MIDDLE INCOME COUNTRIES Task Force

A shared middle income countries strategy

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SAGE MEETING, APRIL 2015

Presentation overview

About the MIC Task Force

Choices made based on assessments and discussions

Proposed MIC strategy

What we like about the strategy

Next steps and request to SAGE

The mandate and membership of the MIC Task Force

Task Force mandate

1. **Review** the performance of MICs in immunization and refine our understanding of their needs
2. **Take stock** of ongoing activities to address these needs
3. **Define** a shared strategy, action plan, and monitoring and evaluation framework to enhance sustainable access to vaccines in MICs
4. **Act** as an information-sharing and coordination forum across immunization agencies active in MICs

Task Force membership

World Health Organization (MIC Task Force Secretariat)

Bill & Melinda Gates foundation

Pan American Health Organization

unicef

The World Bank

World Health Organization Regional Office for the Eastern Mediterranean

World Health Organization Regional Office for Europe

Gavi The Vaccine Alliance

amp Agence de Medecine Preventive

Sabin Vaccine Institute

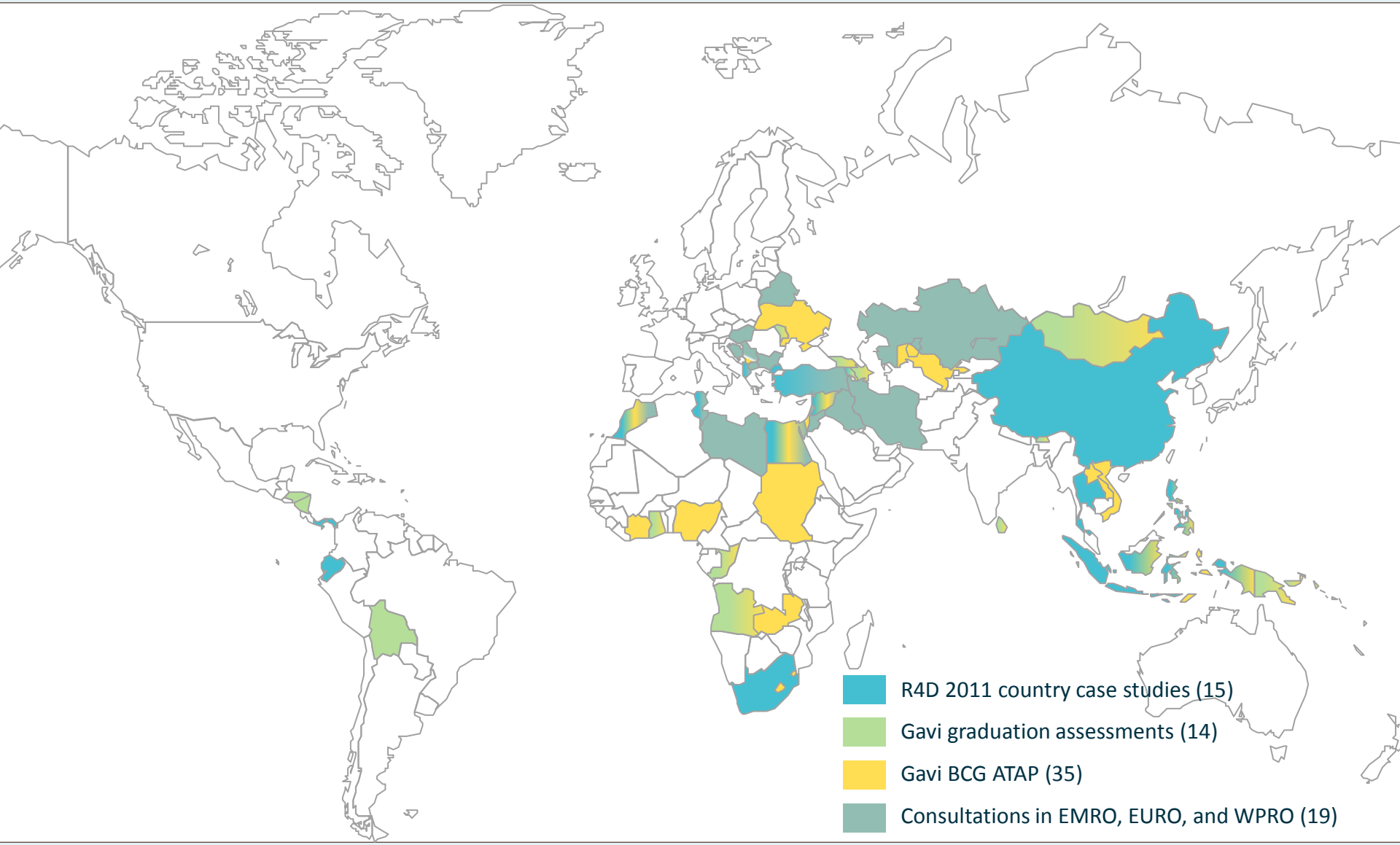
The Task Force for Global Health

RESULTS FOR DEVELOPMENT (Supporting analytical work for the Task Force)

We built our work on recent research

- 2011 MIC study (R4D)
- BCG access to pricing assessment (Gavi)
- Gavi graduation assessments (Gavi)
- EVM reports (WHO)
- Peer reviewed articles
- Analysis of 8 “sentinel” countries

Countries self-diagnosed issues, gaps and needs



We interviewed and consulted with partners

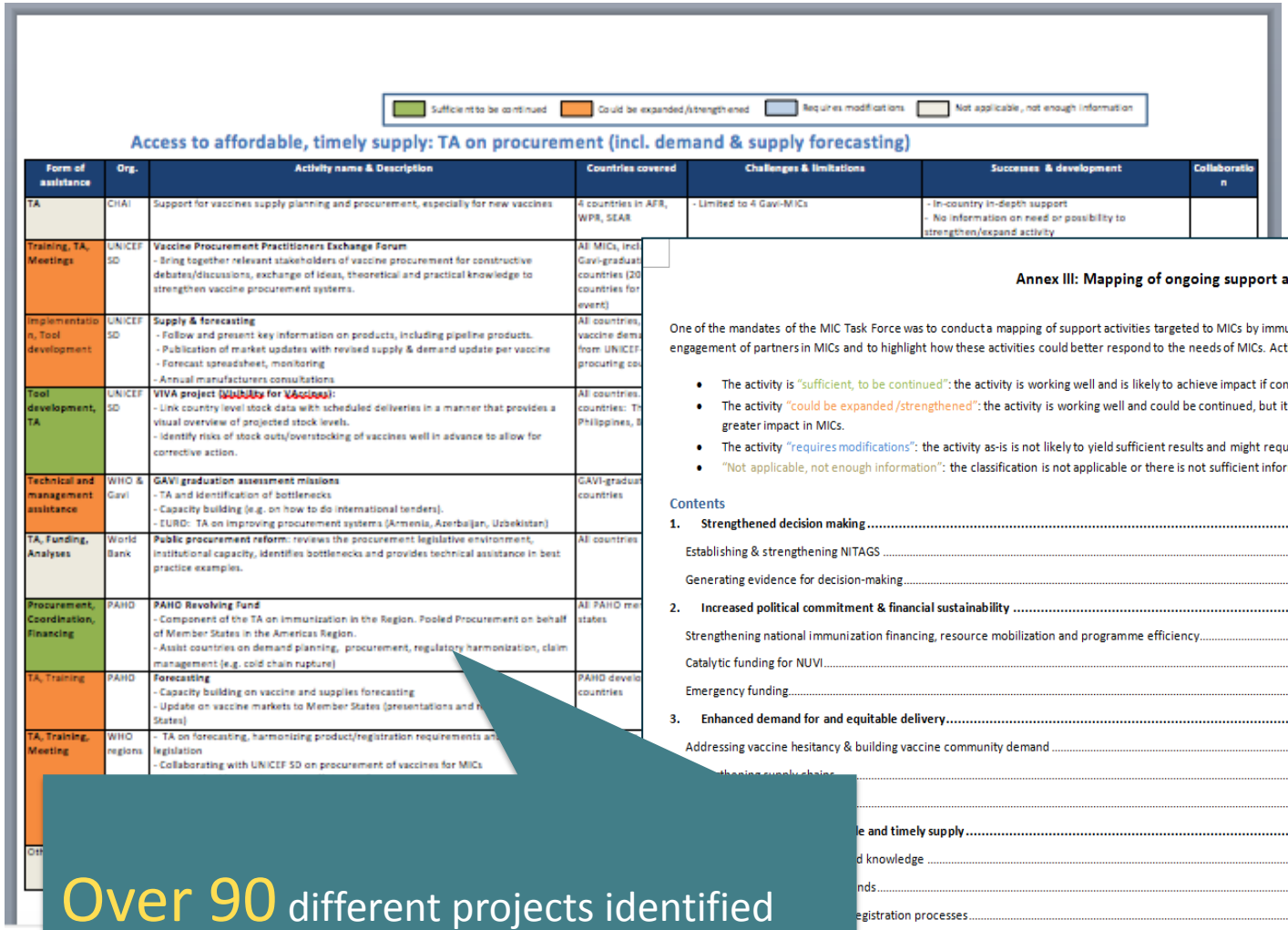
Partners outside of Task Force

GAVI CSO Constituency

Specific consultations

- Partner surveys and consultations
- Briefings with DCVMN and IFPMA
- Discussions with CSOs and Gavi CSO Constituency

