

COVAX: KEY STRATEGIC ISSUES

BOARD MEETING

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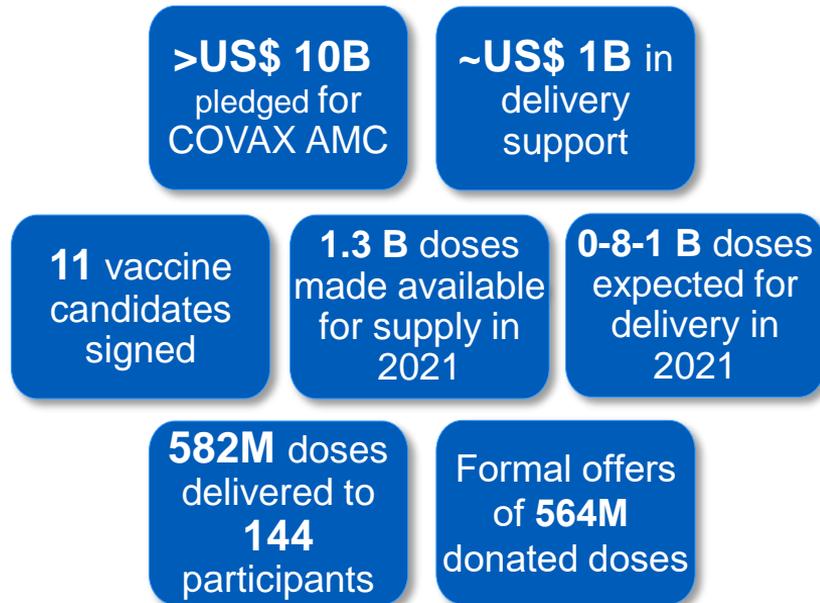
30 November - 2 December 2021, Virtual Meeting



Topics for today

- **Where do we expect to be by end of 2021**
- **The COVAX Facility role in vaccine procurement in 2022 and management of uncertainties in 2022**
- **Role of Gavi Alliance in COVID-19 Delivery**
- **Resource Mobilisation strategy**

Where does COVAX stand in December 2021

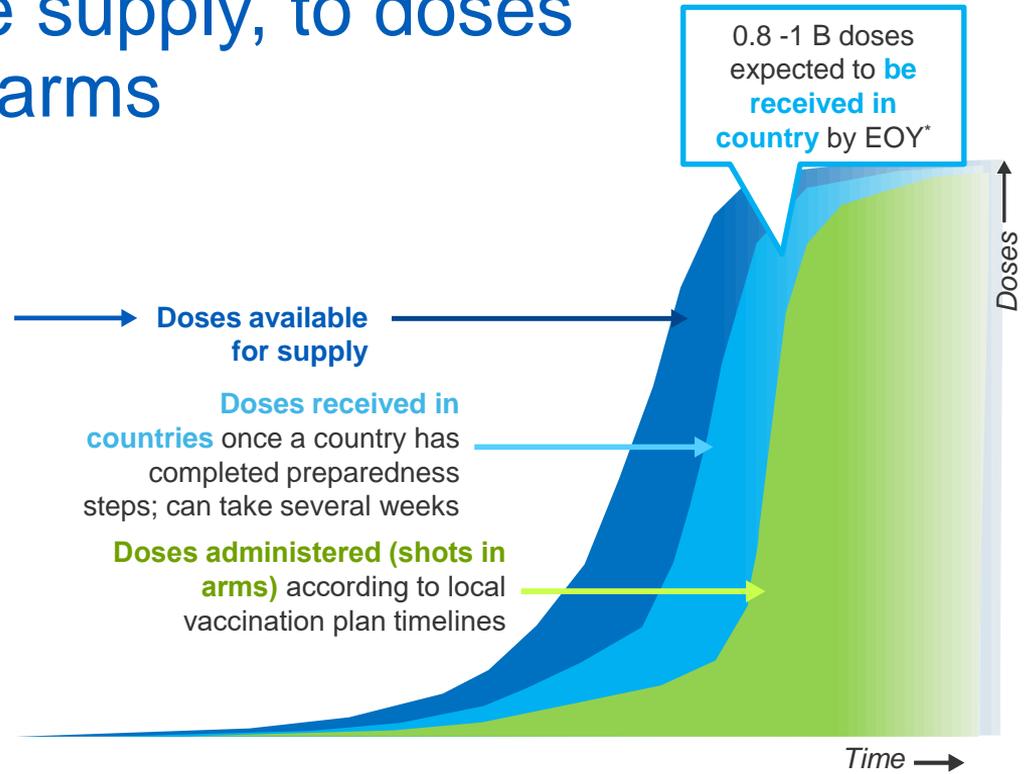
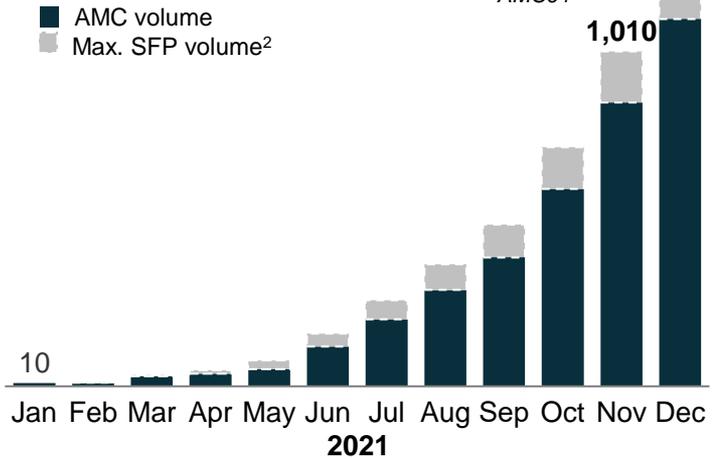


