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HIV/AIDS - *Getting Results*

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These reports describe activities, challenges and lessons learned during the World Bank's HIV/AIDS work with countries and other partners.

Better Procurement and Supply Management of HIV/AIDS Drugs and Supplies

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Summary

Many countries are working to expand access to antiretroviral (ARV) drugs for millions of people with HIV/AIDS. Uninterrupted and timely supplies of safe, effective and affordable ARV drugs are needed. They must be dispensed correctly by health workers, and consistently taken by patients. A partnership between the World Bank and World Health Organization (WHO), in collaboration with the Global Fund for AIDS, TB and Malaria (GFATM), UNICEF, UNAIDS, and the American and French Governments is helping countries build capacity to procure and manage HIV/AIDS drugs and related supplies. This effort has helped support an increase in the number of people on ARV treatment in low- and middle income countries, from 400,000 at the end of 2003, to about one million in June 2005.

New commitment and efforts to expand access to antiretroviral treatment

There is recent new political momentum and effort to scale up treatment programs for people living with HIV/AIDS in resource-limited settings. The needs are huge: of the 40 million people living with HIV/AIDS worldwide, about 95% live in low- and middle income countries. An estimated six million people in developing countries urgently need treatment, but only 400,000 were being treated in 2003.

In September 2003, the Directors of the WHO, UNAIDS and the Global Fund declared that poor access to antiretroviral medicines for HIV/AIDS is a global health emergency. In response, they launched the "3 by 5 Initiative", setting an ambitious target of providing lifelong ARV treatment to 3 million people in developing countries by the end of 2005. More than twenty countries responded immediately, setting national goals for expanding treatment access, and asking to collaborate with global partners to try and reach those goals.

At the time, there were only a few isolated comprehensive treatment programs with significant coverage in developing countries. For most countries and funding agencies, the emphasis had been on

prevention, awareness creation, voluntary counseling and testing (VCT), prevention of HIV transmission from mother to child, and home based care. Rapid, wide expansion of access to ART treatment posed many challenges, and placed strong demands on health systems, which would need to be strengthened.

Effective, reliable, affordable supplies of medicines and diagnostics are essential

Procurement and supply management of drugs and other supplies is one of the key functions that needed attention. Treatment programs cannot be expanded without reliable, efficiently managed supplies of safe, effective and affordable antiretroviral drugs and associated diagnostics and supplies. The drugs and other supplies need to reach programs in some of the poorest regions of the world. The drugs must be dispensed correctly by health workers, and consistently taken by patients.

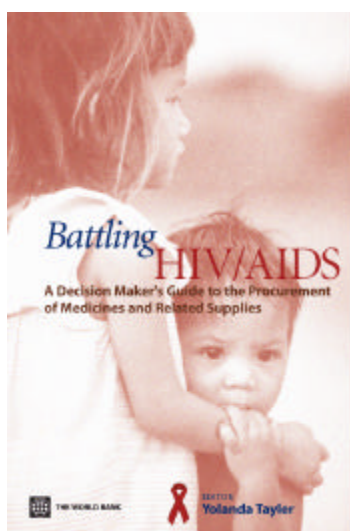
The large sums of money involved must be spent well. Sound procurement processes are needed to achieve strong quality assurance, efficiency, and good value for money. An indication of the level of funding involved: by December 2005, the Global Fund had disbursed about one billion dollars for drugs and other supplies for treating AIDS, tuberculosis and malaria, with another \$2.5 billion expected to be disbursed for drugs and supplies during 2006 and 2007. According to the WHO Global Price Reporting Mechanism, US\$ 245.9 million was spent on ARV drugs for use in developing countries between January 2004 and August 2005.

When WHO and UNAIDS developed the strategic plan for the "3 by 5" initiative, the importance of drug procurement and supply management for scaling up antiretroviral therapy was clearly recognized, along with the challenges this poses for many countries and providers. Substantial resources would need to be invested in countries' facilities, equipment, supplies, and most importantly, in staff training.

