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IFAH

The International Federation for Animal Health* (IFAH) is the federation representing manufacturers of veterinary medicines, vaccines and other animal health products in both developed and developing countries across five continents. IFAH's goal is to promote a harmonised, science based regulatory and trade framework and marketplace environment, that supports a global animal health industry which is economically viable and innovation driven, contributing to a healthy and safe food supply as well as to a high level of animal health and welfare.

IFAH'S Mission is to:

- Act as the voice of the industry in dialogue with the major international bodies which have an impact on the animal health industry e.g. The United Nations Food and Agriculture Organisation (FAO), The World Health Organisation (WHO), Codex Alimentarius, The Office International des Epizooties (OIE – The World Animal Health Organisation), The World Trade Organisation (WTO) and others.
- Represent the industry with a unified voice in liaisons with governments, regional public policy makers in the EU, North America and other regions, the veterinary profession, food industry partners, the consumers and other stakeholders.
- Encourage and assist the development of predictable science based regulatory processes and standards.
- Facilitate the process of international harmonisation of regulatory and registration requirements through work with programmes such as the International Cooperation on Harmonisation of Technical Requirements for Registration of Veterinary Products (VICH).

Strategic Intent

We want to ensure that the contribution and value of the animal health industry to the quality of animal and human life through the advancement of sound science, is fully understood in the context of growing regulatory constraints and social and political concerns. As a responsible industry we want to ensure that our stakeholders understand the work we do and the wide range of benefits we accord to society at large.

* IFAH, the International Federation for Animal Health, is a non-profit international organisation registered under Belgian law



Our first year as an integrated federation representing the animal health industry was completed successfully, and succeeded in connecting the animal health industry over five continents. While we may not rival other global sectors in size, we certainly rival them in actual and potential impact.



Alan Reade
President



Jean-Louis Delforge
Executive Director

For animal health, as our membership understands, it is not only vital to ensure the health and well being of the wide variety of species our industry supports, but it has a broader significance. Animal health underpins and promotes human health, whether it be through a food chain derived from healthy animals or from simple daily contact with pets or wildlife. IFAH will continue to develop its position and integration as an effective world-wide representative through harnessing the considerable expertise and energy already present and manifest in its member associations and companies.

Delivering the benefits

When we announced the formation of IFAH we told our stakeholders that we expected to create an organisation with significantly enhanced representation and improved membership benefits. We have made great progress in 2002 in turning these expectations into reality.

As we enter 2003, IFAH is in good shape. The successful integration of the industry representation in one of our key regions (Europe) into the broader organisation has given IFAH enhanced representational strength and has given the animal health industry platform from which it can achieve a unique capability to raise awareness of the issues at global level. We are also taking advantage of the increased synergy created between the scientific, regulatory and technical knowledge of our experts in the specific IFAH teams and working groups.

We are mobilising the resources which exist within the industry by reorganising and rejuvenating our networking capability, especially in Europe under the leadership of the IFAH–Europe Council.

IFAH is built on the commitment and active enthusiasm of our membership. We are confident in IFAH's capability to deliver effective representation to our industry at all levels.

The way forward....

Building on the created momentum and on the hard work of 2002, the IFAH Board has identified three strategic priorities for 2003 onwards. These are:

- Regulatory Affairs: comprising the vital elements of harmonisation, antimicrobial availability, the precautionary principle and regulatory process efficiency.
- Food Chain: with emphasis on the need for communication and relationship building with key stakeholders.
- Image Management: based on the need for comprehension of the industry and for recognition of its contribution to society.

Moving together with a common goal, while recognising specific local and regional needs, will ensure that the animal health industry achieves the most appropriate platforms from

which to articulate its position, and from which to develop its activities and expand understanding about its role.

IFAH is built on the commitment and active enthusiasm of our membership. We are confident in IFAH's capability to deliver effective representation to our industry at all levels.

Acknowledgements

We want to thank our Board members, our membership and our employees for their support during this first year. We know you will be as proud as we are of our achievements, and we are sure that you share our continued enthusiasm for the future of this federation, for its prospects and for the benefits it will continue to bring to its members and to society at large.

Alan Reade *President*
Jean-Louis Delforge *Executive Director*

The strategic priorities to which IFAH worked in 2002 were:

- Global Harmonisation of representational structure for the industry
- Food Chain
- Antimicrobial Resistance
- Regulatory Harmonisation

Significant successes and advances were achieved in all areas.