23 AMC participants have **>80% doses** coming from COVAX

48 AMC participants have **>50% doses** coming from COVAX

Sequence of available supply, to doses delivered, to shots-in-arms

COVAX Available Supply under Most Likely Scenario, Cumulative, M doses, 2021 ¹



¹ Forecasts are based on best available information from manufacturers and analysis from Gavi and UNICEF. Timing of available supply is based on anticipated date of release by manufacturer, at which point doses become available for delivery; as such, timing of delivery to countries will be lagged. Volumes for expected single-dose regimen candidates doubled to ensure comparability across vaccines. Volumes have been rounded to nearest 5M, except those less than 10M, and so totals may not equal sum of segments.

² Final SFP volumes may be lower than forecasted due to opt-out and dose-sharing behavior. Volumes only account for current SFP demand based on Commitment Agreements. Note: "Dose donations" estimated based upon donor commitments to share new doses bilaterally with COVAX. The transfer of COVAX allocations from SFPs to AMC Participants are already included in the AMC Participant volumes. * Doses net - no doubling of J&J doses.

COVAX Facility role and approach to procurement in 2022

Support countries toward achieving their individual COVID-19 vaccination strategies

COVAX to **contribute to the vaccination coverage goals countries set for themselves**, in view of the 70% WHO global vaccination goal

COVAX Facility supply to be complemented by **bilateral /multilateral supply**

A flexible approach to procurement to respond with agility to persistent uncertainties

600 M doses

Pandemic Vaccine Pool specifically to manage risk (supply and demand risk) and to support countries most dependent on the COVAX Facility for assurance of supply

Cost estimate **US\$ 3.1-4.2 billion**
Additional estimated ancillary costs for donations in 2022: **US\$ 545 million**

Recap: Evolving Gavi's support for COVID-19 vaccine delivery

Sept. 2020: Board approves limited role focused on CCE / TA

Dec. 2020: Board reaffirms role: CCE, TA and exceptional financing

June 2021: Board approves expanded delivery role

July 2021: Gavi opens CDS window

Nov. 2021: Gavi opens needs-based CDS window

- >70 countries with CCE applications developed and approved
- TA plans developed, approved and disbursed for all COVAX participants in <2 months

- First country approved in 10 working days, disbursed in 24
- Nearly all countries submitted by August, approved by September
- ~US\$ 180M disbursed of US\$ 225M applied (76 of 83 countries)

- 7 applications received, several imminent
- Aim for funds to be available in 2 weeks

>200 new grants approved across 92 countries to support COVID-19 vaccine delivery

Vaccine absorption is driven by several factors which vary by country, requiring highly targeted actions

