

In line with the WHO /UNICEF bundling policy, UNICEF procured 500 million auto-disable syringes in 2004, plus the corresponding numbers of mixing syringes and safety boxes. The bundling policy works towards ensuring vaccines are only provided with appropriate devices, administered safely, and waste is managed safely, as one comprehensive policy.

## Vitamin A

UNICEF has been the recipient of a substantial contribution-in-kind of vitamin A capsules from the Canadian Government through the Micronutrient Initiative, since 1997. The purpose of the contribution is to support and enhance national programmes that aim to improve the vitamin A status of children and mothers in countries or country regions where vitamin A deficiency is a significant public health problem. UNICEF is responsible for distributing the supplements to countries where vitamin A deficiency programmes are underway. In 2004, UNICEF shipped \$9.3 million worth of Vitamin A, including a donation of \$8.3 million, representing some 500 million capsules, to 75 countries. The top five recipient countries were Pakistan, Nigeria, Ethiopia, the Democratic Republic of the Congo and Afghanistan.



*Liliانا, a health worker, examines 14-month-old Sasha at the UNICEF-assisted regional centre for AIDS prevention and protection, in the western port city of Kaliningrad, Russian Federation. Sasha's mother is 27 years old and HIV-positive.*

## II - HIV/AIDS

### Total procurement: \$21.3 million<sup>1</sup>

Millions of children are affected by the HIV/AIDS pandemic, and most of them are from developing countries. Some 6 per cent of those living with the disease are children, and 15 million children have been orphaned as a result of it. Despite some progress and international commitment, most children living with HIV/AIDS still do not have access to treatment. Fighting HIV/AIDS is a UNICEF priority.

UNICEF actively supports the "3 by 5" Initiative, launched by WHO on World AIDS Day in 2003. This initiative is dedicated to providing universal access to antiretroviral therapy (ART), the combination of antiretroviral (ARV) medicines used to treat the disease. The interim target of the Initiative is to provide effective ART to three million people who need it by the end of 2005. UNICEF is committed to making treatment more available and accessible to children in need, in turn contributing to the Millennium Development Goal of combating HIV/AIDS.

Treating parents, especially mothers, benefits children in many different ways. First, it reduces the likelihood of children being infected with HIV through mother-to-child transmission. Second, improving the length and quality of life of the mother is critical to the survival and development of the child.

In consultation with partners, the role of UNICEF in the procurement of HIV/AIDS-related supplies focuses on two issues: procuring and delivering ARV medicines, diagnostic equipment and test kits, and strengthening the capacity of health services.

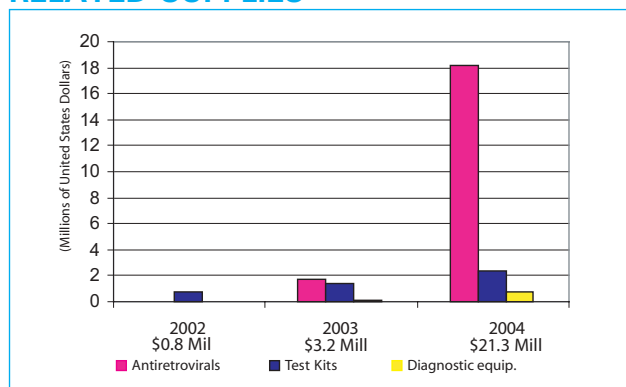
In 2004, UNICEF procured \$21.3 million worth of HIV/AIDS-related supplies, primarily on behalf of partners including governments, non-governmental organizations (NGOs) and other UN agencies. Of this amount, \$18.4 million was for ARV medicines in 39 countries, and \$2.9 million for HIV/AIDS-related test kits and diagnostic equipment. During 2004, UNICEF reached around 1.5 million people with test kits. The increase in ARVs procured in 2004 was dramatic, rising from \$1.7 million in 2003.

In response to the challenges and complexity of ARV supply-chain management, Supply Division set up a dedicated ARV Unit in 2004, to focus its efforts on ensuring continuous access to life saving medicines. Supply Division also created a stockpile of HIV/AIDS-related products at its Copenhagen warehouse, providing the potential for uninterrupted delivery to those countries experiencing medicine shortages.

<sup>1</sup> - This figure does not include the procurement of medicines for the treatment of opportunistic diseases or laboratory equipment.

The increase in the procurement of ARV medicines is likely to continue in coming years, and some consequences of the scaling up are now apparent. More individuals on ART will result in fewer children dying from the disease, and fewer being orphaned. Increased voluntary testing has been observed in countries where the availability of ARVs and test kits has risen. Also, an improvement in general health services, from the procurement of medicines through to the distribution to children and their families, can be seen in countries that commit to and undertake large-scale HIV/AIDS treatment programmes.

## UNICEF PROCUREMENT OF HIV/AIDS-RELATED SUPPLIES



Africa received 83 per cent of the ARV medicines and 76 per cent of the test kits procured by UNICEF in 2004. Of these, over \$8 million worth of ARV medicines were shipped to Zambia, \$2 million to Togo and \$1 million to Malawi.

## The cost of ARVs

Prices are falling as a result of competition from generic manufacturers, international advocacy, strong political will, and corporate responsiveness. UNICEF currently procures 40 different ARV formulations from generic as well as originator pharmaceutical manufacturers. Triple therapy (the combination of three different ARVs) can cost as little as \$156 per patient, per year.

