

STRENGTHENING HEALTH SERVICE PROVISION IN EXTRACTIVE INDUSTRY- AFFECTED AREAS IN GHANA

Concept note

28/02/2013

Proposition: Rehabilitate and upgrade a regional and/or district hospital to provide improved services such as diagnostics, including imaging; trauma and acute care; and environmental exposure; and strengthen government sectoral stewardship in a novel PPP arrangement that will structure and leverage public and private resources to transform health services in key extractive-industry affected areas, particularly in Ghana's Western Region. A comprehensive assessment of health needs and impacts in areas affected by extractive industry will provide the evidence base to enable government actors to develop a strategic response.

Overview

Geography: Western Region, Ghana

Timeframe: Start strategic assessment and the partnership development process ASAP

Health issue focus: Improving access to, and the quality of, healthcare in extractive-industry affected communities

Brief description: The overarching goal of an extractive industry health partnership in Ghana is to structure and leverage public and private resources to increase the capacity necessary both to improve the health of company staff as well as that of communities affected by extractive industry through strengthened partnership between government, industry and other key stakeholders.

Facilitated by the Mining Health Initiative (MHI) key stakeholders have started discussions about how support to specific regulated public-private partnerships (RPPPs)* could improve health service

* A Regulated PPP (RPPP) is a contract between government and a private company or consortium in which the private entity, through its core business, provides public infrastructure and/or services, often with an upfront investment, to be paid by the government or end users over a significant time.

provision in extractive-industry affected areas while serving as a cornerstone for a larger effort aimed at enabling the government of Ghana to effectively engage with non-state actors in the provision of high-quality service and improved health access.

A two-pronged approach is envisaged focusing on, but not limited to, Western Region, a region where extractive industry is particularly active. This includes rehabilitation and upgrading of a district and/or regional hospital in the Western Region and potentially elsewhere to provide improved and expanded services on the one hand. On the other hand, this partnership can be leveraged to strengthen the enabling environment (policy, coordination, M&E) for extractive industry health programmes and partnerships above and beyond the Western Region of Ghana, particularly by enabling the government to exercise its stewardship role in health. Last but not least, the evidence base on health impacts and health needs related to extraction will be strengthened.

The partnerships in question range from multi-stakeholder agreements at the local/district level that are centred on improving community access to healthcare (PPP for Development[†]), to potentially large-scale regulated PPPs. In terms of government capacity to engage constructively with the private sector, sound policy would entail ensuring that the scope would include extractive industries other than mining, *i.e.*, oil and gas, in order to avoid duplication, create synergy and respond to what is an important and growing industry contributing increasingly to the country's GDP.

Stakeholders agree that following the three overarching principles is essential for success:

1. Health programmes run by industry inside and outside of the fence must seek alignment and harmonisation with government policies and priorities from the outset, thus aiming to contribute to health system strengthening from the start.
2. A partnership approach is required from the programme design stage onwards, ensuring transparency, equity and mutual benefit.
3. Strong monitoring and evaluation systems, including consistent collection, utilisation and sharing of data are necessary to understand programme impact, facilitate both internal and external communication and create synergy in regard to health programme development.

Context‡

Mining accounts for over five percent of the country's GDP, up from just over two percent in 2011. Minerals make up over one third of total exports, of which gold contributes over 90%. Ghana is Africa's second largest gold producer. Ghana is also a major producer of bauxite, manganese and diamonds and currently has 13 large-scale mining companies. Moreover, there are over 300 registered small-scale mining groups and 90 mine support service companies.

[†] A PPP for Development (PPP4D) combines the resources and competencies of government, business, NGOs and other stakeholders to achieve both development and (non-core) business benefits.

[‡] Various sources, including CIA World Factbook on Ghana; Ernst & Young (2011). African Mining Investment Environment Survey 2011; Ghana's mining portal www.ghana-mining.org; and key informants

Ghana is attractive to investors also due to its high GDP growth rate of almost 15%, the recent discovery of oil as well as a stable political system. While mining - Ghana's most important industrial sector - currently accounts for a higher share of GDP than oil and gas, this is likely to change in the near future.

Extractive industry is clustered in specific regions of Ghana. Currently there are four main mining regions (Western Region, Ashanti, Brong-Ahafo, Eastern Region) and one main region of oil and gas extraction (Western Region). At the same time, health service provision in most areas affected by extractive industry is inadequate for addressing population influx and both direct as well as indirect impacts of extraction.

