AfricaCDC
Centres for Disease Control and Prevention

Safeguarding Africa's Health

Africa's Health Financing in a New Era

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Africa CDC Headquarters masterplan visual impression

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Africa CDC is a continental autonomous health agency of the African Union established to support public health initiatives of Member States and strengthen the capacity of their public health institutions to detect, prevent, control and respond quickly and effectively to disease threats.

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Safeguarding Africa's Health

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EXECUTIVE SUMMARY

Africa's health sector is facing an unprecedented financing crisis, driven by a sharp decline of 70% in Official Development Assistance (ODA) from 2021 to 2025 and deep-rooted structural vulnerabilities. This collapse is placing immense pressure on Africa's already fragile health systems as ODA is seen as the backbone of critical health programs: pandemic preparedness, maternal and child health services, disease control programs are all at risk, threatening Sustainable Development Goal 3 and Universal Health Coverage.

Compounding this is Africa's spiraling debt, with countries expected to service USD 81 billion by 2025—surpassing anticipated external financing inflows—further eroding fiscal space for health investments.

Level of domestic resources is low. TThe Abuja Declaration of 2001, a pivotal commitment made by African Union (AU) member states, aimed to reverse this trend by pledging to allocate at least 15% of national budgets to the health sector. However, more than two decades later, only three countries—Rwanda, Botswana, and Cabo Verde—have consistently met or exceeded this target (WHO, 2023). In contrast, over 30 AU member states remain well below the 10% benchmark, with some allocating as little as 5–7% of their national budgets to health.

In addition, only 16 (29%) of African countries currently have updated versions of National Health Development Plan (NHDP) supported by a National Health Financing Plan (NHFP). These two documents play a critical role in driving internal resource mobilisation.

At the same time, **public health emergencies are surging**, rising 41%—from 152 in 2022 to 213 in 2024—exposing severe under-resourcing of health infrastructure and workforce. Recurring outbreaks (Mpox, Ebola, cholera, measles, Marburg...) alongside effects of climate change and humanitarian crises in Eastern DRC, the Sahel, and Sudan, are overwhelming systems stretched by chronic underfunding.

The situation is worsened by Africa's heavy dependency with over 90% of vaccines, medicines, and diagnostics being externally sourced—leaving countries vulnerable to global supply chain shocks. Health worker shortages persist, with only 2.3 professionals per 1,000 people (below the WHO's recommended 4.45), and fewer than 30% of systems are digitized, undermining disease surveillance and early warning.

Without decisive action, Africa CDC projects the continent could reverse two decades of health progress, face 2 to 4 million additional preventable deaths annually, and a heightened risk of a pandemic emerging from within. Furthermore, 39 million more Africans could be pushed into poverty by 2030 due to intertwined health and economic shocks.

This is not just a sectoral crisis—it is an existential threat to Africa's political, social, and economic resilience, and global stability.

In response, **African leaders, under Africa CDC's stewardship**, are advancing a comprehensive three-pillar strategy centered on domestic resource mobilization, innovative financing, and blended finance.

Pillar One focuses on strengthening domestic financing to reduce external aid dependence and build self-reliance. Countries are urged to meet the Abuja target, adopt costed health financing plans, and increase health budgets. Rwanda's *Mutuelles de Santé*—with 90% insurance coverage and a 70% drop in infant mortality since 2005— is an effective

African model. The Lusaka Agenda, led by Africa CDC, promotes better ODA alignment with national priorities aiming to raise that from 50% to 80% by 2028 and unlock USD 3.4 billion annually for health systems.

Pillar Two introduces innovative financing mechanisms to bridge urgent gaps. Africa CDC is championing solidarity levies—such as taxes on airline tickets, imports, alcohol, tobacco, and mobile services—and diaspora funds leveraging Africa's USD 95 billion in annual remittances. Public-private partnerships offer additional opportunities. Crucially, expanding community health insurance coverage is vital to reducing catastrophic out-of-pocket expenditures, still affecting 200 million Africans.

Pillar Three harnesses blended finance to address infrastructure and supply chain gaps. By combining concessional public funds, private capital, and risk mitigation tools, it seeks to catalyze investments in areas like renewable energy for health facilities, connectivity and digital health, and local pharmaceutical manufacturing. With the health sector projected to grow to USD 259 billion by 2030, blended finance offers a viable path to de-risk ventures and unlock sustainable investment by and in the private and public sectors.

As a cross-cutting area on this 3-pillar plan, governance is a driver for optimal allocation and use of resources ensuring efficiency, sustainability, pooled procurement, anti-corruption and anti-misuse measures. Moreover, good governance will force an increase in donor funding flows through national systems. With more than 60% of health funding bypassing national system, this change is fundamental to country ownership and systems strengthening. Targets set for achieving the Abuja targets should be complemented by targets for donor funding being implemented by national systems.

The strategy unfolds in two phases: **Phase One (2025–2026)** will update health financing plans in 30 countries, pilot solidarity levies, and launch transparency dashboards that will inform annual scorecards. **Phase Two (2026–2030)** will scale innovative financing and target 50% domestic financing in at least 20 countries. Throughout, Africa CDC will deploy the **African Health Financing Scorecard** to track progress on Abuja targets, ODA alignment, and domestic resource efficiency.

Challenges remain—political resistance to new taxes, weak implementation capacity, and private sector hesitancy. To mitigate risks, the strategy incorporates public awareness campaigns, tiered tax structures to protect low-income groups, and institutional capacity-building. First-loss capital will be used to attract private investment, while robust regulations and expanded public-private partnerships will be critical to unlocking the continent's health market potential.

Ultimately, success depends on political will, regional solidarity, and strong accountability mechanisms. This strategy offers Africa not only a pathway to resolve today's crisis but a historic opportunity to redefine the global health security architecture toward health sovereignty, economic resilience, reduction of migration and peace agenda.

CURRENT CHALLENGES IN HEALTH FINANCING

Huge decline in ODA for health sector in Africa

Africa's progress in health security, sustainability, and the advancement toward Universal Health Coverage (UHC) and the Sustainable Development Goals (SDGs) is facing a critical inflection point due to steep reductions in Official Development Assistance (ODA). For decades, many African countries—particularly low-income nations—have relied heavily on ODA to fund essential health services and system-building efforts. According to the World Bank (2023), external financing constitutes nearly 30% of total health expenditures in low-income African countries, underscoring the region's high dependence on donor support.

However, this dependency is becoming unsustainable. Global geopolitical shifts—including the war in Ukraine, rising nationalism, austerity-driven fiscal policies in traditional donor countries, and the prioritization of domestic political agendas—have led to a sharp contraction in development assistance flows. According to UNCTAD (2025), Africa is projected to receive only USD 24 billion in development assistance by 2025, down from USD 80 billion in 2021—a staggering 70% decrease. This decline represents the most significant retrenchment of foreign health investments in the continent in decades.

Extent of known or announced ODA reductions

Country	Details of cuts announced
Australia	Decrease of $75 million to multilateral organizations
Belgium	Reduce ODA by 25% between over next 5 years (2025-2029); 1.291 billion Euro / year
Canada	Decrease ODA by $1 billion
Finland	Reduce ODA by 25% between 2024-2027.
France	2.2 billion Euros reduction in ODA in 2025
Germany	BMZ cut by 8% or $1.8 billion
Netherlands	ODA budget of $7.4 billion Euros in 2023 plans to cut by 300 million Euros in 2025; 500 million Euros 2026 and $2.4 billion Euros in 2027
Sweden	Decrease by 300 million Euros
Switzerland	Reduce by 110M Swiss francs in 2025. Additional 321 million Swiss francs from 2026-2028 Budget.
United Kingdom	Decrease of ODA from 0.5% of GNI to 0.3%: Cut of 6.534 billion Pounds
USA	Cut by 83%: $23 billion

Sources: the guardian, AP News, Global citizen, CGD, Devex

Historically, ODA has played a transformative role in Africa's health landscape. It enabled landmark achievements such as:

- A 50% reduction in under-five mortality between 1990 and 2019 (UNICEF, 2022),
- Expansion of routine immunization coverage—including the near-elimination of diseases like polio,
- HIV/AIDS prevention and treatment programs that now support over 18 million people on antiretroviral therapy across Africa (UNAIDS, 2023),
- Rapid responses to major health crises such as the Ebola outbreak in West Africa, for which the United States alone contributed over USD 2 billion (CDC, 2016).

These outcomes were only possible through sustained and predictable ODA. Without it, the momentum gained over the last two decades is at risk of reversal. The goal of achieving SDG 3 and UHC by 2030—are in jeopardy.

Concurrently, African countries are grappling with ballooning debt-service obligations. According to the International Monetary Fund (IMF, 2024), sub-Saharan Africa is expected to spend approximately USD 81 billion on debt servicing between 2023 and 2025—an amount that now exceeds total projected external development financing. This fiscal squeeze is diminishing the fiscal space available for domestic health spending, making the shortfall in ODA even more acute.

