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**39th Union World Conference on Lung Health
Newsmaker Interviews – Jorge Bermudez, Executive
Secretary, UNITAID
October 19, 2008**

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JILL BRADEN BALDERAS: Jorge Bermudez, UNITAID, Executive Secretary, thanks for joining us today. Your organization is now two years old. How many members do you currently have?

JORGE BERMUDEZ: Okay, UNITAID is an international group, which was facilitated and was created exactly two years ago, in September 2006, in the United Nations General Assembly in New York. It was initially proposed by five member states that were the funders, were Brazil, Chile, France, Norway, and the U.K. And we have grown, because in two years, besides the five, now we have 28 members supporting UNITAID and the Bill and Melinda Gates Foundation.

So 28 countries that are trying to implement and make a [inaudible] in order to make a little for financing so they can really support UNITAID. And an important issue that we see is that we have, in a way, broken the barrier between north and south because we have north countries and south countries supporting UNITAID.

JILL BRADEN BALDERAS: So how do those countries contribute to UNITAID?

JORGE BERMUDEZ: Those countries, they all implement in order to make initial funding like take taxes, eight countries now have managed to implement an [inaudible] tax, and that fund is raised by them, and then they support UNITAID, or we have long term, predictable funding. Many countries are expanding

their ODA's, like Spain, U.K., they have a five year pledge or a ten year pledge.

Of course, the funds will go to international aid, outside. Some countries are increasing their funds for international aid. Spain has pledged five years to UNITAID. The U.K. has the Department for International Development to field that has pledged ten years to UNITAID. Norway has carried an emission tax and part of it goes to UNITAID.

France has implemented a tax, Chile has implemented a tax, Korea has implemented a tax, and some countries, as Brazil have from the regular budgets, every year they renew and every year they contribute to UNITAID.

JILL BRADEN BALDERAS: And as you said, this organization has been able to reach out to the north and the south, so can you talk about how some of the countries in the south have implemented this innovative strategies?

JORGE BERMUDEZ: Yes. The countries of the south, Nigeria and Africa has implemented a tax, Chile has implemented that. Those are the countries that contribute to UNITAID, have plenty of aid, and the Gates Foundation. But I think it's important for us to realize after two years of working that our actions are currently supporting 92 countries worldwide.

So we are supporting, we partnership with several organizations, specific niches on HIV/AIDS, TB, and malaria. And our funded actions are implemented in 92 countries. Most of them, of course, because of our constitution, our low income

countries, so we are supporting most low income countries with products for diagnosis and treatment for HIV/AIDS, TB, and malaria.

JILL BRADEN BALDERAS: So how much money do you have right now in your budget for this year?

JORGE BERMUDEZ: We have between \$350 and \$400 million per year that is mainly collected by the taxes or other funding. And that is more or less equally shared for actions on the three diseases that is our mandate.

JILL BRADEN BALDERAS: And when you're looking for a program to support, what do you expect that those programs bring to the table?

JORGE BERMUDEZ: We don't work alone. We work with implementing countries because we want to maintain a very lean structure. In Geneva, we are hosted by the World Health Organization. And for us, it is a very rich relationship with the World Health Organization. We have a hosting agreement and, as we are an operational unit and not a technical unit, we also rely very strongly on WHO guidelines and expertise. And we implement with partners that have access in the countries and have field offices.

As, for example, we have the Clinton HIV/AIDS Initiative for pediatric HIV and second line TB. We have the WHO Stop TB and the Global Drug Facility for most actions related to tuberculosis. We work with UNICEF in implementing several programs in countries. And we have also Roll Back

Malaria and the other, new organizations as [inaudible] for a relatively new diagnosis that is implementing our scaling up of diagnosis for MDR-TB in several countries in Africa.

JILL BRADEN BALDERAS: Now there are other funding organizations or mechanisms like the Global Fund, PEPFAR from the United States, other organizations that focus on drug development like the TB Alliance.

JORGE BERMUDEZ: Yes.

JILL BRADEN BALDERAS: So what makes UNITAID different from those groups?

JORGE BERMUDEZ: Okay, I think one of the initial thoughts when UNITAID was created was to avoid overlapping and to build on what is the real added value of what each organization has to deliver. We don't overlap, we work together with other programs, but we are acting in specific niches that others were not addressing.

Let's take the example of how we are working with the Global Fund. The Global Fund is supporting most of the first line treatments for HIV/AIDS in the world, and we are not working with first line treatment, we are working with second line treatments that are resistant to first line treatments. And we are developing pediatric treatments for the two diseases.

