

Challenges for the local production of antimalarials in Ghana facing the Global Fund's purchasing policy of medicines

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Introduction: Analysis of Artemisinin Combination Therapy-ACT (antimalarial) subsidy mechanisms "Affordable Medicine Facility-malaria (AMF-m)" piloted in Ghana by the Global Fund to Fight AIDS, Tuberculosis and Malaria from 2010 to 2012 highlights tensions and conflicts faced by Ghana in its pharmaceutical policy when local production of medicines and global health programs clash. Transnational actors such as the Global Fund ensure access to ACT through subsidies conditional on WHO prequalification, a quality control label from which local manufacturers do not benefit and which completely excludes them from the market.

The AMF-m is a co-payment mechanism piloted for 2 years by the Global Fund under which ACT with the green leaf logo (ACTm) is subsidized to expand access in both public but mainly in the private sector (through private first line buyers who supply the open market). This presentation looks at the role the Global Fund plays regarding drug supply in relation to local production of medicines and the challenges faced by Ghana to align its industrial and public health policies.

Methodology: data are based on fieldwork conducted in Ghana for 5 months in 2014-2015: in-depth interviews (36), ethnographic observations with national and transnational actors on regulatory issues and production of ACTs (60 hours participant observation within a Ghanaian pharmaceutical firm producing ACTs), work on national archives about pharmaceutical industry in Ghana.

Industrial Policy in Ghana in regards to drug production

- ✓ Late 50's : start of the Ghanaian pharmaceutical industry (after independence as a response to Ghana's development needs and growth)
- ✓ Today: 36 active pharmaceutical firms in Ghana
- ✓ Cover about 30% of the market versus imports mostly from India
- ✓ ACT produced locally mainly for the PRIVATE domestic market



Source: <http://www.danadamsgh.com/>

Main challenges

Local firms don't meet international quality standards (e.g. Good Manufacturing Practices-GMP)
They have limited capacity of innovation, lack of development of technology (e.g. No capacity to do Fixed Dose Combination)
Ghana depends on the Global Fund to supply its public and part of its private sector with ACT



ACT from the AMF-m in direct competition with locally made ACT distributed in the private market in Ghana

"AMF-m so that killed all of us", "(...) when we were about to start the productions we found that the Global Fund has come in the picture and AMF-m (...) so definitely we cannot survive so we abandon the idea of manufacturing our product (...)"

