

**OPEN LETTER FROM CIVIL SOCIETY TO MARK DYBUL, EXECUTIVE  
DIRECTOR OF THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND  
MALARIA:  
ABANDON THE “BLUE-RIBBON TASK FORCE TO DEVELOP A GLOBAL FRAMEWORK ON  
TIERED-PRICING”**

Mark Dybul, Executive Director  
The Global Fund to Fight AIDS, Tuberculosis and Malaria  
Geneva Secretariat  
Chemin de Blandonnet 8  
1214 Vernier  
Geneva, Switzerland

13 May 2014

Dear Dr. Dybul,

We, the undersigned organizations and activists from the global South and North, are writing to urge the Global Fund to abandon its attempt to launch a “blue-ribbon Task Force” that will focus primarily on developing a global multi-tiered pricing framework for middle-income countries (MICs), which we believe would permanently undermine access to more affordable medicines, vaccines and diagnostics for low- and middle-income countries.

The proposal is not only compromising the reputation of the organization and distracting global health agencies and governments from moving forward with better alternative strategies, it threatens to undermine the core mission and principles of the Global Fund, which has no mandate to lead a global price-setting process. While we hope that the Global Fund increases its efforts to ensure access to affordable medicines, it is deeply problematic that the Global Fund is prioritizing a policy that ultimately might justify needlessly high prices, including in middle-income countries where the Global Fund is reducing its financial assistance.

The proposal has been developed through an opaque, closed process. Since the blue-ribbon Task Force was first proposed at the end of 2013, no official information has been publicly disclosed. Governments and civil society have been excluded from discussions in spite of the central role that both play in ensuring affordability of medicines.

Several versions of the Global Fund’s concept note are now in the public domain.<sup>1</sup> Significant negative feedback from activists, public health experts and organizations has been already

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<sup>1</sup> For example, Thiru Balasubramaniam’s blog - Resurrecting the Ghost of Høsbjør Past: Global Fund seeks to establish global framework on tiered pricing enforced by WTO rules, <http://keionline.org/node/1979>. Book Baker’s blog - Industry Led Tiered Pricing or Country Led, Real Equitable Access –the Global Fund’s Task Force Proposal Get Worse Instead of Better, <http://infojustice.org/wp-content/uploads/2014/03/Baker-Global-Fund-Tiered-Pricing-03282014.pdf>

shared.<sup>2</sup> Substantively, concerns have predominantly centered upon the initiative's primary focus on industry-driven tiered pricing strategies<sup>3</sup> in lieu of proven strategies to promote robust generic competition. Voluntary strategies proffered by industry to lower the prices of medicines are insufficient and often limited in scale, many times excluding patients living in countries considered to be "middle-income economies" where pharmaceutical companies seek future high profits. Analyses of tiered pricing have concluded that the strategy has damaging consequences for access to medicines because it leads to supra-competitive prices, fosters inequity, and lacks sustainability in the long run.<sup>4</sup>

Not only would a set of global norms on tiered pricing – improvidently endorsed by public health agencies – be the wrong strategy to promote access to medicines, such an approach may also undermine more promising efforts, including: use of TRIPS flexibilities; promotion of competition; use of price negotiations and price controls; and the search for regional and global strategies, like proposals to de-link research and development (R&D) costs from product prices.

We agree with many of the public health concerns expressed in the concept paper. We agree that there is a long-standing access to medicines crisis in both low- and middle-income countries. Many middle-income countries face both a funding and affordability crisis due to graduation from low- to middle-income status and to the full implementation of the WTO TRIPS Agreement – the impacts of which are being felt through ever-higher prices for medicines, vaccines and other medical technologies. We also agree that World Bank economic classifications of countries have little relation to public health needs of countries' populations and their capacity to pay unilaterally imposed prices. In fact, most of today's poor live in countries considered to be middle-income economies.

However, the proposed "blue-ribbon Task Force" – rather than identifying solutions that overcome the limitations of current approaches – is seeking primarily to validate and institutionalize a single failed strategy.