To respond to this challenge, the World Bank and WHO formalized a partnership to help build the capacity of member countries to manage procurement and logistics

of HIV/AIDS drugs and related supplies. The World Bank's learning group, the World Bank Institute (WBI) provides technical expertise, logistic support and experience in supporting learning and training. The AIDS Medicines and Diagnostics Service (AMDS Secretariat) is the lead group within the WHO in the partnership. AMDS is a network of partners aiming to increase access to good quality effective HIV/AIDS treatment by improving ARV supply in developing countries. Many of the AMDS partners contributed to the achievements described in this note: the World Bank, UNICEF, the Global Fund, UNDP, UNAIDS, ESTHER, Management Sciences for Health (MSH), John Snow Inc. (JSI), the International Dispensary Association (IDA), and the WHO HQ, Regional and Country Offices.

A Guide to Procuring HIV/AIDS Medicines and Related Supplies



Buying antiretroviral drugs and related supplies requires specialized expertise. A World Bank team worked with the WHO and other technical agencies to develop a guide that sets out the principles and offers practical advice on procuring the HIV/AIDS medicines and related supplies needed for treatment programs. The Guide, *Battling HIV/AIDS: A Decision Maker's Guide to the Procurement of Medicines and related supplies* has been endorsed as a useful tool by key partner institutions (WHO, the Global Fund, UNICEF, UNDP, and the Clinton HIV/AIDS Foundation).

The Guide focuses on resource-limited settings, but discusses new, more expensive ART drugs and tests that may not yet be included in the essential drugs lists of many countries. It notes some of the unpredictable factors associated with scaling up ART, such as rapid growth in demand, the appearance of new medicines and tests, and sudden changes in markets. It provides practical advice on intellectual property rights in simple, clear language. It “walks” users through the steps of deciding what to buy and assessing the quantities needed, carrying out and monitoring the actual procurement, including quality assurance, and explains

how prices are determined and how buyers can bargain for lower prices. A case study provides an example of how to estimate resources required for treating AIDS in a particular country.

“Hands-on” Training Workshops

Complementing the Guide, “hand-on” training workshops in procurement, logistics, and supply management of ARVs and related supplies are offered for country level implementation agents and key staff.

The overall learning objective is to provide policy makers and implementers with the knowledge they need to better manage the supply and distribution of antiretroviral therapies. The training program covers the following topics:

- Priority Setting and Effectiveness
- Intellectual Property Rights
- Financing and Pricing
- Pharmaceutical Systems
- Product Selection and Quantification
- Procurement Planning and Management
- Quality Assurance
- Supply Chain Management
- Rational Use of Drugs.

The participants are primarily:

- Staff from governments, donor agencies, NGOs and international organizations with direct responsibility for procuring and/or distributing ARVs or HIV/AIDS-related diagnostics;
- Program managers/coordinators of national HIV/AIDS programs and HIV/AIDS Grant Recipients;
- Staff from drug regulatory authorities.

A good example of agencies working together

In addition to transferring knowledge and building practical skills, the workshops also aim to promote and enhance harmonization of policies, procedures and practices at the country level, in accordance with the “Three Ones” principles. The Three Ones vision is of one HIV/AIDS coordinating authority in each country, one national HIV/AIDS strategy and plan, monitored and evaluated through one unified M&E system. This would be much more efficient and effective than a multiplicity of donor-specific projects and procedures. The implication would be centralized or at least carefully coordinated national procurement of ARV drugs and related supplies, instead of different procurement cycles and processes to serve specific projects. Better coordination and collaboration among funding agencies is key to realizing the “Three Ones” vision, and the Procurement and

Supply Management Capacity Building effort is a good example of this.

The workshops are a highly collaborative effort with contributions from five key agencies and four bilateral donors. Funding comes from WHO, UNAIDS, World Bank, UNICEF, Global Fund, UN Fund for International Partnerships, and the governments of France, the United States of America, the Netherlands and Canada. The Global Fund and Bank-funded projects cover the cost of participation for many of the people who come to the workshops. The World Bank, WHO, Global Fund, UNICEF and other AMDS partners provide technical assistance at each workshop, so that countries can complete their procurement and supply management plans during the week, a task that tends to take several months if done without specific assistance.

In the spirit of partnership, participants are nominated and selected collaboratively by:

- Representatives of government ministries
- National and Regional WHO staff
- UNAIDS country advisors
- Managers of HIV/AIDS country programs financed by the GFATM
- World Bank Task Team Leaders
- NGOs.