This convergence of declining aid and rising debt service has severe consequences:

- Reduced capacity to expand and retain the health workforce, which the WHO estimates needs to increase by 6.1 million across Africa by 2030;
- Stalling of infrastructure development, including the construction and digitization of primary healthcare facilities;
- Weakened outbreak preparedness, surveillance systems, and laboratory capacity—leaving the continent more vulnerable to future pandemics;
- Deepening inequities in access to health services, particularly in rural and underserved areas.

To mitigate these threats and build long-term sustainability, Africa CDC initiated a series of consultations regarding diversified and innovative health financing strategies, including:

1. **Strengthening domestic resource mobilization and innovative financing mechanism** through improved tax administration, health-focused budget allocations, and solidarity levies.
2. **Facilitating more blended finance mechanism** for s a massive investment from African and external private sector in critical areas like local manufacturing, digital health, electrification and supply chain infrastructure.
3. **Fostering public-private partnerships** and tapping into non-traditional funding sources, including philanthropy, blended finance, diaspora bonds, and Islamic financing.
4. **Leveraging continental leadership**, particularly the implementation of the Lusaka Agenda under Africa CDC leadership, to coordinate health security investments, align partners around Africa's priorities, and advocate effectively on the global stage.

5. **Enhancing regional financing instruments and pooled mechanisms**, such as the Africa Epidemics Fund (AfEF) and African Pooled Procurement Mechanism (APPM) to reduce duplication and build economies of scale.

6. **Implementing continental manufacturing and supply chain reforms**, to improve preparedness and response, reduce costs and increase self-reliance.

7. **Improving governance, transparency, and accountability** in the use of both domestic and external health financing. Fighting corruption, reducing inefficiencies, and ensuring results-based financing will be key to ensuring involvement of African communities, restoring donor confidence and optimizing resource utilization. In turn, good governance will reverse decades of donor funding bypassing national systems for implementation by in country partners.

Finally, high-level diplomatic advocacy is critical. African leaders will use global platforms such as the G20, UN General Assembly, and the World Health Assembly to clearly articulate their commitment to move on with more domestic and innovative financing while sensitizing regarding the risks posed by the decline in development assistance, demanding fairer financing mechanisms with a transition plan prosed by Africa CDC, and call for a renewed global compact for equitable health financing. Africa stands at a crossroads. Either we act decisively to chart a new path of resilient, self-financed, and equity-driven health systems, or we risk a backslide into preventable suffering and stalled development.

Insufficient Domestic Investment in Africa's Health Sector

Despite decades of advocacy, African countries continue to allocate insufficient domestic resources to health, undermining progress toward health equity and system resilience. Data from the World Health Organization's Global Health Expenditure Database reveal that over the past decade, public domestic spending on health in many African countries has stagnated or grown at a sluggish pace, failing to keep up with population growth, disease burden, and inflation.

The Abuja Declaration of 2001, a pivotal commitment made by African Union member states, aimed to reverse this trend by pledging to allocate at least 15% of national budgets to the health sector. However, more than two decades later, only three countries—Rwanda, Botswana, and Cabo Verde—have consistently met or exceeded this target (WHO, 2023). In contrast, **over 30 AU member states remain well below the 10% benchmark**, with some allocating as little as 5–7% of their national budgets to health.

This underinvestment has significant consequences:

- Inadequate health infrastructure, especially in rural and hard-to-reach areas;
- Persistent shortages of skilled health workers, contributing to a continental shortfall of more than 6 million health professionals by 2030 (WHO Africa, 2023);
- Limited ability to scale up primary healthcare, essential for delivering equitable and preventive services;
- Vulnerability to health emergencies, as seen in delayed responses to outbreaks such as COVID-19, Marburg virus, and mpox.

The failure to meet the Abuja targets that were established in 2001, highlights not only a gap in financing but also a lack of prioritization of health as a driver of social and economic development. Studies have shown that investing in health yields high economic returns, with every dollar invested in health generating an estimated $4 in economic growth (Lancet Commission on Investing in Health, 2013).

As shown in Annex 1, only 16 (29%) of African countries currently have updated versions of National Health Development Plan (NHDP) supported by a National Health Financing Plan (NHFP). These two documents play a critical role in driving internal resource mobilisation.

The NHDP sets the strategic vision and priorities of a country, including its health and social development goals. It articulates the government's commitment to achieving health long-term national outcomes and provides a framework for aligning sectoral policies and programs.

The NHFP complements the NDP by detailing how these priorities will be financed. It identifies available domestic resources, outlines strategies to increase revenue, and ensures that budget allocations reflect national priorities.

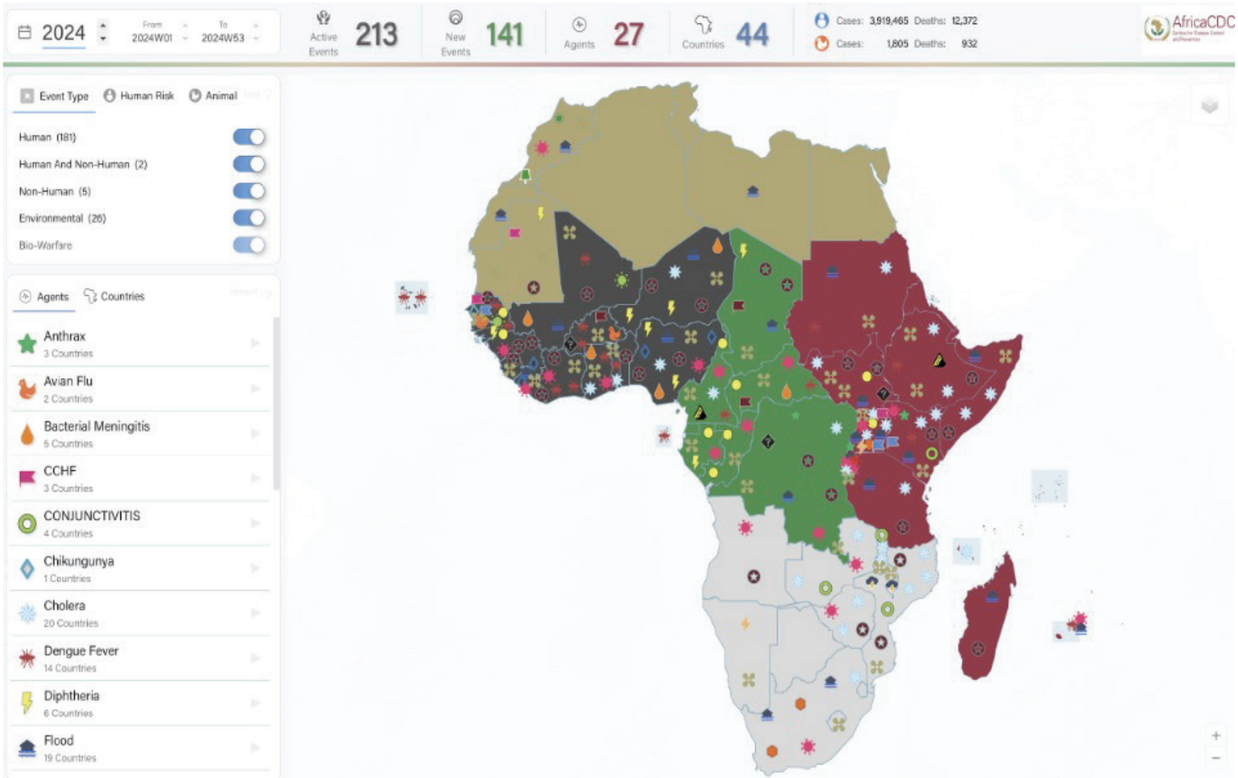
Together, these documents serve as the foundation for effective internal resource mobilisation. They demonstrate political commitment, guide investment decisions, and enable more predictable and sustainable funding for health. Moreover, they enhance government accountability and provide a basis for engaging private sector actors and development partners in co-financing national priorities. Without these plans, resource mobilisation efforts remain fragmented and ad hoc, limiting a country's ability to invest strategically and sustainably in its health system.

Moreover, countries that strengthened domestic health financing systems prior to COVID-19 demonstrated greater resilience in managing the pandemic. To close this gap, Africa CDC is calling for a renewed political and financial commitment. This includes:

- **Integrating health more deliberately into national development and financing strategies** by ensuring that each and every country has an updated National health Development Plan supported by the National health Financing Plan.
- **Establishing innovative domestic financing mechanisms**, such as health insurance schemes, sin taxes, or solidarity levies;
- **Improving efficiency and accountability** in public health allocations and spending, including reducing leakages and enhancing value-for-money through performance-based budgeting.
- Meeting the Abuja commitment must no longer be aspirational, this is a prerequisite for building self-reliant, sustainable, and equitable health systems.

