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News Release

IFPMA Health Partnerships Survey: Pharmaceutical Industry Contributes a Significant Part of Total Health Development Aid

Since the Beginning of the UN MDGs, the R&D Pharmaceutical Industry has made available enough Health Assistance to help 1.75 billion People in Low and Middle Income Countries

Washington, 19 November 2008 – The International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) has announced the results of its latest IFPMA Health Partnerships Survey, which measures the R&D pharmaceutical industry's contribution to help attain the health-related United Nations' Millennium Development Goals (MDGs). The latest Survey shows that, from the inception of the MDGs in 2000 through to the end of 2007, IFPMA members have made available 1.75 billion health interventions⁽¹⁾ to help improve the health of people in low and middle income countries. At the end of 2006, the total of health interventions stood at 1.37 billion.

Mr. Fred Hassan, President of the IFPMA, Chairman and CEO of Schering-Plough, said: "This is the third such IFPMA Survey, and it confirms that our industry's contribution to improving the health of people in developing countries is substantial and sustained. It reflects not only product contributions but also education and other actions for the long term. And it does not even include our industry's investment in R&D for developing world diseases."

The OECD has recently published data showing that total international development assistance for health in 2005 amounted to \$13.4 billion⁽²⁾. The IFPMA Survey values the health assistance provided by the industry to the developing world in 2005 at slightly more than \$1.5 billion – equivalent to 11% of the OECD total.

The interventions made available by the industry can be broken down into the following principal categories:

| | 2000-2005 ⁽³⁾ | 2006 | 2007 | 2000-2007 |
|--|--------------------------|--------------------|--------------------|----------------------|
| Products – donated: | 903,035,262 | 286,376,106 | 267,691,783 | 1,457,103,151 |
| Products – no profit: | 107,582,477 | 76,679,415 | 97,603,675 | 281,865,567 |
| Other health care interventions: | 3,350,985 | 824,774 | 773,975 | 4,949,734 |
| Education for patients & people at risk: | 5,047,205 | 1,346,930 | 1,423,293 | 7,817,428 |
| Training for health workers: | 192,199 | 52,509 | 53,901 | 298,609 |
| TOTALS: | 1,019,208,128 | 365,279,734 | 367,546,627 | 1,752,034,489 |

(Products include medicines, vaccines and diagnostics)

