

# Financing of Current GAVI vaccines

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# GAVI Financing of Vaccines

✍️ What are the future prospects for funding of HepB/Hib containing vaccines?

- What is GAVI's overall funding situation?
- How does the GAVI co-financing system work?
- What are the options for procurement?

✍️ Why are the principles of co-financing and decreasing prices over time so important?

- Achievements to date
- How this may evolve in the future



## GAVI's Funding Envelope

✍ The last three years have seen significant increases in GAVI's funding base:

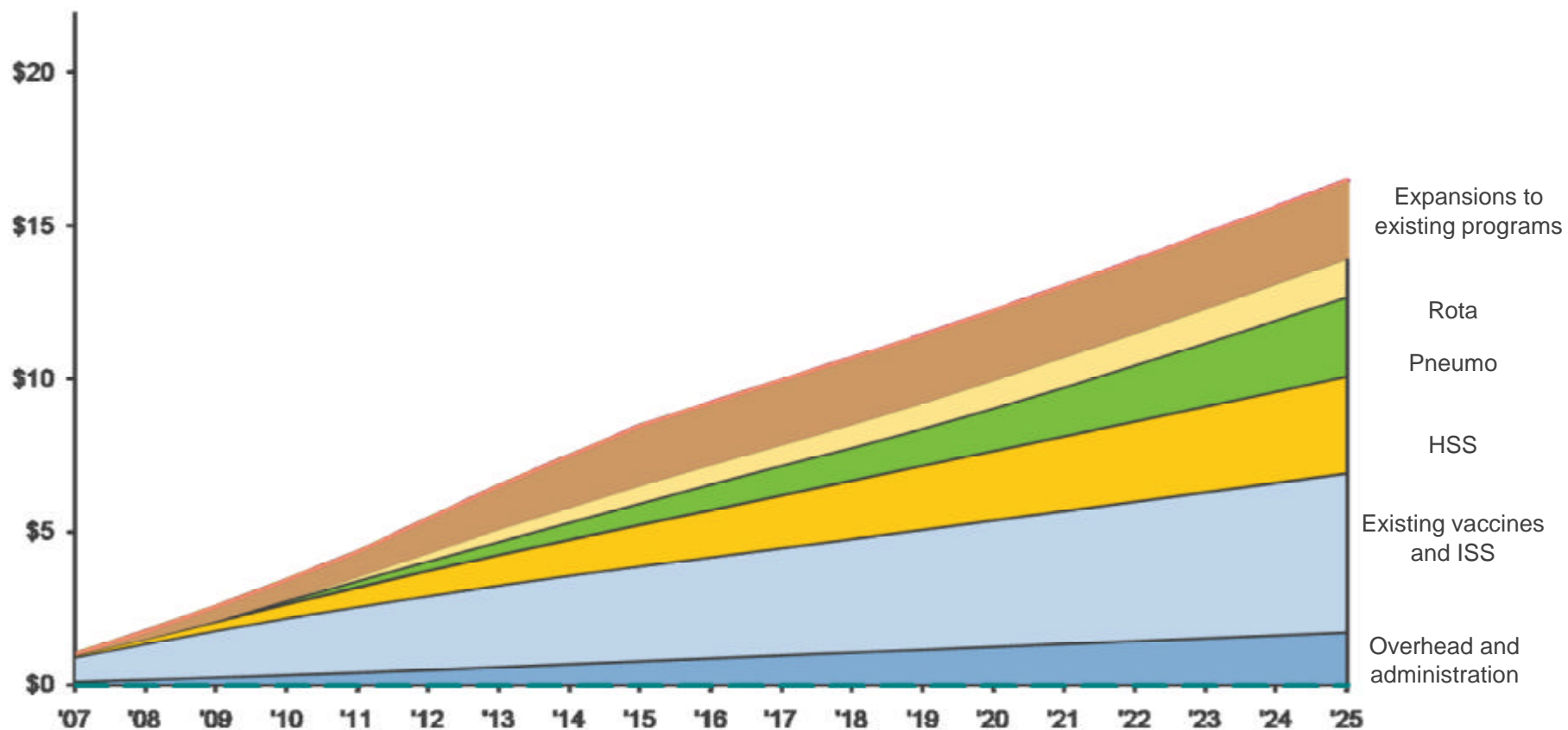
- Annual traditional donor contributions of about \$300 M per year
- IFFIm monies of \$3.2 billion between 2006 and 2015 in a frontloaded fashion
- AMC of \$1.5 billion for pneumococcal vaccine

✍ AMC monies are targetted specifically to a pneumococcal vaccine for developing countries

✍ IFFIm is part of the overall GAVI funding envelope and used to fund all activities (vaccines, health systems)

# GAVI's Projected Expenditures

Cumulative GAVI Investments over 2007-25  
(US\$, billions)



**GAVI has committed to complete all existing funding commitments to countries for Hib and Hepb through 2015 with expectations this will go beyond**



## What is Co-financing?

- ✍ Co-financing is when countries share the cost of the vaccines supplied by the GAVI Alliance.
- ✍ Co-financing is a partnership between GAVI and countries, and GAVI views the co-financing arrangements with countries as a commitment by the country to share in the cost of new vaccines.
- ✍ The objective of the co-financing policy is to help countries achieve greater sustainability for their national immunisation programmes.