Huge demand for the training

By October 2005, 7 workshops had been held in different cities, attended by 528 participants from 86 countries. The first workshop was organized in Nairobi in December 2004 and the focus was to assist Global Fund recipient countries to develop procurement and supply management plans, trouble shoot solutions to problems raised, share experiences and identify technical assistance needs. The second workshop was held in Addis Ababa, Ethiopia in February 2005 for participants from Francophone countries, the third in Arusha, Tanzania for Anglophone countries in East Central and Southern Africa, and the fourth in Abuja, Nigeria for Anglophone countries in West Africa. The fifth workshop was held in Barbados for the Caribbean region, the sixth Beirut, Lebanon for countries in the Middle East and North Africa, and the seventh was in Bangkok, Thailand for countries in Asia and the Pacific (see the table on page 5 for details of workshop dates, participant numbers and the countries from which they came).

Demand for places has been overwhelming, with most workshops oversubscribed. This is evidence of the usefulness of the training and the demand it meets. In response to requests, three more regional workshops will be held in early 2006 - in Accra and Nairobi for Francophone and Anglophone Africa and in Moscow for Eastern Europe and Central Asian countries. Follow-up national workshops have been requested by a number of

countries, including Botswana, Ethiopia, Ghana, Kenya, Mozambique, Namibia, Nigeria, Senegal and Tanzania. Workshops are scheduled to be held during 2006 in Tanzania and Nigeria, and for clusters of smaller countries in Southern Africa and West Africa.

Workshop outcomes and follow-up

1. More than 500 professionals have been trained, and gained a better understanding of the complexity of procurement and supply chain management of ARVs and related supplies, helping accelerate implementation of HIV/AIDS programs.
2. Through exchange of experiences, participants have identified bottlenecks and potential solutions related to procurement and supply management.
3. Areas requiring in-country technical assistance have been identified. A network has been developed of resource persons who can provide short term and long term technical assistance in countries, in response to specific country needs. UNICEF will coordinate this in-country support from the AMDS partners.
4. More than 30 Global Fund Procurement and Supply Management (PSM) plans developed during the workshops by fifteen country teams were subsequently approved for a combined total budget of around \$490 million. This speeded up a process that would normally take several months, and likely contributed to the rapid expansion of the numbers of people on treatment from 700,000 in December 2004 to about one million in June 2005.
5. Networks of PSM practitioners are connected through email for ongoing discussion of issues and problem solving. In 2006, WBI is increasing its capacity to respond rapidly to requests for follow-up support from workshop "graduates" and to facilitate interaction among the PSM practitioner network, including through regular video conference discussions.

Workshop Evaluation

The training is carefully evaluated, to make sure that it is meeting the needs of participants and having the intended impact. After each module and at the end of each full workshop, participants are asked about the extent to which their expectations and the workshop objectives have been met. In response to this feedback, the training has been "tweaked" and improved.

To assess the impact of the training, the instructors will use quarterly e-mail and video conference discussions to assess whether the capacity of HIV/AIDS programs to procure and manage the ARV drug supply chain has improved since the workshops. Finally, an objective evaluation will be done in the future to determine whether the pace of ART program implementation has improved.

Examples of learning and problem solving during the workshops

Participants greatly value the information shared in the workshops. Countries often face similar problems, and have suggestions and solutions to offer each other. Several specific examples follow:

- In talking together, participants discovered that countries had been paying very different prices for the same drugs, bought from the same suppliers. Information from other countries and greater transparency enables countries to negotiate better prices.
- Countries had estimated their needs for second line drugs assuming a treatment failure rate of 10% for first line drugs. This was based on experience in the US and Europe, where treatment failure rates have been around 15%. However, workshop participants reported much lower actual treatment failure rates of around 1%, leaving them with unused stocks of expensive second line drugs. This information has led to better estimates of second line drug needs, and considerable cost savings.
- Participants also discussed problems that have resulted from different donor programs not being harmonized. Many countries receive funding for treatment programs and ARV drugs from the Global Fund, the World Bank and from USAID. Different rules and requirements have led to some patients being treated with generic drugs and being asked to pay part of the costs, while other patients received branded drugs supplied to them free of charge. Countries reported that some patients mistakenly thought that the drugs supplied free were inferior to the drugs for which patients had to pay something, causing problems and reluctance to take the "free" drugs. One solution was to use drugs bought and dispensed under different rules, in different parts of the country, so that all patients in a particular area would get the same drugs. Even better, some participants shared experiences of how they had been able to harmonize procurement of ARV drugs funded by different donors.
- When NGOs or government services delivering ARV treatment lack the capacity to properly quantify their drug needs, stockouts or excess stocks can result.

