Despite a number of health sector reforms in the last two decades and strong economic growth, many Peruvians have still lacked access to formal health services in recent years. The poorest and most remote citizens have faced the most significant barriers – economic, geographic and cultural. The prices at which medicines are procured by the public sector have been among the lowest in South America. However, in the private sector Peruvians have paid some of the highest prices on the continent for treatment. The most recent figures show that of total private health spending, 87% was being paid out of pocket by consumers – a figure associated with catastrophic financial consequences. In addition, quality of medicines has also been a pressing concern: smuggling and counterfeiting of medicines have been rife in rural areas. The framework for the registration of medicines was lax: until early 2009, registration only took seven days and the regulatory agency’s tacit authorization. Improving access to quality medicines in Peru has demanded a thorough policy response.
Our response

The Medicines Transparency Alliance (MeTA) began as a pilot in Peru in 2008. It aimed to contribute to good governance, transparency and accountability across the medicines chain, through the engagement of all stakeholders with an interest in the medicines market.

The programme was spearheaded by the Ministry of Health (MOH). It established a council, which was led by the pharmaceutical regulator, the General Directorate of Medicines, Supplies and Drugs (DIGEMID). The council was made up of 15 member organizations from civil society, the public sector, the private sector and a representative from the Pan American Health Organization (PAHO) country office. It has met fortnightly. It has led MeTA Peru’s programme of work, which has included the development of monitoring systems for medicine price, quality and availability, and measures to improve public procurement. Committees have been created to oversee each area of work, each with representatives from the different sectors.

Peru has been one of seven countries to undertake the MeTA initiative. The programme has also been active in Ghana, Jordan, Kyrgyzstan, the Philippines, Uganda and Zambia. It has been funded by the UK Government through the Department for International Development.

Our achievements

✔ We developed observatories, which improve information transparency and allow the monitoring of medicine prices, pooled procurement, quality and availability.
✔ We analysed the information available in the observatories.
✔ We established citizen monitoring systems allowing civil society to survey the availability of medicines for tuberculosis, cancer and women’s health.
✔ We made important interventions in debates over access to medicines including the HIV medicine atazanavir.
✔ We collected and disseminated evidence required for robust policy making.
✔ We built the capability of civil society organizations (CSOs) in four different regions of Peru, and institutionalized their voice in the policy-making dialogue.
Boosting transparency on pricing, quality and availability

As MeTA began in Peru, medicine prices and out-of-pocket spending on medicines were increasing. This prompted MeTA stakeholders to make addressing affordability a priority. In deciding how to attack the problem, MeTA analysed medicine prices from clinics and pharmacies. The stakeholders agreed that more transparency was needed in the medicines market to empower consumers to make more informed choices. MeTA developed the concept for a medicines price observatory website, which would allow the real-time collection and publication of prices and availability of medicines. It was designed to build on the reforms introduced with the adoption of the Law of Transparency and Access to Public Information in 2002, by making information about medicines prices easily accessible online.

A MeTA committee drafted legislation for the medicines price observatory in consultation with stakeholders. It was signed by the Minister of Health in January 2010, and the website is now hosted by DIGEMID. It requires all medicine sellers – both public and private – to publish their prices in the database. MeTA Peru coordinator, Amelia Villar Lopez, says the observatory has become a widely used tool, with around 6,000 entities reporting to it and 4,000 visits a day. “The price observatory has contributed significantly, by helping people to examine medicine prices and decide where to buy from,” she says.

The medicines price observatory has not only allowed the public and civil society to more easily monitor the prices and availability of medicines, but has served as a valuable source of information for policy makers. In 2011, a multi-sectoral public commission used data from the medicines price observatory to design policy recommendations on medicine tax exemptions. In 2014, medicines price observatory data was used as the basis for the government’s ‘Inclusive Pharmacy’ project, which aims to increase medicine access among low-income earners. It has helped authorities monitor the presence of substandard and counterfeit medicines, as they have been alerted if retailers have tried to enter unregistered products into the system. It has also allowed authorities to better regulate suppliers in the market, by alerting them to informal retailers who have tried to sign up to participate in the observatory.

