

**Reproductive Health Supplies Coalition (RHSC)
Spring Meeting
April 27–28, 2007
New York City, New York, USA**

DRAFT Meeting Summary

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April 26, 2006

April 28, 2006

April 4, 2006 (Teleconference)

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EXECUTIVE SUMMARY OF MEETING PROCEEDINGS

Welcome and Introductions

Elizabeth Lule handed over RHSC Chair responsibilities to the incoming Co-Chairs, Margret Verwijk of the Netherlands Ministry of Foreign Affairs and Wolfgang Bichmann of the KfW Development Bank /German Ministry of Economic Cooperation and Development. Members of the Coalition and visitors introduced themselves and their organizations.

- Thoraya Obaid, UNFPA Executive Director, welcomed the RHSC, noting the added value in an energized RHSC, which can provide support and guidance for regional work and help country governments define, own, and drive what they want to achieve in supply security.
- Margret Verwijk reported on the RHSC Secretariat. John Skibiak will assume the position of Director on June 27, 2006. The Secretariat office that will be established in Brussels.
- The dates earmarked for the next semi-annual RHSC meeting are October 18 through October 20, 2006.

Update on System Strengthening Working Group Financing Study

The Working Group explored several financing solutions to address the problem of insufficient financial resources for reproductive health commodities, conducting an analysis of two approaches (1) providing mechanism(s) to mobilize additional resources for reproductive health commodities, “new money,” (Workstream A); and/or (2) improving efficiencies of existing resources, “better money” (Workstream B).”

Update on UNFPA Thematic Trust Fund

Kechi Ogbuagu, Advisor on RH Logistics Management, UNFPA CST/Ethiopia, reported on how the Thematic Trust Fund has supported and strengthened RH commodity security (RHCS) in Africa, working at both national and regional levels. Success of the RHCS efforts is seen in the commitment by 14 countries to establishing a RH commodities budget line.

Update on UNFPA Global Programme to Enhance RHSC 2006–2010

Benedict Light described the five-year Global Programme, which would provide a framework for RHCS capacity development at the national level and support for and technical assistance to countries. RHSC members provided feedback and recommendations for strengthening synergies between the Global Programme and Coalition activities, emphasizing importance of communication and linkages with RHSC members’ work at country level.

Linking RH Supplies and HIV/AIDS: Taking a New Look at Condoms

Condoms—used for dual protection from pregnancy and HIV—are a critically important RH commodity. This session provided up-to-date information on condom use and cost, prequalification, and programming challenges and opportunities. Meeting participants discussed these condom issues as they relate to the RHSC and Working Group activities and identified several areas in which the Coalition could contribute: common messages, linkage with the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), sharing total market approaches, financing study outcomes, and RH Interchange tools.

FRIDAY, April 28, 2006

New RHSC Director

John Skibiak, the new RHSC Director, presented highlights of his experience to better acquaint RHSC members with his background and approach to his new job.

WHO Update on Prequalification and the Interagency List of Essential Medicines for RH

WHO has developed a provisional list of essential reproductive health medicines that it plans to present to the WHO Expert Committee meeting in March 2007 for inclusion as a subset of the WHO Model List of Essential Medicines. Soon to be published are guidelines for inclusion of essential reproductive health medicines on national essential drugs lists, developed in collaboration with PATH. WHO also is developing a list of essential reproductive health commodities. RHSC members can help disseminate this information and strengthen inclusion of essential reproductive health medicines and commodities on national lists.

The purpose of WHO's prequalification scheme is to generate a list of manufacturers of generic medicines that procurers of medicines will know can supply products that meet international norms and standards. WHO has developed a core list of RH medicines to be considered as first priority for prequalification. When RH supplies are part of the prequalification program, it will help ensure consistent standards and quality and safety assurance mechanisms. Manufacturers need to know about the prequalification program.

Report Back from Working Group Breakout Meetings on 2006 Priorities and Outcomes

The three Working Groups, Resource Mobilization and Awareness, Systems Strengthening, and Market Development Approaches, reported on their 2006 work plans, which they had further developed during their break-out sessions during the two-day RHSC meeting. The work plans of all three groups included targets for what they want to achieve by the next RHSC meeting in October and plans for tools/resources they want to have put on the RHSC website. Country-level activities will be the focus in 2006, and the groups are in the process of identifying priority countries for this work. The plenary discussion clarified that the work plan activities will be carried out by Working Group members' organizations, while the Working Groups will coordinate the work and share information and results.

DETAILED MEETING PROCEEDINGS

The format of this meeting summary is based on the agenda, included as Attachment A.

Overall Meeting Objectives and Outcomes

Thematic Emphasis

2006 Directions:

- Substantive work of the Working Groups in moving the Coalition's agenda.
- Identifying and addressing cross-cutting themes.

Objectives and Outcomes

1. Shared understanding of the current RHSC work plan, challenges, and successes to date.
2. Finalize Working Group work plans, including identification of necessary resources.
3. Increase coordination and collaboration among Working Groups on cross-cutting issues.
4. Identify the Coalition's priorities and outcomes for 2006.

THURSDAY, April 27, 2006

Welcome and Introductions

Session Outcomes

Elizabeth Lule handed over RHSC Chair responsibilities to the incoming Co-Chairs, Margret Verwijk and Wolfgang Bichmann, who facilitated the introductions of meeting participants; Thoraya Obaid, UNPFA Executive Director; and John Skibiak, new RHSC Director. The RHSC Fall 2006 meeting will be held in Bonn, Germany on October 19 and 20, preceded by an Executive Committee meeting on October 18.