IMPACT ON HEALTH OUTCOMES

Over the past 24 months, Africa has witnessed an unprecedented surge in public health events, rising by 41% from 152 outbreaks in 2022 to 213 in 2024, according to Africa CDC. This surge has placed immense pressure on already fragile health systems, exposing deep-seated vulnerabilities and severely weakening the continent's capacity for timely and effective response.



Public Health events Detected by Africa CDC in 2024

The sudden and significant reduction in ODA has critically impacted health outcomes across Africa, directly causing disruptions in essential health services, including downgrading efforts on the response to ongoing outbreaks like Mpox, Ebola, Marburg, and Measles, the closure of vital HIV clinics, interruptions in emergency food aid, and suspended research initiatives. Intensified disruptions in global and regional supply chains have increased costs and delayed the delivery of essential commodities such as medicines, diagnostic tests, insecticide-treated bed nets, and contraceptives.

Furthermore, national health systems and Africa CDC face substantial financing shortfalls, with Africa CDC reporting a funding gap of USD 2 billion in 2024 alone (Africa CDC Financial Report, 2024). Though having 25% of global burden of disease, the continent also suffers from an acute shortage of skilled health workers, averaging 1.5 per 1,000 people—significantly below WHO's recommended threshold of 4.45 per 1,000 (WHO, 2023). Weak digital infrastructure compounds these challenges, with fewer than 30% of African health systems fully digitized, severely limiting access to data for timely and effective responses.

The region is contending with recurring outbreaks of mpox, Ebola, cholera, Marburg, measles, and a range of other infectious diseases, while simultaneously grappling with the growing burden of non-communicable diseases, mental health conditions, and injury-related morbidity.

The situation is further exacerbated by climate-induced shocks such as cyclones and floods, which contribute to waterborne and vector-borne disease outbreaks, and by ongoing humanitarian crises in the Sahel, Sudan, and Eastern Democratic Republic of Congo—areas repeatedly identified as potential epicenters for future pandemics. These compounding crises are stretching national capacities beyond their limits and underscore the urgent need to strengthen the continent's health security architecture.

A major factor exacerbating Africa's vulnerability is its overwhelming dependence on externally sourced medical countermeasures (MCMs). Over 90% of vaccines, medicines, diagnostics, and other essential health commodities used across the continent are imported, leaving African countries at the mercy of global supply chains and foreign manufacturers. This dependence proved disastrous during COVID-19, Ebola, Marburg and mpox, and continues to do so as global trade tensions, geopolitical fragmentation, and logistical bottlenecks delay or disrupt the delivery of life-saving commodities.

The situation is further aggravated by limited cold chain infrastructure, underdeveloped logistics systems, limited continental warehousing of MCMs for rapid emergency response, and the absence of a coordinated continental approach to procurement and distribution. As a result, essential commodities such as antiretrovirals, diagnostic test kits, contraceptives, and insecticide-treated bed nets are routinely delayed or rendered unaffordable. New products such as [novel vaccines, injectable ARTs, etc. are introduced years and sometimes decades after being launched in high income countries.

Compounding these challenges is a sharp and sudden reduction in ODA. Africa's health systems—already underfunded by domestic resources—have long relied on donor support to fill critical financing gaps. The decline in ODA has triggered a cascade of disruptions in essential health services:

- response efforts to ongoing outbreaks such as mpox, Ebola, Marburg, and Measles have been downgraded;
- HIV clinics in several countries have closed or reduced services;
- emergency nutrition programs have been suspended;
- and numerous research and surveillance initiatives have been paused due to lack of funding.

These setbacks are not isolated incidents, they are symptomatic of a continent-wide crisis in health financing. The impact is particularly severe in countries where donor funding represented a significant share of health budgets, leaving systems exposed and populations vulnerable.

The financial gap is staggering. **In 2024 alone, Africa CDC reported a funding shortfall of USD 2 billion, hindering its ability to deliver on its mandate to coordinate continental disease prevention and emergency response.** Simultaneously, Africa continues to carry a disproportionate share of the global disease burden—25%—yet has only 3% of the global health workforce. This shortfall is both a cause and a consequence of chronic underinvestment in health worker training, poor working conditions, limited career opportunities, and a persistent brain drain. The result is a dangerously overstretched workforce incapable of mounting sustained responses to emergencies, let alone addressing the rising tide of chronic and non-communicable diseases.

Weak digital infrastructure further compounds the crisis. Fewer than 30% of African health systems are fully digitized, and the majority of health facilities across the continent lack basic connectivity and electricity. Without digital tools, countries struggle to collect, analyze, and share data in real time—hindering surveillance, delaying responses, and obstructing evidence-based policymaking. The lack of interoperable systems also impedes cross-border collaboration and regional coordination, further weakening the continent's ability to mount collective responses to health threats that do not respect national borders.

If the current trajectory continues, the consequences will be catastrophic. Without urgent intervention Africa CDC's modeling suggests that:

- an additional 2 to 4 million people could die each year due to preventable or poorly managed health crises.
- increased likelihood of a pandemic originating within Africa—given the region's growing vulnerability, ecological pressures, and population dynamics—must not be underestimated.
- Coupled with ongoing economic pressures, rising health expenditures, and growing food insecurity, the combined impact of repeated health shocks could push an estimated 39 million more Africans into poverty by 2030. This would not only reverse decades of hard-won progress in health and development but also undermine Africa's contributions to global stability and prosperity.

Addressing this crisis requires more than ad hoc responses or fragmented donor support. It demands a transformative shift in how Africa finances, manages, and delivers health services. Local manufacturing of medical countermeasures must be significantly scaled up, supported by regional pooled procurement mechanisms, harmonized regulatory frameworks, and long-term investment in research and development.

Predictable and sustainable financing must be mobilized through increased domestic budget allocations, innovative public-private partnerships, and operationalization of continental funding instruments like the Africa CDC African Epidemic Fund (AfEF). Workforce development must be prioritized through the expansion of regional training institutions, the establishment of competitive remuneration and retention packages, and the creation of safe and enabling work environments to reduce attrition and emigration of skilled professionals. The digital transformation of health systems must be accelerated, underpinned by substantial investments in infrastructure, digitized health records, and integrated surveillance platforms governed by interoperable standards.

Moreover, the continent must move swiftly to scale up preparedness and coordination capabilities. As politically done, Africa CDC must be financially empowered to lead emergency response and preparedness efforts across member states, with robust Public Health Emergency Operations Centers (PHEOCs), strong National Public Health Institutes (NPHIs), and decentralized laboratory networks serving as the backbone of a resilient continental system.

Strategic partnerships with global, regional, and multilateral entities should be fostered to ensure alignment of efforts, avoid duplication, and maximize impact. Africa stands at a defining moment. The decisions taken today will determine whether the continent reverses course toward a stronger, more sovereign health future or succumbs to recurring cycles of crisis, dependency, and preventable loss.

AFRICA CDC'S UNIQUE POSITION IN DRIVING AFRICAN HEALTH FINANCING AND MITIGATING THE IMPACT OF DECREASE OF ODA IN THE CONTEXT OF NEW ERA

Africa CDC is uniquely well placed to drive action on African health financing in this new era marked by declining ODA and increasing outbreaks for the 12 reasons below:

1. **Continental Mandate & Political Leverage:** Mandated by African Heads of State, Africa CDC is the African Union's health institution, mandated by the highest political authority on the continent to coordinate disease control and health security — giving it both legitimacy and authority. Africa CDC has direct access to AU and AU Member State leadership, facilitating high-level advocacy for domestic health investment and policy reforms.
2. **Strengthening African Health Systems and Health Security as a Political Priority:** Africa CDC has elevated health security to the political level by linking it to national security, economic resilience, and regional integration — strengthening the case for increased national and continental investment. Africa CDC enhances cross-border collaboration for resource optimization and equitable service delivery, and drives capacity-building programs for workforce training, institutional resilience, and harmonized regulatory frameworks.

The African Union Chairperson (H.E. João Goncalves Lourenço, President of Angola) and African Union Commission Chairperson (H.E. Mahamoud Ali Youssouf) for their naugural official visit to Africa CDC, Addis Ababa, 14 March 2025

3. **Continental Reach with Regional Presence**: Africa CDC operates a decentralized model with five Regional Collaborating Centres (RCCs) country offices, allowing for tailored, context-specific support and coordination across the continent.
4. **Proven Track Record in Crisis Response**: Africa CDC demonstrated strong leadership during COVID-19, Ebola, Marburg, and the mpox outbreaks, with established surveillance networks and rapid-response mechanisms. effectively mobilizing African solidarity and external resources, technical expertise, and local solutions — showing that it can

deliver support to national systems under pressure. Africa CDC prioritizes funding for pandemic preparedness, integrating emergency response into long-term health systems and financing frameworks.

