

Financing country demand for life-saving vaccines

GAVI tackles immunisation inequities to build a healthier world

The GAVI Alliance, a public-private global health partnership, was formed in 2000 to save children's lives and protect people's health by increasing access to immunisation in the world's poorest countries.

Over the last decade, GAVI has committed US\$ 4 billion in funding to country-led initiatives in the world's poorest regions. This performance-driven funding has accelerated access to new and underused vaccines in developing countries.

As a result, more than 250 million children have been immunised against life-threatening diseases and 5.4 million premature deaths have been prevented.

Making new vaccines available at an affordable price to the world's poorest

GAVI secures predictable financing, develops rigorous country demand estimates, and pools vaccine purchases. Through this business model, the Alliance has contributed to reinvigorating the vaccine market



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with lower prices and the development of appropriate vaccines for target countries. GAVI's market-shaping effect also engages developing country manufacturers -- 53% of GAVI-funded vaccines are provided by these producers.

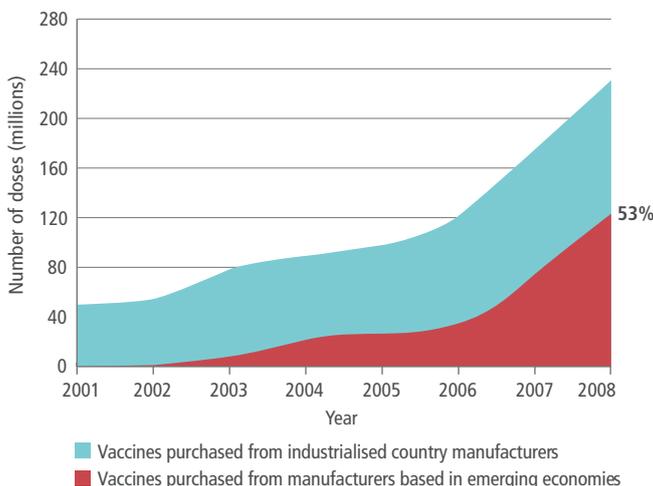
GAVI expects further savings of at least US\$ 1 billion over the next six years due to increasingly reduced vaccine costs.

GAVI is progressively focusing on the 58 poorest countries, which comprise almost 80% of the world's extreme poor (those living on less than US\$ 1.25 a day) and 81% of the world's unimmunised children.

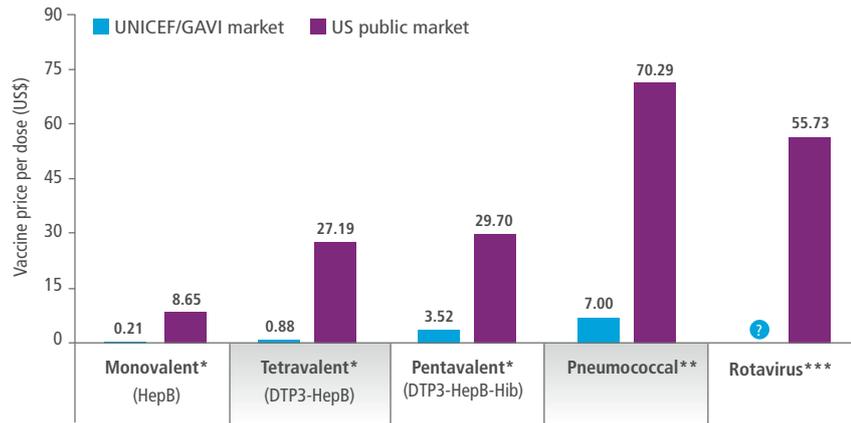
These developments and the remarkable successes achieved over the past decade speak to the efficiency of the GAVI model and illustrate the power of immunisation as a cost-effective life-saving strategy to meet the Millennium Development Goals (MDGs).

With new vaccines now available against the world's top two childhood killers, GAVI has the historic opportunity to accelerate its impact and further address the remaining global health inequity.

More emerging economy manufacturers increase competition and lower price



Tiered pricing: vaccine dose prices in different markets



* Average price per dose for 3-dose vaccines between 2006-2009

** 2010 price for 7-valent vaccines (US public market) and price for AMC vaccines (UNICEF/GAVI market)

*** 2010 average price per dose assuming 3-dose equivalence among available products (US public market)

Tackling the two biggest childhood killers

Despite the significant progress that has been made in reducing childhood mortality, more than two million children continue to die each year from vaccine-preventable diseases. Most of these deaths occur in low-income countries. Pneumonia and diarrhoea are the two leading killers, causing 40% of all childhood deaths.

