

VITAL SIGNS



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Introduction

Welcome to this edition of Vital Signs, your trusted source for the latest legal, regulatory, and policy updates across Nigeria's life sciences and healthcare sectors. In this issue, we cover a diverse range of government initiatives and regulatory actions that signal a bold new era of investment, digital transformation, infrastructure expansion, and health sector reform.

From Lagos State's integration into the National Health Workforce Registry to the Federal Government's massive over ₦32,800,000,000.00 (Thirty-Two Billion, Eight Hundred Million Naira) disbursement for primary healthcare, the sector is seeing renewed momentum. This edition also highlights the launch of the Enterprise Content Management (ECM) system at the Federal Ministry of Health, a major stride toward e-governance and service efficiency.

We also examine efforts to scale local pharmaceutical manufacturing, tax reforms for raw materials, major hospital commissions, and plans for nationwide health facility electrification. As always, we present these developments in a concise, practitioner friendly format to help you stay ahead.

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Regulatory Updates

1. Lagos State Set to Join National Health Workforce Registry

Lagos State is taking a major step toward enhancing healthcare delivery with its move to join the National Health Workforce Registry (NHWR). At a high-level stakeholder meeting, the Lagos State Ministry of Health, supported by the Federal Ministry of Health and Social Welfare and the World Health Organization (WHO), announced plans to integrate its health workforce data into the national registry.

Established in 2020, the NHWR is a centralised database aimed at enabling evidence-based workforce planning across Nigeria. Lagos, despite its significance, had not yet been onboarded due to efforts to align its existing human resource system with the federal platform. Dr. Jumoke Oyenuga, Director of Health Planning, Research, and Statistics, emphasized that Lagos can no longer afford to be left out, as the registry will provide real-time data crucial for addressing workforce gaps and achieving equitable distribution.

Key features of the initiative include the training of data collectors and the inclusion of all healthcare worker categories, from clinical staff to support personnel. It was stressed that a successful registry depends on accurate and timely data from all stakeholders.

Federal and WHO representatives reiterated the importance of Lagos' participation for national health data accuracy and global reporting. WHO Lagos Coordinator noted that the registry is vital for achieving Universal Health Coverage and strengthening the health system.



With strong institutional backing and a collaborative approach, Lagos State's integration into the NHWR promises to serve as a model for other states in improving workforce planning and healthcare delivery.

This is a laudable move by the state one which is long overdue. As Nigeria's most economically dynamic state, real time workforce data from Lagos will greatly enhance national health planning, this move reflects increasing subnational alignment with federal health priorities.

2. Lagos Champions Digital Transformation in Primary Healthcare

The Lagos State Government has reaffirmed its commitment to revolutionising healthcare through digital innovation as it commenced a two-day Progress Review Workshop on the Lagos Primary Health Care (PHC) Digitisation Project on 22 May 2025 at the Marriott Hotel, Ikeja GRA.

Organised by the Lagos State Primary Health Care Board (LSPHCB), in collaboration with the Clinton Health Access Initiative (CHAI) and with support from the Gates Foundation, the workshop convened key stakeholders to assess the deployment of Electronic Medical Records (EMRs) across 100 PHCs and strategies for scale-up across all 326 PHC facilities in the state.

Speaking at the event, the Special Adviser to the Governor on Health, Dr. (Mrs.) Kemi Ogunyemi, represented by Dr. Oluwatoni Adeyemi, highlighted the transformative goal of the initiative: building a smarter, more sustainable healthcare system. She noted that the digital-enabled PHC project is designed to improve continuity of care, enable real-time surveillance, and support public health planning, all anchored by robust systems and long-term financing.

Key priorities include institutionalising EMR financing through a dedicated budget, leveraging public-private partnerships, and integrating EMRs with the Lagos State Health Insurance Scheme to ensure sustainability and local ownership.

