



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



ORGANISATION DES NATIONS UNIES
POUR LE DÉVELOPPEMENT INDUSTRIEL

WEST AFRICA INSIDE THE THE AFRICAN MARKET

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1-Introduction:

What are the challenges for the pharmaceutical industry in West Africa?

- By 2020, ECOWAS must cover more than 50% of its generic needs through its own production.
- ECOWAS must start to take advantage of:
 - TRIPS flexibilities on intellectual property
 - Patent Pool initiative in the context of public procurement
- Meet the requirements of social security organizations that promote the prescription of good quality generics medicines, cheaper than the originators.
- Provide our people with reliable and locally established sources for the supply of drugs.



- Nearly 60% of drugs purchased in the Gulf of Guinea fall under the falsified quality classification of the World Health Organization (WHO).
- And the problem of fake medicines does not affect only Africa since 10% of all drugs in circulation in the world are falsified (WHO).
- Many countries therefore see a need to enhance the capabilities of this industry locally.
- PMPA, ERPP are very evocative on this subject

2-General Overview and Dynamics

The West African Region

- 15 Member Countries*
- Population: about 350 million.
- Estimated Pharma size: \$5b.





The West African Pharmaceutical Manufacturers Association (WAPMA)

- Regional Association for local medicines' manufacturers.
- Established October 2005.
- Initially only 2 Member Countries
 - Nigeria
 - Ghana
- Other Member Countries
 - Côte d'Ivoire
 - Cabo-Verde
 - Senegal
 - Togo
 - Benin
 - Mali
 - Guinea Conakry
 - Niger



• Regional spread of Local Medicines' Manufacturers.

Benin	1
Cape Verde	1
Côte d'Ivoire	5+
Ghana	30+
Guinea	1
Mali	2
Nigeria	120+
Niger	1
Benin	1
Senegal	5
Togo	3

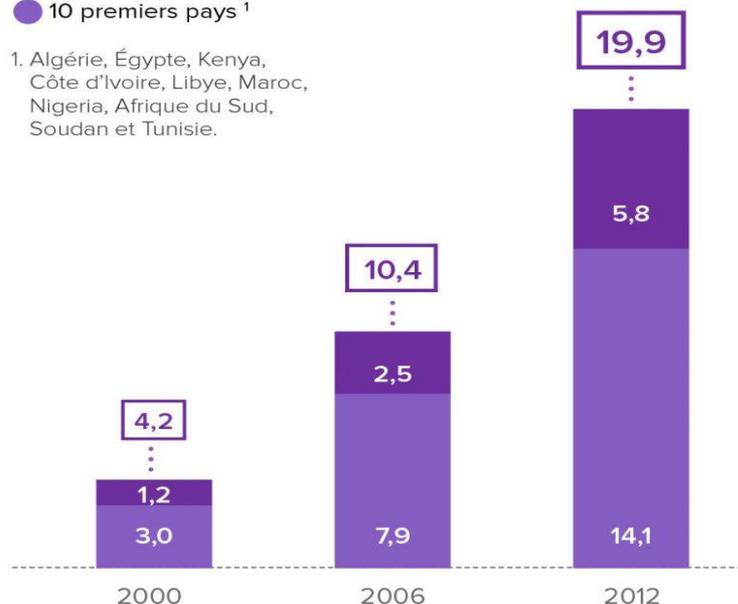
3-Market size

Regional prospects are very promising, like the growth of the African pharmaceutical market.

Taille du marché, en milliards de dollars ▼

- Reste de l'Afrique
- 10 premiers pays¹

1. Algérie, Égypte, Kenya, Côte d'Ivoire, Libye, Maroc, Nigeria, Afrique du Sud, Soudan et Tunisie.



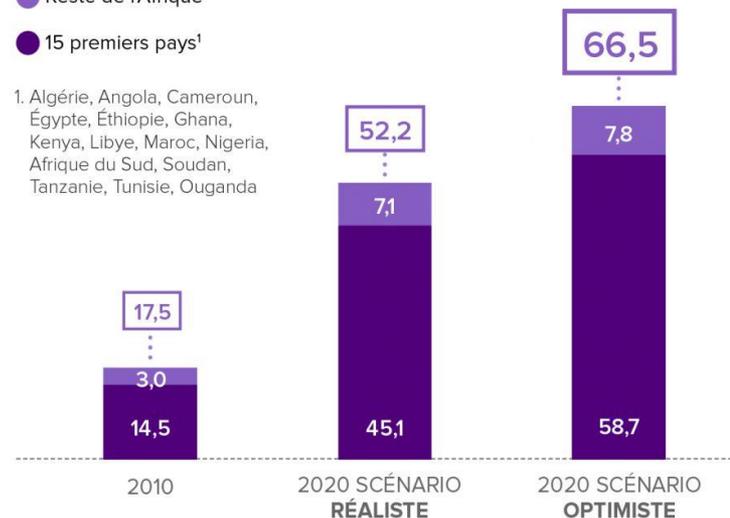
Source : McKinsey, Africa: A Continent of Opportunity for Pharma and Patients, avril 2015

Un marché pharmaceutique africain en pleine expansion ▼

D'une valeur de **19,9 milliards de dollars en 2012**, le marché pharmaceutique africain devrait atteindre près de **50 milliards de dollars d'ici 2020**, porté notamment par la forte croissance de la population sur le continent.

- Reste de l'Afrique
- 15 premiers pays¹

1. Algérie, Angola, Cameroun, Égypte, Éthiopie, Ghana, Kenya, Libye, Maroc, Nigeria, Afrique du Sud, Soudan, Tanzanie, Tunisie, Ouganda



Source : McKinsey, Africa: A Continent of Opportunity for Pharma and Patients, avril 2015



- The African pharmaceutical market doubled between 2006 and 2012, from \$ 10.4 billion in 2006 to \$ 19.9 billion in 2012.
- The predicted growth in the global pharmaceutical market between 2012 and 2021 is estimated at 26% (according to PROPARCO's SP & D publication), but the African drug market could increase by 200% according to a realistic assumption, or by 300% according to an optimistic hypothesis within this same period
- Multinationals will always have a key role, at the innovation level.
- The ECOWAS region is very attractive and many projects need to be supported



• 4-Status of the AMRH

- AMRH initiative is ongoing in the ECOWAS Region despite some difficulties
- Once Regional Harmonization is achieved, products registered in one ECOWAS/WAHO country do not need go through re-registration in another.
- WAPMA wishes this unique regional visa be granted only to companies that are local manufacturers.
- This should reduce the regulatory barriers to intraregional trade in pharmaceuticals.
- One of the eligibility criteria for companies to obtain this regional visa should be their commitment to the GMP Roadmap initiative.



4-Trade Harmonization throughout the ECOWAS CET

- The CET allows States wishing to protect their new industries to adopt special protection measures, including:
 - Import Adjustment Taxes with prohibitive customs duties to discourage imports.
 - Import Prohibitions for a limited list of medicines locally produced.
- These measures are all provisional and every Member State is free to apply them.
- Protective measures favor drugs manufactured within ECOWAS
- TEC grants exemption from customs duties and VAT to finished products and manufacturing inputs



5- CONCLUSIONS

Action by local authorities:

- Promote investment (tax exemption, subsidized financing),
- Request WHO standards for imported medicines
- Extension of universal coverage
- Use compulsory licenses, parallel imports for public supply
- Balancing public health and industrial development interests

Action by local players

- Optimize their industrial management to achieve economies of scale
- Put in place effective infrastructures
- Avoid investing in projects that are not innovative or do not bring local added value



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•THANK YOU