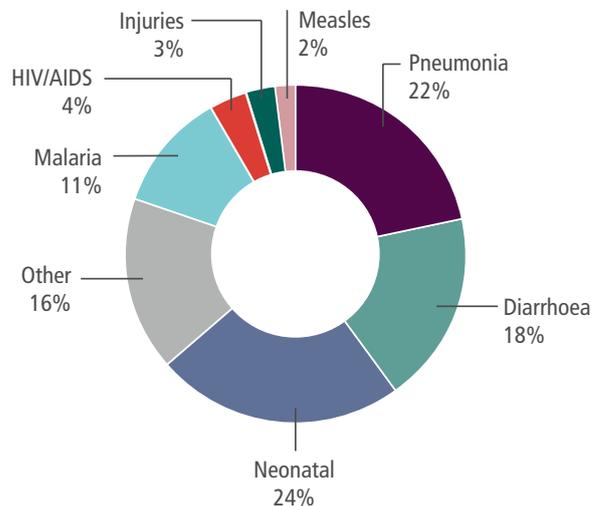
Pneumonia is responsible for close to one in four child deaths, more than AIDS, malaria and measles combined¹. Diarrhoeal diseases are the second leading cause of death in children under five years old. Rotavirus is the principle cause of acute diarrhoea.

Both pneumonia and diarrhoea can be tackled with new vaccines against pneumococcal disease and rotavirus. However, neither vaccine is widely available in poor countries despite the increasing demand by their governments.

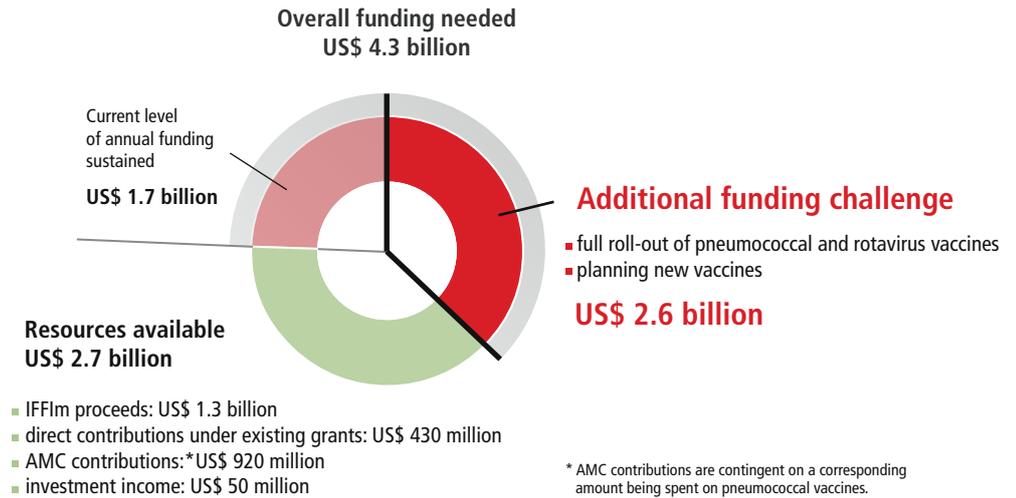
“Country demand for new vaccines, especially against pneumonia and diarrhoeal diseases, has never been higher.”

Dr Richard Sezibera
Rwanda’s Minister of Health

Causes of under-five child deaths in low-income countries²



2010-2015 Financing requirements (US\$)



The ambition for 2010-2015

With additional funding, GAVI could immunise more than 110 million children in 47 countries with pneumococcal vaccines and 58 million children in 41 countries with rotavirus vaccines.

Between 2010 and 2015, GAVI also aims to introduce new vaccines against human papillomavirus (HPV), Japanese encephalitis, meningitis serogroup A, rubella and typhoid, while sustaining its support for existing vaccines and health systems.

In just five years this would nearly double the number of lives saved in GAVI’s first decade and make a rapid impact on global efforts to reduce child deaths, prevent sickness, and, for pneumococcal disease, prevent disability.

Financing the introduction of new and continuing the support for existing vaccines between 2010 and 2015 would result in an additional 4.2 million premature deaths being prevented, making a significant contribution to the achievement of the MDGs.

The funding challenge

GAVI’s ability to fulfil its mission and meet the increasing country demand for vaccines will be determined by its funding capacity.

