

AI in Medicine and Digital Health Market in the SADC Region

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AI in Medicine and Digital Health Market in SADC Region

Global AI in Medicine and Digital Health Market

The integration of smart devices, the internet, and artificial intelligence (AI) has opened a new vista in healthcare, paving the way for groundbreaking advancements. In the current era of digital health, a wide range of tools and technologies have reshaped the landscape of medicine. From smartphones to the internet-of-things (IoT), the innovations empower patients to proactively manage health conditions, monitor vital signs, adhere to treatment plans, and engage with healthcare providers. However, the global healthcare landscape faces significant challenges. A rise in the aging population, prevalence of sedentary lifestyles and unhealthy dietary habits has led to a staggering surge in chronic illnesses. Non-communicable diseases (NCDs) now account for a staggering 41 million deaths annually worldwide, underscoring the urgent need for innovative solutions.

Digital Health and AI in Medicine Market Size

Based on Markets and Markets, the global digital health market's size was estimated at USD 180.2 billion in 2023. The industry is projected to reach nearly USD 550 billion, growing at a compound annual growth rate (CAGR) of 25% from 2024 to 2028. The market is driven by several factors such as a strong demand for telehealthcare, mHealth apps, wearable devices and electronic prescription systems.

According to Mordor Intelligence, the AI in medicine industry's value is estimated at USD 11.66 billion in 2024. The market is expected to total nearly USD 37 billion by 2029, expanding at a CAGR of 25.83% between 2024 and 2029. The increase in X-ray readings, MRIs and CT scans with AI capability along with genomic medicine is expected to contribute to the industry's expansion.

Digital Health and Generative AI in SADC Region

Market Size and Key Highlights

As per Statista, the healthcare market's volume in the Southern African Development Community (SADC) is estimated to total USD 36.86 billion in 2024. The industry is expected to grow to USD 44.33 billion at a CAGR of 4.71% between 2024 and 2028.

The culturally diverse SADC region presents ample opportunities to integrate AI technologies in healthcare. GenAI tools can streamline doctor-patient interactions, to offer quick treatment options and standardise services. The approach allows healthcare providers to serve diverse demographics efficiently, even with limited resources.

Digital Health Market in Terms of Revenue

Data from Statista predicted that the digital health market in the SADC is estimated to be USD 1.85 billion in 2024. The industry is likely to attain a size of approximately USD 2.6 billion in 2028, expanding at a CAGR of 8.8% during the forecast period.

The market is on the cusp of witnessing significant growth driven by a shift in preferences among healthcare consumers. The digital health segment is well-positioned to provide services such as tele-consultations and online treatment to cater to different demographics. Preventive healthcare too is fuelling demand for innovative digital solutions like lab on a chip or portable diagnostic kits.

Health Development in the SADC Region

Digital fitness tools, health tracking apps and online consultations with doctors are slowly gaining popularity in the SADC region. The virtual consultation segment has gained more traction in remote areas in the post COVID-19 era. The facility has boosted healthcare coverage in previously inaccessible locations such as parts of the Kalahari Desert and the Congo Basin.

Telemedicine and remote consultations has enabled patients from marginalised groups to receive expert advice, timely prescriptions as well as follow-up care, reducing the need for in-person visits. The capability is vital for the SADC region as member countries face significant shortage of medical staff and healthcare workers. Most countries in the SADC fell short of the World Health Organisation's (WHO) recommended minimum ratio of 4.45 health workers per 1000 people.

SADC Health Landscape

AI/Digital Health for Medical Availability

SADC countries have invested in emergency preparedness by setting up more laboratories for speedy response to outbreaks of transmissible diseases. Fifteen out of the 16 SADC countries have undertaken joint assessments of national capacities to prevent, identify and contain disease outbreaks according to International Health Regulations. Twelve countries have also come up with national action plans to address discrepancies in optimum delivery of healthcare services.

With 81% of the population in sub-Saharan Africa covered by mobile broadband network, AI and digital health initiatives can further help in reducing the time taken to control outbreaks. For example, real-time updates about disease contagion along with rapid deployment of medical staff and supplies at exact locations can help prevent any outbreaks from worsening into health emergencies.

On the regulatory front, the ZaZiBoNa programme, a joint medication registration initiative in the SADC region, has reduced clearance times for medications. The initiative has enhanced patient access to quality-assured medicines, and reduced workloads in the pharmaceutical sector.

