

---

**DFID**

HEALTH  
RESOURCE  
CENTRE

---

**TOWARDS A MEDICINES TRANSPARENCY ALLIANCE:  
RESEARCH PRIORITIES AND MECHANISMS**

Emma Back

13 December 2006

DFID Health Resource Centre  
5-23 Old Street  
London EC1V 9HL  
Tel: +44 (0) 207 251 9555  
Fax: +44 (0) 207 251 9552

The DFID Health Resource Centre (HRC) provides technical assistance and information to the British Government's Department for International Development (DFID) and its partners in support of pro-poor health policies, financing and services. The HRC is based at HLSP's London office and managed by an international consortium of five organisations: HLSP Ltd, UK; Ifakara Health Research and Development Centre, Tanzania (IHRDC); ICDDR,B - Centre for Health and Population Research, Bangladesh; Sharan, India; Swiss Centre for International Health (SCIH) of the Swiss Tropical Institute, Switzerland.

This report was produced by the Health Resource Centre on behalf of the Department for International Development, and does not necessarily represent the views or the policy of DFID.

TOWARDS A MEDICINES TRANSPARENCY ALLIANCE:  
RESEARCH PRIORITIES AND MECHANISMS

Emma Back

DFID Health Resource Centre  
5-23 Old Street  
London EC1V 9HL  
Tel: +44 (0) 20 7251 9555  
Fax: +44 (0) 20 7251 9552

**Table of Contents**

1. Participants ..... 2

2. Agenda ..... 3

3. Summary of Discussions ..... 4

    3.1. Purpose of meeting – Michael Borowitz, DFID ..... 4

    3.2. Introduction to global policy context – Richard Laing, WHO..... 4

    3.3. Introduction to Medicines Transparency Alliance – Danny Graymore, DFID .... 5

    3.4. Current interests and thoughts about the future – open discussion ..... 5

    3.5. Research principles and mechanisms – open discussion ..... 7

4. Next steps ..... 9

## 1. Participants

<i>Name</i>	<i>Institution</i>
Michael Borowitz <a href="mailto:M-Borowitz@dfid.gov.uk">M-Borowitz@dfid.gov.uk</a>	DFID
Danny Graymore <a href="mailto:D-Graymore@dfid.gov.uk">D-Graymore@dfid.gov.uk</a>	DFID
Chris Collinson <a href="mailto:C-Collinson@dfid.gov.uk">C-Collinson@dfid.gov.uk</a>	DFID
John Gibb <a href="mailto:J-Gibb@dfid.gov.uk">J-Gibb@dfid.gov.uk</a>	DFID
Emma Back <a href="mailto:Emma.back1@hotmail.com">Emma.back1@hotmail.com</a>	HLSP
Richard Laing <a href="mailto:laingr@who.int">laingr@who.int</a>	World Health Organization
Brenda Waning <a href="mailto:Bwaning@bu.edu">Bwaning@bu.edu</a>	Boston University
Dennis Ross-Degnan <a href="mailto:Dennis_Ross-Degnan@hms.harvard.edu">Dennis_Ross-Degnan@hms.harvard.edu</a>	Harvard University (by phone)
Aizhan Imasheva <a href="mailto:aimasheva@worldbank.org">aimasheva@worldbank.org</a>	World Bank (by phone)
David Peters <a href="mailto:dpeters@jhsph.edu">dpeters@jhsph.edu</a>	John Hopkins University (by phone)
Kara Hanson <a href="mailto:Kara.Hanson@lshtm.ac.uk">Kara.Hanson@lshtm.ac.uk</a>	London School of Hygiene and Tropical Medicine
Elias Mossialos <a href="mailto:E.A.Mossialos@lse.ac.uk">E.A.Mossialos@lse.ac.uk</a>	London School of Economics
Liz Eagan <a href="mailto:E.J.Eagan@lse.ac.uk">E.J.Eagan@lse.ac.uk</a>	London School of Economics
Caroline Rudisill <a href="mailto:A.C.Rudisill@lse.ac.uk">A.C.Rudisill@lse.ac.uk</a>	London School of Economics
Wilbert Bannenberg <a href="mailto:Wjb@wxs.nl">Wjb@wxs.nl</a>	HERA
Danny Palnoch <a href="mailto:Danny.Palnoch@dh.gsi.gov.uk">Danny.Palnoch@dh.gsi.gov.uk</a>	UK Department of Health