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Workshop participants concluded that it was important to work with all service providers to quantify drug needs, to help rationalize drug supply.

These examples all demonstrate the practical value and usefulness of the workshops, and give a sense of the impact that they can have in helping to improve procurement and management of ARV drugs and related supplies in numerous countries across all regions of the world. The successful and effective collaboration among the AMDS partners has achieved greater results than would have been possible by organizations acting alone.

References, further information

- Y. Tayler (Editor) *Battling HIV/AIDS: A Decision Maker's Guide to the Procurement of Medicines and Related Supplies*. Available on-line at www.worldbank.org/aids > Publications
- The World Health Organizations' Global Price Reporting Mechanism for ARVs in developing countries provides details of transactions for many ARV drugs, compiling data from WHO, UNICEF, the Global Fund, the International Dispensary Association and Management Sciences for Health, on line at: www.who.int/3by5/amds/price/hdd
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- WHO and UNAIDS: Treating 3 Million by 2005, Making it happen; the WHO Strategy: the WHO and UNAIDS global initiative to provide antiretroviral therapy to 3 million people with HIV/AIDS in developing countries by the end of 2005. On line at: <http://www.who.int/3by5/en/>
- WHO and UNAIDS: Progress on Global Access to HIV Antiretroviral Therapy. An update on "3 by 5". <http://www.who.int/3by5/publications/progressreport/en/index.html>

ARV Drug Procurement and Supply Management Workshops:

Details of dates, places and participating countries

Workshop Location	Nairobi, Kenya	Addis Ababa, Ethiopia	Arusha, Tanzania
Workshop Dates	2-9 December, 2004	21-25 February, 2005	17-25 April, 2005
No. of participants	76	84	102
Countries Represented	Ethiopia*	Benin	Angola*
	Ghana*	Burkina Faso	Botswana
	Kenya	Burundi	Eritrea
	Lesotho	Cameroon	Ethiopia
	Liberia*	CAR	Kenya
	Malawi	Chad	Mozambique
	Namibia	Congo	South Sudan*
	Nigeria	DR Congo	Swaziland
	Sierra Leone*	Djibouti	Tanzania
	Tanzania*	Guinea	Uganda
	Uganda*	Madagascar	Zambia*
	Zimbabwe	Mali	Zimbabwe
		Mauritania	
		Niger	
		Rwanda	
		Senegal	
Barbados	Abuja, Nigeria	Beirut, Lebanon	Bangkok, Thailand
May 30-June 4, 2005	May 30 – June 4, 2005	June 27 – July 1, 2005	July 25-30, 2005
55	90	52	69
Antigua	Gambia	Egypt	Bangladesh
Barbuda	Ghana	Iran	Bhutan
Barbados	Guinea Bissau*	Jordan	Cambodia
Belize	Liberia	Lebanon	China
British Virgin Island	Nigeria	Morocco	India*
Grenada	Senegal*	Yemen	Indonesia
Grenadines	Sierra Leone*		Lao PDR*
Guyana	Zambia*		Mongolia
Jamaica			Myanmar
Montserrat			Nepal
St. Kitts/Nevis			Pakistan*
St. Lucia			Papua New Guinea (PNG)
St Vincent			Philippines
Suriname			Sri Lanka*
Trinidad/Tobago			Thailand*
Haiti*			Vietnam

Note: * and bold type indicates that a country's PSM plan had been successfully completed during the workshop, ready for full assessment and subsequent disbursement by The Global Fund.

The training materials for the workshops were developed by a team of experts including: Jillian Clare Cohen, Zubin Austin, Heather Bennett and Bridget Sterling of the University of Toronto; Amanda Bradford, Laura Wyman and Ana Johnson-Masotti, from McMaster University; Frederick Abbott, Florida State University, College of Law; Yolanda Tayler, World Bank and Ed Vreeke, Private Consultant; under the technical direction of Yolanda Tayler and Juan Rovira, World Bank.