Webinar: Commodity Gap Analysis 2019

What is the CGA2019 and how can it help me?

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From report to report our story is evolving to answer pressing questions.

How much more must donors spend to keep pace with demand for supplies between now and 2015?

Scope:
88 donor priority countries
Primarily public sector

By how much will the volumes of supplies users consume, and the amount of spending needed to pay for them, change between now until 2020?

Scope:
135 LMI countries
Public and private sectors
CGA 2019 Additions and Highlights

• Interactive online format
• Timeframe extended to 2030
• More data sources than ever before
• Focus on differences across countries by income level
• Structured around five key themes
01 Reduced or stagnant donor funding in the decade ahead

02 Distinct method mix across the public and private sectors

03 The significant, yet variable, role of subsidy within the private sector

04 The differences between the distribution of users and consumption costs

05 The possibility of significant, yet uneven, growth
CGA 2019 is made up of 135 country stories

Note: China and Venezuela, both U-MICs, are excluded.
We use a lot of information to inform each country stories.
Reduced or stagnant donor funding in the decade ahead

Conversations within the reproductive health community suggest that donor support for commodity procurement is declining and will likely continue to decline or, at best, remain stagnant in the decade to come. In the context of shrinking donor funding for commodities, it is important to understand the role donors play in different countries and what can be done to minimize the impact of limited funding on those women who need it most. Nearly half of spending within low-income countries comes from donors, and collectively the public sector accounts for 66% of spending. Looking across the three GNI groups, the role of the public sector—namely, the donor community—diminishes as income increases. Prioritizing donor funding amongst lower-income countries, therefore, will be critical, as will encouraging country governments to play a larger role in funding family planning commodities.
Current spending on Contraceptive Supplies
135 low-and-middle-income countries

Total
$3.33
BILLION

Public
$624
MILLION

Private
$2.71
BILLION

Donor
$159
MILLION

Government
$465
MILLION

Subsidized
$46.7
MILLION

Non-Subsidized
$2.66
BILLION
Current spending on Contraceptive Supplies
Segmented by GNI group and sector

- 49% of funding from donors in LIC
- 29% of funding from Governments in L-MIC
- 92% of funding from Private (non-subsidized) in L-MIC
If spending stays at current levels while the number of women using contraception grows a funding gap will emerge... $178 million by 2020 $266 million by 2025 $1.17 billion over five years (2021-2025)
Cumulative contraceptive supplies funding gap (2021-2025)

Comparison by sector and GNI group

- **TOTAL**: $1.17 bn
- **DONOR**: $241 m
- **GOV’T**: $240 m
- **PRIVATE**: $692 m
Cumulative contraceptive supplies funding gap (2021-2025)

Comparison by sector and GNI group

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Distinct method mix across the public and private sectors

Both the public and private sectors play important roles, yet the composition of each is very different. While the public sector primarily provides long-acting and permanent methods (LAPMs), the private sector almost exclusively provides short-term methods (STMs). This means the two are not interchangeable. We must take caution in assuming that in the context of shrinking donor funding, the private sector can simply take the place of what donors are supporting. Work is needed to ensure that, as the funding landscape shifts, women are still able to access a full range of contraceptive methods.
The public and private sectors play very different roles

135 low-and-middle-income countries, 2018

67% of public sector users rely on LAPMs
73% of private sector users rely on STMs

See results for any country!
Variation in use and sector by GNI, 2018

The public sector plays an increasingly smaller role in each GNI group
Variation in use and sector by GNI, 2018

All modern methods

<table>
<thead>
<tr>
<th>LIC</th>
<th>L-MIC</th>
<th>U-MIC</th>
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</thead>
<tbody>
<tr>
<td>10%</td>
<td>61%</td>
<td>30%</td>
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Implants

<table>
<thead>
<tr>
<th>LIC</th>
<th>L-MIC</th>
<th>U-MIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>39%</td>
<td>44%</td>
<td>20%</td>
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Implant users skew to towards the public sector and towards low-income counties.

Explore by method!
The significant, yet variable, role of subsidy within the private sector

The previous CGA sparked debate over the relative role of public sector funding within the private sector, specifically as a result of subsidized socially marketed products. Building on new data and insights shared by DKT, MSI, PSI, and SHOPS Plus, this report distinguishes between users who purchase supplies from private sector entities at subsidized prices and those who pay non-subsidized (market-value) prices. This allows us to present two different financing models: one that is purely market driven, the other that relies on support from the public sector. The results indicate that across the 135 LMICs, only a small share of private sector users (12%) receive subsidized products. In terms of the three GNI groups, subsidized private sector commodities play the largest proportional role within low-income countries. Conversely, non-subsidized private sector commodities play the largest role within upper-middle-income countries, where they account for half of all users.
Identifying the role of subsidy in the private sector

Setting aside distinctions between social marking and commercial sectors to focus on the supplies themselves.

