

OPPORTUNITIES AND CHALLENGES IN THE LIBYAN HEALTHCARE SECTOR:

Preliminary Research Report

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Background:

While it would not be worthwhile getting bogged down in detail about the history of Libya's healthcare sector, it is worth highlighting some important recent developments which have affected the current market conditions and the commercial opportunities available to UK companies active in (or looking to enter) the sector.

Many of the company representatives I have spoken with point to a change around three years ago. The key date is March 2006: up until then, the administration of national health services in Libya were decentralised, and the responsibility of Libya's 32 independent *shabiyats* or municipalities. Since March 2006, the government body responsible for overseeing Libya's National Health Service and for deciding policies and implementing programmes and long-term strategy has been **The General People's Committee for Health and Environment (GPCHE)**. Its Secretary, Dr Mohammed Rashid (**now HE Mohammed M Al-Hijazi**) is empowered to manage Libya's national health services with responsibility for policy formation and implementation, strategic programme development, budgeting and financial management.

This change was crucial because it basically created the system necessary for international trade and investment to thrive; prior to March 2006, the system was subject to chronic underfunding and financial corruption was rife. This led to a lack of even basic medical equipment and a shortage of qualified staff. At the same time, low wages meant Libyan hospitals and polyclinics were typically failing to attract and retain high quality medicine graduates and other healthcare professionals who would choose more lucrative and better served positions overseas. So, for example, while technical equipment (such as a MRI or CAT scan machines) might be purchased by the local health authority for an urban hospital, it was often the case that there was no qualified technicians to operate and maintain it.

This decentralised system also meant that UK businesses active in this sector often found the market extremely unpredictable (see **The Medical Supplies Market** below).

Prior to March 2006, there were also no consolidated healthcare records. This dearth of information combined with a lack of computerisation meant that there have been, until recently, huge gaps and contradictions in the nation's medical records, which has made it difficult for public sector health authorities and private consultants alike to make informed decisions about Libya's health services going forward.

The Public and Private Sectors:

As of January 2009, there were 179 hospitals in Libya, about 100 of which are governmental or public sector-run facilities mostly located in urban areas. And while Libya has achieved high coverage in most basic healthcare areas, including preventive, curative and rehabilitation services, all of which are provided to citizens free of charge, the fact remains that many public sector hospitals operate at a very low occupancy rate, employ excess staff and use resources inefficiently.

In 2002, the Government announced that it was substantially increasing the development budget for national health services. But it appears that this plan is still awaiting full implementation: the public health budget, which had averaged around 3 per cent of GDP over the previous decade, rose to about 3.7 per cent by 2008; but proportionately this was still one of the lowest health budgets in the MENA region.

The National Development Plan:

In the past 12 months, however, there has been a renewed commitment by the Libyan authorities to invest state funds and resources in the development of a modern, efficient and comprehensive national healthcare service. **The five-year National Development Plan (2008-2012) is specifically aimed at modernising the country's essential infrastructure through partnership with overseas expertise. Around US\$35Billion (£22bn) has been allocated to this programme, with particular focus on the construction and equipping of healthcare institutions.**

Integral to this programme is the creation of **a national network of Primary Healthcare (GP) Surgeries and Polyclinics**. The development of Primary Care institutions in Libya is essential, not least in order to take away some of the workload from the country's hospitals which are commonly used as walk-in clinics by local people. The **Tripoli Medical Center**, for example, a specialised tertiary care and medical student training hospital, estimates that up to 40 per cent of its resources are currently spent providing basic primary care services.

Plans are also in place to build and refurbish secondary and tertiary care institutions (i.e. hospitals and specialist care clinics); and unlike the 'false start' of 2002, the necessary funds and the political will now seem to be in place for this ambitious programme to succeed – a situation which also promises to create lucrative partnership opportunities for UK companies with proven expertise in large-scale healthcare projects.

In fact, Libyan Health Secretary Mohammed Al-Hijazi has often expressed his admiration for the British National Health Service and has publicly stated his intention to follow the UK's lead in terms of combining public and private funds, resources and expertise to deliver better, more efficient services, higher returns on investment and lower total cost of ownership with respect to hi-tech medical equipment and ICT systems.

His aim is to employ comparable procurement models to those developed in the UK over the past decade in developing health services in Libya. The widespread adoption of PPP and PFI-style projects (as well as more focused investment schemes similar to NHS LIFT for improving and developing frontline primary and community care facilities) are seen as key to the future of the Libyan healthcare system.

Managed Equipment Services and Leasing Models:

In the past, health services in Libya have suffered due to poorly planned and implemented strategies, with respect to the procurement, operation, management and long-term ownership of hi-tech medical equipment and healthcare ICT systems. These strategic deficiencies (combined with a lack of effective healthcare management techniques, technical expertise and qualified personnel) are too often resulting in Libya's hospitals failing to achieve acceptable returns on investment, with expensive hi-tech equipment often lying dormant or underused before eventually becoming obsolete.

Industry decision-makers in Libya are now exploring more efficient ownership and management models (i.e. equipment leasing and Managed Equipment Services) as long-term, cost-effective solutions to this problem. As well as presenting opportunities for international equipment suppliers, this development is also creating new demand for firms with contractual knowledge of these types of public/private initiatives i.e. **legal and financial services providers**.