We therefore urge the Global Fund to:

- a) Abandon the blue-ribbon Task Force and tiered pricing initiative in light of the evidence of the ineffectiveness of tiered pricing and the broad concerns voiced by public health experts, civil society, and increasingly, governments.
- b) Join ongoing government-driven efforts at the global, national and regional level, including the implementation of the WHO Global Strategy and Plan of Action on Public Health, Innovation and Intellectual Property. Instead of creating parallel processes, the Global Fund should use its resources – institutional, political and technical – to play a positive role to improve

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<sup>2</sup> For example, Letter to Mark Dybul by activists following up on meeting held at ICASA on 9th December 2013,

<https://groups.yahoo.com/neo/groups/internationaltreatmentpreparedness/conversations/topics/24403>

<sup>3</sup> Tiered pricing, sometimes also called "differential pricing", refers to the practice of some pharmaceutical companies unilaterally setting discounted prices for certain developing countries based on arbitrary criteria such as World Bank income tier.

<sup>4</sup> For an overview of the public health challenges with tiered-pricing: A win-win solution?: A critical analysis of tiered pricing to improve access to medicines in developing countries (2011, Moon et al), <http://www.globalizationandhealth.com/content/7/1/39>

affordability of medical tools. For example, the Global Fund should lend its full weight to assist all developing countries, including those countries that no longer receive financial support from Global Fund, to improve affordability of medicines, including through the use of TRIPS flexibilities and other measures that promote robust generic competition.

c) Raise the challenges of access to medicines and other medical technologies for low and middle-income countries at the upcoming May 2014 World Health Assembly, by sharing pricing information from Global Fund recipients and the difficulties the Global Fund faces in bringing the cost of medicines down and supporting civil society's demand to further expand access to treatment through all proven interventions for all in need.

We thank you for your attention and look forward to discussing further with you.

C.C.:

Seth Berkley, President and CEO, GAVI Alliance

Margaret Chan, Director-General, World Health Organization

Helen Clark, Administrator, United Nations Development Programme

Philippe Duneton, Executive Director ai, UNITAID

Jim Yong Kim, President, World Bank Group

Anthony Lake, Executive Director, UNICEF

Sincerely,

1. Acción contra el Hambre (ACH/ACF) (Spain)
2. Acción internacional por la Salud Latinoamerica y caribe (AIS-LAC) (HAI-LAC)
3. Act Up-Basel (Switzerland)
4. Act Up-Paris (France)
5. ACTION (USA)
6. Action against AIDS (Germany)
7. Africa Japan Forum (Japan)
8. African Cultural Research Education Foundation (ACREF)
9. African Services Committee
10. African Women's Development and Communication Network (FEMNET) (Senegal)
11. Afro Global Alliance (Ghana)
12. Aid for AIDS (USA)
13. AIDS ACCESS Foundation (Thailand)
14. AIDS Community Research Initiative of America (ACRIA)
15. Aids Fonds (Netherlands)
16. AIDS Information Centre (AIC) (Uganda)
17. Alianza LAC Global por el Acceso a Medicamentos (International)
18. Alliance for Integrated Development (AIDE) (Uganda)
19. American Medical Student Association (AMSA) (USA)
20. amfAR, The Foundation for AIDS Research (USA)
21. Andrey Rylkov Foundation for Health and Social Justice (Russia)
22. Anesvad (Spain)
23. Asia Pacific Council of AIDS Service Organizations (APCASO)
24. Asia Pacific Network of People Living with HIV/AIDS - India (APN+ India)
25. Asia Pacific Network of People Living with HIV/AIDS (APN+)
26. Asia Pacific Network of Sex Workers (APNSW)
27. Associação Brasileira Interdisciplinar de AIDS - ABIA (Brazilian Interdisciplinary AIDS Association)
28. Association Action santé et développement au Burkina Faso (ASD/BF)
29. Association de Lutte Contre le SIDA, Morocco (ALCS)
30. Association Espoir pour Demain (AED) (Burkina Faso)
31. Association of People Living with HIV (APLHIV) (Pakistan)
32. Australian Federation of AIDS Organizations
33. AVERT (UK)
34. Beijing Yi Ren Ping Center (北京益仁平中心) (China)
35. Berne Declaration (Switzerland)
36. BHL China League
37. Cameroon League for Development (CAMLEAD-NGO)
38. Cameroon TB Group (Cameroun)
39. Canadian HIV/AIDS Legal Network
40. Care of The Needy (COTN) (Tanzania)

