

The Vaccine Independence Initiative (VII) (E/ICEF/2020/P/L.6)

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1. Background and Purpose

Background

The Vaccine Independence Initiative (VII), originally launched in 1991, is a critical tool that supports countries in ensuring that children have access to life saving, essential supplies.

Since 2015, VII has grown substantially, and its revolving fund has accelerated the availability of supplies in more than 40 countries.

Purpose: Ensure VII continues its support to countries as they leverage and increase their own domestic financing for essential supplies.

Objectives

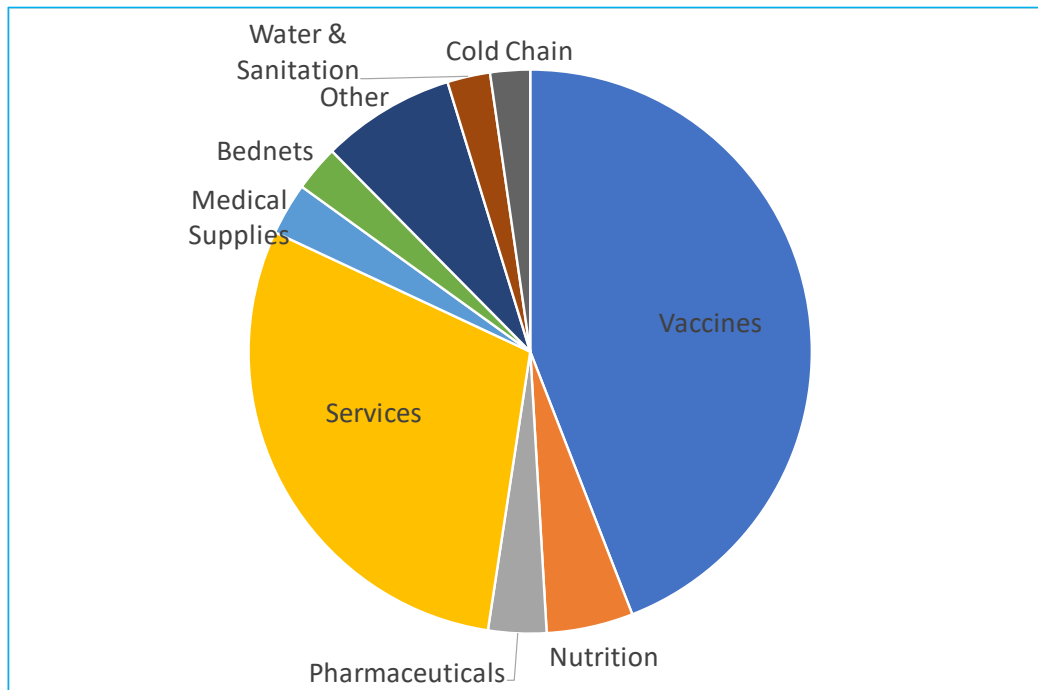
- Review the support that VII has provided, its continuing need and impact.
- Renewal of the VII's authorization for 2021-2025.



2. UNICEF Supply Overview

UNICEF's procurement has significant scale and scope covering immunization, health, nutrition, education and other sector supplies.

Total 2019 Procurement (preliminary): \$3.7 billion



- **Procurement Services:** Of the total procurement, UNICEF provided Procurement Services of \$1.9 billion worth of supplies, to ~100 governments and other development partners.
- VII has supported more than 10% of UNICEF's domestically-financed procurement, assuring supplies are arriving in time to countries.

Procurement on behalf of governments and development partners is the majority – and a growing part – of UNICEF's supply purchases.

