

**Gemeinsame Konferenz Kirche und Entwicklung (GKKE)**

Joint Conference Church and Development (GKKE)



**vfa.** Die forschenden  
Pharma-Unternehmen

Association of Research-Based Pharmaceutical Companies

## Health in Developing Countries

Policy Recommendations on the Occasion  
of the Election of the Bundestag in 2009

Berlin/Bonn, April 2009

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The health crisis in developing countries should not be swept under the carpet. It poses a very special challenge in terms of development policies. Sickness prevents far too many people from living a fulfilled life, from providing for themselves and their families, and from taking an active role in building the societies they live in. Health is an essential precondition for living a successful individual and social life.

The Joint Conference Church and Development (GKKE) and the Association of Research-based Pharmaceutical Companies (vfa) are taking the Bundestag elections in 2009 as an opportunity to present key points of an effective policy for improving the health situation in developing countries. Their recommendations are based on joint assessments which the churches and the pharmaceutical industry, despite all their differences, have arrived at across the years through their dialogue. This dialogue is conducted in the knowledge that mutual recriminations or even open feuds will lead nowhere, and that what is rather needed is to move beyond particular interests and possibilities to find common perspectives for action and to shoulder joint responsibility.

The results of this dialogue thus far can be found in the joint positions taken on "Pharmaceutical Supply in the Third World" (1999); "The Foundations of Concerted Measures against the HIV/AIDS Pandemic" (2001) and "Combating Tropical Poverty-related Diseases" (2006). In all these papers GKKE and vfa have constantly emphasised that what is needed is a broad alliance that also includes political movers if sustainable solutions to the health crisis in developing countries are to be found.

## 1. Health and the Supply of Pharmaceuticals in Developing Countries

To combat hunger, poverty and disease on a global level, in the year 2000 the international community created a broad political consensus with the Millennium Declaration and with the Millennium Declaration Goals committed itself to achieving three health-related objectives by 2015 – to cut infant mortality by two thirds; to cut maternal deaths by three quarters; and to halt and begin to reverse the spread of HIV/AIDS, malaria, tuberculosis and other infectious diseases. It was further resolved to set up a global partnership to improve access to medicines throughout the world.

These resolutions have not been without effect. The number of HIV-positive people in developing countries receiving life-critical anti-retroviral medicines to combat Aids has increased to 3 million (as of 2007). A certain amount of progress has also been seen in combating malaria, measles, lymphatic filariasis, leprosy and polio as well as in building up healthcare systems. Yet such steps fall far too short to justify a positive interim progress report to be made, nor can they nurture hopes that these goals will actually be achieved.

Throughout the world the right to health is not assured, thus creating an impediment to sustainable development. Millions of people are sick because they have no good healthcare system, because the conditions under which they live and work are injurious to health, and because they are malnourished. This situation is further exacerbated by inadequate access to essential medicines. Estimates show that throughout the world 1.7 billion people have no access to life-critical medicines in Africa they represent 50% of the population.

Each year six million people continue to die from infection diseases like HIV/Aids, tuberculosis and malaria. 70% of people with HIV infections still have no access to therapy. The goal of "Universal Access" to prevention and therapy for all people with HIV/Aids by the year 2010, as adopted by the international community at the *United Nations General Assembly Special Session on HIV and AIDS* (UNGASS), cannot be achieved at the present rate of expansion shown by

therapy programmes. At the same time tropical poverty-related diseases like sleeping sickness are also costing the lives of 500,000 people a year. Against this backdrop there is no alternative to further energetic measures to improve the health situation in developing countries.

## 2. Contributions of German Development Policies

The contribution made by German development policies to improving the health situation in developing countries is receiving increasing attention in political discussions on development. The German Government has repeatedly brought this issue to the forefront, especially during its presidency of the EU and hosting of the G8 summit in 2007. It placed the issue of "HIV/Aids in East Europe and Developing Countries" on the agenda and broadened its commitment to the Global Fund to Fight Aids, Tuberculosis and Malaria. In the Group of G8 governments the German Government has called for more resources for the health sector and especially for combating infectious diseases in Africa, and has announced its intention of playing a role in building up healthcare systems in African countries. At the G8 summit in 2008 it pledged that Germany will contribute 500 million Euro a year to the fight against infectious diseases.

Even so, such commitment and funding falls short of the actual amount of resources required. Furthermore, the plethora of unrelated statements makes it difficult to see the true extent of the German commitment. It is furthermore doubtful whether the increases in budgets for 2008 and 2009 will be continued over the next few years. Yet as the financial crisis is bound to have a serious negative impact on the financial manoeuvrability of developing countries, reliability in funding of development co-operation is now more important than ever.

The German Government is to be commended for its commitment to change the TRIPS Agreement to allow countries to issue compulsory licenses for exports to countries where public health is at risk. In spite of enduring reservations about the practicality of the regulation agreed on, this amendment to the TRIPS Agreement is an important step forward.