The Scale up of EMRs across PHCs in Lagos is a commendable and ambitious move towards smarter health governance. However, sustainability is dependent on robust funding models and data governance standards. If successfully implemented, Lagos could become a replicable model for digital health transformation in West Africa.

3. Federal Government Approves N32.8 Billion for Primary Healthcare in Q1 2025

The Federal Government has approved the disbursement of ₦32,800,000,000.00 (Thirty-Two Billion, Eight Hundred Million Naira) under the Basic Health Care Provision Fund (BHCPF) for the first quarter of the 2025 fiscal year. The funding is aimed at boosting Nigeria's primary healthcare system and will be channelled through key health agencies, including the National Health Insurance Authority (NHIA), National Primary Health Care Development Agency (NPHCDA), Nigeria Centre for Disease Control and Prevention (NCDC), and the National Emergency Medical Services and Ambulance System (NEMSAS).

The announcement was made in Abuja during the 10th Ministerial Oversight Committee (MOC) meeting on the BHCPF, chaired by the Coordinating Minister of Health and Social Welfare, Prof. Muhammad Ali Pate. He noted that the fund will enhance health security by improving outbreak prevention, detection, and emergency response. The meeting also approved revised operational guidelines for the BHCPF, reflecting a stronger focus on equity and increased resource allocation to primary health care centres nationwide.

According to Prof. Pate, BHCPF-supported facilities are now outperforming non-BHCPF centres, a result of consistent health sector reforms over the last 18 months.

This substantial release under the BHCPF underscores a renewed federal commitment to grassroots healthcare. However, the real test lies in fund utilisation and last-mile delivery. Strengthening monitoring frameworks and incentivising state-level performance will be key to maximising impact.



4. Nigeria Customs Begins Implementation of Tax Exemptions for Pharmaceutical Raw Materials

The Nigeria Customs Service (NCS) has commenced the implementation of a two-year exemption from import duty and Value Added Tax (VAT) on key pharmaceutical raw materials. This development follows the approval of comprehensive guidelines by President Bola Tinubu, aimed at boosting local pharmaceutical production and reducing manufacturing costs.

In a statement released by the NCS National Public Relations Officer, Abdullahi Maiwada, the Service confirmed that the tax exemption applies to Active Pharmaceutical Ingredients (APIs), excipients, and other essential materials used in the production of medicines, Long-Lasting Insecticidal Nets (LLINs), Rapid Diagnostic Kits, reagents, and pharmaceutical packaging materials.

The policy, aligned with presidential directives, is designed to enhance Nigeria's healthcare manufacturing capacity, attract investment, and promote self-sufficiency in the production of essential health commodities. To ensure proper targeting and utilisation of the incentives, only pharmaceutical manufacturers recognised by the Federal Ministry of Health and Social Welfare and possessing a valid Tax Identification Number (TIN) will be eligible for the exemptions.

The NCS has also pledged to uphold transparency and accountability by generating quarterly reports on all imports covered under the policy. These reports will include details such as importer names, quantities, and the value of imported items, ensuring that the programme's objectives are effectively met.

This fiscal initiative is expected to strengthen Nigeria's healthcare infrastructure by lowering production costs and supporting the scale-up of critical health products nationwide.

The tax relief is a strong policy lever to reduce input costs and incentivise local pharmaceutical manufacturing. However, there is need to ensure that the benefits are not eroded by bureaucratic bottlenecks or abuse.

5. FG Inaugurates Implementation Committee to Address Power Challenges in Public Healthcare Facilities

In a decisive move to tackle the persistent electricity challenges plaguing Nigeria's public healthcare system, the Federal Government has inaugurated an Implementation Committee for the National Stakeholders Dialogue on Power in the Health Sector. The initiative aims to drive sustainable electrification solutions for public health institutions across the country.

Announcing the development at the Ministry of Health & Social Welfare headquarters in Abuja, Honourable Minister of State for Health & Social Welfare, emphasised the urgent need for a coordinated national response to the crippling power deficits in public hospitals.

