

EU-LAC High-Level Pharmaceutical Forum: Sharing Pharmaceutical Innovations between the European Union and Latin America and the Caribbean on March 21, 2023

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(Pro Tempore President of CELAC)
Delivered Virtually**

CONTEXT/Framework

The effects of the COVID-19 global pandemic on supply chain has taught some hard but valuable lessons and highlighted the fragility of our regional economies, our vulnerability to external shocks and our dependability on extra-regional markets for essential medical supplies. Disruptions to global value chains due to the COVID-19 pandemic have reinforced calls for greater self-sufficiency and there is a new level of awareness among governments and regional bodies of the need for effective and efficient supply chains.

Along with the peoples of Latin America and the Caribbean (LAC), the Community of States of Latin America and the Caribbean (CELAC) Pro Tempore Presidency (St Vincent and the Grenadines) is steadfastly promoting deeper regional integration, cooperation, and solidarity. The COVID pandemic highlighted the urgent need to intensify regional cooperation and coordination to promote favourable circumstances and increase our capacities for valuable contributions toward the necessary and desirable transformational change for the creation and production of pharmaceutical products including vaccines, personal protection equipment, and other medical supplies.

The focus on pharmaceutical innovations is an opportune one because safe and efficacious medicines are needed to prevent and address chronic diseases, treat pain, and enhance the quality of life. This is especially so in the era of ageing populations, increasing numbers of “at-risk persons”, pandemics, and other assorted public health challenges.

CELAC’S PLAN

The CELAC Plan for Self-Sufficiency in Health Matters acknowledges the value of science and technology as well as the critical need for significant funding to accomplish this objective. It also emphasises the importance of competition laws and regulatory agencies, as well as the benefits of a strategic approach to intellectual property. In essence, the plan aims, among other things, to promote intraregional commerce and decrease the non-regional share of the US \$60 billion regional pharmaceutical market, largely supplied through extra-regional procurement.

CELAC’s programmatic roadmap for strengthening the production and distribution of medicines, especially vaccines, includes, centrally, a plan of action for regional self-sufficiency in health matters in the short, medium, and long term. The seven lines of action are as follows:

1. Regulatory convergence and recognition mechanisms
2. A regional clinical trials platform
3. An immediate mechanism for vaccine procurement at a regional level
4. Consortiums for vaccine development and production
5. Regulatory flexibilities to gain access to intellectual property
6. Development of a stable regional market for medicines through public procurement
7. Strengthening regional and sub-regional mechanisms; and universal systems for access to primary health care

OBSTACLES ENCOUNTERED

Obstacles encountered by regional health systems in the context of the pandemic include:

- Shortages due to hoarding of vaccines by some countries
- Global access disparities
- Delays in the production of some vaccines due to discontinuity in production chains
- The slow and bureaucratic nature of the COVAX system which was designed to provide vaccines to countries with fewer resources
- The imposition of export barriers and trade restrictions due to critical COVID-19 outbreaks
- Difficulties in implementing universal vaccination programs due to weak infrastructure
- Strong regional participation in international laboratories' clinical trials that did not lead to greater access to vaccines.
- Relatively low levels of acceptance of the COVID vaccine by significant sections of the regional populations.

REGIONAL STRENGTH

Regional Strengths include:

- The pharmaceutical industry is one of the sectors with the highest productivity in LAC, creating well-paid formal jobs and contributing to economic development.
- Argentina's Pharmaceutical Industry has shown strengths in the development of generics and biosimilars.
- Cuba has a notable biotechnology industry; so, too, Brazil and Mexico, among others.

There are lessons to be learnt from the OECS/PPS Model: (Organisation of Eastern Caribbean States – (OECS) pooled procurement of pharmaceuticals). The major favourable outcome of this is straightforward:

Participating member countries have benefited from significant cost savings (average savings of around 20%) as a direct result of pooled procurement

BENEFITS FROM EU-LAC PARTNERSHIP

Benefits to be derived from an EU-LAC partnership on health include:

1. Increased resource availability- Increased access to commodities across all participating countries at reduced risk
2. Harmonized registration and product quality –enabling scientific, clinical, and regulatory standards through alignment
3. Improved product and service quality – monitoring standardized service as central to performance indicators
4. Better forecast accuracy and security of supply - increased efficiency through the sharing of resources and streamlining of procurement processes
5. Bolstered supply resiliency - encourages new vendors to join and existing vendors to stay in the market or invest in capacity building.

CONCLUSION

The region sees real hope in the mission of CELAC, which is to increase understanding of the development challenges that LAC is facing. The EU-LAC partnership on health will create synergies and commitments to find solutions through research, analysis, and the provision of policy advice along with the necessary technical assistance to put these policies into practice. The first step is the acknowledgement of the current vulnerabilities that the over 662 million residents of the LAC region share; and the second has begun:

that is, deciding to take a common approach to avert further setbacks in the region's access to vaccines and other life-saving medications.

To attain its objectives, the LAC area needs universal primary healthcare systems. But, to attain this, the health, economy, industry, and finance sectors must strategically coordinate. The EU-LAC partnership is a crucial conduit for growth and meaningful cooperation of regulatory systems. Indeed, a more comprehensive regional integration strategy will guarantee greater production autonomy and improved accessibility to basic medicines and other medical supplies.

The EU is interested in building a robust cooperation that will support ecosystems that are conducive to equal access to high-quality healthcare products. The global pharmaceutical industry must diversify so as to ensure the security of health on a global scale. We support this in genuine solidarity.

Finally, CELAC supports the crucial areas of focus that cover private sector involvement and financing for manufacturing capacity, which should encourage growth and development in the region's pharmaceutical, biotech, and MedTech businesses. The main objective is to guarantee universal access to high-quality, risk-free, and reasonably priced medicines through a variety of pharmaceutical technologies. At the same time, the State's role is vital in every material particular. Intra-regional cooperation and solidarity are an essential bedrock; and global partnerships, inclusive of EU-CELAC solidarity, are critical in the enterprise at-hand.

Thank you!