



2019 Healthcare Market Insights: Uganda

Report by Medic East Africa

Medic East Africa 

By Informa Markets

Together for a healthier world



Market synopsis

According to the International Finance Corporation (IFC), Sub-Saharan Africa has about 11 % of the world's people, but it carries 24 % of the global disease burden in human and financial costs. Almost half the world's deaths of children under five take place in Africa.

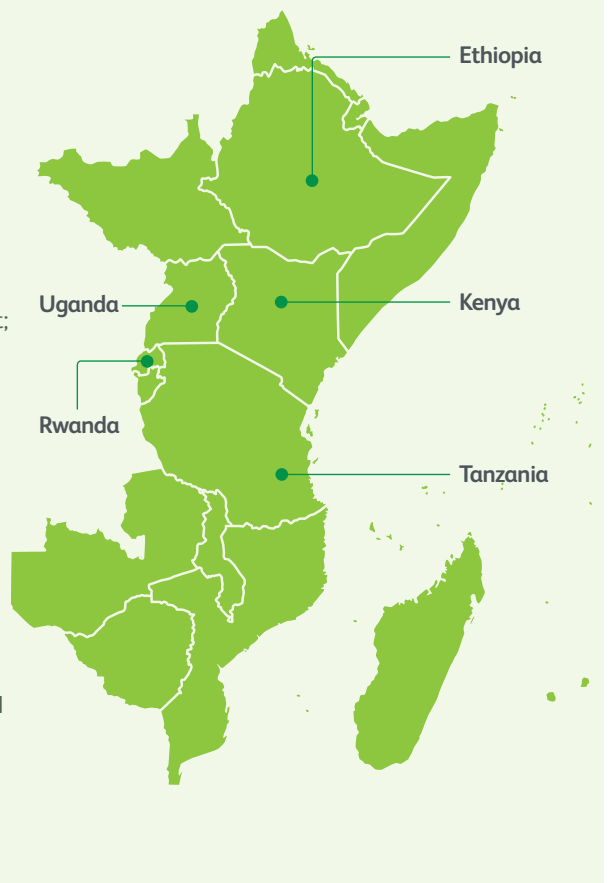
This challenge is significant but not insurmountable. There is a tremendous opportunity to leverage the private sector in ways that improve access and increase the financing and quality of

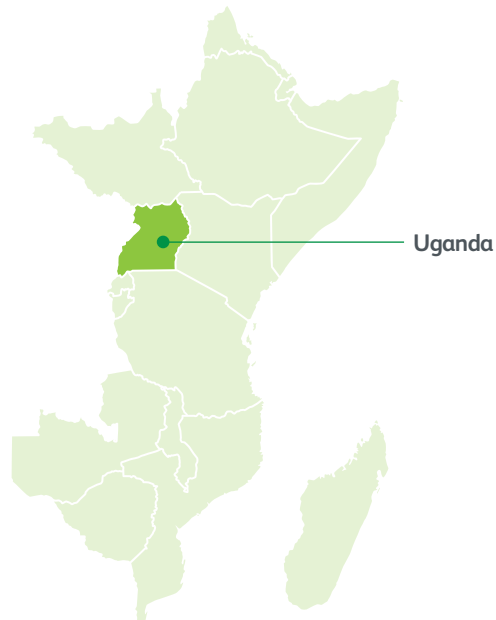
healthcare goods and services throughout Africa. In a region where public resources are limited, the private sector is already a significant player. Around 60 % of healthcare financing in Africa comes from private sources, and about 50 % of total health expenditure goes to private providers.

Sub-Saharan Africa's improving economic performance means that the demand among all sectors of society for healthcare is poised to increase still further, says the IFC.

15 Reasons to invest in East Africa

- Market access to more than 145.5 million people;
- Combined GDP size of about US\$ 147.5 billion;
- The world's fastest reforming region in terms of business regulation;
- Simplified investment procedures and one-stop centre facility provided by national investment promotion agencies;
- Generous incentives offered;
- Vibrant and upcoming capital and securities market;
- High level of intra-regional trade and cross-border investments;
- Numerous investment opportunities traversing all sectors;
- Abundant labour force - educated, trained, mobile, skilled and enterprising;
- English is widely spoken; it is one of or the only official language in at least four of the five Partner States;
- Insurance against non-commercial risk by Multilateral Investment Guarantee Agency and Africa Trade Insurance Agency;
- Sanctity of private property guaranteed by national constitutions;
- Stable political environment and high level of governance and democracy;
- Consumer loyalty; and
- A warm and hospitable people





Top line healthcare stats



42,800,000
Population



US\$1,820
Per capita income



W 64/M 62
Life expectancy at birth
women/men



43/1,000 live births
Infant mortality rate

Uganda

Across Uganda, both public and private sub-sector players provide health services to the people of Uganda. According to the Ministry of Health, the government contributes about 66 % of the service delivery outlets. These include national and regional hospitals including a tiered system of health centers, which handle a range of services.

