



Health and Pharmaceutical Sector Round-Up for 2024 and Forecast for 2025

A Comprehensive Dive Into Market-defining
Developments and 2025 Outlook.

Stren & Blan Partners

3 Theophilus Orji Street, Off Fola Osibo
Street, Lekki Phase 1, Lagos, Nigeria.

contact@strenandblan.com
www.strenandblan.com

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Introduction

In 2024, Nigeria's health and pharmaceutical sector witnessed significant transformations, driven by key market developments and efforts to strengthen the domestic pharmaceutical industry. One of the most impactful changes was the introduction of a new framework designed to boost local pharmaceutical production and improve access to affordable medicines. This initiative provided incentives for domestic drug manufacturers, established quality control standards, and streamlined regulatory processes, ultimately promoting a more efficient and sustainable pharmaceutical industry.

The decentralization of governance also gained momentum, with states being empowered to develop their own pharmaceutical initiatives, fostering innovation in drug production and healthcare service delivery. Lagos State, for example, is actively exploring ways to build a state-controlled pharmaceutical supply chain and enhance local manufacturing capabilities. The success of these initiatives will depend on effective implementation at both the state and federal levels.

Furthermore, the pharmaceutical sector witnessed a significant shift toward local manufacturing, driven by collaborations like those between international health organizations and private sector partners, which aimed to strengthen Nigeria's pharmaceutical infrastructure. These efforts have contributed to reducing the country's reliance on imported medicines and improving the sustainability of the healthcare system.

The private sector also played a crucial role, with increased investments in healthcare startups, hospitals, and pharmaceutical companies, supported by both local and international investors. This surge in investment is expected to improve healthcare access, particularly in underserved areas, and drive innovation in healthcare delivery.

This review highlights the key developments that shaped Nigeria's health and pharmaceutical sector in 2024 and offers insights into emerging trends and expectations for 2025.

Key Developments in 2024 Within Nigeria's Health And Pharmaceutical Sector

Lagos Seeks \$26 Million to Establish Advanced Cancer and Diagnostic Institute

In a key development in the third quarter of 2024, the Lagos State government announced plans to establish a comprehensive cancer and diagnostic institute aimed at providing advanced healthcare services and improving cancer care across the state. The proposed \$46 million project will feature state-of-the-art diagnostic facilities and a robust laboratory system, designed to serve all levels of the healthcare system in Lagos, from primary to tertiary care.

The state government has already secured \$20 million through private-sector partnerships but is now seeking an additional \$26 million to fully fund the project. To bridge this funding gap, Lagos is open to financing options including debt, grants, equity, and angel investments.

The initiative is a response to the growing demand for oncology services in Lagos, as well as the broader need for specialized diagnostic and treatment capabilities.

The goal of the Institute is to create an integrated healthcare cluster, where a network of equipment manufacturers and healthcare providers can deliver services across Lagos' medical facilities. The establishment of the Institute is part of the Lagos government's broader strategy to enhance healthcare infrastructure, improve the quality of cancer care, and ensure equitable access to life-saving treatments for residents.

Key Developments in 2024 Within Nigeria's Health And Pharmaceutical Sector

NAFDAC Develops 5-Year Traceability Plan to Strengthen Pharmaceutical Supply Chain

In a significant move to safeguard public health and ensure the safety of pharmaceutical products in Nigeria, the National Food and Drug Administration and Control (NAFDAC) has unveiled a comprehensive 5-Year Traceability Implementation Plan. This initiative aims to enhance the visibility, security, and integrity of the pharmaceutical supply chain, addressing the growing concerns around substandard and falsified medicines. The plan aligns with Nigeria's National Traceability Strategy Policy and the broader "Africa Strategy for Pharmaceutical Traceability."

Key objectives of the plan include:

1. Preventing the production and circulation of counterfeit medicines.

2. Ensuring the authenticity of health products across the supply chain.

3. Improving patient safety by ensuring only genuine medicines reach consumers.

4. Enhancing the efficiency of the pharmaceutical supply chain.

5. Supporting regulatory compliance and enforcement efforts.

The overall goal of this strategic plan is to establish an operational traceability system by the end of 2024, positioning Nigeria as a leader in pharmaceutical traceability in Africa. By improving the quality and safety of pharmaceutical products, NAFDAC aims to protect Nigerian consumers and strengthen the nation's role in global efforts to combat counterfeit medicines.