## 2. Agenda

- 12.30-1.15** Lunch
- 1.15** Introduction to meeting purpose and desired outputs (Michael Borowitz); brief introduction of participants
- 1.25** Existing global policy and knowledge context for work on medicines transparency – Richard Laing, WHO
- 1.45** Presentation: update on MeTA – Danny Graymore, DFID
- 2.00** Extended tour de table from participants, each briefly outlining their current interests and research areas (3-4 mins each)
- 2.30** Brainstorm: Priorities for research on medicines transparency / to support MeTA
- 3.30** Coffee
- 3.45** Brainstorm continued: could take priority themes identified and consider in more depth, as appropriate
- 4.15** Which research mechanism(s) could be advanced to address these priority areas?
- 5.15** Sum up, agree next steps, and close

### 3. Summary of Discussions

#### 3.1. Purpose of meeting – Michael Borowitz, DFID

- a. Michael Borowitz, Senior Health and Governance Adviser at DFID, outlined the rationale for the meeting. DFID is exploring the potential for a global Medicines Transparency Alliance (MeTA). This forms part of DFID's work both on access to medicines and on good governance and the role of the private sector in development. MeTA will be concerned primarily with the collation and release of data into the public domain, in order to better inform consumers, civil society organizations and policy-makers on issues such as medicine pricing, availability and quality. However, greater research and knowledge sharing will be necessary, both to fill gaps in data and to support its use (e.g. in policy-making, in developing appropriate regulation, or in advocating for change).
- b. The meeting represents the first opportunity to bring together a range of researchers and other experts, to identify priority themes for research and knowledge sharing linked to MeTA, and to consider possible mechanisms to facilitate this. DFID is particularly keen to explore the potential for open source and collaborative learning – rather than a more competitive, traditional research programme. The type of research required to underpin MeTA and to support participating countries is also likely to be more operational – e.g. action learning, ongoing evaluation – than theoretical.

#### 3.2. Introduction to global policy context – Richard Laing, WHO

- a. Richard Laing, Medical Officer for Policy, Access and Rational Use at WHO, outlined the work on medicine pricing that WHO and Health Action International (HAI) have undertaken in recent years. 50 countries have now undertaken medicine pricing surveys, using the HAI methodology. The results reveal widespread variation in prices secured through public tender, and in prices charged to the consumer through public and private facilities – both within and between countries. There are also stark differences in some cases between the prices charged for innovator (branded) and generic products. Further work is now required to aid data comparison and synthesis.
- b. Some key issues that require attention from the research community are:
  - Evaluation of the effects of price control, taxes etc on medicine prices and availability;
  - Development of indicators for the MDG 8 Target on access to medicines – using data on price, availability and quality – to enable us to assess progress made towards the target;
  - Development of tools and approaches for the ongoing assessment of quality alongside pricing and availability, which could aid the development of information for patients and prescribers on the quality of generic medicines in particular;
  - Identifying lessons from areas where advocacy has effected policy change.
- c. Richard's presentation is attached as Annex 1 to this note.

### 3.3. Introduction to Medicines Transparency Alliance – Danny Graymore, DFID

- a. Danny Graymore, Private Sector Adviser at DFID, outlined the proposal for a Medicines Transparency Alliance (MeTA).
- b. Danny explained that MeTA had been conceived as a response to evidence that opacity within medicines sales and distribution systems contributed to a lack of access to medicines by developing country consumers – for example, by contributing to and obscuring the existence of poor forecasting, excessive mark-ups, theft/leakage and diversion of product, and other forms of corruption. A drive for greater transparency could help by getting data on medicine prices, availability and quality into the public domain and facilitating its scrutiny. As currently conceived, MeTA would facilitate access to information by consumers, civil society and others by securing high level political commitment in participating countries to ensure data at different levels in the medicines supply chain is disclosed, and supporting a multi-stakeholder approach towards using this data to inform dialogue, policy-making and the development of appropriate regulation.
- c. Danny's presentation is attached as [Annex 2](#) to this note.