	Uganda	PNG	Haiti	DRC	Nigeria	Ethiopia
1. Political Will	No major issues	No major issues	Significant issues	Moderate issues	Moderate issues	Moderate issues
2. Management Capacity	No major issues	Significant issues	Moderate issues	Significant issues	Significant issues	Moderate issues
3. Funding	Moderate issues	No major issues	Moderate issues	Significant issues	Significant issues	Significant issues
4. Logistics & Service Delivery	Moderate issues	Significant issues	Moderate issues	Significant issues	Moderate issues	Moderate issues
5. Demand – Vaccine Confidence	Significant issues	Moderate issues	Moderate issues	Significant issues	Significant issues	Significant issues
6. Catastrophic events	No major issues	Moderate issues	Significant issues	No major issues	Moderate issues	Moderate issues

Alliance's role in 2022 COVID-19 Vaccine delivery: Further enhance absorptive capacity

Unlock main bottlenecks with focus on logistics, service delivery, demand

- Enhance understanding of **key delivery needs and gaps** in high-risk countries through **better data and analytics**
- Institutionalise targeted **country action plans**
- Scale up **needs-based financial and technical support** to unblock bottlenecks
- Ensure **aligned delivery support** to countries across **global health landscape**
- Catalyse **innovative delivery approaches**
- Safeguard **routine immunisation** and foster synergies between COVID Vaccines and RI

 **Critical enablers:
enhanced leadership and accountability**

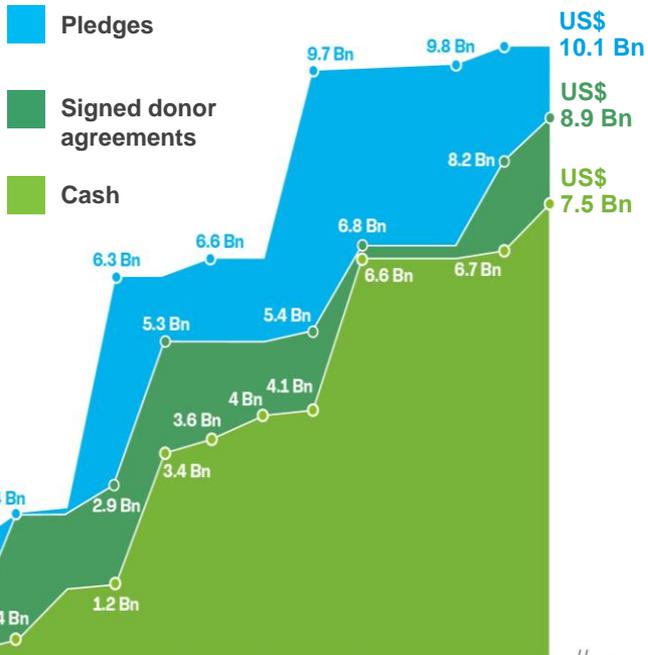


100 Days to protect the world

The road to COVAX AMC
resource mobilisation

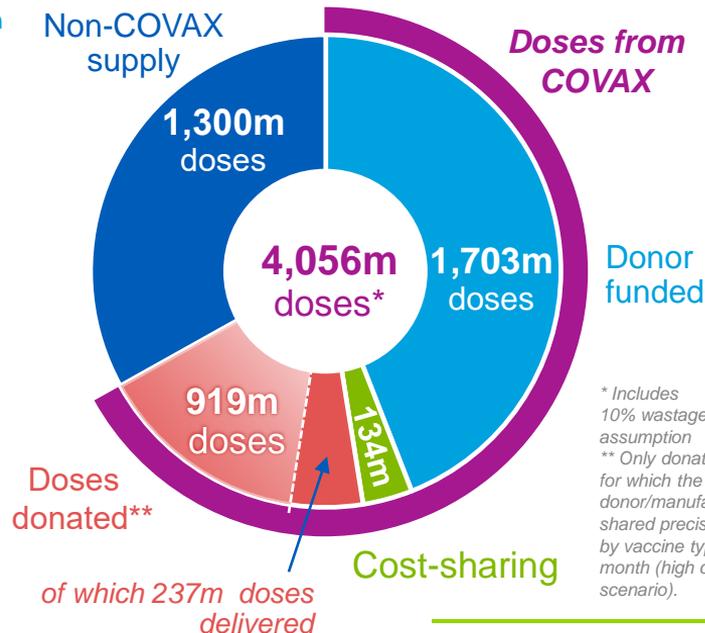
COVAX has built a diverse portfolio of financial access, but a key lesson is the need for upfront cash to secure deals