India as a Key Supplier and Benefits of Indian Imports

During and post the COVID-19 pandemic, India has emerged as a crucial supplier to Southern Africa. The Indian pharmaceutical industry's strong foothold in the SADC region stems from its affordable and diverse product range along with robust production capacity. SADC members like South Africa, Angola, Tanzania, and Mozambique rely heavily on India for essential medications. India's partnership with SADC countries offers potential technology transfers, healthcare professional training, and capacity-building initiatives. The collaboration underscores India's pivotal role in supporting healthcare infrastructure and meeting medication needs in Southern Africa during health emergencies.

Challenges and Opportunities

The healthcare industry in the SADC region faces challenges due to infrastructural limitations, chronic diseases burden, and inadequate supply of medicines. A cholera outbreak in Zimbabwe, Malawi, Mozambique, Zambia, and the Democratic Republic of Congo has caused over 660,000 cases till February 2024. The epidemic has prompted collaborative efforts from the SADC to curb its spread.

While the reliance on imports offers benefits, SADC countries need to prioritise local manufacturing of pharmaceuticals to mitigate risks like supply chain disruptions and geopolitical instability. Boosting local manufacturing requires partnerships with major pharmaceutical companies for knowledge transfer, ensuring long-term sustainability. Such initiatives can play a vital role in strengthening a country's capacity to curb the prevalence of high mortality diseases like HIV/AIDS, malaria, tuberculosis, cardiovascular ailments, diabetes, and cancer. SADC countries also account for over half of all TB cases in Africa.

A notable development is the spread of medical tourism among member countries within the SADC. Countries such as South Africa, Botswana and Tanzania act as medical hubs for patients from neighbouring countries. The trend offers several opportunities for the healthcare industry to function as a regional mechanism rather than acting as standalone units.

SADC's Digital Transformation

Digital Economy for Africa (DE4A) Initiative

The Digital Economy for Africa (DE4A) is an initiative of the World Bank that aims to make every entity, whether an individual or organisation, digitally enabled by 2030. The DE4A has helped increase broadband internet access to about two-fifths of the continent's population and boosted average download speed by more than 200% to over 8 Mbps.

The DE4A initiative's objective is to create a cross border integration of digital platforms to move towards a Single Digital Market (SDM) for Africa. The SADC digital healthcare sector can leverage the opportunities offered by the initiative to expand its scope and scale within the region.

For example, the Angolan e-health startup Appy Saúde has created a network similar to what the DE4A envisions. With a database of over 2000 health establishments, the startup lets users to search and order medicines from pharmacies. The multi-purpose platform also allows users to book appointments with doctors around the country.

Digital Transformation with Africa (DTA) Initiative

The Digital Transformation with Africa (DTA) initiative was launched on December 14, 2022 by US President Joe Biden. The DTA's aim is to expand digital access by strengthening enabling infrastructure across the continent. The initial investment for implementing the DTA totaled more than USD 350 million along with an additional USD 450 million mobilised through other channels.

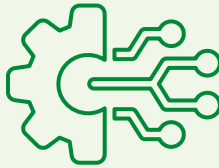
The objective is to make the digital economy more inclusive in Africa while encouraging commercial partnerships between U.S. and African companies. The DTA aligns with the SADC's activities to achieve universal health coverage (UHC) in the region. For instance, the initiative plans to empower women and marginalised group via the digital ecosystem. It suits the SADC's goals to increase the number of women in healthcare, reduce the maternal mortality rate and cover communities inhabiting isolated regions.

Portal Telemedicina is a healthtech company that has leveraged teleconsultation to help 1200 hospitals and clinics. The firm's reach extends to over 33 million patients across 700 cities in Brazil and Angola. Its platform integrates medical records and devices to enable specialist doctors to provide diagnostics in a few minutes via remote consultations. Leveraging Google Cloud and AI models trained on extensive datasets, the platform boasts remarkable accuracy, particularly evident during the COVID-19 pandemic, where it achieved a staggering 95% accuracy rate in detecting the virus.

In Botswana, significant strides have been made in digitising healthcare with initiatives like the Botswana Health Data Collaborative Roadmap. Developed in collaboration with the Ministry of Health and Wellness, the roadmap strengthens monitoring as well as evaluation of the health information system. Botswana's investments in digital technology have positioned it as a pioneer in electronic health systems in Sub-Saharan Africa, with the facility operational in public hospitals.