41. CECU (Grupo de Trabajo sobre Salud, Acceso a Medicamentos e Innovación: (GTSMI)) (Spain)
42. Center for Health, Human Rights, and Development (CEHURD) (Uganda)
43. Center for Research on Women, Central China Normal University (华中师范大学妇女研究中心) (China)
44. Center for Supporting Community Development Initiatives (SCDI) (Vietnam)
45. Centre for Health Human Rights and Development (CEHURD) (Uganda)
46. Centre for Participatory Research and Development (CEPARD) (Uganda)
47. China HIV/AIDS CBO Network (中国艾滋病工作民间组织全国联席会议) (China)
48. Coalition 15% (Cameroun)
49. Coalition for Health Promotion and Social Development. (HEPS Uganda)
50. Coalition on Vaccines, Vitamins and Immunizations for All Nigerians (COVIAN)/Afrihealth Optonet Association (AOA)
51. Coalition PLUS (International)
52. CORE Group Polio Project, India
53. Delhi Network of Positive People (DNP+) India
54. Delta Foundation / Association of People living with HIV (Pakistan)
55. Drug Study Group (Thailand)
56. Drug System Monitoring and Development Program (Thailand)
57. Drug Utilization Research Group - Latin America (DURG-LA)
58. Egyptian Initiative for Personal Rights (EIPR)
59. European AIDS Treatment Group (EATG)
60. European Public Health Alliance
61. Facilitation for Peace and Development (FAPAD) NUCHA (Uganda)
62. FARMAMUNDI (Spain)
63. Federación Médica Colombiana
64. Foundation for AIDS Rights (Thailand)
65. Foundation for Consumers (Thailand)
66. Friends of MSF South Africa
67. FTA Watch - Thailand
68. Fujian Castle Organization (城堡工作组) (China)
69. Fundació Institut Català de Farmacologia (Spain)
70. Fundación GEP (Argentina)
71. Fundación para Estudio e Investigación de la Mujer -FEIM (Argentina)
72. Future Generations International (FUGI)
73. Gestos-HIV, Communication and Gender (Brazil)
74. Ghana Universal Access to Healthcare Campaign coalition
75. Global Action for Trans\* Equality (GATE) (USA)
76. Global Coalition of Women Against AIDS in Uganda
77. Global Coalition of Women against AIDS in Uganda (GCWAU)
78. Global Forum on MSM & HIV (MSMGF) (USA)