AMC funding pledged and received (cumulative and overlapping, not stacked) as of November 2021



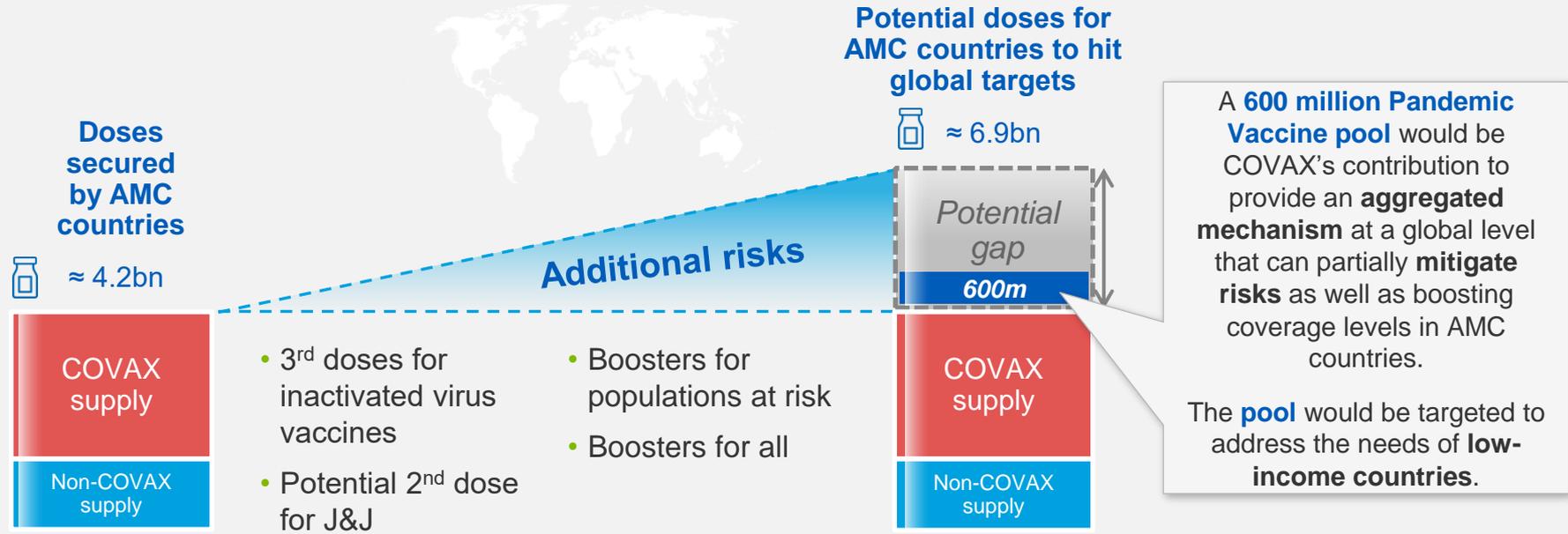
We need signed agreements and payments asap!

