TEXT OF A PRESS CONFERENCE ORGANISED BY CIVIL SOCIETY LEGISLATIVE ADVOCACY CENTRE (CISLAC)/TRANSPARENCY INTERNATIONAL NIGERIA TO EXPOSE IMPUNITY DOMINATING THE PROCUREMENT OF ANTIRETROVIRAL DRUGS IN NIGERIA.

PROTOCOLS

While international treaties and governments across the world recognize adequate, accessible and affordable health care as a fundamental human right, medicine financing in Nigeria is generally out-of-pocket. The continued rise in price has made many essential and prescription medications unaffordable, and therefore inaccessible, by quite a large number of Nigerians, who live below poverty line. This without doubt comes with grave consequences of morbidity and mortality to consumers of healthcare products in Nigeria.

The unaffordability triggered by high production and supply costs encourages the sale of fake and substandard drugs in the country, while consumers who are compelled to seek cheaper drug alternatives ceaselessly fall prey to fake and substandard drugs with health damaging.

As Nigerian government’s struggles to sustain provision of free antiretroviral drugs as part of HIV programmes at health facilities in the country, which has an estimated 3.1 million people living with HIV/AIDS, this effort is mostly sabotaged by inflated prices quoted by supplying contractors, whose activities render government’s effort inadequate to eliminate the high and sometimes inequitable economic burden of HIV/AIDS on households.

This exorbitant prices quoted by existing contractors renders government financially incapacitated to adequately provide for, and makes antiretroviral inaccessible across health care facilities, which records resultant regular stock-out, health hazards and relapse of illnesses.

This opacity is buttressed in the observed cases of dubious contractors, who constitute themselves as suppliers of antiretroviral drugs at National Agency for the Control of AIDS (NACA).

The Civil Society Legislative Advocacy Centre (CISLAC)/Transparency International Nigeria is perturbed by the continued but unchecked attitudes of the fraudulent contractors, whose unlawful activities hitherto dominate the procurement process of NACA.
We are not unaware of the pocket-serving and unpatriotic activities of the so-called contractors with deliberate effort to undermine Public Procurement Act—the principal legislation regulating public procurement in Nigeria.

This background informs the recent commendable decision by NACA to purchase antiretroviral drugs directly from the manufacturers at half the cost quoted by the contractors and middlemen to enable adequate and sustainable provision of the drugs to wider coverage within the Agency’s available resources.

While we acknowledge NACA’s plan to establish HIV Trust Fund driven by private sector to support existing efforts of the government, we observed that without current support by US Government and the Global Fund, it would cost Nigeria N50billion to treat 1 million people living with HIV annually.

Given the existing cost-efficient practice by the United State Government and Global Fund involving direct purchase of the drugs from the manufacturers, we are worried by the ill-informed, pocket-serving and discrediting petitions by some vested interest who have endlessly benefitted from inflated prices of the drugs in the last 5 years, to discourage the ongoing effort of NACA to directly sourcing the drugs primarily for sustainability and wider coverage.

CISLAC/TI Nigeria gathered that the contractors currently sell the antiretroviral drugs at $13 per patient as against $7 given by the manufacturers.

We are also concerned that over-reliance on donor funds in the fight against HIV in the country constitutes a dangerous trend to sustainability, hence the need for the government to take full ownership in the prevention and treatment of HIV in the country.

While the country is grappling with allegations of corruption in the disbursement of food and economic assistance meant to combat the Covid-19 pandemic, the National Agency for the Control of AIDS (NACA) has also been saddled with allegations of corruption.

Corruption in the treatment of HIV/AIDS is no different from the corruption in the health sector. In 2003, Nigeria’s Anti-Retroviral (ARV) programmes attracted much criticism when treatment centres were alleged to be handing out expired drugs and rejecting patients.

In a detailed investigative news report of December 28, 2018, the International Centre for Investigative Reporting (ICIR) revealed that hundreds of millions of naira released for HIV campaigns, counselling and testing services might have ended in private
pockets of contractors and government officials, as companies were specifically registered to siphon funds meant to save the lives of the infected.

The report also revealed that NACA awarded 38 contracts to 23 firms at the cost of N1.2 billion in October 2015. Their shared responsibilities were to conduct HIV counselling, testing and demand creation for HIV services in 26 out of Nigeria’s 36 states.

In 2016, the Economic and Financial Crimes Commission (EFCC) commenced an investigation on the alleged mismanagement of funds donated to Nigeria for the fight against HIV/AIDS, Malaria and Tuberculosis (TB) by the global health grants organisation, Global Funds. The allegation was related to the disbursement of grants made to Nigeria between 2010 and 2014.

The EFCC claimed that an audit report on grants made to Nigeria showed that the NACA made a $20 million payment to suppliers without confirmation of delivery and also failed to account for $3.7 million in differences for anti-retroviral drugs. It also accused NACA and another agency under the Federal Ministry of Health, the National Malaria Elimination Programme (NMEP), of financial indiscipline, and of not retiring money meant for the procurement of health and non-health commodities. An investigation which began in 2014 had also reportedly identified forged and missing expenditure documents.

The above is a clear indication of the systemic corruption that has been going on over the years in NACA.

**OUR PRAYERS**

On this note, CISLAC/TI Nigeria:

1. Insists that fraudulent contractors who undermine Public Procurement Act must be thoroughly scrutinised and discouraged from defrauding the government through inflated antiretroviral drugs supply services;

2. Calls on the newly appointed Director General of NACA to engage stringent reform in the Agency’s procurement process for impactful, efficient and cost-effective wider and sustainable service delivery in Nigeria;
3. Calls on the Director General to devise appropriate sustainability plan for the procurement of drugs and consumables through cost-effective and encouraged technically know-how for domestic production in the presence of dwindling donors’ support; and avert recurring of challenges thrown at the country by Covid-19 pandemic;

4. Calls for strengthening of the internal control system of NACA to avoid the events that led to the commissioning of the Office of the Inspector General (OIG) to investigate the utilization of Global Fund’s grants involving three million, eight hundred and sixteen thousand, seven hundred and sixty-six dollars (US$3,816,766) with reported evidence of systematic embezzlement, fraudulent practices and collusion between 2010 and 2014 by a sub-recipient of Global Fund grants.

5. Calls for the review of NACA’s drug procurement policy and process to accommodate national tendering with decentralised contracting and purchasing; competitive tendering with price transparency; and widely availability of drug price information.

6. Calls on DSS to investigate the activities of Politically Exposed Persons who constitute themselves as faceless contractors and their relationship with the leadership of the Network of People Living with HIV, who we learnt are secretly used to obstruct and frustrate NACA’s effort from directly purchasing from manufacturers;

7. As part of sustainability plan, calls on regulatory authority like NAFDAC to support and enhance local production of affordable antiretroviral drugs with serious consideration while issuing marketing authorisation to local manufacturers;

8. Also, calls for review of heavy tax burden on the pharmaceutical sector to avert multiple taxation by local, state and federal governments as well as high tariffs on raw materials, packaging materials and other ancillary materials used to manufacture medicines, primarily to encourage local production in the country;

9. Further calls on the government to develop a pricing policy to reduce reported high prices and wide disparity between prices of essential drugs in the country.

Signed:

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