Introduction of Co-Chairs Elect

Elisabeth Lule, outgoing Chair

Elizabeth Lule briefly traced the progress made by the Coalition over the past two years: trust, tolerance, and compromise, with an emphasis on transparency, have enabled members to work together to define what the Coalition is, develop its Terms of Reference (TOR) and governance structures, obtain funding for a full-time Secretariat, and hire a Director. The Coalition members have shown they can solve problems together and speak with one voice. Leadership through the Executive Committee and support from UNFPA and its Executive Director, Thoraya Obaid, have been important in enabling the Coalition to arrive at this next phase, where the emphasis will be on implementation of the Working Groups' work plans. Elizabeth handed over the Chair responsibilities to the two incoming Co-Chairs, Margret Verwijk (Sr. Policy Officer, Department of Gender, Sexual and Reproductive Health and Rights, The Netherlands Ministry of Foreign Affairs) and Wolfgang Bichmann (Vice President, Sector and Policy Division Health, KfW

Development Bank), thanking them for their leadership and the support they bring from their respective governments.

Self-introductions of RHSC Members

Margret Verwijk and Wolfgang Bichmann, Co-Chairs

Members of the Coalition and visitors introduced themselves and their organizations. Margret Verwijk conveyed regrets from Lena Sund, representative of the EC, that she was unable to attend, and her request that other European members stand in for her.

Margret Verwijk thanked UNFPA for hosting the meeting and noted that working together as a Coalition means sharing resources and ideas. She introduced Thoraya Obaid, UNFPA Executive Director and UN Under Secretary General, who as a global leader in development is a champion of advancement of women and youth.

Welcome from UNFPA

Thoraya Obaid, UNFPA

Thoraya Obaid welcomed the RHSC, noting that the fact that it brings together such an authoritative group of people illustrates the growing awareness of RH supplies issues and the need to highlight the issues at every opportunity. Thoraya hopes the Fall 2006 UN General Assembly discussion of the Millenium Development Goals (MDGs) and progress toward achieving the targets by 2015 will include adoption of a clear statement, in an annex, supporting universal access to RH. The statement will include specific targets and indicators making it possible to monitor access to commodities. There is a sense of urgency as unmet need for RH supplies remains high and demand is increasing. To ensure universal access to RH by the year 2015, including female and male condoms as well as other contraceptives and maternal and child health commodities, efforts must be redoubled.

The challenge for the RHSC, as partners is to expedite action at the country level. Ownership by countries is necessary—almost 100 percent of developing world countries contribute to RH supplies, demonstrating political commitment. The next step is to work with governments to help them achieve RH commodity security (RHCS) and ensure universal access, i.e., enable all individuals to choose, obtain, and use affordable RH commodities. UNFPA's Global Programme to Enhance RHSC 2006–2010 is designed to be a catalyst to create partnerships at the global level and country level that can build capacity and ownership at the country level and lead to sustainability. It will require dedicated funding. UNFPA is currently strengthening its country offices with a view toward enabling them to mobilize governments on this issue. The RHSC can help country governments define, own, and drive what they want to achieve in supply security.

Update on Secretariat and Introduction of new RHSC Director

Margret Verwijk, Co-Chair

Margret Verwijk described the RHSC Director search. At the Spring 2005 RHSC meeting the RHSC Executive Committee requested PATH to develop a proposal to support a Secretariat led by a Director with other dedicated staff. PATH submitted a proposal for a Brussels-based

Secretariat to the Bill & Melinda Gates Foundation. The Foundation awarded a three-year grant in February 2006. PATH drafted a Director job description that was vetted by the Executive Committee, and a Director Recruitment Task Force, composed of Jacqui Darroch, Jagdish Upadhyay, Margret Verwijk, and Chris Elias (PATH President), worked with PATH to fill position. The selection process included development of a weighted skills matrix and advertisement on key websites, in publications, and through RHSC member networks. The Task Force arrived at a shortlist of candidates from the pool of around 70 applicants. These candidates were invited to participate in a Task Force panel interview. The Task Force did not take long to reach consensus on the choice of John Skibiak, who they believe has the background and experience to lead the RHSC to a more productive phase. John has 20 years of development experience, of which 15 were in Asia, Latin America and the Caribbean, and Africa. He will assume the position of Director June 27, 2006. Margret welcomed John to the RHSC.

Fall RHSC Meeting Dates

Wolfgang Bichmann, Co-Chair

The RHSC meets twice a year, in spring and fall. The last meeting was in The Hague in October 2006. The next meeting will be in Bonn, Germany and hosted by the German Government. Wolfgang expressed the hope that Thoraya Obaid and German Government officials can participate. The dates that have been earmarked for the meeting are October 18 through October 20, 2006.

Update on Systems Strengthening Working Group Financing Study

Blair Sachs, Gates Foundation, and Wolfgang Bichmann, KfW Development Bank, with Stephen Linaweaver of McKinsey & Company and Sandra Rolet, consultant.

(Presentation slides are in Attachment B: *B. Sachs W. Bichmann SSWG Financing Study*)

Outcomes:

- Membership updated on approach and progress.
- Member feedback provided.

Blair Sachs introduced the session. She stated that financial resources for reproductive health commodities are insufficient to meet the current and projected needs, and the gap is growing between donor support and the estimated costs by 2015 of condoms (for HIV/AIDS prevention) and contraceptives. In addition, research indicates the resources that exist are not being used to maximum effect. At the October 2005 RHSC meeting in The Hague, the Systems Strengthening Working Group (SSWG) decided to explore financing solutions to this problem through an analysis of two approaches: (1) providing mechanism(s) to mobilize additional resources for reproductive health commodities (Workstream A); and/or (2) improving efficiencies of existing resources (Workstream B). The work is supported and guided by members of the Working Group, UNFPA, DFID, KfW, USAID, and the Bill & Melinda Gates Foundation.