AMC supply for mid-2022

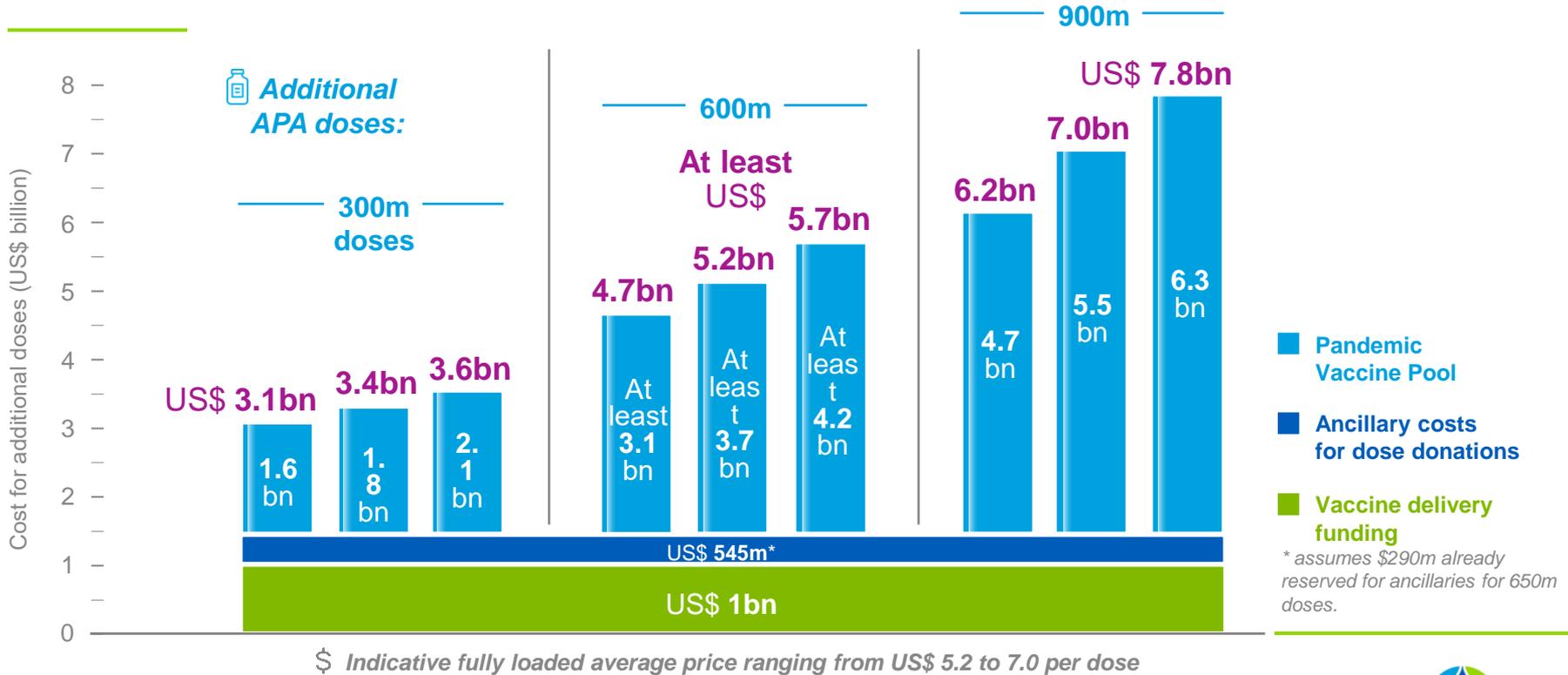


* Includes 10% wastage assumption
 ** Only donated doses for which the donor/manufacture has shared precise volume by vaccine type and by month (high certainty scenario).

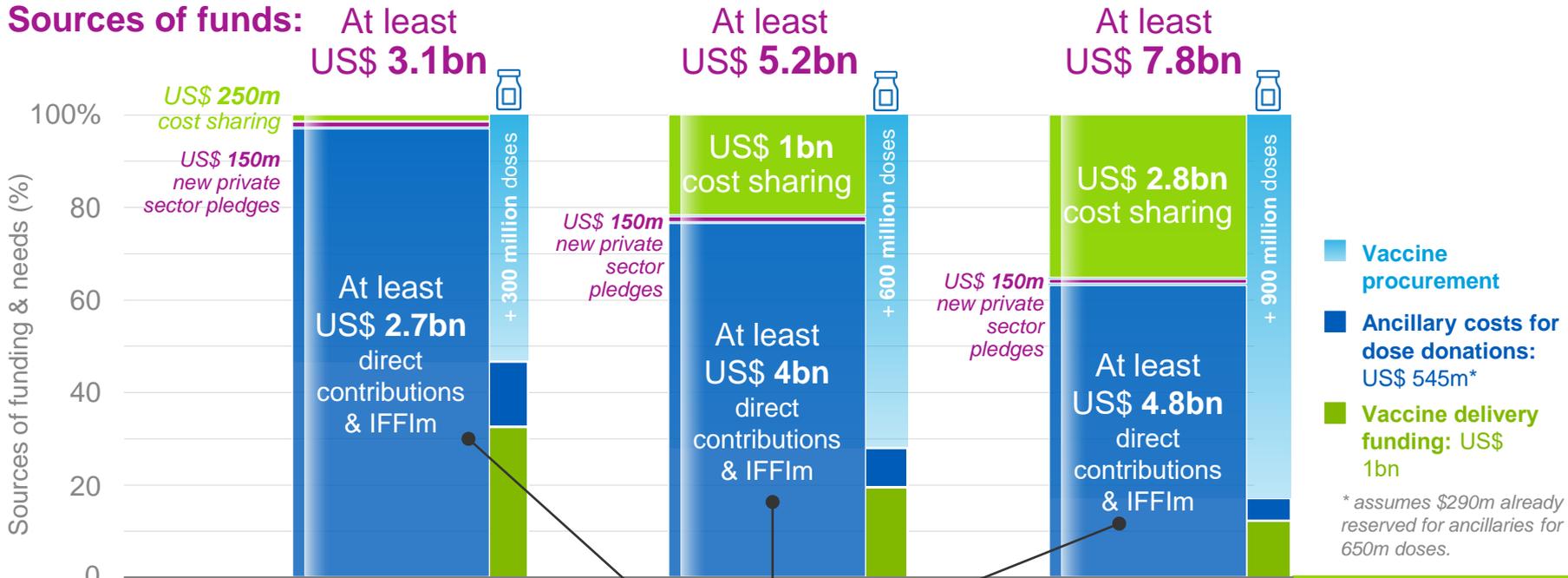
A Pandemic Vaccine Pool can play a key role to help AMC countries manage supply and downside risks



