

Financial Solutions for Product Development in Health

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10 YEARS
OF SAVING
LIVES

GAVI's mission

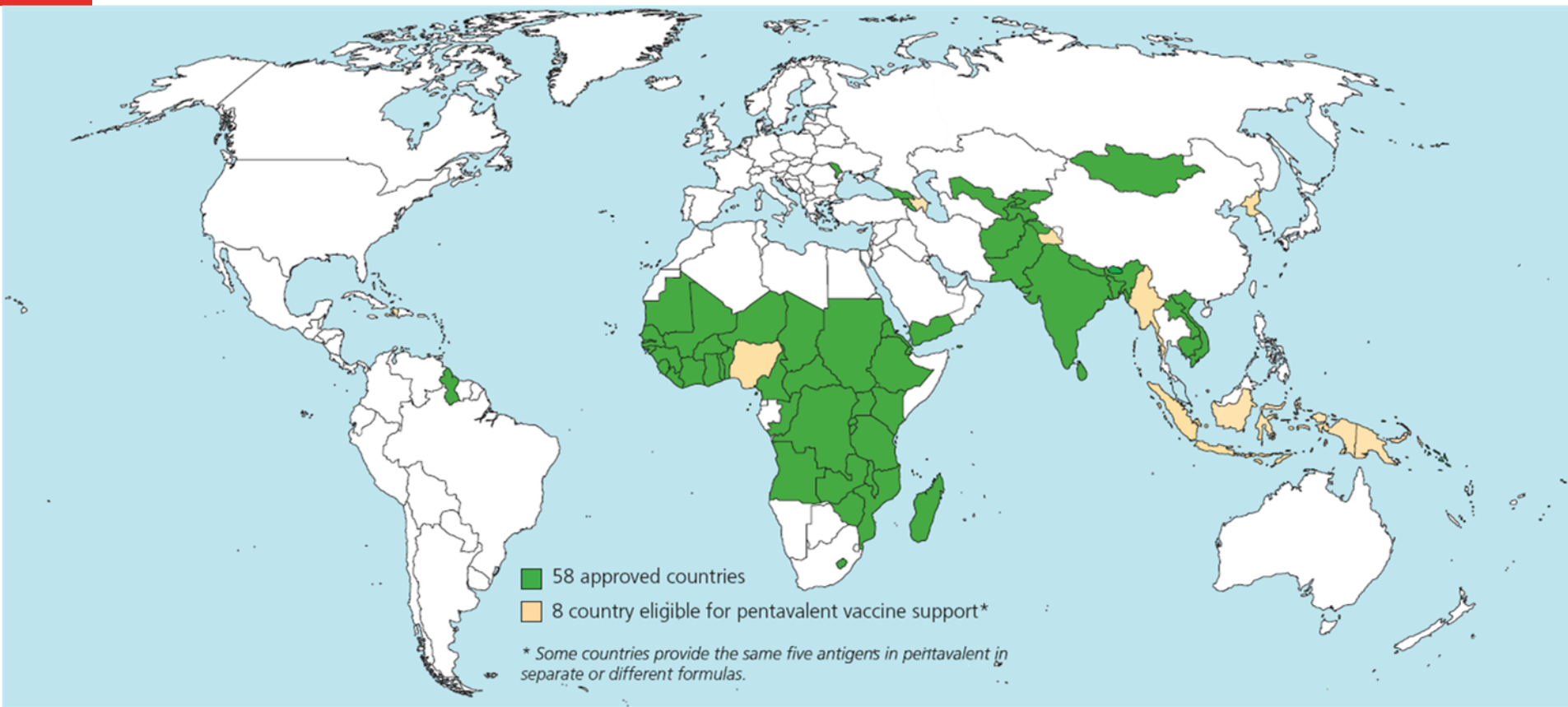
To save children's lives and protect people's health by increasing access to immunisation in poor countries

GAVI making a difference

- **Catalysing the accelerated uptake of vaccines**
 - Prevented 5.4 million premature deaths by end of 2009
 - Cumulative additional 250+ million children reached
- **Supporting increased country demand**
 - US\$ 4 billion committed to countries

