



## **Updating Taking Action – the UK’s strategy for tackling AIDS in the developing world**

### ***Response from the APG, 8 August 2007***

The American Pharmaceutical Group (APG) of companies welcomes the consultation paper from the Department for International Development entitled *Updating Taking action: the UK’s strategy for tackling AIDS in the developing world*.

The pharmaceutical industry is responsible for the medicines which deal with HIV/AIDS. This gives it a crucial role. The industry also funds humanitarian programmes, including the provision of grants, and helps with capacity building programmes, ranging from local health care professional skills development, to technology transfers going to companies based in Low Income Countries (LICs).

So the industry has a crucial stakeholder role in working with the Department for International Development and other developed world governments, as well as with developing countries directly and with interested international bodies.

The Consultation Paper set out 10 questions, to which the APG responses are as follows:

#### **1. What is the UK’s comparative advantage in changing in changing the course of the AIDS epidemics?**

The UK has the most successful pharmaceutical industry of any European country, built up over many decades. This enables the UK Government to operate with the most important industry involved in dealing with HIV/AIDS. The industry’s R&D programmes have resulted in greatly improved medicines for people with HIV/AIDS, cutting the number of medicines needed daily, increasingly avoiding the need for refrigeration and the necessity for them to be taken with food. Progress in the latest medicines has been widely welcomed and is vital to meet the changing needs of HIV/AIDS and to counter drug resistance.

The UK has a natural lead role derived in part from its historic links with countries in Africa and Asia, and in part from its current links with developing countries and with the developed world as shown in its G8 and EU Presidencies last year.

The creation of DFID has also been an important factor in bringing a degree of focus and commitment to Government policy. This should not be lightly jeopardised. Any plan to cut DFID staff numbers, which we understand is under consideration, needs to be weighed against the damage that might be done to its leadership role and the disconnect that might arise in its relations with officials in developing countries.

**2. How can the UK best support the scale up to universal access to Comprehensive HIV prevention programmes, treatment, care and support by 2010?**

- a) **Infrastructure:** it is vital for the UK to recognise and support the development of proper health infrastructures in order to scale up its HIV/AIDS programmes. The research-based pharmaceutical industry's ability to contribute to enhanced access to medicines in poorer countries depends upon such infrastructures.

The role of the pharmaceutical industry in providing AIDS drugs depends upon:

- The proper collection and storage of medicines on arrival
- The lack of official widespread corruption
- Good transport distribution and regular re-supply
- Health professionals to administer the medicines. Access to medicines is particularly curtailed by inadequate numbers of healthcare professionals, which many see as the single most important obstacle to treatment.

The recommendations of the Crisp Report to counter the shortage of health workers should be implemented (the report by Lord Crisp to the Government entitled *Global Health Partnerships*, February 2007).

- b) **Partnership:** The international private sector and the non-health private sector in developing countries have important roles to play in wider partnerships, and this should be further encouraged by the UK Government. As the Crisp Report stated:

*"Many international companies are already active – both the Association of the British Pharmaceutical Industry and the American Pharmaceutical Group in the UK support the work their members are doing in providing services, drugs, donations and training. They have also stressed the interest companies have in doing more in partnership with others. Their motivation is clearly both humanitarian and commercial..."*

The UK Government's Inter-Ministerial Group on Strengthening Health Capacity in Developing Countries is considering the Crisp Report, and it is strongly recommended that it considers this recommendation very carefully.

- b) **Monitoring and evaluation:** we support the statement by the House of Commons International Development Committee that:

*"We are concerned that DFID's indicators of success are linked primarily to funding targets rather than to outcomes."* (Report on HIV / AIDS: Marginalised groups and emerging epidemics, December 2006)

Much more attention should be given to monitoring the outcomes of AIDS medicines, as this is the only way to judge the effectiveness of the UK's AIDS programme. Inadequate monitoring is also dangerous, because lack of compliance (often the result of inadequate education) increases drug resistance and needs to be identified.