Scenarios for 2022 ask



How can the AMC be funded?

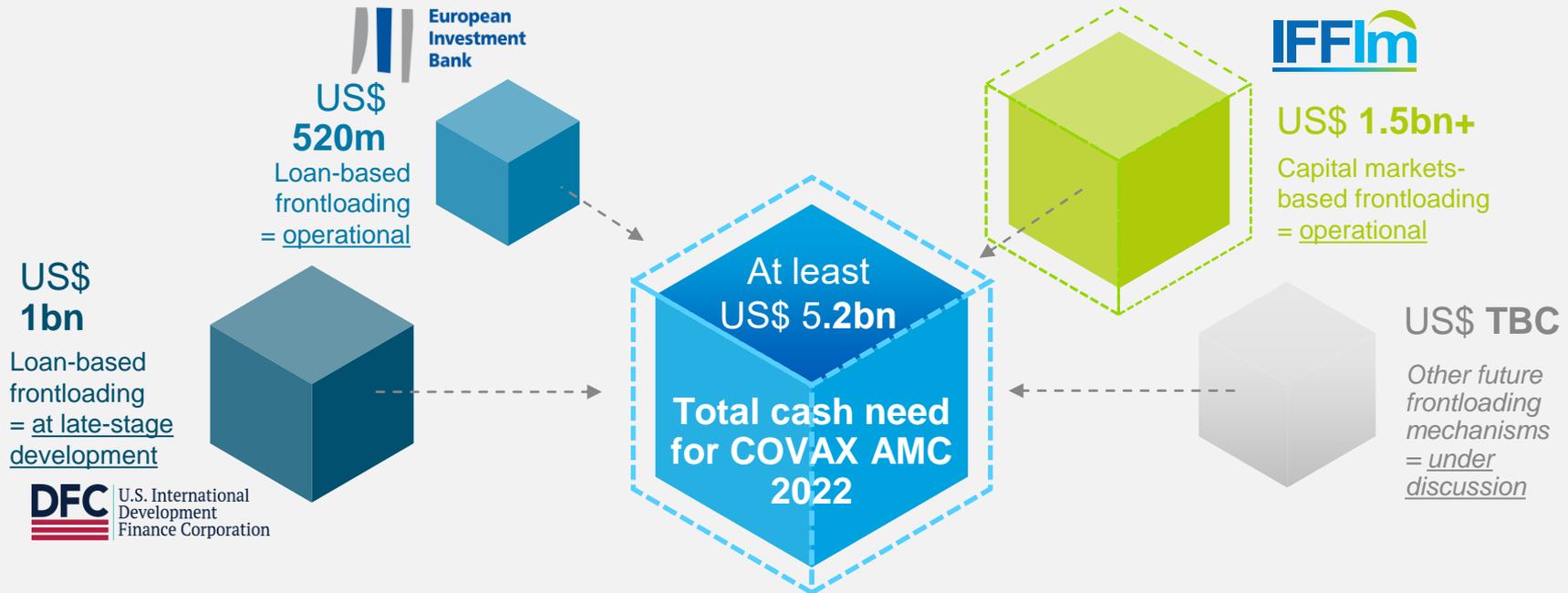


Note: figures do not sum due to rounding

US\$ 1.5 bn can be drawn from IFFIm by pledging:

- US\$ 210m/yr over 10 yrs
- US\$ 150m/yr over 15 yrs

Financial commitments to COVAX can be made upfront and spread over time thanks to Gavi's innovative instruments



Cost-sharing – working with donor funding, MDB resources and innovative backstops to boost country choices

Example cost-sharing deal



Gavi teams negotiate APAs and can then exercise options with backing from donor resources.

Cost-sharing using MDB resources allows Gavi to increase the number of doses bought through those options.

*including support provided by IFFIm backstop (used where down payments are required)



But this is only possible if country-by-country demand is confirmed before option is exercised!

Cost-sharing

Past

- US\$ 800m
- 134m doses
- 12 countries

Present

- Up to US\$ 1.3bn
- 180m doses available
- TBC country demand being finalised

Future

- More option exercises planned over next six months

Our aspiration: at least US\$ 1.8bn across 2021-2022 (corresponding to at least US\$ 1bn for 2022)

Countries are calling for longer shelf lives, more predictability and unearmarked dose donations

	Formal offers ¹ to COVAX AMC+SFP 2021 – 2022	of which shipped by COVAX AMC / (AMC+SFP)	Confirmed <u>additional</u> supply		Donations announced AMC+SFP+ <i>bilateral</i> 2021–2022
			Q1 2022	Q2 2022	
Australia	0.0	0 / (0)	0	0	60
Canada	12.3 ¹²	6.7 / (8.4)	0	0	51 ⁷
Team Europe	334 ¹¹	73 / (81)	75 ⁹	10 ⁹	476 ^{6,6}
Belgium	8.6	3.2 / (3.4)	0	0	8.6
Czech Republic	1.5	0.7 / (0.7)	0	0	1.9
Denmark	7.3	1.2 / (1.3)	0	0	7.3
Finland	1.6	0.2 / (0.2)	0	0	3.7
France	75.0	27.0 / (27.0)	0	0	120 ²
Germany	93.9 ¹²	17.1 / (17.9)	0	0	175 ²
Greece	4.3	0.6 / (0.6)	0	0	4.3 ²
Ireland	2.6	0.5 / (0.5)	0	0	2.6
Italy	50.3	9.5 / (11.6)	0	0	50.3 ²
Netherlands	16.9	0.9 / (0.9)	0	0	27
Norway	6.2	1.5 / (1.5)	0	0	6.2
Portugal	2.4	0.7 / (0.7)	0	0	3.2 ²
Slovakia	1.0	0 / (0)	0	0	1.3
Slovenia	1.1	0.2 / (0.2)	0	0	1.2
Spain	48.9	6.5 / (11.3)	0	0	50 ²
Sweden	8.7	3.3 / (3.3)	0	0	8.7
Others ³	3.5 ⁵	0.2 / (0.2)	0	0	4.5
Hong Kong SAR China	7.5 ⁸	0.6 / (0.6)	0	0	7.5
Japan	14.9	8.4 / (11.3)	0	0	60 ²
Macao SAR China	0.0	0 / (0)	0	0	0.4
New Zealand	0.9	0.9 / (0.9)	0	0	3.8
South Korea	0.0	0 / (0)	0	0	4.8
Switzerland	1.9	0.7 / (0.7)	0	0	4
Turkey	0.0	0 / (0)	0	0	10
UAE	0.0	0 / (0)	0	0	1
UK	26.2	11.5 / (11.5)	0	0	100
USA	193	135.1 / (144.7)	110	210	857.5 ⁴
Total	591	237 / (259)	185	220	1636

Including 20M doses of vaccines not yet authorized by WHO

Forecast supply to AMC by end Q2 2022 estimated to be **~919m** (formal offers + confirmed additional supply).¹⁰

Note: volumes offered to COVAX are subject to change based on supply information from manufacturers. If supply does not meet COVAX requirements (e.g. shelf life <10 weeks in country), these numbers could be lower.