Opportunities for extractive industry health partnership include the fact that the prevailing global climate for promoting RPPPs has also taken hold in Ghana. The Government has a strong interest in supporting RPPPs, recently demonstrated by creating and assigning a Minister for Public-Private Partnership.

The existing Private Sector and Occupational and Environmental Health Units at the Ministry of Health and Ghana Health Service respectively facilitate engagement with extractive industry, as does the government policy on Private Health Sector Development, finalised in August 2012. Moreover, there is shared interest by public and private partners in creating economies of scale and an enabling environment for efficient extraction and health service provision. Last but not least, momentum has been created and interest expressed by the Government of Ghana to support community and social wellbeing by using income generated through extraction.

Major partners: Government of Ghana; mining companies; oil and gas companies; public and private (including private not-for-profit) providers of healthcare; civil society

Background

The Mining Health Initiative has aimed to identify, analyse and promote good practice in mining health programming and partnerships. To this end it has conducted research at the global and national level and held a variety of both formal and informal consultations.

In Ghana, following a case study conducted of Newmont's health programme inside and outside of the fence in the Akyem area as well as consultation workshops in Accra and Takoradi, a two-day planning workshop was held in Accra in January 2013.¹ The present concept note builds on the enthusiasm and initial discussion of a health PPP in Ghana.

Specific goals

1. Improve health service provision in Ghana's Western Region
2. Strengthen the enabling environment for health PPPs involving the extractive industry in the Western Region and beyond

¹ Organised by Health Partners International in collaboration with Health Partners Ghana and The Partnering Initiative, the workshop brought together close to 20 interested individuals. These included: government representatives from the central (Ministry of Health, Ministry of Energy, Ministry of Finance, Environmental Protection Agency, Minerals Commission) and local levels (District Assembly, Health Directorate); mining industry (Chirano, Newmont, Noble Gold); the donor community (DFID, GIZ, IFC) and civil society (Mine Workers Union).

3. Expand the evidence base on health impacts and health needs related to extraction

Key partners

The following key partners have been identified[§]:

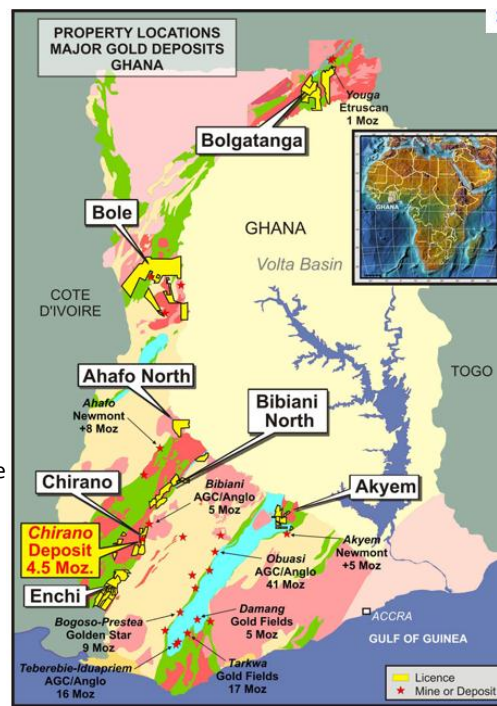
<p>Government at central level:</p> <ul style="list-style-type: none"> • Ministry of Health • Ghana Health Service • Minerals Commission • Ministry of Energy • Ministry of Finance • Environmental Protection Agency • Ministry of Land and Natural Resources • Ministry of Local Government and Rural Development 	<p>Government at district level:</p> <ul style="list-style-type: none"> • District Assembly • District Health Directorate
<p>Mining industry:</p> <ul style="list-style-type: none"> • Anglo Gold Ashanti • Chirano • Newmont • Noble Gold • Other mining companies 	<p>Other extractive industry:</p> <p>Various, particularly oil and gas companies</p>
<p>Development partners:</p> <ul style="list-style-type: none"> • Department for International Development/UKaid (DFID) • German Development Cooperation (GIZ) • International Finance Corporation (IFC) 	<p>Civil society and traditional leaders:</p> <ul style="list-style-type: none"> • Ghana Mine Workers Union • Coalition of NGOs in Health • National House of Chiefs

How it will work

Goal 1: Improve health service provision in Ghana's Western Region

In many rural areas of Ghana where mining companies typically operate, health systems are already weak. The population influx, often not adequately managed by government and industry, aggravates this problem, causing a number of potential negative impacts for communities in areas of extraction.

