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Indian Pharmaceutical Leaders Urge U.S.-India Partnership 'Affordable Medicine Partnership'

IPA Cites New IQVIA Institute Study Demonstrating India's Vital Contribution to U.S. Healthcare and Need to Diversify Supply Chain

WASHINGTON – The Indian Pharmaceutical Alliance (IPA) – comprising 23 leading Indian research-based generic pharmaceutical companies – convened today at the DAR Museum in Washington DC to urge a U.S.-India trade partnership to reduce reliance on foreign sources for both nation's pharmaceutical supply chain and achieve affordable medicine resilience. These leaders cited a key new study released by IQVIA Institute for Human Data Science <https://www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/us-india-medicine-partnership> – *U.S. - India Medicine Partnership: India's Contributions to U.S. Healthcare* – highlighting India's vital contribution to the U.S. healthcare system, and the significance of the U.S.-India relationship for strengthening the health security of both countries.

With a single source increasing U.S. market share of basic medicines on which Americans rely such as hypertensives and antibiotics (distributing close to half of global antibiotics), stressing the importance of Indian pharmaceutical companies as strategic affordable medicines partners to America, these executives called for a transformative 'Affordable Medicine Partnership' aimed at shoring up health and national security in the U.S. and India.

"The time has come to restore balance and build resilience in these critical networks. This is not merely prudent – it is crucial," **said Sharvil Patel, Vice President, IPA and Managing Director of Zydus Lifesciences.**

The Affordable Medicine Partnership would align with the February 2021 Executive Order on America's supply chains, in which President Biden identified pharmaceuticals and active pharmaceutical ingredients as a supply chain risk and declared that "the U.S. needs resilient, diverse, and security supply chains to ensure our economic prosperity and national security."

According to the IQVIA Institute report, India has long been a critical source of affordable medicines for the United States. Ninety percent of all medicines prescribed for Americans are generic, and 47 percent of those prescriptions are filled with products produced by Indian pharmaceutical companies. The average annual savings to the U.S. healthcare system by these companies is more than \$219 billion, and over \$1.3 trillion over the past decade.

'We fully embrace our role as America's medicine partners," **Patel continued.** "The new IQVIA Institute report highlights our vital contributions to the U.S. healthcare system. Our operations across the U.S. are more than just business; they embody our deep commitment to American communities."

Patel, discussed the specific findings of the new report. "The findings demonstrate the significant contribution by Indian firms to the U.S. healthcare system. In five (5) of the top ten (10) key therapeutic areas, Indian companies account for more than 50% of the U.S. prescriptions, with percentages ranging from 55% to as high as 60%. **Patel concluded,** "the U.S. and India have both acknowledged that supply chains for APIs and KSMs are insufficiently diversified and that there is scope to collaborate to de-risk and diversify."

In referencing that the trade proposal aligns with President Biden's executive order, India's Production Linked Incentive Program, and the January 2024 U.S.-India joint statement, **said Vinita Gupta, CEO of Lupin** emphasized its significance. "The Affordable Medicine Partnership proposal is more than a trade initiative; it's a foundational step towards strengthening the health infrastructure vital to our mutual prosperity and security."

Gupta further elaborated on the proposal, highlighting its strategic significance as a natural extension of existing U.S.-India collaborations in energy, climate, and semiconductors. "The lessons learned from the pandemic have unequivocally shown us that health is intrinsically linked to industrial prowess and national security. It's clear, health underpins all critical sectors. With this initiative, we aim to bolster the health infrastructure crucial to our industrial sectors and national militaries, thereby enhancing the health security of both nations."

Gupta added, "Once this foundational framework is in place, it can be extended to trusted allies like the EU, UK, and Canada. We are creating a comprehensive framework that not only addresses immediate healthcare needs but also prepares us for future challenges. This initiative underscores our commitment to building a resilient global health infrastructure that supports economic stability and security worldwide."

Sudarshan Jain, Secretary General of the IPA, closed out the session by expressing his deep honor in representing the Indian Pharmaceutical Alliance. “As stewards of a transformative partnership that has significantly shaped healthcare in both India and the United States, we are proud to advance health security and foster international cooperation,” **Jain stated**. “This initiative will require our collective expertise, dedication, and steadfast commitment to collaboration at the highest levels of government and industry. The leadership of the IPA is fully dedicated to this cause and is eager to start the necessary work. These pharmaceutical leaders are in Washington DC for high-level meetings with the Administration and members of Congress to advance the need for an "Affordable Medicine Trade Partnership" similar to efforts to reduce reliance on semiconductor chips and other critical national security needs.”

The IPA CEOs Delegation comprised of Mr Satish Reddy, Chairman, Dr Reddy's Laboratories; Ms Vinita Gupta, CEO, Lupin; Mr Nilesh Gupta, Managing Director, Lupin; Mr. Dilip Shanghvi, Managing Director, Sun Pharmaceutical Industries; Mr Pankaj R Patel, Chairman, Zydus Lifesciences and Mr Sharvil Patel, Managing Director, Zydus Lifesciences and Vice President, IPA. Mr Sudarshan Jain, Secretary General, Indian Pharmaceutical Alliance and Ms Archana Jatkar, Associate Secretary General, Indian Pharmaceutical Alliance were also part of the delegation from the IPA Secretariat.

The report can also be assessed on the IPA Website. Link to download the report- <https://www.ipa-india.org/wp-content/uploads/2024/05/IQVIA-US-India-Medicine-Partnership.pdf>

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About the Indian Pharmaceutical Alliance (IPA):

IPA represents 23 research-based national pharmaceutical companies. Collectively, IPA companies account for over 85 percent of the private sector investment in pharmaceutical research and development. They contribute more than 80 per cent of the country’s exports of drugs and pharmaceuticals and service over 64 percent of the domestic market. For more information, visit <https://www.ipa-india.org/>.