



ARTEMISININ CONFERENCE, VIETNAM

Report of the Break Out Session on stabilising Artemisinin/API/ACT supply



FOCUS ON PRICE

- Volatility in the price of artemisinin in 2011
- Realistic price vs. speculation
- Verifying the realistic price for farmer (in relation to competitive crops) and extractor
- Promote eligibility criteria for extractors (to national professional association guidelines) with established farmer contracts
- Explore common contractual arrangements to ACT producers to ensure realistic and sustainable price
- Promote financial mechanism to increase proportion of cultivated *Artemisia annua* vs. wild leaf.
- Reduce financial risk for extractors



FOCUS ON FORECASTING

- ACT and artemisinin demand side forecasting needs more precision in 2013 and beyond and also requires a longer horizon and focus on top 15-20 countries on a quarterly basis
- Artemisinin supply side forecasting also needs more precision
- Involve private sector inputs into global and country forecasting
- Strong support for ACT procurement through AMFm and other donor funds but a need for earlier visibility on the future of AMFm
- Improving efficiencies of procurement and grant mechanisms to ensure uninterrupted supplier of ACTs
- Uncertain demand for pharmaceutical companies (139MT only in India?) and tension on the artemisinin supply
- Minimise financial risk for pharmaceutical companies, e.g. binding forecasts, VPP, predictability of funding for procurement



FOCUS ON SUPPLIES

- Explore mechanisms to establish buffer stocks for artemisinin API and ACTs for emergency orders
- Stabilise and rebuild artemisinin inventories
- Explore other financial mechanisms, e.g. guarantees rather than loans
- Involve local and national authorities in establishing realistic and firm price agreements between extractors and API suppliers/ACT manufacturers
- Expand opportunities for the involvement of the private sector , i.e. through a 'industry' association, to harmonise position and to contribute to decisions which have a direct impact on the ACT market.