



**SAMOSPHARMA
LIMITED**
----- Advancing Lives

Samospharma Industry Voice Series | Edition One

THE INVOICE IS THE WEAKEST LINK IN GHANA'S MEDICINE SUPPLY CHAIN





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A medicine stockout looks like a clinical failure. It often began in the payment cycle, months earlier.

A hospital can have a legitimate clinical need. A distributor can have the product in its warehouse. A manufacturer can have it available for export. The patient can still go without it. The missing link is the invoice.

This is not an argument against hospitals, the National Health Insurance Authority or the Ministry of Health. It is an argument that a healthcare supply chain is a financial system as much as a logistics one, and that when the cash cycle breaks, the physical chain follows.



WHY GHANA'S EXPOSURE IS STRUCTURAL

Roughly 70% of Ghana's medicines are imported, and the country manufactures no human vaccines, so every childhood dose, routine immunization antigen and outbreak countermeasure is procured internationally. That is set out in the UNDP and WHO brief on the Vax and Pharm Ghana initiative.

That single fact sets the terms of the problem. Importation requires foreign currency, freight, duty and port charges, settled on the international supplier's cycle, before the product reaches a Ghanaian warehouse and long before any domestic invoice is paid. The distributor finances the gap between a hard currency payment made on fixed terms and a cedi receipt collected whenever the payer is able.





THE SCALE OF THE GAP

The Alliance for Reproductive Health Rights reported outstanding health sector arrears of Ghana's 10.35 billion in its 2025 budget analysis, with NHS-related debt estimated at GHG4.5 billion. The same analysis noted that GHG1.7 billion of the GHG8.1 billion allocated to the NHA in 2025 has been disbursed. This figure describes a particular fiscal period rather than today's position. They establish the order of magnitude at which payment delays operate in this system.



THE CONSEQUENCE

The consequence surfaced in April 2025, when the Private Health Facilities Association of Ghana raised delayed NHIS reimbursement publicly. Within days the NHIA reported GHG834 million paid to providers, including GHG555 million cleared in a single week.

By March 2026 the Health Minister told Parliament that **GHG2.69 billion** had gone to NHIS providers during 2025, and that claims processing and payment had accelerated enough for payment to be made faster than the three-month window referred to in his statement.

That improvement is real and deserves acknowledgement. It also clarifies the objective. The goal is not to celebrate each clearance of arrears. The goal is a payment architecture in which arrears of that scale stop accumulating in the first place.





**PHARMACEUTICAL
WAREHOUSE**



**DISTRIBUTOR
COORDINATING DELIVERY**



**SUPPLY TO
HEALTH FACILITY**

THE DISTRIBUTOR IS THE SHOCK ABSORBER



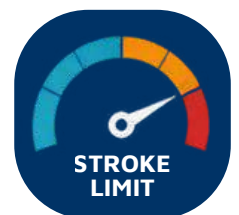
Consider the sequence after a hospital places an order. The international supplier expects payment on its agreed cycle. The distributor pays, imports, clears and stores. The distributor then supplies the hospital. The hospital may not be paid by its own payer for months. The distributor still owes its suppliers, staff, banks, transporters and regulators.



Working capital that should finance the next procurement cycle is now trapped in an outstanding invoice. The business has three options. Borrow, slow procurement, or ration credit. None of the three is good for medicine availability.



The distributor is the shock absorber in this system. Shock absorbers have a stroke limit.



WHAT THE DELAY COSTS, **PRECISELY**

Bank of Ghana data show the average commercial lending rate at 27% in June 2025, 20.58 in January 2026 and approximately 15% by September 2026.

The Ghana Reference Rate was 10.18% effective 2nd September 2026, and the policy rate has been held at 14% since March 2026.