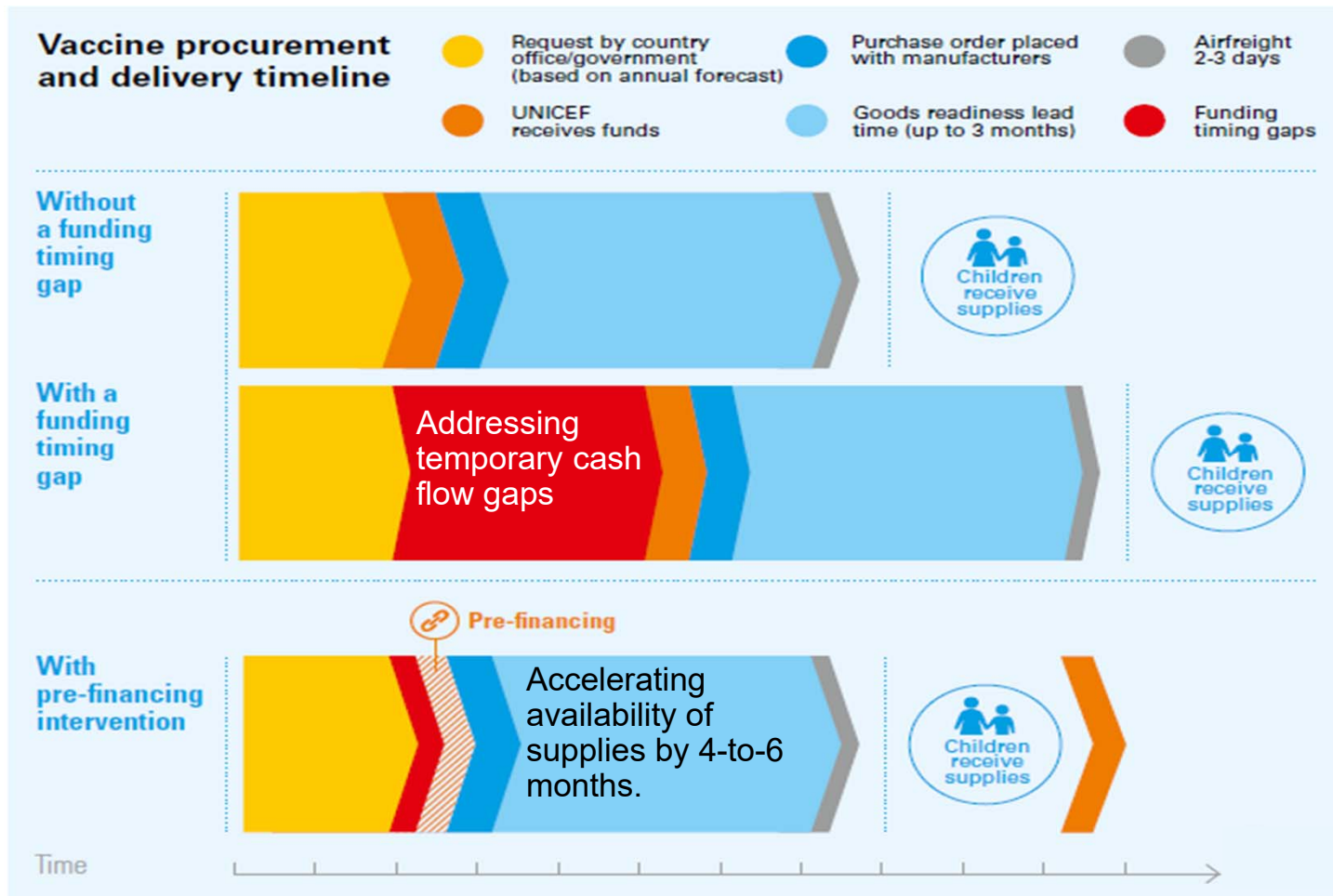
3. Vaccine Independence Initiative (VII) Overview

Originally designed as a revolving fund to support countries' supply purchasing.

- Ensures a systematic, sustainable vaccine supply **for countries which can afford to finance their own vaccine needs.**
- Flexible credit terms allowing **payment after the supply is received.**
- Capital Fund (currently \$35 million) acts as financial security while awaiting payment.
- Expanded in 2015 by Executive Board to also include non-immunization commodities.