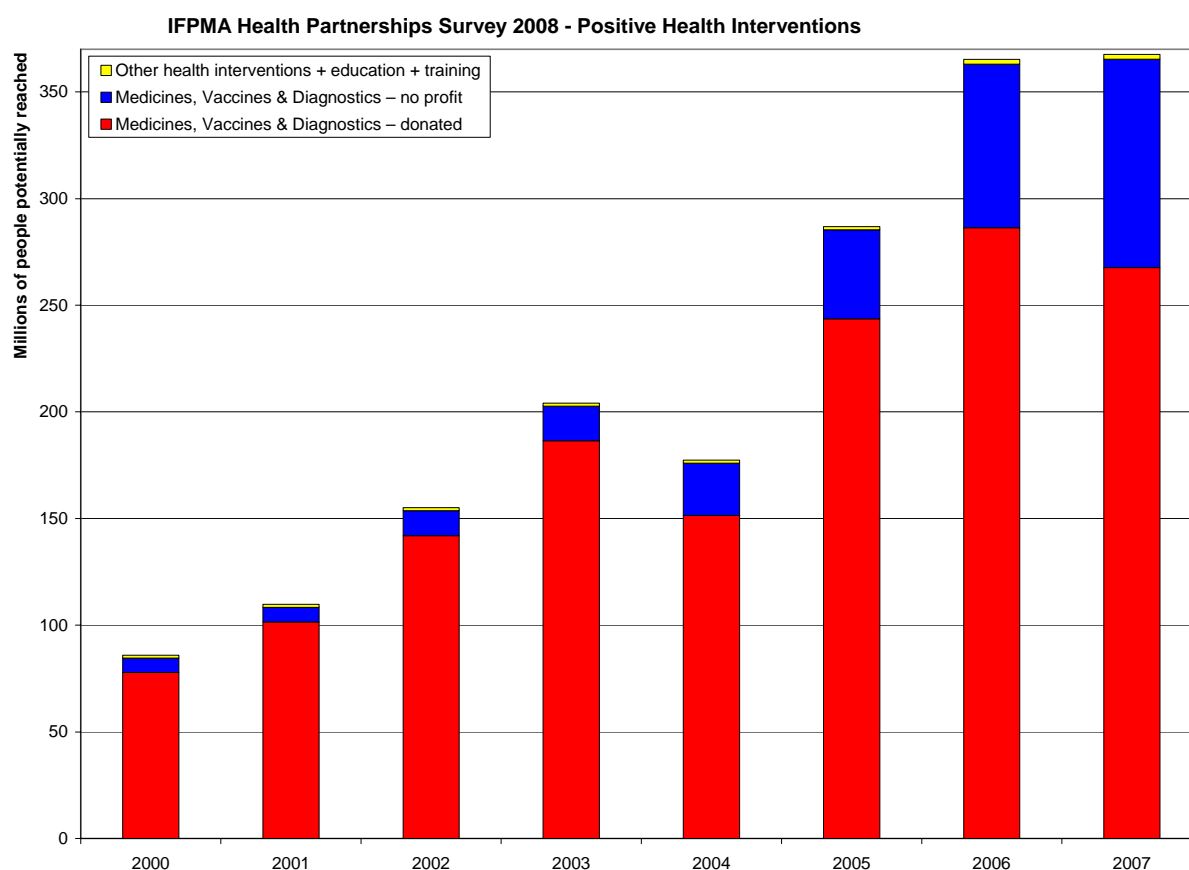
The assistance provided by the pharmaceutical industry to the developing world in this period, including donations of medicines, vaccines, diagnostics, equipment, other material and labor has been valued at \$9.2 billion⁽³⁾, of which \$2.4 billion was in 2007 alone.

Mr. Hassan further commented: "The latest survey reveals what may be a certain stabilization in the number of interventions made available by our industry each year, whereas the period 2000-2005 was characterized by rapid growth. One noticeable shift that has been picked up in the new survey is that the volume of donated products actually decreased in 2007, while that of products sold at cost continued to increase. The industry continues to play a significant role in strengthening health care systems in developing countries, providing training for more than 50,000 developing country health workers each year."

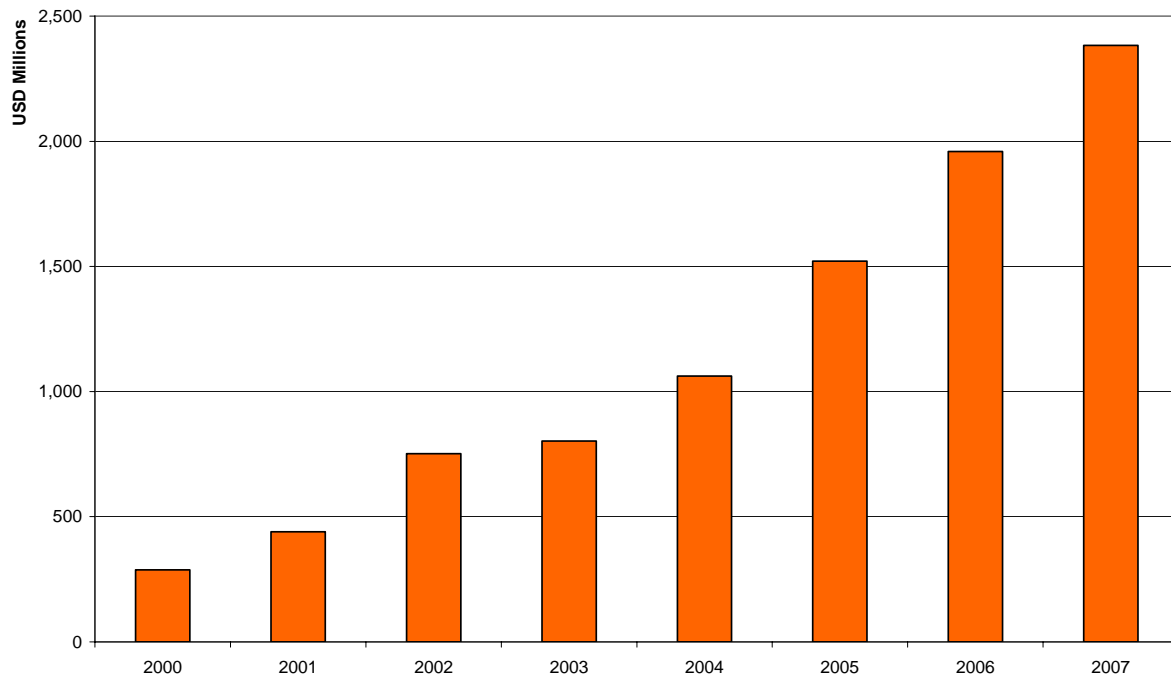
The industry survey released today covers more than 150 partnership programs that research-based pharmaceutical companies have instituted to help address health problems in developing countries.⁽⁴⁾ For more details of these industry programs, please refer to the IFPMA's on-line Health Partnerships information resource at www.ifpma.org/Healthpartnerships/.