[§] This list is not exhaustive. Most partners mentioned have already been engaged.



The level of health service and quality companies require cannot be met by the public health service, and companies therefore operate privately-run facilities that serve their employees and contractors. In addition, companies incur considerable costs for medical evacuation of employees to Accra or internationally, such as to South Africa. Outside of the fence, companies support selected public health facilities in part towards achieving their social license to operate.

The cornerstone of the proposition is therefore to rehabilitate and upgrade a regional and/or district hospital to provide improved and expanded health services in areas where extractive industry clusters. This could include imaging diagnostics (Digital X-Rays, CAT Scan, MRI, Echocardiogram, Stress ECG, Ultrasound etc.); a broad spectrum laboratory facility; trauma and other types of acute care and a blood bank.

By re-structuring and leveraging the resources invested in health by government and by the extractive industry, synergies and economies of scale may be created that could allow for higher-quality healthcare for both companies and affected communities alike. Where industry clusters exist, as is the case in Western Region, and resources are leveraged through well-managed public-private mechanisms, this model can be successful.

Several possible locations have been suggested: Tarkwa, Effia-Nkwanta and Bibiani. The former two – albeit different in terms of accessibility, existing partnerships between government and extractive industry, locally available support infrastructure, catchment size, etc. - may be particularly well placed to become a regional centre of excellence^{**}.

Proposed Project Information	
Potential target facilities	District/Regional Hospital in Effia-Nkwanta and/or Tarkwa, and Bibiani
Type	Regulated Public Private Partnership
Project goal	To rehabilitate, expand, equip, operate, maintain or manage a regional hospital to serve extractive industry as well as communities in the catchment area
Potential key partners (Public)	Regional Health Directorate, Regional Coordinating Council, Ghana Health Service, Ministry of Health Ghana
Potential key partners (Private)	Private healthcare provider; mining companies; oil and gas companies

It is envisaged that the Western Region PPP will also help establish a model of how extractive industry can meaningfully co-invest in health RPPPs in a way that benefits both industry and development.

^{**} Stakeholders have not yet had the opportunity to discuss this health PPP in any level of detail. However, enthusiasm and the commitment to taking initial plans to the next stage have been clearly expressed.

Goal 2: Strengthen the enabling environment for health PPPs involving the extractive industry

In order to maximise the chances of the RPPP being successful, the enabling environment, in particular the policy framework, coordination mechanisms and the National Health Management Information System need to be strengthened. This will benefit the Western Region as well as other regions where extractive industry is present.

Inconsistencies in Ghana's **policy framework**, particularly between Mining Regulations and the recently finalised Private Sector Policy for Health Development, may hamper progress in regard to partnership, collaboration and project implementation. Therefore, the policy and legal framework relevant for extractive industry health programming will be harmonised through improved dialogue between the health and mining sectors to facilitate alignment of relevant aspects of Mining Regulations to PPP Policy for Health Development.

Dialogue and coordination between government and extractive industry on health-related matters is sporadic and has been dependent on individual efforts rather than being part of more systematic coordination between the sectors. Coordination and harmonisation between government ministries involved in extractive industry health programming as well as between government and industry therefore needs to be improved. This will involve representatives of extractive industry health programmes systematically participating in regular coordination meetings at district (led by District Health Teams), regional and national level (Annual Health Summit).

The quality of data collected by the National Health Management Information System is inadequate, partly due to some companies' non-compliance with reporting requirements and gaps in industry commitments to assessing and measuring health impact. Therefore, **M&E systems** for collecting, utilising and sharing information relevant to health management on national, regional and district level, particularly relating to extractive industry health impacts and outcomes, need to be improved. This will help the government perform its stewardship role and ensure companies meet their reporting obligations, thus contributing to a clearer understanding of positive and negative health impacts associated with extractive industry. Ensuring health impact assessments are part of environmental impact assessments, and thus the licensing process, is a recent achievement in the policy framework for the oil and gas industry. This can be widened to make health impact assessments mandatory also for the mining industry

Goal 3: Expand the evidence base on health impacts and health needs related to extraction in Ghana

There is currently no comprehensive understanding of health needs in areas where extractive industry is clustered, or indeed on the health impacts of mining and other extractive industry. This limits the government's ability for strategic guidance and stewardship.

