

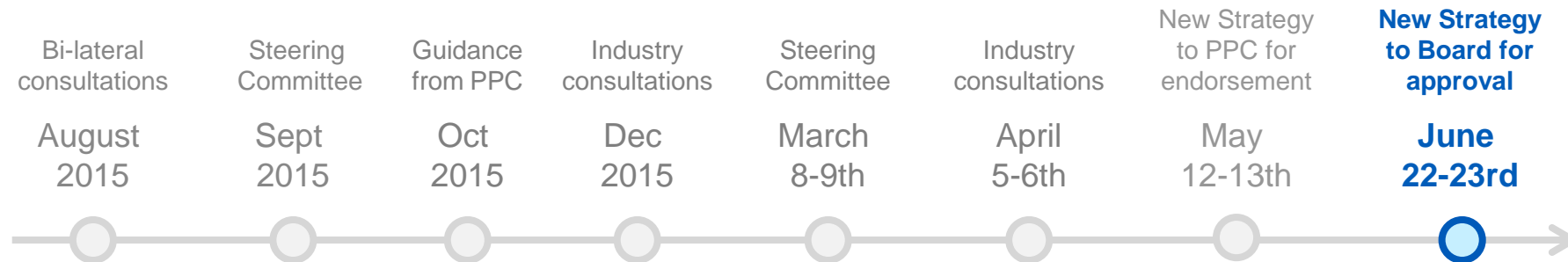
SUPPLY & PROCUREMENT STRATEGY 2016-2020

BOARD MEETING
Aurélia Nguyen
22-23 June 2016, Geneva



Reach every child
www.gavi.org

Supply and Procurement Strategy review process



- Ran **retrospective review** of outcomes of 2011-15 Supply & Procurement Strategy
- Collected **stakeholder input** on improvement areas in consultations
- **Developed new strategy**

2016-20 aspirations build on a strong foundation

Market-shaping outcomes in 2011-15



25 vaccines offered



43% reduction in WAP¹



Improvements in product suitability and quality

Strong market-shaping processes developed



Individual product strategies ('roadmaps') align market-shaping objectives



Refined **demand forecast** methodology



Procurement strategies support roadmaps

Aspirations for 2016-20 (Gavi 4.0)

6 vaccine markets have moderate or high healthy market dynamics

11 vaccine markets with sufficient supply

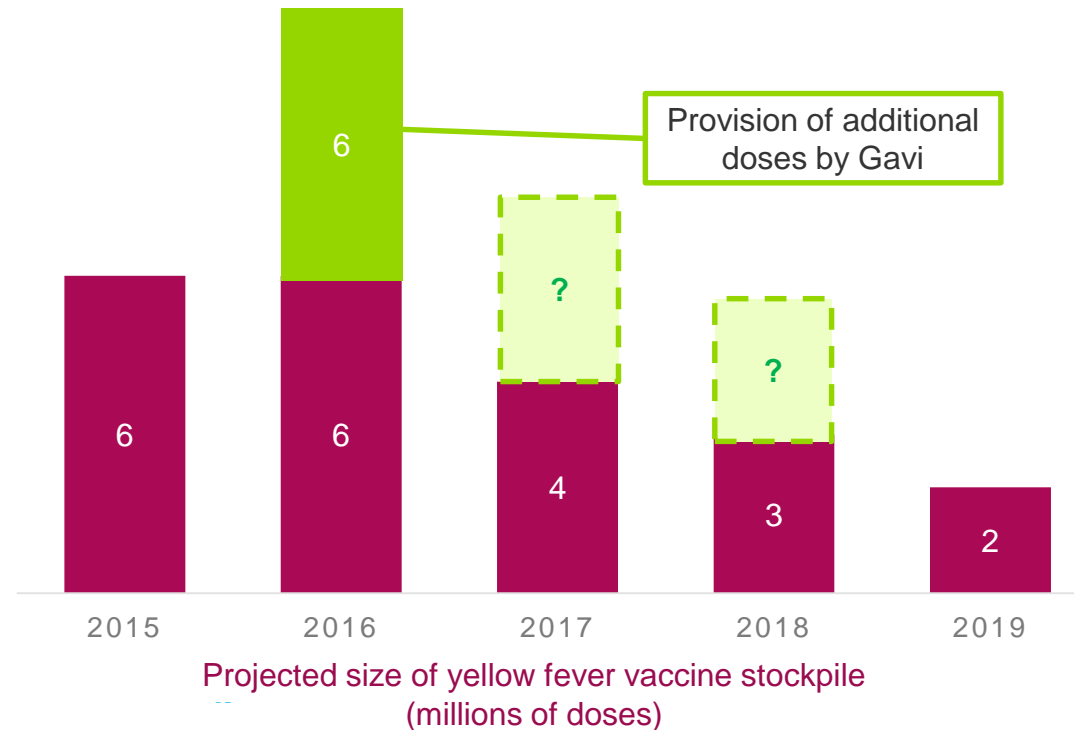
Reduced WAP¹

10 products with improved characteristics

¹weighted average price per course to fully immunise a child with pentavalent, pneumococcal and rotavirus vaccines