The Minister explained that the committee was set up to ensure proper planning and robust implementation of sustainable solutions that address energy inefficiencies and support uninterrupted healthcare delivery.



Committee Terms of Reference:

1. Convene a National Stakeholders Dialogue on Power in the Health Sector.
2. Ensure effective implementation of recommendations emerging from the dialogue.
3. Mobilise resources and attract investments for sustainable electrification of public healthcare facilities, using a whole-of-government approach.

The national dialogue will bring together public and private sector stakeholders to explore feasible alternatives to the unreliable national grid, including renewable energy sources, backup power systems, and energy-efficient technologies.

The Minister noted that enhanced Public-Private Partnerships (PPPs) will be key in delivering reliable electricity to healthcare institutions, especially tertiary hospitals that depend on consistent power for life-saving services.

Power reliability is non-negotiable for quality care. This initiative is welcome but should be urgently backed by a financing and execution framework that prioritises renewable energy solutions. The success of the committee will depend on strong PPPs and cross-ministerial collaboration.

6. The President of Nigeria Approves the Establishment of 8,800 Primary Healthcare Centres (PHCs) across the country

President Bola Tinubu has approved the establishment of over 8,800 new Primary Healthcare Centres (PHCs) nationwide and the upgrade of existing tertiary hospitals to handle trauma, oncology, and infectious disease control under the Health Sector Renewal Investment Initiative. Vice President Kashim Shettima made the announcement during the commissioning of the Sulaiman Adebola Adegunwa Trauma Centre at Olabisi Onabanjo University Teaching Hospital in Sagamu, Ogun State.

The newly commissioned trauma centre, funded by the Sulaiman Adebola Adegunwa Foundation at over ₦2,000,000,000.00 (Two Billion Naira), is expected to significantly enhance emergency healthcare delivery in the region. The Vice President called for increased private sector involvement in healthcare development, stressing that government alone cannot bear the cost of healthcare transformation. He further outlined the administration's efforts to implement a universal health insurance scheme and a digital health information management system to improve service delivery.

This is a game-changing commitment, but effective rollout will require coordination across multiple tiers of government. Issues like staffing, equipment, and governance must be addressed concurrently to prevent underutilisation or operational paralysis of these new centres.

7. FG Targets 70% Local Pharmaceutical Production by 2030, Initiative Records Early Success

The Federal Government's initiative to boost local pharmaceutical and medical device manufacturing to 70% by 2030 is already yielding impressive results. Launched under the Presidential Initiative for Unlocking the Healthcare Value Chain in November 2023, the plan, spearheaded by the Coordinating Minister of Health and Social Welfare, Prof. Muhammad Ali Pate, aims to strengthen Nigeria's self-sufficiency in healthcare production and generate tens of thousands of jobs.

To build technical capacity, the government has partnered with the Empower School of Health, Geneva, to establish Empower Academy Nigeria, a regional training hub for pharmaceutical manufacturing. The academy provides training in advanced manufacturing, regulatory science, and quality assurance, and offers certification programmes in collaboration with institutions such as the WHO, Africa CDC, UNITAR, and the International Federation of Pharmacists.

Since its launch, the initiative has recorded remarkable progress. A \$5,000,000,000.00 (Five Billion Dollars) project pipeline has been secured, with \$2,000,000,000.00 (Two Billion Dollars) already confirmed in foreign investment. In addition, 74 transformative projects are currently underway, reinforcing Nigeria's position as an emerging hub for pharmaceutical production in Africa and reflecting strong investor confidence in the country's healthcare sector.

The progress so far under the Presidential Initiative is encouraging and suggests growing investor confidence. But achieving 70% production locally will require parallel investments in regulatory science, supply chain infrastructure, and talent development to ensure product quality and market competitiveness.