Then we mapped all MIC activities we could identify against needs



Sufficient to be continued | Could be expanded/strengthened | Requires modifications | Not applicable, not enough information

Access to affordable, timely supply: TA on procurement (incl. demand & supply forecasting)

Form of assistance	Org.	Activity name & Description	Countries covered	Challenges & limitations	Successes & development	Collaboration
TA	CHAI	Support for vaccines supply planning and procurement, especially for new vaccines	4 countries in AFR, WPR, SEAR	- Limited to 4 Gavi-MICs	- In-country in-depth support - No information on need or possibility to strengthen/expand activity	
Training, TA, Meetings	UNICEF SD	**Vaccine Procurement Practitioners Exchange Forum** - Bring together relevant stakeholders of vaccine procurement for constructive debates/discussions, exchange of ideas, theoretical and practical knowledge to strengthen vaccine procurement systems.	All MICs, incl Gavi-graduat countries (20 countries for event)			
Implementation, Tool development	UNICEF SD	**Supply & forecasting** - Follow and present key information on products, including pipeline products. - Publication of market updates with revised supply & demand update per vaccine - Forecast spreadsheet, monitoring - Annual manufacturers consultations	All countries, vaccine dema from UNICEF procuring co			
Tool development, TA	UNICEF SD	**VIVA project (Visibility for Vaccines):** - Link country level stock data with scheduled deliveries in a manner that provides a visual overview of projected stock levels. - Identify risks of stock outs/overstocking of vaccines well in advance to allow for corrective action.	All countries. countries: Th Philippines, I			
Technical and management assistance	WHO & Gavi	**GAVI graduation assessment missions** - TA and identification of bottlenecks - Capacity building (e.g. on how to do international tenders). - EURO: TA on improving procurement systems (Armenia, Azerbaijan, Uzbekistan)	GAVI-graduat countries			
TA, Funding, Analyses	World Bank	**Public procurement reform:** reviews the procurement legislative environment, institutional capacity, identifies bottlenecks and provides technical assistance in best practice examples.	All countries			
Procurement, Coordination, Financing	PAHO	**PAHO Revolving Fund** - Component of the TA on immunization in the Region. Pooled Procurement on behalf of Member States in the Americas Region. - Assist countries on demand planning, procurement, regulatory harmonization, claim management (e.g. cold chain rupture)	All PAHO me states			
TA, Training	PAHO	**Forecasting** - Capacity building on vaccine and supplies forecasting - Update on vaccine markets to Member States (presentations and r States)	PAHO develo countries			
TA, Training, Meeting	WHO regions	- TA on forecasting, harmonizing product/registration requirements an legislation - Collaborating with UNICEF SD on procurement of vaccines for MICs				

Annex III: Mapping of ongoing support activities in MICs

One of the mandates of the MIC Task Force was to conduct a mapping of support activities targeted to MICs by immunization partners. The mapping has two main goals: to understand the level of engagement of partners in MICs and to highlight how these activities could better respond to the needs of MICs. Activities are therefore colour coded according to the below categories:

- The activity is "sufficient, to be continued": the activity is working well and is likely to achieve impact if continued. Activities that have just been started are also classified in this category.
- The activity "could be expanded /strengthened": the activity is working well and could be continued, but it probably requires support to strengthen and/or expand actions to achieve greater impact in MICs.
- The activity "requires modifications": the activity as-is is not likely to yield sufficient results and might require some changes and adjustments to achieve greater impact in MICs.
- "Not applicable, not enough information": the classification is not applicable or there is not sufficient information to classify the activity.

Contents

Over 90 different projects identified

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The MIC Task Force identified five principles and discussed the overall dimensions of a strategy

Focus countries: 63 Non-GAVI MICs	Enhancing global equity: people living in 63 MICs currently benefit from neither major donor support nor a unified international strategy Non-Gavi countries have comparatively strong health systems and can make rapid gains if critical barriers removed In medium-long term, the MICs Strategy and action plan can also benefit Gavi graduates
Timeline: 2016-2020	5 year time horizon aligns with GVAP timeframe 10 year time horizon will allow adaptation to a changed landscape: several graduated countries, future 'GVAP', Equitable Access Initiative
Target goals: Coverage and NUVI	In non-Gavi MICs, more lives can be saved by introducing PCV and Rota in countries which have not yet adopted these vaccines Yet, there are important exceptions and an opportunity to close coverage gaps. And, if needs of future Gavi graduates are taken into account, coverage issues require particular attention

Equity | Health impact | Feasibility | Value for money | Complementarity

Countries identified four common bottlenecks

1. **Inadequate mechanisms for timely and evidence-based immunization policy decision-making**

2. **Insufficient political commitment and financial sustainability of immunization programmes**

3. **Poor demand for and underperforming immunization services**

4. **Unaffordable prices and unreliable supply**

1 Inadequate mechanisms for timely and evidence-based immunization policy decision-making

PROBLEM:

- **Lack of coherent decision-making process for new vaccine adoption**
- **Lack of data to use for evidence-based decisions**

"Only South Africa of 6 non-Gavi MICs in the Eastern and Southern Africa region has a fully functional NITAG. This is a critical issue for the region."

-AFRO ESA

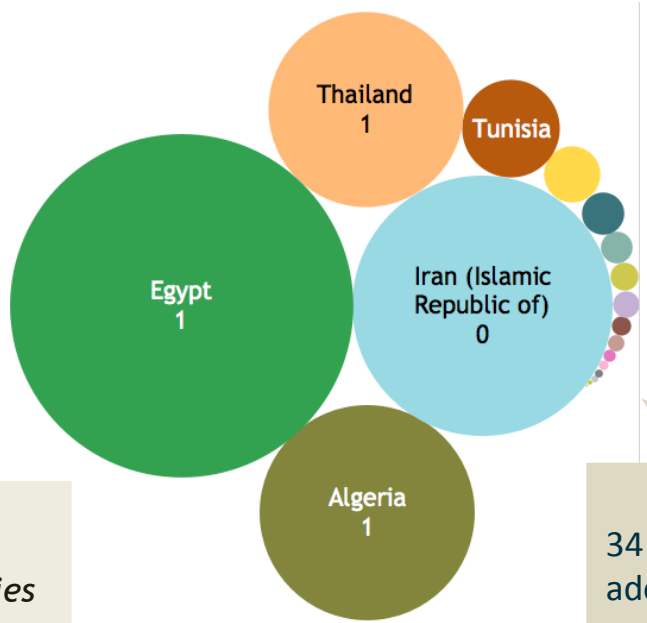
NITAG

"Evidence-based decisions on the introduction of new vaccines in countries with no/limited data available is a challenge for the country."

-Philippines, Macedonia, Iran

Late vaccine adopters

(Size of bubble correlates to size of birth cohort)



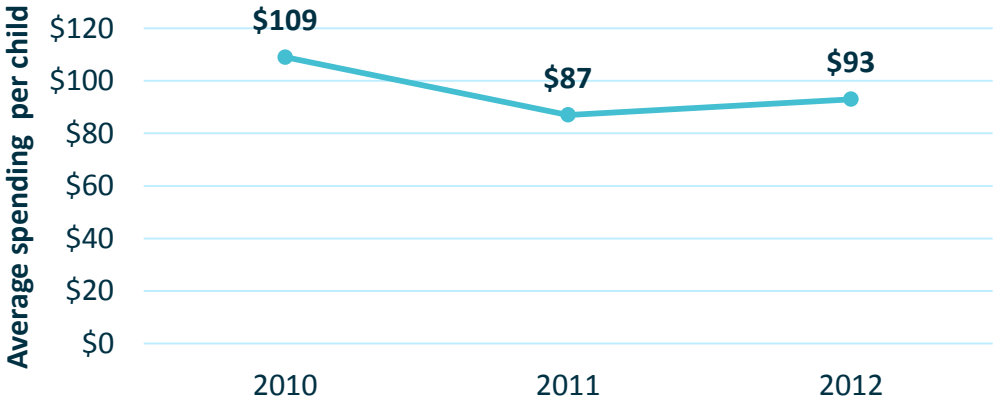
34 non-Gavi countries have adopted 0 or 1 of 6 important new vaccines, representing 64% of the non-Gavi MIC birth cohort (2013)

2 Insufficient political commitment and financial sustainability of immunization programmes

PROBLEMS:

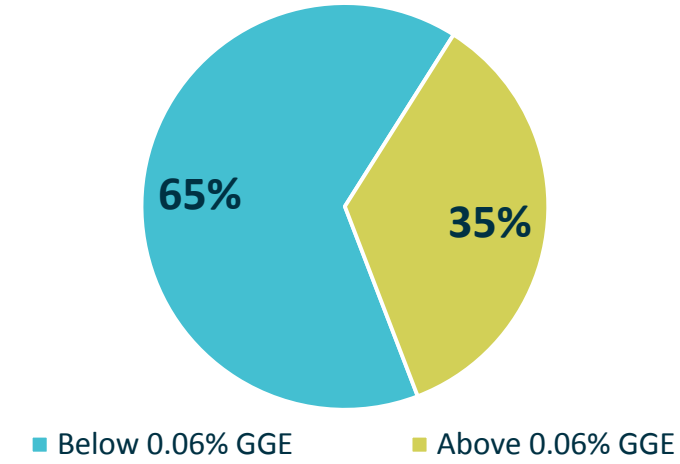
- **Inadequate national financing of immunization programmes**
- **Insufficient political will/weak resource mobilisation skills**
- **Inefficient use of available resources**

Average government spending on routine immunization per child in non-Gavi MICs



Source: JRF 2012, for all countries with available data (n=27)

Immunization spending as a share of General Government Expenditure (GGE)



"EPI did not have its own budget line for a long time and the team had to use strong lobbying to increase political commitment towards EPI. The focus is on treating HIV rather than immunization".