VII is a historically proven mechanism which has and continues to support countries who are transitioning towards reliance on their domestic resources.

4. VII: Accelerating Children's Access to Supplies



While domestic resources are mobilized, supplies are delivered **at least 4-to-6 months** faster than would have otherwise been possible.

5. VII Highlights: 2015-2019

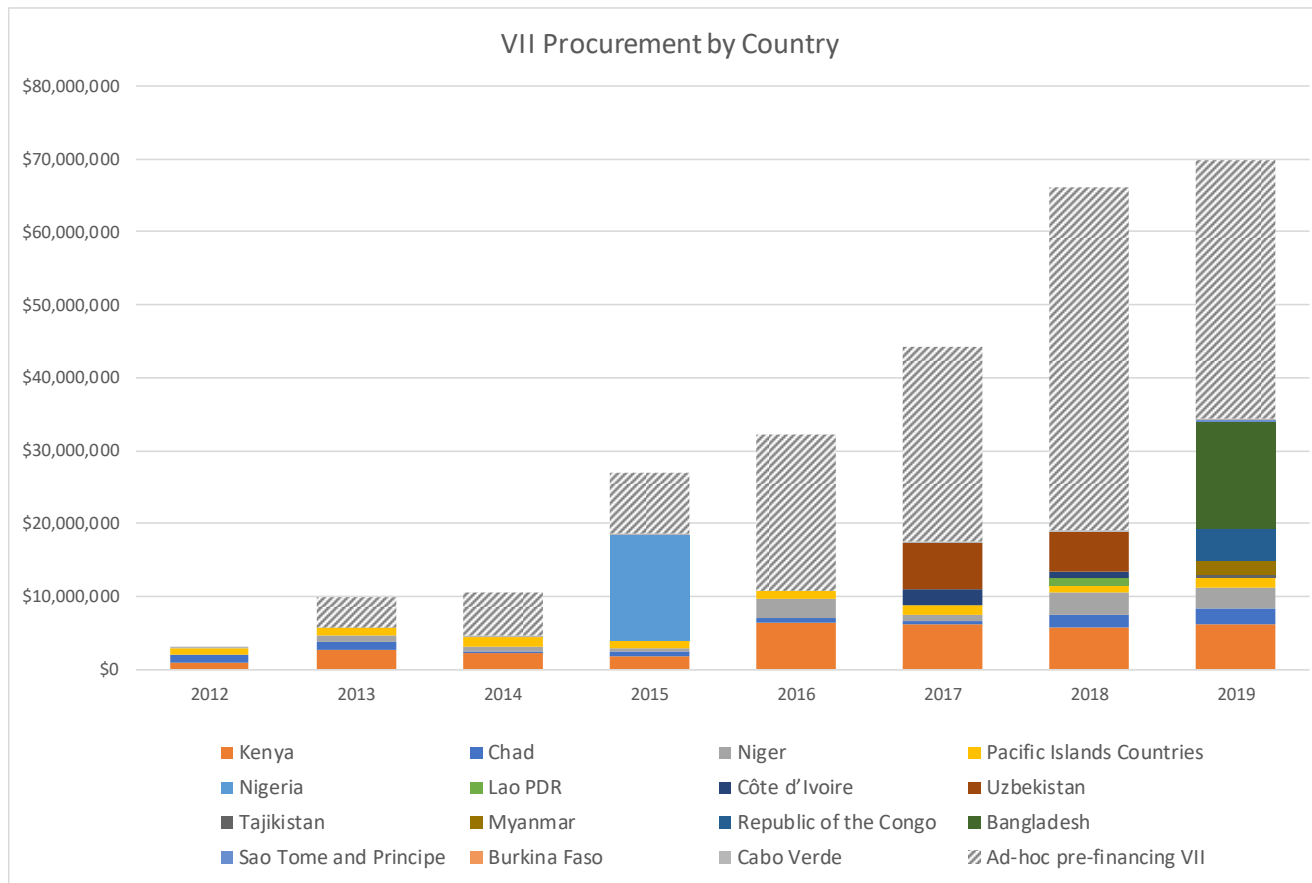
VII continues to have strong performance.