Creating a market

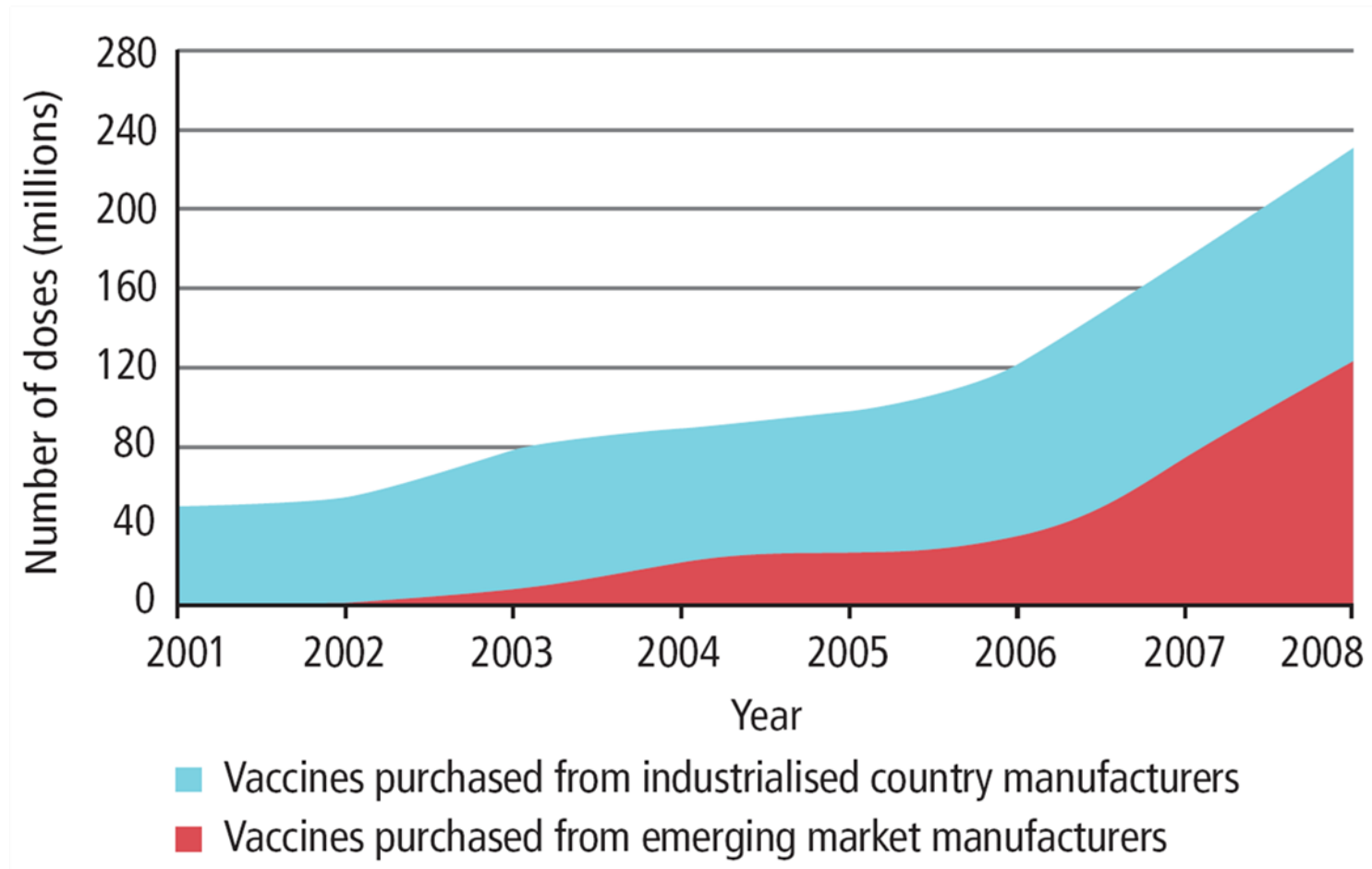
Countries approved for pentavalent vaccine support 2000 - July 2009