Part of Team Europe additional supply include donations of product that don't have EUL yet

due to rounding; 1. Offer notices accepted by COVAX; 2. Primarily through COVAX, final amount estimated based on latest information shared by Donors; 3. Iceland, Estonia, Luxembourg, Croatia, Latvia, Lithuania, Austria, Cyprus; 4. US support has allowed COVAX to secure 1bn Pfizer doses. These include a donation of 700m doses which are reflected in the total here. The US have also facilitated the procurement of 300m additional doses. 5. Includes donations from Iceland (0.3m), Estonia (0.4m), Luxembourg (0.2m), Croatia (0.9m), Lithuania (0.2), and Austria (1m); 6. Sum of Team EU Donor pledges; 7. Canada has announced it will donate the equivalent of at least 200m doses to COVAX by end of 2022 (of which 31m are included here); 8. 3m donated for 2021 and 4.5m already donated for 2022 allocation; 9. Significant potential additional doses; 10. 919m = 236m doses delivered
 ~ 93% of remaining formal offers (332m) and confirmed additional supply (185m+220m), 11. additional 21M J&J doses donated for Q4 21 and Q1 22 allocation, 12. Offer notice updated (decreased)

80m – 150m additional doses to be shipped by end of year

As of 8th December 2021



Recommendation (1/5)

The Gavi Alliance Board:

- a) **Approved** the Gavi Alliance strategic direction for 2022 of supporting AMC91 countries toward achieving their individual COVID-19 vaccination coverage ambitions as set out in their national targets and ambitions, in view of the WHO Global Vaccination Target of 70% by mid-2022 and taking into account sources of supply beyond COVAX;
- b) **Approved**, subject to funding availability for the COVAX AMC, the COVAX Facility's approach to procurement of COVID-19 vaccine for 2022, focusing on supporting lower-income countries dependent upon the COVAX Facility for assurance of supply, and through the establishment of a Pandemic Vaccine Pool to manage risks given the significant uncertainties (e.g. variants, need for boosters, need for additional doses for primary series);
- c) ~~**Approved** the Alliance's role in the delivery of COVID-19 vaccines in 2022 as laid out in Section 5 to Doc 07a;~~

Recommendation (2/5)

- c) Pursuant to Section 18.16 of the Gavi Board and Board Committee Operating Procedures, **agreed** to establish a temporary Steering Committee of the Gavi Board with delegated authority to make delivery related decisions for the COVAX Facility and to oversee COVID-19 vaccination delivery support provided by COVAX, including consulting on funding and allocation strategy, and **noted** that the Steering Committee will promote end to end coherence of the process from supply allocation to last mile delivery;
- d) **Delegated** to the Board Chair the authority to finalise the Terms of Reference and Composition of the Steering Committee;
- e) **Noted** that the Board will review the mandate of the Steering Committee at the June 2022 Board meeting;

Recommendation (3/5)

- f) **Recognised** the important role that each member of the Alliance needs to play and **affirmed** the proposal by the Alliance partners to establish a unified and elevated COVAX delivery coordination structure with joint accountability for country support operations on vaccine readiness and delivery, and ensure close alignment between allocations, country absorptive capacity, and targeting of financial support;
- g) **Delegated** to the Secretariat, **at the guidance of the new COVAX delivery coordination structure**, the authority to allot the full US\$ 799 million of COVID-19 vaccine delivery funding as per Figure 3 to Doc 07a with flexible application of the Programme Funding policy including waiving the requirement for independent review, utilising existing programmatic and fiduciary risk mitigation mechanisms such as those used in emergency and humanitarian contexts on a no regrets basis; **and**

Recommendation (4/5)

- h) **Requested** that the new coordination structure work with existing and additional partners and countries on rapidly enhancing and accelerating vaccination throughput, including through campaigns, mass vaccination and reaching hard-to-reach populations while safeguarding routine immunisation. The enhanced coordination structure will report on delivery progress to the Gavi Board through the temporary Steering Committee on a regular basis.

Recommendation (5/5)

- d) ~~**Requested** the Secretariat and Alliance partners, coordinating through CRD (Country Readiness and Delivery), to work with existing and additional partners and countries on rapidly enhancing and accelerating vaccination throughput, including through mass vaccination and reaching hard-to-reach populations; and~~
- e) ~~**Requested** that the Secretariat update the PPC and Board before the end of June 2022.~~

THANK YOU



Reach every child

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