### 3.4. Current interests and thoughts about the future – open discussion

- a. Participants were asked to outline areas of their own research that might be relevant to the MeTA proposal. They were also asked to consider which issues might be priorities for research to underpin or complement MeTA, and which of these issues might interest them.
- b. Kara Hanson, LSHTM – current interests:  
There are a number of areas of potential linkage with the research agenda of the Consortium for Research on Equitable Health Systems (CREHS), a DFID-funded RPC. These include
  - ACTs (pricing) and access to malaria interventions more generally, in particular the role of market interventions such as subsidies and social marketing;
  - Alternative models for scaling up interventions such as ARVs and other commodity-intensive interventions in CREHS partner countries (e.g. in Nigeria, Kenya, South Africa, India, Tanzania, Thailand);
  - Links between pharmaceuticals and risk protection, for example (but not limited to) social insurance schemes and reimbursement practices; mark-ups;
  - Mechanisms for accountability, including those operating at the community level;
  - Would have interest in future work on policy options, including price regulation; the degree to which formal and informal accountability mechanisms can be adapted and strengthened to increase transparency of private and public drug procurement and distribution; operation of local drug markets; and potentially on policy process issues related to pharmaceuticals. Interested in work at both the global and country levels, and have strong country partnerships on which to build.
- c. Dennis Ross-Degnan, Harvard – current interests:
  - BU / HMS Collaborating Center which focuses on policy analysis – understanding the economic and behavioural impacts of policy;

- Focus on activities in Philippines, Thailand, Vietnam, Indonesia, China, Kenya, Tanzania, Ethiopia, Rwanda, Uganda;
  - Insurance coverage and medicines issues (work with WHO) – e.g. effects of insurance on access, usage, cost (to system) etc. Facilitating regional collaboration on insurance, by sharing tools, approaches and lessons; training on analysis, systems and policy – i.e. how to use medicines data; development of metrics on medicines for insurance systems (quality, cost etc);
  - Work on determinants of adherence to ARVs in East Africa;
  - Would have interest in future work on how to use HAI and other data to enhance accountability; how to distinguish between proprietary and non-proprietary data and encourage openness / data-sharing; understanding the ‘demand side’ (the way medicines are selected and used, i.e. prescriber, retail and consumer incentives and behaviours) and how to improve consumer information and choice.
- d. Brenda Waning, Boston University – current interests:
- ARV procurement price analysis, using GFATM / GPRM data; how to use this analysis, including through cross-country comparison;
  - Central Asia focus: synthesis report of four country-level WHO/HAI Medicine Pricing and Availability studies; relevance and impact of taxes and their removal; USAID project on pricing along the private sector supply chain (observation, qualitative and quantitative study of mark-up practices, household decision-making, affordability); evaluation of rural pilot where MOH and private sector cost-share physical space and staff (nurses) within PHC with some assurance of maximum mark-ups for select essential medicines provided under insurance benefit (impact on pricing, affordability, regional competition and expansion);
  - Kyrgyzstan specifically: reference pricing, generic substitution, insurance issues etc;
  - BU has a new pharmaceutical track in its MPH programme.
- e. David Peters, JHU – current interests:
- Health financing;
  - Process issues, such as collaborative approaches to regulation;
  - Runs ‘Future Health Systems’ RPC for DFID, in collaboration with IDS in Sussex;
  - New courses in pharmaceuticals at Masters and Doctoral level evolving at JHU;
  - Work with the World Bank on health service delivery – lessons from policy-making; assessing the impact of investments in capacity building (moving more into supply chain management alongside procurement);
  - Would have interest in future work on how to incorporate quality alongside pricing and availability – particularly keen to work on national level operational research and support (as opposed to global MeTA); how to engage the private sector in all its variety; how to promote innovation through MeTA (e.g. around collaborative regulation).
- f. Elias Mossialos, LSE – current interests:
- LSE has course on economics of pharmaceuticals as part of its MSC programme;
  - Russia – work on insurance markets for pharmaceutical care;
  - Generics policies and links to insurance economics;
  - Would have interest in future work on: what constitutes an enabling environment / contributes towards ‘enabling space’ for transparency? E.g. social capital? Population dynamics? Institutional capacity in health and beyond? Level of corruption? Level of conflict / stability? Macroeconomic situation, including level of debt and aid dependence?; National Health Accounts (NHAs) as a proxy for affordability; market

structure and dynamics in the pharmaceutical sector in developing countries (size, population, GDP, trade volume / balance, trade policy etc); the links between information flow and incentives (some of which may be perverse); pharmaceutical policies linking back into the broader health system and policy environment (e.g. impact on wages / income of healthworkers, impact on broader access to health services); the links to other bilateral ODA – the role for ‘high politics’, conditionality etc; development of intermediate outputs and indicators that we could measure, as proxies for progress (towards greater transparency – and also towards MDG 8 Target?).

