Fostering high quality local pharmaceutical production in developing countries
Frank Schmiedchen,
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The German Development Programme to foster local pharmaceutical production in Africa

A. Objectives

- to **achieve the Millennium Development Goals** (MDGs) in **improving the access to health products**, especially for the poor by developing their local pharmaceutical industry.
- to **foster private sector development and trade capacities**.

To reach these goals is of **special importance** to the **German development policy**.

**Bilateral Instruments**

- German International Cooperation (giz), including gtz, InWEnt and DED
- German Bank for Development and Reconstruction (KfW) with their daughter German Investment and Development Bank (DEG)
- German Agency for physical-technical Cooperation (PTB)

**Multilateral Cooperation 1**

United Nations Industrial Development Organisation (UNIDO)

- UNIDO’s activities to foster local pharmaceutical production are mainly financed through a German Trust Fund and recently through an Italian project in South Africa

**Multilateral Cooperation 2**

- United Nations Conference on Trade and Development (UNCTAD):
  - UNCTAD’s activities on TRIPS-flexibilities and public health to foster local pharmaceutical production are mainly financed through a German Trust Fund project and the European Union

**Volume**

- Between 2006 and 2010, the German Government has spent **over 75 million Euros** bilaterally and multilaterally to foster high quality local pharmaceutical production in Developing Countries, activating a multiple of local private investments by using business opportunities and TRIPS flexibilities

**B. Fields of activities**

- Production and marketing of inexpensive, high quality (where applicable WHO prequalified) medicines.
- Capacity development of national and regional quality infrastructures and of human resources in the pharmaceutical sector in LDCs
• Capacity development of service providers in the field of quality and research laboratories
• Strengthening of public institutions and local and regional pharmaceutical business organisations in LDCs
• Technology und know-how transfer for the local pharmaceutical industry
• Analysis and Capacity Building on Intellectual Property Rights for using flexibilities to foster local production

Southern and Eastern Africa 1
• Support to:
  • Elaboration of a Regional Pharmaceutical Manufacturing Plan of Action of the EAC
  • Tanzania in drafting and Ethiopia in the implementation of the national action plan to foster the pharmaceutical sector
  • Seven pharmaceutical companies to reach GMP standard

Southern and Eastern Africa 2
• Training of staff of Food and Drug Authorities and industrial pharmacists in East Africa on quality issues
• Creation of regional associations of pharmaceutical industries in Eastern and Southern Africa (in cooperation with UNIDO).

East Africa and Cameroun
• Provision of technical support, training and financial assistance to local pharmaceutical companies for the production of different essential medicines, including such against HIV/AIDS, Malaria and Tuberculosis.
• The enterprises are covering today between 10% and 25% of their respective national pharmaceutical markets.
• Some projects were implemented together with UNIDO.

C. Lessons learnt
• Local pharmaceutical production plays an important role in improving access to medicines
• Developing countries governments are increasingly fostering local production
• Technology transfer is available and important for success
• Meeting international quality requirements is a key supply side constraint
• More efforts from national governments and the donor community are needed to improve sustainable investment conditions for local companies

Thank you and good luck for our conference!