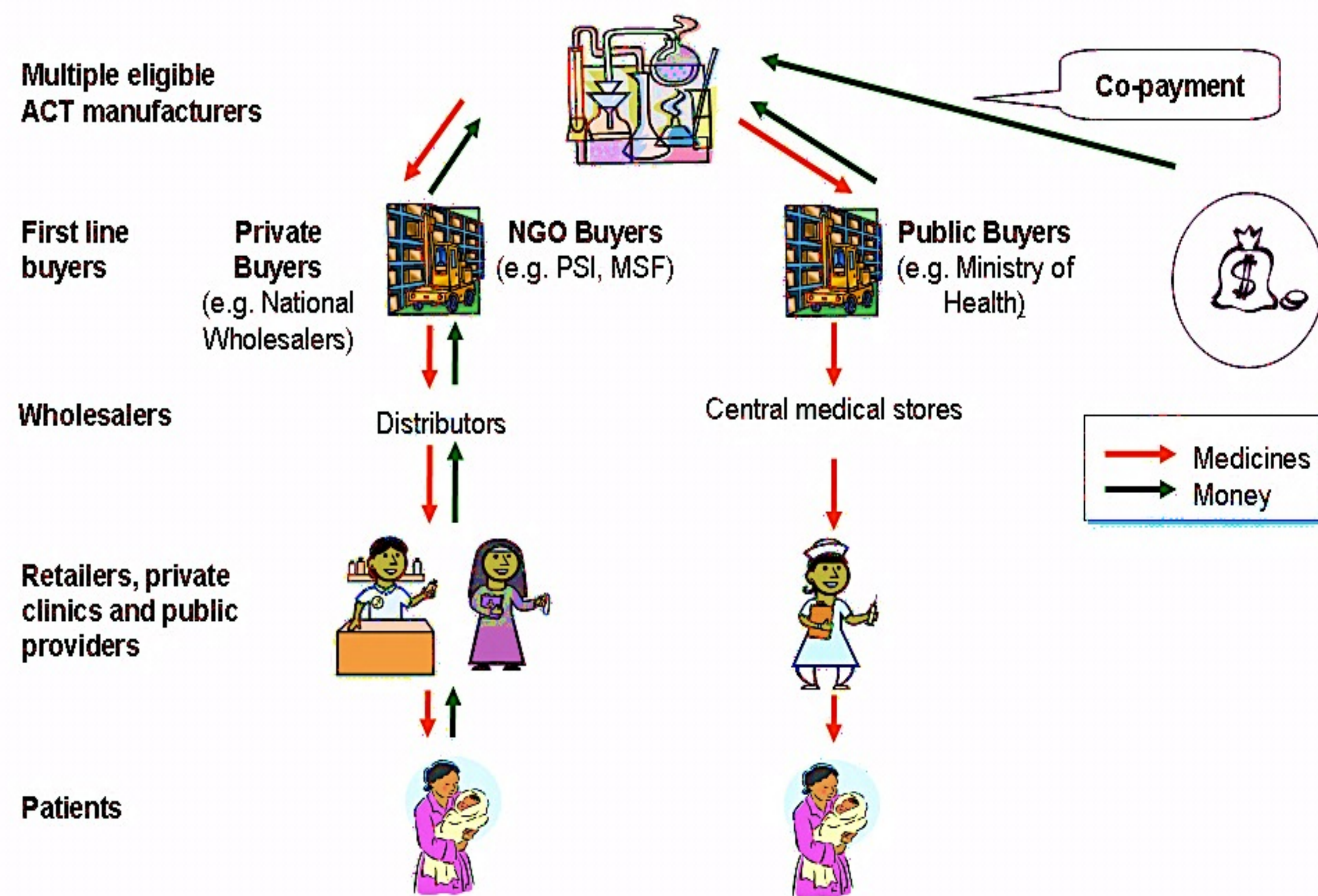
Local manufacturers



Public Health Policy in Ghana in regards to malaria

- ✓ AMF-m's Aim: expand access to quality efficacious ACT especially in the private market
- ✓ AMF-m = ACT's sale price to < 1 USD in public and private sectors
- ✓ Global Fund negotiated with ONLY 6 WHO prequalified manufacturers (Ajanta Pharma, Cipla, Guilin, Ipca, Novartis, Sanofi) to reduce the price of ACT
- ✓ But Subsidy mechanisms not sustainable (pilot phase only for 2 years)
- ✓ Mechanism depends only on import subsidies

Figure 1: Flow of co-paid ACTs under the AMFm



The Global Fund, AMFm Frequently Asked Questions, Updated: February 2012, pp. 4

"it [as the AMF-m] was one of the access to medicine program that we though we wanted this pilot done to see how heu availability and affordability can play out in a manner that can be useful for the patient and also can be useful for the government"

Pharmaceutical Services-Ministry of Health Ghana

Preliminary Findings : Challenges for Ghana to align industrial and public health policies

- ❖ Major tensions exist on the issue of developing local pharmaceutical production to address endemic diseases in less developing countries
- **Asymmetries between firms:** the ones with technology and WHO Prequalification (multinationals, Asian generics producers) Vs. local firms in developing countries
- **Hierarchy of producers and generics markets:** quality norms and technology are barriers for local producers to enter the global market
- ❖ **Pharmaceutical industry in Ghana as one way to the reassertion of national pharmaceutical sovereignty**
 - **National policy developed in Ghana to help local firms to fill the gap to get the WHO prequalification :**
 - The Food and Drugs Authority-Ghana's **Road Map (2013-2018)** to help local firms to meet Good Manufacturing Practices: Ghanaian firms invest in "green field" project and build from scratch new facilities, FDA-Ghana offers technical expertise
 - Feasibility study (2014) for a regional **Bio Equivalence Centre** in Ghana (for generics to be tested for bioequivalence to the brand-name original)
 - **Regional policy to create private markets:** medicines regulatory harmonization initiative in west Africa (West African Health Organisation)
- ❖ **Towards a paradigm shift ? Several road maps to develop local pharmaceutical production in Africa:** Renforcer l'innovation pharmaceutique en Afrique (NEPAD, 2011), Pharmaceutical Manufacturing Plan for Africa (African Union, 2012), ECOWAS Regional Pharmaceutical Plan (2014)