- g. Danny Palnoch, Department of Health – reflections on UK experience:
- Need to pay attention to competition policies and what this allows in terms of greater transparency around data, particularly on pricing;
  - Can too much information destabilize markets?;
  - Impact on company pricing of the potential for reference pricing – in the UK, prices can be kept high in case there are knock-on effects in other markets (i.e. prices put into public domain are high, to prevent a driving down of prices across the EU using the UK as a reference point).
- h. Wilbert Bannenberg, HERA – current interests:
- Supporting regulatory and negotiation capacity, including through information gathering and use;
  - Work on National Health Accounts;
  - HERA mainly focuses on the public sector – though the biggest issues may in fact be in the private sector;
  - Mostly doing ‘operational research’ and may open a new ‘window’ on non-profit research;
  - Would have interest in future work on how to get data into the public domain and ensure it is used (experience to date is that it takes a long time to gather data and change culture).
- i. Participants identified the following common interests, which represent gaps in existing knowledge:
- Tools: to assess and analyse pharmaceutical market structure and other contextual issues; to assess quality through existing systems (e.g. QA by wholesalers); to understand consumer preferences and behaviours, provider preferences, and the links to sales volumes; to undertake PETS style tracking.
  - Policy options: to address pricing, availability and quality in different therapeutic areas (e.g. different options for chronic and acute conditions).
  - Understanding: of the interaction between ‘risk pooling’ / insurance and medicine pricing, availability and quality; of potential causal relationships / intended and unintended consequences, e.g. of price controls on the market and on access, or of transparency on competition within the market; of incentive structures, especially in the pharmacy sector; of the drivers behind decision-making in policy-making / political organizations.

### 3.5. Research principles and mechanisms – open discussion

- a. Participants suggested a range of potential approaches that could be used to commission and fund research, for example:

- Observatory approach could be adopted. For example, the EU Observatory is a collaborative network with a hub in Brussels; based on network members' research, it develops policy briefs, publishes magazines, conducts training, hosts dialogues with policy-makers (capturing policy successes and failures) and shares resources through a dedicated website;
- Key MeTA-related policy themes could be pulled out, and tenders awarded for each of these;
- A new MeTA RPC could be developed, with a slightly different model – it could inform, request, commission and fund small research projects;
- Existing DFID RPCs could be asked to incorporate MeTA-relevant research;
- Research and training and/or other capacity building activities could be combined.

b. Beyond this, all participants agreed that – whatever the mechanism – the following core principles should be retained:

- Treat knowledge as a public good – open-source resources developed collaboratively;
- Work should be innovative;
- Research should be policy-linked;
- Developing country research capacity must be strengthened, perhaps through regional foci;
- Building on the two previous points, we should aim to develop analytical capacity within developing country policy-making institutions;
- Evaluation should be central to research (MeTA pilots will need to collect baseline data against which to assess progress and impact, then track this closely through implementation).

c. The Observatory model appears to be a promising, innovative approach towards bringing researchers together into a collaborative 'action research' network. It would be useful to explore the lessons from the European Observatory on Health Reform and the read-across to access to medicines and MeTA. The role of such as network within MeTA would likely include:

- Development and maintenance of a MeTA website (a web-based data pooling and analysis mechanism);
- Assessments of the pharmaceutical sector in countries similar to Health in Transition Studies (HiTS);
- Focused policy reports/briefs;
- Support to LIC partners;
- Sharing of teaching materials;
- Running of seminars and a summer school.

#### **4. Next steps**

The meeting agreed that the actions below would constitute appropriate follow up:

- Write up and disseminate a note of the meeting;
- Develop a mechanism for web-based collaboration, to enable meeting participants – and others who might want to engage – to share documents and ideas about the way forward;
- Commission immediate research if this is needed to underpin the development and launch of MeTA;
- Define the role of research within MeTA, and the principles for conducting it, prior to the high-level launch (April or May 2007?);
- Undertake detailed development of appropriate mechanisms for commissioning and funding research as part of the specification for MeTA; launch these mechanisms.
- Specifically, undertake a scoping study on a potential global Observatory on transparency and access to medicines.