Source: GAVI Alliance, 2009

New vaccine suppliers help secure supply

Origin and volume of vaccine doses, GAVI-funded supplies

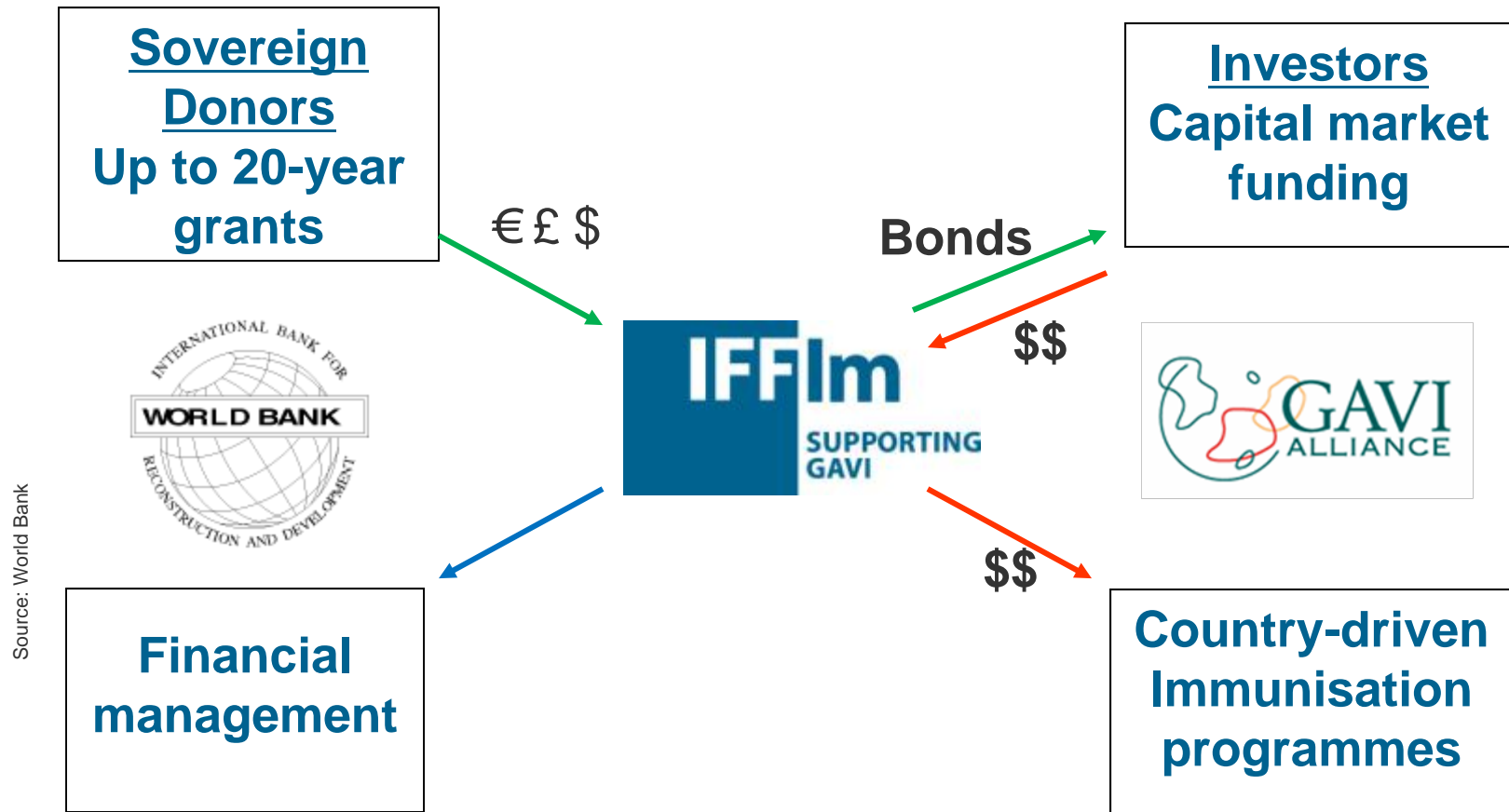


Source: UNICEF Supply Division, 2009

GAVI's Innovative Finance

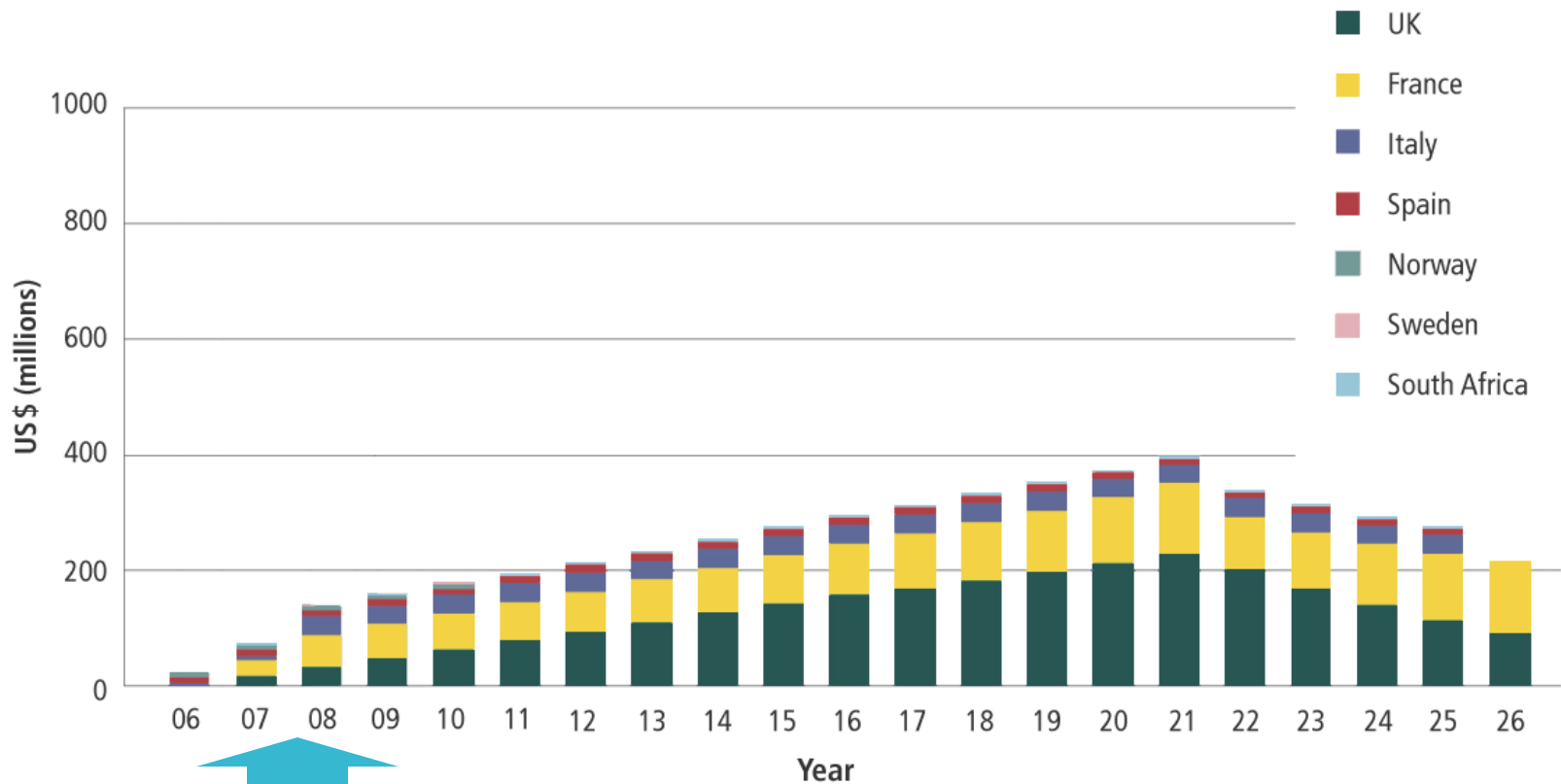
- The **International Finance Facility for Immunisation (IFFIm)** converts long-term government pledges into immediately-available cash resources by issuing bonds on the capital markets.
- The **Advance Market Commitment (AMC)** accelerates the development and manufacture of vaccines for developing countries at prices they can afford.