5. **Champion of Local Manufacturing and Health Sovereignty**: As a key player in initiatives like the Partnership for African Vaccine Manufacturing (PAVM) that was upgraded to PHAHM, Africa CDC drives the shift from dependency to self-reliance — a cornerstone for sustainable health security, reducing dependency on imports and creating sustainable health economies.

6. **Trusted Convener and Technical Advisor**: Africa CDC bridges political leadership, strategic convening and technical expertise, trusted by Member States, the private sector, and partners to set standards, align investments, and coordinate health initiatives continent-wide. Africa CDC serves as a trusted convener for pan-African dialogues on health reform, gaining higher cooperation from member states and fostering cohesive implementation of health policies.

7. **Localized Expertise and Contextual Understanding:** Promoting the New Public Health Order, Africa CDC has a deep understanding of Africa's health priorities, challenges, and political and cultural contexts, ensuring tailored, effective financing solutions.

8. **Platform to support advocacy for domestic resource mobilization**: Through the **Africa CDC Epidemic Fund** and coordination with AU institutions like AUDA-NEPAD African Development bank and AfreximBank, Africa CDC is creating new channels for domestic and private sector investment in health and health infrastructure. Africa CDC champions shifting reliance from dwindling development assistance to domestic financing, urging governments to meet 15% Abuja Declaration commitment for health budgets, and supporting innovative financing mechanisms (e.g., health taxes, public-private partnerships).

9. **Institutional Agility and Innovation Drive**: Data-Driven Decision-Making organization, Africa CDC generates Africa-specific data and research to inform evidence-based financing strategies and attract targeted investments. Africa CDC is rapidly evolving, with new arms like the Program Implementation Unit (PIU) and its Health Economics, Investment, and Financing Division, reflecting its readiness to lead in this new financing landscape.

10. **Leading the Shift from Emergency Response to Preparedness Investment**: Africa CDC is spearheading a paradigm shift — advocating for investment in prevention, preparedness, and resilient systems, not just emergency response. For example, instead of waiting for outbreaks to spiral out of control, Africa CDC is investing in a robust, real-time surveillance system that can detect threats early across borders. This is supported by the establishment of a Continental Reference Laboratory and Biobank, which allow for rapid diagnosis, data sharing, and storage of pathogens for research and vaccine development. These systems are critical to ensuring that the continent can act before crises escalate, saving lives and resources in the long run

11. **Embedded in African Priorities**: Africa CDC aligns its agenda with flagship African frameworks like Agenda 2063, the African Continental Free Trade Area (AfCFTA), African Medicines Agency, and AUDA-NEPAD — integrating health financing into broader development priorities.

12. **Strategic Partnerships and Collective Bargaining Power: Afruca CDC** leverages partnerships with WHO, multilateral and bilateral partners, private sector, philanthropies, global entities and regional organizations to leverage resources and knowledge to countries.

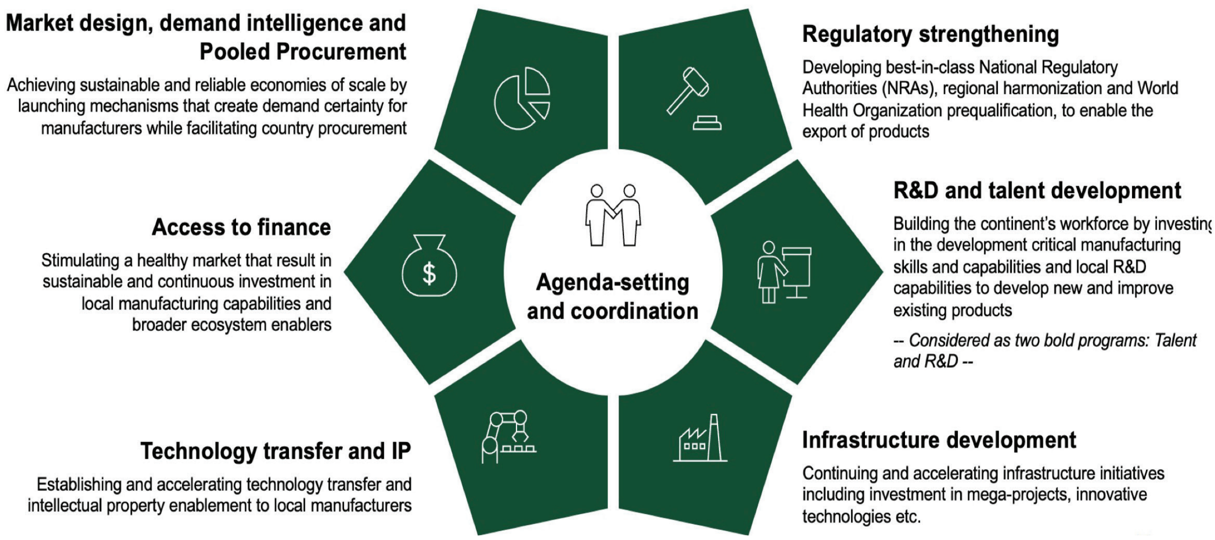
ACTIONS CONDUCTED BY AFRICA CDC TO MITIGATE THE IMPACT OF THE DECREASE WESTERN COUNTRIES' ODA TO AFRICA

Africa CDC was proactive and was anticipating this decision since April 2023 when the Director General Africa CDC took office. Africa CDC had already been working toward health sovereignty and reduced donor dependency and in his manifesto, the Director General Africa CDC was calling for more domestic and innovative financing.

This call came from the powerful mandate given to Africa CDC by African Heads of State who decided to elevate Africa CDC as a Specialized and autonomous Public Health Institution of the African Union, giving it stronger political and legal standing to coordinate all aspects of public health across the continent.

This call came also from New Public Health Order launched as a continental vision for health security, centered around African leadership, regional institutions, workforce development, local manufacturing, more domestic resources, and partnerships. Under the Africa CDC Strategic Plan (2023–2027), local manufacturing became a major focus contributing to raise more funding, strengthen Africa's capacity to produce its own medical countermeasures and reduce dependency on external aid.

8 Bold Programmes for African Manufacturing



Once announcement of aid cuts were made public by most of Africa's long term partners and recognizing the urgent need for sustainable and resilient health financing in Africa, Africa CDC 's decisive leadership mobilized African Union Member States toward a new era of health investment. In response to the continent's deteriorating external funding landscape, Africa CDC spearheaded an unprecedented series of high-level engagements and technical consultations to sensitize policymakers and galvanize domestic and private sector support.

This effort began with the convening of the Ministerial Executive Leadership Program (MELP), hosted in Addis Ababa on 13 February 2025. This landmark gathering brought together 34 Ministers of Health, 11 Deputy Ministers, and senior government officials, including Permanent Secretaries and Director Generals, from across the 5 regions of the continent. It marked the first time such a diverse and influential group of leaders assembled under a single framework to collectively address the future of health financing in Africa. The deliberations underscored the urgency of mobilizing sustainable domestic financing while aligning investments with national priorities and regional health security imperatives.

The Ministerial Executive Leadership Program (MELP), 13 February 2025

Building on this momentum, Africa CDC convened a high-level health financing forum the following day, on 14 February 2025, chaired by His Excellency Paul Kagame, President of Rwanda and African Union Champion for Domestic Resource Mobilization. This forum was not only timely but historic. It placed health financing at the center of political dialogue and continental policymaking, highlighting the strategic necessity of shifting away from over-reliance on unpredictable donor funding and toward increased domestic ownership of health priorities.

The discussions at this high-level meeting crystallized around three core principles: optimizing the efficiency and impact of existing health investments; using domestic resources as catalytic capital to unlock additional external and private sector support; and accelerating the creation and implementation of innovative financing mechanisms that can widen and sustain funding streams. These principles reflect a growing recognition that the future of Africa's health systems cannot depend on models of aid that are increasingly fragile and politically contingent.

The outcomes of these consultations were further reinforced by the recommendations of the Governing Board of Africa CDC and the Africa CDC Committee of Heads of State and Government. Together, they provided the foundation for landmark decisions taken at the African Union Assembly in early 2025. In a major policy shift, the Assembly requested that Africa CDC—working in close coordination with AUDA-NEPAD, the AUC Department of Health, Humanitarian Affairs and Social Development (HHS), and other relevant AU organs—lead a comprehensive continental process to reimagine and implement health financing for Africa's new era. This mandate signals not only a vote of confidence in Africa CDC's leadership, but also a call for transformative, African-led solutions that align with continental strategies and global obligations.

High-level meeting on health financing on the sidelines of AU General Assemby, 14 February 2025

Africa's continued reliance on external funding is increasingly untenable. The dramatic contraction of ODA, coupled with growing debt burdens and competing national priorities, demands a bold transition to health sovereignty and financial resilience. The continent can no longer afford to operate in a reactive posture, dependent on external goodwill to fund essential health services and emergency responses. Instead, Africa must pivot toward deliberate, self-driven, and future-facing strategies. To this end, Africa CDC has developed and presented for adoption a mitigation plan built on three foundational pillars aimed at redefining health financing and fortifying health system resilience across the continent.