Who funded the commodity?
- DOMESTIC GOVERNMENT
- DONOR/NGO
- MANUFACTURER/WHOLESALE

Who procured the commodity?
- DOMESTIC GOVERNMENT
- DONOR/NGO
- MANUFACTURER/WHOLESALE

Who distributed the commodity?
- GOVERNMENT
- NGO/SMO
- WHOLESALER/DISTRIBUTER

Where did the client receive the commodity?
- PUBLIC FACILITY
- NGO FACILITY
- PRIVATE FACILITY
- PHARMACY/SHOP

The commodities clients receive at any facility could be free, subsidized, or non-subsidized (market price).
Large variation in the role of subsidy in the private sector

**Method:** subsidized product plays greatest role for implants and IUDs

**Income level:** subsidized products play largest (proportional) role in low-income countries

**Method and Income level:** larger role across all methods within low-income countries

See results for any country!
The results of this analysis demonstrate that cost is not a function of use. Rather, consumption costs are influenced by a number of factors, such as frequency of units consumed for each method, differences in cost between methods, and the variation of the cost of each method from country to country. Brazil, for example, accounts for only 8% of users, yet makes up 30% of the total consumption cost. By contrast, India accounts for 30% of all users across the 135 LMIC but makes up only 7% of consumption costs. Understanding how the landscapes of use compare to those of cost can help ensure all women can make their own choice from a full range of contraceptive methods.
Use vs cost by method, 2018

135 low-and-middle-income countries

91% of costs are from short term methods

Users almost evenly split between LAPM & STMs

See results for any country!
Use vs cost by GNI group, 2018

Most users live in L-MIC

India accounts for nearly half of the L-MIC users and 30% of global LMIC users.

Most costs come from U-MIC

Brazil accounts for 30% of the global supply cost despite only accounting for 8% of users.
Over the coming decade, the total number of women using modern contraception will grow by more than 80 million. This growth, however, will not be evenly distributed across countries. Low-income countries will experience the most rapid growth in relative terms, while lower-middle-income countries will experience the largest increase in absolute terms. The efforts needed to sustain these different growth patterns will vary across countries, with some requiring additional money and more effort than others.
Total number of users will continue to grow, but gains are not even across methods

135 low-and-middle-income countries
Gains will be most rapid in the low-income countries

Change in Users, 2020–2030

Comparison by GNI Group

- LIC
  - 400M
  - 300M
  - 200M
  - 100M

- L-MIC
  - +29.9m (60%)

- U-MIC
  - +5.11m (4%)

Change in Consumption Cost, 2020–2030

Comparison by GNI Group

- LIC
  - +$144m (62%)
  - -$125m (-5%)

- L-MIC
  - +$101m (10%)

- U-MIC

Select Method

All methods

See results for any method!
Getting what you need from the CGA 2019

CGA 2019 provides information to understand the current situation and potential future scenarios in order to inform key discussions.

The report itself does not give the answers, but rather can provoke discussion and ensure that we have the correct understanding of what is already happening.
What can you get from the CGA 2019?

**Geographies**
- Results for the full set of 135 low-and-middle income countries
- Results for geographic regions or select donor priority groups (e.g. USAID’s priority countries)
- Results for specific countries

**Results**
- Spending & Gaps*
- Users
- Costs

**Disaggregation**
- Sector
- Method

*not available by country
Example: using CGA 2019 to inform advocacy efforts to sustain donor financing in the Ouagadougou Partnership

1. FP commodity financing is highly donor dependent (Theme 1)

2. Large role of public sector (Themes 2 & 3)

3. Rapid increases in use & cost projected (Theme 5)

- Just under half of private sector users receive subsidized products.
- 76% increase in users (+4.98 million) from 2021 to 2030
- 70% increase in costs (+$22 million) from 2021 to 2030
How to get the data you need

https://www.rhsupplies.org/cga/

1) Interactive tables and graphs: *embedded into the report itself*

2) Data Annex: *detailed results tables for selected country or country group*

3) Summary Briefs (coming soon!)
Q & A

Please type your questions or comments in the chat box. If we are not able to get to all the questions during the webinar, we are happy to follow up with you after via email.

For additional questions you can contact Michelle Weinberger: mweinberger@avenirhealth.org
Thank you!

Explore CGA 2019 at
https://www.rhsupplies.org/cga/