

# Novartis brings over US\$149 million GDP benefits to SA

Jun 05, 2018

- In addition to extensive medical benefits, Novartis contributes nearly US\$150 million to SA's GDP
- Ongoing efforts to build SA scientific capacity, boost local healthcare

Johannesburg, 04 June, 2018 International pharmaceutical company Novartis, already heavily invested in science and healthcare development partnerships across the continent, contributes around US\$150 million to South African GDP each year, the company's new CEO has revealed.

Speaking during his first visit to Ghana, Kenya and South Africa in his new role as Novartis Global CEO, Vasant (Vas) Narasimhan outlined Financial, Environmental and Social (FES) impact valuation results for South Africa based on 2017 data. The evaluation indicated a total GDP contribution of US\$149 million, with a US\$67 direct GDP contribution and US\$37 million indirect GDP contribution including purchases from vendors along the entire supply chain. Novartis South Africa's total employment impact exceeds 5,900 jobs in South Africa, with an indirect employment impact of 1,600 jobs.

In addition to the GDP and employment contribution, Novartis also delivers a significant positive human capital impact, including around 29 significant initiatives each year to enhance the skills and knowledge of healthcare professionals, as well as multiple programmes to build medical research capacity in South Africa. Novartis South Africa initiatives include the young physicians' skills development programme, funding post-graduate studies in Clinical Epidemiology at Stellenbosch University, the Next Generation Scientist programme at the University of Kwa-Zulu Natal, partnering on the MSc. in Regulatory Sciences University of the Western Cape and Hibernia College, clinical trials capability building with the University of Cape Town, Young Scientist training in Genetic research in collaboration with Wits University and drug discovery and clinical trials. These clinical trials include 28 involving 1602 patients across 163 trial sites in the private and public sector.

Novartis also drives the Chronic Disease Foundation initiative to sustainably improve healthcare delivery for chronic diseases and focuses on the localisation of products in pursuits of locally relevant and globally competitive research and innovation.

On the health outcomes impact front, Novartis reached over 667 000 patients in 2017 through its 18 innovative medicines brands; and over 5.4 million patients through the 9 Sandoz brands, which deliver trusted and affordable treatments in key treatment areas.

The environmental and social return on investment of all Novartis FES initiatives is approximately 300%, which includes improved patient outcomes and management of non-communicable diseases which include heart failure, diabetes, hypertension, oncology and respiratory diseases. A notable accomplishment has been the rapid introduction of Lamprene in South Africa for the treatment of multi-drug resistant TB, which is of particular concern in South Africa, in light of the fact that HIV/AIDS patients are susceptible to MDR-TB.

"Over the years, Novartis has illustrated its commitment to benefiting patients, the healthcare sector and the economy as a whole in South Africa," said Narasimhan. These efforts are being stepped up on an ongoing basis, he said.

Narasimhan pointed to the signing of a Memorandum of Understanding (MoU) between Novartis, the South African Department of Science and Technology (DST) and South African Medical Research Council (SAMRC) last year as an example of Novartis' efforts to further contribute to research and healthcare capacity development in South Africa.

"We intend to harness the full strength of our organisation to deliver transformative innovation, dramatically improve quality of life and return more to society. Africa is a priority market for these efforts, which include finding new ways to expand patients' access to our treatments and pricing our products responsibly," said Narasimhan.

According to Novartis South Africa Country President, Dr Thomas Kowallik, with three divisions across Innovative Medicines (Pharma and Oncology), Sandoz and Alcon, the company has been active in South Africa for over 70 years, and within that time has developed a strong clinical trial footprint in the country.

"We are committed to adding socio-economic value to South Africa and the region. We recognize that partnerships play a key role in creating opportunities in Research and Development, scientific skills development and most importantly putting patients first," said Kowallik.

#### About Novartis

Novartis provides innovative healthcare solutions that address the evolving needs of patients and societies. Headquartered in Basel, Switzerland, Novartis offers a diversified portfolio to best meet these needs: innovative medicines, cost-saving generic and biosimilar pharmaceuticals and eye care. Novartis has leading positions globally in each of these areas. In 2017, the Group achieved net sales of USD 49.1 billion, while R&D throughout the Group amounted to approximately USD 9.0 billion. Novartis Group companies employ approximately 124,000 full-time-equivalent associates. Novartis products are sold in approximately 155 countries around the world. For more information, please visit <https://www.novartis.com>.

Novartis is on Twitter. Sign up to follow @Novartis at <https://twitter.com/novartis>

For Novartis multimedia content, please visit <https://www.novartis.com/news/media-library>

For questions about the site or required registration, please contact [media.relations@novartis.com](mailto:media.relations@novartis.com)

#### Novartis Media Relations

Central media line: +41 61 324 2200

E-mail: [media.relations@novartis.com](mailto:media.relations@novartis.com)

#### **Antonio Ligi**

Novartis Global External Communications

+41 61 324 1374 (office)

[antonio.ligi@novartis.com](mailto:antonio.ligi@novartis.com)

#### Sibonile Dube

Novartis South Africa

+27 11 3476724 (direct)

[sibonile.dube@novartis.com](mailto:sibonile.dube@novartis.com)

---

**Source URL:** <https://www.novartis.com/za-en/news/media-releases/novartis-brings-over-us149-million-gdp-benefits-sa>

- <https://www.novartis.com/za-en/za-en/news/media-releases/novartis-brings-over-us149-million-gdp-benefits-sa>
- <https://www.novartis.com>
- <https://twitter.com/novartis>
- <https://www.novartis.com/news/media-library>
- <mailto:media.relations@novartis.com>
- <mailto:antonio.ligi@novartis.com>
- <mailto:sibonile.dube@novartis.com>