This three-pronged strategy presented below positions Africa CDC at the forefront of a health financing revolution on the continent. It represents a paradigm shift from dependency to self-determination, from fragmented interventions to strategic coordination, and from short-term aid cycles to long-term investment in public health as a public good. With political momentum from Member States, strategic backing from the AU Assembly, and growing partnerships with the private sector and development actors, Africa is now poised to reclaim its health agenda and secure a healthier, more resilient future for generations to come.

AFRICAN PLAN FOR MORE DOMESTIC AND INNOVATIVE FINANCING FOR HEALTH

To mitigate the challenges posed by declining ODA, African nations must adopt a multifaceted approach focusing on domestic resource mobilization and innovative financing mechanisms. Therefore, Africa CDC is proposing the below 3-pillar approach

Pillar 1: More domestic Financing

a. Develop / Update Costed National Strategic Plans

Strengthening domestic financing is crucial to achieving sustainable healthcare systems in Africa, national, continental and global objectives. With strong mandate received from African Heads of State and Government during the meeting on domestic financing held on 14 February 2025 and the decisions from African Union Assembly, Africa CDC will support African countries in developing comprehensive, costed 2025–2030 strategic health plans aligned with the SDGs, as milestones of the 2063 agenda. These strategic plans will rely on thorough needs assessments, clearly identifying health priorities, resource requirements, and financing pathways toward self-reliance.

In 2020, domestic general government spending on health as a share of total government expenditure ranged from 2.1% to 12% (WHO African Region Health Expenditure Atlas 2023), highlighting the large variations that exist among countries, the limited capacity of raising public resources for health, and the huge reliance on external resources, a model increasingly unsustainable due to shifting donor priorities and global economic uncertainties. The aim is for countries to achieve the Abuja target of 15% as quickly as financially possible.

To replicate the Rwandan successes but also others identified on the continent, Africa CDC advocates strategic actions, including conducting comprehensive health sector assessments prioritizing high-impact interventions like neonatal and maternal care, immunization, infectious disease control, and chronic disease management.

Building upon some successful models from African countries, Africa CDC proposes a series of strategic actions to enhance domestic financing through carefully developed and monitored strategic plans:

Comprehensive Needs Assessments: Countries must conduct robust health sector assessments to prioritize high-impact interventions. Areas with proven cost-effectiveness and significant health impacts include neonatal and maternal care, expanded immunization programs, infectious disease control, and chronic disease management. For example, neonatal interventions alone have the potential to reduce neonatal mortality by up to 71% when effectively funded and implemented (Lancet Global Health, 2023).

Legislating Annual Health Budget Increases: Securing domestic financial resources requires political commitment and legislative backing. Drawing from Ghana's experience with the National Health Insurance Scheme (NHIS), which legislated budget increments of approximately 8–10% annually, countries should aim for similar structured increases in health sector financing (Ghana NHIA Report, 2023). Between 2010 and 2022, Ghana's NHIS saw enrollment grow from 40% to over 70%, significantly reducing out-of-pocket healthcare spending.

Utilizing Integrated One Health Costing Tools: A One Health approach, integrating human, animal, and environmental health considerations, optimizes resource allocation. Africa CDC will promote tools such as the World Bank's One Health Operational Framework to ensure efficient allocation of resources, particularly relevant for zoonotic diseases, which comprise approximately 75% of emerging infectious diseases (World Bank, 2022). Effective implementation of integrated One Health strategies could save up to $2.4 billion annually in response costs across Africa (World Bank, 2022).

Strengthening Monitoring and Accountability: To ensure effective implementation and sustainability of costed strategic plans, robust monitoring and evaluation frameworks must be established. These mechanisms must include clear indicators aligned with national and international health targets. Regular public reporting, coupled with transparent audits, can bolster accountability and public trust. Ethiopia's Health Sector Transformation Plan, implemented since 2016, highlights the effectiveness of rigorous M&E frameworks, improving health outcomes and financial accountability (Ethiopia Ministry of Health, 2023).

Advocacy and Capacity-Building: Africa CDC will support countries through targeted advocacy, training, and technical assistance to strengthen capacities in health financing and strategic planning. Workshops, peer-to-peer learning exchanges, and tailored country consultations will ensure countries can independently develop, implement, and evaluate their strategic health plans.

Implementing these strategies could significantly increase domestic health financing, reducing dependency on external aid. By 2030, we are expecting African countries to reduce dependency to ODA by an average of 20%, while improving healthcare outcomes such as reduced infant mortality, enhanced immunization rates, and stronger outbreak and pandemic preparedness. These actions promise to bolster political commitment and public trust, embedding a culture of health security, efficiency and accountability across Africa.

b. Alignment of External Support with National Plans: the Lusaka agenda

Aligning donor support with national health plans is essential for strengthening healthcare systems, maximizing resource utilization, and ensuring accountability, transparency and impact through sustainable health outcomes across Africa. Historically, independent operation of donor funding has often resulted in inefficiencies, redundancies, and unmet health needs, with WHO estimating an efficiency loss of 15-25% of total health expenditure due to misaligned aid.

In 2022, despite approximately USD 17 billion allocated to African health sectors through ODA, only about 50% aligned fully with national health strategies, significantly reducing potential impact (OECD 2024). For example, Ethiopia's robust Health Sector Transformation Plan receives substantial international support (USD 1.8 billion annually) yet faces challenges due to fragmented funding, negatively affecting maternal and child health, disease control, and emergency response effectiveness.

To address these challenges and realize the full potential of donor contributions, Africa CDC proposes the following strategic actions:

Joint Coordination Task Forces

Establish Joint Africa CDC-Donor-Government Task Forces at the national level. These task forces will operate as platforms for ongoing dialogue, coordination, and alignment of donor activities with national health plans.

Successful examples include Rwanda's Joint Health Sector Coordination mechanism, which effectively streamlined donor investments, significantly improving maternal and child health indicators between 2015 and 2020.

Transparency and Accountability Frameworks

Introduce transparent monitoring and accountability frameworks to track donor investments against national health outcomes. Open-data platforms like DHIS2 can provide real-time tracking of donor funding against national priority indicators.

For example, Tanzania implemented an accountability dashboard tracking ODA contributions against national health indicators, improving transparency and donor trust (Government of Tanzania, 2023).

Capacity Building and Technical Assistance

Africa CDC should provide technical support to national governments in developing comprehensive health sector strategic plans that incorporate clear funding alignment guidelines.

Training and capacity-building initiatives, like workshops conducted by Africa CDC, WHO, and the Global Fund, have previously enabled countries such as Senegal and Malawi to improve donor alignment significantly.

Rewarding all efforts for more domestic financing and alignment

Africa CDC's Ministerial Executive Leadership Program (MELP) meetings will be leveraged as platforms to share knowledge, and reward countries demonstrating substantial annual budget growth and improved alignment of donor funding.

Recognition awards and additional support incentives could motivate other countries to adopt similar alignment practices.

The increase in domestic resources increases the volume of health funding managed through national system. As national systems are strengthened, donor funding should increasingly be channeled via these systems. Targets for these transitions can be established as a part of national plans, backed by capability building.

The structured implementation will proceed through stakeholder mapping and initial engagements in late 2025, formation and operationalization of national task forces by year-end, deployment of capacity-building programs and transparency platforms in early 2026, followed by regular annual monitoring and evaluation reviews. By 2028, donor alignment with national health strategies is expected to rise from the current 50% to at least 80%, potentially reducing sector inefficiencies by 20%, freeing approximately USD 3.4 billion annually for direct health improvements (OECD, 2022).

Through these strategic measures, Africa CDC aims to significantly enhance coherence, transparency, and impact, advancing the objectives articulated in the Lusaka Agenda and securing sustainable healthcare improvements continent-wide.

To implement this alignment, Africa CDC has identified four key steps:

Step 1: Stakeholder Mapping and Initial Engagement (Q2 2025)

Identify key stakeholders including major donors (US, World Bank, Gates Foundation, EU, GFATM, Gavi, UK, GFF,...), national ministries of health, and regional health organizations. Non Governmental Organizations, Philanthropies, Private sector,...

Initial consultations and alignment workshops conducted by Africa CDC.

Step 2: Formation of National Task Forces (Q3 2025)

Formulate and operationalize national task forces involving donors, government representatives, and Africa CDC officials.

Develop clear Terms of Reference focused on alignment, accountability, and transparency.

Step 3: Capacity Building and Launch of Transparency Framework (Q1-Q2 2026)

Implement comprehensive capacity-building programs.

Deploy digital tracking and transparency platforms

Step 4: Monitoring and Evaluation (Annual)

Conduct annual reviews during MELP meetings to assess progress, identify challenges, and celebrate achievements.