79. Global Health Advocates (France)
80. Global Network of People Living with HIV (GNP+)
81. Global Network of People Living with HIV, North America (GNP+NA)
82. Global Network of Sex Work Projects (NSWP)
83. Global TB Community Advisory Board (TB CAB)
84. Group for Life Incentive (GIV) (Brazil)
85. Grupo de Incentivo a Vida - GIV (Group for Life Incentive) (Brazil)
86. Grupo de Resistencia Asa Branca (GRAB) (Brazil)
87. Guangxi Chunhui Nonprofit Public Service Organization (China)
88. Haixi Care Group (海西关爱小组) (China)
89. Hangzhou Xihu Working Group (杭州西湖工作组) (China)
90. Health Access Network (Ghana)
91. Health Action International
92. Health Consumer Protection Program (Thailand)
93. Health Education and Literacy Programme (HELP) (Pakistan)
94. Health Global Access Project (Health GAP)
95. Health Rights Action Group (HAG) (Uganda)
96. Heilongjiang Kangtong Working Group (黑龙江康同工作组) (China)
97. Henan Human Health Promotion Association (河南省人文健康促进会) (China)
98. Henan Kaifeng Wei Gay Volunteer Group (开封伟同志愿者工作组) (China)
99. Henan Pioneer Charity (河南公益先锋) (China)
100. Henan Spring Thunder Support Group (南阳春雷工作组) (China)
101. Henan Weishi Red Ribbon Association (河南尉氏县红丝带协会) (China)
102. Henan Wintersweet Women Support Group (河南腊梅花女性小组) (China)
103. Henan Xin Zheng Ai Wei Home (support group) (新郑爱卫阳光家园) (China)
104. Henan Xinyang Qingzhulin PLHIV Support Association (青竹林感染者互助协会) (China)
105. Henan Zhecheng Civic Association for AIDS Control (柘城县艾滋病防治民间促进会) (China)
106. Henan Zhumadian Tianzhong Charity (驻马店天中公益) (China)
107. Hepatite Afrique sauvons l'Afrique
108. HepCBC Hepatitis C Education and Prevention Society (Canada)
109. HIV i-Base London (UK)
110. HongKong AIDS Foundation (China)
111. Housing Works (USA)
112. Human Rights Awareness and Promotion Forum (HRAPF) (Uganda)
113. Hunan Friend Love Home (湖南友爱之家) (China)
114. IFARMA (Colombia)
115. IMA World Health (USA)
116. Indian Harm Reduction Network (IHRN)

117. Indonesia AIDS Coalition
118. Initiative for Health & Equity in Society All India Drug Action Network
119. Institute for Studies in Industrial Development (ISID), New Delhi (India)
120. International Network of People who Use Drugs (INPUD)
121. International Treatment Preparedness Coalition (ITPC) (Global)
122. International Treatment Preparedness Coalition-Cameroon (ITPC-CA)
123. International Treatment Preparedness Coalition-China (ITPC-China)
124. International Treatment Preparedness Coalition-East Africa (ITPC-EA)
125. International Treatment Preparedness Coalition-Eastern Europe and Central Asia (ITPCru)
126. International Treatment Preparedness Coalition-Latin America (ITPC-LA)
127. International Treatment Preparedness Coalition-Middle East and North Africa (ITPC-MENA)
128. International Treatment Preparedness Coalition-South Asia (ITPC-SA)
129. International Treatment Preparedness Coalition-West Africa (ITPC-WA)
130. Jiangsu Nanjing Working Group (南京工作组) (China)
131. Kampala District Forum of PLHIV Networks (KADFO) (Uganda)
132. Knowledge Ecology International (USA)
133. Latin American and the Caribbean Council of AIDS Organization (LACCASO)
134. Lhak-Sam (Bhutan)
135. Liberia Immunization Platform
136. Long Yan Aixin Working Group (龙岩爱心工作组) (China)
137. Malaria and Childhood Illness NGO Network Secretariat (MACIS) (Uganda)
138. Medact (UK)
139. Médecins du Monde (France)
140. Medecins Sans Frontieres / Doctors Without Borders (MSF)
141. Medical Mission Institute (Germany)
142. Médicus Mundi (Spain)
143. Miriam foundation (Uganda)
144. Mision Salud - Colombia
145. Mouvement Camerounais pour le Plaidoyer et l'Accès aux Traitements (MOCPAT) (Cameroun)
146. National Association of People living with HIV and AIDS in Nepal (NAPN)
147. National Coalition of People living with HIV in India (NCPI+)
148. National Community of Women Living with HIV/AIDS in Uganda (NACWOLA)
149. National Empowerment Network of people living with HIV/AIDS in Kenya (NEPHAK)
150. National Forum for People Living with HIV/AIDS (NAFOPHANU) (Uganda)
151. "No Gracias" (Grupo de Trabajo sobre Salud, Acceso a Medicamentos e Innovación: (GTSMI)) (Spain)
152. Non-Profit Partnership to Support Social Prevention Programmes in Public Health (ESVERO) (Russia)
153. Observatorio del Medicamento de la Federación Médica Colombiana (Observamed)

