

VACCINES FOR CHILDREN: SUPPLY AT RISK

The world is experiencing vaccine shortages serious enough to jeopardize immunization programmes for children. This situation is especially grave for the world's poorest countries and poses a threat to the lives and well-being of children and families.

The shortages affect virtually every category of traditional vaccines given to children in poor countries: diphtheria/tetanus/pertussis (DTP); tuberculosis (BCG); oral polio vaccine (OPV); tetanus toxoid (TT); measles; yellow fever; and meningitis.

UNICEF, which meets around 40 per cent of the global demand for children's vaccines and is the key supplier of vaccines to the world's poorest countries, is seeking urgent global responses to prevent what could become a crisis.

The following are the responses needed:

Ensure that manufacturers have sufficient guarantees to produce the vaccines that children need

Ensure that funding is available to cover these vaccine requirements

Ensure that the requirements are based on accurate, long-term forecasting.

SHRINKING SUPPLY

Vaccine shortages began to emerge in the late 1990s due to a number of converging factors:

New, more sophisticated and more expensive vaccines were introduced in industrialized country markets. Up to that point, children in both developing and industrialized countries received the same vaccines.

As long as industrialized and developing countries gave the same vaccines to their children, it was possible for UNICEF to procure vaccines at low prices, because industrialized country markets paid higher prices for those vaccines and passed on a price advantage to developing country markets. With industrialized countries now buying new vaccines, the low prices at which UNICEF had been able to buy traditional vaccines were threatened.

Vaccine manufacturers began phasing out the production of the traditional, less expensive vaccines used in developing countries. Between 1998 and 2001, 10 of 14 manufacturers partially or totally stopped production of the traditional vaccines. Eight of these firms were the main suppliers of vaccines to UNICEF. Six of the eight were involved in mergers between larger pharmaceutical companies.

UNICEF now buys 65 per cent of its traditional vaccines (except for OPV) from only two manufacturers.

The overall outcome is that the availability of vaccines to UNICEF has dramatically decreased.

In 2001 the availability of the traditional DTP combination, tuberculosis and measles vaccines dropped to the lowest levels in 10 years. (See chart.)

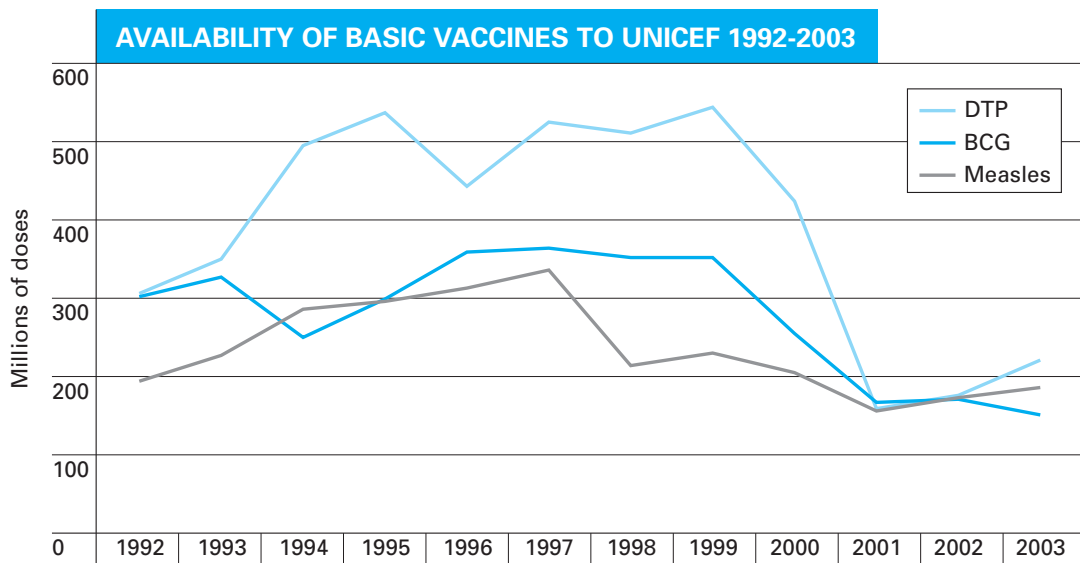
Vaccine prices have also increased. Between 2000 and 2001, for example, the cost of vaccines for DTP rose by 15 per cent, BCG by 27 per cent, measles by 10 per cent and TT by 23 per cent; the prices are likely to climb even higher.

HIGHER RISK

The combination of reduced availability of vaccines and fewer manufacturers creates a high risk to vaccine security, with the amount of vaccines available to UNICEF almost exactly what is being projected and purchased.

For example, the number of doses of DTP vaccine that UNICEF expects to buy over the next three years is within 5 per cent of the total number of doses offered to UNICEF.

This narrowing between availability and demand means there is no allowance or safety net for variations in vaccine yields, batch failures and slow regulatory release. If these difficulties, which are inherent in the production of biological products, occur or other problems arise, it could seriously compromise our ability to vaccinate children.



RESPONDING TO THE NEED

To guarantee children's right to be protected from vaccine-preventable diseases, a solution would need to address the following areas:

GUARANTEEING VACCINE AVAILABILITY

UNICEF, as the largest buyer of vaccines for the poorest countries, has to be able to enter into firm contracts with vaccine manufacturers. These contracts would allow manufacturers to plan production well in advance, assured of purchases by UNICEF for at least one year, and preferably for three years.

UNICEF has recently concluded three-year purchasing arrangements with manufacturers. However, these are not binding to either party because UNICEF does not have the multi-year funding or pledges to place binding orders.

Therefore, timely, assured funding is absolutely vital to secure such firm contracts.

FINANCING

The cost of traditional vaccines for the poorest countries is currently around \$50 million per year. (This does not include the separate, special costs of large campaigns to eradicate polio.)

Multi-year allocations for vaccine financing will ensure that UNICEF can obtain the traditional vaccines required to sustain basic immunization services. Failure will likely bring a further reduction in future vaccine supplies, curtailing immunization programmes and ultimately placing children's lives at risk.

LONG-TERM FORECASTING

In the current climate of vaccine insecurity, accurate forecasts of the quantities of vaccines required are especially vital. UNICEF, in collaboration with the World Health Organization, will work with governments to ensure that these forecasts are available and that overall vaccine management is improved.

SOUND INVESTMENT

Immunizing children is a global public good benefiting all of humanity, as vaccine-preventable disease in one country puts children in all countries at risk. Investments that ensure vaccine security will save lives and will be repaid many times over.