-Botswana

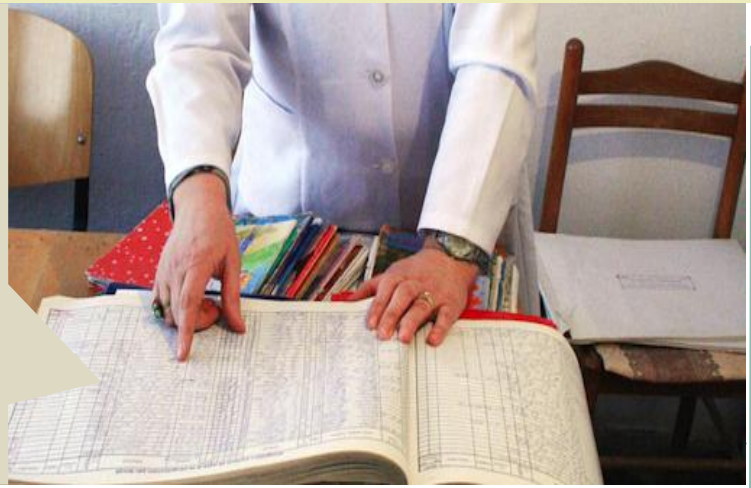
Median spending on immunization by non-GAVI MICs in AMR is 0.06% of GGE (n=54). Health spending calculated as a percentage of 2012 GGE using data from 2012 JRFs and the IMF's *World Economic Outlook* database.

3 Poor demand for and underperforming immunization services

PROBLEMS:

- **Increased vaccine hesitancy**
- **Supply chain problems result in delayed vaccine deliveries and limited access**
- **Health information systems not reliable or helpful for improving performance**

Albania implemented an immunization information system that recorded every individual child and vaccination in a central database. The system allowed to better estimate coverage, list unvaccinated children, send vaccination reminders.



"Anti-vaccine movements, rumours, and disinformation spread by the media and sometimes healthcare staff fuel growing vaccine hesitancy in the country."
- Hungary, Bulgaria, Kazakhstan, Serbia, Bosnia & Herzegovina

ELSEVIER

Vaccine

Volume 32, Issue 49, 20 November 2014, Pages 6649–6654

Mapping vaccine hesitancy—Country-specific characteristics of a global phenomenon

Eve Dubé[a, b, c], Dominique Gagnon[a], Emily Nickels[d], Stanley Jeram[d], Melanie Schuster[d]

4 Unaffordable prices and unreliable supply

PROBLEMS:

- **Inefficient procurement prevents MICs from obtaining competitive prices and reliable supply**
- **Lack of price information limits countries' negotiating power and delays introduction decisions**
- **Inefficient product registration requirements increase the timelines and costs**
- **Revolving funds are only available to a fraction of non-Gavi MICs**

"Advance payment is difficult, payment must be made after delivery."

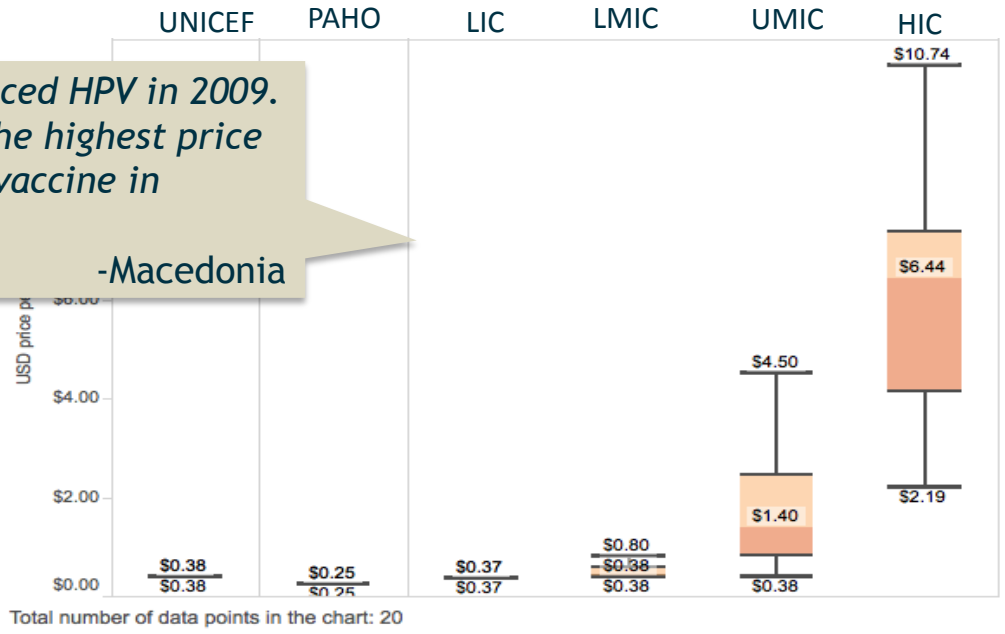
-Libya

"Introduced HPV in 2009. Paying the highest price for this vaccine in EURO."

-Macedonia

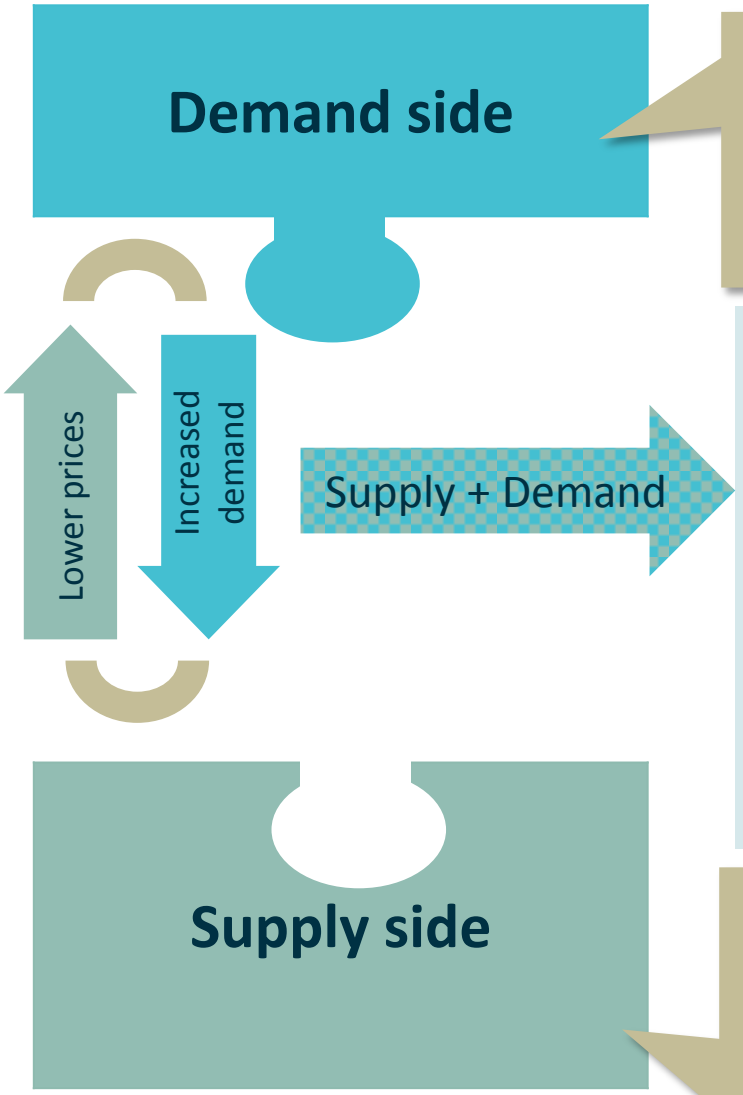
The Philippines and Botswana are amongst the top 10 "out of stockers" countries in the world.

