

Ex-Ante Evaluation

Private Sector Investment Finance Division 2, Private Sector Partnership and Finance Department, Japan International Cooperation Agency

1. Name of the Project

- (1) Country: Africa
- (2) Project Site / Target Area : Africa
- (3) Project name: Project for Improvement of Medical Facilities Operation (“the Project”)
- (4) Subscription Agreement: November 14, 2025

2. Background and Necessity of the Project

(1) Current State and Challenges of the Health Sector in Africa and the Background of the Project

In many African countries, achieving Universal Health Coverage (UHC) is a key policy priority, with efforts underway to improve public hospitals and expand public health insurance systems. However, in the countries where CarePoint (hereinafter referred to as “CP”), the investee of the project, is operating the healthcare services, the Universal Health Coverage (UHC) index of service coverage remains far behind the global average of 67, with Ghana at 47.8 and Nigeria at 38.4. Only about 52% of the population has access to essential healthcare services (Source: Africa Health Agenda International Conference 2021), and in many countries, the introduction of public insurance systems has been delayed, resulting in low enrollment rates.

In Ghana, where CP Corporation operates, there are only 0.9 medical facilities per 10,000 people, 9 hospital beds, and 1.6 physicians, with a public insurance enrollment rate of 38.3%. In Nigeria, there are 1.9 medical facilities, 8 hospital beds, and 4.0 physicians per 10,000 people, with an enrollment rate of just 5.1%. All of these figures fall far below WHO global averages (20 facilities, 27 beds, and 19.5 physicians per 10,000 people), and the world’s highest population growth rate is exacerbating the situation (Sources: METI Survey 2023, JICA Report 2019, Nigeria Health Sector Market Study Report 2022).

Furthermore, although the AU Summit in 2001 set a target of allocating at least 15% of national budgets to the health sector (Source: Abuja Declaration 2001), public health expenditure in Africa remains around 8%, and most countries have

yet to achieve this goal. Severe fiscal constraints have led to delays in government payments of public insurance reimbursements to healthcare institutions, leaving public hospitals in financial distress. This has resulted in outdated medical equipment, low salary levels that reduce healthcare workers' motivation, and an inability to provide adequate medical services.

While public healthcare remains insufficient, the number of private hospitals in African countries is increasing, giving patients more options. However, due to delayed public insurance payments, many private hospitals refuse to accept patients covered by public insurance. According to WHO, in 2022, the share of out-of-pocket (OoP) payments in total healthcare expenditure was 25.0% in Ghana and 76.1% in Nigeria. In Egypt, where CP Corporation plans to expand, the OoP share was also high at 54.9% in 2021. Consequently, low-income individuals who cannot afford insurance face heavy medical cost burdens, often falling into economic hardship and being unable to access timely care, leading to worsening conditions and preventable deaths. Across Africa, more than 15 million people are pushed into poverty annually due to healthcare costs (Source: Africa Health Agenda International Conference 2021).

Against this background, CP Corporation has acquired local small and medium-sized private hospital groups in Ghana and Nigeria, improving operations and expanding facilities to deliver high-quality medical services. Additionally, CP Corporation sets medical fees based on local economic and income conditions, with 95% of its customers belonging to low- and middle-income groups spending less than USD 10 per day. The company also plans to expand into Egypt. This project aims to support CP Corporation's efforts to provide affordable, quality healthcare services, thereby improving medical access and promoting the realization of UHC in the African countries where it operates.

(2) Japan's and JICA's Policy and Operations in Health Sector in Africa

In the Basic Policy of the Development Cooperation Charter approved by the Cabinet in June 2023, it is stated that "to realize human security adapted to a new era, it is essential to invest in people through protection and empowerment in areas such as health, nutrition, and education." Furthermore, under the priority policy of "leading international efforts to address increasingly complex and serious global challenges," the section on "health" specifies that Japan will "promote more resilient, equitable, and sustainable UHC through strengthening health systems in developing countries." Given the challenges in both public and private healthcare provision as described above, this project supports private

operators that address the immediate healthcare needs of low- and middle-income populations, aligning with these policy directions.

Following the G7 Hiroshima Summit in May 2023, at the “G7 Health Follow-up Side Event” in September 2023, Prime Minister Kishida announced initiatives to mobilize private finance for achieving UHC, including the “Impact Investment Initiative for Global Health (Triple I),” the “Africa Health Investment Promotion Package” launched at TICAD9 in August 2025, and JICA’s “IDEA Initiative (Impact Investing for Development of Emerging Africa).” This project represents a concrete effort contributing to the promotion of impact investment in Africa’s health sector based on these initiatives.

Under country-specific development cooperation policies: For the Republic of Ghana (September 2019), “health” is a priority area, with a commitment to “support the government’s efforts toward UHC so that all citizens can enjoy quality health services.” For the Federal Republic of Nigeria (September 2023), the focus is on “building an inclusive and resilient society,” including cooperation in “strengthening health and medical systems.” For the Arab Republic of Egypt (September 2020), the priority is “promoting social inclusion,” with cooperation aimed at “improving basic social services toward achieving UHC.” This project is consistent with these policies.

Additionally, in relation to JICA’s Global Agenda 6. Health and Medical care, this project contributes to the “Cluster for Strengthening Health Service Delivery” and the “Cluster for Infectious Disease Control and Testing Hub Enhancement” by improving the operation of medical facilities in urban areas, strengthening medical services including laboratory functions for infectious disease control, and enhancing access to healthcare for people in remote rural areas through telemedicine services.