Strategic shifts evolve market-shaping needs and expand the scope for 2016-20

- Implications from Gavi's new strategic directions
- Vaccine market landscape has evolved since 2011
- Emerging diseases and outbreaks rising in importance



In 2016-20, three strategic priorities drive a more ambitious agenda



Healthy markets

Delivering on healthy markets

Move beyond singular objectives to advance the overall healthy market dynamics of its vaccine markets



Long-term view

Taking a long-term view of markets

Shape markets with a view to longer-term impact and the role of countries as increasingly independent financiers of immunisation programmes



Innovation

Driving innovation to better meet country needs

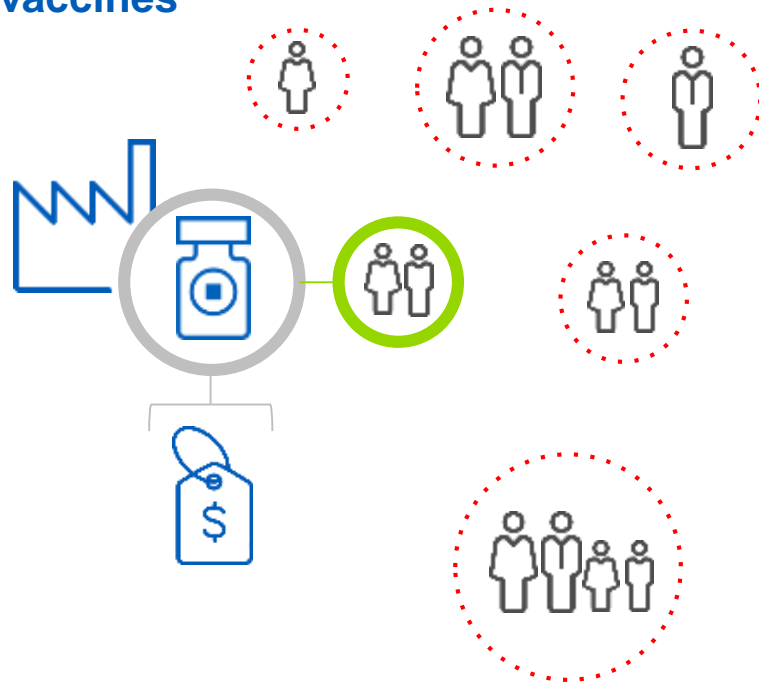
Pursue a common agenda on product innovation to inform product choices and support Alliance goals on immunisation coverage and equity



Improving the health of vaccine markets

UNHEALTHY VACCINE MARKETS

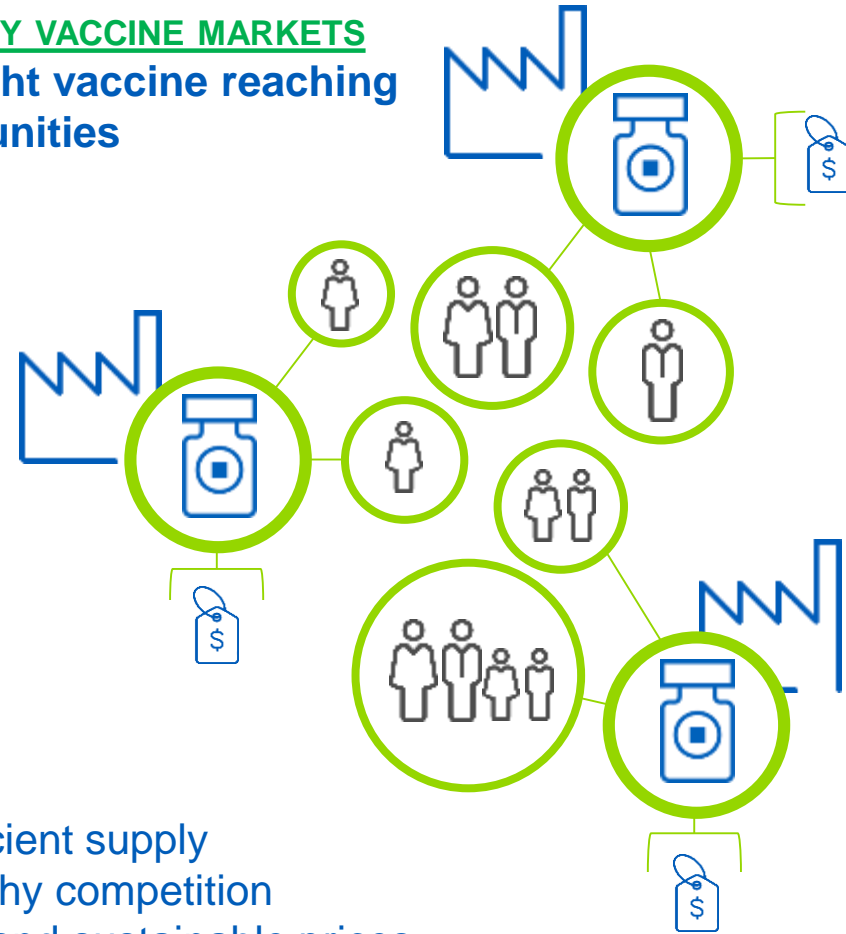
Inadequate access to life-saving vaccines