Min-Median-Max price by income level for HepB (1-dose)



Total number of data points in the chart: 20

Our conclusions on needs



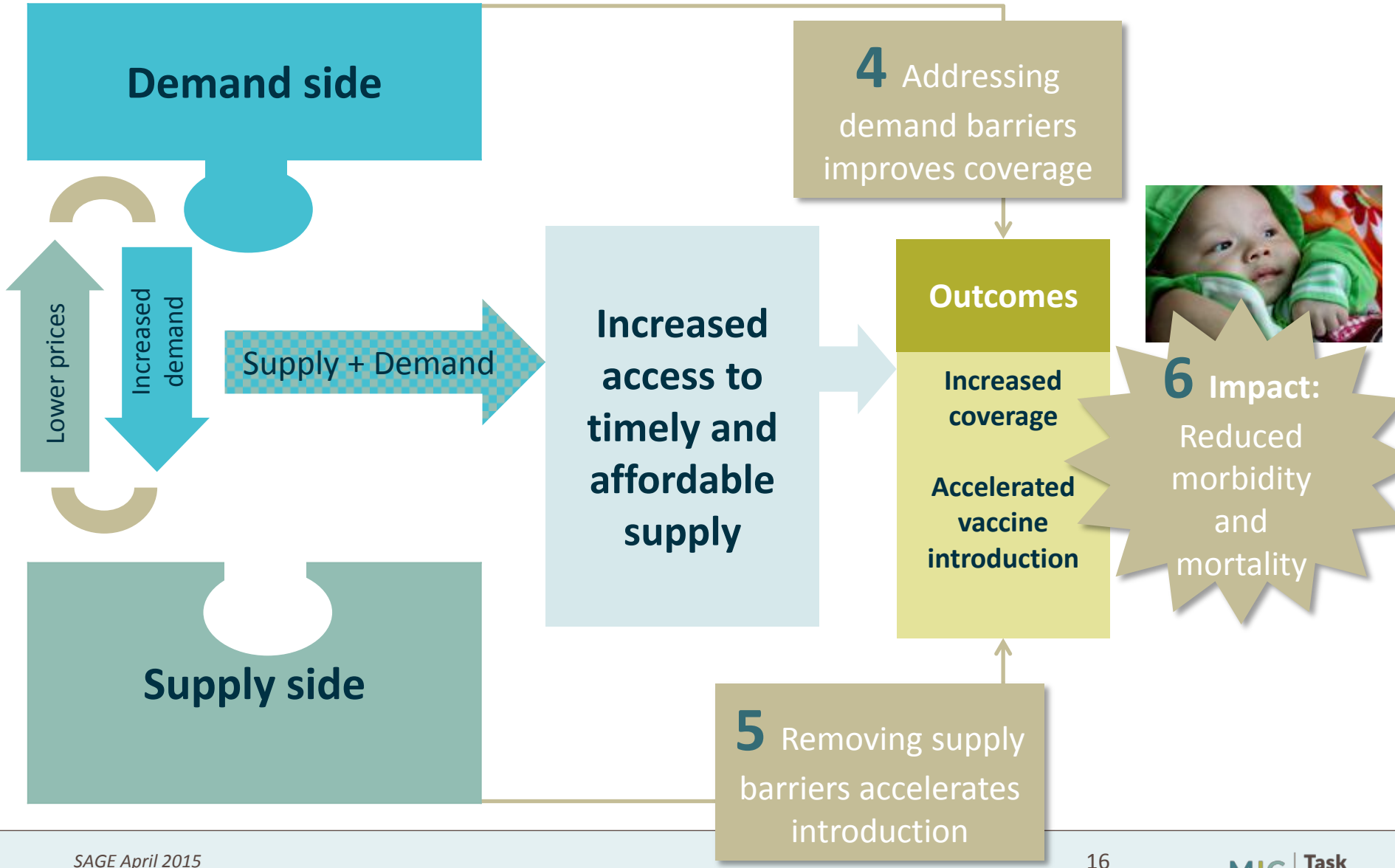
Increased access to timely and affordable supply

3 Demand side barriers also need to be overcome to establish a virtuous (rather than a vicious) cycle.

1 Countries and stakeholders agree this is the top issue

2 Yet, according to the same stakeholders, addressing only the supply side constraints is unlikely to lead us to success

Our conclusions on needs



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Our mapping of ongoing efforts reveals gaps and opportunities

DEMAND → SUPPLY

① Evidence-based decision-making	② Sustainable financing	③ Delivery of and demand for immunization	④ Access to affordable, timely supply
Strengthen NITAGs and broader decision-making process	Domestic financing	Supply chain	Pooled procurement through PAHO RF
		Data systems	Access to price and contract information
		Vaccine hesitancy	Harmonisation of product registration
			Access to revolving funds
			Influencing market dynamics
			TA on procurement supply and demand forecasting
			Access to external procurement services

For these three areas, expertise and tools already exist: gaps can be addressed by simply **extending existing programs** to include support for non-Gavi MICs.

- Activities exist and can be continued
- Activities exist but rarely available in non-Gavi MICs
- Need to engage in new activities

Our mapping of ongoing efforts reveals gaps and opportunities

DEMAND → SUPPLY

① Evidence-based decision making	② Sustainable financing	③ Delivery of and demand for immunization	④ Access to affordable, timely supply

There are **4 main initiatives to increase price transparency**. The TF proposes to continue them.

The TF proposes to focus on expediting the process for prequalified vaccines in the short term and work in longer term to align requirements for registration.

UNICEF Executive Board recently decided to **expand VII's capital base to 100 M US$** provided sufficient resources become available. The TF believes this is a key effort that will address payment issues in non-Gavi MICs.

- Pooled procurement through PAHO RF
- Access to price and contract information
- Harmonisation of product registration
- Access to revolving funds
- Influencing market dynamics
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Activities exist and can be continued

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Need to engage in new activities

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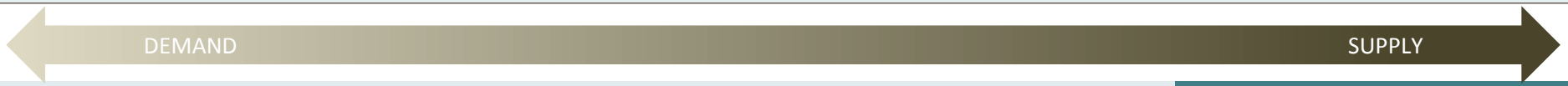

① Evidence-based decision making	② Sustainable financing	③ Delivery of and demand for immunization	④ Access to affordable, timely supply
Strengthen NITAG			Pooled procurement through PAHO RF
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			Influencing market dynamics
			TA on procurement supply and demand forecasting
			Access to external procurement services

Agencies are actively influencing market dynamics through push and pull mechanisms, tenders, advocacy and negotiation. These efforts tend to exclude the non- Gavi MICs. **TF encourages increased use of access agreements.**

Help to improve procurement practices is extremely limited. **The TF proposes the creation of new peer learning platforms, tools, and targeted TA in priority countries.**

The TF proposes an initial focus on **sharing lessons learned from past pooled procurement efforts and demand consolidation activities.** New tendering strategies, **through a variety of initiatives**, will also be explored (including single and multi-country tendering).

Activities exist and can be continued

Activities exist but rarely available in non-Gavi MICs

Need to engage in new activities

Initial lessons learnt from UNICEF MICs Tender for Pneumo, HPV and Rota

1	**Need for greater visibility and certainty in demand:**	Still large uncertainties related to the timing of adoption, the sustainability and credibility of demand for new vaccines by MICs.
2	**Need for further manufacturer dialogue and education:**	Pooled procurement (synonymous with a single price) was seen as a threat.
3	**Need to find a workable solution with respect to price transparency:**	Concern that publication of pricing without context, would result in incoherent price referencing by self-procuring countries.
4	**Manufacturers want to establish and maintain bilateral relationships with governments:**	Concerns about losing relationships ability to negotiate directly with country governments where they already had significant market presence.