8. Signing of \$75M Facility to Boost Nigeria's Local Healthcare Manufacturing

The Presidential Initiative for Unlocking the Healthcare Value Chain (PVAC) in collaboration with the African Export-Import Bank (Afreximbank) and the Bank of Industry (BoI), have signed a \$75,000,000.00 (Seventy-Five Million Dollars) financing term sheet to support local healthcare manufacturers in Nigeria. The funding is a key component of PVAC, a strategic intervention by the Federal Government to strengthen the domestic production of pharmaceuticals, biologics, vaccines and medical devices. This agreement forms part of a broader syndicated facility of up to €2,000,000,000.00 (Two Billion Euro), which is aimed at supporting trade and trade-related projects undertaken by Nigerian companies.



The signing took place in Abuja during the commissioning of the African Medical Centre of Excellence (AMCE), an event officiated by Vice President Kashim Shettima. At the event, the African Life Sciences Foundation and an Endowment Fund was unveiled by the Afreximbank President Prof. Benedict Oramah and the Vice President to support the research and development of medical solutions relevant to people of African descent.

Dr. Abdu Mukhtar, National Coordinator of PVAC, emphasized that the \$75,000,000.00 (Seventy-Five Million Dollars) facility will provide crucial financial support to local healthcare businesses, fostering sustainable growth and enabling them to thrive in a competitive market.

Afreximbank also signed a €100,000,000.00 (Hundred Million Euro) trade finance facility in favour of the Development Bank of the Central African States (BDEAC). Furthermore, the bank made its first venture capital investment in drug development and commercialisation and signed a term of agreement with King's College London to establish a Medical and Nursing School at the AMCE in Abuja.

Vice President Shettima lauded the collaboration between AMCE and King's College Hospital, London, noting that it lays the groundwork for empowering African medical specialists who will now be retained and developed locally rather than exported.

The CEO of AMCE, Brian Deaver, affirmed that the Centre would set a new standard of care defined by excellence.

This facility is a much-needed catalyst for the nascent local manufacturing ecosystem. Strategic disbursement and technical support will be critical to ensure funds translate into commercially viable and high-impact projects. Institutional capacity within PVAC will play a key role in success.

9. The President Commissions 10 Health Projects at Abuja Teaching Hospital as FG Expands Healthcare Infrastructure

As part of ongoing reforms in Nigeria's healthcare sector, President Bola Ahmed Tinubu, represented by the Coordinating Minister of Health and Social Welfare, Prof. Muhammad Ali Pate, in May 2025, commissioned 10 new medical infrastructure projects at the University of Abuja Teaching Hospital (UATH), Gwagwalada. The move aligns with the President's Renewed Hope Agenda, aimed at improving access to quality and affordable healthcare across the country.

The projects commissioned include renovated male medical and surgical wards, a family planning unit, an intensive care unit, a CT scan installation, staff and intern residential quarters, and a new Assisted Reproductive Technology (ART) unit, among others.

President Tinubu affirmed that similar developments are ongoing across federal tertiary hospitals nationwide. He also highlighted recent achievements such as the expansion of cancer care infrastructure, enhanced primary healthcare utilisation (with over 37 million visits recorded in Q1 2025), and increased health insurance enrolment, adding 2.4 million new beneficiaries.

The Chief Medical Director of UATH also confirmed UATH's ongoing role in clinical training, including a remediation programme for foreign-trained medical graduates. Further upgrades, including a new MRI suite, are underway, with calls for sustainable power solutions to complement the infrastructure gains.

These infrastructure upgrades, while laudable, should be complemented by efforts to address systemic challenges like medical brain drain, low health worker-to-patient ratios, and diagnostic capacity gaps. UATH's example can serve as a benchmark for tertiary care improvement nationwide.

