Interview with Juergen Knackmuss, Chairman, GPHF

21.09.2009

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Could you briefly introduce our readers the how the GPHF managed to improve health care in developing countries since its foundation in 1987?

The former abbreviation of GPHF stood for German Pharma Health Fund and it was initiated by the German Association of Research-Based Pharmaceutical Companies (VFA) in the late 1980s. Due to several reasons we stopped the activities of the GPHF as it once was.I was on the board of the old GPHF in the late 1980's through my involvement with Merck Darmstadt, one of the organization's founder companies. All companies had to face a common decision. The background was that every big pharmaceutical company had started its own Corporate Social Responsibility (CSR) programs and used the funds as something parallel and external to its CSR programs.

As a result, the real understanding of the funds within each of these companies became lost.Therefore, they decided to stop the fund's activities in June, 2007 with one caveat. What was there to do with the GPHF-Minilabs?

At that time, GPHF had already about 200 GPHF-Minilabs around the world. It was clear that we had to organize the supply for the 220 existing customers in 62 countries.Merck Darmstadt asked who could take care of this project. Besides the company itself, other institutions were interested, including the World Health Organization (WHO) and the United States Pharmacopeia (USP), which were big partners and buyers of the GPHF-Minilabs. However, since 90% of the equipment was Merck diagnostics, the company decided to take care of the future of the GPHF-Minilabs.Once Merck decided to take over GPHF, the first idea was to rename the GPHF-Minilab to Merck Minilab.

After deep discussion, we decided that the best solution was to leave the project to a new charity organization that would carry the same acronym but with a new meaning – Global Pharma Health Fund.

Besides, the GPHF-Minilab kept its name and its founder, Dr. Richard Jähnke, as the project leader.What are main objectives and mission of the GPHF as it is today?

The overall mission is to improve health care provisions in developing countries. That means quality assurance of medicines, combating counterfeits in developing nations, but this does not exclude other activities and projects. For instance, in the past, the fund financed a hospital in India and had different programs in Ethiopia.Since July, 2007, Merck decided to primarily focus GPHF's efforts on the fight against counterfeits, which is an increasing problem in different parts of the world. The project has been very successful, raising the number of GPHF-Minilabs to 325 units in 68 developing countries, a tremendous increase in less than two years. The fund has strong partners, such as the USP, with which GPHF has programs to develop new parameters in anti-malarials.The GPHF-Minilab now has 43 reference substances in the test kits. In the long term, under the lead of the GPHF, Merck could engage in other global programs. For instance, we have discussed whether or not the Merck-Praziquantel Donation Program (MPDP), which has been running since April, 2007, could be a program under GPHF. So far Merck has decided to run it directly together with the WHO, because this is entirely Merck's product. However, we expect the GPHF umbrella to keep growing in the coming years.Counterfeits represent a serious threat to health in developing nations.

They are reaching a penetration of more then 60% of the market in the worst cases. How does the GPHF concentrate its efforts in terms of regions attended and drugs analyzed?

The Minilab is not an active selling product. Therefore, the GPHF doesn't identify or target customers among developing countries. Big organizations such as the WHO, USP, and others identify sites where it would be useful to have a transportable mobile Minilab system and demand the product from us. However, in order to increase the scope of the GPHF-Minilab, the fund is improving its delivery system and is increasing its partnerships, as with IMPACT, of which we are a member.The whole pharmaceutical community, as well as counterfeit criminals, know about the quality and efficiency of the GPHF-Minilab and recognize its gold standard. No one could copy this equipment and sell it at a lower price. It has a subsidized price of €3500 for two big systems, which are the thin layer chromatography system and the coloring metric test. Historically, the GPHF started with the coloring metric test, as people in developing countries are normally not as highly skilled and color comparisons between reference standards and the tested drugs are simpler. However, this system doesn't work for all drugs, especially the most modern ones. Therefore, the

thin layer chromatography system was introduced to work in a quick and easy way to ensure that the results are correct. Although since this system is more complex, the GPHF has to further train the technicians involved. Nowadays, on one hand, the GPHF is improving the selling and logistics of the GPHF-Minilabs, and on the other hand, it is providing the training programs. Dr. Richard Jähnke is continuously travelling to the countries attended, including Gambia, where Merck has sponsored two GPHF-Minilabs to improve the health care system in the country.

What are the main challenges you face in fighting counterfeits in developing nations?