- ◆ Limited supply
- ◆ Unpredictable demand
- ◆ High prices, inappropriate products

HEALTHY VACCINE MARKETS

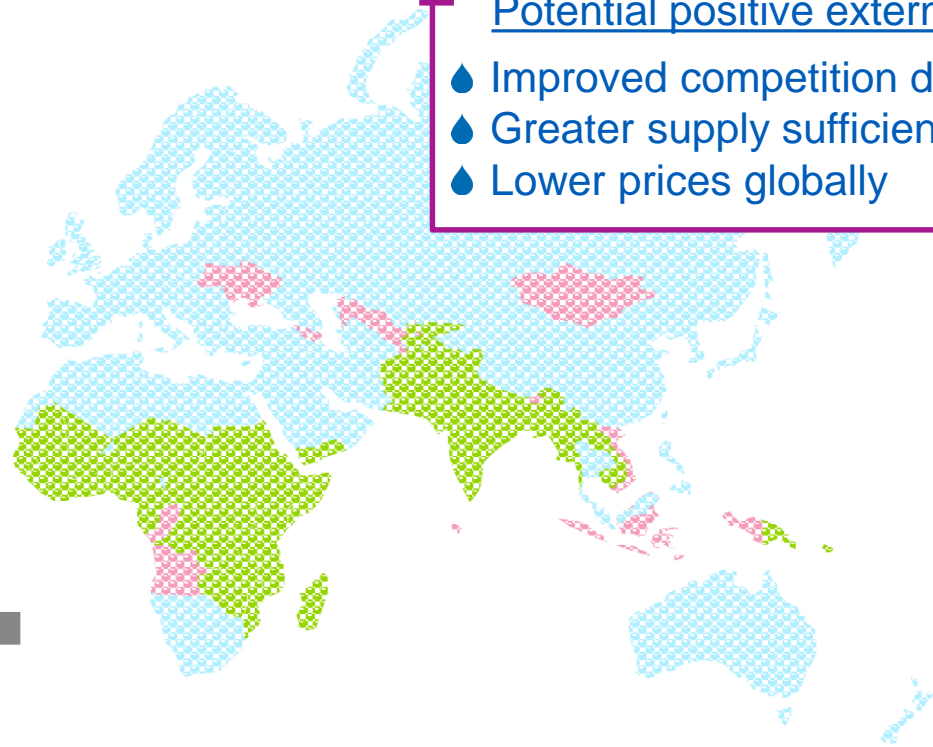
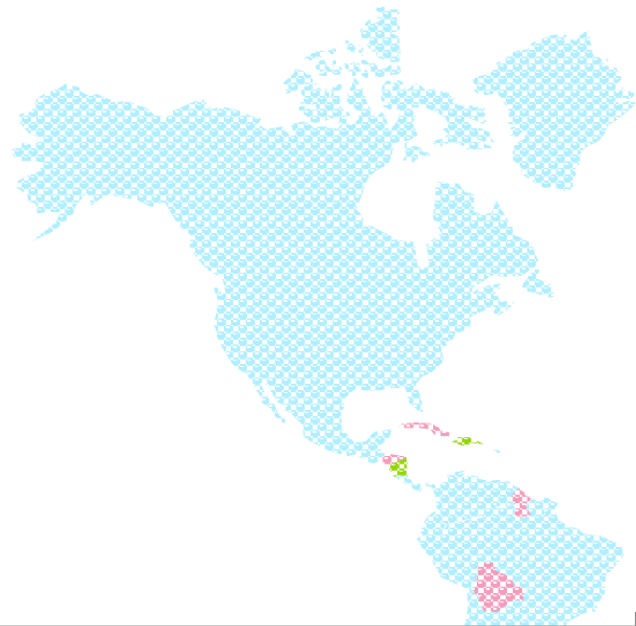
The right vaccine reaching communities