10.FG Launches Enterprise Content Management System in Health Ministry

As part of its broader push toward a fully digital civil service, the Federal Government has officially launched the Enterprise Content Management (ECM) system at the Federal Ministry of Health and Social Welfare. This milestone, announced in Abuja on Tuesday, 3 June 2025, aligns with the goals of the Federal Civil Service Strategy and Implementation Plan 2021–2025 (FCSSIP 25) and marks a significant step toward achieving 80% digitalisation of government operations by the end of 2025.



The ECM platform is designed to digitise records, automate workflows, improve data security, and eliminate the inefficiencies of paper-based administration. Speaking at the launch, the Coordinating Minister of Health and Social Welfare, Prof. Muhammad Ali Pate, praised the Ministry's leadership and civil servants for their dedication to transforming the sector. He described the ECM as "a new way of working that is efficient, responsive, and transformational," noting its potential to revolutionize public health governance.

Also speaking, the Head of the Civil Service of the Federation, Mrs. Didi Esther Walson-Jack, emphasised that the digital transformation is key to delivering responsive and citizen-centred services. With over 31,000 official government email addresses already deployed across MDAs and ongoing digital literacy assessments underway, the Federal Ministry of Health becomes the 11th core MDA to go live on the ECM platform. The Permanent Secretary, called on staff to lead with innovation as the Ministry transitions to a more secure, collaborative, and integrated digital environment.

Digitising internal operations is a foundational step toward e-governance in health. The ECM launch represents a mindset shift in public service delivery, but staff capacity-building and cybersecurity protocols must evolve in tandem to ensure system resilience and public trust.

Commentary

Nigeria's healthcare sector is demonstrating renewed momentum through a wave of coordinated policy, regulatory, and institutional reforms. At the subnational level, Lagos State's decision to join the National Health Workforce Registry (NHWR) is a long-overdue but strategic move. As the country's most populous and economically dynamic state, Lagos' integration will enhance the accuracy of national workforce data, enabling more equitable planning and better-informed decisions around recruitment, training, and deployment. It also signals a welcome alignment between federal and state health priorities, which is crucial for the long-term sustainability of national health reforms.

This commitment to system-wide improvement is further reflected in Lagos' ongoing digital transformation agenda. The Lagos PHC Digitisation Project, particularly the scale-up of Electronic Medical Records (EMRs) across primary healthcare centres, marks a decisive step toward data-driven service delivery. When combined with efforts to institutionalise long-term financing and integrate with the state's health insurance scheme, Lagos is positioning itself as a pioneer in

digital health governance in West Africa. Similarly, at the federal level, the launch of the Enterprise Content Management (ECM) system at the Federal Ministry of Health signals a growing focus on operational efficiency, data security, and e-governance. However, the success of these digital reforms will depend on cross-sector collaboration, robust cybersecurity frameworks, and continuous capacity building.

The federal government's approval of ₦32,800,000,000.00 (Thirty-Two Billion, Eight Hundred Million Naira) for the Basic Health Care Provision Fund (BHC PF) in Q1 2025 further reinforces the administration's emphasis on primary healthcare as the bedrock of the national health system. This funding, if effectively managed and transparently deployed, has the potential to close long-standing service delivery gaps, especially in rural and underserved communities. Yet, fund disbursement alone is insufficient; outcomes will depend on the strength of state-level implementation and the rigor of performance monitoring frameworks. These developments also present a strategic opportunity for legal and compliance professionals to support states and providers in navigating new accountability requirements.



On the industrial policy front, the implementation of tax exemptions for pharmaceutical raw materials by the Nigeria Customs Service reflects a targeted effort to reduce input costs and stimulate local production. By exempting Active Pharmaceutical Ingredients (APIs) and other essential materials from import duty and VAT, the policy is expected to increase manufacturing competitiveness and enhance access to essential medicines. However, successful execution requires that regulatory bottlenecks be addressed swiftly, and that access to exemptions is limited to genuine manufacturers with clear compliance records. Transparency, both in the approval process and import monitoring, will be key.