Sandra Rolet (Brussels-based investment and development finance consultant engaged by KfW) presented the results of a study carried out as part of Workstream A. The study focused on mobilization of new dollars and included two components: estimation of resource requirements

according to reproductive health commodity demand forecasts through 2015,¹ and literature studies and interviews as the basis for development of options for mobilizing additional resources. A range of approaches were investigated; three examples were a revolving fund, microfinance to expand social marketing, and tax revenue from an international air ticket tax. The final report on the research is due to be completed at the end of July

Stephen Linaweaver of McKinsey and Co. presented the results of a study that is being carried out by McKinsey and Co. as part of Workstream B. The study identifies and assesses strategies to increase RH commodity financing efficiencies. The work focuses on two financing options:

- A pledge guarantee mechanism used to create a buffer fund aimed at smoothing out funding volatility and unpredictability. This is a timing buffer that could potentially be phased out as donors' support becomes less volatile.
- A minimum volume guarantee to help reduce contraceptive prices.

Oversight on Workstream B is provided by an Advisory Board composed of representatives from UNFPA, DFID, KfW, the World Bank, and the Gates Foundation.

Study results indicate cost savings that are quantifiable, but not extraordinary; however, the research suggested positive indirect effects: reduced supply lead time, potential for increased competition and reduced prices, and improved product quality as suppliers participate in prequalification. The minimum volume guarantee could help improve demand forecasting and could encourage non-OECD manufacturers to enter the market and participate in the prequalification program. A draft report of the study is due in June. The next steps for Workstream B will be to review the study findings, assess the value of piloting the approach(es) and explore pilot options.

Discussion highlights and comments

- “New money:” France has initiated an alliance² supporting a levy on plane tickets. Funds generated from the air ticket tax would establish and manage a central medicine buying facility that would enable cheaper and easier access to generic AIDS medicines (specifically, a pediatric formulation for ART). The initiative plans to raise \$300 million in 2006–2007. UNFPA participated in a meeting of this group in mid-April and made the case for inclusion of prevention (condoms), as well as treatment. Should the group include condom supplies there could be potential for RHSC participation. The next meeting of the air ticket alliance will be in July in Brazil. It was noted that the initiative could have a negative impact by “displacement” of funding, i.e., it could encourage people to think that this funding is taking care of the problem so no further support is needed (or would be allocated). The RMA group will include a discussion of this initiative in their breakout session.

¹ The first slide in this presentation represents a “snapshot” of the situation, putting UNFPA’s estimation of need into costs.

² The alliance included thirteen countries as of March 1, 2006: Brazil, Britain, Chile, Congo, Cyprus, France, Ivory Coast, Jordan, Luxembourg, Madagascar, Mauritius, Nicaragua, and Norway. A further 25 countries, including among others Germany, Belgium, Austria, South Africa, South Korea and Mexico, opted not to impose the tax but promised to contribute to the air ticket tax central fund. (Reuters. March 1, 2006)

- Family planning is critical to development, but “pregnancy is not a disease” so contraceptive and other RH supplies are not a priority. RH must be put on government and donor agendas, otherwise there is little value in mobilizing new funds.
- To what extent has debt relief inhibited RH funding? Some institutions take the attitude that debt relief replaces the need for overseas development aid.
- Buffer fund: PAHO’s model has been successful and offers lessons learned: start small, with specific commodities, make payment requirements stringent, and create a self-policing community of borrowers and donors. The PAHO model illustrates that an effective approach is for the buffer fund to be an adjunct to a large organization.

Update on UNFPA Thematic Trust Fund

Kechi Ogbuagu, UNFPA.

(Presentation slides are in Attachment B: *K. Ogbuagu RHCS Activities in Africa*)

Outcome: Members updated on the status of the UNFPA Thematic Trust Fund.

Kechi Ogbuagu, Advisor on RH Logistics Management, UNFPA CST/Ethiopia, reported on how the Thematic Trust Fund has supported and strengthened RHCS in Africa. There are huge needs, and for the first time, with the funding provided by European donors in 2004 and 2005, there are considerable resources available. The UNFPA approach to improving RHCS in Africa focuses on addressing commodity shortfalls and strengthening national capacity. RHCS activities are being implemented at both national and regional levels. At the national level, UNFPA’s efforts aim to improve availability of technical support and RHCS information, as well as on in-country coordination and monitoring. At the regional level, efforts focus on collaboration and joint planning with the West Africa Health Organization (WAHO) and the East African Community (EAC). UNFPA has developed a tool for RHCS situation analysis that can be used for development of a country RHCS strategic plan, system strengthening, advocacy, and policy dialogue. Success of the RHCS efforts is seen in the commitment stated by WAHO Ministers in November 2005 for establishment of a RH commodities budget line in all Western Africa countries (14 countries have done so to date) and strengthened RHCS advocacy, which has resulted in increased resources for RH supplies. There are continuing challenges, especially in regard to sustainability, both technical and financial; and at the national level, government procurement systems need to be strengthened, and approaches developed for integrating RHCS into SWAps and other program-based funding approaches.

Update on UNFPA Global Programme to Enhance RHSC 2006–2010

Benedict Light, UNFPA.

(Presentation slides are in Attachment B: *B. Light UNFPA Global Programme*)

Outcomes: Members updated and provide feedback on the status of the Global Programme. Specific 2006 plans identified for linkages among the Global Programme and RHSC Working Groups.

The format for this session included a presentation on UNFPA's Global Programme to Enhance RHSC 2006–1010, followed by break-out group discussion and reports back to the full group.

The Global Programme (GP) is a five-year plan (2006–2010) that is intended to catalyze and facilitate RH commodity security policy dialogue with and within governments. UNFPA is seeking funding at a level of \$150 million per year to support implementation. As envisioned, the GP would provide dependable funding flows to UNFPA for development and implementation of a framework for RHCS capacity development at the national level and would provide support for and technical assistance to countries seeking to build that capacity. UNFPA intends to work in partnership with other organizations in implementing the Programme. The GP currently envisions three funding streams: the first two would fund capacity and systems enhancement as well as RH commodities; the third would make funds available to meet emergency commodity needs.

