

New player set to enter Aids-drug production

By [Tamar Kahn](#)

9 Jun 2017

State-owned pharmaceutical manufacturer Kettaphela, which has yet to begin production of active pharmaceutical ingredients (APIs), may soon face competition from a black-owned rival called Inicio, which has secured a licensing agreement with German firm Fluxpharm.



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The agreement is an important step towards possible local API production for HIV/Aids drugs, which locally based pharmaceutical manufacturers import from China and India. APIs are the key biological components of medicine.

Inicio is headed by Eugene Lottering, formerly MD of Specpharm, and is conducting a joint prefeasibility study with the Industrial Development Corporation (IDC) into the viability of commercialising technology for local API production.

"We are trying to set up a fully black-owned pharmaceutical company to produce APIs," said Lottering.

The outcome of the feasibility study would determine whether the IDC participated in the project and took a stake in the venture, said IDC spokesman Mandla Mpangase.

The government has been pushing for local manufacture of the APIs used for HIV/Aids medicines to try and improve the security of supplies, reduce the pharmaceutical trade deficit, and make better use of SA's fluorspar resources.

SA has the world's second biggest reserves of fluorspar, which are largely exported as raw materials and beneficiated elsewhere, and one of the world's worst HIV epidemics. The government is providing treatment to more than 3.5-million people.

About "75% of all people affected by HIV are in subSaharan Africa and yet there is no African plant making ARV [antiretroviral] APIs," said Lottering. "It is our problem to solve," he said.

Analysis by the Southern African Development Community concluded that the region could support up to two API manufacturing facilities, he said.

The licensing deal with Fluxpharm covered APIs for HIV/Aids medicines, and 22 other drugs, he said

Source: *Business Day*

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