Proposed MIC strategy 2015-2020

Goal	Enhance sustainable access to vaccines for populations in middle-income countries to meet GVAP targets			
Driving Principles	• Uphold GVAP principles of country ownership, shared responsibility, integration, sustainability and innovation. • Address inequities within and among countries • Maximize health impact • Consider technical and political feasibility • Maximize value for money by complementing existing and planned efforts			
Geography	All MICs not supported through the Gavi Alliance			
Objective	Raise and sustain high and equitable immunization coverage and enable new vaccine introductions			
Focus areas	① **Strengthened decision-making** for timely and evidence-based immunization policy and programmatic choices • Establishing and strengthening NITAGs • Strengthening national capacity to generate evidence for decision-making	② **Increased political commitment and financial sustainability** of immunization programmes • Strengthening legislative basis for immunization • Advocating for immunization to achieve set immunization spending targets • Mobilizing national resources and increasing efficiency in resource use • Increasing MICs funding credibility through innovative financial platforms	③ **Enhanced demand for and equitable delivery of immunization services** • Addressing vaccine hesitancy and building community demand • Strengthening in country supply chain and data systems	④ **Improved access to affordable and timely supply** • Increasing procurement skills and knowledge • Increasing access to revolving funds • Harmonizing product choice & registration processes • Increasing price information • Ensure external procurement options are effective and fit for purpose • Influencing market dynamics
Strategic enablers	• Country commitment and cost sharing • Coordination among international and local partners • International and national advocacy and country-to-country peer learning • Strong monitoring and evaluation efforts			

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Geography	All MICs not supported through the Gavi Alliance			
Objective	Raise and sustain high and equitable immunization coverage and enable new vaccine introductions			
	① **Strengthened decision-making** for timely and evidence-based immunization policy and programmatic	② **Increased political commitment and financial sustainability** of immunization programmes	③ **Enhanced demand for and equitable delivery of immunization services**	④ **Improved access to affordable and timely supply**
Focus areas	• Establishi strengthe • Strengthe capacity t evidence making	• Strengthening legislative basis ncreasing MICs funding credibility through innovative financial platforms	• Addressing vaccine hesitancy and building community demand • Strengthening in country supply chain and data systems	• Increasing procurement skills and knowledge • Increasing access to revolving funds • Harmonizing product choice & registration processes • Increasing price information • Ensure external procurement options are effective and fit for purpose • Influencing market dynamics
Strategic enablers	• Country commitment and cost sharing • Coordination among international and local partners • International and national advocacy and country-to-country peer learning • Strong monitoring and evaluation efforts			

Political will and country commitment is key to successful implementation of the strategy

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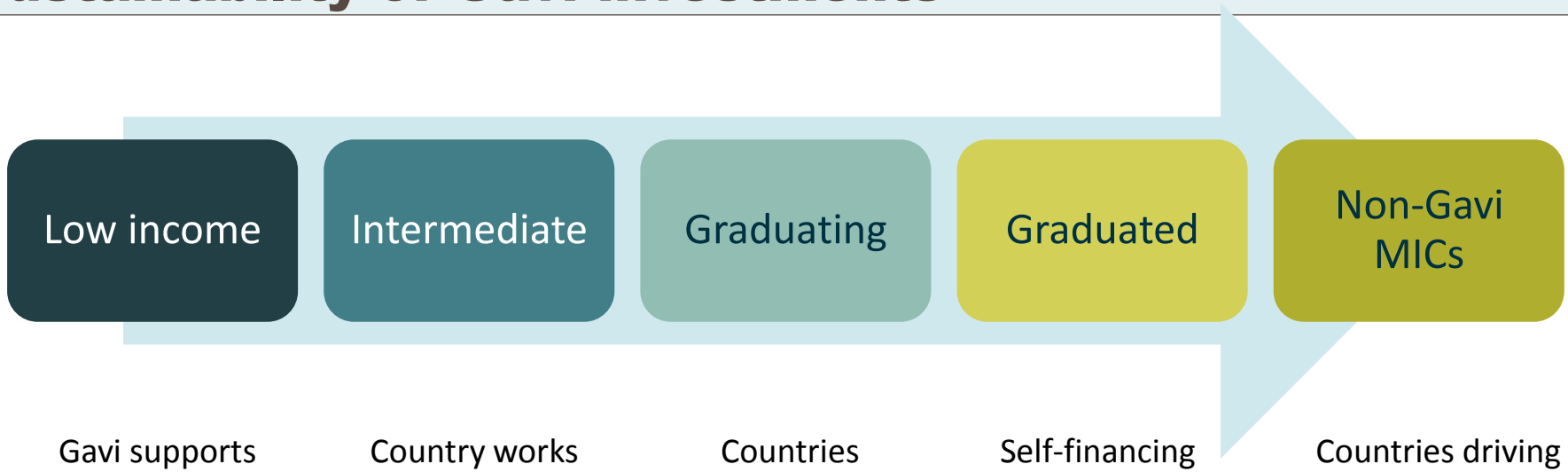
What we like about the strategy

- **Country-owned:** Gives countries a menu of options to select support based on need (fit for purpose)
- **Equitable:** Provides equitable support to all MICs and addresses inequitable access to vaccines within countries
- **Coordinated:** Aligns partners toward shared GVAP objectives
- **Synergistic:** A comprehensive set of synergistic solutions allows tackling of real obstacles
- **Efficient:** Leverages experience gained in low-income settings and builds on GVAP

The MIC strategy could provide a platform to ensure sustainability of Gavi investments



Overall vaccine support model	Gavi supports vaccines while increases country ownership	Country works towards sustainability and prepares for graduation	Countries transition to full self-financing	Self-financing countries need access to Gavi-like prices and targeted partner support	Countries driving efforts to achieve GVAP objectives with targeted support
Countries	34 LICs	15 LMICs	24 countries	63 non-Gavi MICs	

Gavi The Vaccine Alliance

Co-financing

MIDDLE INCOME COUNTRIES Task Force

**Price commitments and procurement likely only available for Gavi fully self-financing countries, VII open to all countries †The MICs strategy developed by the MICs Task Force will be reviewed by SAGE in April 2015. The MIC strategy will only be implemented pending financial resources being made available. # Based on World Bank indicators as of 1 July 2014*

MIC Task Force

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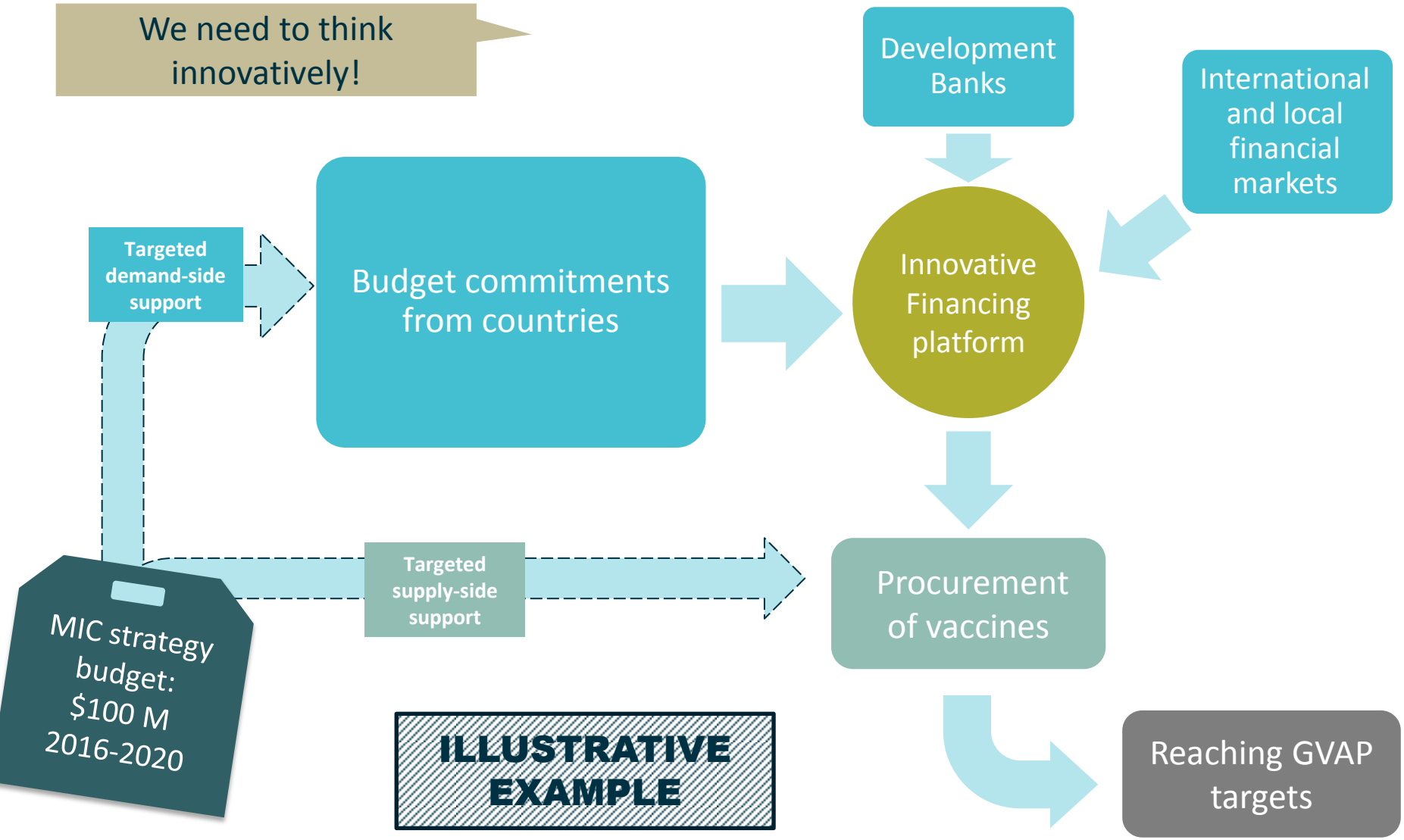
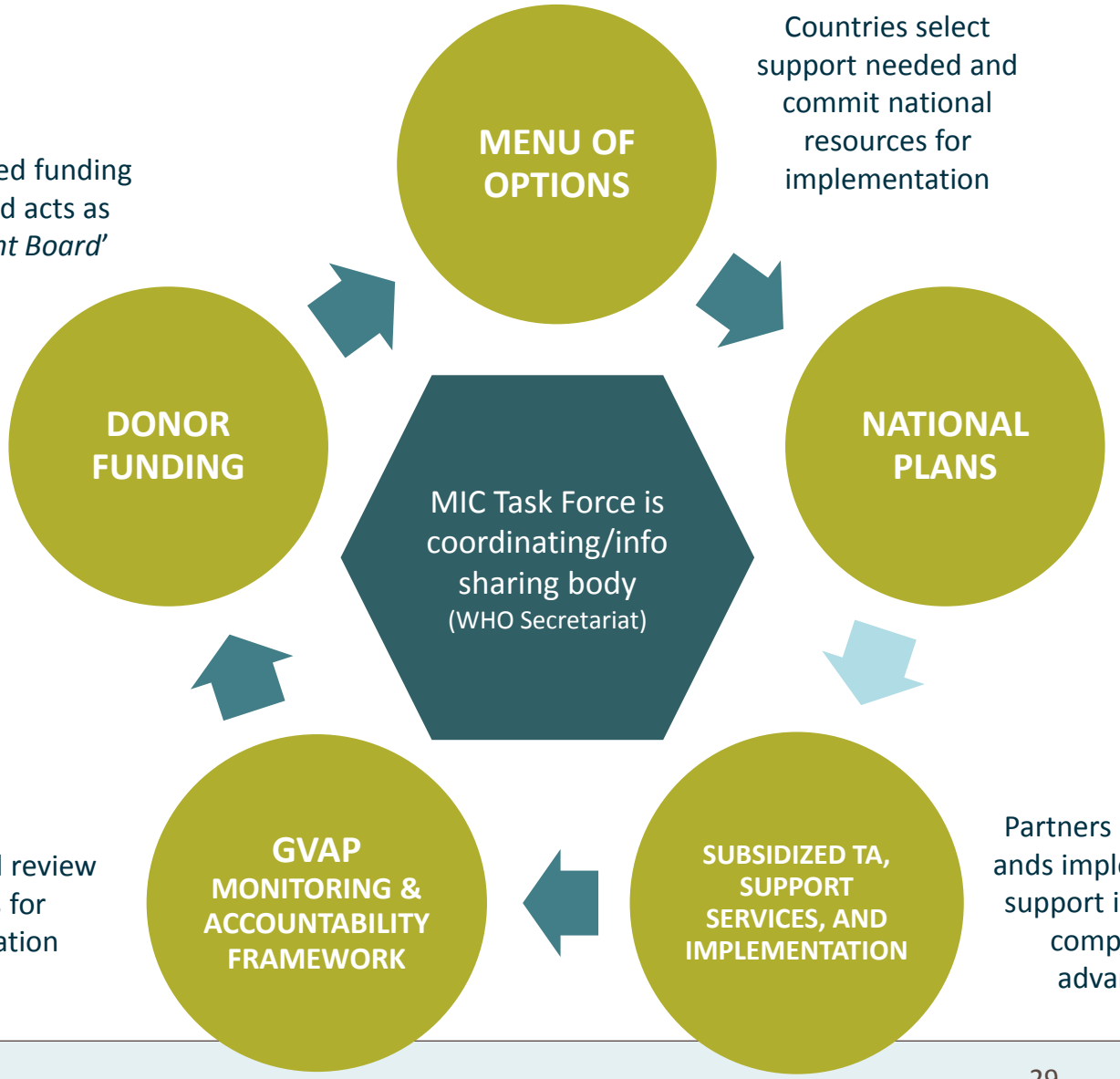
Mobilization of financial resources is key to the implementation of the MIC strategy



