

**PRESS RELEASE**

**Health Minister Signs Ground Breaking Social Compact**

**With Leading Healthcare Companies**

**Embargoed Until:** **8 November 2012, 10h30**

PRETORIA – Health Minister, Dr Aaron Motsoaledi earlier today signed a ground breaking Social Compact with the CEO’s of some of the leading Healthcare Companies in South Africa, symbolising an acceptance that no single sector, whether it be the public or private sector, can individually or successfully confront the immense health challenges.

The Compact, which will be executed through the newly established Fund, called the SAJPHEF (SA Joint Public Health Enhancement Fund) will aim to strengthen much needed collaboration between the private and public sectors, through the co-operation of jointly selected health initiatives, which will be funded through the SAJPHEF. Each participating private sector Health company will make a fixed annual contribution into the Fund in order to fund these initiatives. Initiatives are likely to focus on Healthcare Professionals resource expansion, such as the training of additional Doctors, particularly students from resource constraints communities, creating further capacity to train additional Healthcare professionals, building further management capacity and interventions in HIV/AIDS and TB.

Minister Motsoaledi said that “The Social Compact is set to herald a new standard for collaboration between the public and private sectors. This model will enable the joint efforts of the private and public sectors to make a severe dent into the quadruple burden of disease. It is my hope that this Compact will propel us on a trajectory of a greater and deeper cooperation, not withstanding, any differences we might have at times and on specific issues.”

The Minister went on to add that, “I wish to congratulate and commend the 23 companies that have committed to the compact today, not only will they add tremendous value to addressing the challenges that face our Healthcare system, but equally, through these 23 companies we will establish a forum through which the Department can dialogue with the private sector on a structured and regular basis. This dialogue and engagement will strengthen our Healthcare system and boost confidence and build bridges between the private and public sector”.

It is noteworthy that this list of 23 Private Sector participating companies includes a number of the leading and largest Healthcare companies in South Africa, representing 7 Sectors, namely the Hospital, Pharmaceutical, Medical Fund Administrator, Medical Device and Diagnostic, Retail and Consumer, Pharmacy Benefit Management and Healthcare Distribution. In the case of each Sector, while the leading company by value and volume share has signed up, it is the Minister’s hope that the launch would inspire others to join. Membership to the Social Compact and the Public Health Enhancement Fund remains open to those companies in the Health Sector which are still not signatories as of today.

Participating signatory companies include Abbott, Alcon Labs, Aspen Pharmacare Holdings, Bausch + Lomb, Clicks Holdings, Clinix Health Group, Discovery Holdings, Dischem, Galderma, Joint Medical Holdings, Life Healthcare, Litha Healthcare, Medi-Clinic, Mediscor, Medscheme, Netcare, Novo-Nordisk, Roche, United Pharmaceutical Distributors (UPD), Servier Labs.

**OBJECTIVES OF THE SOCIAL COMPACT**

The partnership will focus on Human Resources and HIV and AIDS, the two important elements of the Department’s 10 Point Plan, and of mutual interest between the public and private sectors. For 2013 the partnership has prioritised the following projects, in addition to some of the work individual companies will continue to do as part of their Corporate Social Investment (CSI) programmes:

These companies made a commitment of R40 million for the year 2013 which will be divided into three projects. In subsequent years, we will announce the financial commitments to the SA Public health enhancement fund.

**Project 1: Expansion Of the Output of Health Professionals (R20 million.)**

In 2013, this project will prioritise the expansion of MBChB intake in SA Faculties of Health Sciences. It is the intention that in the following years this will be expanded to include Pharmacists, Pharmacy Assistants and other categories that we will jointly determine in the Social Compact.

The Private Health Sector, through the Public Health Enhancement Fund has agreed to contribute to this effort and assist with funding, to make provision for both a bursary component as well as needed support at the institutional level to ensure that the needy students supported though this fund are provided with the best possible chance of succeeding.

**Project 2: Support for the Academy for Leadership and Management in Health (R10 million)**

The Academy for Leadership and Management in Health was launched 2 days ago, to enhance technical, management and leadership skills and competencies, and set the country on a course to have a steady stream of well-trained cadres who appreciate the nuances of managing and leading in the Health Sector. It is hoped that the Academy will be the custodian of the standards set, the design of curricular content as well as the quality of preparation for health sector leaders. A key immediate challenge is to ensure that more suitable candidates are better prepared and equipped before settling in their new roles. An advisory board, with both local and international expertise, chaired by Professor Marian Jacobs (Dean of UCT – Health Sciences Faculty), will help structure a programme in collaboration with our training institutions for these new hospital Chief Executive Officers, to commence in late January/ early February 2013. It will also provide advice on the most appropriate route to follow in our context for the development of future leaders for all levels of our Health System. It is envisaged that all newly appointed CEO’s will not start working without going through this programme.

The private sector has pledge financial support to the development and work of the Academy.

**Project 3: Support for Development of High Level Expertise In Understanding And Effective Clinical Management Of The Twin Epidemics Of Tb And HIV/AIDS. (R10 million)**

One of our major national priorities is to reduce new infections and offer more effective and humanitarian care for people with HIV and AIDS. The Department is committed to building the capacity to understand and deal effectively with these twin epidemics.

The Private Health Sector through the Public Health Enhancement Fund, and working with established institutions, has pledge financial support to provide scholarships for PHD’s (doctoral, post-doctoral) and masters studies in biomedical, clinical and Health Systems in the area of HIV/AIDS and TB.

It is envisaged that in the next 10 years this fund will assist in the production of substantial number of PHD’s in HIV and TB. This is imperative as we in South Africa carry the highest burden of diseases.

**Issued By: National Department of Health**

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