Procurement supporting access and scale-up of paediatric HIV treatment

Coordinated Procurement and the Paediatric ARV Procurement Working Group

25 June 2014
3.4 million children live with HIV: only 630,000 on treatment*

- Burden of paediatric HIV = high despite progress with PMTCT
- Children = 10% total HIV
- ½ proportion of children on treatment compared to adults with a widening gap
- HIV progresses faster in children
  - significantly contributing to child mortality with 260,000 deaths/year
  - without treatment: ⅓ infected infants die before 1st birthday
- 65% of infants born to HIV infected mothers are not tested by end of 2nd month
- ⅓ children with HIV do not receive ART
- ⅕ children on treatment lost to follow-up within 12 months

* data = 2011/2012
Paediatric ARV procurement challenges

- Unattractive market: large number of countries with small orders
- Large range of products; demand for some products < batch size
- Poor supply security with long and variable lead-times

Objective: Reducing the risks of supply disruption to paediatric ARVs (improving the supply security)

✓ Ensure sustained supply through coordinated procurement
✓ Strategically manage demand
✓ Reduce fragmentation through streamlined product selection
✓ Accelerate the introduction of new high opportunity products

Transition of financing from a UNITAID project to Global Fund grants

And by 2015: UNITAID → 0: Global Fund → 60% +

Global Fund PPM
- +50% in 2014 to USD 16 million +
- +50% in 2015 to USD 24 million +
Partnership of funders, procurers & technical bodies collaborating to improve the supply of paediatric ARVs

**Funders**
- The Global Fund
- PEPFAR
- UNITAID

**Procurers**
- UNICEF
- PFSCM
- Clinton Foundation
- SCMS
- Ethiopia
- Kenya

**Observers**
- World Health Organization
- International AIDS Society
- DNDi

**Procurement Consortium**
- Pan American Health Organization
- World Health Organization

**Paediatric ARV Procurement Working Group**
Paediatric ARV Procurement Working Group and Procurement Consortium

- Collaboration of major funders and procurers
- Coordinated procurement
  - Consolidate, review, adjust and then orders placed by each procurement consortium member
  - Quarterly calls to review and act on low volume, sub-batch orders
  - Advise non-members of procurement timelines to facilitate broader timeline alignment
- Advocate for use the IATT formulary list
The Global Fund is establishing a Rapid Supply Mechanism to deliver key medicines (for all three diseases) within 3-4 weeks of the alert of a shortage.

**Issue: Stock-outs**
Frequent stock outs for various reasons resulting in treatment interruption. Currently there is no systematic way for the Global Fund to respond to this.

**Approach:**
- Fix the underlying causes
- Hold limited quantities of inventory to be able to respond (and cycle the orders using some PPM orders).
- In the medium term: explore vendor managed inventory

**Optimal commonly used optimal 1\textsuperscript{st} and 2\textsuperscript{nd} ARVs for adults and children**
- Storage facility + potentially VMI
- Rapid Supply to any GF PR in shortage

**Low-volume paediatric ARVs: market shaping**
- Selected new or phase-out products where demand aggregation may be needed to secure supply
- Regular supply to any GF PR + others

**Progressive Go Live Scheduled from Q3 2014**