UNICEF and Gavi Decision not to issue a Call for Supply Offer based on Strategic Demand Forecast of Gavi (Q4 2018)

The pneumococcal Advance Market Commitment (AMC) is an innovative way to make effective and affordable pneumococcal vaccines available for children in developing countries. In the AMC, donors commit funds to guarantee the price of vaccines once they have been developed. In June 2009, the Governments of Italy, the United Kingdom, Canada, the Russian Federation, Norway and the Bill & Melinda Gates Foundation collectively pledged a total of US $1.5 billion to fund a pilot AMC against pneumococcal disease. These financial commitments provide vaccine manufacturers with the incentive they need to invest in vaccine research and development, and to expand manufacturing capacity. In exchange, companies sign a legally-binding commitment to provide the vaccines at a price affordable to developing countries in the long term.

The process for maintaining adequate contracted supply of Pneumococcal Conjugate Vaccine (PCV) is governed through the “AMC Offer Agreement”. In the Agreement, it is established that “a Call for a Supply Offer may be issued once per calendar year or more or less frequently if so decided by the GAVI Alliance in consultation with UNICEF. A written explanation of the decision to issue or not to issue a Call for Supply Offers based on such consultation will be provided to all parties of the AMC Stakeholders Agreement.” (AMC Offer Agreement, section 5.1.)

The last Call for Offers was issued in July 2017 with the conclusion of Supply Agreements in April 2018.

Through several consultations among partners and in light of the results of the demand forecasts based on the Strategic Demand Scenarios (SDS) of Gavi and the level of contracted supply through existing supply agreements, the partners have agreed that there is no need to issue a Call for Supply Offers in first half of 2019.

As per AMC Procedures Memorandum, condition 4.1.2; UNICEF is herewith announcing the outcome of this decision.

UNICEF SD will also notify this decision to all the AMC registered manufacturers by means of written letter.

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1 Gavi, The Vaccine Alliance has changed its logo and corporative identity. However, when including citations of the AMC legal framework, Gavi’s name has been kept as mentioned in those documents.
2 “Schedule 1 AMC Terms and Conditions” 5 GAVI Strategic Demand Forecast and Calls for Supply Offers 5.1 The GAVI Alliance shall publish the GAVI Strategic Demand Forecast on the AMC Website annually and as soon as the necessary information is available from the last procurement cycle and relevant GAVI Alliance Board meeting. The GAVI Strategic Demand Forecast outlines the estimated demand for AMC-Eligible Vaccines, the estimated supply of AMC-Eligible Vaccines and the estimated supply shortfall for which Calls for Supply Offers are made. 5.2 In support of achieving the AMC Objectives, a Call for Supply Offers may be issued once per calendar year or more or less frequently if so decided by the GAVI Alliance in consultation with UNICEF. A written explanation of the decision to issue or not to issue a Call for Supply Offers based on such consultation will be provided to all parties of the AMC Stakeholders Agreement. 5.3 The GAVI Alliance, or a procurement agency acting on its behalf, shall at all times have regard to the provisions of paragraphs 4.2, 4.3 and 4.4 of the AMC Procedures Memorandum in any assessment of a Supply Offer.