Proposed implementation structure of MIC strategy



SAGE request

1. **Concur with the general direction of the proposed MICs strategy**

2. **Provide any suggestions for adjustment**

MIC Task Force Members

Alex Adjagba, AMP
Jean-Bernard Le Gargasson, AMP
John Yang, Bill & Melinda Gates Foundation
Greg Widmyer, Bill & Melinda Gates Foundation
Aurelia Nguyen, Gavi Secretariat
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Mike McQuestion, Sabin Vaccine Institute
Jon Andrus, Sabin Vaccine Institute
Alan R. Hinman, Task Force for Global Health
Gian Gandhi, UNICEF SD
Heather Deehan, UNICEF SD
Michel Zaffran, WHO
Tania Cernuschi, WHO
Niyazi Cakmak, WHO EURO
Cuauhtemoc Ruiz, WHO AMRO
Daniel Rodriguez, WHO AMRO
Nadia Abd El-Aziz Teleb, WHO EMRO
Peter Beyer, WHO
Karima Saleh, World Bank

The TF thanks Philip Kalpaxis, Wilson Mok & Stephanie Mariat for their input

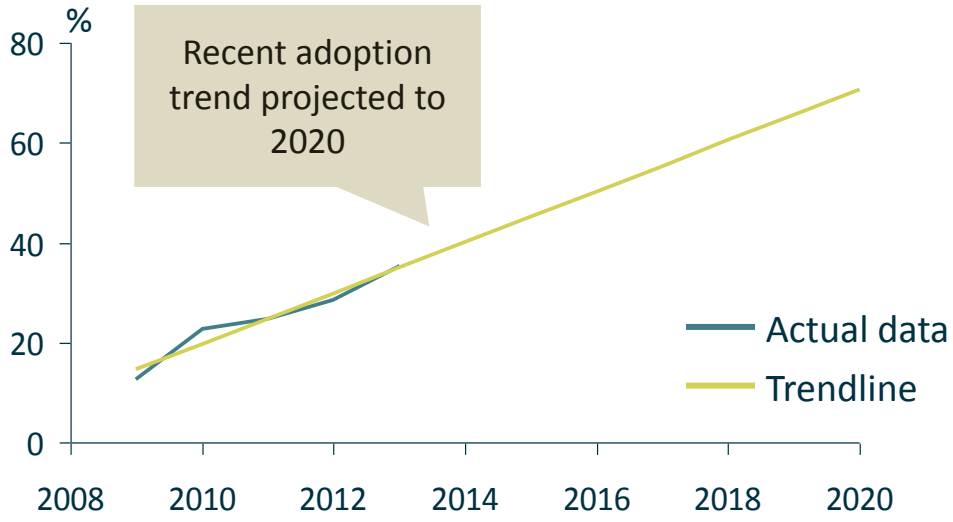
THANK YOU

EXTRA SLIDES

Potential impact of MIC strategy

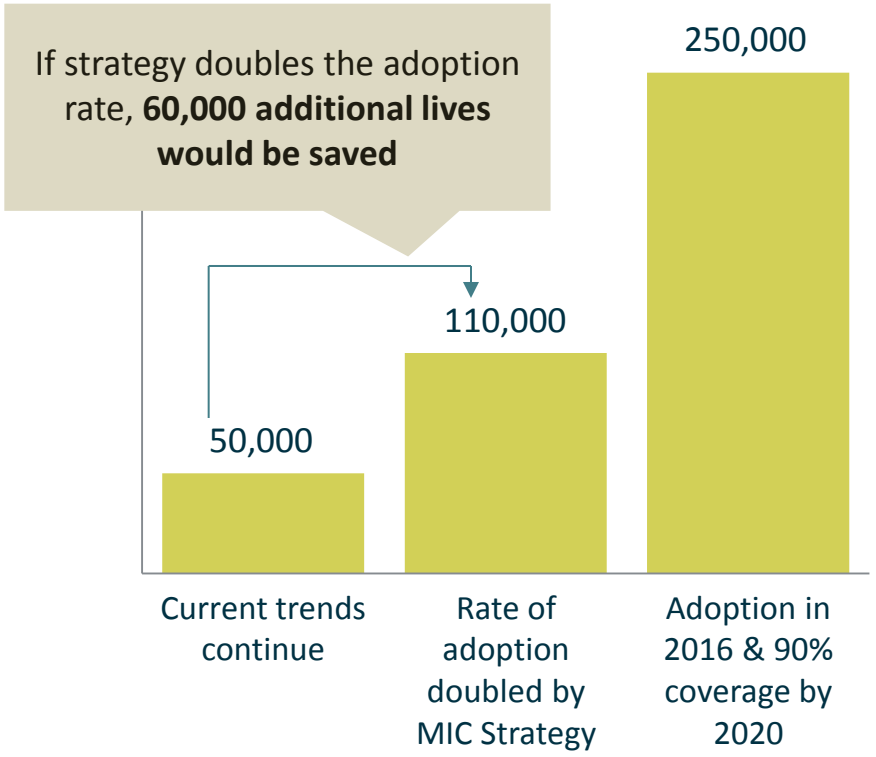
Burden: 150,000 vaccine-preventable deaths in current non-Gavi MICs in 2013[1]

Share of non-Gavi MIC birth cohort in countries with PCV[2]