- ◆ Sufficient supply
- ◆ Healthy competition
- ◆ Low and sustainable prices, appropriate products

Expanding our view of market time horizons and impact

Market-shaping has short- and long-term impact beyond Gavi countries, including **19 countries transitioning** from Gavi support by 2020



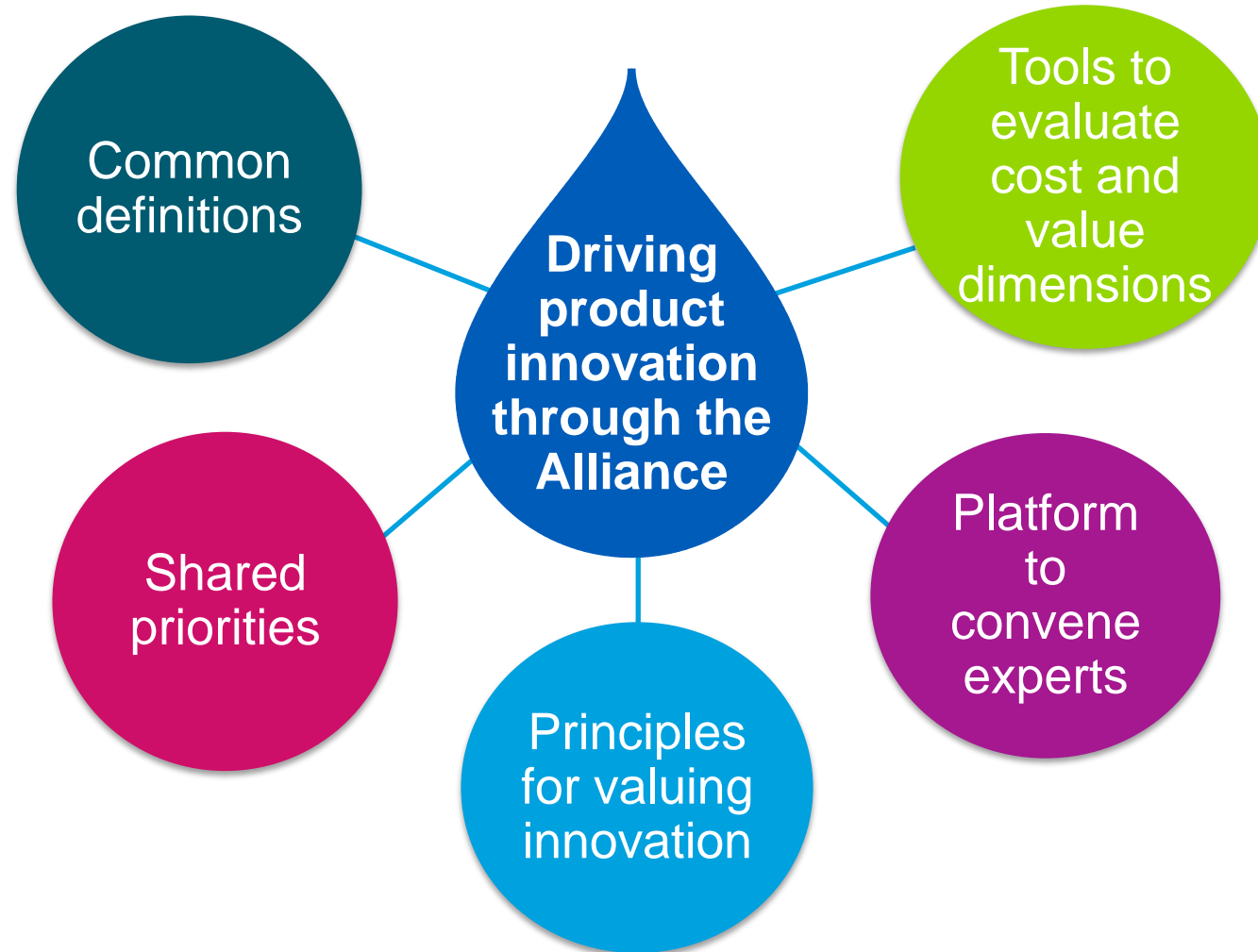
Potential positive externalities

- ◆ Improved competition dynamics
- ◆ Greater supply sufficiency
- ◆ Lower prices globally

Potential negative externalities

- ◆ Innovation disincentivised
- ◆ Increased cost of new products
- ◆ Crowding out other purchasers

Aligning product innovation priorities



Critical enablers to execute strategy



Generate **new market analyses and tools** to tailor market-shaping interventions and to increase **capacity to shape markets with higher uncertainty and risk**

Pursue and strengthen the provision of **timely and transparent information** to partners, manufacturers, and countries.