Education Hospitals:

As well as stepping up the expansion of private clinics and hospitals by way of PPP initiatives and joint investment projects with domestic and foreign partners, existing major hospitals are also being converted into **Education Hospitals**, partnering with and managed by an already established international hospital that will provide training in hospital management and modern healthcare systems. **More than 20 Libyan hospitals have already been targeted** for this purpose.

In summary, the design and build of new private facilities and the transfer of existing public institutions to private ownership/management is creating a host of commercial opportunities for UK product and service providers, which are now being actively courted by the Libyan authorities.

Construction and Refurbishment of Hospital and Medical Facilities:

While accurate data and/or detailed information regarding new build hospital projects in Libya is scarce, inaccessible and outdated, anecdotal evidence suggests that Libya's hospitals and clinics are still, for the most part, poorly equipped, poorly manned and poorly managed, with very few facilities attaining the standards needed to receive international accreditation.

For example, consider this comment by a Libyan woman recorded in her online Weblog:

"There is not one place that could be called a 'hospital' in the whole of Libya. I have been in and out of the worst and 'best' hospitals Libya has to offer, and most of them are not fit for a dog. They are dirty, contaminated and the staff are mostly undertrained and underqualified (but not for lack of wanting, mostly due to a lack of resources.) You are likely to come out sicker than when you went in".

An excerpt dated May 2009, taken from a Libyan Hospitals Blog entry at:

<http://tajoura.blogspot.com/2007/05/libyan-hospitals.html>

Healthcare Tourism:

One consequence of these deficiencies is that Libyan citizens who can afford private healthcare are seeking treatment abroad – in Europe and Tunisia, Jordan, and even Egypt – a country one would not necessarily expect to have superior healthcare facilities to Libya's.

This is important not least because of the damaging effect it has had (and continues to have) on Libya's health services. More private Libyan patients are treated in Tunisia than in Libya; and due to the lack of modern facilities and know-how, patients are also being sent abroad by referrals from Libyan hospitals which cannot effectively treat certain conditions.

In fact, in 2007 the government spent LD154m (£77m) on medical treatment of Libyan citizens abroad – a figure which does not include the far larger amount spent out-of-pocket by Libyans travelling for private treatment to Arab countries and Europe.

Healthcare tourism and public sector referrals to foreign hospitals are clearly depriving the country of a major source of potential income and undermining the development of Libya's private healthcare sector, a situation which the GPCHE is now trying to address.

Private Health Insurance

Until very recently private medical insurance has not been permitted in Libya, as it is seen as contrary to the socialist principles on which the state was founded. But partly as a direct attempt to combat the damaging effects of medical tourism and partly due to pressure from the World Health Organisation (WHO), medical insurance markets are now slowly opening up in Libya.

LIBO Health Insurance

LIBO is Libya's first completely private insurance business. Incorporated in 2005, it now generates annual revenues of around LD16million (£8m). Recognising Libya's lack of high quality medical facilities as the key impediment to the local health insurance market, the company has invested in the construction of a 100-bed private hospital on the outskirts of Tripoli. Offering private medical treatment exclusively to LIBO policyholders and staff, the hospital is scheduled to open later this year. According to the company, this move alone has increased sales of health policies by more than 20% and demonstrates the potential of this business model in a market crying out for high quality, local and affordable healthcare provision.

Whether this will translate into real commercial opportunities for UK providers will depend on the regulatory decisions made by the Libyan authorities which currently proscribe foreign participation in the insurance market. **The consensus appears to be that, within the next two years, the current regulations preventing foreign participation will be relaxed.**

CASE STUDY: El Khadra Hospital, Tripoli.

In January 2008 the **El Khadra public hospital in Tripoli** was turned over to the private sector by the Libyan government which, at the same time, assigned **LD250million (£125m)** in initial capital to undertake a complete modernisation programme.

This programme involved:

- **Infrastructural renovation**
- **Installation of an entirely new state-of-the-art IT system**
- **Embarking on a modern hospital and healthcare management (personnel training) programme**
- **Re-equipping the hospital with new medical supplies, devices and machines – (covering everything from life support machines and MRI scanners through to medical consumables e.g. surgical gowns, latex gloves etc).**

This flagship refurbishment project is an example of how and where this policy of privatising and upgrading Libya's hospitals is creating significant commercial opportunities for international suppliers in multiple areas:

The IT system is supplied by the Middle East and Africa division of FTSE-listed company **iSOFT plc** which in April 2009 won a two-year deal worth \$1.4 million. The new system will be implemented in two phases in partnership with local company **Alshada Pharmaceutical & Medical Equipment**. It means the El Khadra will be one of the first hospitals in Libya to have a **fully-integrated Hospital Information and Patients Records System**.

The hospital and healthcare management programme, a five-year project and a first for Libya, is provided by **Healthshare International UK**. It required the relocation a number of Healthshare's key UK-based staff to Libya to train the hospitals personnel on-site.

In terms of forthcoming opportunities in this market, **Benghazi Medical Centre** has just announced an **LD150m (£75m)** tender for middle-level management staff and the complete refurbishing of the facility, including advanced imaging equipment, basic supplies, furnishings, etc.