As a result of the success of the medicines price observatory, MeTA expanded the observatory concept to other fields. It developed a medicines quality observatory to support the National Regulatory Authority’s (NRA) introduction of tighter regulatory standards in 2009. The quality observatory allows the NRA to issue warnings on substandard medicines on a platform that can be accessed by the entire population. Stakeholders say without MeTA’s multi-stakeholder model, the development of the medicines quality observatory would have been difficult. “Having the National Association of Pharmaceutical Laboratories as part of MeTA Peru facilitated the decision to make transparent information that was previously only available for the NRA and the pharmaceutical industry,” says Dr Lopez. “The pharmaceutical industry played an important role in building the platform.”

MeTA has developed a medicines availability observatory, which is intended to eventually correspond to the availability of drugs in almost 7,000 health providers linked to the MOH. So far, MeTA Peru has created interfaces in several large hospitals to capture their information, and it has already been a source of useful information for the national health system.
Peru’s main public health institutions jointly procured medicines from 2003 until 2007, until the introduction of a reverse auction method, in which sellers (not buyers), compete by lowering their prices. The effect of the new method on medicine prices was dramatic: the prices paid for medicines in Peru fell to the lowest in South America. But MeTA stakeholders have suspected that it has also had unintended negative consequences. In recent years, the number of companies offering to supply some important essential medicines to Peru has dropped, in some cases, to zero. In response, MeTA supported the MOH to establish software and a technical commission to analyse several years of national procurement data. MeTA’s advisory body on procurement has used the data to analyse the effectiveness of Peru’s different procurement strategies of recent years. The analysis provided the evidence to show that the more purchasers that pooled their procurement, the greater the benefit. The information was disseminated, and has helped the MOH to improve procurement methods, by giving it the evidence needed to pool the procurement of national and regional public purchasers.
Strengthening civil society

After observing the success of a citizen surveillance programme in which volunteers had monitored access to antiretroviral (ARV) medicines to treat HIV in hospitals, MeTA stakeholders decided to equip CSOs to develop a citizen-based monitoring system to examine the availability of medicines for tuberculosis, cancer and women’s health. Workshops were held in which stakeholders were trained to carry out the surveillance in the cities of Lima and Callao.

Sumiko Oshiro, from the Professional College of Chemists and Pharmacists of the Region of Lima, says MeTA built capacity of CSOs to monitor the supply chain for medicine, and patients are now better informed of their rights. “The workshops held in provinces have been very helpful. They have helped community health workers to inform users about patient rights in terms of access to products, so patients can now demand those rights.” Dr Oshiro says MeTA has helped to build the relationships between patients and regional authorities. “Provincial representatives of the MOH and health professionals have participated in the workshops. It has helped them better identify needs of patients and we have achieved commitments from them to help improve access to medicines.”

MeTA’s approach and contribution to strengthening civil society

- CSO stakeholders were invited to join MeTA.
- A CSO capacity-building programme was developed.
- CSOs took part in a programme which included the training of health promoters in 17 health centres and small hospitals to carry out a citizen-based monitoring system. This system has been designed to monitor availability of medicines of the treatment of tuberculosis, cancer and women’s health.
Standing up for access to medicines

MeTA has been a vocal proponent of patients’ rights in debates over medicines, including in a vigorous debate over access to atazanavir. The ARV medicine costs the Peruvian government much more than it costs other countries – including its neighbours – and eats into funds needed for other critical medicines. It has been reported that half of the funds devoted to HIV/AIDS in Peru are spent on atazanavir. The medicine is expensive, because its patent prevents the purchase of the generic version of the medicine in Peru. MeTA has lobbied for measures to be taken to reduce the price Peru pays for the product, raising the matter in discussions with officials from the DIGEMID, which is responsible for medicines policy in the MOH. MeTA also formulated a recommendation to the MOH requesting a compulsory license for atazanavir, which would allow another party to produce the medicine without the consent of the patent owner. MeTA was able to provide evidence to support its case with data from the medicines price observatory and pooled procurement observatory. The former president of MeTA and director of DIGEMID, Dr César Amaro Suarez says MeTA helped put the issue on the agenda. “MeTA has helped the Minister of Health to recognize patients and their demands for better access to medicines,” he says.