Reports of Break-out Discussion Groups

The groups were asked to discuss the questions listed below and identify one to three top priority recommendations for specific actions by a Working Group or the Coalition to strengthen synergies between the Global Programme and Coalition activities. The break-out group reports are in Attachment C.

Questions:

1. How do current RHSC work plans and activities complement and advance these outcomes, and what specific actions would you recommend to one or more Working Groups to ensure linkages?
2. Beyond these current Working Group activities, what other specific actions can the RHSC (individual members or as a body) undertake to advance these outcomes? Particularly with reference to individual members, consider how members can facilitate development of national RH contraceptive security plans and coordination groups.

Break-out group discussion results:

The break-out group comments represented a combination of feedback on the Global Programme and ideas on how it could link to the RHSC Working Groups. Key recurrent themes included:

- Link countries and country selection criteria with RHSC and RHSC members' work at country level.
- Link with RHSC communications (e.g., translation of technical information into accessible language for policy makers) and advocacy efforts to strengthen work supported through the Global Programme.
- Ensure timeliness of communications on planned and ongoing country level activities.
- Lack of clarity on how the total market is reflected within the Global Programme
- Ensure linkages to RHSC products, tools, etc. and those of RHSC members, including strengthening and using UNFPA procurement.

WORKING GROUPS CONVENED FROM 1:30 TO 2:45 P.M. TO FURTHER DEVELOP THEIR WORK PLANS

Linking RH Supplies and HIV/AIDS: Taking a New Look at Condoms

Co-Facilitators/Session Chairs: Terri Bartlett, PAI and Jagdish Upadhyay, UNFPA

Format: Panel presentation followed by breakout groups, then reports back to the full group.

(Presentation files are in Attachment B: *J. Stover Condoms cost and needs projections; D. Smith Prequalification & Supply; P. Friel Condoms – new global initiatives*)

Panel participants: *John Stover, The Futures Group: Cost and needs projections*

David Smith, UNFPA: Prequalification and supply

Patrick Friel, Consultant: New global initiatives

Outcomes:

- Increased understanding of issues related to condom commodities and supplies and the current global situation regarding condom availability and shortages/surpluses.
- Clarity on whether there are strategic linkages to be made between major HIV/AIDS groups such as UNAIDS and the Global Fund and the RHSC pertaining to condom supplies.
- Clarity on role of the RHSC: do current focus/activities address these issues? Should they in the near term? Longer term?

Terri Bartlett introduced the session, saying that condoms, used for dual protection from pregnancy and HIV, are a critically important RH commodity and a key product for social marketing efforts as well as the private sector. As the only available method for prevention of HIV/AIDS, condoms are also the target of political debate and the subject of confusing, conflicting reports in the media. The format of this session of the RHSC meeting brought together three experts in a panel discussion, followed by break-out groups and report-backs.

Current use and estimates of future need and costs: John Stover

Projections of condom use between 2005 and 2015, assuming adequate funding and successful promotion, see a doubling of condom use in that period. The presentation included public sector and social marketing data from 100 countries, but not commercial sector data. Currently it is estimated that the public sector provides 20 to 50 percent of the total 3.5 to 5 billion condoms used per year worldwide.

Pre-qualification and supply: David Smith

As a part of the WHO prequalification of essential drugs and medicines, UNFPA is responsible for prequalification of condoms (male and female) and IUDs. In conducting this work, UNFPA is facilitating three core elements of UNFPA's RHSC global strategy: technical cooperation, building national capacity, and improving sustainability. To date, UNFPA has conducted 35 inspections of condom manufacturers; 16 manufacturers were pre-qualified. Seven IUD manufacturer inspections have been completed; six were approved. UNFPA procurement unit will convene a meeting in June in Copenhagen on quality assurance capacity building at the national level (ministries of health, testing laboratories, etc.).

New global initiatives: Patrick Friel

This presentation reviewed the UNAIDS “Scaling Up to Universal Access” experience and condom programming challenges and opportunities. The 2005 World Summit and G-8 Gleneagles Summit voiced support for scaling up of HIV prevention, treatment, and care, with the aim of coming as close as possible to universal access to treatment by 2010. In response to a follow-up request of the General Assembly, UNAIDS, its sponsors, and DFID conducted an assessment in 100 countries and consultations in seven regions. The report on this assessment³ states six recommendations: support for national priorities; predictable and sustainable financing; strengthening of human resources and systems; affordable commodities; addressing stigma, discrimination, and gender and human rights; and accountability. The report also listed 15 interventions for an expanded response to HIV/AIDS, all of them relevant to condom programming.

Break-out Groups

The break-out groups were asked to consider the following three questions and make recommendations to present in their report-out. The reports of the discussion groups are in Attachment D.

1. Identify linkages and areas of potential overlap between the condom issues presented and planned activities of the three Working Groups and other RHSC subgroups.
2. Discuss the unique challenges posed by condoms in regards to both advocacy (such as messaging and policy) and to technical considerations (such as manufacturing and procurement), and identify opportunities and obstacles to the implementation of work plans presented by condoms.
3. Discuss the potential for strategic linkages between major HIV/AIDS groups such as UNAIDS and the Global Fund and the RHSC pertaining to condoms.

Common themes in the discussion groups’ reports included:

- Common messages on condoms.
- Linkage with and influence of GFATM; support countries in inclusion of funds for condoms in their planning and application process.
- Apply a total market approach to condoms.
- Ensure condom quality through mechanisms such as prequalification.
- Apply financing study outcomes to condom funding.
- Reduce female condom prices.
- Make use of tools such as the RH Interchange (RHI) for planning and tracking condom supply.

³ Towards universal access: assessment by the Joint United Nations Programme on HIV/AIDS on scaling up HIV prevention, treatment, care and support. United Nations General Assembly. A/60/737. 24 March 2006.

Wrap-Up

Margret Verwijk briefly summarized the deliberations of Thursday's sessions.