We also, all our actions address delivery, rapid delivery of drugs, niches, specific niches, quality of products. We are supporting also the WHO [inaudible] education

[inaudible] that we have quality products. And all our actions are also aiming to impact market dynamics so that we have established markets with low prices, affordable products, and quality products over the world. And those are, of course, are open to all the other organizations we are working with, with this issue.

JILL BRADEN BALDERAS: And how have you seen your ability to be able to impact prices?

JORGE BERMUDEZ: We have worked very strongly; we have examples, for example, in ARV's we have price reductions, and we have had better medicines adapted for patient needs. For example, after we came into action together with the Clinton Foundation on pediatric ARV's, we had a new fixed dose combination. Instead of a child taking several bottles of syrup every month, they have now one tablet with three products in one tablet. That is what we call fixed dose combination. That has been approved by WHO, for qualification scan.

It has been pre-approved in the USA Food and Drug Administration, and it has brought the treatment down from \$200 per child per year, to \$60 per child per year, so that is three times less. That is one example and we have other examples in other areas. But, of course, impacting market dynamics is not only related to price reduction. We have better products in the market, we have more manufactured in the market, we have local manufacturing in developing countries, we have quality products, and all this lead time is shorter.

We have discussed in TB, for example, it's a variable model. We have discussed, and we are addressing, with WHO and Stop TB partnership and the Global Drug Facility, a rotating stockpile of products, first line products, and now we are also in second line products for multi drug resistant TB so that we can have a fast delivery, a [inaudible], and we have our reduced costs of all the process because we are having them as we need the products. We don't have to go after who can provide them; we have a rotating stockpile that is maintained by the Global Drug Facility.

JILL BRADEN BALDERAS: As you mentioned, drug resistant TB and this rotating stockpile of treatments, and this is obviously increasingly a concern, is resistant TB. But one of the issues is not just treatment, but it's also diagnosis. And you all are working in this arena as well.

JORGE BERMUDEZ: Yes. We are mandated diagnosis and treatments. In diagnosis of TB, we have just approved a product and it's beginning to be implemented. With the Stop TB, the Global Drug Facility, with the Global Laboratory Initiative, and with FIND, the Foundation for Innovative New Diagnostics, that will be a rapid test for diagnosing multi drug resistant TB. And at the same time, we are scaling up also treatments for multi drug resistant TB. So I must say that we are investing and increasing the diagnosis of those cases that are complicated, and also increasing access to medicines for those cases.

JILL BRADEN BALDERAS: Now earlier you talked about how one of your goals is stability and predictability in terms of funding. Are you at all concerned that's at risk given the current global economic situation?

JORGE BERMUDEZ: Well, everybody, of course, is concerned on what is called financial instability in the world. But as we have funds that are not coming from country budgets, but from innovative mechanisms that are sustainable, we expect to maintain all those levels and we have had several years' commitments from several countries.

JILL BRADEN BALDERAS: And all these projects that you're working on require that you are involved in the health systems in countries and utilize those health systems. To you, what are some of the most important goals to improve health systems, as this conference considers that issue?

JORGE BERMUDEZ: We do not overlap. We do not directly invest in health systems in the countries. We are, I think, this is a multi stakeholder initiative. We have consenting health systems and we have funds for that from several other organizations that are applying the funds directed to the countries.

Our role is to ensure that within the health systems, what we are working with, the commodities for diagnosis and treatment are being attended. So, in a way, we can say that we are contributing to health systems, even though we are not

funding directly the countries for certain health systems because other partners are doing that.

JILL BRADEN BALDERAS: But are there some issues that you see as a problem within health systems that could make you more effective in what you do, help you out with what you do?

JORGE BERMUDEZ: All the initiatives in the health systems are important for us. And all our programs that are dealt with, with our partners, are made in agreement with the Ministers of Health of the countries. So we have all the time we have the health system involved in what we are delivering.

JILL BRADEN BALDERAS: And the last question for you. You have been at UNITAID from the beginning. What is one program that you are particularly proud of?

JORGE BERMUDEZ: I think not one program. I think the overall goal of UNITAID that is to really build some partnerships and work with all the other organizations and, of course, coming to the Union World Conference. TB is a very important issue for us and we are really addressing pediatric TB, multi drug resistant TB, and diagnostics for TB.

So we are working with other partners. I would not say that one program is very important for us, all the activities at UNITAID works, and thanks to a very good secretary, that we have a team of 20, a little bit more than 20 persons that collect and that work in UNITAID and that make it possible to really have those commitments with the countries.

JILL BRADEN BALDERAS: Jorge Bermudez thanks so much for joining us today.

JORGE BERMUDEZ: Thank you. It is my privilege.

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