



## Factsheet on Health Financing in Nigeria in 2013

Governments across Africa have invested in health and seen significant improvements in health outcomes. However more investment is urgently needed in order to improve maternal and newborn survival, as well as the health of the population as a whole.

It is important that the government is responsible for the largest share of spending on health, rather than individuals, otherwise the poor may be denied access to healthcare and others may be pushed into poverty through expenditure on health.



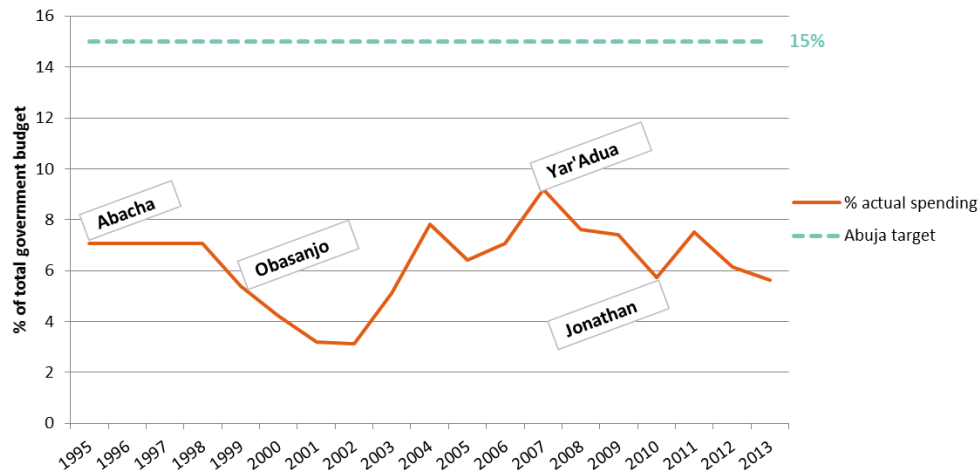
### Abuja Declaration

Nigeria's Government signed the Abuja Declaration in 2001, which commits them to spending **15%** of the total government budget on health.<sup>1</sup>

In 2013, the Nigerian Government allocated **5.6%** of the total government budget on health at the federal level.<sup>2</sup> Aggregate figures for health spending at the state-level are not available and so are not included in this calculation.

The following ECOWAS states all spent more than Nigeria as a proportion of their GDP in 2011: Sierra Leone, Mali, Niger, Burkina Faso, Senegal, Benin, Togo, Liberia, Ghana, Cape Verde, and the Gambia.

**Nigeria Federal Government Spending  
% of Total Budget**

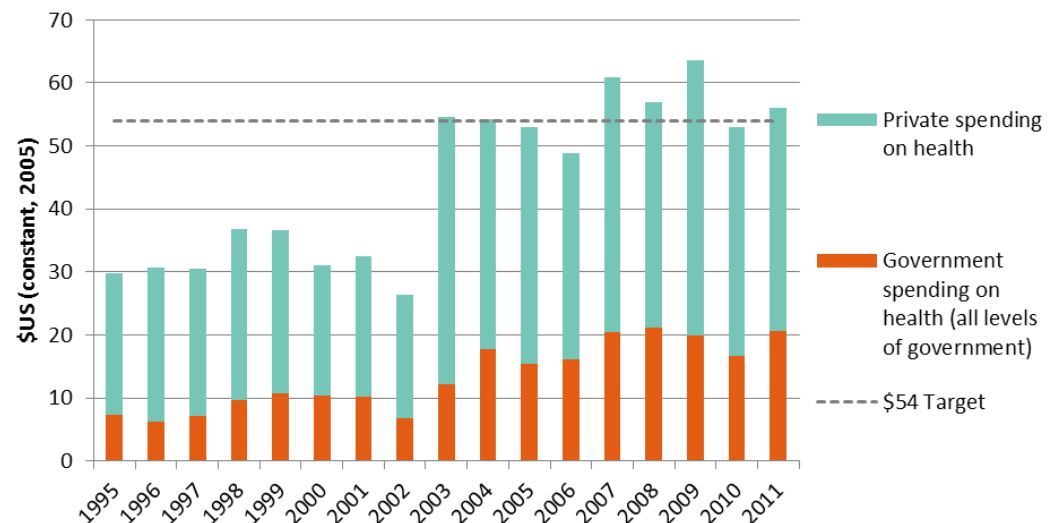


### Health spending per person in Nigeria

The WHO recommends that total health spending, including both government and private spending, should amount to a minimum of **\$54** per person (this is expressed in 2005 dollars).<sup>3</sup>

In 2013, the Government of Nigeria allocated **\$10.90** per person in Nigeria, which is the equivalent of **NGN 1,709** per person for health<sup>2</sup>, down from **\$11.50** or **NGN 1,782** in 2012.<sup>4</sup> Please note that these figures do not include state-level funding, unlike those from 1995-2011 as below.