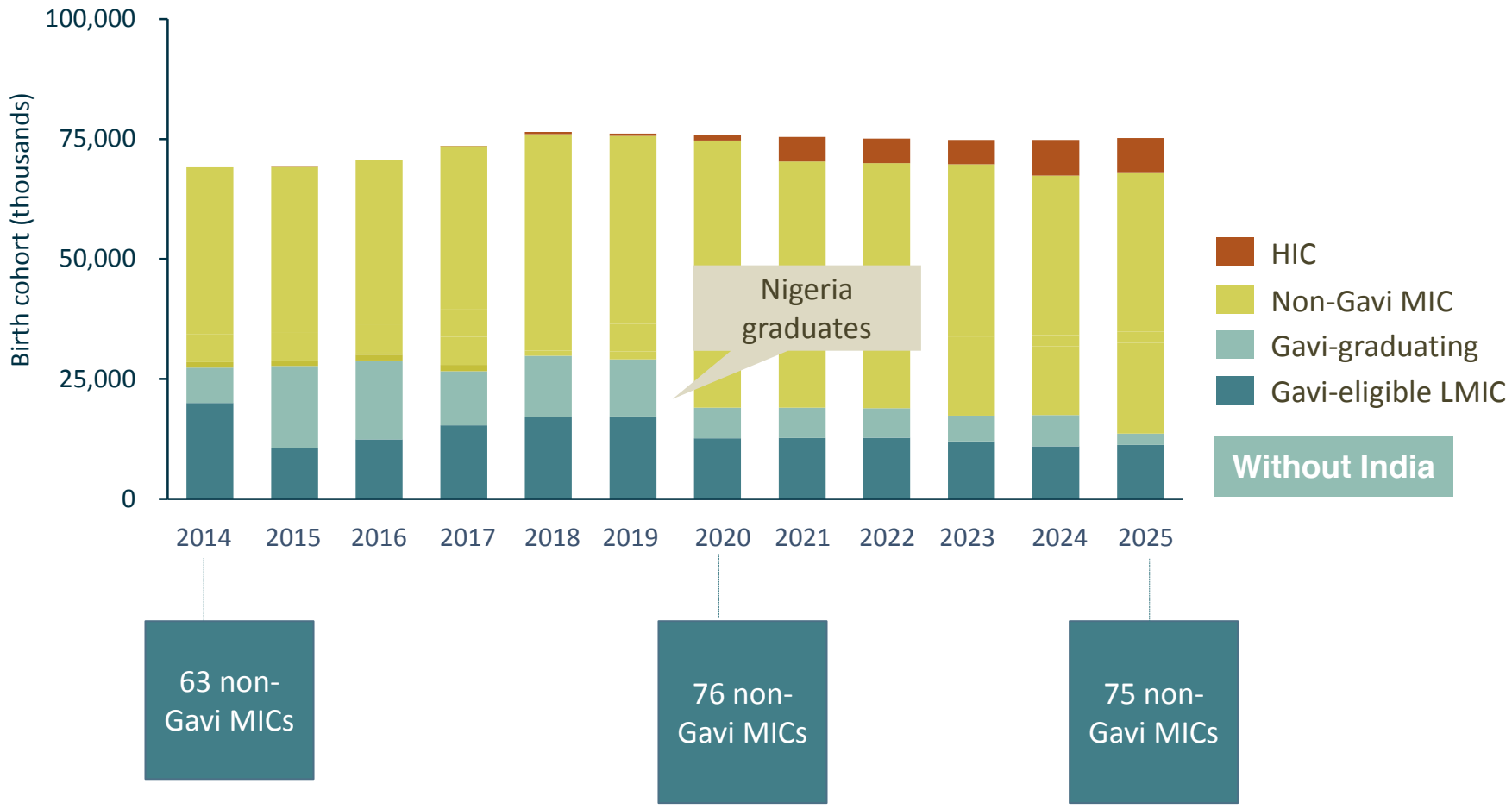
Potential impact

Lives saved by PCV, Rota, and Hib 2016-2020: illustrative scenarios[3]



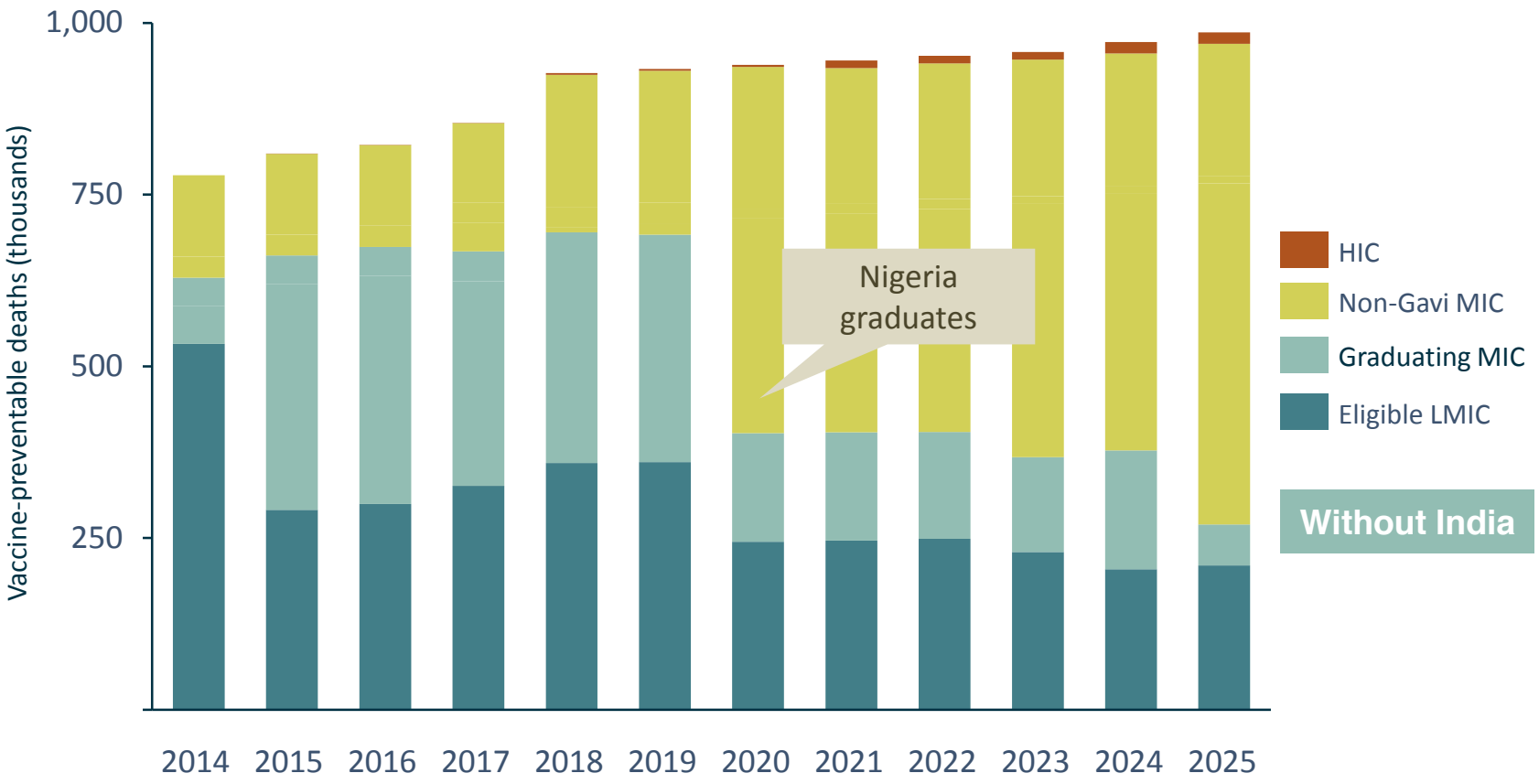
*1. **VPD:** Based on WHO CHERG data for deaths from diarrhoea, measles, meningitis, and pneumonia in 2013.*
2. WHO vaccine data (as of Dec 2013), linearly extrapolated to 2020.
*3. **Impact:** Estimates of lives saved per 1000 children vaccinated in Gavi countries[4] were adjusted for the difference in average U5 mortality and applied to projected numbers of children immunized with pneumo, rota, and Hib in current non-Gavi MICs in the three scenarios*
4. Lee et al (2013): The estimated mortality impact of vaccinations forecast to be administered during 2011–2020 in 73 countries supported by the GAVI Alliance. Vaccine 31S:B61-B72).