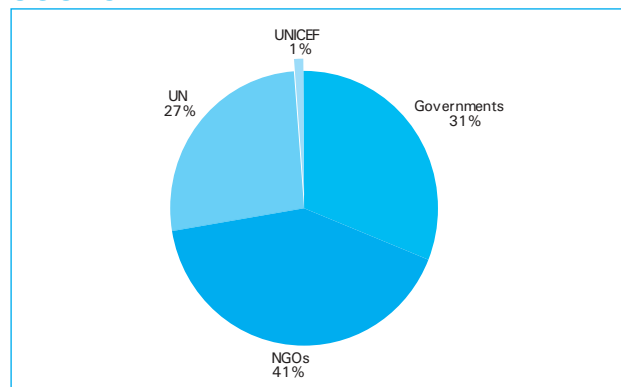
Nevertheless, the ARV market is a complex one, and difficult challenges remain: the cost in some countries can be more than ten times higher. Because of this, UNICEF keeps abreast of market developments and fosters close relationships and discussions with suppliers.

As part of the United Nations, UNICEF is concerned about the intellectual property aspects of buying ARVs. Supply Division reviews the patent and regulatory status of individual products, a difficult but vital task, in order to find the best supply solutions for each country.

## Funding sources

Most of the ARV procurement in 2004 was undertaken through UNICEF Procurement Services (only one per cent of ARVs were bought with UNICEF funds). The largest customers were the Elizabeth Glaser Paediatric AIDS Foundation (\$5.2 million), followed by the UN Development Programme (\$4.2 million), acting in several countries as the principal recipient of a Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM) grant, and Columbia University (\$0.9 million). More opportunities are available from funding mechanisms such as GFATM.

## ARV PROCUREMENT BY FUNDING SOURCE



## Quality of ARVs

The safety, efficacy and quality of ARVs purchased by UNICEF is assessed via the Procurement, Quality and Sourcing Project (or Pre-qualification Project), initiated by WHO. UNICEF purchases those ARVs that have been approved by the project. As of December 2004, 87 products from 27 manufacturing sites were fully reviewed and pre-qualified. Where no WHO-pre-qualified ARV options exist, UNICEF has a policy of supplying ARVs certified by either the US Food and Drug Administration or the European Agency for the Evaluation of Medicinal Products, or through performing independent quality evaluations in addition to verifying national registration in the recipient country.

UNICEF is also encouraging the development of a wider range of paediatric formulations, especially as fixed dose combinations, and participated in a UN Technical Consultation on paediatric ARV formulations held in November 2004. Greater choice in formulations at reduced prices would allow UNICEF to strengthen its engagement in treating infants and young children.

## Partnerships, capacity-building and information

UNICEF is a partner in the AIDS Medicines and Diagnostics Service (AMDS), as part of the "3 by 5" Initiative, to support capacity building in procurement and supply management. AMDS seeks to expand access to high quality, effective treatment for HIV/AIDS, by facilitating the increased supply of medicines, diagnostics and preventive supplies in developing countries. It provides forecasting information to manufacturers, and makes available to buyers information on sources, prices, the patent and regulatory status of quality medicines, as well as offering technical support to countries, and assistance in obtaining the best prices. Under the auspices of AMDS, in 2004 Supply Division participated in two country reviews, in Myanmar and Thailand, to assess the readiness of the supply systems to introduce and increase access to ARVs.

Every year, together with UNAIDS, WHO and Médecins Sans Frontières, UNICEF produces and disseminates the report 'Sources and Prices of Selected Medicines and Diagnostics for People Living with HIV/AIDS', giving governments and NGOs informed choices in the procurement of quality, affordable ARVs and test kits. In 2004, the fifth edition of the survey reviewed more than 100 products, from 84 manufacturers in 29 countries. Over 7,500 copies of the final report were printed and distributed, 1,000 of which were circulated at the XV AIDS Conference. A UNICEF proposal to provide the information online and as a CD, so as to make it interactive and searchable, has been approved and work will be undertaken in 2005.



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*UNICEF procures a range of antiretroviral medicines and HIV test kits that are prequalified by the World Health Organization.*

## III - EARLY CHILDHOOD

**Total procurement: \$158 million (water and sanitation equipment: \$46 million; medical supplies: \$26 million; pharmaceuticals \$35 million; nutritional supplies: \$22 million; mosquito nets and insecticide: \$29 million)**

In 2004, around 11 million children worldwide died before they were five – the equivalent of all the under-fives in France, Germany, Greece and Italy. That is over 30,000 under-five deaths a day – almost all of them preventable. Child survival is therefore an essential priority within UNICEF's integrated approach to early childhood development, which, besides immunization, includes programmes addressing maternal and child health, nutrition, water and sanitation, and hygiene. All of these programmes rely heavily on quality supplies such as water, environment and sanitation items, medical equipment, mosquito nets, essential medicines and micronutrients.

### Water, Environment and Sanitation

Worldwide, 400 million children live without access to safe water. Around 1.4 million children die every year because they have no access to safe water or adequate sanitation.

The value of water, environment and sanitation equipment procured in 2004 increased by almost 25 per cent over 2003, reaching \$46 million. A large part of this was the \$9 million spent on the rehabilitation of fresh drinking water systems in Iraq. But the increase was also due to a number of new special projects (in countries including Ethiopia, Sudan, Eritrea, Iran and the Democratic People's Republic of Korea) and emergencies (especially in Darfur). UNICEF remains a leader in bringing potable water and sanitation facilities to children, their families and schools in 91 countries.

### Nutrition

During 2004, Supply Division procured over \$5.3 million worth of therapeutic food, \$1.2 million of iron and folic acid supplements for pregnant women, over \$1 million of potassium iodate to fortify salt and over \$4.6 million worth of UNIMIX (a supplementary food for children with added vitamins and minerals). This is in addition to receiving and distributing donated vitamin A (see page 8).

**Replacing the UNISCALE:** In November, Supply Division hosted a global consultation on weighing scales (including the UNISCALE, an electronic scale for mothers and children), the first of its kind since