Provide public recognition and incentive mechanisms for best-performing countries.

Step 5: Reporting to the African Union Assembly (Annual)

Per the mandate given by the African union Assembly, Africa CDC will use a scorecard to report on the progress on targets for -- domestic financing, capability / governance strengthening, and the channeling of donor funding through national systems -- during the African Union Assembly

Pillar 2: More innovative Financing

Innovative financing mechanisms are essential to effectively support Member States in addressing healthcare funding challenges, particularly for outbreak preparedness, disease prevention, and health system strengthening.

Traditional funding mechanisms have proven inadequate, underscoring the need for creative and sustainable solutions. Notably, implementing a solidarity levy on airline tickets, inspired by UNITAID’s successful model, proposes charging a modest levy of US$2 on economy-class and US$10 on business-class tickets for flights using African airports. This approach has already mobilized substantial resources in countries like Madagascar, generating about US$5 million annually dedicated to malaria control. Applying this model continent-wide, based on passenger numbers reported by IATA, could generate approximately around 500 to 700 million annually.

Similarly, imposing a minimal import levy of 0.1% on goods entering Africa, building upon ECOWAS’s successful levy system, could produce approximately US$700 million annually.

This strategy has effectively sustained regional health budgets, covering significant portions of organizational funding needs. Indeed, ECOWAS already implements a successful levy system, charging a 0.5% duty on imports to fund the West African Health Organization (WAHO). This has sustainably covered over 70% of WAHO’s annual budget.

Additionally, targeted taxes on high-consumption products like mobile phones, alcohol, sugary drinks, and tobacco have proven successful in generating sustainable health revenue, as evidenced in South Africa, Kenya, and Nigeria.

With Africa's projected mobile phone user base reaching over 615 million by 2025 (GSMA, 2022), conservative estimates suggest that a moderate tax of 5-10% on these items could generate hundreds of millions annually.

Diaspora bonds represent another powerful funding mechanism, capitalizing on annual remittances to Africa, currently around US$95 billion. Diaspora bonds have been successfully utilized by countries like Ethiopia and Nigeria, raising significant capital for infrastructure and health sector projects.

By offering competitive returns (e.g., 3% over a five-year maturity), even capturing 5% of remittance flows could potentially raise nearly US$4.75 billion annually.

Using the decision already approved by the African Union Assembly, the implementation of these taxes will necessitate some strategic actions like:

- Establish clear governance structures and transparent mechanisms for allocating collected taxes directly to health initiatives administered by Africa CDC to ensure transparency and accountability in revenue collection and utilization.
- Conduct economic impact assessments to balance revenue generation with consumer affordability.
- Formulate a policy framework at the African Union level to harmonize implementation.
- Establish legal frameworks and regulatory oversight through collaboration with national aviation authorities.
- Promote public awareness and advocacy campaigns highlighting direct health benefits.

Africa CDC has a unique opportunity to enhance its financial sustainability by leveraging AU Financial Rule 25, which permits AU institutions to generate their own income. Establishing self-revenue-generating activities will not only reduce dependency on external funding but also create a more resilient and independent institution capable of sustaining its public health mandate. Several strategic initiatives can be pursued to achieve this goal.

Strategic public-private partnerships in health infrastructure also present a significant revenue-generating opportunity. By leveraging the Platform for Harmonised African Health Manufacturing (PHAHM), Africa CDC will facilitate co-investments in regional manufacturing hubs, ensuring both sustainable health security and financial returns. A model example is the South African Biovac Institute, a public-private partnership that successfully produces WHO-prequalified vaccines and has an estimated revenue potential of $150 million. By replicating and scaling such partnerships, Africa CDC can secure a stable income while strengthening Africa's health sovereignty.

The development of digital health solutions and data analytics offer additional revenue streams. Africa CDC can transform its real-time disease surveillance platforms into services, offering data-driven insights for national governments, research institutions, insurers, and investors. By monetizing aggregated, non-sensitive health data, Africa CDC can recover costs through licensing fees and data commercialization agreements. This model has been successfully implemented in various sectors. These solutions can also be based girded by services provided by the private sector.

Africa CDC's reference laboratories and testing facilities also present a viable financial sustainability pathways. By offering cost-recovery based specialized testing services, Africa CDC can provide a continental diagnostic hub and biobank. Reference laboratories worldwide, including those managed by WHO, have demonstrated the feasibility of such a model working with universities, biotech firms, and research agencies. With the growing demand for high-quality diagnostic and laboratory services across Africa, Africa CDC will create sustainable continental laboratory services.

Out-of-Pocket (OOP) payments continue to be the first and dominant source of health financing across much of Africa. WHO Global Health Expenditure Database (latest available data, typically updated annually) shows that in many African countries, OOP payments account for between 30% and 60% of total health expenditure, which is significantly higher than the global average. This means that individuals and families often bear the direct costs of healthcare at the point of service. The practice of OOP payments continues to place a financial burden on over 200 million people, including pushing over 150 million people into or deeper into poverty across Africa (WHO, 2025)

High OOP payments limit access to essential health services, especially for the poor and vulnerable. It contributes to catastrophic health spending, pushing many households into poverty due to medical costs. Limited coverage of national health insurance schemes, social health insurance, or community-based insurance means people largely lack financial protection mechanisms.

Per the Rwandan experience, community health insurance is a game-changer for improving healthcare access in Africa including mobile micro-insurance that can be expanded across low-income groups within states, ensuring financial protection, better healthcare access, and economic growth. This approach will:

1. Reduce Financial Barriers to Healthcare

Prevent Catastrophic Health Expenses: Many Africans pay out-of-pocket for healthcare, which can be financially devastating. Health insurance ensures predictable, manageable costs, reducing the risk of poverty due to illness.

Encourage Preventive Care: Without insurance, many people delay treatment due to cost, leading to worse health outcomes and higher long-term costs. Insurance encourages early diagnosis and routine check-ups.

2. Expand Access to Quality Healthcare

Increase Hospital & Clinic Utilization: Insured individuals are more likely to seek care when needed, improving overall health and productivity.

Attract Private Investment: A reliable insurance system creates a stable revenue stream for hospitals and clinics, encouraging private-sector investment in healthcare facilities.

3. Strengthen Health Systems & Infrastructure

Steady Funding for Hospitals & Medical Staff: Insurance ensures that hospitals receive consistent funding, improving services and reducing reliance on unpredictable donor aid.

Enable Bulk Purchasing of Medicines & Equipment: Insurers can negotiate better prices for medications and medical supplies via the African Pooled Procurement Mechanism (APPM), reducing costs for both patients and healthcare providers.

4. Drive Economic Growth & Workforce Productivity

Healthy Populations Are More Economically Productive: Insurance enables people to get treatment and return to work faster, boosting economic output.

Encourage Job Creation: A growing health insurance sector creates jobs in administration, healthcare services, and insurance markets.

5. Encourages Private Sector Participation & Innovation

Insurance Markets Attract Investors: When more people can afford care through insurance, private hospitals, telemedicine companies, and pharmaceutical firms see Africa as a viable market. Enable Digital & Mobile Health Innovations: Insurtech solutions, like mobile-based microinsurance, make it easier for even low-income populations to access coverage.

Without insurance, healthcare remains a privilege rather than a right for millions in Africa. Expanding health insurance is the key to making healthcare accessible, affordable, and sustainable—not just for individuals, but for entire economies.

Strategic partnerships with international financial institutions like AfDB and the World Bank will further bolster technical credibility and appeal to diaspora investors. In addition, there is a need to develop tailored outreach campaigns to African diaspora communities globally, emphasizing tangible health impacts and potential financial returns, and implement transparent oversight mechanisms to manage diaspora investments effectively, ensuring confidence and continuous participation.

Collectively, these innovative financing strategies— solidarity levies, import levies, targeted consumption taxes, self-revenue generating activities, insurance and diaspora funding and bonds—could significantly enhance Africa's financial sustainability, potentially generating upwards of US$6 billion annually that will help for outbreak / pandemic preparedness and response, solidarity and equity for health system strengthening in African countries especially those with less revenues, support to some continental initiatives like local manufacturing of health commodities.

Successfully deployed, these strategies will substantially strengthen Africa's health security, preparedness, and long-term health system resilience.

Pillar 3: More Blended Financing and investment from private sector

Addressing the financing gaps impacting health security and sustainable development in Africa demands a collaborative approach extending beyond African governments. Blended finance—a strategic combination of public and private sector capital—offers a viable solution for mobilizing significant resources to tackle challenges in health, infrastructure, and development sectors. Especially the enabling infrastructure to health security.

Key Components of Blended Finance are:

- **Concessional Finance**: Public funds, typically provided by development finance institutions (DFIs), are offered at below-market rates or in the form of grants. Concessional finance plays a crucial role in reducing risks and enhancing financial returns for private investors. This financing can also be deployed as first-loss capital to make investment opportunities more attractive to private sector players.