The introduction of the E-locker Medicine Dispensing Programme in Botswana's capital, Gaborone, marks a significant leap in patient-centric healthcare. The digital initiative enables patients to collect medications conveniently at any time, reducing the burden of long queues at public health facilities. Patients register for the programme and receive a one-time password (OTP) on mobile phones, granting access to nearby e-lockers managed by Botswana Post. The programme's expansion to parts of Cape Town and surrounding areas underscores its effectiveness in improving medication accessibility.

Breast cancer outcomes in Eswatini are undergoing transformation through innovative training programmes



2020-2030 Digital Transformation Strategy for Africa

- Digital transformation strategy for Africa requires collaboration from all stakeholders.
 - Each country and region must devise its unique framework to tackle local challenges and seize new opportunities.
- Lack of basic infrastructure, like reliable electricity and internet connectivity, poses a major challenge.
 - Strategy focuses on investing in digital infrastructure development, including broadband networks and data centres.
- Support for entrepreneurs through funding, mentorship, and resources is essential.
- Ensuring universal access to digital economy benefits, promoting affordable digital services, and addressing disparities in technological capabilities are key objectives.

and initiatives. With a focus on early detection, healthcare experts are addressing deficiencies in screening practices, empowering nurses with practical skills through hands-on training and instructional presentations. The efforts aim to improve screening results and reduce late-stage diagnoses, contributing to better patient outcomes in the region

Across SADC countries, collaborations like Lesotho's partnership with Millennium Challenge Corp are driving the digitisation of healthcare. By establishing interoperable national digital health systems, the initiatives enhance efficiency in managing diseases like HIV/AIDS, malaria, and tuberculosis. The integration of real-time clinical monitoring capabilities facilitates rapid decision-making and resource deployment, ultimately improving healthcare delivery.

SADC eHealth Strategies and Goals

Digital Health Industry in Cape Town

Cape Town's digital health landscape is thriving with startups like Vula Mobile Health Care, facilitating remote



National eHealth Strategy 2021-2025

- National eHealth strategy 2021-2025 in Namibia aims to utilise technology to enhance the country's health system.
 - Guided by the vision of a "connected and digitally enabled health system for Namibia"
- Strategy aligns with broader national development goals outlined in NDP5 and National Health Policy Framework (2010-2020).
- Focuses on leveraging technology to improve overall health system effectiveness and efficiency.
- Emphasises integration of digital solutions to enhance healthcare delivery and patient outcomes.

consultations, and LifeQ, employing AI for personalised health insights. Click2Sure streamlines insurance access for patients through its SaaS platform. Supported by initiatives like CiTi and DHle, Cape Town stands as a hub for digital health innovation, attracting both local and international investment. The companies exemplify the city's commitment to advance healthcare through technology, offering innovative solutions to address diverse healthcare needs. The Cape Town digital health industry's strong focus on innovation has made it a prominent investment destination for local and international players, primarily in venture capital.

The Future of Healthcare in the SADC

The SADC healthcare sector hold great promise, contingent upon the unwavering commitment of its member states to address challenges related to equitable distribution of resources. Stronger economies such as South Africa, Tanzania and Botswana are poised to play a vital role in enhancing health outcomes across the region. Investment in infrastructure and technology will be crucial to improve social determinants of



Malawi Health Sector Strategic Plan III 2023-2030

- MHSSP III serves as a comprehensive roadmap for Malawi's health sector, aiming for universal health coverage.
 - Objective: Ensure equitable, accessible, and high-quality health services.
- Aligned with U.N. Sustainable Development Goals (SDGs) and African Union's Agenda 2063.
- Focuses on addressing key health challenges and priorities in Malawi.
- Seeks to improve healthcare infrastructure, service delivery, and health outcomes nationwide.

health along with strengthening primary healthcare services for attaining Universal Health Coverage.

The SADC is expected to see increased collaboration in procurement of medicines and healthcare equipment. The objective of such partnerships will be to share resources and best practices along with exchange programmes for healthcare professionals to combat brain drain.

Moreover the region is promoting increased investment in healthcare infrastructure to digitise existing facilities like hospitals, clinics, and diagnostic centers. The trend aims to improve healthcare services delivery across the region, with new technologies like telemedicine and e-health potentially bridging the urban-rural gap.

Additionally the SADC countries are set to elevate investment in preventive care and community health programmes. Addressing social determinants like poverty eradication and improved education will significantly improve the well-being of the region's populations. These measures bode well for the overall well-being of the region's populace, reflecting a bright outlook for healthcare advancements in the SADC.

To learn more about the
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join us in Cape Town, South Africa
from 22-24 October 2024.

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