In some developing countries, counterfeits can reach a 60% penetration, as in the case of anti-malarials in Southeast Asia. Some countries have made big progress in anti-counterfeit efforts by inspecting the medicines when they cross national borders and by improving their purchasing system. Other not-so-well structured and managed countries have bigger problems in controlling the stream of medicines into their territories. Anti-malarials are the most prominent example. This is especially worrying since this is a very deadly disease if not treated correctly. In many cases, patients get counterfeits without any active ingredient, and as a result, many people still die from this tropical disease.GPHF and its partners' main goal is to increase the number of Minilab units around the world, especially in very inaccessible places where counterfeits are more common.With the fast economic growth of some developing countries, some analysts believe they will soon be able to guarantee the quality and safety of their drugs themselves.

How far are the least developed countries (LDC) from that?

The distance is relative to the will to solve the problem. The main lesson we learned from the MPDP was that it doesn't make since to donate drugs or Minilabs if you don't have a real commitment from the governments in advance. For instance, Madagascar was one of the first targeted countries for the Praziquantel donation group, and it was an excellent example of the success of a donation program where the government is truly involved and committed.The same works for the anti-counterfeits programs. The countries faced with the biggest problems in health care provision and counterfeits are countries where the will and engagement of their governments are the lowest. My general view is that if we are helping developing nations to build up their health care system, we can't just give them something for free unless they commit themselves with investment engagements.

Looking towards the future, how do you expect the GPHF to evolve in terms of diversifying its programs and also in terms of reaching new countries?

The GPHF is constantly identifying new partners and is prepared to go anywhere these is a need. For the future, our main concern is to build the capacity needed so that those countries and communities can start to be self-sufficient in at least assuring their basic health. Capacity building is the key in the fight against counterfeits and the GPHF-Minilabs are an important tool in order to offer safe and quality drugs for developing nations.Besides being the chairman of the GPHF, you are also Merck's head of public affairs.

In this regard, how has the GPHF integrated with Merck's other CSR programs?

Merck has a long history in CSR programs. Before, most of the programs were at the local base in what could be describe as good citizenship type programs. However, due to the internationalization of Merck's operations, the need for integrated global CSR programs emerged and this is where the GPHF came in.As a differential from other companies, Merck has a special attention to combat issues that are directly linked to its activities, and it has a long term approach. The three main areas in which the company is active is in health care, education, and culture. In all of our programs, one can see a direct relationship between these and our main activities, goals, and visions. The GPHF itself is a great example. This health care initiative aims to guarantee the safety and reliability of the products that pharmaceutical companies like Merck produces, which are essential medicines for people's life and well being.As previously mentioned, another good example of a successful global health care CSR program from Merck is the MPDP, which in partnership with the WHO is a centerpiece in the Schistosomiasis fight. This long-term program was started in April, 2007 and will last at least ten years. The WHO drew a framework identifying the right strategy to fight Schistosomiasis in LDCs and designed the priority targets. The aim is to first attend to African school children, who are the most vulnerable group to the disease. Next year, Merck will donate more then 200 million tablets of Praziquantel, thus serving more then 27 million African children.Even with so many CSR programs, the pharmaceutical industry doesn't enjoy a good image in some sectors of society.

Why do you think this happens and what are you doing to overcome this bad reputation?

If you talk with the population and even with politicians, you will find the same contradiction. They acknowledge the importance of the pharmaceutical industry in that it provides them with innovative therapies and medicines that will improve their life and well-being, but at the same time, they condemn the industry for profiting out of these activities. The logical link that is lost in this assessment is the basic fact that profits mean more investment. Return means more innovation, health improvement, and well being.In recent years, the pharmaceutical industry has been unable to deliver this message to the public, but it has now understood the importance of

rebuilding its image. Image campaigns are now being performed by the VFA and many individual companies in order to show the importance of innovative medicine in people's lives. The population also has to be aware of important programs that are being carried out by the pharmaceutical industry in areas such as neglected tropical diseases, donations of medicines to poor populations, educational programs, health care improvement programs, and so on.

As the chairman of GPHF, what would be your final message to the worldwide readers of Pharmaceutical Executive?

With GPHF's help, it is possible to improve health care provisions in developing countries by giving them a hand in building their capacities and improving their access to authentic medicines to treat people that are suffering from poverty-based diseases.However, the main challenge is to combat poverty itself, thereby preventing tens of millions of deaths from poverty-based diseases in the developing world. Wealth and health go together. Therefore, improving health in developing nations is a challenge that involves us all.

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