Key Developments in 2024 Within Nigeria's Health And Pharmaceutical Sector

USAID and Swiss Pharma (Swipha) Achieve Milestone in Pharmaceutical Standards in Nigeria and West Africa

In a major advancement for the pharmaceutical sector in Nigeria and West Africa, the U.S. Agency for International Development (USAID), in collaboration with Swiss Pharma (Swipha), has achieved a landmark milestone that will significantly impact public health. Through a partnership that provided technical assistance, USAID has supported Swipha in becoming the first pharmaceutical company in Nigeria and West Africa to receive World Health Organization's (WHO) prequalification for two vital medicines.

Swipha's newly certified paediatric Zinc Sulphate is essential in reducing the severity and duration of severe diarrhea in children, while its Sulfadoxine-pyrimethamine tablets are crucial for preventing malaria during pregnancy. This recognition is not only a testament to the quality of Swipha's products but also highlights the company's commitment to global health standards.

Additionally, with USAID's support, Swipha has become the first pharmaceutical company in the region to meet WHO's Good Manufacturing Practice (GMP) standards. This certification attests to the safety, quality, and efficiency of Swipha's manufacturing processes and products.

With WHO prequalification, Swipha is now positioned to supply these essential medicines to governments, international organizations, and health providers worldwide. This achievement is expected to improve maternal and child health across Nigeria, the wider West African region, and beyond, contributing significantly to global efforts in combating diarrhoea and malaria.

Key Developments in 2024 Within Nigeria's Health And Pharmaceutical Sector

WHO Secures \$1.7 Billion in First Investment Round

In a landmark achievement for global health, the World Health Organization (WHO) successfully secured \$1.7 billion in pledges during its inaugural Investment Round, as announced by WHO Director-General Dr. Tedros Adhanom Ghebreyesus. This funding is a key component of WHO's broader strategy to safeguard global health, with the ambitious goal of saving 40 million lives over the next four years.

The pledges, which came from 70 donors, including 39 first-time contributors and 21 middle-income countries, reflect widespread international trust and support for WHO's health initiatives. The funds will be directed towards critical health initiatives, including expanding vaccine delivery to priority countries, improving health services in humanitarian settings, and enhancing the education and employment of healthcare workers.

For Nigeria, this significant funding round presents an opportunity for local healthcare providers and pharmaceutical companies to leverage the momentum generated by this global initiative. By advocating for increased investment and support from both domestic and international donors, Nigeria can bolster its healthcare infrastructure and further align with WHO's global health objectives.

Key Developments in 2024 Within Nigeria's Health And Pharmaceutical Sector

WHO Partners with TikTok to Combat Health Misinformation on Social Media

In a significant move to tackle the rising challenge of health misinformation, the World Health Organization (WHO) has partnered with TikTok to deliver science-based health information to a global audience. This collaboration is designed to enhance health literacy, encourage healthy behaviors, and provide reliable, evidence-based health information to millions of social media users.

The partnership is a crucial step for both the health and pharmaceutical sectors, as misinformation on social media platforms has become a major threat to public health. False or misleading health information can promote harmful behaviors and undermine critical public health initiatives. By ensuring that accurate, accessible health information is readily available, this

collaboration aims to reduce the spread of misinformation and foster better health outcomes worldwide.

For the pharmaceutical industry, this initiative offers an important opportunity to build trust with the public. Pharmaceutical companies can collaborate with WHO and TikTok to share accurate information about their products, clinical trials, and health programs, ensuring that consumers receive reliable, up-to-date information. This partnership not only promotes transparency but also aligns with broader efforts to safeguard public health in the digital age.

Key Developments in 2024 Within Nigeria's Health And Pharmaceutical Sector

Fidson Healthcare Partners with Chinese Firms to Tackle Nigeria's Medical Challenges

In a strategic move to address critical healthcare challenges in Nigeria, Fidson Healthcare Plc has entered into a partnership with three prominent Chinese companies: Jiangsu Aidea Pharma, Nanjing PharmaBlock, and the China-Africa Development Fund. This collaboration focuses on improving the country's response to medical issues, particularly in the area of HIV treatment.

This partnership is expected to have a transformative impact on Nigeria's pharmaceutical industry. By enhancing local production capabilities, it will reduce reliance on imported medications, thus lowering costs and improving access to essential treatments for patients.