- The work plans of the three Working Groups (WGs) were given the green light by the Executive Committee.
- We need champions, better money, and to think out of the box.
- We need to promote synergies with the GP. Success in Africa in including a RHCS budget line item in national budgets is encouraging progress.
- We need to share the full GP document.
- We took a new look at condoms and saw that 20 to 50 percent of the 3.5 to 5 billion condoms used per year are provided with public support.
- We need to look at condoms in the setting of Coalition and global efforts.
- We need to help get the right products to the right place.
- Take-home messages: be self critical, be accountable.

Reception Hosted by UNFPA at the Crowne Plaza UN Hotel

Thoraya Obaid, Executive Director of UNFPA, made a short speech at the reception stating her support for the RHSC partnership. Elizabeth Lule briefly thanked members of the RHSC who were rotating off after two years of service. She presented certificates of appreciation to Chen Hailin, Alex Banful, Claire Stokes, and in absentia to Jotham Musinguzi and Eugenia Erhan.

FRIDAY, April 28, 2006

New RHSC Director

John Skibiak, RHSC Director

Outcome: Members acquainted with the new director.

John Skibiak, the new RSCH Director, presented highlights of his experience to better acquaint RHSC members with his background and approach to his new job.

- **Field experience:** the major part of his career has been outside the centers of power. This first-hand experience is relevant to the Coalition's work, as its success ultimately depends on impact at the country level.
- **Operations research:** this was a focus of John's work at the Population Council; similar use of verifiable, measurable sets of indicators to show progress will be important for the Coalition.
- **ECafrique:** John was Director of this grassroots consortium, which has many of the same issues as RHSC and other networks. Lessons he learned include the importance of openness and transparency; the need to keep a focus on the network (or coalition) as a means to an end—it is not an end in itself; a coalition can build on and facilitate the work of partners.

- Communication: John has extensive experience in making information accessible so it can be used. Commodities/supplies/logistics are topics that are not usually seen as accessible; John will develop a strategy to help others understand the centrality of RH supplies.

WHO Update on Prequalification and the Interagency List of Essential Medicines for RH

Hans Hogerzeil and Sophie Logez, WHO Department of Medicines Policy and Standards (PSM)
Presentation slides are in Attachment B: *H. Hogerzeil S. Logez WHO Update*)

Outcomes:

- Discussion and comment by RHSC members on the provisional selection of priority RH items for the prequalification program to be used for WHO calls for Expression of Interest in prequalification.
- Consideration by RHSC members of commitment to advocacy around the essential RH medicines list and prequalification by WHO.
- Update on tools/guidelines (interagency list, joint PATH/WHO guidelines).

Publications: Sophie Logez

The WHO/PSM *Interagency List of Essential Medicines for Reproductive Health 2006* is a provisional list presenting the current consensus on rational selection of essential reproductive health medicines, which include contraceptives, medicines for prevention and treatment of sexually transmitted infections and HIV/AIDS, and medicines to ensure healthy pregnancy and delivery. It is presented in two formats, by clinical group and by therapeutic category, and is a subset of the WHO Model List of Essential Medicines. WHO welcomes comments and suggestions and hopes to finalize it by August 2006. The next opportunity to make changes in the Model List of Essential Medicines will be the WHO Expert Committee meeting in March 2007. To be considered at that meeting, recommendations for inclusion on the list must be provided by October 2006. WHO has disseminated the Interagency List to all of its field offices and partners, and copies are available upon request.

Another publication is *Essential Medicines for Reproductive Health: Guiding Principles for Their Inclusion on National Medicines Lists*. Developed by PATH, WHO, and UNFPA for policy-makers and decision-makers at all levels who allocate support for RH supplies, this is a practical guide that contains policy briefs on 16 essential RH medicines with the rationale for their inclusion on National Medicines Lists, as well as a checklist of activities to ensure that they are included. This publication was made available in draft during the meeting. WHO seeks the support of RHSC members to advocate for the guidelines to be used in countries and help to widely disseminate the document when it is finalized. RHSC members are invited to place orders with PATH. WHO and PATH will pilot the guidelines in two countries.

WHO also is developing a list of commodities: *Interagency List of Essential Medical Devices for Reproductive Health, 2006*. It is a minimum list of commodities such as scissors, clamps, blood bags, for common interventions in maternal and RH, including HIV/AIDS commodities. This is due for completion in June 2006.

WHO Prequalification: Hans Hogerzeil

- The purpose of prequalification is to generate a list of manufacturers of generic medicines that procurers of medicines will know can supply products that meet international norms and standards. The prequalification process involves assessment, on-site inspection, and monitoring/testing of products to ensure that products meet those standards. There are plans for a limited range of reproductive health products to be included in the UN prequalification pilot project on AIDS, TB and Malaria.
- WHO/PSM/RHR, in collaboration with other groups, have developed a core list of RH medicines to be considered as first priority for prequalification. This proposed list of essential reproductive health items for the WHO pre-qualification scheme is provided in Attachment E.
- WHO shared the list with the RHSC MDA subgroup on generic manufacturers in January 2006. WHO solicits the support of RHSC members in advocating for the prequalification program and to share the WHO prequalification website where the process is explained (<http://mednet3.who.int/prequal/>);—contents of the website also can be obtained from WHO on CD-ROM).
- The prequalification program is voluntary. Manufacturers of medicines on this list need to be aware of the program and how it can help them, and understand the process and how to participate in it.

