



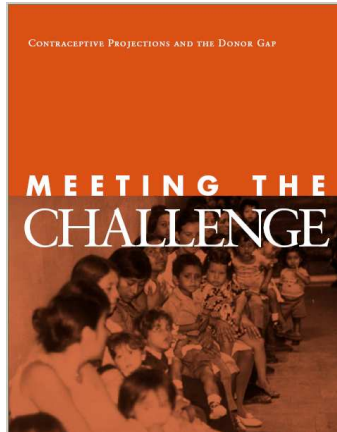
Reproductive Health  
Supplies Coalition



## Expanding global access to RH supplies: more money and better money

John P Skibiak, Director  
Reproductive Health Supplies Coalition  
Brussels, Belgium

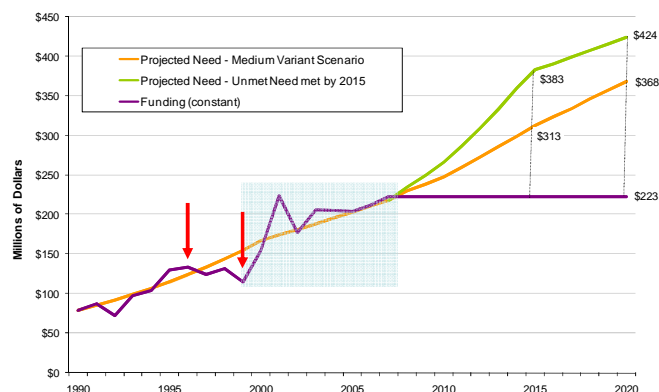
## More money: Back to the future



- Estimated an annual shortfall of between \$140-200 million by 2015
- Estimated the need for annual increases of 5.3 percent
- Projected a 20 percent gap (2000-2005) between available and required financing for supplies.

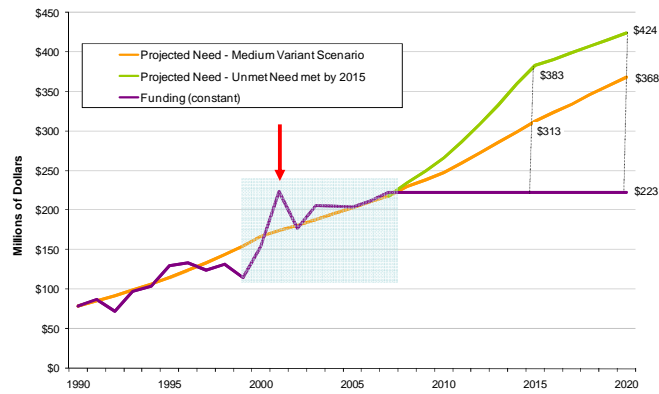
24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

## More money: Notable success



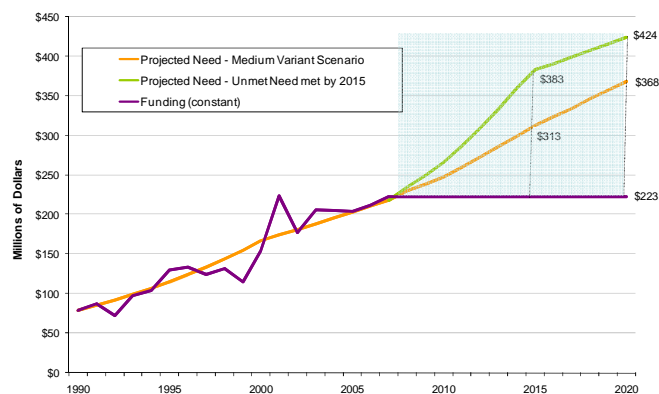
24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

## More money: Notable success



24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

## More money: Notable challenges



24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

## The need for better money



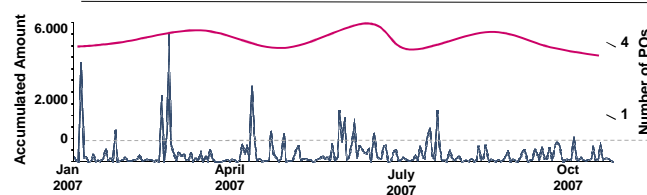
- Too many countries are paying too much for products, waiting too long for delivery; and wasting what they have.

24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

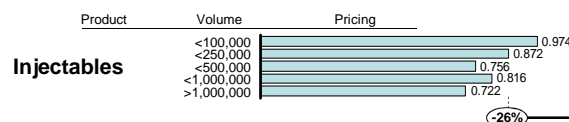
## Problem 1: Fragmented purchasing



UNFPA purchase orders for RH products in 2007 accumulated by day (\$M)



Select manufacturers volume-based pricing for UNFPA (USD)



24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

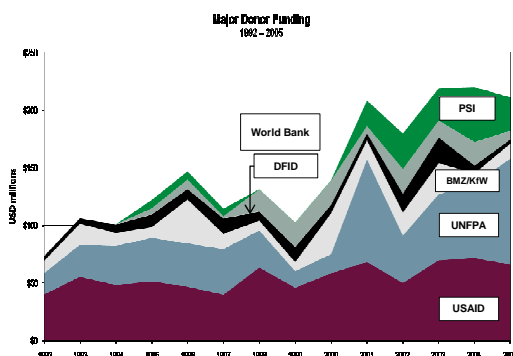
## The need for better money



- Too many countries are paying too much for products, waiting too long for delivery; and wasting what they have.
- Too many countries are unable to access supply financing when they actually need it, so they buy irrespective of need.

24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

## Problem 2: Volatile funding cycles



### Consequences:

- Drugs are out of stock when needed or are too costly to afford
- Limited or no access to products decreases community confidence in the health network
- Opportunity cost of capital and freight costs for emergency shipments estimated at 3.5-7.5% of donor funding
- Funding volatility inhibits long-term planning and forecasting and leads to wastage

Source: Donor Support for Contraceptives and Condoms for STI/HIV Prevention, UFGA 2005; Mercer

24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

## Steps to better money



### Minimum Volume Guarantee

- Increase access to favorable pricing and delivery terms
- Improve product quality consistency
- Minimize supply chain complexity



24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

## Steps to better money



### Minimum Volume Guarantee

- Increase access to favorable pricing and delivery terms
- Improve product quality consistency
- Minimize supply chain complexity



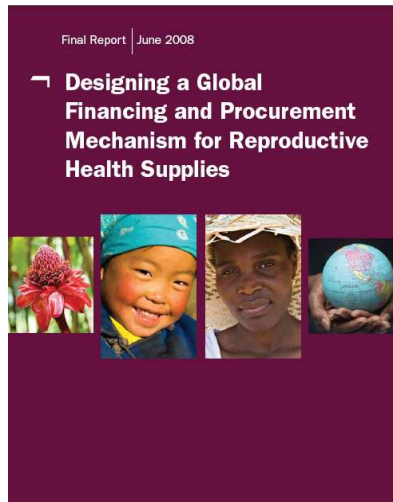
### Pledge Guarantee

- Improve access to RH supplies by smoothing financing volatility
- Increase ability for long term planning and supply chain management



24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

## For more information



24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

## Looking ahead: ICPD@15 ...



- Donor financing represents only one part of the struggle to ensure adequate resources.
- Commodities constitute only a small portion of what is needed.
- Changing ODA environment will shift greater responsibilities for financing to countries.
- Greater competition among manufacturers: what will it mean?

24-25 November 2008, Kampala | ICPD@15: Progress and Prospects

**[www.RHsupplies.org](http://www.RHsupplies.org)**