

# Making Markets Work for Reproductive Health

Role of market shaping in building  
sustainable, healthy markets

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GENERAL MEMBERSHIP MEETING

*of the*

**REPRODUCTIVE HEALTH  
SUPPLIES COALITION**

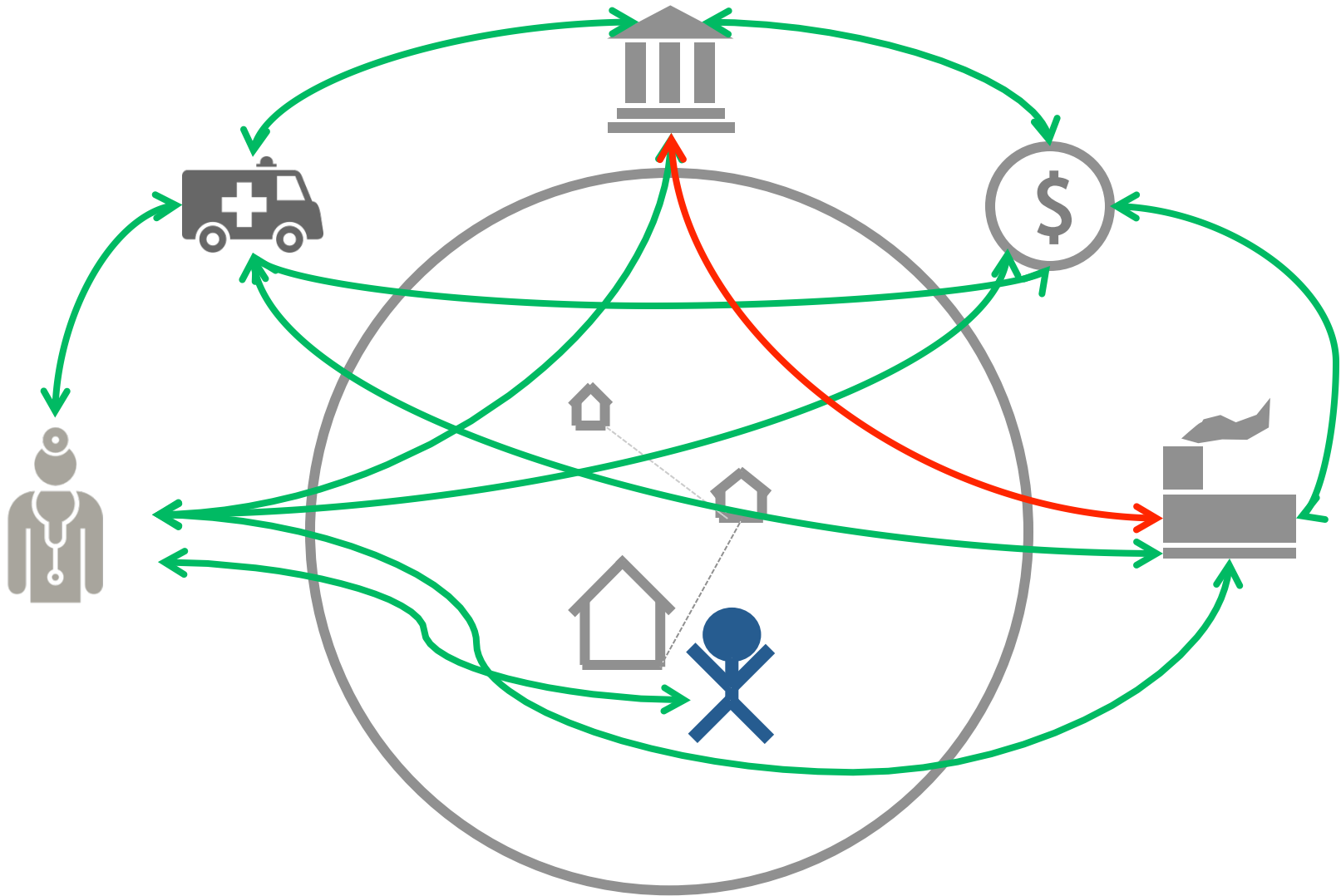
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Reproductive Health  
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# Market interactions are critical, but may not always efficiently deliver FP products



