



Access to Quality Medicines and Other Technologies Task Force



Market landscape for anti-malaria commodities

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What would an ideal market for antimalarial commodities in the Asia-Pacific region provide?

- **Availability** of products everywhere they are needed
- **Affordable** prices both to governments and individuals
- Assurance that all products meet the **quality** standards needed to be effective and delay or prevent resistance
- **Acceptability** of products to users
- A diversity of suppliers to encourage **competition**, keeping up quality, driving down prices and ensuring availability
- Active **research and development** to improve and replace commodities according to evolving needs
- **Opportunities** for local providers

Special features of malaria in the Asia-Pacific Region: their market implications

- 1. Extreme diversity of environments and habitat specific vectors**
- 2. Moving towards malaria elimination**
- 3. Artemisinin resistance**
- 4. Asia-Pacific leadership in antimalaria commodity manufacture**

1. Extreme diversity of environments and habitat specific vectors

- Very patchy malaria distribution related to diverse mosquito vectors
 - *Commodity distribution strategies and quantifications are complex*
- Human populations are highly mobile
 - *From malaria-free to highly endemic areas and back – where to supply the products?*
- High costs of strategies to reach hardest to reach populations
 - *How to ensure equity and efficiency? How to increase reach?*
- Difficult decisions on when it is safe to stop provision of preventive tools in areas of lower risk
 - *Affects commodity planning*
- Untapped market for personal protection commodities that can be used outside the house
 - *Market innovations*

2. Moving towards malaria elimination

- 12 countries have set elimination goals, 3 others have entered pre-elimination phase, 6 are scaling up control
- Elimination needs high coverage and intense action
 - *Market opportunity*
 - *Will governments prioritise increasingly low burden disease?*
- Number of treatments needed declines, diagnostics rise then decline, prevention boundaries need to be set
 - *Dynamic forecasting and planning*
- Asian producers can expect continued strong market in Africa
- Market for new elimination tools will grow, especially diagnostics for surveillance
 - *Scope for innovation*

3. Artemisinin resistance – a sobering threat to progress

- Emphasises the need for:
 - *Rapid and complete elimination – increased commodity market*
 - *Enforcing an absolute halt to oral artemisinin monotherapies*
 - *High quality drugs*
 - *Rational use of drugs by insistence on confirming diagnosis before treatment and taking full and correct courses.*



3. Artemisinin resistance

- Increases urgency to discover new effective antimalarial drugs
- Raises uncertainty on long term viability of artemisinin market
- Creates a market for:
 - *Better diagnostics and resistance surveillance tools*
 - *Niche products to protect mobile, migrant and outdoor sleeping populations*
 - *Commodities for infrastructure and extractive industries*

Courtesy E. Christophel 2012



4. Asia-Pacific leadership in antimalaria commodity manufacture

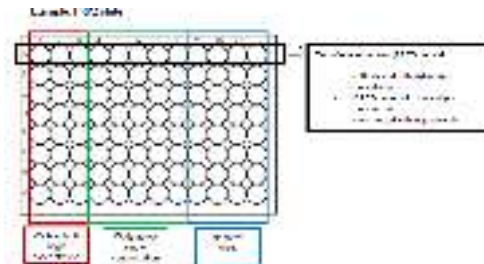
- Asia-Pacific region is by far the biggest grower of artemisinin for the global market
 - *How to maintain confidence as semi synthetic production increases?*
- Most prequalified artemisinin combination products are from 1 Chinese and 5 Indian companies
 - *Scope for more as China engages more in export*
- Most counterfeits are from the region
- Most LLINs are produced in the region even where companies are owned outside
 - *Scope for more innovation on prevention products*

Commodity Market - Medicines

- Rapidly growing market for artemisinin-based combination therapies (ACTs)
 - \$26 million in 2008 to \$200 million in 2011
 - More companies with prequalified products
 - *Increasing competition is not leading to significant price reduction*
- Progress in forecasting demand important for market confidence
- More data on counterfeit drug and monotherapy trends are needed

Commodity Market – Rapid Diagnostic Tests

- Fast growing market, intense competition
 - *50 million in 2008 to 200 million 2012. Uptake higher in Asia than Africa: potential growth high*
 - *Prices driven down, but risk of quality deterioration and supplier exit*
- Quality:
 - *Exciting progress in new product, lot testing and point-of-use testing*
 - *How to make it sustainable?*



Commodity Market - Diagnostics

Key market gaps:

- *improved RDTs, particularly for non-falciparum species.*
- *new tools to perform quality control tests and evaluate RDT performance*
- *a point-of-care 'fever' test to detect or rule out other common illnesses*
- *Diagnostics for surveillance*
- *Ratio of quantities of drugs to RDTs still too high – how to balance*
- *Uptake by private sector needs to increase*

Photo: J. Lau



Commodity Market – Vector Control

- Potential global market for Long-lasting Insecticidal Nets 225-610 million per year
- Few manufacturers meet dominant buyers' specifications
- Cost to buy and deliver a net reduced 40% in 10 years to US\$4.80
- Price-sensitive procurement limits innovation
 - *Need more attractive / acceptable products*
 - *Need more durable nets*
- Reliance on pyrethroids with resistance possibly extending to Asia makes the market vulnerable
- Recommendation for continuous distribution may affect market shape
- Commercial sector still sells untreated nets – how to shift to LLINs?
- Scope for commodities for outdoor protection - spatial repellents, topical repellents, insecticide or repellent treated clothing

Options for Action

1. Emphasize harmonization

- AQMTF can play a powerful role in promoting harmonisation both within the Asia-Pacific region and between regions
- All stakeholders in malaria commodity marketing contribute to common overall objectives.

2. Explore development of regional tracking and forecasting systems

- Open access market intelligence for potential suppliers on likely orders
- Potential product shortfalls
- Regular price and availability data
- Real-time regional gap analysis?

3. Work through markets to build demand and incentivise manufacturers to improve the quality of the processes for medicines and other technologies.

4. Build the capacity of malaria programme staff

- Countries can better anticipate patterns of supply and demand of medicines and other technologies,
- Better manage the supply chain

Options for Action (2)

- 5. Develop robust financing mechanisms**
 - Use public policy to steer the market towards high quality outputs
 - Ensure access for the very poor and marginalised
- 6. Halt the production and use of oral artemisinin monotherapy**
- 7. Push for real improvements in the private retail market**
 - Enforceable regulations, better reporting by private providers, diagnosis, quality
- 8. Encourage research and development**
 - Define market gaps
 - Develop priority new tools

Thank you

Major sources:

UNITAID Market Landscapes 2013,

Alphs S and Yadav P (2012) Malaria in the Asia-Pacific: Challenges and opportunities for access to quality medicines and other technologies. Malaria 2012, Sydney



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