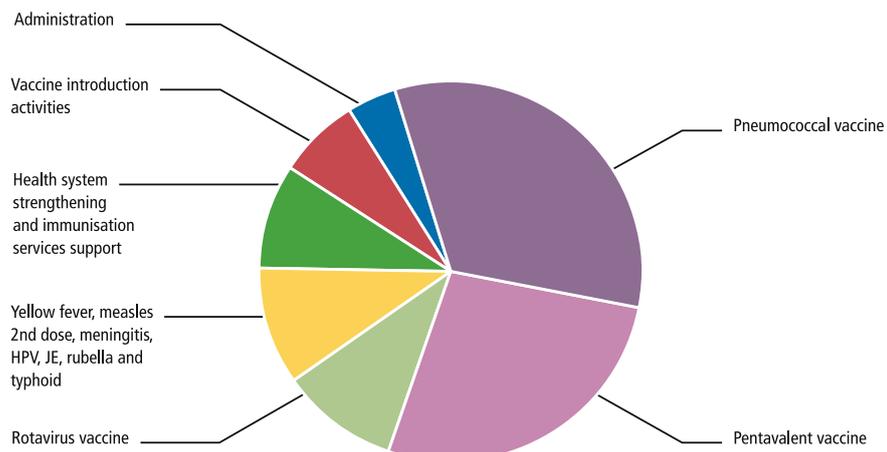
The total cash inflow requirement for 2010-2015 is US\$ 7 billion.

With almost 40% already secured, additional contributions of US\$ 4.3 billion are required to meet the US\$ 7 billion target.

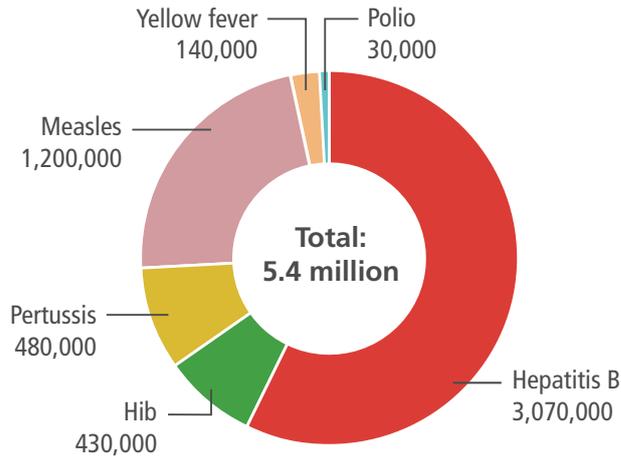
Current contribution levels, if sustained, would provide US\$ 1.7 billion of the US\$ 4.3 billion. This would finance current programmes and their extensions but is not sufficient to sustain all programmes and introduce new vaccines.

On top of current and expected donor commitments, a further US\$ 2.6 billion over six years will be required to allow the introduction of pneumococcal and rotavirus vaccines, the complete roll out of pentavalent vaccine and the advancement of new vaccines: HPV (that causes cervical cancer), Japanese encephalitis, meningitis, rubella and typhoid.

2010-2015 Expenditure outflows (%)



Future deaths averted (2000-2009)



Direct contributions from donors, contributions through mechanisms like the International Finance Facility for Immunisation (IFFIm), and new donations from a broad range of G20 countries will be critical to meeting the US\$ 4.3 billion challenge.

Seizing the opportunity to make a difference

Plans to tackle the two biggest childhood killers and additional priority vaccines can be realised, but their implementation will be slowed down if GAVI does not receive new investments. Now is the time to make a difference.

If its programmes are fully funded, it is estimated that:

- By 2015, the GAVI Alliance will have saved nearly 10 million lives since its inception³;
- By tackling the top two causes of child mortality, GAVI will greatly contribute to progress on MDG4 (to reduce the number of child deaths under five by two thirds by 2015) and, through its health system strengthening work, help advance MDG4 and MDG5 that aims at reducing by three quarters the maternal mortality rate;
- GAVI will accelerate equitable access to new vaccines, including meningitis, Japanese encephalitis, typhoid, rubella, and HPV.

We must keep up the momentum. Millions more lives can be saved.



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Information current as of March 2010

¹ WHO. World health statistics 2009. <http://www.who.int/whosis/whostat/2009/en/index.html>

² World Health Organization. World health statistics 2009. Geneva

³ Averted close to 10 million future deaths: By 2009, GAVI had averted 5.4 million future deaths; when the GAVI portfolio of vaccines is rolled out according to the demand forecast in 2010-2015, an additional 4.2 million deaths will be prevented.