The power crisis affecting public healthcare facilities is also receiving long-overdue attention. The inauguration of an Implementation Committee to address electricity challenges in the health sector marks the beginning of what could be a transformational process. By adopting a whole-of-government approach and emphasising public-private partnerships, this initiative acknowledges that power reliability is non-negotiable for safe and efficient care, especially in critical and emergency settings. The focus on alternative energy sources and infrastructure investment is promising, but these plans must now be converted into well-financed, actionable strategies.

Perhaps one of the most ambitious developments is the President's approval for the establishment of 8,800 new Primary Healthcare Centres (PHCs) nationwide. This unprecedented infrastructure expansion, alongside the upgrade of tertiary hospitals to manage trauma and oncology services, reflects a bold attempt to decentralise care and increase accessibility. However, the sheer scale of the rollout presents risks, without adequate planning for staffing, medical supplies, digital systems, and governance, there is a danger that these facilities could be underutilised or inefficient. Coordination across federal, state, and local levels will be critical to delivering functional outcomes.

Equally ambitious is the Federal Government's plan to achieve 70% local pharmaceutical production by 2030 under the Presidential Initiative for Unlocking the Healthcare Value Chain. Encouragingly, early milestones have been achieved, including a \$2,000,000,000.00 (Two Billion Dollars) investment inflow and the establishment of a regional training hub in partnership with the Empower School of Health. These gains suggest growing investor confidence, but Nigeria must now invest heavily in regulatory science, skilled workforce development, and supply chain systems to ensure the sustainability and competitiveness of its health manufacturing ecosystem.

The recent signing of a \$75,000,000.00 (Seventy-Five Million Dollars) facility by the Bank of Industry and Afreximbank under the same initiative further underscores the administration's seriousness in catalysing local manufacturing. The facility is expected to provide much-needed working capital to local producers of vaccines, biologics, and medical devices. However, disbursement must be paired with technical support and rigorous oversight to ensure that the funds translate into commercially viable and scalable projects. Strategic deployment of these funds could mark a turning point for Nigeria's health industrialisation agenda.

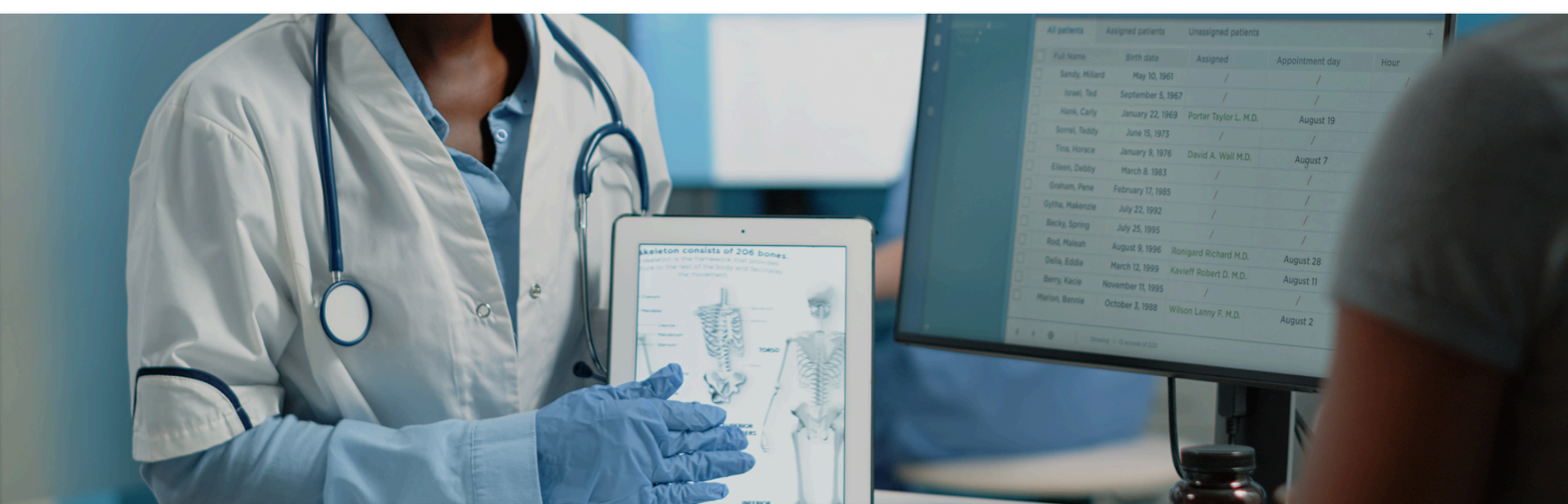
Finally, the commissioning of 10 new infrastructure projects at the University of Abuja Teaching Hospital, including critical care units, reproductive health centres, and diagnostic upgrades, reflects broader efforts to enhance tertiary care capacity. These investments will boost clinical outcomes and support medical education and training, but they must be accompanied by measures to address long-standing challenges such as brain drain, staffing shortages, and diagnostic gaps. Strengthening the human infrastructure that supports these physical upgrades will determine their long-term value.

