

Remarks at Opening Session

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High-Level Event on IDDA III Strengthening Africa's Pharmaceutical Industry- learning the lessons from COVID-19

28 September 2021, 9:00am-11:00am, Virtual Zoom, UNHQ, NY

Excellencies, Ladies and Gentlemen, all protocol observed.

It is my utmost pleasure to deliver remarks along with distinguished speakers today to contribute to this timely and important discussion on Africa's pharmaceutical industry, as we advocate for the implementation of the IDDA III.

The ongoing COVID-19 pandemic deepened the Continent's socio-economic weaknesses and challenges but, at the same time, it has provided an opportunity for Africa to accelerate the long-awaited structural transformation of its pharmaceutical industry, addressing by the same token one of the main concerns for people's well-being.

Even before the pandemic, Africa faced unique healthcare challenges with prevalent communicable and non-communicable diseases.

For instance, according to WHO, Africa is the home of 11% of the world's population and yet the region bears a disproportionate burden of diseases, notably with 60% of people living with HIV/AIDS, more than 90% of the annual global malaria cases being in Africa¹ and over 50% of the world's infant mortality².

The COVID-19 pandemic has further strained health systems in Africa and threatens to create yet another divide that increases the gap between developed and developing countries: the vaccine divide.

Despite the efforts by the United Nations and GAVI to promote solidarity in the response to the COVID-19 through the COVAX facilitation mechanism, the hard reality is that COVAX is projected to cut its delivery forecast by 25% less doses than anticipated before the end of the year due to export controls on vaccine doses and the introduction of booster shots by some developed countries.

¹ WHO, The African Regional Health Report: The health of the people, 2020.
<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7938385/#CR3>.

² UNICEF, Under-five mortality rates, <https://data.unicef.org/topic/child-survival/under-five-mortality/>

This reality check leads to one clear conclusion: the development of Africa's own pharmaceutical industry is the only way forward to ensure the continent's resilience and achieve sustainable development.

The pandemic has also shed light on certain Intellectual Property related challenges with regard to improving access to technology and knowhow, which are the basis for industrialization through promotion of Science, Technology and Innovation (STI).

It is, therefore, an opportune moment for African countries to carefully examine IP policy spaces to create conducive innovation ecosystems to promote industrialization in general, and with regard to the pharmaceutical industry, in particular.

For instance, last June, the deadline for least developed countries (LDCs), to protect intellectual property under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), has been extended until 1 July 2034. There is a further LDC special transition period related on pharmaceutical products which is valid until 1 January 2033³.

However, many countries have not yet leveraged these transition periods to secure time to address their public health needs.⁴ While the TRIPS faces some limitations when applied under the current pandemic, it also provides exceptions and flexibility such as exceptions to patent rights and compulsory licensing for members to adapt the applicable rules and regulations to address some IP barriers.

Therefore, this is the right time to revisit and craft national IP legislative and policy frameworks in a way that effectively advances industrialization and creates an environment conducive to the growth of pharmaceutical industries, attracting needed investment to that critical sector.

The ongoing negotiations in Phase II on IPRs, investment and competition policy of the AfCFTA also provides prospects to agree on an optimal IPR framework at regional level. In this regard, the IPR Protocol of AfCFTA should provide an enabling environment in promoting innovation and technology transfer, building on already existing IP regimes.

While addressing IP barriers both at regional and national levels, African member states should multiply their investment in STI including Science, Technology, Engineering and Mathematics (STEM) education and further build human and institutional capacity for innovation and research in the continent.

The 2021 Global Innovation Index reported that Africa is the region with the highest number of economies performing above expectations on innovation,⁵ which underlines the great potential of our continent.

³ or when the LDC graduates from LDCs

⁴ Caroline Ncube, STI and Intellectual Property, 2021

⁵ Kenya, Malawi, Rwanda, Madagascar, South Africa and Tunisia, WIPO Global Innovation Index 2021

For example, the 2017 regional averages for the share of GDP devoted to Research and Development (R&D) activities of sub-Saharan Africa was 0.6% compared to the world average of 1.7%, despite the AU target of allocating at least 1% of GDP to R&D.⁶

By increasing human and institutional capacity and capabilities particularly in STI, IPRs regimes including patent registrations could be further leveraged in accelerating creativity, innovation and industrialization “made in Africa”⁷.

This endeavor should be anchored by multi-stakeholder partnerships including the Government, the private sector in particular MSMEs, academics, research institutes, NGOs and international partners. In this respect, the African Union Development Agency’s Centres of Excellence on STI Hub provides prominent blueprints for the promotion of STI in Africa.

Excellencies, ladies and gentlemen,

The recovery from the COVID-19 presents great opportunities for African countries to promote the pharmaceutical manufacturing as a driver to increase the continent’s resilience and its capacity to respond to future disruption in the global supply chains.

Ongoing AU initiatives, such as the Pharmaceutical Manufacturing Plan for Africa, the African Medicines Regulatory Harmonization initiative, the African Medicines Agency⁸, the Partnerships for African Vaccine Manufacturing as well as the AUDA-NEPAD’s Pandemic Resilience Accelerator for African Health-related Businesses provide a roadmap to achieve this goal.

It is time to draw a new narrative on Africa and from Africa to serve African people. Industrialization is the key to address the continent’s vulnerabilities and pharmaceutical industries are critical to strengthen our most valuable asset: human capital.

Let’s take the challenge and transform this crisis into an opportunity to leapfrog toward sustainability.

OSAA is ready to advance toward this goal.

I thank you.

⁶ UNESCO Institutes for Statistics Global Investments in R&D (Fact sheet No.59 in June 2020)

⁷ In 2018, Africa represented only 0.5% of the world’s patent applications, compared to 66.8% in Asia, 19% in North America and 10.9% in Europe. (World Intellectual Property Indicators 2020, WIPO)

⁸ Seventeen (17) member states have ratified the AMA Treaty and twelve (12) of these have deposited the instruments of ratification to the Commission (<https://au.int/en/pressreleases/20210917/he-republic-zimbabwe-deposits-instrument-ratification-african-medicines>)