Discussion highlights and comments

- Traditional supplies (for TB, malaria, etc.), which have been sold for decades, are now going through the prequalification program. WHO has reviewed about 500 manufacturers of these traditional medicines and prequalified 98. When RH supplies also are part of the prequalification program, it will help ensure consistent standards, and quality and safety assurance mechanisms.
- When several manufacturers of the same medicine have been prequalified, the prequalification program will remain open to additional applications. Prequalification intends to encourage competition, which will work to lower prices.
- To date, manufacturers are not assessed a fee for prequalification; however, manufacturers may need to invest in improvements in their equipment and/or processes to meet the standards and be prequalified.
- An outstanding question is how to ensure sustainability of the prequalification program.
- Prequalification status is effective for two to three years in the absence of reported problems.
- Now that documentation and guidelines on essential reproductive health medicines are available, it is important to get this information to the people and agencies that can strengthen inclusion of RH medicines on national lists.
- The strengthening process needs to be tracked. To do this, we need to know what the baseline is, i.e., data on current country-level availability of essential RH medicines.
- RHSC members can help address the need for baseline data, including sending a letter to all countries where the RHSC members have partners, networks, and contacts in the pharmaceutical realm and posting on the e-drugs list-serv.
- There was no disagreement expressed regarding WHO's proposed list of priority essential reproductive health items for the WHO Pre-qualification scheme.

Report Back from Working Group Breakout Meetings on 2006 Priorities and Outcomes

The Working Group work plan activities discussed below will be carried out by the members' organizations. The WGs will coordinate and share this work.

Resource Mobilization and Awareness (RMA)

The RMA presentation consisted of three parts, each presented by different members of the WG.

Scott Radloff presented on core RHCS Messages.

- A priority for the RMA will be to develop a set of core messages that can be used by RHSC members in advocating for RH supplies issues: why RH is important in general; why RH supplies are important specifically; and how to address RH supplies needs.
- Target audiences: country programs and civil society; focus on country-level first, then on regional and global levels.
- Two tiers of messengers: RHSC members and the partners and networks our members work with.
- Activities moving forward will include:
 - Desk review: RMA will collect messages from multiple sources, including those already developed by the Coalition and its members, related networks and partners.
 - Consultancy (need to coordinate with consultancy for UNFPA's Parliamentarians meeting on supplies in June) for development of draft RHSC messages.
 - Review of messages by the other two WGs and the Executive Committee in October in conjunction with the RHSC meeting: RMA plans to convene a side meeting (half or full day) for the review.
 - Revisions, final draft, and production of a kit that will be pilot tested before the RHSC meeting in April 2007. (Costs for production of the kit and to what extent countries would contribute will be analyzed.)
 - Based on lessons learned from the pilot, the RMA and Coalition Members will develop a plan to operationalize the approach.
 - The "Ask" is what we would like to see in country and will vary, according to the country.

Margaret Neuse discussed country-level RMA activities and presented the country mapping that the RMA is undertaking. A draft of the country mapping chart will be sent around to RHSC members.

- How to select countries for RMA activities
 - Selection to be finalized by the end of the RHSC October 2006 meeting
 - Start with the 10 countries invited to the Istanbul meeting and those involved in the DFID study
 - Identify those where current level of activities indicates interest, progress, commitment
 - Identify countries where RHSC members have a presence and staff who could participate in RMA efforts
 - Identify which countries have potential obstacles
 - Determine whether geographical diversity is desirable or not

Terri Bartlett discussed a potential new financing opportunity, an air ticket tax. 14 countries have subscribed to the program to date.

- The Coalition should:
 - Find out how we can support the program.
 - Think strategically; if possible, encourage inclusion of prevention in the program (male and female condoms).
 - Sandra Rolet, consultant from Brussels retained by KfW, has initiated contact with the French regarding the program and will forward any information she can gather.

Discussion: Questions and answers

- Core messages:
 - What is the plan for feeding messages from the Working Groups to the RMA?
Response: Via the desk review process, communication will go out to the WG's.
 - There is some concern expressed regarding USAID involvement in the development of messages due to the compromises that might have to be made because of differences of opinion among the agencies and governments.
Response: USAID would support activities up through the message mock-up stage, then hand it over to others to brand with their logo, adapt, and implement
- Country level work:
 - Who would do the country implementation? For example, in Bangladesh, there is already a donor coordination consortium.
Response: We would draft an “information note” for agencies to send to their field staff.
 - What is the long-term plan for follow-up?
Response: We do not know—the pilot countries will help us to design this process. We would want the in-country coordination mechanism to implement this—we would offer the technical assistance and materials.
 - How does country selection relate to SPARCHS and its indicators?
Response: We could overlay SPARCHS with the indicators used for country selection.
- The RMA will create an enabling environment for messaging. When the tools of the other Working Groups are complete, we will know that “ask” and can include them in the messages.
- Airline Tax:
 - It is difficult to see how the airline tax will fit into the strategy of long-term predictable funding and bringing prices down (contraceptive supply is far more developed than pediatric ARV supply—so bulk purchasing of contraceptives will not offer the same cost savings). Alternatively, we could ask for a different use outside of that strategy, and perhaps female condoms.
 - What would RHSC members need in order for their agency to voice support for the airline tax (USAID could not participate, but could offer encouragement to France)?
Response: Needed is a small outline of what the RHSC would recommend. We need to look for other mechanisms since the airline tax will only bring US\$300 million total.

Systems Strengthening Working Group (SSWG)

The SSWG 2006, during its break out sessions, discussed the following three activities:

1. Implementation of the second phase of the RH Interchange: country-level participation and use of the RHI.
 - This will involve understanding the needs at the country level, what other systems are being used, and adaptation of the RHI to make it part of a wider management system to support management of supplies (managing in-bound supplies, coordinating government managers, program managers, donors and procurers). A focus over the next year will be to work in a set of priority countries, and the first step, accomplished during this meeting, involved identifying which priority countries to focus on. The SSWG will also advise and support additional expansion options for the RH Interchange.
 - Priority countries: SSWG first cut of 19 includes Côte d'Ivoire, Ethiopia, Ghana, Kenya, Mozambique, Rwanda, Tanzania, Uganda, Zambia, Bolivia, El Salvador, Guatemala, Honduras, Peru, Indonesia, Nepal, Yemen, Albania, Georgia.
SSWG will consult with country offices of RHSC members (especially UNFPA, USAID, IPPF) in these 19 countries to explain the RH Interchange and the benefits of applying it, partner obligations, and to assess utility of the RH Interchange in each country and readiness to adapt and use it. Based on these consultations, the list of 19 countries will be winnowed down to about ten. Overlaps with RMA priority countries, the UNFPA Global Programme, and country priorities of other RHSC member initiatives will be considered in the selection process.
 - SSWG partners will provide technical assistance in adapting and piloting the RH Interchange at country level.
 - A proposal has been submitted to the Bill & Melinda Gates Foundation for a three-year Phase II of the RH Interchange that would fund some of these activities.