- **Private Sector Capital**: Private investors, companies, or institutions seek to invest in projects that align with both financial and social or environmental objectives. This capital plays a key role in driving sustainable development by supporting initiatives with high social impact.
- **Risk Mitigation Tools**: Blended finance structures often incorporate mechanisms such as guarantees, first-loss capital, insurance, and technical assistance. These tools help to reduce the risks faced by private investors, thereby making investments in sectors that are perceived as high-risk more appealing.
- **Innovative Financing Structures**: A variety of financing mechanisms, including equity investments, debt, grants, and guarantees, can be used to design effective and customized funding solutions for specific projects. These structures ensure the most appropriate combination of capital sources to address specific needs and challenges.

The global landscape underscores vulnerabilities caused by declining development funding, persistent health threats, supply chain disruptions, geopolitical instability, and insufficient digital infrastructure. These challenges present an opportunity to attract private investment, strengthen regional economic resilience, and ensure equitable access to essential services. By integrating financial innovation, risk-sharing, and sustainable strategies, blended finance becomes essential.

Objectives and Benefits of Blended Finance are:

- **Attracting Private Investment:** Blended finance aims to mobilize private sector capital for projects that align with development goals, even when those projects may be perceived as too risky or not immediately profitable by private investors.
- **Increasing Impact:** By leveraging both public and private sector resources, blended finance can help scale up initiatives, particularly in areas like renewable energy, health, education, and infrastructure.
- **Sustainable Solutions:** This approach helps facilitate long-term solutions to global challenges, enabling governments to leverage private capital without increasing national debt burdens which ultimately contributes to more resilient and sustainable economies.
- **Risk Sharing:** Blended finance reduces the financial burden on public resources, while simultaneously providing private investors with a level of protection against potential risks.

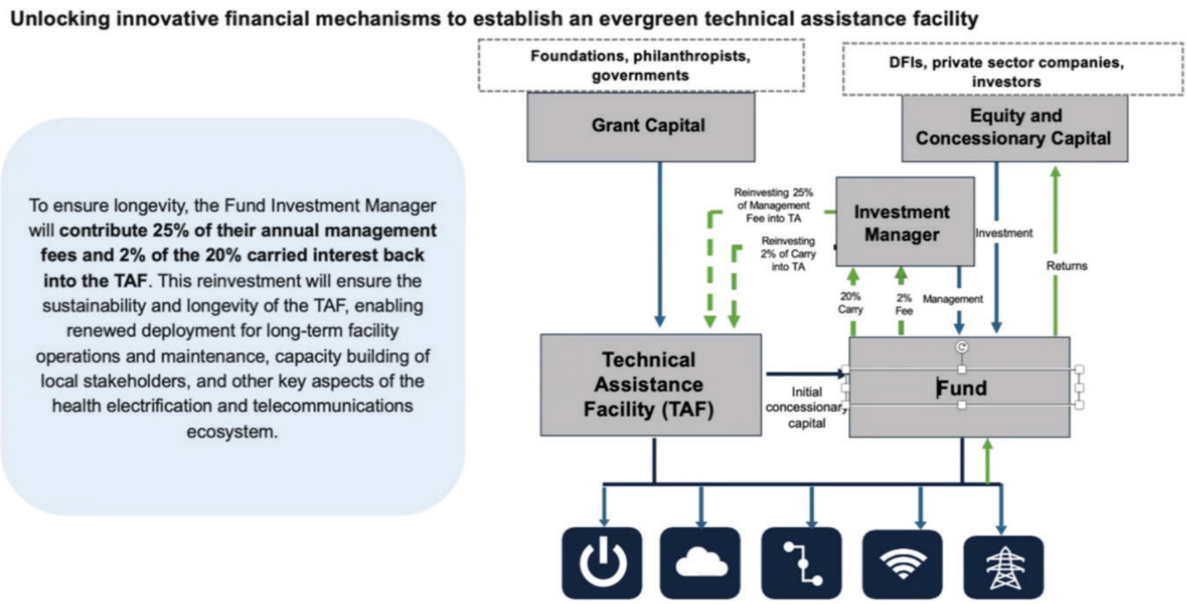
Africa CDC has been mandated by African Union Heads of State to champion innovative financing mechanisms that bring private sector funding to the table. In response to Africa's pressing health challenges, Africa CDC is focusing on four priority areas for improving pandemic preparedness and response across the continent:

- Electrification of health centers
- Health supply chain infrastructure
- Connectivity or health centers and digital health data
- African manufacturing of health products

These priority areas represent critical gaps involving the private sector that must be addressed to build stronger, more resilient health systems capable of responding to future health threats and emergencies. The private sector has vast untapped potential in Africa's health sector, projected to grow to $259 billion by 2030. This market is poised to become the second largest worldwide after the United States by 2030, indicative of its rapid expansion and increasing significance (RWS, 2024).

By harnessing blended finance, Africa CDC aims to activate the necessary resources to achieve these objectives and drive long-term improvements in health security across the continent.

An illustrative structure of a blended finance facility is as follows.



Structure of the supply chain and local manufacturing financing facility

Africa CDC will collaborate with financial institutions, governments, development partners, and private sector stakeholders to implement tailored blended finance solutions. Through extensive consultations and technical assistance, Africa CDC ensures these solutions align closely with local health system capacities and contexts, delivering lasting impacts.

Current initiatives include developing a robust pipeline of feasible projects, scenario testing for varied financing layers, and creating targeted technical assistance facilities to support project implementation and health security programming.

Examples already in action include enhancing local manufacturing capabilities for health products under the New Public Health Order and deploying renewable energy projects using concessional loans and risk mitigation instruments. These efforts highlight blended finance's potential to mobilize resources effectively, even in challenging investment climates.

Ultimately, blended finance represents a powerful mechanism for bridging Africa's health security financing gap, ensuring investments are impactful, sustainable, and driven by local needs and priorities.

Underpinning and Crosscutting for the 3 pillars: Governance

Strong national governance is a critical underpinning across all three pillars. Governance that forces optimal use of resources must serve as the foundation for all pillars, ensuring efficiency, sustainability, and impact across various domains.

The Lusaka Agenda emphasizes strategic planning and resource allocation to drive development, requiring careful stewardship of financial, human, and technological assets. Similarly, efficient allocation and use of resources demand that budgets and investments align with priority areas, reducing wastage and maximizing returns for intended beneficiaries.

Furthermore, the fight against corruption, fraud, and misuse of resources is critical to safeguarding public and private investments. Robust transparency mechanisms and governance structures must be in place to ensure accountability, preventing misallocation and enhancing public trust. More than 50% of health aid to Africa bypasses government budgets, with the proportion reaching as high as 70%–80% in some countries, depending on donor policies.

This fragmented approach undermines national planning, accountability, and long-term sustainability. When national governance is effective, donor funds should be aligned with and channeled through national systems, reinforcing institutions rather than working around them (*see: Mwisongo A & Nabyonga-Orem J., 2016, "Can donor aid for health be effective in a poor country? Assessment of prerequisites for aid effectiveness in Uganda", ResearchGate; and McBride B et al., 2023, "Donors' choice of aid channels: Assessing whether governance quality matters", World Development*).

The integration of digitalization and telemedicine underscores the transformative potential of technology in optimizing health service delivery, reducing inefficiencies, and expanding access to underserved populations. Ultimately, all these measures contribute to maximizing impact, ensuring that every resource deployed translates into meaningful, measurable improvements in society. By embedding resource optimization into every pillar, we can drive long-term progress and resilience across sectors.

IMPLEMENTATION STRATEGY AND TIMELINE

As an illustration, the proposed strategy will be implemented in two phases.

Phase 1 will focus on building the foundation for sustainable financing and accountability. Thirty countries will update or develop costed national health plans aligned with continental priorities. An African Union-led monitoring dashboard will be established to track country-level progress in real time and ensure transparency. In parallel, a pilot airline tax will be introduced in ten nations, generating additional domestic resources specifically earmarked for health investments.

Phase 2 will focus on scaling and institutionalizing results. Innovative and blended financing mechanisms will be expanded, with a strong emphasis on leveraging public-private partnerships. The ultimate goal of this phase is to enable at least 20 countries to reach or exceed 50% domestic health funding, reinforcing national ownership and long-term sustainability.

COSTED IMPLEMENTATION PLAN

To support the implementation of this exercise, Africa CDC is requesting USD 43 million.

This funding will enable the successful execution of the two-phase strategy and ensure measurable progress toward sustainable health financing across the continent.

A detailed budget has been developed for each pillar of support, covering technical assistance for the development of costed national health plans, the establishment of the AU-led monitoring dashboard, implementation of the pilot airline tax, and the design and scaling of innovative and blended financing mechanisms.

