Patrick van der Loo – Regional President Middle East, Russia and Africa (MERA), Pfizer

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Patrick van der Loo oversees Pfizer's operations across the vast Middle East, Russia and Africa (MERA) region. In a wide-ranging and insightful conversation, van der Loo outlines the company's approach to driving access to innovation in emerging markets and resource-constrained environments, including engaging in public-private partnerships where possible. He also highlights his hopes for how the region's regulatory environment could be better optimised to create more robust and equitable healthcare systems and better patient outcomes.

Can you introduce yourself and the affiliate, especially as Pfizer has spoken about moving away from having large clusters such as the one you oversee?

While completing my degree in International Management, I started my career in the healthcare industry, where I finished a thesis on developing Mexico's generics industry in the early 1990s. This is where I developed a deep interest in the sector. Over the course of the next 20+ years I held roles across Europe, Canada, Asia-Pacific, as well as Pfizer's New York Headquarters. I managed some of the largest therapeutic areas in cardiovascular and neuroscience globally and led the commercial development efforts of a 500+ molecule business.

In December 2020, I was appointed as the Regional President for Africa and Middle East and then in August 2022 my role expanded further to cover Russia and CauCAR countries.

Throughout my career I've been fortunate enough to gather a wealth of experience at Pfizer across multiple business divisions, regions and offices. Living and experiencing these vast and diverse regions fundamentally shaped who I am personally and professionally, which allowed me to immerse myself in different cultures and learn about the dynamics of emerging markets.

Now that you are leading Pfizer across the MERA region, what is your current mandate as Regional President?

I currently have three key priorities. Firstly, our mission is centred around breakthroughs that can change patients' lives. This means dedicating our efforts towards the development and introduction of these breakthrough medicines in the MERA region. We focus on six therapeutic areas: vaccines, oncology, inflammation and immunology, internal medicine, rare diseases, and hospital and anti-infective care.

Secondly, we place a strong emphasis on collaborations. Transitioning from a commercial powerhouse to a scientific powerhouse has reshaped our partnerships with governments, communities, and other stakeholders. We aim to strengthen our relationships with local and regional players, patient associations, and scientific institutions at a scientific level, aligning with our focus on scientific innovation.

An example of this is our collaboration with the Egyptian Government's Haya Karima Initiative, which aims to bring healthcare and prosperity to underserved communities. We are focusing on the scientific and wellness aspects of the initiative. In Morocco, we recently signed two memorandums of understanding (MoUs) with the government. One focuses on addressing antimicrobial resistance

(AMR) and the high prevalence of drug-resistant tuberculosis cases, while the other supports the implementation of their universal healthcare coverage. We adapt our global programs to suit the specific needs and expertise of each country, ensuring we make a meaningful impact.

The third priority is talent development and export. We are committed to fostering diversity and inclusion within our organization. Efforts have been made to increase gender diversity, with our female representation growing from 38 percent to 61 percent in less than three years. We have established leadership programs for aspiring female talents and implemented a rotational assignment approach to provide diverse experiences and accelerate their growth. These initiatives benefit not only our female colleagues but also contribute to the development of our male colleagues. Moreover, we strive to export our talent to other markets, sharing expertise and contributing to Pfizer's global success.

Overall, my mandate as regional president entails driving breakthrough innovations in the region, forging strategic collaborations, and investing in the development and export of diverse talent to shape a better future for patients and healthcare.

You mentioned homing in on a scientific perspective as a key strategic shift for Pfizer. Do you feel that this region has sufficient enabling infrastructure and resources to really nurture a large scientific community?

From a scientific perspective, there is indeed a perception that MERA countries may not have comparable innovative communities. However, there are encouraging signs of progress. For instance, Pfizer conducts numerous clinical trials in South Africa, where there is sufficient scientific standard to collaborate with multinational companies. In fact, the COVID vaccine was partially developed through a large clinical trial hub in South Africa. Additionally, certain rare diseases have a higher prevalence in this region, such as sickle cell disease in countries like the Democratic Republic of Congo and Nigeria. Pfizer's investment in researching and developing treatments for sickle cell disease demonstrates a commitment to addressing the needs of underserved communities. Furthermore, collaborations with organizations like the Dubai Health Authority showcase innovative approaches for monitoring chronic illnesses. Although the region may have a different population profile and demographic makeup compared to other parts of the world, there is a strong focus on science and life sciences, supported by the diversification policies of governments. The intention is to leverage these collaborative models and apply them in emerging markets across Asia, Latin America, and Africa.

Regulatory aspects also play a crucial role in scientific advancements. Pfizer has been an important catalyst in driving regulatory reforms, particularly following the COVID vaccine. Governments have shown an increased willingness to work in parallel and in real-time, streamlining the review process and adopting digital submissions. This collaborative approach has proven to be more efficient, and governments are keen to continue this progress, avoiding a return to cumbersome paper-based systems. Pfizer's involvement in regulatory harmonization, intellectual property discussions, and health technology assessments is a priority as we collaborate with governments in the MERA region. These partnerships require investments in local markets, and considerations such as clinical research and localization become important factors in the overall equation.