**Total health spending**



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Spending more, and spending more effectively, on health services for mothers and babies, has a positive impact on other parts of the economy. According to a recent study by the Partnership for Maternal, Newborn and Child Health:<sup>5</sup>

“For every dollar spent on key interventions for reproductive, maternal, newborn and child health, about US\$20 in benefits could be generated through producing healthy children who enjoy better cognitive development, achieve more at school and become healthy, productive adults.”

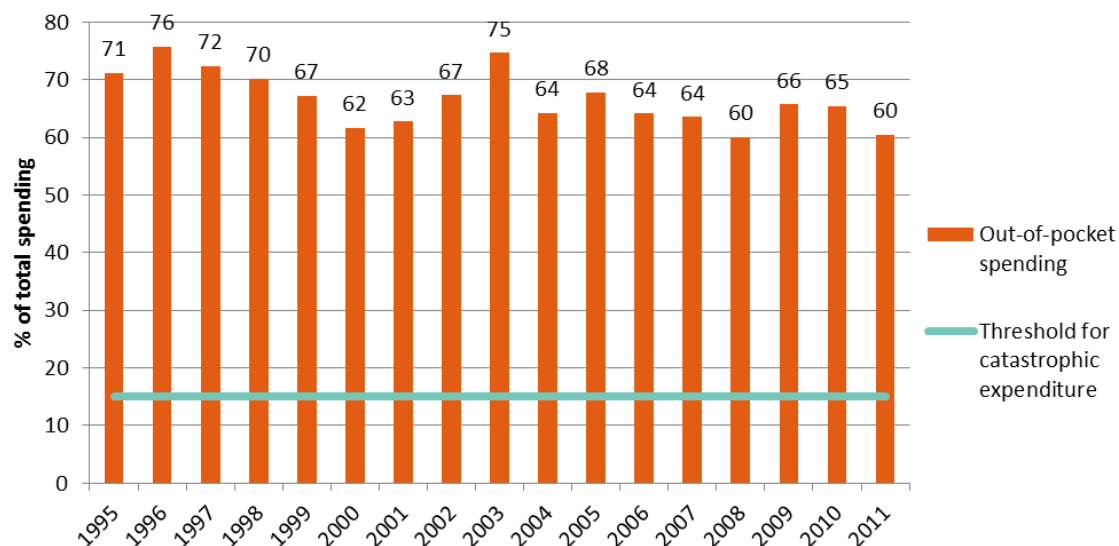


### Out-of-pocket funding

Universal health coverage is a situation where everyone can access the health services they need without suffering financial hardship paying for them. This implies that there is some sort of risk pooling mechanism (e.g. insurance) and that the poorest are supported with their health expenses.

**60%** of all health spending is financed directly by households without insurance. This is way above the **15%** threshold beyond which household risk being pushed into poverty by health care expenses (WHO).

### Out-of-pocket spending as % of total health spending



### Explaining the numbers

- Ⓒ All numbers, unless otherwise specified, provided are from the Global Health Expenditure Database (WHO): <http://apps.who.int/nha/database/DataExplorerRegime.aspx>
- Ⓒ The WHO numbers are internationally comparable, but may not be the most accurate figure available for Nigeria
- Ⓒ Government spending on health can include donor funds

### References

1. Organisation of African Unity. (2001). *Abuja declaration on HIV/AIDS, tuberculosis and other related infectious diseases*. Abuja: OAU/SPS/ABUJA/3.
2. Federal Ministry of Finance [Nigeria]. (2013) *Understanding Budget 2013*. Abuja: Federal Ministry of Finance.
3. Taskforce on Innovative International Financing for Health Systems. (2010). *Constraints to scaling up and costs: working group 1 report*. Geneva: WHO.
4. Federal Ministry of Finance [Nigeria]. (2012) *Understanding Budget 2013*. Abuja: Federal Ministry of Finance.
5. Partnership for Maternal, Newborn and Child Health. (2013). *Knowledge Summary #24: The economic benefits of investing in women's and children's health*. Geneva: PMNCH.