RISKS AND MITIGATION

Political Resistance & Weak Implementation Capacity:

Governments may resist new health taxes, levies, and mandatory health insurance schemes due to political concerns, economic instability, or fear of public backlash. Additionally, many African countries lack the technical expertise and governance structures to implement complex financial reforms.

Mitigations include:

- Public awareness campaigns to educate citizens on the benefits of health taxes and insurance.
- Tiered tax structures to protect low-income populations while ensuring wealthy individuals and corporations contribute more.
- Capacity-building programs to strengthen government institutions and ensure efficient implementation of health financing reforms.

Limited Private-Sector Engagement & Investment Risks:

The private sector is hesitant to invest in African healthcare due to regulatory uncertainty, weak infrastructure, and perceived financial risks. Despite Africa's health market projected to reach USD 259 billion by 2030, investment in local pharmaceutical production, digital health, and medical supply chains remains low.

Mitigations include:

- De-risk private investments through blended finance mechanisms (e.g., first-loss capital, loan guarantees, tax incentives).
- Develop stronger regulatory frameworks to attract private health insurance providers and healthcare investors.
- Expand public-private partnerships (PPPs) in pharmaceutical production, supply chain management, and hospital infrastructure

If these risks are not proactively addressed, the strategy could face major funding shortfalls, implementation delays, and private-sector disengagement.

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Annex 1: Availability of National Health Strategic / Development Plan and National Health Financing Strategy in Africa

Member State	National Health Strategic / Development Plan	Status	Costed	End 2030	National Health Financing Strategy	Statuts	Costed	End 2030
Algeria	National Health Security Strategy 2025-2030	Yes	Yes	Yes	-	No	-	-
Angola	National Health Development Plan 2012-2025	Yes	Yes	No	-	No	-	-
Benin	National Health Development Plan 2025-2029	Yes	Yes	No	National Health Financing Strategy 2025-2029	Yes	No	No
Botswana	Integrated Health Service Plan 2010-2020	No	-	-	-	No	-	-
Burkina Faso	National Health Strategic/Development Plan 2021-2030	Yes	Yes	Yes	National Health Financing Strategy for UHC 2018-2030	Yes	No	Yes
Burundi	Strategie Sectorielle de la Sante 2021-2027	Yes	Yes	No	-	No	-	-
Cameroon	Strategie Sectorielle de la Sante 2020-2030	Yes	Yes	Yes	-	No	-	-
Cape Verde	National Health Development Plan 2017-2021	No	-	-	-	No	-	-
Central African Republic	Transition Plan for the Health Sector 2015-2017	No	-	-	-	No	-	-
Chad	National Health Development Plan 2022-2030	Yes	Yes	Yes	-	No	-	-
Comoros	-	No	-	-	National Community Health Financing Strategy 2019-2030	Yes	No	Yes
Democratic Republic of Congo	National Health Development Plan 2019-2022	No	-	-	-	No	-	-
Republic of Congo	-	No	-	-	-	No	-	-
Djibouti	-	No	-	-	-	No	-	-
Egypt	National Health Strategy 2024-2030	Yes	Yes	No	Integrated National Financing Strategy 2024-2030	Yes	-	-
Equatorial Guinea	National Health Development Plan 2021-2025	Yes	No	No	Plan Operativo Annual del Ministerio de sanitario 2025-2029	Yes	-	-
Eritrea	Health Sector Strategic Development Plan 2022-2026 (HSSDP III)	Yes	-	No	-	No	-	-

Member State	National Health Strategic / Development Plan	Status	Costed	End 2030	National Health Financing Strategy	Statuts	Costed	End 2030
Eswatini	National Health Sector Strategic Plan for 2024-2028	Yes	No	No	Eswatini National Financial Inclusion Strategy 2023 -2028	Yes	No	No
Ethiopia	Health Sector Transformation Plan 2021-2026	Yes	Yes	No	Health Care Financing Strategy 2022–2031	Yes	No	Yes
Gabon	National Health Development Plan 2024-2028	Yes	No	No	-	No	-	-
Gambia	National Health Sector Strategic Plan 2021 - 2025	Yes	Yes	Yes	Health Financing Strategy 2019-2024	Yes	-	-
Ghana	Health Sector Medium-Term Development Plan 2022-2025	Yes	Yes	No	National Health Financing Strategy 2023-2030	Yes	No	Yes
Guinea	national health development plan 2015-2024	No	-	-	National Strategic Plan for Community Health 2023-2027	Yes	Yes	No
Guinea-Bissau	-	No	-	-	-	No	-	-
Ivory Coast	National Health Development Plan 2021-2025	Yes	Yes	No	-	No	-	-
Kenya	-	No	-	-	Health Financing Strategy 2020-2030	Yes	No	Yes
Lesotho	National Health Strategic Plan 2018-2022	No	-	-	No	No	-	-
Liberia	National Health Plan 2011-2021	No	-	-	-	No	-	-
Libya	National Strategy for Primary Healthcare 2023-2028	Yes	-	-	-	No	-	-
Madagascar	Health Sector Development Plan 2020-2024	No	-	-	-	No	-	-
Malawi	Health Sector Strategic Plan III 2023-2030	Yes	Yes	Yes	National Health Financing Strategy 2023-2030	Yes	Yes	Yes
Mali	National Health Sector Strategic Plan 2014-2023	No	-	-	-	No	-	-
Mauritania	National Health Development Plan (NHDP) 2022-2030	Yes	No	Yes	-	No	-	-

Member State	National Health Strategic / Development Plan	Status	Costed	End 2030	National Health Financing Strategy	Statuts	Costed	End 2030
Mauritius	Mauritius Health Sector Strategic Plan 2020-2024	No	-	-	-	No	-	-
Morocco	National Health Plan 2025	Yes	No	No	-	No	-	-
Mozambique	Strategic Plan for the Health Sector 2020-2024	No	No	-	No	No	-	-
Namibia	National Health Strategic Plan 2017-2022	No	-	-	-	No	-	-
Niger	Niger Health and Social Development Plan 2022-2026	Yes	No	No	National Health Financing Strategy 2023	Yes	-	-
Nigeria	Nigeria health Sector Strategic Blueprint 2024-2027	Yes	No	No	Nigeria Health Financing Policy and Strategy 2017	Yes	-	-
Rwanda	Health Sector Strategic Plan V 2024–2029	No	-	-	Health financing strategic plan 2018 - 2024	Yes	Yes	No
Sao Tome & Principe	National Health Development Plan 2023-2032	Yes	No	Yes	-	No	-	-
Saharawi Republic		No			Health financing Strategy 2022-2026	Yes		
Senegal	National Health and Social Development Plan (PNDSS) 2019-2028	Yes	Yes	No	Senegal Health Financing Strategy 2017	Yes	-	-
Seychelles	National Health Strategic Plan 2022-2026	Yes	No	No	-	No	-	-
Sierra Leone	Sierra Leone's Medium Term National Development Plan 2024-2030	No	-	-	Healthcare Financing Strategy 2021-2025	Yes	No	No
Somalia	Health Sector Strategic Plan III (HSSP III) 2022-2026	No	-	-	Health Sector Strategic Plan III (HSSP III) 2022-2026	Yes	No	No
South Africa	National Health Strategic Plan 2020-2025	Yes	No	No	National Health Insurance (NHI) Plan 2020-2025	No	-	-
South Sudan	Health Sector Strategic Plan (HSSP) 2023-2027	Yes	-	No	-	No	-	-
Sudan	25-Year Strategic Plan for the Health Sector 2003-2027	Yes	No	No	-	No	-	-

Member State	National Health Strategic / Development Plan	Status	Costed	End 2030	National Health Financing Strategy	Statuts	Costed	End 2030
Tanzania	Health Sector Strategic Plan V (2021–2026)	Yes	Yes	No	Health Financing Strategy 2016-2026	Yes	Yes	No
Togo	National Health Strategic Plan 2023-2027	Yes	-	No	-	No	-	-
Tunisia	National Health Development Plan 2023-2025	Yes	-	-	Health financing Strategy (On-going)	No	-	-
Uganda	National Health Sector Strategic Plan for 2020-2025	Yes	Yes	No	Health Financing Strategy 2015/16 - 2024/25	Yes	No	No
Zambia	National Health Strategic Plan 2022-2026	Yes	Yes	No	Health Care Financing Strategy 2017-2027	Yes	No	No
Zimbabwe	National Health Strategy 2021-2025	Yes	Yes	No	Health Financing Strategy 2017	Yes	-	-

Aspiration statement

To become a world-class, self-sustaining, and agile institution that champions African health security, sets the African public health agenda, and leads and coordinates continental efforts driven by a One Health approach.

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Africa CDC is a continental autonomous health agency of the African Union established to support public health initiatives of Member States and strengthen the capacity of their public health institutions to detect, prevent, control and respond quickly and effectively to disease threats.

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Safeguarding Africa's Health

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