Private health providers comprise Private Not-for-profit organisations (PNFPs), private-for-profit health care providers (PFPs) also known as commercial health care providers, and traditional and complementary medicine practitioners (TCMPs). Nearly 70 % of the facility-based PNFP organisations exist under umbrella organisations; the Uganda Catholic Medical Bureau (UCMB) and the Uganda Protestant Medical Bureau (UPMB). The Uganda Orthodox Medical Bureau (UOMB) and the Uganda Muslim Medical Bureau (UMMB) represent more than 5 % of the health providers.

Healthcare expenditure

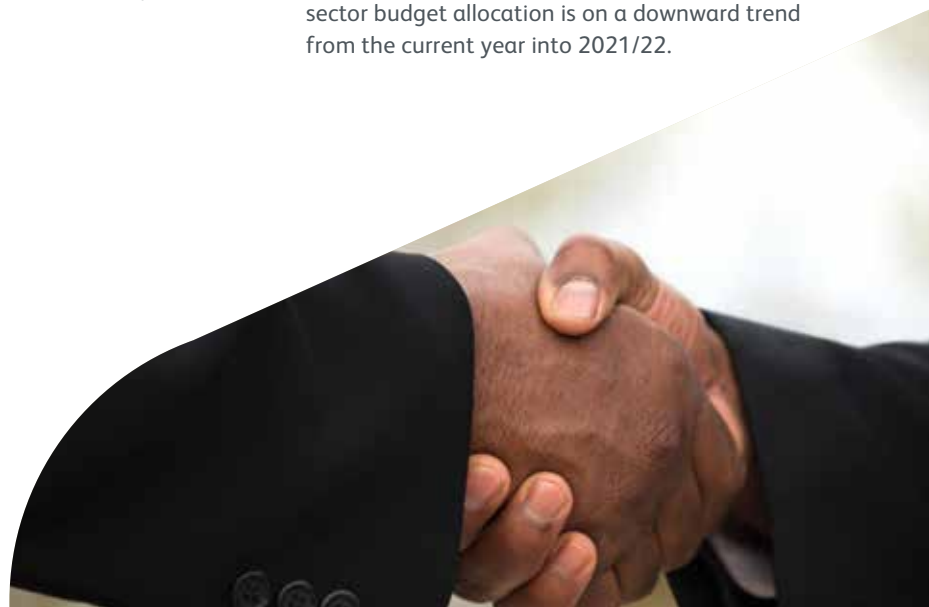
Like any other country in the world, Uganda is under enormous financial pressure to increase resources for healthcare, according to the African Health Observatory. The cost of healthcare service provision has gone up inter alia because of the expansion

of services, increasing demand due to population growth, the adoption of new medical technologies, and changes in patients' choices and expectations.

Meanwhile, research by Devinit.org suggests that the government's target of attaining universal health coverage has been supported with increasing resource allocations to the health sector. The increments are majorly on account of the rising wage bill and the on-going development-partner supported projects in the sector.

Government resource allocation for health as a percentage of the total government budget has averaged at about 8 % from 2010/11 to 2015/16, which is 1.8 % short of the Health Sector Development Plan target of 9.8 %. However, Uganda's per capita health expenditure at an average of US\$56 is low compared with neighbours like Kenya (US\$77) and Sudan (US\$129). It is also far below the five-year Health Sector Development Plan-recommended minimum of US\$73 per capita in 2015/16.

The health sector was allocated UGX 1,824 billion for 2017/18, which is 0.2 % less than the 2016/17 allocation. Analysis of long-term financing projections by Devinit.org also shows that health sector budget allocation is on a downward trend from the current year into 2021/22.





