Trade Related Aspects of Intellectual Property Rights (TRIPS): Obstruction or Incentive towards Investment in the Production of Generic Pharmaceuticals in Sub-Saharan Africa?

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Negotiations on Trade Related Aspects of Intellectual Property Rights (TRIPS) under the World Trade Organization (WTO), have had a major impact on public health and investments besides influencing dynamics of interest in manufacturing capabilities of generic pharmaceutical manufacturers. Initial TRIPS agreement safeguards intended to protect public health and incentivize R&D have been obstructed by patent extensions, clinical trial data extensions, and the use of Free Trade Agreements and anti-counterfeit legislation so as to block development of all capabilities to manufacture, import, export, and transit generic drugs. Thus, TRIPS served the promotion of the interests of "Big Pharma" by delaying possible competition from generic pharmaceuticals, with dire consequences for the health security of Africans suffering from HIV/AIDS, TB and Malaria. Nonetheless, in this paper the author shall analyse the subsequent response of Sub-Saharan Africa, and the potential shown for pharmaceutical Research and Development (R&D) and investment in production capabilities. With 11 percent of the world population, Africa is responsible for 24 percent of the total disease burden and costs. In 2006 the pharmaceutical market in sub-Saharan market was worth \$3,8 billion, with local manufacturers accounting for just 25 to 30 percent of this value. Major actors include South Africa which alone is responsible for the production of 70 percent of Sub-Saharan Africa's pharmaceuticals while Nigeria, Ghana and Kenya together account for approximately 20 percent of pharmaceutical production. Accountability and political commitment towards health, revised legislation, adequately funded and empowered authorities are also fundamental towards a favourable investment climate.