Discussion: Questions and Answers on RHI and Country-level activities

- Would linking up with the Transparency Initiative be helpful, for example in regard to increasing transparency and integrity of procurement?
- *Response:* The RH Interchange may be limited, by virtue of the kinds of information it captures, to assist in this regard. However, it could enhance the ability of civil society to monitor and play a “watchdog” role over public sector attention to RH as a public health priority. The RH Interchange can answer the fundamental question, “have the supplies been planned and procured, are they coming when needed?”
- Will Phase 2 of the RH Interchange duplicate UNFPA’s Country Commodity Manager (CCM)?
- *Response:* No. The two tools do different things. CCM supports central warehouse inventory management. The RH Interchange supports planning and monitoring in-bound supply (delivery) of supplies.
- Does the list of priority countries focus on good possibilities, i.e., “low hanging fruit”?
- *Response:* Not exclusively. What can be done to help more difficult countries move up and develop systems? The Global Programme and work by various RHSC members can develop linkages for the future for countries with low levels of readiness to use the RH Interchange.

2. Financing

The Mercer study, followed by the McKinsey study, identified the problem of risk as a source of volatility and “just in time” unpredictabilities in financing and procurement. UNFPA and developing countries cannot procure supplies on credit. Credit is risk. A way to manage this risk is needed so that UNFPA and countries can move ahead with procurement without having to wait until they have the funds in hand. Likewise, weak forecasting and uncertainties in knowing demand for supplies can pose a risk of ordered, but unused supplies. The SSWG “Workstream B” financing studies suggested two mechanisms to assume risks which no entity currently can: pledge guarantee and minimum volume guarantee. These mechanisms are aimed at achieving more efficient use of resources, or “better money” in financing and procurement.

One or both could be applied to procurement by various organizations that pose different levels of risk (e.g., credit worthiness) (UNFPA, NGOs, country governments, etc.), depending on the tolerance or appetite for risk. Possibilities include: UNFPA (= low risk); UNFPA plus other organizations, like some country governments, that are also low risk (“UNFPA+” = some risk); the “UNFPA+” option plus other organizations with less experience and backing that pose still higher risk because of credit worthiness, weak forecasting capacities, and/or other factors (“UNFPA++” = higher risk).

The SSWG agreed to move forward with further work on both mechanisms, initially to support the “UNFPA” option. If successfully piloted, this option would be scalable to be accessed by additional organizations.

Next steps recommended by the SSWG are:

- Document better the downstream impacts of the two mechanisms to make a more compelling case for trying them.
- Validate assumptions as they bear on feasibility of each mechanism.
- Further define specifications for the operation of each mechanism. Task force to include Carolyn Hart, Susan Rich, Blair Sachs, Alan Bornbusch, and David Smith.
- UNFPA/Procurement will prepare a needs statement. This will include staff and any other resources required in order to take advantage of the pledge guarantee and minimum volume guarantee.

3. Development of a one-stop resource for country RH commodity security (RHCS)

information: a database of databases, or annotated bibliography, that would enable users to identify studies, surveys, etc. with information relevant to their research needs, and to access them online.

- This effort will involve a survey of existing indicators/measures for monitoring countries’ RHCS status and compiling them into a single global platform—a web-based information source that could, for example, be used by RMA and others to develop country briefs. A “first cut” or scan of available resources has been made.
- SSWG and RMA will collaborate in surveying potential users to identify needs.

- The SSWG has developed a concept paper on this resource and will submit it to the RMA, then to the RHSC Secretariat for consideration as a component of the RHSC website that will be developed.

Market Development Approaches WG (MDA)

As the result of its discussions during the meeting, the MDA WG refined its work plan to narrow its focus.

Goal: To improve access to and choice of RH supplies for low and moderate income consumers through public, private, and commercial sectors.

Purpose: Country level teams and implementers able to access models, tools and approaches that facilitate the development of market approaches that meet the SRH needs of lower income consumers.

Objectives/desired results and planned activities for 2006:

- *Existing models, tools and approaches that facilitate SRH supply market development.* Activities include:
 - Develop TOR for completion of a country typology
 - Define a process for compiling and annotating an inventory with web links of existing market development intervention tools/resources, which will be put on the RHSC website; develop an approach and guidelines to promote use of this inventory by governments and organizations, as well as recommendations on a common set of indicators to measure impact of various interventions.
- *Awareness raised, synergies exploited, duplication avoided among Coalition members with regard to MDAs.* Activities include:
 - Keeping current with members and other organizations on their MDA-related work.
 - Develop TOR for an activity to gather information on evaluation success indicators for MDAs.
- *Supportive environment for SRH supply market development strengthened.* Activities include:
 - Mapping and an initial assessment of manufacturers of generic injectable and oral contraceptives
 - Development of a list of experts for technical assistance in GMP/QA improvements, regulatory affairs, and other technical issues (need to confirm that the list can be shared).
 - Development of an information note on pre-qualification to raise awareness for different stakeholders to be disseminated through the Coalition
 - Development of a concept paper on approaches to improving public sector perceptions support and policy environment for private sector collaboration.