(ends)

- (1) The survey measured the number of people potentially receiving help by counting health interventions: (a) the delivery of sufficient medicine to cure one person of one disease, (b) the provision of a course of therapy sufficient to manage one disorder in one person for one year, (c) provision of sufficient vaccine to immunize one person against one disease for at least one year, or (d) delivery of a proven program of health education or training to one person. These metrics were used because, while companies know the number of doses they make available, they have a less precise view of the number of patients actually treated. The total number of people receiving health assistance may be reduced if individuals are treated more than once by the same program or receive help from more than one program, but this is very difficult to quantify.
- (2) *2007 development co-operation report*. Paris: Organization for Economic Co-operation and Development; 2008.
- (3) Companies were given the opportunity to rectify the data for the periods 2000-2005 and 2006, and to report projects that were not included in the previous Survey. Therefore, the results for these periods differ slightly from the figures previously published. For the period 2000-2005, retrospective estimations were made concerning the number and value of PHIs made available in each individual year. These estimations concern 8.4% of the total PHIs and 24.7% of the total value of assistance.
- (4) This sum includes donated drugs, vaccines and diagnostics valued at wholesale price, cash contributions and in-kind contributions such as direct provision of health care services, education and training, and infrastructure development and support, for developing countries only (the 153 countries classified as low or medium income by the World Bank). It does not include the value foregone of products sold at preferential prices and assistance provided via programs in developed countries, nor does it include industry emergency relief contributions to natural disasters, in developed or developing countries (such as Hurricane Katrina, the Indian Ocean tsunami or the Pakistan earthquake). It also excludes industry spending on R&D into diseases disproportionately affecting people in developing countries.
- (5) The IFPMA Survey is based on information provided to the IFPMA Secretariat under a confidentiality agreement, whereby only aggregate values for the whole industry will be made public. The 2005 and 2007 Surveys were the subject of external validations by the LSE Health and Social Care at the London School of Economics and Political Science, which confirmed in 2008: "Once again we can report that the Survey totals can be taken as conservative assessments of the pharmaceutical industry's contribution to the Millennium Development Goals."



IFPMA Health Partnerships Survey 2008 - Value of Contributions (USD)



About the IFPMA:

The International Federation of Pharmaceutical Manufacturers & Associations is the global non-profit NGO representing the research-based pharmaceutical, biotech and vaccine sectors. Its members comprise 26 leading international companies and 44 national and regional industry associations covering developed and developing countries. The industry's R&D pipeline contains hundreds of new medicines and vaccines being developed to address global disease threats, including cancer, heart disease, HIV/AIDS and malaria. The IFPMA Clinical Trials Portal (www.ifpma.org/ClinicalTrials), the IFPMA's Ethical Promotion online resource (www.ifpma.org/EthicalPromotion) and its Developing World Health Partnerships information (www.ifpma.org/HealthPartnerships) help make the industry's activities more transparent. The IFPMA strengthens patient safety by improving risk assessment of medicines and combating their counterfeiting. It also provides the secretariat for the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH).

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