Global Harmonisation of representational structure for the industry

In March 2002, the animal health industry voted in support of IFAH progressing with plans to harmonise representation of the industry at all levels world-wide. The vote by the General Assembly paved the way for the creation of an effective framework through which the industry contributes to debates and decisions being taken by governments and other organisations which may affect it profoundly.



This activity culminated on 28 October 2002, when IFAH warmly accepted the request from the members of FEDESA (the European Federation of Animal Health) to join the international organisation and to merge activities, through the creation of an IFAH-Europe division. This decision was reached by a huge majority. Over 97% of the votes cast by FEDESA supported integration and the subsequent new IFAH-Europe structure.

Food Chain

During the course of 2002, IFAH consolidated its position as a key partner in discussions about the food chain and food safety policy. In February IFAH participated in a high level pan European conference organised by the FAO and the WHO, which highlighted the increasing importance of food safety and quality throughout Europe and called for the sharing of information and expertise on this issue.

In June working with and through the International Agri-Food Network (IAFN) and the Business and Industry Advisory Committee to the Organisation for Economic Co-operation and Development (OECD), IFAH submitted comments on the draft paper "Addressing Socio-Economic Concerns related to Food Safety." IFAH's input focussed around the need to ensure that science based evaluation is not compromised by emotional and/or subjective assessments, highlighting the significance of the role of the food standards/safety agencies in providing objective, independent assessments of products in relation to socio-economic criteria.

This theme was pursued in October when IFAH's Executive Director addressed an APIFARMA conference on "Food Safety: people science versus regulatory science."

Antimicrobial Resistance

The issue of antimicrobial resistance continued to be vital to the animal health industry in 2002. IFAH moved to ensure that the issue would be effectively monitored and managed when it successfully laid the foundations for close and effective co-operation with other sectors. In April, a meeting between IFAH and the International Dairy Federation (IDF) resulted in a reinforcement of the cooperative relationship which led to IFAH's Executive Director giving a presentation at the IDF's World Dairy Summit in September in Paris through which IFAH highlighted the need for both industries to work together to promote the use of guidelines on responsible use of antimicrobials.

IFAH too was an integral partner in the Codex drafting group which met in the United States in July. "Draft code of practice to minimise and contain antimicrobial resistance" was submitted to the Codex committee on residues of veterinary drugs in food, which met in the first quarter of 2003 in the USA.

Regulatory Harmonisation

In its capacity as secretariat to VICH, IFAH was able to participate in, monitor and report on developments in the area of veterinary harmonisation. IFAH's Executive Director addressed the 2nd VICH Conference in Tokyo in October and highlighted the need for mutual support if shared

“Significant successes and advances were achieved in all areas.”

political and technical objectives were to be successfully realised. The VICH programme welcomed Canada as observer and Camevet (Committee of the Americas for the Harmonization of Registration and Control of Veterinary Medicinal Products) as an Interested Party.

IFAH also gained an observational presence at the International Association for Biologicals (IABs), Veterinary Scientific Committee which will foster dialogue between the two organisations.

Other Achievements

In May IFAH and the OIE signed an agreement designed to allow the two organisations to develop further co-operation on topics such as research to counter animal diseases and the provision of educational materials on the usage of veterinary medicines, and food safety.

Across five continents member associations were equally busy supporting IFAH objectives...

In Europe... FEDESA (now IFAH-Europe) addressed:

Food Chain

- The federation built on dialogue and cooperation with the food chain network, which comprises organisations representing food chain stakeholders (farmers, the food and drink industry, feed producers, veterinarians, amongst others) at European level.
- It provided input to the debate on the establishment of the European Food Safety Authority (EFSA).



Antimicrobial Resistance

- The federation provided comments on the draft EMEA/CVMP¹ guidelines for the evaluation of antibiotics concerning the future licensing process of new products.

Regulatory Harmonisation

- The European federation participated actively in the discussions within key international organisations (Codex Alimentarius and VICH).
- A benchmark study of the animal health industry in Europe showed the need for a harmonised regulatory system, amongst others.

European Regulatory Issues

- Veterinary Regulation Review:** A paramount effort was to provide input to the Review of the pharmaceutical legislation at the EU institutions - Commission, Council and European Parliament (EP). Industry successfully put its messages across and had its position endorsed by the EP. The main issues are:
 - Obtaining sufficient data protection for return on investment
 - Having a free choice in the licensing procedures
 - Getting a streamlined renewal process
 - Maintaining national routes of distribution for certain food-animal medicines.
- Medicines Availability:** Industry provided data to the EU institutions that supported the extension of the existing Maximum Residue Limits (MRLs) for 12 veterinary medicinal products to all food-producing animals.