MDA activities during the past six months included:

- A scoping exercise carried out by HLSP with support from the Bill & Melinda Gates Foundation, which identified market development approaches, priorities and gaps, and includes recommendations. The report and web-based guide⁴ are available at

⁴ *Market Development Approaches Scoping Report and Market approaches: A quick guide through the key issues*

http://www.eldis.org/healthsystems/mda/pdfs/mda_report.pdf and <http://www.eldis.org/healthsystems/mda/>.

- Country typology for classification of countries according to potential for implementation of market development approaches (MDAs). The typology will be a tool that can be used in-country to see how to move forward in developing MDAs.
- Total Market (2nd tier) Initiative: ICON has completed studies in seven countries on the feasibility of introducing a total market approach.
- Prequalification: commitment from UNFPA, IPPF/ICON, and Crown Agents to require WHO prequalification as part of the procurement tendering process.
- Generic manufacturers MDA subgroup mapping exercise.

Because the resources being developed by the scoping exercise, the country typology work, the total market research, and the generic manufacturers subgroup are of particular interest for the broader RHSC, they were reported on in depth.

- Claire Stokes: (Presentation slides are in Attachment B: *C. Stokes MDA HLSP Country Typology*)

HLSP Scoping Exercise: Overview on Reproductive Health Supplies Market Development Approaches.

- MDAs, which can be commercial or non-commercial, should achieve efficiency by moving people up the chain from subsidized products to non-subsidized products; they should result in overall market growth; and they should achieve equity by better targeting of subsidies. MDAs are worthwhile if the money saved through MDAs is reinvested to benefit the poorest clients. MDAs can shift costs from the public sector to the private sector and reduce commodity and distribution costs. Better understanding of market dynamics and market segmentation, as well as better collaboration across projects are needed. More tools need to be developed and used.
 - Creating a Country Typology for MDAs.
 - The typology proposes two criteria—market potential and financial potential—and includes four quadrants characterizing country environment (low to high potential for MDAs). The resulting characterization of the country environment can then be used to match it with appropriate MDA activities. To date, specific information on four countries has been entered into this framework to test it. PSI will develop TOR for finalizing the typology tool with clear sources of data identified and a methodology for classifying countries. When completed, the tool will be made available on the RHSC website.
- Lester Chinery: (Presentation slides are in Attachment B: *L. Chinery ICON Summary*)
 - Total Market/2nd Tier Initiative Phase I: The ICON study looks at low and middle income countries (LMIC) with the aim of determining the viability of a 2nd tier market. In the first phase of the study, seven countries were assessed. For each country a segmentation analysis was developed based on family planning demographics and data on method mix and non-use of contraceptives. This was followed by a market overview, key findings, and a summary of 2nd tier viability. The level of viability of a 2nd tier market depends on

availability of product (including affordability, quality, access, range of method choice) and sustainable funding (self-funding or not, and level of commitment of key parties).

- Generic Manufacturers MDA Sub-group: UNFPA, PPD, and ICON supported a consultancy to provide an initial assessment of manufacturers of hormonal contraceptives in LMIC, with the goal of identifying companies that could apply to WHO for prequalification. A review of generic manufacturers has been completed in China, India, Indonesia, Malaysia, Oman, South Africa, Taiwan, Thailand, and Viet Nam. To be completed by July 2006 are reviews in Argentina, Brazil, Chile, Costa Rica, Mexico, and Uruguay. The quantitative assessment included visits to five companies in China, India, Oman, Thailand, and South Africa to assess manufacturing competence. Findings indicated that there is large capacity in China, India, and Thailand; there are significant disparities in GMPs; and few companies have the capability for developing registration dossiers required to export products to countries with strict regulatory requirements.

Closing Remarks

Meeting Summary and Expression of Thanks

Co-Chair Wolfgang Bichmann summarized the success of the two-day RHSC meeting by stating that it set a new standard, as evidenced by the outputs of the Working Groups. The meeting enabled members to

- Provide updates on research, projects, and planned activities (financing studies, UNFPA Thematic Trust Fund and RHCS activities in Africa, WHO Interagency List and prequalification, WG 2006 work plans).
- Exchange ideas on how the Coalition and its WGs can play a role in addressing global supply issues (linkages to the UNFPA Global Programme and condoms for HIV/AIDS as well as for RH).
- Develop and refine WG work plans for 2006 (all of the WGs developed targets for what they want to achieve by the next RHSC meeting in October and plans for tools/resources they want to have put on the RHSC website).

The dates for the next RHSC meeting in Germany are October 18 through October 20, 2006.

The presentations made during the meeting will be attached to the minutes. Wolfgang thanked PATH for their support to the Secretariat. Now a new RHSC Director, John Skibiak, has been hired, a Secretariat office will be established in Brussels in the next few months.

There will be other changes, too: members who have been the backbone of efforts to establish the Coalition will be leaving: Jacqui Darroch, Margaret Neuse, and Steve Sinding. Elizabeth Lule, who has completed her RHSC Chair and assumed a new position at the World Bank as Adviser, Population/Reproductive Health, Human Development Network, plans to continue participation in the Coalition. On behalf of the Coalition, Wolfgang thanked them for all of their contributions.

Thanks also were expressed to UNFPA for hosting the meeting, overseeing all of the logistics, and ensuring a successful two days.

UNFPA Closing Statement

Thoraya Obaid, UNFPA Executive Director, applauded the partnership, commitment, and action of the Coalition. She noted that feedback on the two days of the RHSC meeting highlighted the open and honest discussion and the growing trust among members. Ms. Obaid thanked Elizabeth Lule, whose leadership and contributions have played an important role in developing the Coalition; Jacqui Darroch, whose commitment, leadership, and support have been critical to the Coalition; and the EU for its support. She stated that UNFPA looks forward to working with the new Co-Chairs and new RHSC Director. She wishes continued energy for producing results to be presented at the fall meeting in Germany. There is added value in an energized RHSC, which can provide support and guidance for regional and country-level work and UNFPA's Global Programme.

L:/Draft Meeting Summary Apr 27-28