CASE STUDY: RMJM's Global Healthcare Studio

Last month, LBBC Council Member RMJM created its **Global Healthcare Studio** which will focus on the design of hospitals, medical schools and research centres for the pharmaceutical and biotechnology industry.

Group Chief Executive Peter Morrison said: "At the moment many of the best opportunities are in those areas which are paid from the government and public purse so we have moved quickly to structure our business accordingly."

This week (May 24th) it launched the new studio in Dubai, to provide an answer to the growing demand for healthcare infrastructure in the MENA region. "The aim is to better

serve the growing trend of international collaborations between leading western institutions and their regional partners, by bringing together our dedicated experts from throughout our network.”

It is estimated that the MENA will face an unparalleled and unprecedented rise in demand for healthcare products and services over the course of the next two decades. **Total healthcare spending in the region is forecast to increase by a multiple of five!** The rising population and longer life expectancies in this region will correlate directly with the demand and supply of healthcare facilities.

Amidst the outbreak of swine flu, RMJM also announced a new approach to hospital design which will strengthen the region’s capacity to manage infectious diseases. The Healthcare Studio will promote the findings of RMJM’s extensive research into how structural design can be applied to better prevent the spread of dangerous infections in the hospitals. These include new design models for isolation zones and directing airflow to keep staff and patients safe from threatening gasses or infections.

Medical Consumables and Pharmaceutical Supplies:

UK Trade & Investment says the market for medical and pharmaceutical products **offers the most clearly available opportunities for UK businesses in Libya’s healthcare sector:** *“There are excellent doctors in Libya; however the hospitals are in dire need of modern equipment, technology, healthcare products and drugs.”* [UKTI Report, May 2008]

In the absence of local production, imports are growing rapidly. At the end of 2006, (the most recent figures available) the total value of imports of drugs and medical consumables was estimated at €280m per annum, around 60 per cent for pharmaceutical products, and 40 per cent for medical supplies.

Since then, this figure has risen significantly (due to a number of factors which have already been outlined), with further growth prospects expected due to a high population growth rate and the government’s stated plans to invest heavily in healthcare systems.

Libyan suppliers are mainly European, with the UK alongside the Italians, Swiss, Germans and French at the forefront of the market.

Government agencies are the main purchaser, though various organisations such as the **Red Crescent** and the **increasing number of private clinics** are increasingly active in the country. Imports were a state monopoly but, since the opening and privatisation of this market, **new import licenses have been granted to certain operators to supply pharmacies and private clinics.**

The reorganisation of the public sector currently covers around 60 per cent of total demand. Companies that want to take part in public procurements or distribute products on the market through a local agent must be registered with the Food and Drug Control Centre.

Tenders generally take place in the spring for public procurement, but according to UK companies active in the market, these processes have, in the past, tended to be anything but predictable (see Q&A Case Study). However, **since the centralisation of Libya's healthcare administration in March 2006, these processes have become more standardised, predictable and workable.**

Market Opportunities Q&A:

The market for medical supplies shows ample evidence of successful penetration by a number of UK companies and for clear and ongoing opportunities for both existing market participants and for new businesses seeking to enter the Libyan healthcare sector for the first time.

In fact, the most significant mitigating condition which might be placed on these opportunities stems from the fact that **new market entrants can find it difficult to compete effectively for business against the experienced incumbents.** It is invariably the case that once a foreign company has established a successful trading relationship with a Libyan partner, this arrangement is likely to be ongoing – friendship/loyalty and personal relationships are integral to the way in which business is conducted in Libya.

For the purpose of this report I spoke with representatives of a number of companies active in this market in Libya. Below I have listed ten key questions I asked these contacts together with a summary of the most interesting and informative answers I received back:

Question Respondents:

Smiths Medical is a leading global provider of medical devices for the hospital, emergency, home and specialist environments. Its products are used during critical and intensive care, surgery, post-operative care during recovery, and in a series of high-end home infusion therapies. The company employs 7,500 people, with manufacturing concentrated in the US, the UK, Mexico and Italy. Most territories are serviced through wholly-owned local sales and distribution companies.

Contact: Hans Solerod: Business Development Manager at Smiths Medical

B. Braun/Downs Surgical based in Sheffield, and is one of the world's leading healthcare companies, operating in over 50 countries and employing more than 27,000 employees in 140 subsidiaries. Recently the company has experienced dramatic growth through the acquisition of rivals (e.g. Downs Surgical) and the introduction of new products and services. With turnover of more than £1.3 billion, B. Braun is one of the world's largest suppliers of the international healthcare markets.

Contact: Steve Spurgin: International Business Manager

The ten standard questions I asked were:

1. What do you see as the key opportunities for UK firms operating in (or looking to operate in) Libya's healthcare sector?

2. And what are the main challenges presented by the market?
3. How long has your company been active in Libya?
4. What factors/developments in the Libyan healthcare sector have affected the growth of your business there?
5. What are your most important products/services among Libyan customers/clients?
6. And who are your most important clients? Public or private sector?
7. How does the Libyan market differ from the UK? And from other MENA markets?
8. Where is your main competition coming from – other UK companies, EU competitors, domestic (Libyan) suppliers, others?
9. How do you see market changing as Libya becomes more open and accessible?
10. What kind of industry event would help you to grow your business in Libya? What subjects would you like to see covered? What speakers (government agencies or business representatives) would you like to hear speak at an event of this kind?