You are covering quite a large span of countries across MERA. Do you see any space for alignment across the countries on common agendas although they may be competing amongst each other for innovative capabilities and investment?

There is absolutely space for harmonization and collaboration on common agendas. One example is Africa, where there is a need for harmonization and alignment across the 54 countries on the continent. Currently, each country operates independently, which was evident during the early stages of the pandemic when Africa faced challenges in accessing personal protective equipment and medicines. However, there have been initiatives to foster collaboration, such as the Africa Medicines Supply Platform (AMSP) established by the Africa CDC, which created a common purchasing pool for essential supplies and a negotiation platform for therapies.

Looking ahead, it is crucial for countries in Africa to work together to enhance their preparedness for future pandemics and strengthen their manufacturing capabilities. Currently, Africa only produces one percent of its own vaccine supply, but there are ambitions to increase that to 60 percent by 2040. To achieve this, infrastructure and regulatory collaboration are essential. The establishment of the African Medicine Agency (AMA) and broader adoption of initiatives like AMSP will contribute to greater alignment and cooperation. However, it is worth noting that not all countries have signed and ratified these agreements yet thereby highlighting the need for further engagement and commitment.

Once the region achieves a more unified approach and collaboration in terms of infrastructure, regulations, and initiatives, it has the potential to become a powerhouse. This would create a more attractive investment environment and economic benefits for all countries involved. It is important for stakeholders, including pharmaceutical companies, to support these efforts and work towards a

collective and mutually beneficial approach.

In our discussions with executives around the world, a topic which often comes up is price reductions in major markets like the US and across Europe. Would you say that leaders in the boardroom are once again starting to discuss the role of emerging markets in spurring growth?

While this region still doesn’t compare to the predictability of countries like Japan where you can expect to see results of investments within three years, some governments and countries in emerging markets are realizing the long-term gains and opportunities for growth. For example, in the vaccine space, smaller countries like Rwanda have taken a leadership role, becoming examples for larger countries to follow. These countries are investing in their healthcare systems, creating an investor-friendly climate, and actively seeking partnerships with other innovative countries on the continent.

Morocco, for instance, is looking at manufacturing from a different perspective and recognizing the need for collaboration with other countries on the continent. They understand that they cannot do it alone and are engaging with other nations to foster partnerships. There is a shift happening among certain countries that see the long-term vision and the benefits of vaccine manufacturing, such as job creation and developing a robust ecosystem. Gavi, the vaccine alliance, aims to source 30 percent of the vaccines distributed in Africa from Africa itself, providing an opportunity for multinational companies to invest in these markets and establish collaborations.

However, it is important to note that not all countries are on the same trajectory, and some still face challenges. It requires comprehensive planning and coordination to ensure market access, manufacturing agreements, and a complete ecosystem. Multinational companies like Pfizer recognize the need for partnerships and have manufacturing facilities in North Africa, South Africa, and distribution centres in the UAE to serve the region. It is not feasible for every country to have all stages of the process, but collaboration and specialization can contribute to a forward path.

Overall, after years of mismatch, there is now a growing sense of progress and potential for emerging markets to play a significant role in driving growth and innovation in the industry.

How has Pfizer itself been performing in this region and what are your main success drivers locally?

We have been performing well in the region and have experienced success in several key areas. The company has launched a significant number of new products in the region, with 47 products introduced last year and 55 products planned for launch this year. These product launches include both long-awaited assets and those that have achieved rapid regulatory approvals, particularly in Saudi Arabia and the Gulf region. In the next few years, we aim to bring 10 new assets to markets in North Africa, such as Morocco.

Local success drivers include the accelerated timelines for regulatory approvals in Morocco, indicating the governments' commitment to improving access to innovative healthcare solutions. These governments in the region desire affordable prices for innovative assets and prioritize healthcare technology assessments that accommodate both generics and innovative products. Funding universal healthcare remains a challenge, and discussions revolve around identifying sustainable financing models, such as syntax models or taxation systems.

While launching new products is important, we recognize that access goes beyond pricing considerations. It involves collaborating with governments on regulatory timelines, implementing patient programs, and establishing pathways for patients to ensure responsible and controlled access to drugs and vaccines. We are committed to innovation and access in all six therapeutic areas, including vaccines, which have traditionally been significant for the company. Pfizer's vaccine portfolio includes pneumococcal conjugate vaccines, sub-unit vaccines (such as for Respiratory Syncytial Virus and maternal health), and mRNA vaccines.

Oncology is another important therapeutic area for Pfizer, and the majority of recent launches in the region have been in this field. Oncology now rivals vaccines in terms of its contribution to our presence in the MERA region. The company has shifted its focus away from legacy portfolio products like hospital and sterile injectables towards innovative solutions.

Overall, our performance in the region has been driven by a commitment to innovation and access, successful product launches, engagement with governments to improve regulatory processes, and a focus on key therapeutic areas.

