population with much-needed medical care and assistance. There were about 30 registered specialist facilities out of the lot; a segment which requires immediate and dramatic attention.

Though considered one of the best in West Africa, the healthcare sector still lacks in terms of quality of care & facilities, and affordability. On average, most parts of rural Ghana are poorly served from the point of view of medical facilities which explains the persistent self-medication practices. As such, the sector evidently needs to grow qualitatively and at a faster rate in terms of infrastructure.

The government spent GH¢4.2 billion (USD876mn) on the Health sector in 2017, with GH¢56million on capital expenditure. For 2018, a total amount of GHS4.4bn (USD913mn) was allocated towards the healthcare sector in the state budget, highlighting its commitment to increasing investments into the sector. Of this allocation, GH¢63million goes to capital expenditure, while an estimated amount of 400 million cedis is expected from Donor Partner funds to support infrastructure projects and improvements in healthcare services.

MAIN ACTORS

The health care system is overseen by two (2) main agencies. The Ministry of Health (MoH) is responsible for policy-making as well as evaluation and monitoring, while the Ghana Health Service (GHS) is charged with implementing and administering health services across the country.

The major Healthcare service providers are

- Ghana Health Service (GHS) – responsible for Primary and Secondary Healthcare delivery.
- Teaching Hospitals – responsible for tertiary care delivery
- Religious or Faith-Based Healthcare Providers
- National Ambulance Service.
- National Blood Service
- Private Sector (Pharmaceutical Industry, Hospitals, Clinics, etc)
- The major Health Service regulators are Ghana Medical & Dental Council, Food and Drugs Authority (FDA), Ghana Standards Authority (GSA), Pharmacy Council, Nursing and Midwifery Council, Health Facilities Regulatory Authority (HEFRA), Allied Health Professional Council, Traditional Medicine Practice Council, Mental Health Authority, National Health Insurance Authority (NHIA), Private Health Insurance Schemes.

TRENDS

- Ghana is a relatively attractive market for pharmaceutical investment in West Africa.
- Government investment in healthcare projects and pharmaceuticals is expected to increase once oil revenues are generated, although budget plans remain unclear.
- The government, in association with foreign aid agencies, is upgrading local capacity.
- The government of Ghana is promoting Public Private Partnership interventions in the areas of Healthcare Infrastructure, Management Contracting (outsourcing) for Healthcare Delivery, Equipment Leasing, Outsourcing of Diagnostic Services, Outsourcing of non-core healthcare service delivery (Catering Services, Laundry, CCSD Services, Car Parking, and others).

MAIN OPPORTUNITIES

Though Government's investment into healthcare systems and its interest in developing a local pharmaceutical sector increases, the local health sector still relies totally on imports of medical devices for their operations. Most health centres invest in diagnostic and laboratory services in-house to cater for their patients, there is always over-demand for these services. This has made private laboratory services and diagnostic services a growing venture in Ghana.

Most medical equipment and devices (such as Theatre & Dental Unit Steam Sterilizers, Theatre couch, Patient monitors, Obstetrics couch, Suction Machine, BP Monitor, Water bath, Blood Warmer, ECG Machine, Ultrasound machine, Theatre lamp, Anesthesia Machine, Ventilator, Radiant Warmer, Phototherapy Lamp, Washing Machine, and Power drills_ are imported from US, Europe and Asia with global brands such as Aesculap/ B.Braun, Boule, Maquet, Sonosite Fujifilm, Getinge, GE, Philips, Mindray, Hitachi, Siemens, etc

There are endless opportunities and possibilities for new businesses and investments to capitalize on with an obvious low risk and high return. The rapid drive towards improved diagnostic capability, and high demand for laboratory analyzers and medical imaging devices such as improved X-ray devices and ultrasound equipment. The biggest drive towards this demand is the fact that Government is investing in this area in order to improve the diagnostic capability of the country. The Ministry of Health (MOH) is the largest buyer of medical equipment in Ghana and private hospitals follow closely. However, there seems to be an increase of stand-alone laboratories and ultrasound facilities springing up in the cities and towns. Lucrative growth is also being experienced in the medical devices industry.

LEGAL RULES TO FOLLOW

- Generally, a company must obtain an import license from the Food and Drugs Board in Ghana before importing any drugs or medical equipment into the country. Before a company imports drugs or medical equipment for commercial purposes, it must first import samples into the country for the purposes of complying with the prior registration requirement. Once registration has been obtained, the company can then go through the process of obtaining an import license to import the products in commercial quantities.
- The importation of medical devices is governed by the Food and Drug Law, 1992 (PNDCL 305B) as amended by the Food and Drug Act, 1996 (Act 523) and the Food and Drugs Board Guidelines.
- In Ghana, only corporate bodies duly registered and licensed to commence business under the laws of Ghana are permitted to import drugs and medical devices for commercial purposes. However, registered medical practitioners and veterinarians may also be allowed to import drugs and medical devices for use in their professional practice.
- Under the rules, all products imported must have at least 60% of its shelf-life remaining on arrival at a port in Ghana. However, with respect to products with a shelf life of 24 months, the product must have at least 80% of its shelf-life remaining by the time it arrives at a port in Ghana.
- Companies applying for an import license must complete the appropriate forms and submit all required documents in triplicates to the regulatory agency. Usually, after the license fee has been paid, the processing time ranges from 8 to 10 working days. Once granted, the import permit shall be valid for one year from the date of issue and shall be renewed on a yearly basis.
- The above notwithstanding, any statute governing importation procedures generally, shall apply to drugs and medical devices too. Thus, companies must also take steps to comply with the Export and Import Act, 1995 (ACT 503) and the Export and Import (Amendment) Act, 2000 (Act 585).

(http://www.fdaghana.gov.gh/index.php?option=com_content&view=article&id=28&Itemid=37, <http://www.pmaghana.org/contacts.htm> for more information)

RELEVANCE FOR ISRAELI COMPANIES.

For now, the public sector relies greatly on donor support to afford equipment and devices, while the private sector exhibits a preference for refurbished equipment. But the bottom line remains access to funding and favorable payment terms.

Most public and private hospitals and medical facilities are more open to business partnerships which will give them favorable terms in investing in new equipment and devices. Most of the established brands deal through agents and local biomedical companies which require strict payments on purchases. Israeli companies can explore purchase models which can ease the funding challenges of local healthcare providers.

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