Conclusion

Nigeria's healthcare sector has experienced landmark improvements with developments in digital health, infrastructure, workforce planning, and local manufacturing, the government is laying the foundation for a resilient and self-sufficient health system. The increasing emphasis on public-private partnerships and innovation signals promising prospects for industry stakeholders and service users alike.

These updates paint a picture of a health sector in transition, ambitious, complex, and increasingly aligned across policy, technology, and investment fronts. While bold in scope, the success of these initiatives will ultimately rest on execution: the ability to convert funding, legislation, and partnerships into tangible outcomes. Legal, regulatory, and industry stakeholders have a critical role to play in supporting this transformation and ensuring that reforms deliver measurable benefits to the Nigerian population.

We will continue to monitor these trends and provide timely, reliable insights to help you make informed decisions. As always, our team is available to assist with compliance, regulatory strategy, and investment advisory support.



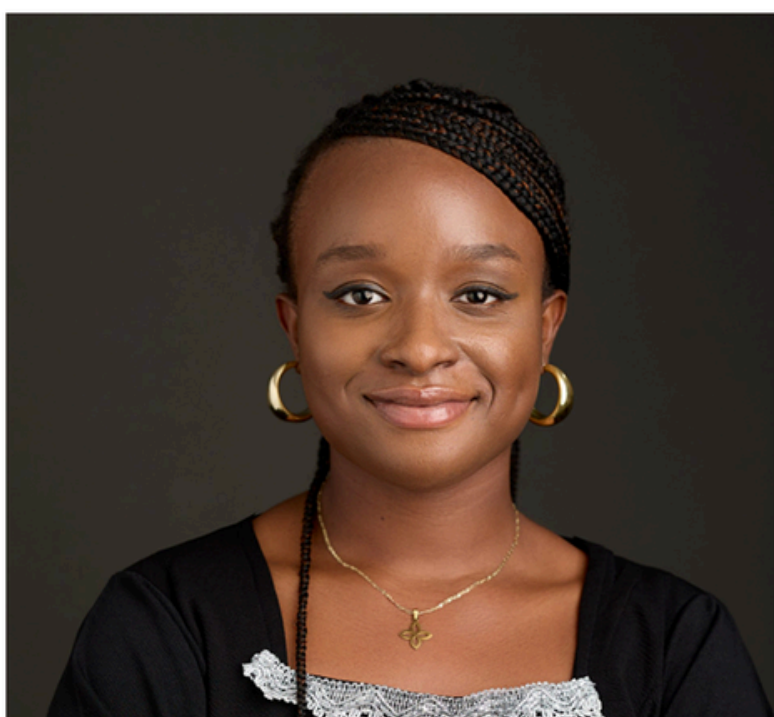
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