



An update on the Medicines Transparency Alliance (MeTA) by the APG Access to Medicine Workstream, 20 Dec 2007

1. Background

In April 2006 the Department of International Development (DFID) circulated a paper entitled *Medicines Transparency Alliance (MeTA) - Draft Consultation Paper*.

The stated purpose of the MeTA proposal is to:

pilot a new multi-stakeholder approach towards increasing transparency around the selection, regulation, procurement, sale and distribution of medicines in developing countries, thereby strengthening governance, improving efficiency, and encouraging innovative and responsible business practices. The goal of MeTA is to contribute to increased access to affordable essential medicines in developing countries, in co-operation with pharmaceutical companies (in line with Millennium Development Goal 8, Target 17) with the ultimate aim of improving health outcomes for poor people in developing countries.

The original April 2006 paper was an insubstantial document, paper, and there were a number of further consultations by MeTA over the next 18 months, culminating in a final detailed proposal in November 2007 entitled the *Medicines Transparency Alliance Phase One Proposal*.

2. The APG Workstream Approach

The Workstream engaged closely with DFID over these 18 months, welcomed its constructive approach and was pleased that most of its recommendations were accepted.

The Workstream agreed that transparency in the medicines supply chain was in theory an attractive aim. It has a number of potential advantages, including a possible reduction in both counterfeit medicines and the diversion of medicines to other countries. It would also provide an opportunity to highlight the impact of tariffs and taxes on the final cost to the patient – with the potential of forging international consensus on the need to reduce or even eliminate them.

The issue was very much one of practicalities and not expecting too much from MeTA.

The use of pilot country schemes was seen by the Workstream as sensible. If some of the ideas are impracticable, the pilots will show this.

The basic principles set out by the Workstream were as follows:

1. To set the pilot schemes in a healthcare context.
 - An adequate health infrastructure is the most important requisite for providing medicines; pilots should only be introduced where this exists
2. To focus on achievable big wins
 - Initially the medicines being tracked should be limited as far as practicable to big diseases highlighted in the Millennium Development Health Goals - HIV/AIDS, malaria and TB – rather than be over-ambitious
3. To concentrate on the poorest countries
 - Least-developed countries like Ghana and Uganda satisfy the criteria as they have the most acute problems and the poorest populations.
4. To avoid excessive focus on prices
 - To take into account regulatory issues, counterfeiting and healthcare governance
5. To maintain a multi-stakeholder approach
 - To keep all relevant stakeholders, including pharmaceutical companies, involved in the UK; and similarly to involve them in pilot country fora
6. To avoid unintended negative consequences
 - Unintended consequences could include reducing access to medicines in rural areas, cutting extra revenue received by hospitals and clinics from dispensing medicine fees, and driving pharmacists away by slashing their margins
7. To include the private and public sectors
 - Given the overlap between these two important sectors, any pilot scheme which looked only at the one but not the other would be deficient
8. To promote practical application
 - To help pilot country fora to devise practical and non-disruptive ways of tracking the determination of price at all stages along the entire supply chain
9. To work for the longer term
 - The aim must be to work for the long-term, avoiding short-termism
10. To set pilot evaluation schemes in place with clear criteria setting out what a successful outcome might look like, with time-limited targets.

3. The current position

The initial country pilot schemes started with the Philippines in December 2007, with Ghana expected to be next. The other countries being considered are Peru, Uganda, Zambia, Kyrgyzstan and Jordan, but not all are likely to be chosen. Uganda is seen as very probable, but likely to be delayed.

Each pilot scheme will last for some 24 months.

The Workstream was asked by DFID to put forward names to multi-stakeholder groups or fora in each pilot country, which will develop MeTA in ways appropriate for each individual country. To date, three members of the Workstream have responded positively and names will be put forward.

However there remain some concerns which included the following:

a) Disclosure of data

The latest DFID paper proposed the disclosure of data on medicine pricing (as well as on medicine quality, availability and use) and the proactive collection of such data.

DFID has argued that the price levels in Low Income Countries will come out anyway, and that it is better for it to be done by a responsible body. The current paper proposes that the move towards disclosure will be gradual and that there should be aggregated or confidential reports on procurement prices and mark-ups in the private sector.

The Workstream does not accept this argument. It believes that some Middle Income Countries will force down the prices they pay for medicines by deploying this information from Low Income Countries.

From the very start of discussions with DFID, the Workstream has argued that pricing information should be regarded as confidential. This disquiet remains and the Group regrets the Department's proposal that price information should be disclosed. The Group would like to explore further with DFID how confidentiality could be secured whilst still meeting the Department's objectives

b) Generic medicines

MeTA should look at the volume of transactions in medicines in the pilot countries, as this will show that transactions are heavily skewed towards generic medicines, rather than patented medicines. This point should be properly recognised in the MeTA Phase One Proposal paper and be taken into account in devising the programmes for each pilot country.

c) Evaluation

Proper evaluation is crucial for the Department to show whether MeTA has achieved that the Department said it would achieve.

There is some time in hand for the Department to set this up, as the pilot schemes have very sensibly been extended to two years. The Workstream strongly recommended that, during 2008, the methods of evaluating the work in the pilot countries, and the way in which analyses and conclusions are to be reached and circulated, should be further developed and set out publicly.

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