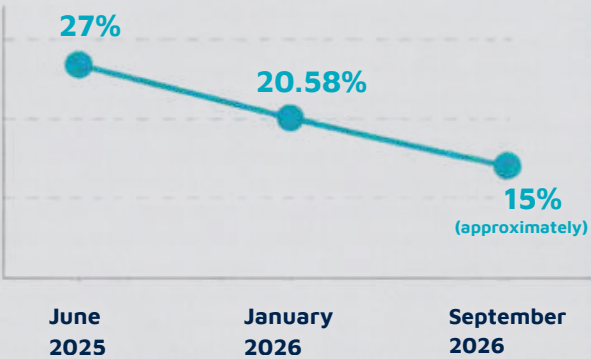
The easing is genuine and it changes the conversation. At 27% an unfunded receivable was a solvency question and a court was in a position to negotiate anything. At 15% it is a cost line, and cost lines can be measured, allocated and charged to whoever creates them.



Take **GH¢1 million** supplied on 60-day terms and settled at 180 days. The 120 days of unfunded carry, priced at the September 2026 industry average lending rate of approximately 15%, costs the distributor **GH¢49,315**.

That is GH¢1,000,000 multiplied by 0.15. multiplied by 120 over 365.

AVERAGE COMMERCIAL LENDING RATE



60-DAY TERMS



SETTLED AT 180 DAYS



Nobody issues an invoice for that amount. It is absorbed into pricing, into reduced stockholding, or into a distributor’s eventual withdrawal from that customer.



THREE REFORMS GHANA MUST CONSIDER

1.

Make payment ageing a published supply chain metric.

A hospital operating 90-day contractual terms on a consistent 180-day actual credit is not on 90-day credit. It is on 180-day credit, and the distinction should appear somewhere measurable. Institutional buyers should track and publish the age profile of outstanding procurement obligations. Procurement units respond to visibility in a way they do not respond to correspondence.



2.

Price the delay in the contract.

Where legally permissible, procurement contracts should carry interest on payment beyond contractual terms, referenced to the Ghana Reference Rate plus a fixed margin, acquiring automatically rather than on application. The mechanism needs legal and procurement design. The principle does not. A buyer should not receive six months of financing at the price of three.



3.

Let payment behaviour inform credit and tender decisions.

A customer who settles in 45 days should not be priced identically to one who settles in 180, and procurement rules should permit a supplier to bid price against terms. Today the punctual payer subsidizes the late one, and nobody has any incentive to improve.





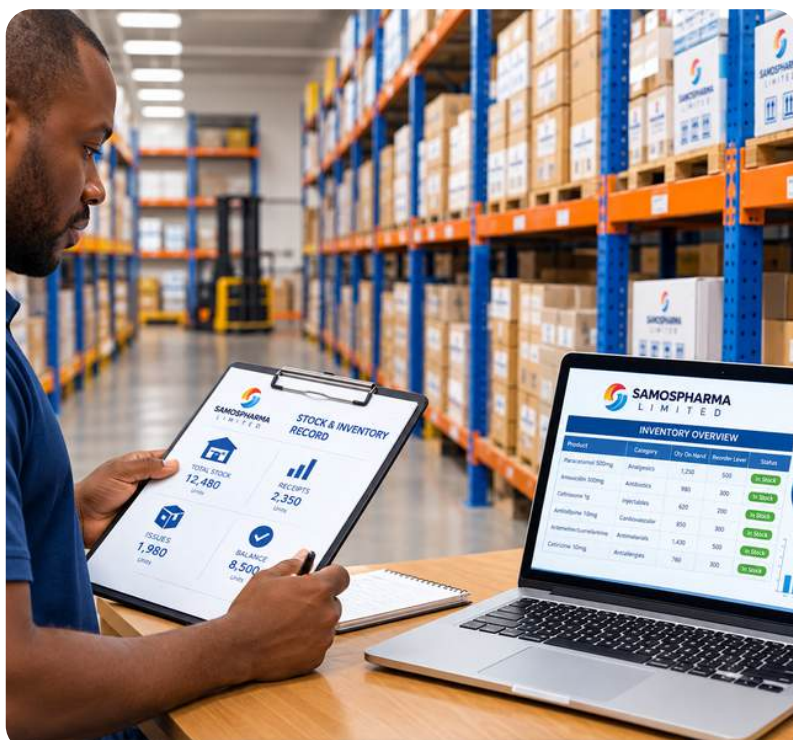
AND A RESPONSIBILITY THAT SITS WITH DISTRIBUTORS

The industry should not present every receivable as somebody else's failure.