**3. How can the UK work within the international system to improve the overall response to AIDS?**

We recommend that the UK Government explores ways by which medicines approved by the Federal Drug Administration and the European Medicines Agency do not require further, additional time-consuming and bureaucratic regulatory approval processes by individual developing countries. This is an unnecessary barrier to earlier access to medicines in developing countries and adds to costs.

*The APG has given no responses to Questions 4-5 and Questions 7-8 which fall outside its core competencies.*

**6. What should the UK do to ensure the needs of children affected by AIDS are met?**

In 2005 c700,000 children under 15 became infected with HIV, mainly through mother to child transmission (MTCT), with 90% in Africa. Some 10%-20% of mothers with HIV infection will transmit the infection through breast milk (*WHO website, May 2006*). It follows that one of the simplest ways of reducing MTCT is to avoid breast-feeding when the mother is HIV positive. This would need a major educational programme for mothers, and modifying UK Government policy which strongly favours breast feeding.

Special grants for paediatric work should be made available, particularly to train healthcare workers in developing countries to provide paediatric antiretroviral (ARV) therapy.

**9. How can the UK support efforts to ensure that the response to AIDS strengthens national health services and the delivery of basic services?**

As explained above, it is vital for the UK to recognise and support the development of proper health infrastructures in order to scale up its HIV programmes.

Access to medicines is particularly curtailed by inadequate numbers of healthcare professionals, which many see as the single most important obstacle to treatment.

The staff also need proper training. The World Health Report 2006 demonstrated the link between poor health – and unnecessary death – and low levels of trained staff.

We endorse the view of the Crisp Report that developing countries like the UK should: support international efforts to manage migration and mitigate the effects on developing countries of the reduction in training and employment opportunities in the UK by:

- Using codes of practice, country-level agreements and other means to shape and manage the migration of health workers and encourage all other developed countries to do the same
- Continuing to provide, by agreement with developed countries, some training and limited periods of work experience in the UK
- Creating exchange programmes for training and work experience for UK and developing countries health workers.

## **10. What is the UK's role in gathering evidence and fostering innovation?**

The UK has built up a highly successful pharmaceutical industry. The industry has benefited from a stable economic climate, a system of profit controls which enables free pricing of new medicines (within the overall profit limit) and a good scientific base. These factors have helped the industry to develop innovative medicines.

However a new innovative medicine can take 12 years from registration to market and can typically cost £600m to £800m, and these costs are recovered under systems of patent protection. The highest prices are to be found in the western world and, elsewhere, the industry has commonly introduced differential prices for medicines which vary to take account of social welfare and the ability to pay. This has meant very significant price reductions for middle income countries, with medicines provided at or below cost to low income countries.

The breaking of patents in middle income countries, not only for HIV/AIDS drugs, means a loss of revenue which, if reproduced more widely, would have dramatic and adverse effects on R&D and hence on patient care. If the UK Government wishes to encourage innovation, this issue needs to be faced squarely and the legitimate concerns of the R&D sector recognised and supported.

### **About the American Pharmaceutical Group (APG)**

The APG represents all the major American pharmaceutical companies which are also based in the UK. The Group believes that basic healthcare should be independent of where people live. About two billion people, one-third of the world's population, do not have access to essential healthcare services and medicine, because they live in poor countries.

APG member companies are committed to enhancing access to medicines in Low Income Countries (LICs) in Africa through a variety of measures, including:

- Research and development of new medicines for diseases disproportionately affecting developing countries.
- Humanitarian programmes, product donations and product access programmes that provide medicines at significant discounts, or at no profit levels.
- Capacity building programmes, ranging from local health care professional skills development, to technology transfers going to companies based in LICs.

Together, these individual programmes improve and extend the lives of millions of the world's most disadvantaged people.

The members of the APG already make a real difference to the quality of healthcare and lives around the world through a variety of individual initiatives and philanthropic programmes. These are set out in the APG brochure "Access to Medicines" (see).

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