Moreover, the collaboration positions Nigeria to strengthen its foothold in the West African pharmaceutical market. It holds the potential to transform the country into a regional hub for drug manufacturing and distribution, expanding its influence and capacity to meet the growing healthcare needs of the sub-region.

What Should Stakeholders Expect In 2025?

The health and pharmaceutical sector in Nigeria is poised for significant transformation in 2025, driven by key developments and increased focus on local production, regulation, and healthcare accessibility. Stakeholders can expect the following trends:

1

Increase in Local Pharmaceutical Production

With rising investments in local pharmaceutical manufacturing, Nigeria is set to become more self-sufficient in producing essential drugs. In 2025, local production of critical medicines such as antiretrovirals, insulin, and vaccines will continue to grow, addressing the country's dependence on imports and reducing healthcare costs. The approval of manufacturing licenses for pharmaceutical companies and new biopharmaceutical research hubs will bolster the local supply of both essential and specialized medicines, improving drug availability and affordability.

2

Stronger Regulatory Oversight and Quality Control

As the pharmaceutical sector continues to grow, regulatory bodies such as NAFDAC and Pharmaceutical Council of Nigeria (PCN) are expected to enforce stricter quality control standards. In 2025, stakeholders should anticipate increased scrutiny on drug safety, manufacturing practices, and the fight against counterfeit medicines. NAFDAC's role will be crucial in ensuring the safety, efficacy, and quality of pharmaceutical products in the market, fostering trust and encouraging further local and international investments in the sector.

What Should Stakeholders Expect In 2025?

The health and pharmaceutical sector in Nigeria is poised for significant transformation in 2025, driven by key developments and increased focus on local production, regulation, and healthcare accessibility. Stakeholders can expect the following trends:

3

Increased Investment in Health Infrastructure

With a continued emphasis on improving healthcare facilities and access, particularly in underserved areas, stakeholders should expect increased investment in healthcare infrastructure in 2025. This will include the expansion and upgrade of both primary and tertiary healthcare facilities, as well as the construction of specialized medical centers for cancer treatment, dialysis, and other critical services. These improvements are expected to boost healthcare delivery standards, reduce medical tourism, and ease the burden on Nigeria's overburdened health system.

4

Strengthened Public-Private Partnerships

There will be an increased focus on public-private partnerships (PPPs) in the health sector. In 2025, these collaborations will continue to play a key role in expanding healthcare access, improving infrastructure, and increasing investments in health research. Pharmaceutical companies, particularly those involved in local manufacturing and vaccine production, will likely enter into new partnerships with the government and international organizations to advance Nigeria's health agenda. Additionally, private investors are expected to be more involved in building medical facilities, producing affordable medicines, and funding public health campaigns.

Conclusion

The year 2024 marked a period of notable progress and transformation for Nigeria's health and pharmaceutical sector. Key initiatives such as the expansion of local pharmaceutical manufacturing, the increasing focus on healthcare infrastructure, and the growth of digital health solutions paved way for more accessible, affordable, and quality healthcare across the country.

Looking ahead to 2025, the health and pharmaceutical sector in Nigeria is poised for further growth, with increased local production, enhanced regulatory oversight, and greater private-sector involvement.

With a focus on expanding access to healthcare, boosting innovation in medical research, and improving health outcomes, the sector is set for a transformative year. Stakeholders can expect a more resilient, inclusive, and sustainable healthcare system, contributing to Nigeria's broader vision of achieving universal health coverage and advancing public health standards.

About Stren & Blan Partners

Stren & Blan Partners is an innovative and dynamic Law Firm with a compelling blend of experienced lawyers and energetic talents. We are focused on providing solutions to our client's business problems and adding value to their businesses and commercial endeavours. This underpins our ethos as everything we do flows from these underlying principles.

Stren & Blan Partners is a full-service commercial Law Firm that provides legal services to diverse local and multinational corporations. We have developed a clear vision for anticipating our client's business needs and surpassing their expectations, and we do this with an uncompromising commitment to Client service and legal excellence.

Contact Persons



Emmanuel Ughanze

EmmanuelUghanze
@strenandblan.com

Associate



Oluchukwu Nwakor

OluchukwuNwakor
@strenandblan.com

Associate



Babatunde Oyewole

BabatundeOyewole
@strenandblan.com

Associate



Confidence James

ConfidenceJames
@strenandblan.com

Associate

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3 Theophilus Orji Street, Off Fola Osibo Street, Lekki Phase 1, Lagos, Nigeria.

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