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# IFPMA Statement

## United Nations Millennium Development Goals

*Statement by Mario Ottiglio, Associate Director, Public Affairs, IFPMA, to the United Nations General Assembly Hearings with NGOs, Civil Society and the Private Sector*

### Check against delivery

Honorable Madame Chairman; Your Excellencies; Ladies and Gentlemen,

On behalf of the International Federation of Pharmaceutical Manufacturers and Associations (IFPMA), I would like to thank you for the opportunity to contribute to this Hearing to explain our sector's experiences and lessons learnt from partnerships to fight against poverty and poor health since 2000. We support the Secretary General's call for a global action agenda for accelerating progress towards achieving the Millennium Development Goals by 2015.

The IFPMA represents the global innovative pharmaceutical industry, whose primary contribution to global health is the research and development of innovative medicines and vaccines. Our members comprise leading international biopharmaceutical companies, as well as national and regional industry associations in both developed and developing countries. Thanks to innovation, the life blood of our industry, our Members have developed the vast majority of essential medicines as defined by the World Health Organization. Sustained innovation remains critically important because of the unmet medical needs, the emergence of new infectious diseases and the development of resistance by diseases to existing treatments. A supportive intellectual property environment is essential to encourage biomedical innovation. Increasing access to medicines while respecting intellectual property rights are not mutually exclusive concepts, but rather they are mutually supportive.

Mr Chairman, first and foremost, I want to reaffirm the innovative pharmaceutical industry's commitment to help achieve the MDGs, with particular reference to numbers 4, 5, 6 and 8. While the IFPMA has documented contributions toward all of the health-related MDGs, I would like to highlight at this Hearing, Goal number 8, and its target 8e, calling for "cooperation with pharmaceutical companies, [to] provide access to affordable essential drugs in developing countries", as this specifically applies to my organization and its Members.

The factors that create the current, unsatisfactory state of health for many people living in the poorest countries are complex. While States have the primary responsibility to improve global health, the innovative pharmaceutical industry plays a unique role: researching and developing innovative, safe and effective medicines. Moreover, in the developing countries, the industry works to reduce mortality and morbidity through multi-stakeholder dialogue and philanthropic partnerships, through donations or on a non-for-profit or reduced profit basis, cognizant that commercial organizations reflects the concerns of various different stakeholders.

Between 2000 and 2007, the halfway mark for the MDGs, IFPMA Members have made available nearly \$10 billion dollars worth of health assistance for access and capacity building in developing countries, and over 1.3 billion public health interventions<sup>1</sup>. We have a strong track record of public-private partnerships to improve health in developing countries working with governments, international agencies, civil society, faith-based groups, academic institutions, and communities. We publish annually the "Developing World Health Partnerships Directory" which catalogues the broad range of active philanthropic and not-for-profit programs that the innovative pharmaceutical

<sup>1</sup> A public health intervention is defined as one of the following: course of treatment for one person or one disease, be it for one day or one year; a vaccination; an awareness prevention or education program for one person; a course of training for one health professional.

industry undertakes. The current edition documents 213 programs, a five-fold increase if compared to the number of projects first recorded in 2003.

These programs have contributed to research and develop new affordable medicines, to prevent and combat neglected diseases, to build healthcare capacity and also introduce health services in remote areas where they were lacking, to increase immunization capacity, to enable local production of high-quality medicines, to share knowledge and expertise in developing countries. These programs demonstrate how effective partnerships and accountability frameworks between civil society, the private sector, local authorities and national governments can promote more equitable, inclusive and sustainable development.

IFPMA's Members represent collectively the third largest funder of R&D for diseases of the developing world, and increasingly, companies share their compound libraries and scientific acumen with research partners, including those in developing countries. While in the past five years our efforts in research and development of medicines for neglected diseases have dramatically increased, these efforts are progressively more collaborative: our Members work with specialized Product Development Partnerships in about two-thirds of such projects. These partnerships show how market failures can be overcome to undertake R&D for vaccines, diagnostics, and drugs for diseases of the developing world. Using public and philanthropic funds these revolutionary paradigms engage the pharmaceutical industry and academic research institutions in efforts that they would normally be unable or unwilling to pursue independently, without additional incentives.

We share the sense of urgency expressed by the United Nations which, against the backdrop of a global economic crisis, affirms the "need to accelerate delivery of MDG 8 commitments" and urges that this "has now become an emergency rather than simply a matter for urgency". Our members will continue to strive to improve and create new partnerships that enable each stakeholder to use its expertise in a concerted manner, thereby making the joint effort an effective, far-reaching and beneficial undertaking for patients in developing countries, who benefit from the products or services of these partnerships.

This is part of a long-term effort. We can be encouraged by the fact that our projects have been sustained through the economic downturn. However, Mr Chairman, we are conscious that, as one sector of private industry, we cannot do this alone because the complexity of the challenges we face in global health, and particularly in the developing world, are beyond the capability of any single stakeholder.

We have learnt that one size does not fit all and we need diverse models of collaboration tailored to the resources of different sets of partners. Communities which are most directly affected should determine their own needs and priorities; this is key to building capacity and ensuring sustainability. Effective multi-stakeholder cooperation should be ambitious in its reach, for example, access partnerships & drug donation programmes have raised the profile of diseases, kick-started national diseases control programmes, and improved delivery systems.

To accelerate progress towards the achievement of all the Millennium Development Goals by 2015 and to provide the necessary conditions to scale up the experience gained through 10 years of partnerships, we encourage strengthening of healthcare systems across the developing world; predictable and sustainable financing mechanisms; reduction of add-on costs of medicines along the supply chain; and for more effective multi-stakeholder cooperation that reaches the largest proportion of population in need.

Mr Chairman, the WHO Director General said that "while we have powerful interventions for reaching the health-related MDGs, what we lack are the systems for delivering these interventions to those in greatest need, on an adequate scale, on time". We could not agree more. Weak and fragmented health systems, inadequate resources as well as a serious shortage of doctors, nurses and pharmacists are obvious barriers to access to healthcare. Any improvement made today will strengthen the ability of countries to develop sustainable systems that can meet tomorrow's challenges. Efforts should also be devoted to the regulatory arena, through harmonization, mutual

recognition, and safeguarding of high quality standards. This means, Mr Chairman, that the role of governments is fundamental.

Compounding these shortcomings some factors can also inflate unnecessarily the costs of essential medicines, particularly in the least developed countries. Most of our Members have put in place and are further exploring a range of pricing approaches such as tiered and preferential pricing to balance commercial objectives with the need to increase access to medicines for patients in the poorest communities.

For most health issues, it is rarely high-tech solutions, but rather primary care interventions, that are needed.

Building on the foundations of MDG actions to date, we do need to make clear priorities, recognizing that no one of us can do everything. The innovative pharmaceutical industry shall continue to provide to the global community with products from our research and development, access initiatives to enable uptake of these, as well as technical and scientific capacity-building and educational programs. Success for the innovative pharmaceutical industry is built on long-term, high risk investment that delivers medicines to patients wherever they are. It's a challenging and long process, but we make it work and we will continue to do so. Achieving the MDGs requires the same dedication and commitment, and our partners today, and in the future, can count on our dedication to improving global health.

Thank you.

*New York, 14 June 2010*