

**Global Public Health - High-Quality, Low-Cost Pharmaceutical Production in Developing Countries**

UNCTAD – WHO – UNIDO - ICTSD Ministerial Breakfast Roundtable at the ECOSOC High Level Segment

Geneva, 7 July 2009, 8:00 – 9:25 am  
Delegates' Dining Room, Palais des Nations

**Pharmaceutical-related Transfer of Technology and Local Production in Developing Countries: The Global Consensus, Dr. Elil Renganathan, Director, WHO Secretariat on Public Health, Innovation and Intellectual Property**

Honourable ministers,  
Excellencies,  
distinguished delegates,  
ladies and gentlemen,

On behalf of the World Health Organization, let me also add that we are very pleased to participate in and contribute to this important roundtable.

As outlined in the agenda, I will focus my talk largely on the intergovernmental process which led to a very important global consensus in the area of public health, innovation and IP, that promotes specific actions in the area of pharmaceutical-related transfer of technology and local production in developing countries.

As you may be aware, during the past decade or so, a growing international debate concerning the wider aspects of the relationship between intellectual property rights, innovation and public health, has been taking place against a backdrop of discussions on poverty reduction and of improving access to health care.

One key event in 2004, was the establishment by WHO of an independent commission tasked with analysing the relationship between intellectual property rights, innovation and public health (*WHO Commission on Intellectual Property Rights, Innovation and Public Health*).

The WHO Commission's report was published in April 2006, raising global awareness of problems around innovation and access to health products, especially in the developing world.

The Commission analysed the various effects of intellectual property rights on upstream research, the subsequent development of medical products in both developed and developing countries and the possibility of ensuring access to them in developing countries. It also considered the impact of other funding and incentive mechanisms, and fostering innovation capacity in developing countries.

The Commission made around sixty recommendations to foster innovation and improve access.

In May 2006, the Fifty-ninth World Health Assembly then adopted resolution WHA59.24 requesting the DG to convene a meeting of an IGWG open to all interested Member States to draw up a global strategy and plan of action in order to provide a medium-term framework based on the recommendations of the WHO Commission on Intellectual Property Rights, Innovation and Public Health.

Between December 2006 and May 2008, WHO Member States and other stakeholders met in three sessions of the Intergovernmental Working group and also in regional consultations and other multilateral meetings linked to the IGWG. The Global strategy and plan of action on public health, innovation and IP was adopted at the World Health Assembly in May 2008.

The global strategy is designed to foster innovation, build capacity, improve access and mobilize resources. The Strategy's total of 108 specific actions fall under eight elements which cover the following areas:

1. *prioritizing research and development needs;*
2. *promoting research and development;*
3. *building and improving innovative capacity;*
4. *transfer of technology;*
5. *application and management of intellectual property;*
6. *improving delivery and access;*
7. *ensuring sustainable financing mechanisms;*
8. *establishing monitoring and reporting systems.*

In particular, the issues of technology transfer and local production were of much interest to developing countries and were raised and introduced into the text during the negotiations by these member states. These issues are specifically addressed in the elements on 'building innovative capacity' and 'technology transfer' of the global strategy.

Within the context of the implementation of the Global Strategy and plan of action, WHO, with the support of the European Commission and in partnership with the United Nations Conference on Trade and Development and the International Centre for Trade and Sustainable Development, is undertaking a study and analysis of the opportunities and challenges that exist in the area of local production and related technology transfer.

The project involves engagement of developing countries and other relevant stakeholders across different regions, mapping existing initiatives, and documenting best practices. This two-year project will result in consultations and several publications, aiming to promote greater access to knowledge and technology relevant to public health needs of developing countries; and promoting collaboration and coordination of technology transfer.

Let me close with some final thoughts:

The global strategy was an outcome of intense debate and negotiations, and when implemented, it will address the immediate need for equitable access to good quality, affordable medicines, and the long-term need to stimulate and sustain innovation.

The issues at stake are complex and the number of partners involved is large; taking this strategy forward will require a collective effort.

But the prize for success is immense: it is to ensure that people do not die because they lack the right health products, both new and old. The commitment and engagement of Governments and other stakeholders to this task is encouraging but needs to continue.

Thank you.

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### **Background (not for talk)**

#### ***Element 3. Building and improving innovative capacity***

*There is a need to frame and develop and support effective policies that promote the development of capacities in developing countries related to health innovation. Key areas for investment are capacities relating to science and technology, local production of pharmaceuticals, clinical trials, regulation, intellectual property and traditional medicine.*

*(3.1) building capacity of developing countries to meet research and development needs for health products*

*(3.2) Framing, developing and supporting effective policies that promote the development of capacities for health innovation*

*(3.3) providing support for improving innovative capacity in accordance with the needs of developing countries*

*(3.4) supporting policies that will promote innovation based on traditional medicine within an evidence-based framework in accordance with national priorities and taking into account the relevant provisions of relevant international instruments*

*(3.5) developing and implementing, where appropriate, possible incentive schemes for health-related innovation*

#### ***Element 4. Transfer of technology***

*(4.1) promoting transfer of technology and the production of health products in developing countries*

*(4.2) supporting improved collaboration and coordination of technology transfer for health products, bearing in mind different levels of development*

*(4.3) developing possible new mechanisms to promote transfer of and access to key health-related technologies*