CONCEPT NOTE

Ministerial Session: Financing Health Futures: Unlocking Investment for Africa's Growth

Africa stands at a pivotal moment in its development journey. With a youthful population, the continent has the potential to harness a "demographic dividend"-accelerated economic growth that arises when a large working-age population is healthy, educated, and productive. Unlocking this opportunity, however, is not automatic. It requires deliberate and sustained policy action, with strong investments in health and education at the core.

Despite this, healthcare financing on the continent is under immense strain. Achieving Universal Health Coverage (UHC) and meeting the targets of Sustainable Development Goal 3 (SDG 3) demand substantial and predictable resources.

70% projected fall of **Official Development Assistance (ODA)** to Africa's health sector

USD 81 billion projected external debt obligations by 2025 [1]

95% Reliance on external aid by the African health sector on:

- vaccines
- medicines
- diagnostics

The consequences are already visible. In 2024, Africa experienced a 41% increase in public health emergencies, including recurrent outbreaks of Mpox, Ebola, Cholera, Measles, and Marburg, all unfolding against a backdrop of climate shocks and humanitarian crises. [1] At the same time, non-communicable diseases (NCDs) are rising sharply, currently responsible for around 37% of deaths across Sub-Saharan Africa, rising from 24% in 2000, escalating treatment costs and placing further pressure on overstretched systems. [3]

Despite these challenges, public investment in health remains low. The Abuja Declaration committed African governments to allocate at least 15% of national budgets to health, but only a few countries such as Rwanda, Botswana, and Cabo Verde have consistently met this target. Most African Union (AU) member states allocate well below 10%, with some as little as 5–7%. [1]

This chronic underinvestment, coupled with declining donor aid, makes it urgent for African countries to rethink health financing and adopt sustainable, domestically driven solutions. Strengthening domestic resource mobilization, diversifying revenue streams, and creating enabling environments that attract private investment will be critical. Equally important are strong accountability mechanisms, effective governance, and the use of technology to ensure that every health dollar delivers maximum impact.

Session Objectives

This session will convene Ministries of Health and Finance, National Health Insurance Agencies and Development Finance Institutions to:

- ***Ministries of Health:***
  - Identify actionable pathways to strengthen and diversify health financing mechanisms.
  - Share challenges arising from reductions in ODA and highlight mitigation strategies being implemented to address these gaps.
  - Highlight how stronger governance, adoption of technology, and enhanced cross-country collaboration can accelerate progress toward sustainable and resilient health systems.
- ***Ministries of Finance:***
  - Share fiscal policy approaches that can increase domestic allocations to health.
  - Identify strategies to de-risk health investments and attract greater private and foreign capital into the sector.
- ***Development Partners:***
  - Present innovative financing models and catalytic strategies to support governments in shifting toward sustainable health financing.
  - Emphasize the role of private sector partnerships in complementing public efforts and scaling impact.

Expected Outcomes

- Deepen understanding of cross-ministerial collaboration between Ministries of Health and Finance to expand domestic funding for health, strengthen revenue mobilization, and enhance the efficiency and impact of existing budgets.
- Clarify the role of private sector and other partners in shaping financing strategies from the outset, ensuring their contributions are aligned with national priorities and integrated into long-term planning.
- Promote opportunities for transformative partnerships that shift the continent from a donor-dependent model to one of ownership anchored in sustainable, collaborative approaches between public and private sectors.
- Advance governance and accountability frameworks while establishing a regional roadmap for collaboration that enables governments to adapt, replicate, and scale proven health financing models across Africa.

References

[1] Africa Centres for Disease Control and Prevention, "Africa's Health Financing in a New Era," Africa CDC, Addis Ababa, 2025.

[2] C. f. S. &. I. Studies, "Bridging Africa's Health Financing Crisis," June 2025. [Online]. Available: https://www.csis.org/podcasts/africa/bridging-africas-health-financing-crisis. [Accessed August 2025].

[3] World Health Organization , "Deaths from noncommunicable diseases on the rise in Africa," 2022. [Online]. Available: https://www.afro.who.int/news/deaths-noncommunicable-diseases-rise-africa. [Accessed August 2025].