154. Open Society Foundations, Public Health Program (USA)
155. Orphans Relief Services (ORES) Tanzania
156. Oswaldo Cruz Foundation - Center for Pharmaceutical Policies, Sergio Arouca  
National School of Public Health (Brazil)
157. Oxfam
158. Pan African Positive Women's Coaliton (Zimbabwe)
159. Pan-African Treatment Access
160. People Health Movement (PHM)
161. PKNI (Indonesian Drug User Network)
162. Planeta Salud (Spain)
163. Plate Forme des Organisations de la Société Civile pour la Promotion de la Vaccination  
et le Renforcement du Système de Santé au Cameroun (PROVARESSC)
164. Positive Health Outcomes (Zambia)
165. Positive Malaysian Treatment Access & Advocacy Group (MTAAG+)
166. Positive Men's Union (POMU) (Uganda)
167. Positive Women Inc. (New Zealand)
168. Positive-Generation (Cameroun)
169. PROSALUS (Spain)
170. PT Foundation (Malaysia)
171. Public Health Foundation of India (PHFI)
172. Red Argentina de Personas Positivas (Redar Positiva)
173. Red Latinoamericana por el Acceso a Medicamentos (RedLAM)
174. Rede Nacional de Pessoa Positivas - São Luiz do Maranhão (National Network of  
Positive People - São Luiz do Maranhão) (Brazil)
175. Réseau Accès aux Médicaments Essentiels (RAME) (Burkina Faso)
176. RESULTS UK
177. Salud por Derecho (Spain)
178. Salud por el Derecho (Espana)
179. Salud y Farmacos (Espana)
180. Salud y Farmacos (USA)
181. Sankalp Rehabilitation Trust (India)
182. Save Mama (Uganda)
183. Securing Access to Lifesaving Treatment (SALT) (China)
184. SIDACTION (France)
185. Solthis (France)
186. Southern and Eastern African Trade Information and Negotiations Institute  
(SEATINI)
187. STOP AIDS NOW! (Netherlands)
188. Stop-TB Forum (Germany)
189. StopAIDS (UK)
190. Support on AIDS and Life Through Telephone Helpline (SALT) (Uganda)
191. Suzhou Share-the-sunshine Support Group (苏州共享阳光关怀互助小组) (China)
192. Target Tuberculosis (UK)



193. Thai AIDS Treatment Action Group (Thailand)
194. Thai Network of People Living with HIV/AIDS (Thailand)
195. Thai NGO Coalition on AIDS (Thailand)
196. The Action Group for Health, Human Rights and HIV/AIDS Uganda Women's Network (AGHA)
197. The AIDS Support Organization (TASO)
198. Third World Network
199. Treatment Action Campaign (South Africa)
200. Treatment Action Group (US)
201. Treatment Advocacy and Literacy Campaign (TALC) (Zambia)
202. Uganda Alliance of Patients Organizations (UAPO)
203. Uganda Coalition for Access to Essential Medicines (UCAEM)
204. Uganda Health Sciences Press Association (UHSPA)
205. Uganda Network on Law Equality and Ethics (UGANET)
206. Uganda Young Positives (UYP)
207. Uganda Youth Against AIDS Foundation (UYAAF)
208. UK Community Advisory Board (UK-CAB)
209. Union des ONG du Togo (UONGTO Union) (Togo)
210. UNITAID-NGOs Delegation to UNITAID Board and Communities Delegation to UNITAID Board
211. Universities Allied for Essential Medicines-United Kingdom (UAEM-UK)
212. Vietnam Civil Society Partnership Platform on AIDS (VCSPA) (Vietnam)
213. Vietnam Network of People living with HIV (VNP+)
214. Willing Health Advocacy and Training Support (Nigeria)
215. Women of Power Initiative (WOPI) (Nigeria)
216. Women's Health HIV and AIDS Southern Africa (WHHASA)
217. World Foundation for Medical Research and Prevention (USA)
218. Youth in Action Foundation (YAFU) (Uganda)
219. Yu Hou Cai Hong Working Group (雨后彩虹工作组) (China)
220. Zhejiang Aixin Support Group (浙江爱心工作组) (China)