

## What difference can transparency and accountability make to access to medicines for poor people?

One in every three people in the world does not have the basic medicines they need. For some, the cost is too high. For others, the medicines are not available in their local health centre, often for a number of different reasons. Relying on the pharmaceutical market alone to supply medicines to poor people is not working.

A concerted international effort – the Medicines Transparency Alliance (MeTA) – is now underway to support efforts to increase poor people’s access to affordable essential medicines by improving transparency and accountability within the marketplace.

In seven countries – Ghana, Jordan, Kyrgyzstan, Peru, the Philippines, Uganda and Zambia – national governments, the pharmaceutical and other businesses, civil society, academics and others with an interest in the supply and use of medicines will be working with support from the UK Department for International Development (DFID), the World Health Organization (WHO) and the World Bank to improve the way medicines are purchased and supplied, encourage innovative and responsible business practices, and increase the voice of patients and consumers.

MeTA’s financial and technical support will encourage a focus on making information about medicines publicly available. But can information make a difference? Yes – if it is acted on.

Examples from around the world show what can be achieved through concerted efforts of everyone involved in the procurement, supply and use of medicines.

In Guatemala, public monitoring of the process for purchasing medicines led to a new public health policy to increase competition, decrease prices and improve access to medicines (see box).

### Improving procurement of medicines

Civil society organisations can play a key role in promoting the rigorous application of best practices and codes of conduct on the part of the pharmaceutical industry, members of the medical profession and governments. For example, the Guatemalan chapter of Transparency International (TI Guatemala) was invited by the government to monitor drugs procurement in mid-2005. At the time, a legal dispute between generic and brand name distributors of medicines had caused severe shortages. Through the monitoring process, TI Guatemala uncovered significant bias on the part of the governmental body responsible for checking compliance with quality controls. Some bidders, especially providers of generics, were required to provide additional technical information at short notice, in contrast to a favoured group of companies. The potentially damaging effects of this high level of discretion by the governmental adjudication body were magnified by the lack of a public health policy, which meant that the quantities purchased could also be manipulated. The recommendations of the monitoring exercise were used to lobby successfully for a public health policy determining the amount of medicines to be purchased each year in Guatemala.<sup>1</sup>

In India, community monitoring of health services highlighted the medicines supply as one of the key determinants of an efficient service. From dialogues between consumers and suppliers in the health care system came a possible solution, in the development of community-managed supply depots (see box).

### **Increasing accountability**

In Andhra Pradesh, India, medicine supply was included as a key indicator of effectiveness of local primary health centres (PHCs) by community members who used a community scorecard approach to monitor service provision. A PHC is outreach point of the rural health system. Each PHC caters to a rural population of approximately 35,000.

This exercise enabled community members to interact with service providers, discuss the issues and explore options for resolving difficulties. In some areas management of the purchase and supply of medicines was handed over to the community and it was found that community managed depots were able to ensure timely availability of medicines at reasonable prices for all PHC patients.<sup>2</sup>

In Africa, the diversion of low-cost medicines from the public health system for private sale has had dire consequences in terms of access to medicines. Being aware that this practice is happening is the first step in being able to take action to ensure that it stops (see box).

### **Transparency leads to change**

In Uganda in early 2008, the Minister of Health announced to the media that 50% of the medicines purchased by the government for use in the public health system were being siphoned off by health workers and redistributed to private clinics or pharmacies. Patients who were also taxpayers were paying for the drugs twice. This has triggered public demand for action.

A similar, but larger scale practice with anti-retroviral (ARVs) drugs was exposed in mid-2002. After GlaxoSmithKline (GSK) committed to providing its full range of ARVs at not-for-profit prices to the world's poorest countries, it moved quickly to make those drugs available, and dispatched the initial consignments to Africa in European packaging, as it would have taken up to 18 months to get approval for different package designs. These medicines were priced at 70 per cent less than developed world prices. They were originally sold to a non-governmental organisation and the procurement arm of a ministry of health, for distribution to African patients who were HIV positive. Some of the ARVs were diverted by West African public officials, almost undetected, back into the European market, with traders making substantial profits and patients in Africa being denied access to the medicines they desperately needed. Prosecution is under way for those involved in this scheme, which should help send the signal that this behaviour cannot be tolerated. In the meantime, GSK has developed 'access' packages for its main ARVs that are differentiated from developed country packs.<sup>3</sup>

These three examples illustrate the type of changes that MeTA hopes to achieve over the next few years in global and national efforts to improve access to medicines for the poor. This will involve fully involving civil society, business and other stakeholders to work together to generate, disclose, debate and use information to

help address problems in the pharmaceutical market. This multi-stakeholder approach aims to shift some decision-making power to consumers and put greater competitive pressure on suppliers – thereby improving the **functioning of the pharmaceutical market** – and to promote **better governance and more appropriate resource allocation** by public purchasers. Ultimately, that means better health for people.

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<sup>1</sup> Transparency International 2006. Corruption in the pharmaceutical sector.  
[www.transparency.org/content/download/4873/28712/file/gcr2006\\_pharma.pdf](http://www.transparency.org/content/download/4873/28712/file/gcr2006_pharma.pdf)

<sup>2</sup> World Bank, 2007 Social Accountability Series, Note No. 1  
<http://siteresources.worldbank.org/INTSOCACCEMIDEGOV/Resources/Case1AndhraPradeshSAcCSCealthAugust2007.pdf>

<sup>3</sup> Uganda: newspaper report - <http://sunrise.ug/index.php?act=opinions&id=528> ; GSK: Bale, H. 'Promoting trust and transparency in pharmaceutical companies: an industry perspective' in:  
[www.chapterzone.transparency.org/global\\_priorities/other\\_thematic\\_issues/health/pharmaceutical\\_industry](http://www.chapterzone.transparency.org/global_priorities/other_thematic_issues/health/pharmaceutical_industry)