[**Advance market commitment**](https://www.dawn.com/news/1650790/advance-market-commitment)

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ADVANCE market commitment (AMC) has proven to be a public health measure. It has done wonders in the area of vaccines, as has been the case with Covid-19. As an innovative policy tool, it can be expanded to address other market failures, for example, to improve the local production and uninterrupted supply of contraceptives in Pakistan.

But what is AMC, how does it work, and how can it be implemented?

Most vaccines are researched and developed in high-income countries, so the lag between development and deployment to low- and middle-income countries has been around 10 years. In other words, despite vaccines being used among children in HICs, children in LMICs have not been protected against the same preventable diseases; despite housing a far larger vulnerable population.

One such vaccine was the pneumococcal conjugate vaccine for preventing pneumonia and meningitis in children. Due to its high cost and unsuitability of use in developing countries, PCV’s manufacturers were not aiming vaccine supply at LMICs. The World Bank calls it a “long-standing development problem — [a] persistent market failure to develop and produce vaccines needed in poor countries due to perceptions of insufficient demand and market uncertainty”.

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Notwithstanding producers’ hesitancy, but due to the public health significance of the vaccine an initial AMC worth $1.5 billion was launched jointly by Canada, Italy, Norway, Russia and the UK, alongside the Bill and Melinda Gates Foundation. The core idea was to mitigate risk factors by giving producers financial assurance via guaranteed floor prices and advance orders for R&D into manufacturing vaccines in LMICs. AMC worked. It helped speed up the availability of a new vaccine in the Global South. This AMC pilot was the first step in establishing a market for life-saving vaccines deployed for children in poor countries. In the last decade alone, Gavi — the global vaccine alliance — estimates that the use of AMC has prevented 700,000 deaths among children in 60 developing countries.

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The development of AMC for vaccine R&D and production helped move this area out of the domain of charity and introduced a business model that has effectively led to broader innovation. The development of AMC became possible due to the work of the Advance Market Commitment Working Group set up by the Centre for Global Development in 2003 which produced a seminal report, *Making Markets for Vaccines: Ideas to Action*. Prof Michael Kremer of Harvard was one of the early proposers of this concept.

More recently, we have witnessed the unprecedented speed and success of developing and deploying Covid-19 vaccines around the world; including the development of a [watershed mRNA technology](https://www.dawn.com/news/1589478). All this has been possible partly due to the employment of the AMC mechanism. An article published in *Health Affairs* this February shed light on “how new models of vaccine development for Covid-19 have helped address an epic public health crisis”. In the US alone, according to publicly disclosed information, Operation Warp Speed mobilised and spent $18 billion on Covid-19 vaccines. A significant portion of the budget was spent on advance purchase agreements with vaccine producers, in order to prioritise the vaccination of US citizens. HICs aside, some LMICs like Brazil, India and Indonesia have also made advance market commitments with producers.

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The proven efficacy of AMC has led to calls for its application in other global health challenges. For example, the world faces the crises of antimicrobial resistance due to the over-prescription and misuse of antibiotics. As a result, the R&D pipeline for new antibiotics is dry or moving extremely slowly. Can AMC be employed for the development of new antimicrobials? There are other ‘problem candidates’ suffering due to market failure including, for example, malaria, tuberculosis and AIDS.

Covid-19 has spurred health innovation like never before. There is now unprecedented financial and political attention towards health issues and this is the time for LMICs to inject innovative solutions into their health systems with the intent of tackling chronic problems.

For example, can a small-scale advanced market commitment pilot be experimented with regard to contraceptives in Pakistan? I deliberated on this topic in my column, published on Aug 27, 2021 titled ‘Pakistan needs contraception’. I wrote about the chronic stock-outs of contraceptives and the more than four million unwanted pregnancies taking place every year which can be avoided with timely availability of contraceptives and proper guidance given to couples. How are we almost entirely dependent on imports for some of the most commonly used contraceptives? How have efforts to locally produce, for example condoms, failed for lack of government support time and again?

Contraceptives are clearly public goods that are desperately needed in Pakistan. Unhindered population growth in Pakistan is not sustainable and has the potential to undermine all development efforts. Can the government not consider taking a proactive approach on this front and be innovative in responding to the population question?

**Read:** [*Pakistan needs contraception*](https://www.dawn.com/news/1642890)

If interested local manufacturers of listed contraceptives can be invited and given three kinds of policy assurances there is a space to foster positive responses.

First and foremost, if they are given long-term assurances of public sector demand of their products — a kind of tailored AMC — there could be a positive response from producers.

Second, as part of the AMC, if the government can create an economy of scale by pooling contraceptive needs from all provinces and undertake group purchasing, this would complement AMC in a big way.

Third, if a clear and meaningful export facilitation mechanism can be provided to these manufacturers, then they can optimally use their production capacity and can export alongside fulfilling national demands.

A combination of the strategies mentioned above can be assembled into a policy framework which has the potential to transform the availability of contraceptives in the country. If backed by a strong communication strategy and demand creation, population issues in Pakistan can be effectively addressed.

However impossible this undertaking may appear under the current atmosphere of bureaucratic inertia, leadership is all about making things possible.

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