

SPEECH OF SECRETARY FRANCISCO T. DUQUE III, MD, MSC FOR THE 1ST SUMMIT ON DEVELOPING THE CONTRACEPTIVE COMMERCIAL MARKET

December 9, 2005

Hotel Intercontinental

Theme: *From Subsidy to Sustainability --- a Market Transformation Strategy*

Greetings (VIPs)

It is a pleasure for me to join you today --- our partners in the private sector, the Chief executive Officers (CEOs) and the marketing teams of the different pharmaceutical companies and other stakeholders as we aim to bolster our efforts in drawing new and innovative solutions for achieving a sustainable reproductive health program in the country.

First of all, let me emphasize that I am not an expert on population issues, which transcend many different aspects. There are economic aspects... social aspects... and political dimensions to it. I am addressing you today as a doctor who however is an expert on its health aspects. Hence, I believe that planning for our families has beneficial consequences for both mothers and their children.

There are people who find it acceptable and effective to use natural family planning methods. And there are also those who opt to use artificial contraceptives...and find that they work for them in achieving their best reproductive health. Hence, let me assure you that contraceptives are essential health commodities, which will always have a viable market in our country. In fact, artificial methods are currently overtaking natural means of family planning as the leading method of choice used by Filipino couples and families.

The National Population Policy

In the recently held National Population Congress where I first addressed the government arm of the health sector as Secretary of Health, I have re-emphasized the policy directions of the present administration of President Gloria Macapagal- Arroyo on population and reproductive health program. There are 4 guiding principles under this program:

- (1) *Responsible Parenthood* – freedom of parents to pursue a better life with appropriate timing and size of their families
- (2) *Respect for Life* – no abortion
- (3) *Birth Spacing* – for a healthy family...especially for healthy mothers and children, proper birth spacing is 3 to 5 years
- (4) *Informed Choice* – empowering couples to decide with complete, correct and fair information about available options for family planning. Whether by the use of natural or artificial contraceptives, we are targeting to slow

down our population growth rate to 1.9% by 2010 to help us achieve our goals of progress and development for the entire nation.

Essentially, the DOH adheres to the universally recognized human right to let individuals and couples decide ... to determine responsibly their fertility and reproductive rights. The power of decision is accorded to each Filipino family and not to anyone else.

The DOH is also geared towards making reproductive health services accessible, affordable, and available to the Filipino people. This includes expanding the range of choices for couples and promoting the full range of legal and medically safe family planning methods.

In fact, the Second Philippine Progress Report on the Millennium Development Goals specifies an MDG target of “increasing access to reproductive health services to 60% by 2005, 80% by 2010, and 100 % by 2015.

As stated under Section 17 of the Local Government Code, we have already delegated the task of providing reproductive health services to our local governments. This is the General Welfare Clause that mandates LGUs to provide maternal and childcare under health care services and family planning under social services.

Under ideal settings and with the full support of our LGUs, this should be an effective strategy to ensure sustainability of reproductive health programs knowing that government subsidies and international aid tend to be often unstable and volatile.

Phasing Out of Donated Contraceptives - An Opportunity to Achieve Sustainability

For three decades, the family planning program of our country has relied heavily on donations from foreign countries largely for procurement of artificial contraceptives. Hence with the complete pullout of foreign aid by 2007 to 2008, some sectors are foreseeing this as a source of adversity.

But everything is a matter of perspective. Henry Ford, the titan builder of Ford Motor Company, achieved greatness simply because he saw every misfortune as an “opportunity to begin again, more intelligently.”

The Department of Health is thus stepping up to this challenge with the implementation of our Contraceptive Self-Reliance Strategy (CSR). The phase-down of donated contraceptives provides an entry point for all stakeholders to assume responsibility in creating a sustainable framework for the future of reproductive health in the country.

