Good Governance for Medicines

Medicines as part of
Universal Health Coverage

Gilles Forte
World Health Organization
Department of Essential Medicines and Health Products
Geneva
Substantial budgets are invested in health and pharmaceutical sectors

- US$ 6.5 trillion spent worldwide on health services each year (WHO Global Health Expenditure Atlas 2012)
- Global Pharmaceutical market estimated at US$ 880 billion (IMS 2011)
- In some countries, pharmaceutical spending is up to 70% of health spending (Lu et al., WMS 2011)
- This makes the Pharmaceutical sector very vulnerable to inefficiencies, unethical practices and corruption
Ten leading causes of inefficiency

World Health Report 2010, Chapter 4

1. Medicines: underuse of generics and higher than necessary prices for medicines

2. Medicines: use of substandard and counterfeit medicines

3. Medicines: inappropriate and ineffective use

4. Health-care products and services: overuse or supply of equipment, investigations and procedures

5. Health workers: inappropriate or costly staff mix, unmotivated workers

6. Health-care services: inappropriate hospital admissions and length of stay

7. Health-care services: inappropriate hospital size (low use of infrastructure)

8. Health-care services: medical errors and suboptimal quality of care

9. Health system leakages: waste, corruption and fraud

10. Health interventions: inefficient mix/inappropriate level of strategies
Inefficiencies and unethical practices can occur throughout the medicines supply chain.
How can good governance contribute to Universal Health Coverage

- By reducing inefficiencies and unethical practices in the medicines supply chain and by the reallocation of resources for improved access to medicines and health services
- By the establishment of efficient structures and processes for implementation of medicines policies and enforcement of laws and regulations
- By improving transparency, accountability, ethical practices and leadership in the management of pharmaceutical systems
- By preventing misuse of public, patients and donors funds and improving public trust and confidence in the health system
Good governance in the pharmaceutical sector: WHO programmes

MeTA
- Reliable Information

GGM
- Policy
- Efficiency
- Transparency
- Accountability
- Participation
- Regulation
- Rule of law
- Leadership
- Ethics
- Anti-corruption

Improved access to medicines
WHO Good Governance for Medicines programme (GGM)

- **Goal**
  Contribute to improve access to affordable and quality medicines and prevent waste and corruption in the medicines supply chain

- **Specific objectives**
  - Raise awareness on the impact of waste and corruption in the pharmaceutical sector
  - Support development of sound policies and regulations and foster high political commitment
  - Increase transparency, accountability in medicines supply and regulatory systems
  - Institutionalize good governance in pharmaceutical systems by building national capacity and leadership
Good Governance for Medicines programme: the process

**PHASE I**
National Assessment

**PHASE II**
Development national GGM framework

**PHASE III**
Implementation national GGM programme

**Clearance MOH**

- **Assessment report**
- **GGM framework officially adopted**
- **GGM integrated in MoH plan**
National Governance Assessment

- Assessment of pharmaceutical sector, transparency and vulnerability to corruption

- Looks at processes of:
  - Supply chain: selection, procurement, distribution
  - Regulations: registration, licensing, inspection, promotion, clinical trials

- Elements evaluated:
  - Policies & practices, written procedures and decision-making processes
  - Law, regulations and written procedures
  - National committees, criteria for membership and conflict of interest policy
  - Appeals mechanisms and other monitoring systems
Development of a Good Governance Framework

- "Discipline-based approach"
  - Aims to put into place policies, laws and best practices & procedures
  - Attempts to prevent unethical and corrupt practices through fear of sanctions on reprehensible acts

- "Values-based approach"
  - Attempts to motivate ethical conduct of public servants
  - Promotion of institutional and individual integrity through ethical principles
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<thead>
<tr>
<th></th>
<th>Transparency &amp; Advocacy</th>
<th>Rules and regulations</th>
<th>Capacity building</th>
<th>Policies &amp; practices</th>
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<tbody>
<tr>
<td>Jordan</td>
<td>Awareness on governance issues</td>
<td>Code of Ethics &amp; Conduct; Guidelines drug promotion COI Policy</td>
<td>Governance, Leadership</td>
<td>National Drug Policy; Evidence based selection Policy</td>
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<tr>
<td>LAO PDR</td>
<td>Ethical practices &amp; Information on drug registration disclosed</td>
<td>Code of Ethics adopted; Inspection services strengthened; Ban for unregistered medicines</td>
<td>Ethics, regulation, rules and procedures</td>
<td>Competitive biding for procurement; EML revised</td>
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<td>Malaysia</td>
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<td>Code of Ethics; Guide for relations with Pharma; COI Policy</td>
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<td>Philippines</td>
<td>Awards programme to develop models of governance Awareness campaign</td>
<td>Medicines promotion assessment</td>
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<td>Monitoring price and availability;</td>
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<td>Malawi</td>
<td>Launch of GGM framework</td>
<td>Guide for selection of committee members; Medicines promotion</td>
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Good Governance programme Evaluation
Lessons learnt

- Relevant information on pharmaceutical policies, regulations and procedures disclosed for policy dialogue, public awareness, and capacity building of personnel

- Strong policies, legislative and regulatory frameworks in place in countries

- Guidance to promote & institutionalise Good Governance elements e.g. transparency, accountability, ethical practices, leadership

- Seek high political commitment and develop good practices for multi stakeholders participation & dialogue

- Develop methodologies for measuring governance improvements and implications for reducing inefficiencies