Context

Every year, millions of people in the developing world are affected by HIV/AIDS, tuberculosis and malaria. Challenges are numerous and multi-faceted; they include the lack of health systems, human resources and the poor availability of commodities. The further development of the local pharmaceutical sector could positively impact on health outcomes in developing and least developed countries – high quality, competitive local production of essential medicines is vital to improving access to drugs – and by extension contribute to economic growth.

Strategy

With the financial support of the Government of Germany, UNIDO initiated a project to strengthen local production of essential medicines and to contribute to improved access to affordable medicines. The challenges facing the industry are complex; there are technical aspects of production and regulation as well as associated issues such as sourcing investment, developing policies to support the sector, developing the requisite human resources, and promoting technology transfer.

At the policy level, the project aims to facilitate public-private dialogue on the development of a joint strategy in the pharmaceutical manufacturing sector. At the institutional level, the project assists pharmaceuticals manufacturers by working with relevant institutions such as Business Membership Organizations (BMOs); and, at the enterprise level, the project has assisted leading companies to develop plans for upgrading their operations in order to receive international accreditation (on a product by product basis) and be eligible to supply HIV, tuberculosis and malaria drugs to international procurement entities, such as the Global Fund.

Impact/Outlook

High quality, competitive local production of essential medicines has an important role to play in improving access to drugs. It enables closer regulatory oversight (by helping to address the scourge of substandard products), shortens supply chains (by reducing the risk of stock outs and potentially reducing the opportunities for counterfeiters to enter the market) and provides a long-term sustainable source of products for local procurement. UNIDO sees this as an important niche, at the crossroad between public health and economic development. To date, countries which have been engaged in the project include Botswana, Cambodia, Cameroon, Ghana, Kenya, Lao PDR, Lesotho, Nigeria, Uganda, United Republic of Tanzania and Zimbabwe.

Current results

- Staff of counterpart organizations have participated in training activities
- A conceptual strategy for the development of the pharmaceutical sector in Ghana has been agreed and a detailed implementation plan is now under development.
- An association for the generic pharmaceutical sector in Southern Africa has been established to advocate the pharmaceutical industry’s interests in the sub-region
- A UNIDO-supported company is preparing a dossier for submission to the WHO for pre-qualification of its products
- The project team is working with various partners in the public health space and is taking a lead on the local production aspect of access to medicines.

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At a glance:

**Goal:** Access to medicines in developing and least developed countries

**MDG:**
- 6. Combat HIV/AIDS, Malaria and Other Diseases
- 8. Develop a Global Partnership for Development

**Thematic area:**
Poverty Reduction through Productive Activities

**Donors:** Government of Germany, UNIDO

**Partners:** Ministries of Health and/or Industry/Trade, pharmaceutical sector

**Budget:** EUR 4,700,000

**Status:** ongoing

**Duration:** 2006 – 2012

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