Answers: Hans Solerod Business Development Manager at Smiths Medical

1. I can only respond for our own area of medical devices, but it would appear that there are increasing opportunities for surgical, anaesthesia and wound care products for the Libyan hospital sector.
2. Access to the right contacts and to people who influence future trends of healthcare developments in Libya. Finance can also be an issue especially in the current climate.
3. For more than 15 years.
4. Frequent changes to personnel in Tripoli, irregular tenders and contracts, and complications with respect to payment and shipment requirements.
5. Anaesthesia products (disposables and devices) to the hospital sector.
6. Most sales to Libya are going to our private sector distributor although we also do some direct business with government purchasing agencies. When it comes to sales within Libya the public sector represents the majority of the business we do.
7. It differs greatly in terms of the standard procedures and etiquette one is used to in business relationships. The usual rules don't always apply in Libya!
8. Traditionally the main competitors have been from continental Europe. This is changing and will probably change more in the future with competition also coming from China, the US and regional suppliers.
9. The market has already opened up since the Lockerbie affair and the lifting of the US embargo.
10. We already have regular visit to the market (mostly from our local manager based in Cairo) and have reliable contacts in Libya. Therefore, industry events would probably be of only marginal interest. However, new market entrants would certainly benefit from an "Introduction to Libya" type event. In general we would like to see the British government taking a stronger lead on issues such as export credit guarantees and regulatory issues.

Answers: Steve Spurgin: Development Manager at Downs Surgical (part of the B.Braun Group)

1. The Libyan market has opened up to British companies in the last 5-6 years so the main opportunity is the fact that we now have an additional export market to develop.
2. Circumstances can and do change on a constant basis and there is often a lack of coordination between decision makers and purchasers. In fact, prior to about three years ago (i.e. March 2006 when Libya's health administration

was re-centralised) it was often the case that tenders were opened then closed again without notice or reason. Also, orders changed depending on who you spoke to. Different purchasing managers on the same regional committee would advocate buying competing manufacturers' products which meant it was never certain what final decision would be made. This changed for the better after March 2006.

3. About five to six years
4. Release of funds for Ministry of Health Contracts is an opportunity when it arises although timing can change and tenders can close then open again. (see answer no. 2) The main factor affecting our success is the expertise of our distributors.
5. In Libya, our key products are stainless steel surgical instruments; we also sell a small range of hip implants.
6. Public sector hospitals are our main customers.
7. Libya is not as organised. There is open corruption. Committee members can disagree with each other and overrule each other's decisions.....just to name a few.
8. Mainly EU competitors
9. We definitely believe we will see more contracts in the near future; and in the short to medium term, the opportunities will be at their greatest, as the current window of opportunity cannot last forever. Once they have finally awarded their main improvement contracts, the requirements for surgical instruments will not be as great as they are today.
10. The Libyans are already very predisposed to British manufacturers. I'm not sure that any events would make much difference to our business now. There are local conferences and exhibitions which our distributor attends and our products cover all specialties in surgery so it would be difficult to focus down into one area. We are particularly strong in the 'Ear Nose & Throat' specialty but an event covering that alone would not be enough to substantially grow our business.

Key Associations: The Association of British Healthcare Industries (ABHI) and DH International:

The industry body representing the UK's medical technology sector is the Association of British Healthcare Industries. The ABHI represents not only manufacturers of medical devices, equipment and consumables, but also service companies, distributors, professional groups (such as architects and lawyers), and other suppliers to the medical community. Its 200+ member companies' annual output is about 80% of the industry's total.

Theresa Ashford is ABHI International Business Co-ordinator. Last week she kindly supplied a number of useful contacts who I intend to follow up for further information about the Libyan market and opportunities for UK companies therein.

Despite its current booming market for medical supplies, Libya is one of the few countries globally where ABHI does not have a specific healthcare contact at the British Embassy, or other Commercial Post. However, **DH International (the international division of the Department of Health)** has specifically designated a UK-based

consultant to deal with Libya (such is the extent of the business opportunities they perceive there). His name is **Stuart Smalley**.

Training and Education

Introduction: The Demand for High-Quality Medical Workers in Libya

While medicine is one of the most highly regarded professions in Libya, a number of factors have worked to erode the quality of medical staff in the country today.

These factors include:

- **The health sector “brain-drain”** – qualified doctors and medical specialists who can earn substantially more working abroad have chosen to take their skills out of Libya.
- **Lack of a national accreditation authority for medical personnel:** up until three years ago (March 2006) the decentralised administration of health services in Libya meant that the **distribution of medical professionals across Libya was uneven and inconsistent**. For example, last year, in Benghazi there were 28.5 doctors per 10,000 patients, while in Jdbaya there were just 6.3 per 10,000. Clearly this undermines the consistency in the quality of services provided in certain areas of the country.
- **Underfunding and misdirected funds:** Underfunding has led to a steep decline in the quality of services within the sector, exacerbating the shortage of qualified staff. And where the Libyan government HAS allocated large sums to medical students taking postgraduate studies abroad, the country’s health services have failed to benefit from this investment as students have tended to stay abroad once qualified.
- **Lack of job satisfaction:** cutting edge medical services are not widely practised and the shortage in state-of-the-art equipment means highly qualified Libyan doctors, surgeons and other healthcare specialists are not being offered the professional incentives to work in Libya.
- **Overburdening of an already inadequate health education system:** despite all of these factors, the number of medical students in Libyan universities has risen dramatically in recent years. However, Libya’s medical education system has been unable to meet this rise in demand, and the effect has been for the quality of health education to suffer. Moreover, ongoing shortages of pharmacists, medical technicians, paramedics and nurses demonstrate that Libya’s undergraduates are focusing on the wrong areas of the healthcare profession. The WHO 2007 report on Libya’s health sector states that nursing education is inadequate with out of date curricula and no teaching beyond degree level.

