



From donor dependency to domestic ownership: Nigeria's evolving health financing landscape under fiscal constraints

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Many low- and middle-income countries are facing declining donor funding alongside tightening fiscal space, posing risks to progress toward Universal Health Coverage. Nigeria, historically reliant on external financing for priority programmes such as HIV, tuberculosis, malaria, and immunisation, is undergoing a transition toward greater domestic resource mobilisation and system self-reliance. This paper presents a policy and systems analysis of Nigeria's evolving health financing landscape in response to these pressures. The analysis draws on recent reforms, including the operationalisation of the National Health Insurance Authority Act (2022), expansion of the Basic Health Care Provision Fund, and the introduction of the Vulnerable Group Fund, alongside the adoption of a sector-wide approach and decentralised facility financing. Evidence is derived from policy documents and implementation experience at national and subnational levels. Findings indicate increased emphasis on pooling and strategic purchasing to improve efficiency and equity. Reforms have strengthened the institutional framework for mandatory health insurance and enhanced direct financing to primary healthcare facilities. However, challenges persist, including limited fiscal space, fragmentation across financing schemes, and variable implementation capacity. Nigeria's experience demonstrates that while reduced donor funding exposes system vulnerabilities, it can catalyse policy innovation and strengthen domestic ownership. Sustained progress toward UHC will require expanding fiscal space, improving efficiency, and reinforcing accountability mechanisms to ensure equitable access to quality care.