How IFFIm works



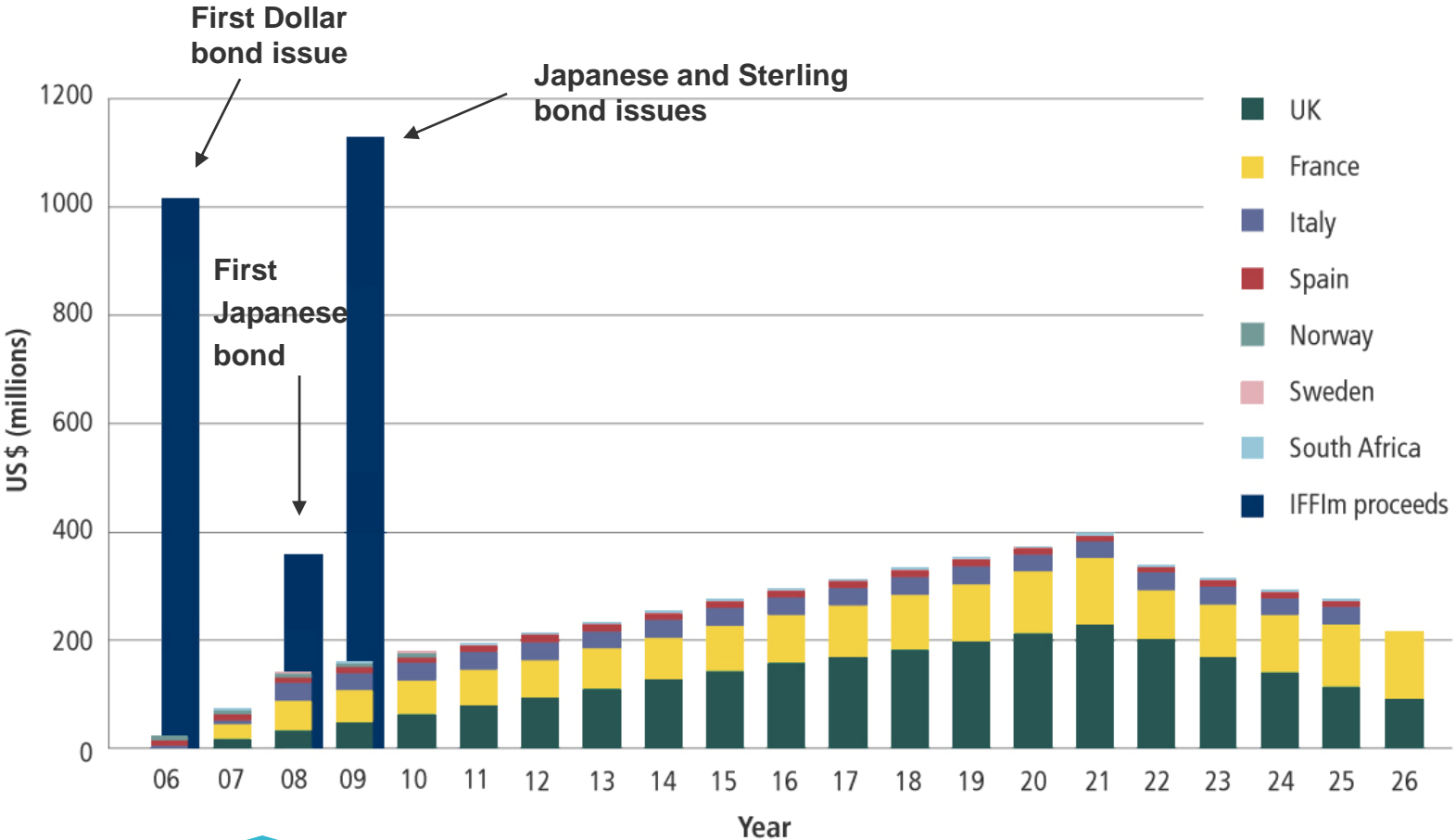
IFFIm's goal: provide US\$4 billion upfront for immunisation, 2006- 2015

International Finance Facility for Immunisation (IFFIm): Long-term donor contributions



