



## Intervention from Thomas Cueni, IFPMA Director-General, at the 4<sup>th</sup> WHO Fair Pricing Forum

6 February 2024

### **Inaugural plenary: Post-pandemic construction of health product market transparency, efficiency and fairness**

(to be checked against delivery)

- Thank you for this invitation to the 4<sup>th</sup> WHO Fair Pricing Forum.
- COVID-19 was the biggest healthcare challenge the world has faced since the Spanish Flu in 1918. We saw record-speed and record-scale development and manufacturing of vaccines.
- It is worth noting that most of the mRNA research so critical in the fight against the pandemic was driven by scientists and by private capital. While the surge funding by governments to support COVID-19 development and scaling up of manufacturing at risk was necessary, particularly for a small biotech company like Moderna, it would be incorrect to assume that the success of COVID-19 R&D was primarily the result of public funding. It took research efforts into mRNA over decades, with very limited public funding and, until 2020, zero sales, and basically all the relevant vaccines, therapeutics and tests used during the pandemic, were developed and manufactured by private companies.
- COVID-19 cost us more than 10 million lives and 13 trillion USD, 13'000 billion USD, in economic loss.
- That's why, when we look at the lessons learned, we need to bear in mind the importance of innovation and pandemic preparedness is not just about health security but also about security. The industry reacted in a business-not-as-usual way, and we will need the same in a future pandemic.
- While I'm deeply aware of the shortcomings we saw in the '90s and more than 20 years ago, addressing HIV/AIDS, COVID-19 was different and significant supplies of COVID-19 vaccines reached cities like Accra, Nairobi, or Kigali pretty much at the same time as the first vaccines reached Tokyo. Yet, when we look at the inequitable rollout of COVID-19 vaccines, we again had shortcomings in the collective response, the main reason being that COVAX for totally rational reasons focused on supply agreements with a manufacturer from India, which after the export ban due to the

surge in the Delta strain fell apart, and it took almost seven months to resume significant supplies to Africa.

- From an industry perspective, there are several primary lessons from our response to COVID-19:
  - First, there is the need for a more equitable rollout built into the system upfront, without relying on just one region. This is why industry, together with developing countries vaccines manufacturers and BIO signed the [Berlin Declaration](#), whereby companies commit to putting aside part of production upfront for rollout to LMICs. I am convinced that, if the Declaration is translated into the Pandemic Accord and manufacturing countries sign up to it, it can make a difference.
  - Second, there needs to be more geographic diversity of manufacturing. There are multiple initiatives by the European Union, and by companies – not just in Africa, but also in Asia and Latin America.
  - Third, and this relates to the theme of our meeting today on fair pricing, I have never seen such a game-changing application of tiered-pricing, which made the medical countermeasures affordable.
- There's another lesson in terms of innovation reaching patients. Investing in health for countries means investing in wealth. The Abuja Declaration was adopted more than 20 years ago by the African Union, whereby countries committed to spend 15% of their GDP on healthcare. 20 years later, less than a handful of countries have done so.
- In terms of COVID-19 vaccine delivery, by the end of 2021, 2 billion doses had been delivered through COVAX, despite a seven-month pause in supplies. But we did see the shortcomings of fragile health systems and the shortage of skilled healthcare workers. Many vaccines did not get from ports to arms as they should have done.
- Whether it's for future pandemic preparedness or for access to NCDs care, we really need to invest in health systems strengthening, which includes a fair part of domestic funding.
- From an industry perspective, we took away lessons from the COVID-19 response.
- This is why it committed to a more equitable rollout, putting aside part of production in real time in future pandemics.
- I also see a real openness and willingness of industries to engage in dialogue and make progress in tackling the barriers to access to get medicines to patients, not just in a pandemic. This does require new and creative partnerships.
- The progress on HIV/AIDS did not come through TRIPS flexibilities and compulsory licensing, rather through voluntary licensing and tech transfer partnerships, and the establishment of the Global Fund.
- Technology transfer cannot be coerced. It needs voluntary engagement on mutually agreed terms. During the pandemic and now beyond, I have seen a willingness from industry to dare to apply tiered pricing, to walk the talk on affordability and availability, but also to bring life-saving medicines to more patients.

- Collectively, we can achieve much more if we are less risk-averse and are willing to leave the trenches and join forces for the benefit of patients.
- The COVID-19 pandemic showed the power of academia linking up with industry, partnerships between companies from industrialized and developing countries, as well as partnerships with organizations like the WHO, Gavi, UNICEF, and CEPI.
- To end with an example on antimicrobial resistance, which we already discussed at the 1<sup>ST</sup> Fair Pricing Forum in Amsterdam, almost seven years ago. There are huge problems with access to life saving antibiotics and shortages in industrialized countries. One reason is that governments have squeezed the price of off-patent antibiotics so much that the only source are often manufacturers in China or India, increasingly creating supply chain fragilities. As I have said in the past, you get what you pay for if price is the only criterion in tenders. But worse, to fight AMR, the world also needs a pipeline of novel antibiotics, but there is still no sustainable business market right now, and the outlook for novel antibiotics remains pretty grim.
- “Leaving the trenches” and engaging in dialogue and partnerships to find solutions are a first step we all need to engage in.

## **About IFPMA**

The International Federation of Pharmaceutical Manufacturers and Associations ([IFPMA](https://www.ifpma.org)) represents over 90 innovative pharmaceutical companies and associations around the world. Our industry’s almost three million employees discover, develop, and deliver medicines and vaccines that advance global health. Based in Geneva, IFPMA has official relations with the United Nations and contributes industry expertise to help the global health community improve the lives of people everywhere. For more information, visit [ifpma.org](https://www.ifpma.org).

IFPMA statement ahead of 4<sup>th</sup> WHO Fair Pricing Forum:

<https://www.ifpma.org/news/ifpma-statement-ahead-of-the-opening-of-the-fourth-who-fair-pricing-forum/>