Letter to the Editor

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Global pharma departure from Nigeria: A threat to public health

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Dear Editor,

Numerous multinational pharmaceutical companies have exited Nigeria, while others are planning to leave as their operations in the country are struggling. The exited companies have turned Nigeria into an import-only market and have appointed third-party distributors to handle their commercial portfolio of medicines in the country. It is worth noting that the operating environment in Nigeria is hostile to serious manufacturing activities. Persistent loss of grip on profit margins brought on by the high exchange rate of Nigerian Naira to foreign currencies (especially US dollars and GB pounds), poor power supply, multiple taxes, imported cheaper competitor brands (look-alike medicines), and others are killing off both domestic and multinational pharmaceutical companies. Of these factors, the greatest contributor to these companies' detrimental economic effects is believed to be the high exchange rate of Naira to foreign currencies. The multinational companies operating in the country have undoubtedly suffered from severe foreign currency shortages occasioned by decreased national revenues from crude oil exports and mishandled economic policies. Some of these companies were struggling with Naira-to-foreign currency exchange issues and could not repatriate profits to their parent companies, while others did not have enough US dollars to import raw materials. The depreciation of the Nigerian currency could be attributed to decades of mishandled national economic policies. No doubt, a strong and reliable currency is the backbone of a strong economy. Sadly, the exit of these companies from Nigeria, coupled with current inflation rates, has resulted in a remarkable increase in medicine prices, with some essential medicines experiencing a 1000% surge.[1] This emerging healthcare crisis poses significant challenges to the Nigerian healthcare system and requires urgent attention to mitigate its consequences. The most vulnerable populations are at higher risk, and existing healthcare inequalities are likely to deepen further.

The soaring medicine prices will impact access to essential medicines for the population, where over 90% pay out- of-pocket for healthcare.[2] Elevated costs of medicines can lead to a surge in the proliferation of fake and counterfeit medicines and consequently, increased morbidity and mortality rates in the country.[3] The brunt of the problem will be borne by vulnerable populations such as pregnant women, children, elderly citizens, and those with chronic conditions. Also, with access to essential treatments becoming prohibitive for many lower-income individuals, disease burdens will further deepen existing socio-economic disparities.

Addressing this issue requires a multifaceted approach. There is a heightened need for the Nigerian government to introduce initiatives to significantly improve the ease of doing business and facilitate markets. More importantly, investing in local pharmaceutical production is essential for sustainable economic development and improved self-sufficiency in meeting the national demand for affordable medicines.[4] This can be achieved by incentivising local manufacturers through tax breaks, reduced loan interest rates, streamlined regulatory measures, and improved

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infrastructure. Collaborations between industry stakeholders, academia, and the government can lead to coordinated efforts in research and development to improve the quality of locally produced medicines. Also, an expansion of health insurance coverage and the promotion of complementary and alternative medicines (CAM) are crucial. A critical strategy for mitigating the fallout from rising medicine prices is to expand health insurance coverage to vulnerable populations. Nigeria has enacted a law creating the National Health Insurance Authority, which mandates health insurance and establishes a special fund for populations at risk. However, due to the country's deteriorating economic conditions, the proportion of the vulnerable populations far outweighs the proportion that can afford insurance, making implementation of the law potentially challenging. Prioritising universal health coverage by strengthening primary healthcare in the country can increase subscriptions for more disadvantaged populations, ensuring a fair distribution of insurance benefits across Nigeria.

The rising medicine prices will further drive the preference for CAM.[5] Valuable insights can be drawn from India and China to understand the potential impact of CAM in addressing healthcare challenges in the country. Therefore, strengthening regulatory frameworks and integrating CAM into mainstream healthcare in Nigeria can foster a harmonious co-existence between conventional medicine and CAM.

Conclusion

The escalating crisis of global pharma departures and skyrocketing medicine prices in Nigeria calls for immediate, multifaceted interventions. Expanding health insurance coverage, stimulating local pharmaceutical production, and integrating CAM into the healthcare system are paramount. These strategies, if implemented effectively, can mitigate the severe repercussions on public health, ensuring access to affordable and effective healthcare for all Nigerians.

Declarations

Ethics approval and consent to participate

Not applicable

Consent for publication

Not applicable

Author contributions

Deborah Oyine Aluh: Conceptualisation; Data curation; Writing – original draft; Writing – review & editing
Osaro Aigbogun: Data curation; Writing – review & editing
Roland Nnaemeka Okoro: Data curation; Writing – review & editing

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