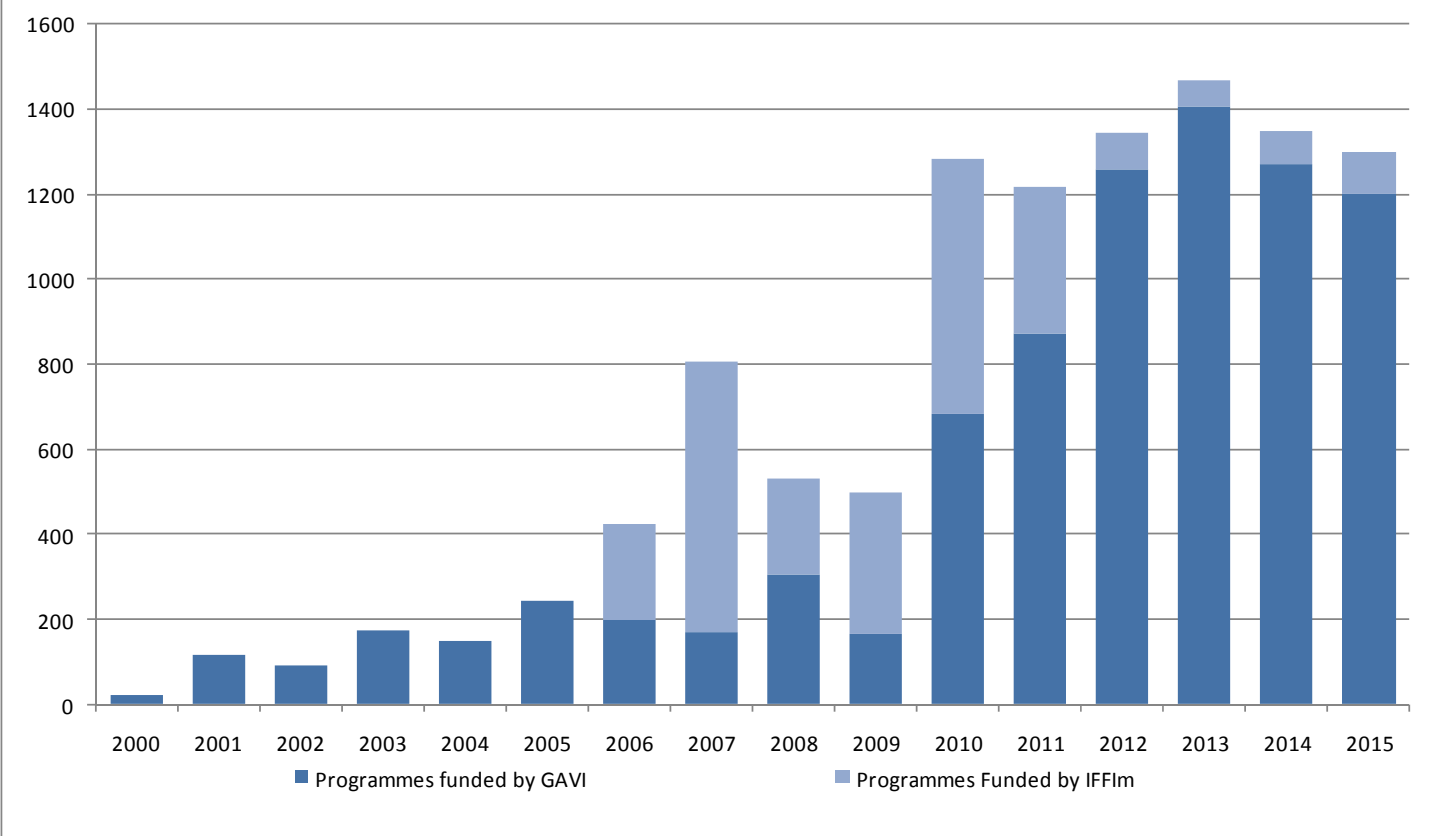
\$393 million 2006-09

Financial value of frontloading



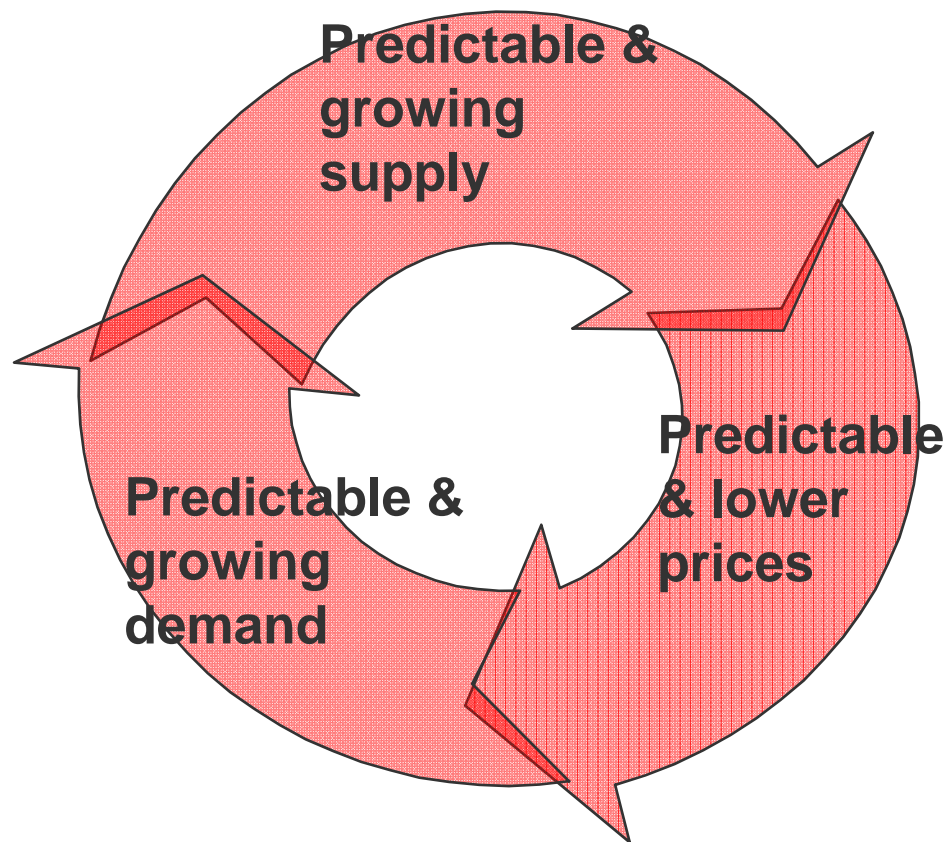
\$2.3 billion 2006-09

IFFIm enabled boost of GAVI programmes



AMC for vaccines

1. Ensures sufficient returns on investment for increased capacity needed for developing country production (or R&D)
2. Accelerates price decline & enhances prices predictability for recipients
3. Leads to predictable & growing demand