Medical devices

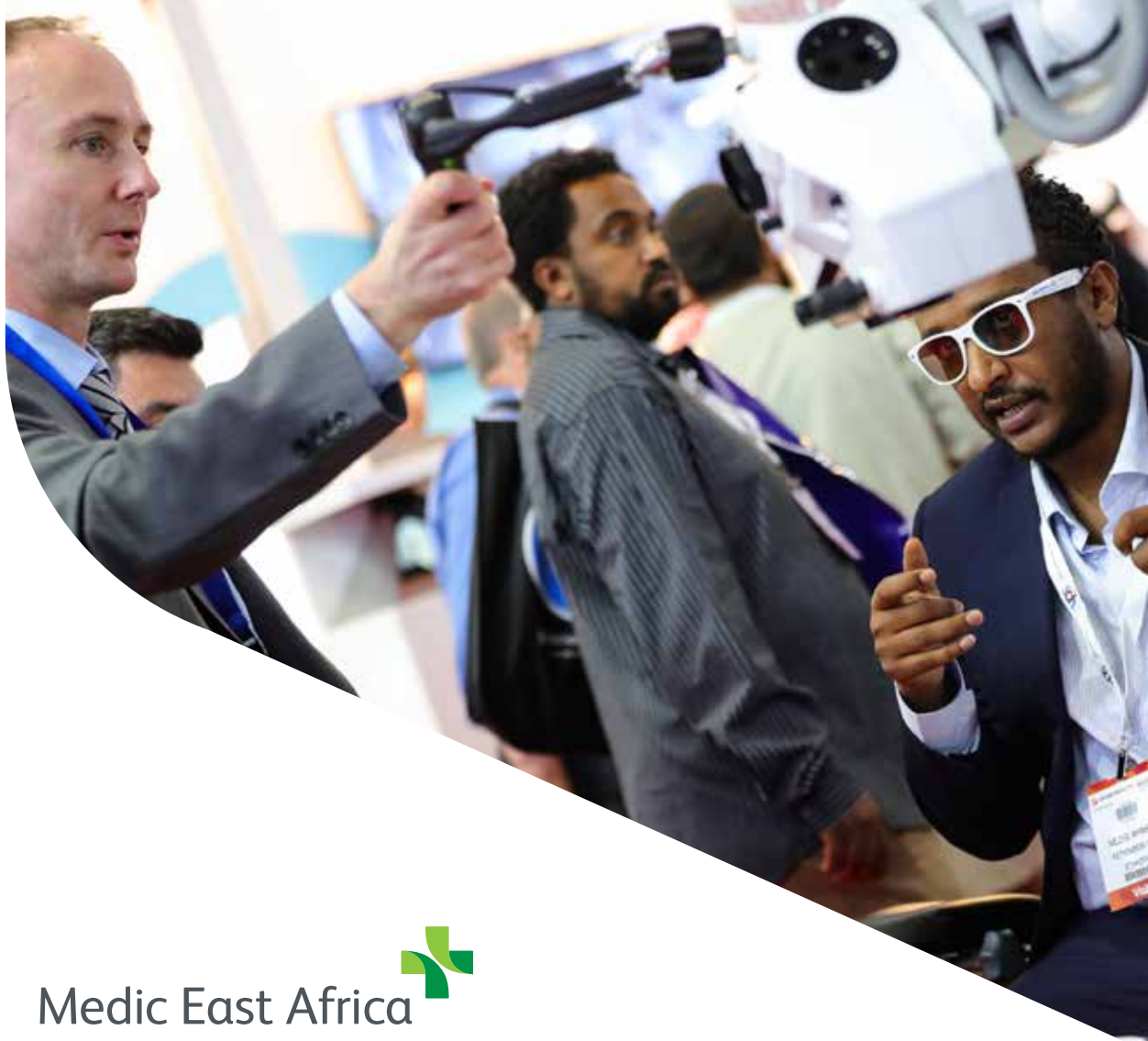
According to Export.gov, the leading sub-sectors in medical equipment in Uganda include record management equipment and systems; ultrasound; electrocardiographs; Dopplers for obstetrics; pulse oximeters; ventilators; cardiac echo machines; treadmill stress machines; and lab equipment (including equipment needed for microbiology, hematology, chemistry, and histopathology).

With Uganda's lack of medical infrastructure and large influx of donor support for health programs, demand for medical equipment continues to rise. The regulatory landscape for medical devices and diagnostics in Uganda has been found to be weak and inefficient and there is a need for better standards to suit the local market.

Pharmaceuticals

In 2017, pharmaceutical expenditure in Uganda reached a value of US\$414 million. According to Pharmexcil.com, 76% of this value is met by private sector (out of Pocket). In 2018, estimates are that market may reach US\$434 million and by 2022, the market will be valued at US\$519 million, experiencing a five-year CAGR of 4.7%.

In 2017, per capita drug expenditure was US\$10 - which is extremely low by international standards. Additionally, in 2017, pharmaceutical spending is estimated to have accounted for 21.9% of total healthcare expenditure. Nevertheless, in comparison with many other African markets, Uganda offers greater commercial promise and a more stable overall business environment.



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The 2019 edition of the show will take place from **24-26 September 2019** and will welcome 170+ exhibiting companies to showcase their latest innovations to 3,430+ healthcare and trade professionals.

Accompanying the exhibition is a number of business, leadership and Continuing Medical Education (CME) conferences and workshops providing the very latest updates and insights into cutting edge procedures, techniques and skills.

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