A comprehensive assessment is therefore envisaged to improve understanding of extractive industry health impacts and health needs in clusters of extractive industry in Ghana. The evidence base thus developed will enable the Government of Ghana to respond to both health needs and impacts in a strategic manner. The assessment will include, but not be limited to, the following issues:

- Comparative analysis of health outcomes within and outside areas of extraction
- Health impact of mining and other extractive industry activities, including secondary industry
- Health needs and gaps in service provision in areas of extraction
- Viability of potential investments in infrastructure
- Gaps in the National Health Management Information System (NHMIS) and, in particular, data collection and reporting practices by extractive industry health programmes

Challenges

- Though very enthusiastic, stakeholders in Ghana have only recently begun to discuss extractive industry health programmes and partnerships in joint fora and have **not had extensive opportunity to discuss and develop the RPPP proposal** in any level of detail. Support for continued partnership building, cross-sectoral coordination and sharing is therefore required.
- **Business case:** When it comes to health, industry investments focus on providing preventative and curative services for employees, particularly expatriates who tend to be treated in the capital or abroad. A clear business case for companies to invest more strongly in local infrastructure needs to be made that goes beyond corporate social responsibility.
- **Sharing data and information** is seen as sensitive by most companies. This might impede industry's willingness in truly partnering with government and other companies in regard to co-investments and utilisation of shared public-private infrastructure.
- **Modelling.** Different approaches to public-private partnership may be required in more isolated settings with little or no clustering. So far no reliable models exist that can be adapted to and applied in the context of Ghana.
- Most of the challenges outlined are caused by, or relate to, **insufficient attention to partnering, collaboration and joint planning**, between government and extractive industry in regard to health policy and programme implementation.

ANNEX: Activities and next steps

ACTIVITY	TIMING	LEAD	BUDGET IMPLICATIONS
Identification and selection of Accra-based coordinator to facilitate communication and coordination and thus ensure the momentum gained is utilised to move the partnership forward	Starting immediately	MHI	Yes (salary)
Report back by workshop participants to their ministers (or other supervisors as applicable) to inform them about the initiative and next steps	Starting immediately	Government and other workshop participants	No
Inter-ministerial meeting to discuss top-level issues and agree on priorities	February	MOH	No
Consultative meeting of all key government stakeholders (central, regional and district level) with industry representatives, donor agencies and facilitators (such as MHI representatives) at high level to define roles and responsibilities, etc.	March/April	MOH	Yes (facilitation, venue, preparation)
Make health impact assessment a compulsory requirement in the licensing process (part of environmental impact assessment) for mining companies as has recently been done for oil and gas industry (involving consultation with several EPA departments, modification of current guidelines and document dissemination)	Starting immediately	EPA	Yes (documentation, updating of guidelines, stakeholder consultation for dissemination of revised guidelines)
Consultative meeting of all key government stakeholders (central and district level) with industry representatives, donor agencies and facilitators (such as MHI representatives) at high level to define roles and responsibilities, etc.	March/April	MOH	Yes (facilitation, venue, preparation)
Memo to district directors and/or district health management teams from GHS, to remind them of the need to invite representatives of extractive industry health programming to quarterly coordination meetings	Starting immediately	GHS	No
Ministry of Health to invite extractive industry representatives to annual health sector review meeting (Health Summit) in May	As soon as possible	MOH	No
Setting up M&E desk for Health Impact	As soon as	GHS	Yes (salary,

Assessment at the Occupational and Environmental Health Unit	possible		office space, equipment, space for safe storage of confidential documents, transport for monitoring visits, etc.)
Disseminate Health PPP policy	Starting immediately	MOH	Yes (printing and dissemination)
Meeting between MOH and Mines Department to begin to address areas of inconsistency in the policy framework	As soon as possible	MOH	Potentially (support to policy review and dissemination process)
Assessments to <ul style="list-style-type: none"> •Understand extractive industry health impact by reviewing health data in and outside of areas of extraction •Understand gaps in NHMIS and, in particular, data collection and reporting practices by extractive industry health programmes •Assess needs, gaps and viability of potential investments in infrastructure in the Western region 	As soon as possible	MOH	Yes (research/consultants)