AMCs: needs-driven affordable vaccines

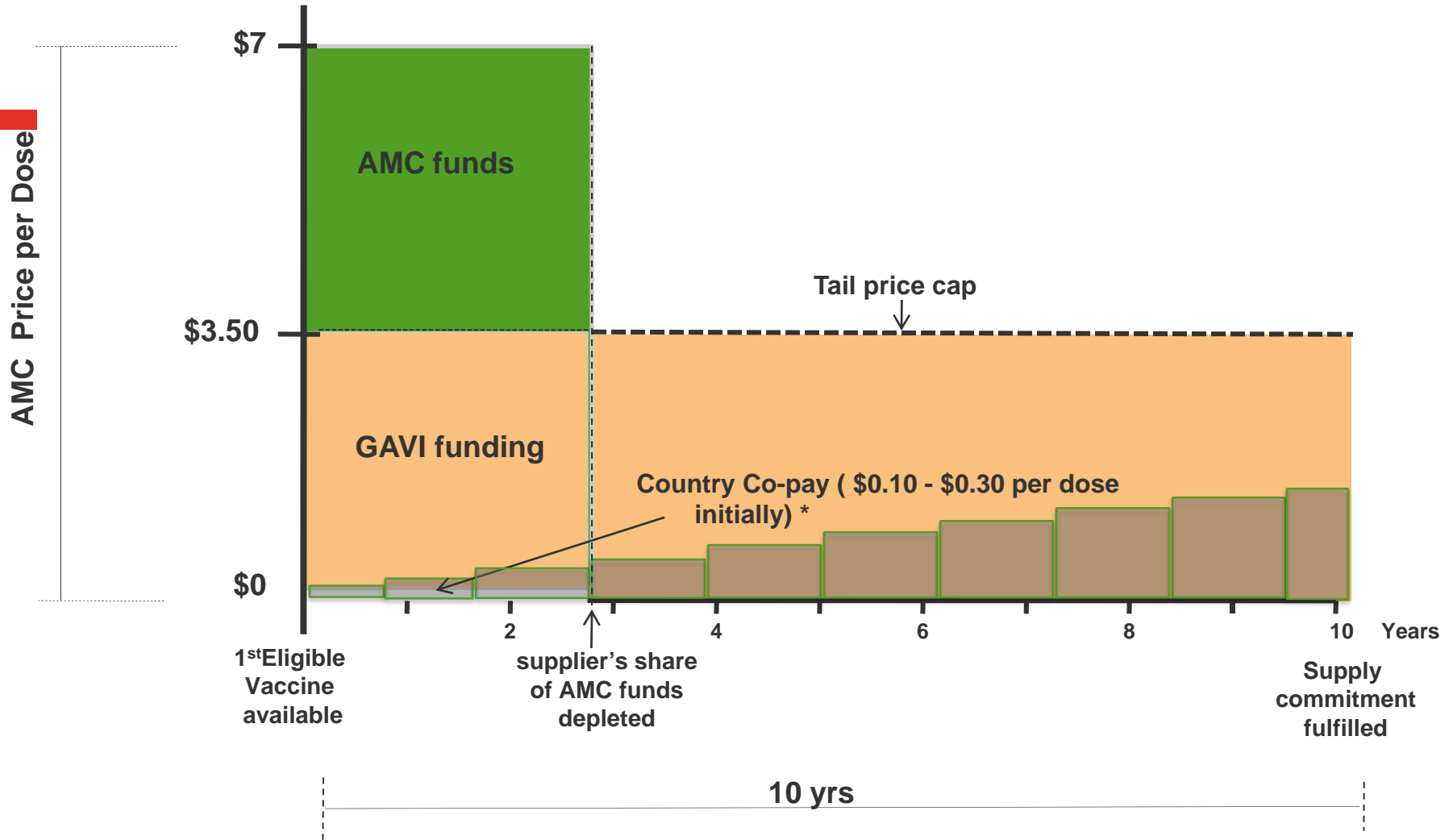
Accelerated manufacture and delivery of vaccines:

- Donors commit funds for new vaccines at pre-agreed price
- Donor funds give manufacturers incentive to invest in R&D of new vaccines
- Vaccines must meet stringent criteria and be requested by developing countries
- Manufacturers legally commit to supplying vaccines at lower price over the long term
- Long-term price paid by beneficiary countries and GAVI

How the pneumococcal AMC pilot works:

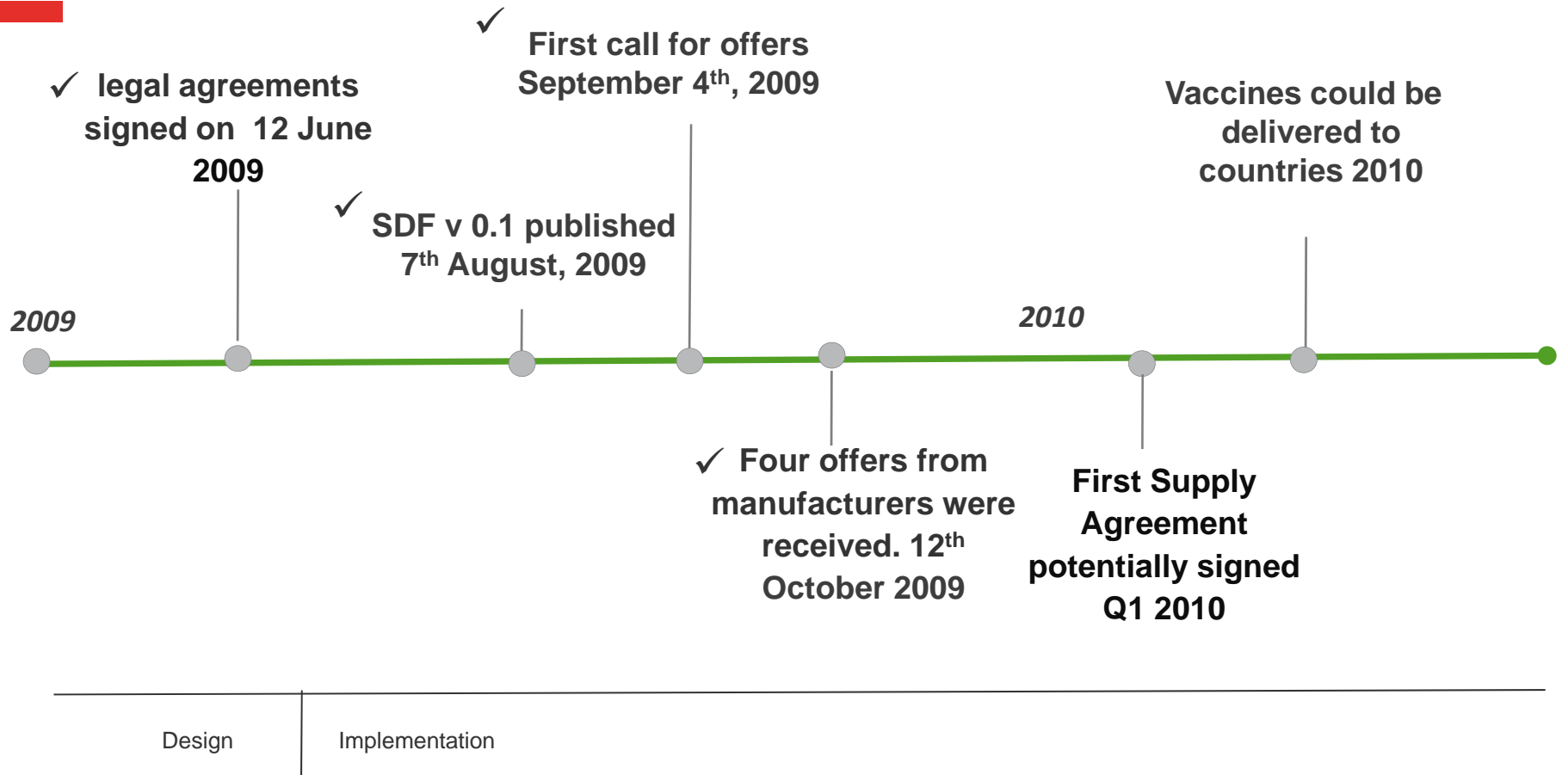
- Italy, UK, Canada, Russia, Norway, the Bill & Melinda Gates Foundation commit to supporting pneumococcal vaccine market with US\$ 1.5 billion
- Manufacturers agree to supply set quantities of the vaccine for 10 years
- As GAVI-eligible countries demand the vaccine, companies receive US\$ 7 per dose (AMC price)
- Companies ensure supply of remaining doses at \$3.50 per dose or less (tail price cap)

Pneumococcal AMC funding sources



* Co-financing levels will be in line with the applicable GAVI co-financing policy.

Next steps



The future

- A second AMC?
- New wave of IFFIm?

Thank you



GAVI/09/Olivier Asselin



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www.gavialliance.org