



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION

# Pharmaceutical Production in Developing Countries: A Pathway to Health and Industrialization

## THE IMPORTANCE OF LPP

- » More than **two billion people worldwide cannot get the medicines** they need.
- » LPP can help vulnerable populations, especially those in remote rural areas, to access quality medicines, thus contributing to **“leaving no one behind, and reaching the furthest behind first”**, the overarching principle of the 2030 Agenda for Sustainable Development.
- » LPP can **reduce the dependency on international donations** and a shrinking number of overseas companies who dominate the global market.
- » LPP is easier to control and **can help curb the vast influx of sub-standard medicines** into developing countries.
- » While LPP is wide-spread, most companies operate much below international standards. **Helping to upgrade their production contributes directly to people’s health**, as well as to inclusive and sustainable industrial development (ISID).

## BACKGROUND

From 2006-2018, UNIDO conducted a global project providing technical cooperation and advisory services to advance local pharmaceutical production (LPP) in developing countries with a wide range of public and private sector partners. The project contributed to improving the operational environment and technical capacities of local manufacturers, and it helped “mainstreaming” LPP as a global priority development theme. It also allowed UNIDO to gain a leading position on the LPP agenda and to establish a strong and vibrant network of partners.

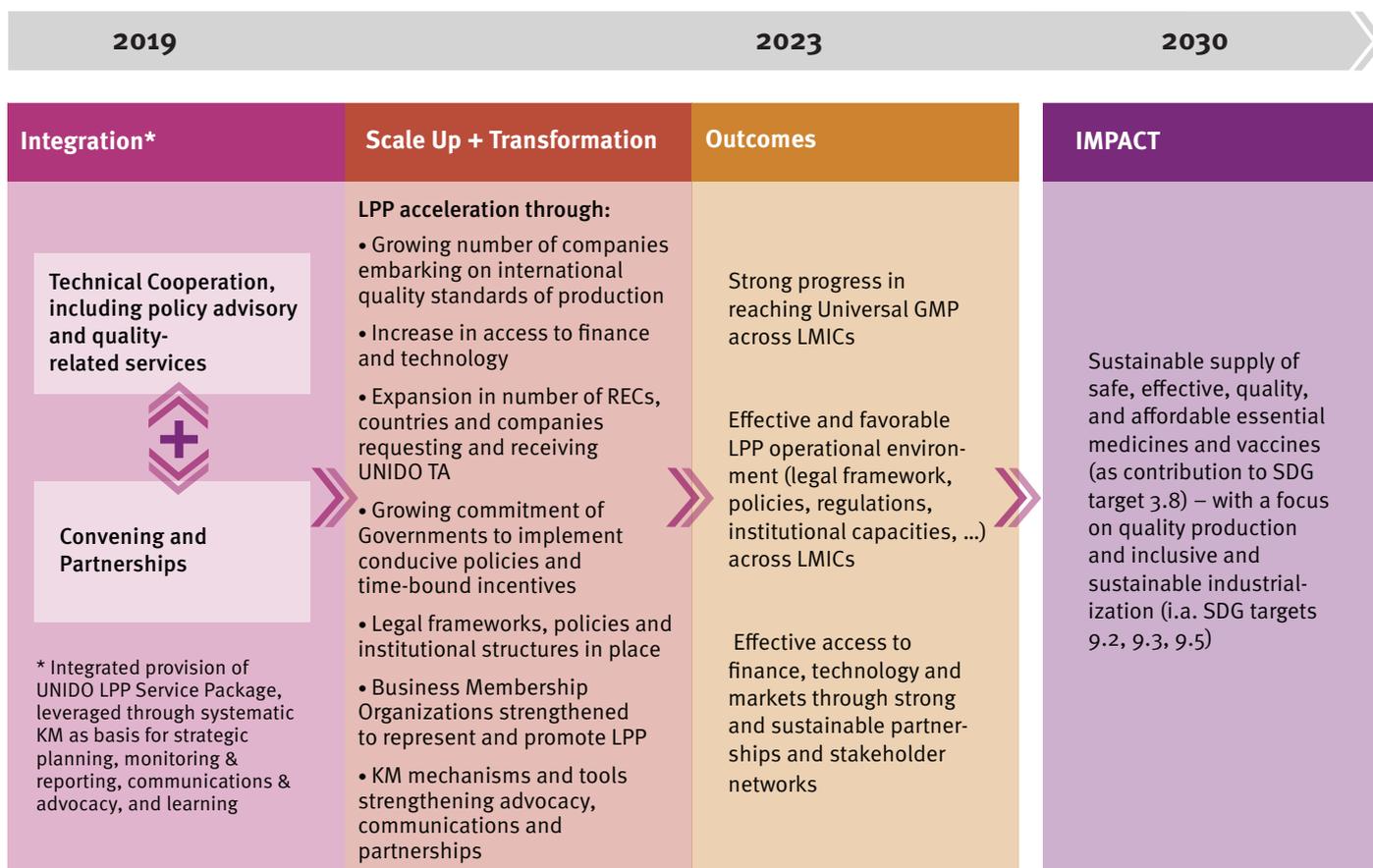
The success of the global LPP project - funded by Germany as a basis to attract additional resources for scale-up and transformational impact - has increased demand for UNIDO’s services and allowed it to expand its engagement beyond essential medicines into the local production of biologicals and vaccines.

## UNIDO STRATEGY

Against this background, UNIDO is taking its assistance to the next level by using a programmatic approach. In line with the Theory of Change of UNIDO’s Medium Term Programme Framework, a multi-disciplinary team of UNIDO technical experts ensures effective and coherent delivery of the organization’s key LPP services (see next page). Proactive knowledge management and communications provide the basis for strategic operational planning and coordination which integrate technical cooperation, policy advice and quality-related services with priority partnerships for scale up and transformational change. A particular focus is given to removing key systemic constraints such as lack of finance, technology and access to markets.

As such, UNIDO’s support to LPP contributes effectively to strengthening the health security of LMICs and attaining SDG target 3.8 on “access to safe, effective, quality, and affordable essential medicines and vaccines for all”, while, at the same time, contributing to ISID as enshrined in SDG9.

## UNIDO LPP PROGRAMME - THEORY OF CHANGE:



## UNIDO SERVICES

- » UNIDO's global LPP project (2006-2018) confirmed the need for continued delivery and further expansion of a tested package of LPP services under a programmatic approach. In particular, these include:
  - » **Policy advisory services** to formulate and implement pharmaceutical sector strategies, policies and programmes
  - » **Technical guidance to companies** to achieve international production standards such as Good Manufacturing Practices (GMP)
  - » **Business mentoring** to increase production efficiencies and cost savings, and to improve business planning
  - » **Promotion of investment and technology transfer** through 1) working with local companies and partners, and 2) matchmaking platforms and activities between both North-South and South-South, brokering win-win arrangements, including through Public-Private Partnerships
  - » **Human resources development** to ensure further expansion and long-term sustainability of local production
- » **Analysis and research** for developing sector policies and strategies, including on the economics of production and on market data, as a basis for rational decision making by companies, investors and policymakers
- » **Strengthening regional and continental pharmaceutical manufacturers associations** who represent and promote the industry, provide services to its members and engage with decision makers to address remaining challenges to LPP

**Department of Trade, Investment and Innovation (TII)**  
 Vienna International Centre,  
 P.O. Box 300, 1400 Vienna, Austria  
 Email: [tii@unido.org](mailto:tii@unido.org)  
[www.unido.org](http://www.unido.org)