Equally commendable is the decision of the German Government to participate in the "*International Health Partnership*" and "*Providing for Health*" international initiatives both of which are concerned with better co-ordination of aid and both of which place a focus on social security that reflects a much broader understanding of what health work means.

Generally speaking, GKKE and vfa consider that the political discussions on development have been enriched by an understanding that views health not merely as a result of development but also – and vitally – as one of its pre-requisites. This understanding has been increasingly taken up by German policy-makers in recent years. The founding of the all-party working group on "Health in Developing Countries" in the Bundestag is one of its main fruits.

### 3. Proposals for Action

The churches and the pharmaceutical industry view the lack of, and inadequacy of, healthcare and medicine in developing countries as an ethical and moral disaster and see the need for substantial action to remedy this state of affairs.

As key points for a responsible policy for improving the health situation in developing countries the vfa and GKKE put forward the following recommendations:

#### **More political responsibility**

1. Despite the certain amount of progress that has been made in recent years, the role of health promotion in German development co-operation has still not been accorded the importance it deserves. vfa and GKKE demand that German Government really does fulfil those obligations it has subscribed to at the Millennium Summit, in the United Nations Declaration of Commitment on HIV/Aids, and in the declarations of the G8 – and that the future German Government will make even more concerted efforts to meet the health-related Millennium Goals. To this end it is necessary to introduce transparency into budgetary planning to reveal the true extent of total commitments and, in

particular, to make clear which funding is related to which commitments on the global health level.

2. Co-ordination between various government departments charged with health-related issues such as economic development and co-operation, health and education and research also needs to be improved. We recommend that a high-level Co-ordination Agency be established that co-ordinates the activities of the ministries in the health sector and serves the churches, industry and civil society as a point of central contact.

3. Efforts should be made to draw up a framework plan for the promotion of healthcare systems in developing countries as adopted at the Heiligendamm Summit that would facilitate the agreed on co-operation between the various actors. What is vital here is the involvement of the private sector and civil society with their own specific forms of leverage. The churches and the pharmaceutical industry have a huge variety of resources which they can bring to bear on solutions for problems of health. Such a form of co-operation, which thus far has mainly been practised in international organisations, should now find its counterpart on the national level.

4. Commensurate with the importance of health issues not just for developing countries but for the countries of East Europe as well, the establishment of a parliamentary sub-committee for international health in the Bundestag would be a welcome move. In addition, to bring about greater coherency between the various areas of political concern, the exchange between the various stakeholder parliamentary committees should be intensified with more joint meetings and public hearings being held.

5. In terms of its development co-operation work the German Government should above all bring a renewed focus to the field staffing of units and entities of the healthcare system. In addition, the Government should support the countries concerned in their efforts to train and retain sufficient numbers of qualified personnel and, in association with the governments of other donor countries,

should commit itself to the ethical recruitment of healthcare personnel from developing countries. The German Government should also take measures to ensure that the partner countries involved in development co-operation prioritise the improvement of their healthcare systems, and actually do meet all their commitments given in this respect such as the percentage of GDP allocated for health.

### **More effective co-operation**

6. In terms of health promotion more account needs to be taken of the "Paris Declaration on Aid Effectiveness" endorsed in 2005 and further specified in 2008 in Accra. Its principles of "ownership" and "alignment" call specifically for a form of co-operation tailored to the needs of the partner country to which the various donor countries must also be committed. Thus the German Government should also support the development and consolidation of healthcare systems within the framework of international initiatives like the World Health Organisation's "Revitalisation of Primary Health Care". In this respect it is essential that not just governments are called on to act but the institutions of civil society, the churches and the private sector as well.

7. Access to medicines, diagnostics and prevention saves lives. In many cases production of generic medicines can lower costs and facilitate access. Greater recourse should be made to the simplest and quickest means of granting voluntary licenses for a more cost-effective procurement for developing countries where efficient quality assurance safeguards are in place.

8. Building threshold and developing countries' own capacities for the research, development and production of medicines can be an important measure for improving the supply of medicines. The German Government is called on to provide statutory measures and financial incentives that create an appropriate environment enabling the production of high quality, low priced medicines wherever this is economically viable. The pharmaceutical industry is willing to participate in suitable innovative projects and views this as an opportunity to increase capacities within the framework of partnerships.



9. Even so, one major impediment to an adequate, low-cost supply of medicines to developing countries is the inadequacy of their infrastructures. Lack of proper demand assessment, import duties, tax on imported medicines and high trade margins all mean that the price of medicines is unnecessarily inflated, while logistics – the procurement, storage and distribution of medicines – is the cause of many kinds of frictional loss. Development co-operation work should strive to minimise such problems. The key theme of “Health Systems Strengthening” put forward by the German membership of the Executive Board of the WHO could well serve to contribute to further solutions in this respect.

