ECA’s AfCFTA-anchored pharma and finance initiative

More fiscal space

- Drop in medicinal price in Eastern Caribbean through pooled procurement (Innovative Financial Revolving Fund introduced): 45%
- Drop in Ethiopia’s procurement budget through centralized pooled procurement: 22%
- Availability exceeds the SDG target through a prioritizing health budgetary allocations in Seychelles: 87%
- Out Of Pocket payment surpasses continental and global targets due to Community Health Insurance in Rwanda: 6%

Local production

- Kenya, local pharma product prices lower than those imported prices: 30%
- Mauritius pharma local production revenues: $120M
- Availability of local production branded generics: 37%
- Higher prices of local production branded generics due to inadequate regulatory systems: 23%
- Availability of imported branded generics: $34.4M
- 10%

Regulatory systems

- In Africa, locally produced branded generics have higher availability but also higher prices due to inadequate regulatory systems.
- In Comoros tackling challenges related to public and private procurement into a single regulatory authority is being addressed at the highest political level.
- Rwanda does provide a quality assessment of the public and private pharmaceutical procurement systems.
The AfCFTA-anchored pharmaceutical project in Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Seychelles, Sudan, and IGAD is a pilot health and economic initiative that contributes to improved and economically sustainable access to safe medicines through localized manufacturing and pooled procurement. A key parameter for consideration in this project is that maternal and Child health remain relatively high in the region with inadequate access and affordability to safe reproductive health products. In this regard, the AfCFTA together with AMA are proposed to be game changers in developing a scalable and sustainable reproductive pharmaceutical framework of action. The ECA led pilot initiative in collaboration with the African Union Commission, African Union Development Agency - NEPAD, WHO, UNAIDS and other relevant UN agencies has a three-pronged approach: localized production; pooled procurement and a harmonized regulatory and quality framework. The expected macro improvements include a positive impact on increased intra-African trade in pharmaceuticals, a significant drop in cost of medicines and improved fiscal space thereby reducing poverty, increasing productivity, saving lives and an overall acceleration towards the 2030 Sustainable Development Goals and Agenda 2063.