- **No defaults.**
- 2019 throughput of \$70 million **more than 10x** compared to 2012-2014 levels.
- **Optimized**, right-fitted and grew an important financing tool.
- 565 million doses of vaccines, 100,000 cartons of ready-to-use therapeutic foods, and almost 400,000 packs of ARVs, **accelerated availability by 4-to-6 months.**
- Supported countries relied on their own **domestically mobilized resources** (not donor resources).
- **~ 4x increase** of capital fund size to \$35 million*.

VII has been responsibly grown and operated, and it heads into 2020 with solid momentum.

*Agreement for an additional \$5m has been signed, but not yet disbursed, and would bring to-date capital fund commitments to \$40 million.

6. VII's Increasing Support to Countries

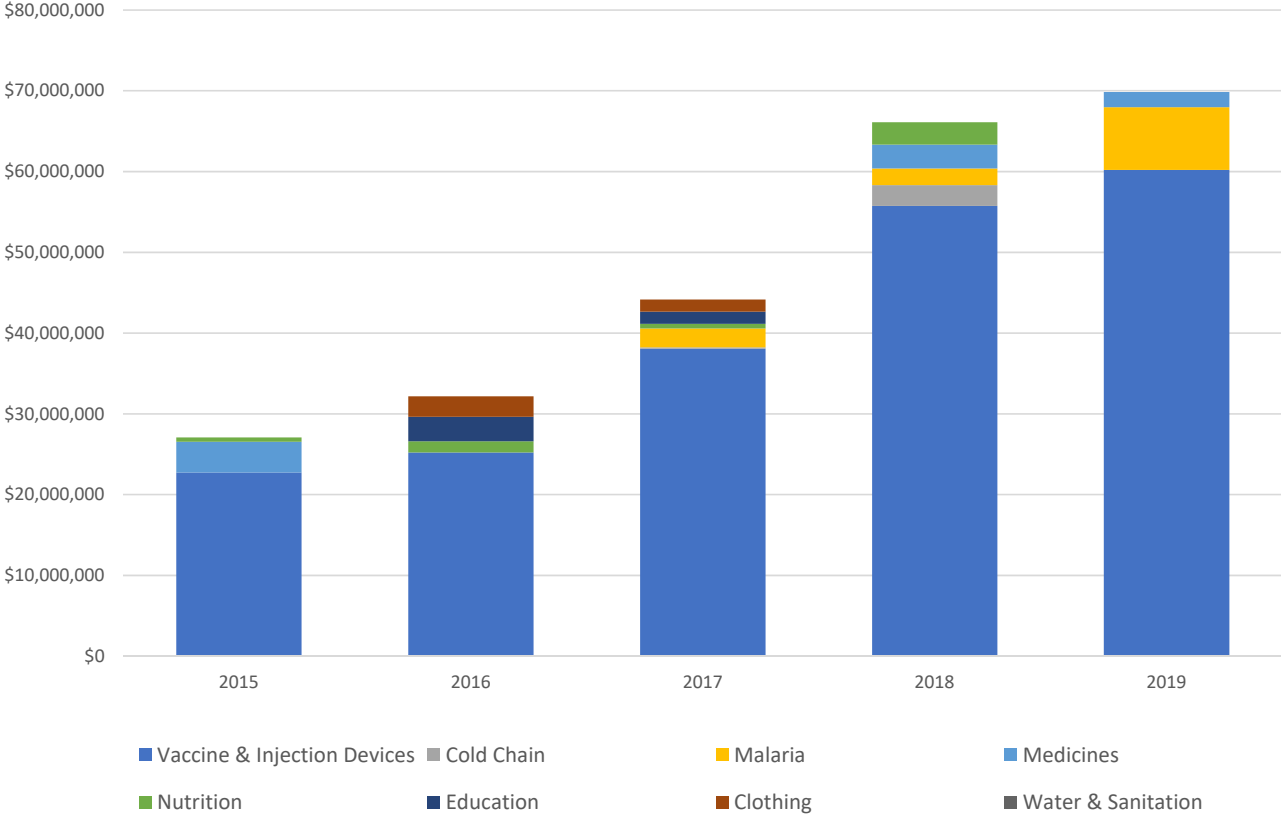


Following the February 2015 Executive Board, significant expansion of VII's support to countries who formally subscribe and also other countries* with pre-financing needs.

*Ad hoc pre-financings utilize VII's Capital Fund capacity to also episodically support those countries who do not formally subscribe to VII, but have emerging needs.

7. VII's Increasing Support to Countries (cont'd)

VII Procurement by Commodity Sector



Vaccines remain the largest supported commodity group, but other supplies including medicines, bed nets, nutrition products, and cold chain equipment have also been supported.

8. The Continuing Need for VII

While VII has met an increasing value of needs, these needs have continued to grow.

- ~\$170 million of VII need (2019) → >\$200 million (2020+), with only 30-40% met.
- 2021-2025 needs driven by:
 - Transition from Gavi and other donor support.
 - Middle Income Countries (MICs) introducing new essential supplies.
 - Over next three years, 20 per cent increase expected in domestic financing for supply purchases via UNICEF.

VII remains UNICEF's primary tool to meet these pre-financing needs and avert supply stockouts.



9. VII Impact

