Aidspan
Independent observer of the Global Fund

HEALTH DIPLOMACY AND CONTINGENCY PLANS: WHAT COVID-19 IS TEACHING US FOR FUTURE EMERGENCIES

Dr Karl Hounmenou and Dr Alassane Ba, CHMP (Centre Humanitaire des Métiers de la Pharmacie) shared their thoughts on the impact of COVID-19 and reflected on the lessons that can be learned from it.

What were the main challenges related to the procurement of health commodities for developing countries in recent months?

African countries have been under severe strain in the last few months due to the low supply and high demand for health products:

- Lack of funding to buy commodity supplies: African countries did not have the funds to procure supplies in an emergency context. We are not talking about the usual health products on the list of essential medicines, but the medicines and equipment necessary to fight COVID-19 that were not in stock and had to be procured quickly through emergency funds. In light of this situation, Paris initiated a moratorium on the repayment of [international] debt by countries. This moratorium has enabled African countries to deploy their response plans and use their own funds for most of their procurement.

- Countries supplying products used for COVID-19 and other illnesses have adopted protectionist measures and preferred to opt for partnerships with certain countries. China has withdrawn itself from the supply chain in order to secure supplies for its own population and has used diplomatic channels to deliver drugs and equipment to other countries, depending on their relations with them. African countries have both ordered and received donations of medical supplies. For example, billionaire Jack Ma donated stocks of masks to the African Union and countries on the continent.

African countries have also been outbid: some placed orders and reserved stock that other countries subsequently paid more for, thus enabling the latter to claim the stock. African countries were overwhelmed by this practice and realized that their lack of experience in health diplomacy had put them at a disadvantage in negotiations.

How did African countries procure tests, masks, and other personal protective equipment?

African countries have procured the necessary supplies to fight COVID-19 in three ways:

- They received donations from donor institutions and China, such as those from the Jack Ma Foundation.
- With the money released by the debt moratorium, they procured supplies from international suppliers. At times procurement from Chinese suppliers was simplified through diplomatic channels, as was the case for the Congo.
- They procured supplies locally, but with limited ability to control quality and origin, as was the case in Mali and the Democratic Republic of the Congo.

There was fierce competition as all countries bought their products from the same Chinese and Indian suppliers. Consequently, countries that made the highest offer, received the products. Suppliers who normally supply Europe and the United States, and sell prequalified products continued to sell their products to their regular customers. Other suppliers, whose standards are lower, supplied African countries. The continent does not have the same quality control measures as Europe or the United States, and the urgent situation forced them to use products before checking their quality.

What have the biggest donors done in terms of procurement to avoid stock-outs in their various health programs?

Even though their name contains the word “procurement,” in reality, most national procurement agencies do not purchase products financed by the Global Fund (see Aidspan article on national procurement agencies). In many countries, they are no longer central procurement agencies but rather storage and distribution companies because funding partners have created their own procurement systems, with the exception of a few countries that procure, store and distribute products. The intention is noble – to obtain competitive products using pooled procurement mechanisms. But why not just prequalify suppliers and ask countries to buy from them using their grants? They could verify and validate procurement, central procurement agencies would remain buyers, and donors would play their role as donors. However, donors have created macro procurement centers that buy health products for many recipient countries. Costs are set out during prequalification, and there are tangible benefits in terms of quantity. However, this approach has progressively weakened the ability of central procurement agencies to negotiate and purchase products. They are used to order clearly defined products in routine contexts. In the COVID-19 emergency, it was necessary to continue to provide supplies where borders were closed, and ports were operating in slow-motion. Ensuring the availability of essential products supplied by China and India in this context was a huge challenge because these countries had closed their borders and had also banned the exportation of products that were essential for fighting COVID-19. For example, curare (used for anesthesia) and hydroxychloroquine have been banned from export. This has impacted patients requiring treatment for joint problems or patients needing surgery.

What did we learn about the dependence on China and India for essential medicines?

Countries in Europe and the United States realized the impact and scope of outsourcing their pharmaceutical production. President Macron of France announced in one of his speeches that he wanted to relocate pharmaceutical production industries to France and Europe. In Africa, there is interest in local pharmaceutical production, and some countries are pioneers in this area: South Africa and Maghreb

countries, especially in Morocco. Two hubs are capable of producing medicines on the continent, and the African Union has included the development of industrial drug production in Africa in its Agenda 2063. In this context, projects to set up pharmaceutical industries have emerged in collaboration with investors in Africa: in Burkina Faso, Benin, and Nigeria.

Running a pharmaceutical industry is a huge challenge that requires specific conditions. Well-trained human resources are needed to work in these industries (pharmacy departments in universities do not train industrial pharmacists, they train people to work in pharmacies). The size of the market must be assessed. For example, if Benin, a West African country, produces drugs, will they be able to register those drugs for sale in neighboring countries? [The success of a pharmaceutical industry] depends on the level to which regulatory processes are standardized and whether regulatory authorities subscribe to the same standards of approval to ensure a substantial market.

What are the lessons learned for the future of medicine in Africa?

The African Union was involved in the COVID-19 response, which was not the case in other crises. This prompted unprecedented sub-regional momentum that should continue to be promoted. Several lessons have been learned:

- Health diplomacy is not yet a very developed concept in African countries. Had there been greater health diplomacy, which promotes greater coordination between governments and policy solutions to improve global health, health products would have been easily accessible.
- There is no emergency mechanism to enable the supply chain to function. How can we anticipate another crisis? The sudden outbreak of COVID-19 is forcing us to prepare for future health emergencies. We must be prepared for it and it must become part of everyday life.
- We need to think of solutions to anticipate emergencies: we cannot buy huge stocks of chloroquine or other products that will expire in warehouses. We have to find the right balance between anticipating crises by having access to products while avoiding a stock surplus. We must think about the political and health risks we may face and the consequences for the drug sector, which is strategic. Updating the list of necessary products and identifying strategies for procuring them in an embargo is a priority.

Read More