MeTA’s contribution to debates on medicines

- Access to atazanavir was discussed at MeTA council meetings.
- A common position supporting access to medicines was taken.
- MeTA leaders lobbied policy makers to support improving access to atazanavir by taking steps to reduce its price.

MeTA’s approach and contribution to improving public procurement

- Analysed medicine prices from private clinic pharmacies and collected data on recent changes to procurement strategies.
- Disseminated findings and discussed among stakeholders.
- Made recommendations to the MOH in favour of increasing pooled procurement.
- The analysis enabled the government to increase the participation of medicines procurers in the national pooled procurement process.
- MeTA is undertaking further research towards improving procurement.
What we’ve learned

- Building trust and cooperation between civil society, the private sector and government leads to strong and efficient policy making.
- Gaps in knowledge are quickly highlighted when everyone is around the same table.
- The multi-stakeholder approach improves transparency.
- Well-informed stakeholders are better able to hold decision makers to account.
- Sustainable change is more likely when all sectors have a stake in a policy.
MeTA Peru members

**Public sector**
Dirección de Abastecimiento de Recursos Estratégicos en Salud (DARES)
El Seguro Social de Salud del Perú (EsSALUD)
General Directorate of Medicines, Supplies and Drugs (DIGEMID)
Municipalidad Metropolitana de Lima
National Institute of Defence of Competitiveness and Intellectual Property (INDECOPI)

**Private sector**
Asociación de Exportadores del Perú (ADEX)
Asociación de Industrias Farmacéuticas Nacionales A.C. (ADIFAN)
Asociación de Laboratorios Farmacéuticos Latinoamericanos (ALAFAL)
Asociación Nacional de Laboratorios Farmacéuticos (ALAFARPE)

**Civil society**
Acción Internacional para la Salud (AIS)
Asociación Benéfica PRISMA (PRISMA)
Asociación de Ayuda al Paciente con Cáncer (ESPERANTRA)
Colegio Químico Farmacéutico Departamental de Lima (CQFDL)
Programa de Soporte a la ayuda de Personas Seropositivas (PROSA)
Servicio de Medicinas PRO-VIDA (PRO-VIDA)

Ruben Espinoza and Amelia Villar Lopez coordinated MeTA Peru and their work is gratefully acknowledged.
The Medicines Transparency Alliance (MeTA) initiative is grounded in the theory that shining a light on an often opaque system will illuminate problems, improve efficiencies and empower stakeholders to hold decision makers accountable. The hypothesis is that making information transparent and bringing stakeholders together to discuss it will improve access to quality medicines for those who need them.

The global initiative began as a pilot in 2008 in seven countries, with the aim of establishing the multi-stakeholder platforms and collecting baseline data. The current phase, Phase 2, has focussed on making information transparent and using evidence to make policy recommendations. This document is one in a series of brochures that has been produced to share the highlights from the first three years of the second phase of the MeTA programme in each of the seven countries.

The project has been funded by the UK Department for International Development. WHO, in collaboration with Health Action International, has managed the global programme and provided in-country support.

As Phase 2 comes to an end in 2015, countries are considering options for long-term programme sustainability. To contribute, to get involved or for more information, contact:

Gustavo Vargas  
Pan American Health Organization  
Peru  
+51 1 319 5763  
vargasg@paho.org  
www.paho.org

Gilles Forte  
WHO Essential Medicines and Health Products Department  
Switzerland  
+41 22 791 4652  
forteg@who.int  
www.who.int/medicines  
http://www.who.int/medicines/areas/coordination/meta/en/