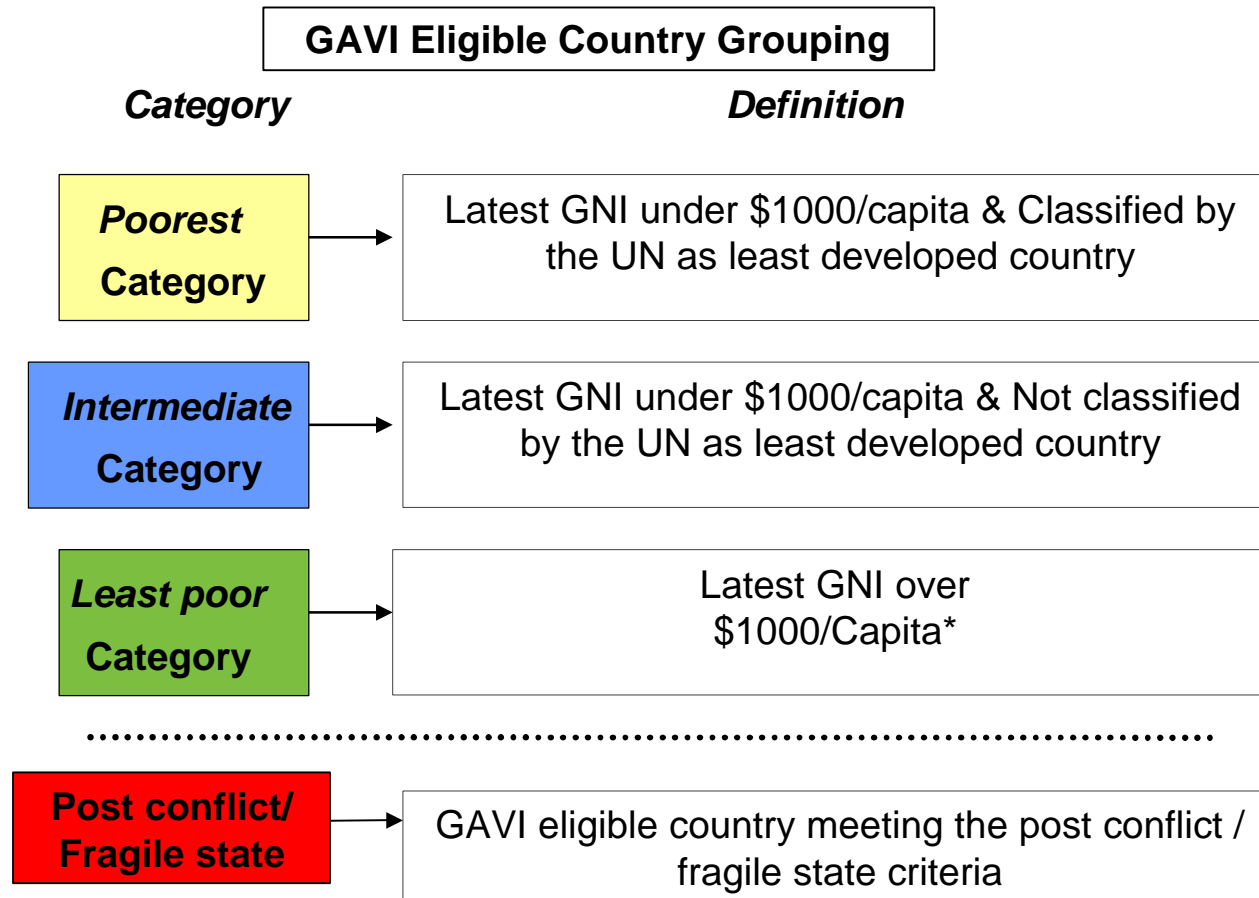


# Environment for co-financing

- ✍️ Constrained fiscal space
- ✍️ Multiple vaccines
- ✍️ IFFIm: predictable long-term resources
- ✍️ Fragile states: meeting specific needs
- ✍️ Paris declaration on aid effectiveness
- ✍️ GAVI's focus on Financial Sustainability
- ✍️ Other global health partnerships

# How does GAVI's co-financing work?

Countries are grouped using proxy indicators of ability to pay, with poorer countries paying less per vaccine



\* Eligible GAVI countries which had a GNI under \$1000 in 2003, and have gone above in 2004



## Which vaccines are eligible for co-financing?

✍ The majority of GAVI vaccines provided for routine use NOW and in the FUTURE are eligible for co-financing with the exception of:

- Hepatitis B which is now considered a mature market and for which GAVI support will end
- Measles 2<sup>nd</sup> dose which is a limited time investment by GAVI
- Any one-off campaign support which is provided in bulk