CSR encourages the response of key sectors along three broad directions:

- a) Assuring no disruption in the contraceptive supply chain especially among the poorest users once phase out is completed
- b) Mobilizing complementary financial resources for procuring contraceptives through a variety of options such as Philhealth, employee benefits, and out of pocket financing
- c) Expanding complementary private sources of contraceptive supplies through such schemes as self-help community based distribution, NGO outlets, private and commercial providers, and workplace-based outlets.

The Department is determined to build a comprehensive scheme for the organization of service delivery of family planning services. To expand our capacity for service delivery, we will have to upgrade facilities and services so that they are able to meet certification and accreditation standards. In this manner, additional financing (e.g. Philhealth) can be tapped to allow expansion of services to a wider clientele. We also need to conduct further training and licensing of private midwives and other providers to expand the private supply beyond the traditional outlets.

We are hopeful that the CSR initiative of the DOH will be a key to strengthening our leadership and management capabilities in reproductive health and family planning. Effective governance is urgently needed if we are to address the unmet needs of thousands of poor Filipino women, which impact the welfare of their children and families.

In this regard, we are emphasizing our key strategies for good governance in order to mend and prevent damage from unmet needs: freedom of choice for families, self-reliance, and equal access to available quality reproductive health services for all.

Greater participation of the private sector

Indeed, we recognize that government efforts are not enough. Governance, to be effective, will have to hinge on a strong public-private partnership. We need to harness your active participation in the private sector to help us ensure the availability of a wide array of contraceptive choices. This way, you can complement our efforts in securing the future of reproductive health and the effective prevention of HIV/AIDS in the Philippines.

The private sector arm will no doubt play a pivotal role in our transition from a free, donor-dependent system to a strong, self-reliant and sustainable model for delivering reproductive health services.

The question is are you prepared to play your part? Are you equipped to confront the challenges?

Challenges for the Private Sector

Out-of-pocket spending currently makes up a large proportion of spending for family planning services. The private sector has the option of maximizing opportunities now facing them in expanding its market especially among those who are able to pay for these services. What is needed is an enhanced system for distribution, marketing and provision of these commodities to its potential users.

One major barrier in the family planning program is the wide knowledge gap about the different contraceptive choices. We have high discontinuation rates among current users...we also have missed opportunities among potential users because of real and perceived health issues on the different contraceptive choices.

I believe that to create more demand, there has to be a wider provision of **reliable, balanced and accurate information** on family planning services. We have to create an environment where couples are free to access correct information...where they are truly empowered to make well-informed choices.

At present, there is already an expanding market for the private commercial companies for providing different contraceptive commodities. Already, we are receiving a strong response from the local governments in addressing issues related to the phase-down of donated contraceptives.

Some of them are now embracing the CSR strategy through filling in the gaps once the phase-down of commodities is completed. One such model is the CSR Initiative in Pangasinan where the provincial government has expressed its support for subsidizing the contraceptive needs of poor couples in their province. There are other model local government units willing to fully shoulder their local contraceptive needs once commodity assistance is pulled out of the country.

The 1,500-strong League of Municipalities of the Philippines has also jumped in the bandwagon of our responsible parenthood and family planning program. Local governments are now realizing that having a sound population program is part of good governance...it is a public good...a service that is urgently needed if poverty alleviation is to be achieved.

Local procurement of contraceptives by local governments hence provides the private sector the stimulus to further expand its market.

However, if we truly want to address unmet needs and help families achieve their fertility goals, we also have to target interventions to poor women and their families who have the least access to family planning services. This means marketing low-priced commodities while maintaining the quality and safety of products. For a truly responsive and sustainable reproductive health program, we will have to equalize access of all available FP services to every potential user ---whether they are paying clients or those who cannot afford to pay for unsubsidized services.

With these challenges ahead of us, we can only look forward to a stronger coalition that will enable us to usher in a unified and sustainable system for delivering reproductive health services.

Just as strongly as I welcome the prospect of sustainability and enhanced systems for RH services, I also welcome this partnership with all of the stakeholders present here this morning. Let us join hands to reach for the health and development goals for our nation. Let us open the great door of opportunity now before us to achieve self-reliance!

Thank you and good morning.