This situation is clearly increasing the demand for more effective healthcare training and education provision in Libya which, in turn, presents significant and ongoing opportunities for UK providers.

In 2007, the WHO reported that Libya still had no stated plan in place to address the human resources challenges in the health sector, despite the obvious negative effects this was having on healthcare provision in general. It added that, in the absence of any

concerted government efforts, **the developing private sector** may become the most effective solution for attracting high quality, qualified doctors and other healthcare professionals back to Libya.*

**It is apparent that since this WHO report was published (2007) the Libyan health authorities have started to commit increasing resources to medical personnel recruitment, training and retention programmes.*

Medical Suppliers' Sales Channels: Training Requirements

UK Medical equipment suppliers active in Libya do a mix of direct and indirect business. Both the direct sales teams and the in-country distributors must be fully-conversant with respect to the equipment (especially the high-end technical equipment) they are marketing and selling to healthcare clients (hospitals, clinics and other medical facilities) in Libya's private and public sector.

Both Smiths Medical and Downs Surgical, for example, have local distributors based out of Cairo, which are regularly brought together with other sales representatives in the MENA region for product education and training sessions. For example, Downs's regional training takes place out of Malta.

Steve Spurgin of Downs said his company has two distributors in Libya:

- one of them focuses on 'daily business' – i.e. products used by hospitals/clinics on a day-to-day basis
- the other focuses on turnkey projects – i.e. products and related consultancy services which require long-term implementation and **significant user training**

Spurgin added that there is rarely any overlap between the products (and related services) the distributors are responsible for.

Marketing, which is carried out on a grassroots level, (i.e. direct to the clinical users, physicians and surgeons) also requires the company representatives to be fully conversant with (often technically advanced) medical equipment and machinery.

In other words, with respect to medical equipment suppliers, **training is an integral part of the marketing and sales process**, in order that the customer/end-user can get full value from the equipment they purchase.

Given what has already been said about the clear and ongoing deficiencies of Libya's healthcare sector workers with respect to skills and expertise, there are **significant opportunities for UK-based bespoke healthcare product training companies** in Libya. Either in partnership with the equipment suppliers or on an autonomous basis they offer services aimed at helping Libyan medical personnel get full value from the equipment they have purchased.

Hospital Management Systems: Opportunities for Training and Consultancy Service Providers in the Private Sector

Case Study 1: Healthshare Healthcare International UK Ltd:- Relocating UK training providers to Libya - to deliver hospital management services on-site.

Tripoli's newly-privatised El Khadra Hospital initiated a **hospital management project** in January 2008, with the objective of creating a world class healthcare institution.

This five-year project is a first for Libya, and is managed by **Healthshare Healthcare International UK**. (See *Refurbishment of Existing Facilities* above)

I spoke with Dr Johan Pretorius, International Business Executive at HealthShare, but unfortunately, he said he was not permitted to discuss the project at this stage, other than to say that it had **required the relocation of a number of Healthshare's key UK staff, who have reported a high level of satisfaction with their presence in Libya.**

He added that both the Healthshare and El Khadra hospital staff have already made rapid progress on this project, and that it promises to be a benchmark programme for healthcare in the region.

Note: Theresa Ashford at ABHI said she knows of "a number of **hospital management specialists that enjoy considerable success in Libya**, as with other markets in the Middle East...and a **turnkey company which is specifically targeting Libya as a market.**" Unfortunately, Theresa has been unavailable this week (she is currently away organising a conference). I am waiting to hear back from her with the contacts details.

Case Study 2: Emergency Response Services Ltd – Emergency Care Training and Consultancy Services

LBBC Corporate member ERS Ltd recently **signed a landmark contract with the GPCHE to deliver pre-hospital care training and consultation services.**

The company offers full medical support including consultancy services, development of policies and procedures, training courses and the development of remote site clinics. Its clinics offer occupational, primary, emergency and surgical care facilities. Its surgical facilities offer two levels of anaesthesia – regional and general. It is currently delivering training services to among other clients the Aly Omar Askar Hospital in Tripoli.

Note: Last July, the LBBC and British Expertise held a joint meeting entitled "**Consultancy in Libya - The Way Forward**". A section on Health and Education was presented by **Stuart Smalley of DH International** and **Tim Emmett of CfBT Education Trust**, both of whom are excellent potential sources of information about training and education opportunities in Libya's healthcare sector.