✍ Co-financing is one of the integral components of GAVI and which is predicated on eventual long-term sustainability by countries



## Measles & Tetanus

✍️ As part of the initial IFFIm funding with the large first bond issuance, several one-off funding initiatives were made:

- Measles
- Tetanus
- Polio

✍️ These were exceptional – as GAVI is not designed to be the sole source of all immunization funding

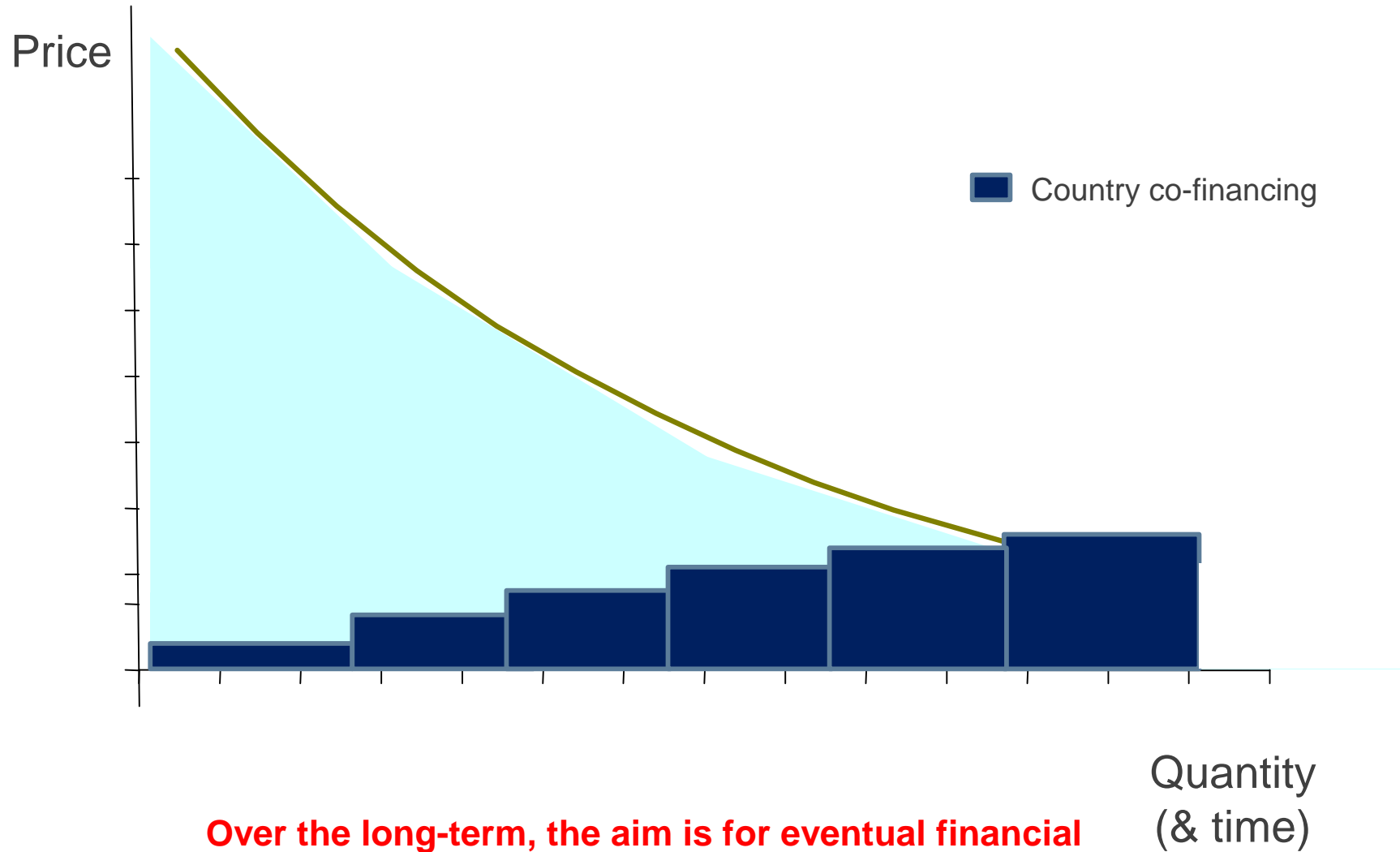
✍️ Measles partnership and polio eradication initiative donors will need to continue their support



## GAVI Country procurement options

- ✍ The majority of GAVI countries choose pooled procurement via UNICEF Supply Division
- ✍ PAHO countries (6 are GAVI eligible) can choose to procure through the PAHO revolving fund
- ✍ All countries have the option of self-procurement (a small proportion have taken it on) which requires them to have a recognized national regulatory authority and they receive cash in lieu of support

# Long-term Co-financing



**Over the long-term, the aim is for eventual financial sustainability – for the poorest GAVI countries this may be 20+ years; for the least poor, this could be over 10 years**