



United Nations  
Economic Commission for Africa



## CONCEPT NOTE

AfCFTA-anchored Pharmaceutical Initiative Ministerial Meeting on the Endorsement of the Centralized Pooled Procurement Mechanism and Signature to the Agreement

14-16 May 2024

Mombasa, Kenya



## I. BACKGROUND

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Following the launch of the African Continental Free Trade Area (AfCFTA)-anchored Pharmaceutical Initiative (Pharma Initiative) in November 2019, significant milestones have been realized by the United Nations Economic Commission for Africa (ECA) and partners towards building resilient health systems on the continent. The implementation of the Pharma Initiative anchored on African Medicines Agency (AMA) and AfCFTA is geared towards fostering inclusive and sustainable development of approximately 1.4 billion African people who continually face disproportionate impacts of diseases and high cost of importation of critical life saving health products. The Pharma Initiative is led by the ECA in partnership with the African Union Commission (AUC), the African Union Development Agency (AUDA-NEPAD), Africa Centres for Disease Control and Prevention (Africa CDC), Intergovernmental Authority on Development (IGAD), and relevant United Nations (UN) agencies – World Health Organization (WHO), United Nations Industrial Development Organization (UNIDO), United Nations Children’s Fund (UNICEF), United Nations Population Fund (UNFPA), United Nations Development Coordination Office (UNDCO) and Joint United Nations Programme on HIV/AIDS (UNAIDS).

The Initiative adopts a three-pronged approach, consisting of localized pharma-

ceutical production (LPP), pharmaceutical pooled procurement (PPP), and a harmonized regulatory and quality standard framework. The initial focus is on Sexual, Reproductive, Maternal, Neonatal and Child Health (SRMNCH) to showcase a proof of concept in ten African countries; Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Seychelles, and Sudan.

Under Phases I and II of the Pharma Initiative, which ran from November 2019 to May 2023, ECA and partners produced a Feasibility report and Framework for implementing centralized pooled procurement in 10 pilot countries establishing a business case for 110 medicines and products potentially eligible for pooled procurement. Further, the mechanism recommended the adoption of a centralized pooled procurement mechanism (CPPM) in pilot countries. In addition, two important studies were published: Preliminary survey report on the assessment of manufacturing capacity status among selected local pharmaceutical manufacturers in 10 pilot countries and Report on the Status, Capacity and Preparedness of 10 National Medicines Regulatory Agency (NMRAs) to Harmonize Medicine Regulation to Facilitate Pooled Procurement and Local Manufacturing. Results from the two studies indicated great variability and inadequate capacities of NMRAs



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to effectively participate in the harmonization of their regulatory functions and quality assurance highlighting need for capacity building support. The results also indicated the existence of active manufacturing companies in some pilot countries presenting opportunities for more products to be locally produced.

Phase III of the Pharma Initiative currently being implemented since June 2023, facilitates pilot Member States in the operationalization of the validated CPPM. In this context, the Draft CPPM and its Agreement was developed to provide common guidance on the implementation of the mechanism and ensure sustained political will and ownership from participating States. In addition, ECA convened an Expert Group Meeting for pilot countries of the Pharma Initiative, during which these technical documents were carefully reviewed and validated.

In the intervening period leading to the Ministerial Conference scheduled for May 2024, the Pharma Initiative technical teams are supporting participating countries with in-country reviews and sensitization to facilitate clearance of the Mechanism and the Agreement, while also promoting buy-in and local ownership.

Implementing CPPM has the potential to assist African countries in the achievement of the aspirations of Agenda 2063

of AU, and the Sustainable Development Goals (SDG). In particular, it will contribute to the achievement of SDG3 by ensuring improved access to safe, quality, and affordable health products, and building resilient economies by accelerating the 4<sup>th</sup> industrial revolution encapsulated within the New Public Health Order of the Agenda 2063. Linking this Initiative to the AfCFTA and AMA provides great opportunities with potential to save lives and livelihoods, reduce poverty, and contribute to inclusive and sustainable economic development for the continent.

The signature on the CPPM Agreement by the pilot countries' Ministers will cement the collaborative participatory approach for a successful pooled procurement of the lifesaving SRMNCH products and establishment of a reliable and resilient continental mechanism to secure Africa's economic and social imperatives. Further, implementing the CPPM has the potential to create fiscal space for African Governments in the backdrop of rising government debts, exacerbated by lingering effects of COVID-19, climate change variabilities and geopolitics tensions. Lessons from implementing the CPPM will inform future interventions of a similar nature led by AfricaCDC. This proof of concept will provide credible and reliable evidence to Africa countries, and other stakeholders to improve future pooled procurement mechanism design and delivery.

## II. MEETING OBJECTIVES

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The objective of the meeting is to seek the endorsement and signature of participating countries' Ministers of Health and Finance to pool procurement of a minimum of 4-5 SRMNCH medicines leveraging on the AfCFTA and AMA. This high-level meeting is expected to formally adopt the CPPM and the Agreement, thus setting in motion the operationalization of the relevant structures for pilot procurement to further demonstrate proof of concept whose lessons will feed into Continental Pooled Procurement Mechanism led by Africa CDC. The intended macro benefits complemented by social gains are significant job creation, increases in women's productivity, saving lives and livelihoods of African children and women, increased intra-African trade of safe, affordable, and quality medicines and pharmaceutical products and contribution towards structural transformation of Africa.

More specifically, the meeting is expected to:

- i) Seek adoption and consensus on the CPPM Framework design under the following themes:
  - Scope, governance & planning process and stakeholder management
  - Sourcing Process
  - Regulatory and Quality Assurance
  - Performance management and Information sharing platform.
  - Funding and fiscal management
- ii) Seek adoption and signature on the CPPM Agreement.
- iii) Agree on timelines and roadmap for the implementation of the CPPM.

## III. OUTCOMES

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The expected outcomes from this meeting are as follows:

- i) Endorsed CPPM
- ii) Endorsed and Signed CPPM Agreement
- iii) Endorsed CPPM Implementation Roadmap
- iv) Agreement on the council of ministers mandated to oversee the CPPM and provide regular updates to the African Union Assembly

## IV. PARTICIPANTS

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This in-person meeting will take place in Mombasa, Kenya from 14-16 May 2024. It will bring together Ministers of Health, Finance and Trade, senior government officials, Procurement and Regula-

tory agencies CEOs, as well as technical experts from partners (AUC, AfricaCDC, AUDA-NEPAD, UNFPA, UNICEF, UNIDO, WHO, UNAIDS, ARC and Development Partners).

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