When it comes to the regulators' perspective of medicines, are they looking for the best-in-class solutions or primarily therapies which can be effective for patient outcomes without breaking their budget?

They are not looking for merely adequate solutions but rather treatments that push the boundaries of medical advancements. However, it’s important to note that regulators in the region are also mindful of budgetary considerations. While healthcare technology assessments (HTAs) are not as prevalent in the MERA region as they are in Europe, governments are exploring innovative ways to ensure access to medicines without compromising their budgets. The specific approach may vary depending on the country and the healthcare system in place. In private systems, pharmaceutical companies may have more flexibility, while in public systems, requests for access support may arise.

Despite budgetary considerations, innovation remains a top priority for regulators in the region. They are investing in science parks, genetic institutes, and other initiatives to foster and promote innovation in healthcare.

How does the growing trend of private healthcare insurance in the region impact access and pricing conversations?

Yes, there is a trend in the region towards increasing involvement of the private sector in healthcare systems. This can be seen in countries like South Africa, where multiple insurance companies are operating in innovative ways. For instance, Discover Health has been recognized for its quality data and has even assisted the US government during the pandemic. They are interested in exploring innovative contracting models that focus on outcomes and are willing to pay more for innovative treatments while valuing generics at a lower cost.

This increasing presence of the private sector can have an impact on conversations surrounding access and pricing. It introduces a competitive framework where insurance companies and other private entities may engage in negotiations and innovative contracting arrangements with pharmaceutical companies. This approach may prioritize outcomes and value-based payments rather than solely focusing on government-led pricing negotiations. Overall, it offers an opportunity for more diverse and dynamic discussions around access and pricing in the healthcare sector. So, I see it more developing that way, in a competitive framework, rather than as challenging third-party pharmacy benefit managers (PBM) like in the US.

In many countries, there is an ongoing discussion on the role that data must play in epidemiological plans, access and reimbursement KPIs, and much more. How do you see

the region’s capacity for digitalization and staying ahead of this trend?

The region has shown promising capability in digitization and keeping up with data-driven approaches in healthcare. Countries like the UAE have made significant strides in digitizing their healthcare systems and collecting vast amounts of data, especially in areas like cardiovascular health and chronic diseases. This enables the tracking of disease development based on environmental factors and the identification of intervention points.

However, it’s important to note that data privacy is also a concern, and these countries prioritize protecting the privacy of individuals’ health data. While the data cannot be commercially marketed, it can be leveraged for technological advancements and to position the region as a leader in healthcare. Collaborative initiatives between organizations like Pfizer and local health authorities, focused on digital initiatives and data utilization, demonstrate the commitment to harnessing the potential of data in the region.

It’s evident that these countries understand the importance of investing in scientific training and research to enhance their capabilities further. With their swift pace of progress and commitment to technological advancement, it is likely that the region will become a significant player in leveraging data for epidemiological plans, access and reimbursement strategies, and other healthcare initiatives in the near future.

What message would you give to authorities in the region about the key areas they should be focusing on to continue their development and increase capacity for science and growth?

I would first emphasize regulatory harmonization. The region should prioritize aligning regulations and adopting mutual recognition procedures. This will create a unified market model, enhancing competitiveness and facilitating the smooth flow of pharmaceutical products. Furthermore, collaborating with other countries and regional organizations can enhance scientific research, knowledge sharing, and capacity building. Strengthening partnerships within the region, such as a GCC or African intellectual property model, can drive innovation and accelerate progress.

The second is intellectual property. Strong measures need to be in place to protect intellectual property rights. Combatting illicit importations and counterfeit trade is crucial to ensure the integrity and safety of pharmaceutical products in the region.

Next, improve access to healthcare via sustainable access models should be established, ensuring that both generics and innovative medicines are available to meet the diverse healthcare needs of the population. Balancing the need for affordable generic drugs with access to innovative therapies is essential. Still, there should be a focus on innovation. Encouraging a culture of innovation and research will propel the region's healthcare sector forward. It is essential to ensure that the region does not miss out on breakthroughs that can significantly improve patient outcomes and address unmet medical needs.

Finally, I want to express the importance of effective implementation. It is crucial to ensure that access initiatives, such as our "An Accord for a Healthier World," are supported by comprehensive implementation plans. This first-of-its-kind initiative enables sustained and equitable access to our innovative medicines to 45 lower-income countries on a Not For Profit basis. We have since expanded this program to our entire portfolio and signed agreements with several countries. However, this involves not only delivering products but also providing support in terms of diagnostics, patient screening, and appropriate use of therapies to maximize their impact. Without having the right behaviours around the medicine, the value is lost even at a lower price point.

Ultimately, the region's commitment to science, regulatory efficiency, intellectual property protection, and equitable access to healthcare will contribute to its continued development and growth in the field of healthcare and pharmaceuticals. Pfizer and other industry stakeholders are actively working towards these goals and making progress in the region.

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