Appendices:

Libya: Health and Welfare

(Extract from *Libya: MEC Annual Business Assessment 2009*)

Libyan health service has experienced major transformation in the past three decades. The country has invested large amounts of money into bringing its health service delivery in line with international standards. The general health of the population has improved and health surveys indicate the Libya has come a long way. However, despite all those efforts, the general public is not impressed with the level of service it receives. There is no central institution to coordinate and monitor work of smaller practices, personnel is under-qualified, drug distribution is inappropriate and health insurance is missing. Health and social services are additionally strained by illegal immigrants, who not only add to the numbers in need of care but also spread diseases such as AIDS, TB and malaria. Libya is in need of institutional, management and technical assistance in order to achieve desired standards.

Since the 1980's, health services have been administered by the Central Health Body, which is controlled by General People's Committee. The Body is complemented by General Health Inspectorate, the Board for Medical Specialities, 21 National Health Committees and health research centres. All the above institutions perform functions of the conventional Ministry of Health. The decentralisation and fragmentation of decision-making results in poor referral systems and lack of clear cut regulations.

At present, the public sector is the main provider of health services. Private sector is limited and usually out of reach for ordinary residents due to lack of availability of health insurance. The government offers free health care to all citizens. The system operates on three levels, health care units, able to provide services for 5,000-10,000 patients, health care centres, for 10,000-26,000 patients and polyclinics in main cities for 50,000-60,000 patients. The two major hospitals are located in Tripoli and Benghazi, however, basic health care is available even in small villages, thanks to mobile health units, which travel to rural areas. Clinics operate at a low occupancy rate, which puts Libya in first place for people per hospital beds at 3.9 per 1000.

The system is outdated and under-funded and has not fully recovered since international sanctions were lifted. However, as an example the mortality rate for children fell from 160 per 1000 in 1970 to 20 in 2000, which indicates improvement of standards. Nevertheless, practices often employ excess staff, which is under qualified, a factor which contributes to an inefficient usage of resources. Because of the issues above, the government spends 60m Libyan Dinars annually on medical treatment abroad. An even larger sum is spent by citizens themselves. The health sector is constrained by a number of issues. Firstly, lack of a central institution and referral system both nationally and regionally. There are also human resources related problems, such as need of training, over-staffing etc. Secondly, according to some sources, health service in Libya faces a huge problem of corruption, inappropriate allocation of funds and inefficient distribution of drugs.

Thirdly, due to lack of investment in health information and absence of rewards for health care personnel, Libya has encountered departure of skilled doctors attracted by significantly higher salaries overseas. Before international sanctions were lifted, Libya received no help as development aid. In 2005, WHO introduced in Libya a Country

Cooperation Strategy (CCS) aimed at strengthening technical support for the country at regional, national and global levels. The implementation of the programme was well received by Libyan medical officials, who see the strategy as a milestone in developing the image of the country as a whole. CCS is a 5 year programme and its implications should be visible in 2009. In 2007, the National Centre for Infectious and Chronic Disease Control in Libya conducted the National Libyan Family Health Survey in collaboration with the Pan-Arab Project for Family Health. The survey was conducted to provide data for international comparison and health information on Libyan families. Full details are available on <http://www.papfam.org/papfam/Libya.htm>.

Libya has been debating introducing an electronic medical record system which could prove to be the one solution that would addresses almost all problems. However, as in other developing countries, most of the obstacles lie against preparing the health system for electronic services. Despite the potential of an electronic system, it needs t be implemented in the right environment for it to work. It has been decided that the country is not ready for such a big step.

In order to acquire access to the newest medical technologies, Libya teamed up with Tunisia to organise a health themed exhibition in Tripoli in February 2009. The exhibition was organized under the auspices of the General People's Committee for Health and Environment in Libya and the Tunisian Ministry of Public Health, in view to provide the best medical services and consultations to the visitors and those interested in this activity from both the public and private sectors. The exhibition attracted numerous medical companies as well as specialists from both countries.

Ends.

2. Opinion: Libya's Health Sector: A Surgeon's Viewpoint **By Prof. Elmahdi A. Elkhammas**

Publication Date: 19/06/2009

In a recent article that was published by The Tripoli Post, Sami Zaptia shed some light on the Libyan health sector. He quoted facts and commented about issues that reflect the feelings of the average Libyan citizen about the topic. I think the article serves as a good base for a friendly, non-emotional discussion about this important issue. It prompted me to write this observation as a surgeon.

We do not have to prove that the health sector and the general well being of the Libyan citizen are vital for the success of the Libyan economy. I also see no need to defend our health system and pretend it is thriving and that nothing is wrong with it. What we need is further discussion about how to amend it so that we can move on to a better future for that sector. We need to assess our current system based on the findings from the WHO report.

We need answers from the General People's Committee for Health and Environment on what is the next strategic move. There are several articles in newspapers and more in academic journals regarding the health system in Libya. Some actually have even examined the health systems in France and the UK to compare other different systems.

The health sector in Libya is really in shambles and everyone understands such reality, doctors, citizens and officials. Libyan citizens cannot be blamed for seeking medical care abroad, and It is beyond my comprehension to understand the call by some of my colleagues that the system is offering first class service but the Libyans do not know how to use it. Of course it is also unacceptable to blame the doctors for the health sector dysfunction.

