

## **IFC Supports Nippon Chemiphar to Boost Local Production of Generic Drugs in Asia, Middle East, and Africa**

**Tokyo, Japan, May 16, 2022**—In a bid to promote local manufacturing of pharmaceutical products in nascent markets, IFC and Nippon Chemiphar Co. Ltd., a leading Japanese pharmaceutical company, are joining forces. The aim is to conduct a feasibility study on expanding production and distribution of the company's generic pharmaceutical products in Asia, Sub Sahara Africa (SSA), and Middle East and North Africa (MENA).

At an early stage of development, the pharmaceutical industry in emerging markets is heavily reliant on imported medicines. For example, in most of SSA, pharmaceutical imports comprise as much as 70 to 90 percent of drugs consumed. This dependence on imports leaves citizens vulnerable to shortages of medication — a problem that triggered a continent-wide crisis during the pandemic.

In response, the IFC-Nippon Chemiphar partnership aims to strengthen in-country drug production, improving access to more affordable and quality medicines across emerging markets. This will help enhance resilience to supply chain disruptions and also reduce the proliferation of counterfeit and low-quality medicines.

IFC's support will include a deep-dive country analysis to evaluate the export and distribution potential along with comprehensive field research to help assess the business conditions of local markets while facilitating partnership with prospective local organizations.

Kazushiro Yamaguchi, President and CEO of Nippon Chemiphar, said “Based on our corporate philosophy to help people become and remain healthy providing pharmaceutical drugs and health-related services, we are engaged in the development, manufacture, and supply of ethical drugs in Asia, and furthermore, we hope to contribute to the improvement of local healthcare systems by expanding to areas where they are needed. To achieve this, we are truly honored to obtain the support of IFC, which has a wealth of experience and worldwide networks.”

Creating markets is one of the core pillars of IFC's 3.0 strategy. IFC has been focusing on working upstream—helping to establish the conditions in a country that lead to private investments—to create markets by supporting early-stage project development and building a pipeline of bankable projects. Supporting leading companies like Nippon Chemiphar with expertise in research and development and manufacturing, can help foster the pharmaceutical sector and build robust public health systems in Asia, SSA, and MENA.

“Heavy reliance on pharmaceutical imports causes essential medicines to be less affordable and accessible,” said Rana Karadsheh, IFC Regional Industry Director for Manufacturing, Agribusiness & Services in South Asia & East Asia and Pacific. “By supporting an experienced pharma player, IFC underlines the importance of boosting local manufacturing capacity. This will help improve accessibility and affordability of medicines while improving overall health systems in developing countries, especially in a post-COVID world.”

This project will be supported by the government of Japan through the Comprehensive Trust Fund (CJTF) as part of its support to the Global Health Platform (GHP), launched in 2020 to support the private sector in expanding local pharmaceutical production in developing countries. Nippon Chemiphar is the first Japanese health care company to utilize the CJTF for a GHP upstream project.

**About IFC**

IFC—a member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2021, IFC committed a record \$31.5 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of the COVID-19 pandemic. For more information, visit [www.ifc.org](http://www.ifc.org).

**About Nippon Chemiphar**

Nippon Chemiphar was established in 1950 and is engaged in ethical pharmaceuticals, diagnostics and healthcare-related products. The Company continues to expand its business through strategic growth in the areas of generic drugs, alkalizer and in-house drug discovery in Japan and overseas. Since 1998 we have exported ethical drugs to China, Korea and ASEAN countries. In 2015, we established Nippon Chemiphar Vietnam Co., Ltd., which manufactures ethical drugs for Japan and develops them for Asian countries as well. For more information, visit [www.chemiphar.co.jp/english](http://www.chemiphar.co.jp/english).

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