Communications Activities Europe

- A successful second European "Pet Night" was organised in Brussels by a coalition group of animal related non-profit organisations, of which the federation was a partner. This

activity substantially elevated the knowledge of MEPs on the Animal Health Industry at the time when the veterinary legislation was being discussed in parliament.

In North America.... the Animal Health Institute (AHI) worked on:

Food Chain

- Intense activities were undertaken to help the food chain companies make informed, science based decisions about antibiotic policies while building relationships for future discussion.

Regulatory Harmonisation

- AHI continued active participation in the international cooperation on harmonisation of technical requirements for registration of veterinary products (VICH) and Codex Alimentarius.

US Regulatory Issues

- Negotiations were completed with the Center for Veterinary Medicine (CVM) on Food and Drug Administration (FDA) performance standards/user fees and initiated FDA improvements in the approval process.
- AHI worked with coalition partners to win congressional passage in various issues such as the Animal Health Protection Act - giving the USDA greater authority to detect and combat animal disease, to introduce Minor Use/Minor Species Animal Health Act of 2002, to preserve animal health functions of the Animal and Plant Health Inspection Service, and defending antibiotic use in animals.

Communications Activities North America

- AHI worked with partners and sponsors on a successful "Pet Night" on Capitol Hill.

In South and Central America

- IFAH welcomed ALAVET* as a new member.
- SINDAN* succeeded in defending patent protection in intellectual property legislation in Brazil (10 years for new substances and 5 for old ones).
- The industry was represented by SINDAN in various conferences, such as the VIII Camevet seminar on regulatory harmonisation.

In Asia-Pacific... member associations

- Commenced projects to evaluate antibiotic usage in livestock production (Avcare*).
- Continued negotiation with Australian authorities on issues such as data protection, the setting of MRLs for veterinary medicines, and monitoring the review of sheep ectoparasiticides.
- Hosted the VICH 2 Conference (JVPA*) in Japan.

In Africa... IFAH members

- Presented the creation of opportunities for food security in Africa in the context of the World Food Summit in Rome in June.
- Participated in the ongoing Programme Against African Trypanosomiasis led by WHO & FAO.

The Animal Health Industry in 2002

REGION	\$m	%	Share
North America	4,180	+1.0	36.9
Latin America	1,385	-2.5	12.2
West Europe	2,995	+7.7	26.4
East Europe	455	+7.1	4.0
Far East	1,965	+1.0	17.3
Rest of World	350	+2.9	3.1
Total	11,330	+2.5	100.0

Source: Wood Mackenzie

Animal Health Market by Region

SPECIES	\$m	%	Share
Cattle	3,140	+0.6	27.7
Sheep	590	+4.4	5.2
Pigs	2,030	+2.8	17.9
Poultry	1,405	-0.4	12.4
Companion Animal/Other	4,165	+4.6	36.8
Total	11,330	+2.5	100.0

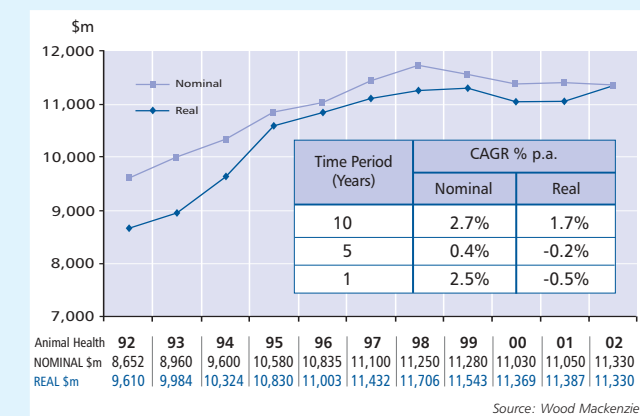
Source: Wood Mackenzie

Animal Health Market by Species

PRODUCT GROUP	\$m	%	Share
Medicinal Feed Additives	1,625	-0.6	14.3
Biologicals	2,565	+7.1	22.6
Anti-infectives	1,930	+2.1	17.0
Parasiticides	3,115	+0.5	27.5
Other Pharmaceuticals	2,095	+3.2	18.5
Total	11,330	+2.5	100.0

Source: Wood Mackenzie

Animal Health Market by Product Group



Animal Health Market Evolution/Consolidation

¹ EMEA/CVMP: Committee for Veterinary Medicinal Products of the European Agency for the Evaluation of Medicinal Products

*See list of members

Membership

During 2002 IFAH welcomed the following new members:

Associations

Chile: ALAVET – Asociación Gremial de Laboratorios de Productos Veterinarios

Corporate Members

CEVA Santé Animale
Janssen Animal Health
Vétoquinol, Laboratoire Pharmaceutique Vétérinaire

IFAH Board of Directors as at 31 December 2002

President

Alan Reade, *Meril Limited*

Vice President

Friedrich Berschauer, *Bayer AG Animal Health Business Group*

Treasurer

Raul Kohan, *Schering Plough Animal Health*

Directors

Sebastiao Costa Guedes, *South and Central America*
Philippe du Mesnil, *CEVA Santé Animale*
Joachim Hasenmaier, *Boehringer Ingelheim Animal Health GmbH*
Dominique Henryon, *Vétoquinol, Laboratoire Pharmaceutique Vétérinaire*
Jean-Louis Hunault, *Europe*
Patrick James, *Elanco Animal Health*
Ichiro Kaizuka, *Asia-Pacific*
Pedro Lichtinger, *Pfizer Animal Health Group*
Eric Marée, *Laboratoires Virbac*
Alexander Mathews, *North America*
Cheryl Morley, *Monsanto Company*
Pierre Scarcériaux, *Janssen Animal Health*
Kurt Schmidt, *Novartis Animal Health Inc*
Ruurd Stolp, *Intervet International BV*
Carol Wrenn, *Alpharma Animal Health Division*

Officers

Dr. Jean-Louis Delforge (DVM), *Executive Director*
Ms Florentina Pardo, *Assistant to the Executive Director*

IFAH membership as at 31 December 2002

IFAH's membership comprises 28 trade associations representing the animal health industry from countries and regions across five continents, and 14 corporate members.

Regional and National Associations

EUROPE

Belgium:

AGIM/AVGI - Association Générale de l'Industrie du Médicament

Denmark:

VIF - Veterinaermedicinsk Industriforening

France:

SIMV - Syndicat de l'Industrie du Médicament Vétérinaire et Réactif

Germany:

BfT – Bundesverband für Tiergesundheit

Ireland:

APHA – Animal and Plant Health Association

Italy:

AISA – Associazione Nazionale dell'Industria della Salute Animale

The Netherlands:

FIDIN – Vereniging van Fabrikanten en Importeurs van Diergeneesmiddelen in Nederland

Portugal:

APIFARMA – Associação Portuguesa da Indústria Farmacêutica

Spain:

VETERINDUSTRIA – Asociación Empresarial Española de la Industria de Sanidad y Nutrición Animal

Sweden:

LIF – Läkemedelsindustriföreningen

Switzerland:

SGCI/SSIC – Schweizerische Gesellschaft für Chemische Industrie

United Kingdom:

NOAH – National Office of Animal Health
FEDESA/EFAH – The European Federation of Animal Health
FEFANA – European Federation of the Animal Feed Additive Manufacturers

NORTH AMERICA

Canada:

CAHI – Canadian Animal Health Institute

United States:

AHI – Animal Health Institute

SOUTH AND CENTRAL AMERICA

Argentina:

CAPROVE – Cámara Argentina de la Industria de Productos Veterinarios

Brazil:

SINDAN – Sindicato Nacional da Indústria de Produtos para Saúde Animal

Chile:

ALAVET – Asociación Gremial de Laboratorios de Productos Veterinarios

Mexico:

INFARVET-CANIFARMA – Industria Farmacéutica Veterinaria – Cámara Nacional de la Industria Farmacéutica
FILASA - Federación Latinoamericana de la Industria para la Salud Animal

ASIA - PACIFIC

Australia:

Avcare – National Association for Crop Production and Animal Health

Indonesia:

ASOHI – Indonesian Veterinary Drugs Association – Asosiasi Obat Hewan Indonesia

Israel:

MAI – Manufacturers Association of Israel

Japan:

JVPA – Japan Veterinary Pharmaceutical Association

Korea:

KAHPA – Korea Animal Health Products Association

New Zealand:

AGCARM – New Zealand Association for Animal Health and Crop Protection

AFRICA

South Africa:

AVCASA – The Crop Protection and Animal Health Association

Corporate Members

Alpharma Animal Health Division
Bayer AG, Business Group Animal Health
Boehringer Ingelheim Animal Health GmbH
CEVA Santé Animale
Elanco Animal Health
Intervet International BV
Janssen Animal Health
Laboratoires Virbac
Meril Limited
Monsanto Company
Novartis Animal Health Inc
Pfizer Animal Health Group
Schering-Plough Animal Health
Vétoquinol, Laboratoire Pharmaceutique Vétérinaire