Therefore, we really have to admit that we have a problem. Actually we have a huge one. In any case, we need to accept the problem and not to try to find excuses for the current miserable status of the health sector. We have to analyze the reasons for our current state of affairs and try to eliminate the factors that cause us to lag behind other health systems and work also to bring in fresh approaches to healthcare delivery.

In this short article I would like to attract the readers' attention to a document that was developed by a group of Libyan doctors from Libya's National Economic Strategy (NES) project which began in 2005 under the supervision of the Monitor Group. The document is brief (312 pages). It is titled The Strategic Planning for the Health Sector in Libya.

It is a review of a large amount of data and statistics and was accepted as the road map to reform the health sector. It was completed in 2006. The document had not been circulated or discussed among health professionals since that time. It was presented by Dr. Ahmed Etteer in July, 2007, during the Libyan doctors' conference in Benghazi. It has resided on the website of the Libyan planning board with no comments or clues as to when it is going to be discussed by the proper officials.

Now we have a new secretary of health. He mentioned more than a month ago that we did not have a secretariat of health and we needed to work together to organize one. I understand from his statement that he is going to be a team player, and will pull all interested parties and experts together to reform the sector. I do not envy him. He has major problems at hand.

It is difficult even to prioritize the issues because the health of the Libyan citizen is so important and all aspects are a priority. Logistically, we have to focus on emergent issues for short, intermediate, and long term solutions.

This is not a summary of the 2006 document, but I can offer the following points as I see them require urgent discussion.

1. Establishment of a primary care network which will be the backbone of the health sector. Such a network will connect cities and rural areas in a smooth way to provide equal access to health care regardless to the location of the citizen. It will also focus on the preventive health of individuals in schools, universities, and all educational institutions. Such young people are the future teachers, doctors, engineers, and leaders. Their physical, mental, and dental health is most important. This would involve the secretariat of education too.

2. Improving the income of health care workers so that that they should never be tempted to take any short cuts in the care of the Libyan citizen.

3. Training proper health care administrators and financial managers, and adding major amounts of ethical teaching during training periods of health care workers. They must receive education about Libyan law with regard to health issues

4. Moving disease-specific programs under the direction of the secretariat. This will streamline the budget as well as the reporting process, and develop guidelines for quality as well as the development of quality indicators. It will also correct inequities among services between different locations throughout the country.

5. Regulation of the private health sector. This is a serious issue. It is a major topic in itself.

6. Develop a central and independent organization to review hospitals for quality indicators. Design this process so that it is transparent, with proper rewards and consequences.

7. Develop a code of ethics for the different specialties of medical professionals and health care workers.

8. Establish an advisory board for the secretary of health composed of experts with outstanding ethical background to assist with planning, implementation, and follow up.

9. Regulation of the insurance industry from the early stages. Encourage its further development.

10. Design a volunteer system utilizing both retirees and high school students to assist with some of the basic services in hospitals.

11. Development of more physical therapy and rehabilitation centers to expedite recovery and assist with returning our injured citizens back to work.

12. Establishing professionalism and misconduct committees in all health care institutions.

There are many issues and points that can be discussed further. I elected to keep this treatise around 1000 words for the sake of our attention span and time. I hope to see more discussion and I eagerly anticipate the input from other readers who can add other points of interest that may help clarify this important topic.

About The Author

Prof. Elmahdi A. Elkhammas is a Libyan surgeon at Ohio State University, Columbus, Ohio, USA.

This article has (3) Comment(s)

Name: Mutaz Date: 22/06/2009 05:26:02

Comment:

Prof. Elkhammas thank you for your article and I commented previously on Mr. Zaptia's article in which I focused on health-care being 'unique' in that it is of utmost monumental

importance; as health-care is about life and death; something anyone anywhere takes very seriously.

There is no-one who wouldn't prefer to consider other options before resorting to the Libyan health-care system, this is the unfortunate reality. The question is... why? What elements attract so many Libyan health tourists to countries like Jordan and Tunisia for example? One could very much build a great long list of points and reports (like the NES/Monitor Group people did) but there is a common underlying factor that can very simply be deducted even by the common everyday citizen who is not so experienced and skilled. This common factor must be prioritized and taken into consideration at all times if anything is to improve from whatever comes about and that common factor or magical word is "reputation".

Health tourism directed out of Libya for cross-border destinations has grown over the years mainly as the result of nothing but simple local marketing spread by none other than our own natives within our own borders through word-of-mouth... and they are NOT to blame, the local health-care sector IS!

The common scenarios that are unfortunately still ongoing basically encompass medical tourists that left Libya dissatisfied and that came back with medical miracles and success stories to tell that fell on eager ears, the sad part is that most of these stories aren't all that miraculous and are just issues of basic quality. "A complicated misdiagnosis locally that was a simple piece-of-cake diagnosis elsewhere", "the patient who did not feel welcome or comfortable with the quality of services locally who was treated with utmost quality and care elsewhere" and so on and so forth... However, the differences were recognized amongst our locals and the differences were embraced, promoted, marketed and is now in fact the normal way of seeking health-care.