(3) **Other Donors’ Activities**

N/A

3. Project Description

(1) **Project Description**

① **Project Objective**

This project aims to contribute to the expansion of medical infrastructure and the improvement of healthcare service quality in Africa by investing in CP, which is engaged in the operational improvement and expansion of hospitals and clinics in Ghana and Nigeria. Through CP’s business growth,

the project will ultimately support the advancement of UHC in the region

② Project Components

CP currently operates outpatient clinics providing primary and secondary care in Ghana, and outpatient clinics as well as general hospitals covering primary to tertiary care in Nigeria. This project supports CP's initiatives to improve operations and expand facilities of hospital groups previously acquired and integrated in Ghana and Nigeria, as well as its entry into the hospital business in Egypt.

③ Project Beneficiaries (Target Group)

Direct Beneficiaries: CP

Ultimate Beneficiaries: People received healthcare service from CP

(2) Project Cost: 25 million US dollars (for JICA portion, 3 million US dollars)

(3) Schedule: November 2025 – December 2032

(4) Project Implementation Structure

1) Investee: CP

2) Implementing Agency: CP

(5) Collaboration and Sharing of Roles with Others: Kepple Africa Ventures, a Japan-based venture capital firm, and M3, Inc., a Japanese company operating an online platform globally for healthcare professionals, have also formed capital partnerships with CarePoint.

(6) Environmental and Social Consideration

① Category: C

② Reason for Categorisation: It is judged under the JICA Environmental and Social Considerations Guidelines (promulgated in January 2022) that the undesirable effects of the Project on the environment are minimized.

(7) Cross-Sectoral Issues: This project, which involves the installation of solar panels at four facilities (with a total capacity of 8,925 kWh per month) as a measure to reduce greenhouse gas emissions and address soaring electricity and fuel costs, is consistent with Ghana's Nationally Determined Contribution (NDC) under the Paris Agreement, which aims to reduce greenhouse gas emissions by 24.6 MtCO₂e by 2030. Likewise, it aligns with Nigeria's NDC target of reducing greenhouse gas emissions by 20% by 2030.

(8) Gender Category:

Gender-related Projects GI(S) Gender Activity Integration Projects

<Details of Activities/Reason for Categorisation> As a result of the gender

analysis conducted during the review, it was found that the proportion of women among healthcare and care sector workers in Africa is lower than the global average. In addition, breast cancer remains a significant health challenge for women in Africa. This project aims to promote gender equality and women's empowerment by setting a target to maintain the current high ratio of female employees and executives as CP continues to grow, and by establishing monitoring indicators such as the number of community awareness campaigns conducted, including breast cancer screening. Furthermore, this project is scheduled to apply for 2X Challenge certification, as it meets the basic governance and accountability requirements, as well as: Requirement 2: Leadership (at least 30% of board members are women in this project), and Requirement 3: Employment (at least 45% of employees are women and meet qualitative conditions).

(9) Other Important Issues: NA

4 . Targeted Outcomes

(1) Quantitative Effects

1) Outcomes (Operation and Effect Indicators)

Indicator	Baseline (December 2024)	Target (December 2032)
Average Service fee of Rabito Clinic in Ghana (USD)	311,647	660,885
Average Service fee of CarePoint Clinic in Nigeria (USD)	147,454	312,694
Average Service fee of Lily Hospital in Nigeria (USD)	296,065	627,841
Insurance coverage of Patient in Ghana (%)	29	30
Insurance coverage of Patient in Nigeria (%)	170	210
Customer Satisfaction	38	42
Results of medical intervention - Mortality rate (%)	1,083	1,716
Number of Students in Lily Nursing College	655	1,038
Of which: Number of Students in Nursing course	98	155
Of Which: Number of Students in Midwifery course	50	79
Number of Facilities using Solar	80	80

(unit)		
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Note: The above indicators (baseline values) represent the combined totals for Ghana and Nigeria. The target year is set as 2032, when JICA plans to exit. Low- and middle-income groups are defined as those with daily expenditures of USD 10 or less. If there are changes in the countries where CP operates, the indicators (target values) will be reviewed during the monitoring phase.

- (2) Qualitative Effects: Improving access to healthcare through the expansion of CP's medical facilities and promoting the achievement of UHC in the regions where CP operates.

5 . External Factors and Risk Control

N/A

6 . Lessons Learned from Past Projects

In past overseas investment and financing projects in the healthcare sector (evaluation year: 2020), a key lesson learned was that, in order to maximize development impact, it is desirable to formulate business plans that leverage other support schemes and enable supported hospitals to disseminate medical technologies and contribute to expanding the referral system after project completion.

During the review, it was confirmed that CP has established a common patient data platform across its group, enabling the development of a referral system that allows patients to be introduced to medical facilities according to their preferences. It was also confirmed that CP is focusing on human resource development by implementing and enhancing training programs within the group, thereby promoting the sharing of medical expertise and experience among hospitals.

7 . Evaluation Results

This project aligns with Africa's development challenges and policies, as well as Japan's and JICA's cooperation policies and analyses. It is expected to contribute to promoting the realization of UHC in Africa, thereby supporting SDG Goal 3 (No Poverty), 5 (Gender Equality), and 17 (Partnership for the Goals). Therefore, the significance of support through PSIF is substantial.

8 . Plan for Future Evaluation

(1) Indicators to be Used

As indicated in Sections 4.

(2) Future Evaluation Schedule

Ex-post evaluation is planned approximately December 2032.

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