Enhance engagement with industry in a deliberate and partnership-minded way, striving for early and regular communication

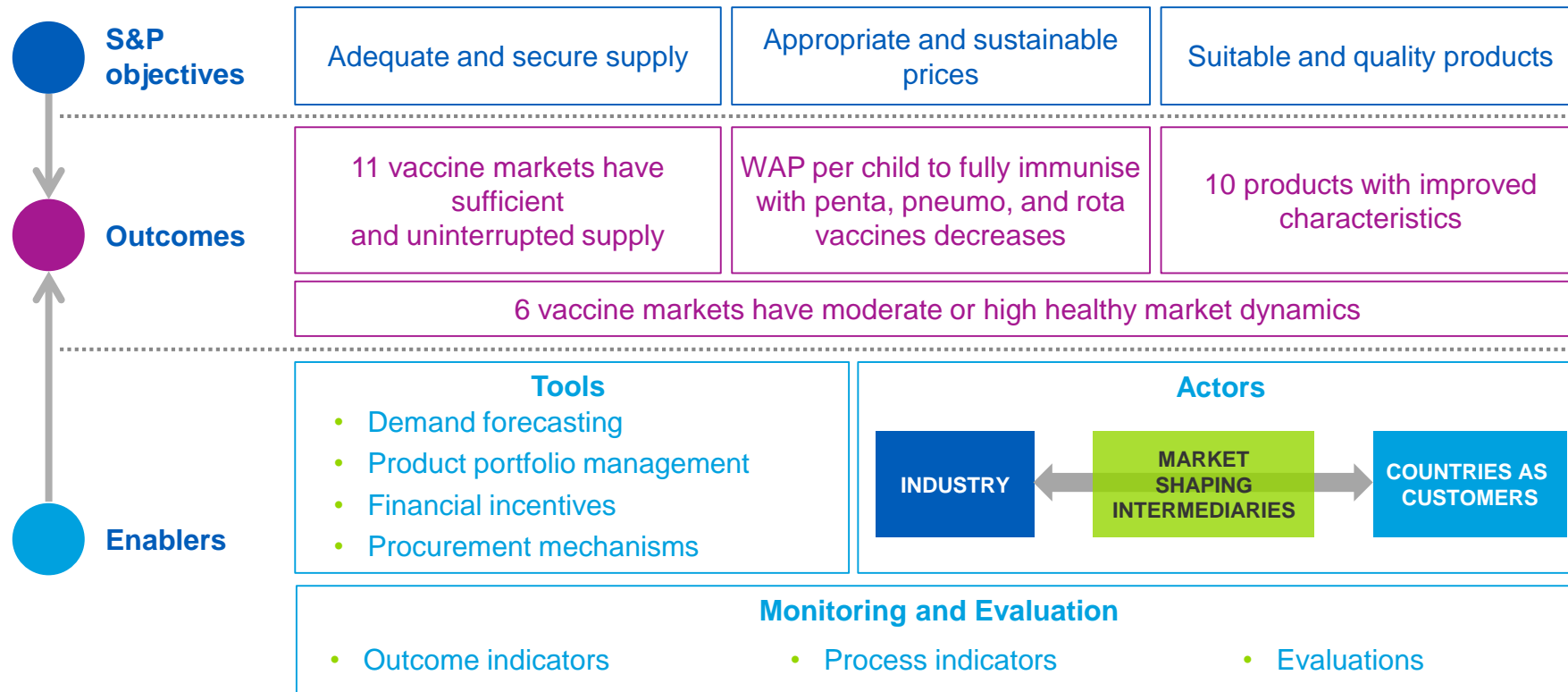
Strengthen collaboration with an expanded landscape of **market-shaping intermediaries** to support informed country-level decision-making



Supply and Procurement Strategy 2016-20

Scope

- Gavi countries (including transitioning)
- Vaccine products for Board-approved antigens
- Other immunisation products (focus on cold chain equipment)



The Board is requested to:

Approve the Supply and Procurement Strategy 2016-20 attached as Annex A and the Strategy Annexes attached as Annex B to Doc. 06 to the PPC.

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THANK YOU