No-one can say that efforts were exclusively introduced from other countries across our borders with direct local intentions to win our own patients as a part of their market segment?! This was a choice that our own patients were willing to take in consideration for the importance of their health and lives. They were willing to grant this privilege simply to whomever they felt deserved it and when they took the risk and traveled the distances as health tourists on most occasions they weren't let down and they felt the trip was well worth it. Perhaps nowadays health tourism promotion from overseas is something that is slowly gaining a more direct local presence but then again Libyans are very entitled to that option and it is the local healthcare sector that needs to step up to standards and out perform the incoming competition.

Patients are 'people'... people that have feelings, something that many of our health-care workers to some extent have unfortunately forgotten from the bottom-up and back down to the bottom. Its really a matter of going back to square one, the Hippocratic Oath and the very basics of what makes a genuine health-care worker... is it the prestige, is it the high-potential for a high paying career overseas, OR is it... genuinely wanting to help and care for people? Some of the greatest and most highest paid health-care workers around the world dedicate a lot of their or at least some of their time to working in conditions much much worse than the our local health-care system and they do a great job: in places like the depths of Africa, SE Asia and rural South America and it is this sense of purpose that makes them great health-care workers!

The day the entire local health-care sector orients itself around noble purpose; and viewing as well as addressing its problems from the eyes of its patients is the day that things will really start to improve. This is something anyone can assure you has yet to be felt or realized locally, even through tremendous initiatives such as Monitor Group's work, etc...

I personally submitted a presentation to Monitor Group having been a medical participant of the NES program myself and I stressed on numerous occasions the importance of health-care in Libya as I sensed it was not all that much of a prioritized topic to be honest after having learned more about the program and participating with much enthusiasm. I think more focus was paid to an assessment of competitiveness and clusters than to critical social sectors like health-care & education. In fact I'm very delighted and surprised to have read in your article that a 312 page report was composed and presented by other medical participants with regards to health-care strategy. I am not surprised however that this wasn't shared openly by those participants with others much like myself? This is another issue at hand that I take no shame in mentioning in that there is an obvious unwillingness for "team-work" particularly amongst the so called 'modernists' who surprisingly are highly qualified and skilled individuals but not enough to realize how much potential there really could be if only they were humble enough in character to team-up and genuinely want to work together...

"The Strategic Planning for the Health Sector in Libya" is not a topic that requires a 312 page document at this stage. More smaller-scale efforts such as this article, previous ones before it and similar efforts that arouse awareness, offer a forum for exchanging ideas and that bring like minded people together to my opinion is a much more effective step in potentially achieving more concrete results.

As for health-care reform is concerned it is an extensive and long process that must be initiated as soon as possible and that requires great state involvement, great health-care leadership, great health-care management, great health-care workers, great health care quality indicators and performance levels, great health-care educators, great health-care students working hand-in-hand and marching side-by-side with a clear vision of what is expected of them on a short term, mid term and long term basis. There is no reason in the world why we should not be able to remedy the long ailing patient that is our health-care system and I personally hope that it will be back on its feet in no-time...

Name: Mahdi Elkhammas Date: 25/06/2009 00:35:02

Comment:

Dear Mutaz

Is it OK to republish your comment on Ibnosina website to get exposure to other Libyan doctors? I think it should be read by more health professionals. I certainly will mention that the comment was originally published by Tripoli post www.ibnosina.org

Please let me know

Mahdi

Name: Dr nagi Barakat Date: 31/08/2009 12:50:07

Comment:

Dear

I share all points Prof Elkhmass mention in this report .To add to all his points and I am sure he is aware about it, which is the medical education and training in Libya for medical professionals. These include doctors, nurses, technicians, administrators and all other health service providers. I will write about this and post it to Tripoli post. I feel this debate about the health service should reach the ordinary peoples as well. I feel TV channels in Libya have a major role to get it to Libyans. Inviting experts from Libyan and non-Libyan to talk about this is very crucial to this matter. As the new minister of health is eager to reform and build up new health services in Libya. This is an opportunity to support his effort and that will come with many sacrifices by many of experts in this field. Many thanks

Dr N G Barakat
Consultant paediatrician/neurologist
London-UK

Ends.

3. Trauma and Accident & Emergency Care and Training

The increased pressure on Libya's trauma and accident and emergency (A&E) departments is well documented: treating victims of RTAs (Road Traffic Accidents) is now responsible for taking up around 35% of Libya's total hospital resources, a far greater percentage than other countries in the region.

These developments have necessitated the implementation of strategies to streamline patient care pathways and speed up the process of assessment and treatment, specifically with regards trauma care and A&E.

At the same time, they are creating **definite opportunities for international suppliers with expertise in the latest techniques in trauma care and emergency medicine.**

Speakers could be invited to present on topics such as:

- **The latest developments in emergency medicine**
- **The need to establish a state of the art trauma centre in Libya.**
- **State of the Art pre-hospital Care and Trauma Systems**
- **Assessment and Early Management of Trauma**
- **Critical Care**
- **Orthopedic Trauma**
- **Injury Prevention**
- **Burn Injuries**
- **Training and Collaboration**

Who would attend?

- **Hospital Medical Directors**
- **Heads of Trauma/Emergency Rooms/Accident and Emergency Departments**
- **Directors of ICU and Critical Care Physicians**

- **Emergency Physicians and Residents**
- **Trauma Surgeons**
- **Anaesthesiologists**
- **Cardiologists**
- **Orthopedic Surgeons**
- **Surgeons**

Ends.