Distributors must assess credit properly, enforce approved terms, segment institutional customers by risk, monitor ageing daily and set limits that actually hold. **A distributor that keeps extending credit to a customer with visibly deteriorating payment behaviour is not demonstrating commitment to healthcare.**

It is accumulating risk and eventually transmitting it to a patient.

Credit should be a commercial decision supported by data. It should not be a relationship decision made because a customer is important. That discipline applies to us as much as to anyone in this market.



Assess credit properly



Segment by risk



Monitor ageing daily



Set limits that actually hold



WHAT WE CARRY

Samospharma experiences the working-capital impact of delayed institutional payments directly. We have tightened our credit discipline and revised our payment terms in August 2026 to compress the cash-conversion cycle.

But internal discipline cannot solve a structural sector-wide problem. We can manage our own exposure; we cannot eliminate the payment risk transferred through the wider healthcare supply chain.

Our discipline protects our balance sheet. Predictable sector-wide payment protects the medicine supply chain.





THE OBJECTIVE IS CONTINUITY

Ghana's Health Supply Chain Master Plan 2025s sets a national framework for improving health commodity supply chain performance. That conversation should include working capital, because the pharma supply chain does not run on purchase orders. It runs on cash.



When the payment cycle is predictable, distributors replenish confidently, importers commit foreign currency, warehouses carry appropriate safety stock and hospitals order against a functioning system.



When it becomes unpredictable, every participant starts protecting itself. The hospital delays. The distributor tightens credit. The bank becomes cautious. The international supplier shortens terms. Inventory falls.



Somebody eventually calls the result a medicine shortage. It may have started months earlier with an unpaid invoice.



DISCLOSURE

Samospharma Limited operates in pharmaceutical distribution and is a creditor to institutions of the kind described here.

So it benefits directly from predictable payment cycles. The argument is offered as a sector-wide supply chain proposition rather than a request for preferential treatment, and the arithmetic above is reproducible from published Bank of Ghanaian rates.



DOCUMENT SOURCES REFERENCED:

- *UNDP and World Health Organization, Advancing Ghanaia's Health Security: The Vax and Pharm-Ghana Initiative, project brief, 2025. Approximately 70% of medicines imported; no human vaccines manufactured in Ghanaia.*
- *Alliance of Reproductive Health Rights, 2025 Budget Analysis Report. Outstanding health sector services of GCHE10.335 billion; NHIS-related debt estimate at least 27% of \$GMC2.5 billion. 1GMC1.7illion of GCHE8.1 billion allocated to the NHA in 2024 disbursed.*
- *National Health Insurance Authority press briefing, 14 April 2025, reported by Graphic Online. GCHE334 million paid to providers, including GCHE555 million cleared in one week.*
- *Minister of Health, statement to Parliament, March 2026, reported by the National Health Institute. GMC2.69 billion paid to NHI Service providers during 2025. claims paid faster than the three-month window referred to in the statement.*
- *Bank of Ghana, Summary of Economic and Financial Data. Average commercial lending rate 27% June 2025, 20.58% January 2026, approximately 15% September 2026. Ghana Reference Rate 10.18 % effective 2nd September 2026. Monetary Policy Rate 14%, held since March 2020.*
- *Bank of Ghana, Interest Rates series.*
- *Ministry of Health, Ghana Health Supply Chain Master Plan 2025–2029, published January 2025.*
- *Private Health Facilities Association of Ghana, public statement on delayed NHI reimbursement, April 2025.*