10. To combat diseases prevalent in poor countries, the findings of basic research in medicine offer opportunities that could lead to the development of new medicines, vaccines and diagnostics. However, research and development for medicines, and diagnostics for the diagnosis and treatment of such diseases are not in themselves sufficient. The German Government is called on to take an active role in the implementation of the “*Global Strategy on Public Health, Innovation and Intellectual Property*” adopted by the WHO which seeks to facilitate access to medicines through the promotion of innovation. The strategy calls for the development of proposals whereby medical research and development policy-making will take much greater account of the healthcare requirements of developing countries.

11. The German Government should acknowledge the importance of high quality standards in all measures related to the healthcare system, and insist on their due implementation. The key tasks here are the authorisation and exclusive usage of high quality medical products. To this end the work of the World Health Organisation in the pre-qualification of medicines and the qualification of local regulatory authorities needs to be strengthened. To make for more efficient procedures, a review should be made as to whether networking with the two major regulatory authorities, FDA (USA) and EMEA (EU) would be feasible.

12. The issue of “sexual and reproductive health” (family planning, mothers’ health etc.) is recognised by the present German Government which has also given the issue its own budgetary item at the Federal Ministry for Economic Co-

operation and Development (BMZ). The Working Group recommends that the importance of the issue be further acknowledged in bilateral and multilateral development co-operation.

### **Improved financial resources**

13. GKKE and vfa demand that the German Government continues to raise the level of funding for healthcare in its development co-operation, thus ensuring that Germany makes a significant contribution to improving health in developing countries. Increasing the level of funding for health, however, should not be to the detriment of other sectors; what is rather needed is continued adherence to the EU step-by-step plan which sees a gradual increase in funding to 0.51 percent of GDP by 2010 and a 0.7 percent increase by 2015.

14. The German Government should give the World Health Organisation (WHO) and other UN bodies concerned with global health like UNAIDS and UNFPA adequate support both in terms of finance and human resources. One candidate for such support, for instance, could be the Tropical Diseases Research Unit. In addition to this, substantive professional support should be given to projects for developing the medical infrastructure and for co-operation with local institutions active on the ground.

15. Of particular importance is the implementation and further development of the instruments of Public-Private Partnerships (PPPs). These are partnerships between public institutions, pharmaceutical companies and non-governmental organisations (NGOs) which co-operate as Product Development Partnerships in the research and development of medicines and diagnostics. Particularly noteworthy examples of such partnerships are the "*Drugs for Neglected Diseases Initiative*" (DNDi) and the "*Medicines for Malaria Venture*" (MMV) which have significantly improved access to anti-malaria medicines, and nurtured a whole series of projects for the development of novel medicines. The establishment of patent pools, as has recently been proposed by various pharmaceutical companies, and other innovative approaches deserve serious consideration. It is further recommended that the German Government adopts a constructive

approach when considering the “*Advanced Market Commitments*” model which gives pharmaceutical companies an incentive to invest in research and development of urgently needed medicines by creating a market for medicines under development secured by pledges from donor countries.

#### 4. Summary

The dawn of the 21<sup>st</sup> century has been marked by systemic crises with global proportions of an unprecedented scale. The health crisis too is a heavy mortgage on the fate of countless numbers of people in developing countries. The health-related Millennium Development Goals still deserve our full attention which should not be limited to the financial and economic crises alone. At the same time the impact of climate change will have on health is still barely foreseeable; through the spreading of infectious diseases due to flooding, drought, heat waves and so on it is bound to be drastic.

The churches and the pharmaceutical industry will use the possibilities at their disposal to counter the threatening deterioration of life conditions in developing countries and to contribute to sustainable development. The churches and church organisations in Germany aid local churches, self-help initiatives, co-operatives, human rights groups and other non-governmental organisations in developing countries. The programmes of such bodies and groups reach millions of people across the world. In many African countries the partners of church development bodies are responsible for running up to 40 percent of the national healthcare system, in particular in rural regions they are responsible for ensuring that people have healthcare. They consider a comprehensive and good quality healthcare system as the realisation of the right to health to which realisation they help to contribute.

The members of the Association of Research-based Pharmaceutical Companies (vfa) represent more than two thirds of the overall German pharmaceutical market. Over the past years research-based pharmaceutical companies have made great efforts to improve the supply of medicines to developing countries. These include differentiated price setting with the waiving of profits from poor

countries, drug donation programmes and the voluntary licensing of patent-protected medicines to suitable generic manufacturers. They also participate in Product Development Partnerships for research and development of new medicines against the tropical poverty-related diseases of tuberculosis and malaria.

## **Appendix: About us**

The Joint Conference Church and Development (GKKE) is an ecumenical, Protestant-Catholic forum for development policy which formulates position statements and dialogues with parliament, government and social organisations. The forum is funded by the Church Development Service (EED) and the German Commission for Justice and Peace. The chair of the GKKE is held by representatives of the Evangelical and Catholic churches in the Federal Republic of Germany.

The vfa is a trade organisation representing the interests of 47 leading international research-based pharmaceutical companies. It conducts an intensive dialogue on global health issues with churches and other non-governmental organisations.

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