VII support is reaching tens of millions of children.

Examples of VII-supported Transactions 2019

Country	Commodity/Activity	\$ Amount	Impact
Bangladesh	MR Campaign Q1/2020	14,062,393	MR campaign targeting 18.3m children between 5-9 years.
Central African Republic	Essential Medicines	1,872,267	Accelerated delivery of essential medicines.
Democratic Republic Congo	Traditional vaccines, syringes, in-country logistic services	2,948,739	Accelerated delivery of bOPV, Td, Measles and BCG vaccines (1.2 million doses)
Eswatini	Various Vaccines	741,767	Accelerated delivery of BCG, DTP-HepB-Hib, MR, DTP, HepB, IPV, PCV and Td vaccines (0.14 million doses)
GPEI	mOPV2 Stockpile	8,112,000	Timely replenishment of the global mOPV2 stockpile to ensure sufficient availability to respond to potential future emergencies (60 million doses)
Mali	2018 Gavi Co-financing	1,720,500	Accelerated delivery of DTP-HepB-Hib, PCV, Rota, YF and Meningococcal (1.4 million doses)
Nigeria	BCG	640,000	Accelerated delivery of BCG vaccine
Pakistan	Polio Campaign December	7,597,260	Nationwide campaign reaching 39.1m children
Philippines	Measles	3,061,275	Measles campaign as outbreak response reaching 2.6m children aged 6 months to 5 years.
Sudan	Essential malaria medicines	7,771,136	Accelerated delivery of essential medicines and antimalarials.
Uganda	OPV, BCG	685,740	Accelerated delivery of bOPV and BCG vaccines (4.7 million doses)
Zambia	bOPV	353,642	Vaccination of over 500,000 children
Total		49,566,718	



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10. Recommendation to the Executive Board

Five year extension of the Vaccine Independence Initiative for 2021-2025.

- In line with the original Executive Board decision (1991), and as amended in 2015.
- No additional flexibilities are requested with this reauthorization.

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Thank You

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Annex: Useful Resources

UNICEF Supply: <https://www.unicef.org/supply/>