# Market shaping analysis can identify approaches to address market shortcomings

PATTERNS & INSIGHTS →

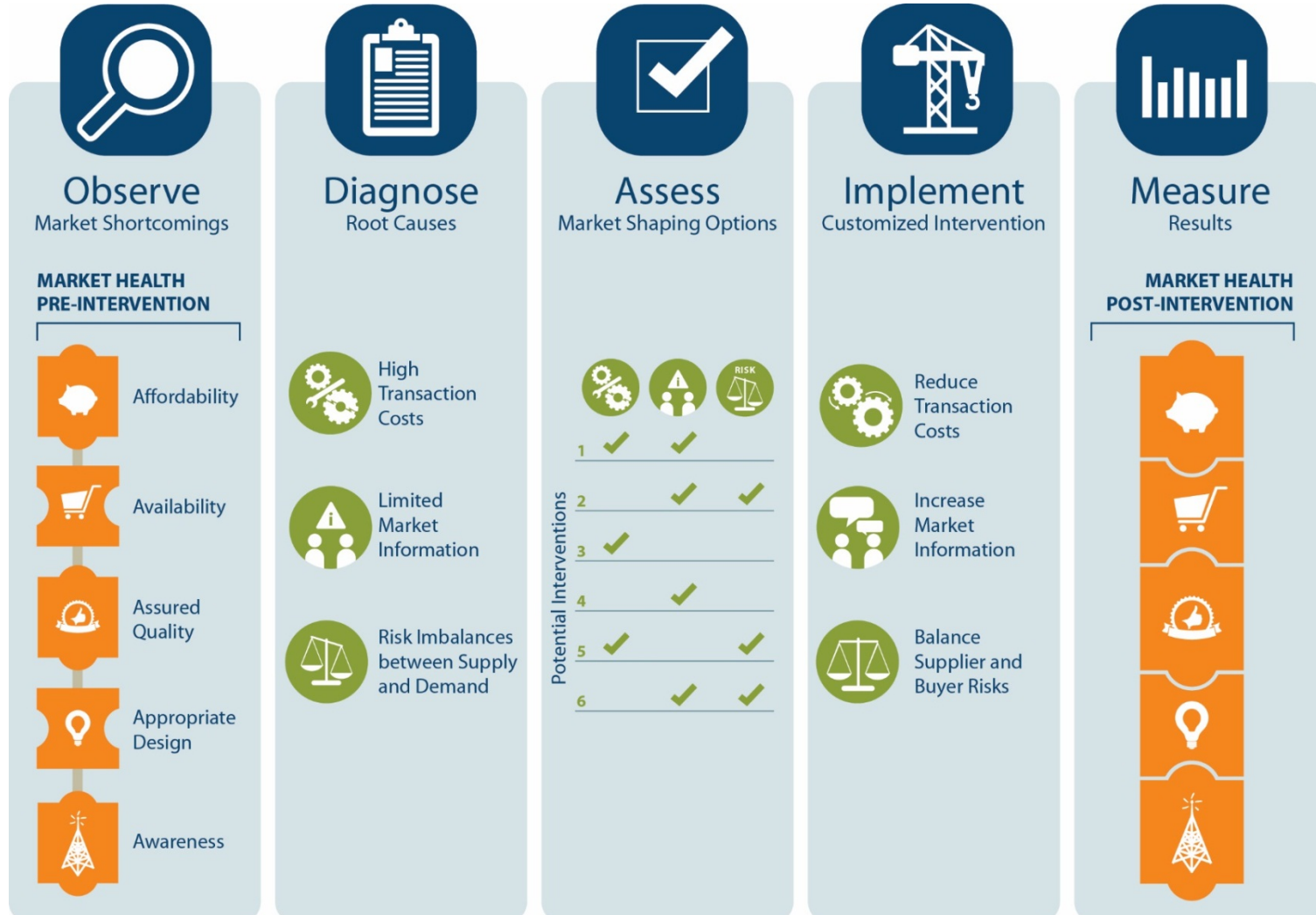
PROBLEM  
RECOGNITION

→ SOLUTION(S)



*Countries, donors and implementers can use their purchasing power, influence, and access to technical expertise to address market shortcomings for improved health outcomes*

# Market Shaping Primer framework offers approach for enabling efficient and sustainable product markets



# Implant Access Program volume guarantee addressed root causes driving low affordability and availability

## Market Shortcomings

### High price to procurers

- Implant product cost to donors was high relative to other contraceptive procurement

### Insufficient In-country availability

- Implants were ordered and procured in relatively small volumes, leading to unfulfilled demand
- Too few trained providers to deliver implants at scale

## Root Causes



### Limited information on demand and costs

- Lack of info on total LMIC demand
- Lack of clarity about potential for lower COGS



### Risk imbalances due to uncertain procurement

- Order unpredictability hampered ability to optimize production



### Fragmented, uncoordinated procurement

- Different product specifications, with multiple labeling and packaging configurations

## IAP Volume Guarantee

*Volume guarantee-based price reduction negotiated with BMGF, Norad, SIDA, and CIFF as guarantors in partnership with CHAI; UNFPA, USAID, Norad, and DFID agreed to support implementation to increase availability and access*



Affordability

- Commitment to a minimum, pooled purchase quantity per year enabled price to be cut in half
- Generated procurement savings of >\$300M over 6 years



Availability

- Total implant distribution grew by 56% from 2012 to 2013
- Demand forecast provided insight into total LMIC market size
- Service delivery partners trained providers to enable higher implant volumes to reach end-users



Assured Quality

- Both IAP suppliers (Bayer and Merck) met WHO/PQ and SRA quality requirements



Appropriate Design

- IAP design enabled new and improved product designs to be included as they became available

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# Issues to consider for sustainability of implant access

## Strengths

- **Market sustainability success story?** Both Bayer and Merck have extended timeframe for access pricing beyond duration of the volume guarantee
- **Coordination** has been critical to scale up
  - IAP oversight board helped with sharing data, aligning on orders, tackling service delivery issues, and engaging country stakeholders
  - Coordinated Supply Planning (CSP) group improved information sharing across suppliers and donors
- **Implant Removals Task Force** established with 4 working groups to focus on key issues: provider capacity building, difficult removal, M&E, and research

## Lessons Learned and Open Questions

- **Market shaping and service delivery considerations** go hand in hand
  - Plan for more than product costs since increased access also means higher program costs to insert and remove implants
- Increase access to **implant removals as well as insertions**, which may have data collection, commodity, biomedical waste disposal, and cost implications
- What might be the role of the **IAP oversight board** after the volume guarantee ends?
- How might the possible entrance of a **third implant supplier** affect the market?