The number of non-GAVI MICs will change over time as countries graduate from Gavi



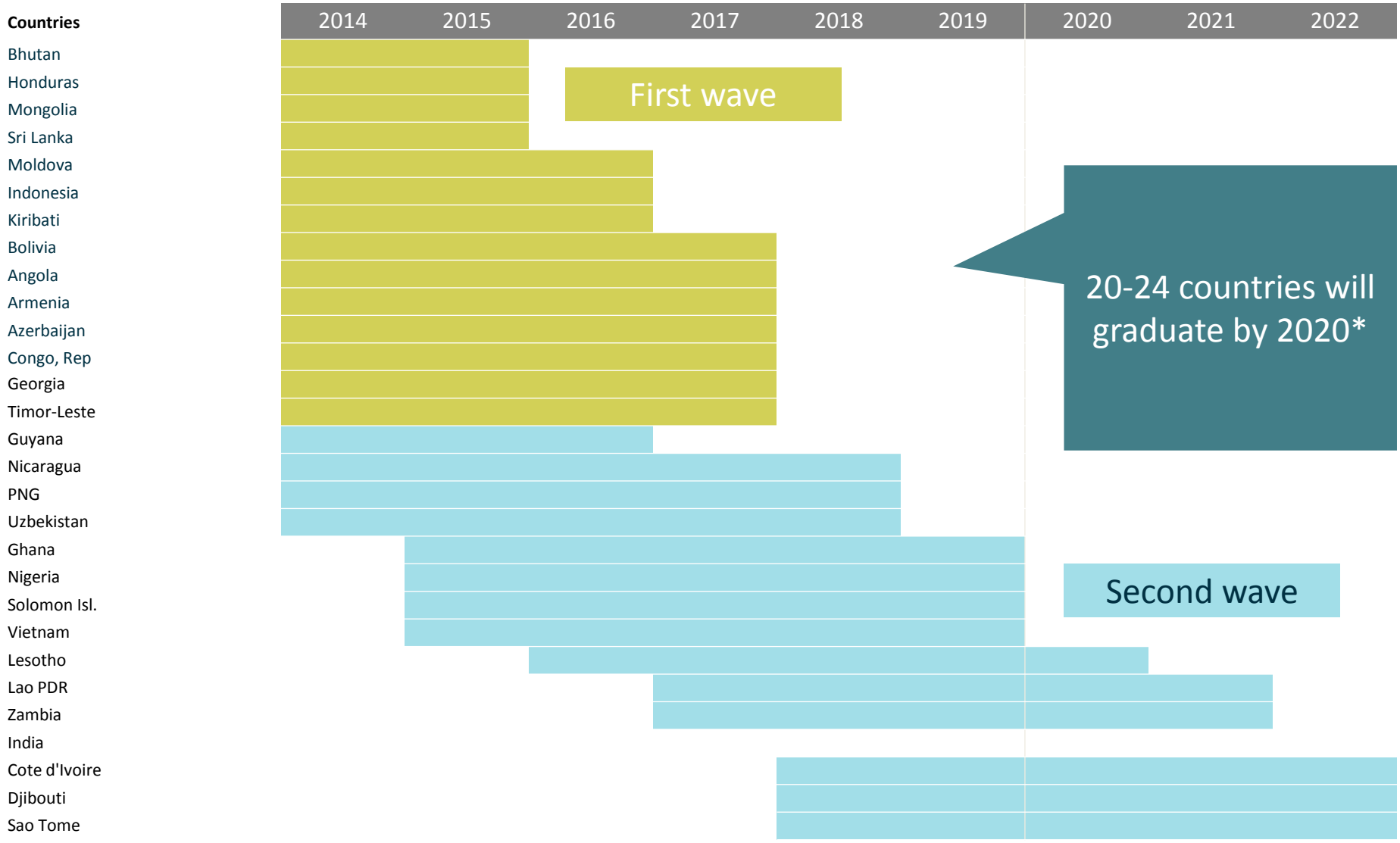
Currently there are 63 MICs. However, 4 MICs were missing critical data, so were not included in this analysis. For this analysis, there were 59 MICs in 2014, 76 in 2020, and 75 in 2025. Estimated birth cohort calculated using compound annual growth rate of the growth in birth cohort. Gavi status estimated by using WEO data and UN's World Population Prospects (medium fertility) to project forward countries' current GNI p.c., which were then applied to the current Gavi eligibility threshold. Non-Gavi UMIC: Graduated UMICs (China, Albania, Bosnia & Herzegovina, and Turkmenistan) and never Gavi UMICs.

The share of VPD among different groups will evolve



Baseline year uses WHO CHERG data for deaths from diarrhea, measles, meningitis, and pneumonia. Estimates of VPD growth calculated using the compound annual growth rate of the growth in birth cohort.

Projected country graduations from Gavi



** Includes Ukraine and Cuba currently receiving no NUVI support*
SAGE April 2015

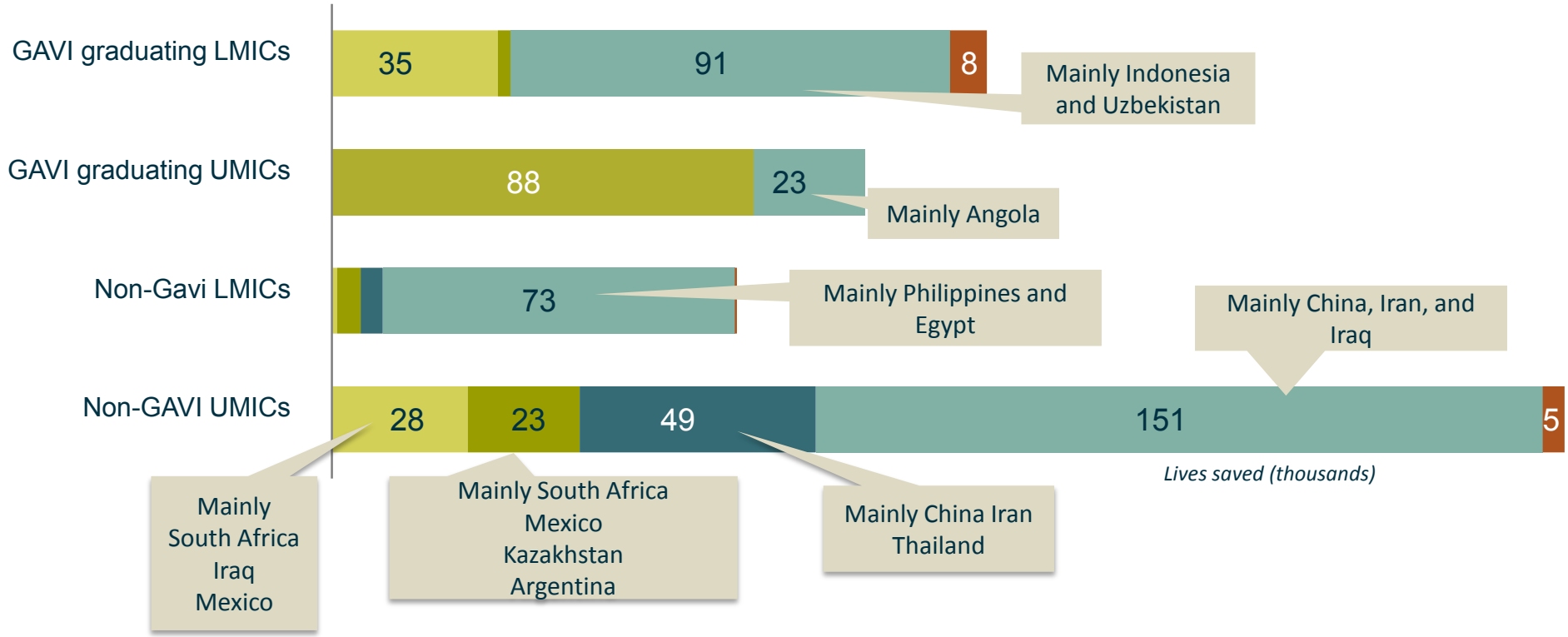
Major challenges for countries graduating by 2020 include immunization financing and strengthening institutional capacities

Preliminary findings from graduation assessments conducted in 11 soon-to-graduate countries		# of countries with issue
Overall good Immunization programme performance	**DTP3 coverage** is **close to or above 90%** in all countries, except 2.	2
	Most soon-to-graduate countries will have **adopted more than 5 vaccines** by the end of graduation (only 2/11 will have introduced less).	2
Projected fiscal challenge on graduation varies considerably	***Projected vaccine costs as a % of projected general government expenditure (GGE) varies considerably.*** 4/11 countries with cost of vaccine > 0.06% of GGE and face rapid increase in co-financing and weak planning, budgeting and disbursement processes.*	4
	There are great concerns regarding **pricing post-Gavi support.**	11
National institutional capacities need strengthening	Some countries have **limited procurement capacities** and understanding of national procurement rules (2 countries have no functional procurement system in place yet).	2
	National Regulatory Authorities are not fully functional in all soon-to-graduate countries. In 3 countries, NRA do not fulfil any of the 3 main NRA functions.	3
	Some countries have **limited NITAG capacities** and understanding of vaccine options and pipeline (NITAG has not been established in 3 countries).	3
	Anti-immunization movements, most of the time due to inappropriate communication regarding AEFI, are emerging in soon-to-graduate countries.	4

Issue in less than 1/3 of countries | Issue in approx. 1/3 to 2/3 of countries | Issue in approx. 2/3 of countries and more

**The average projected vaccine cost as % of GGE is 0.06 for all countries graduating by 2020*

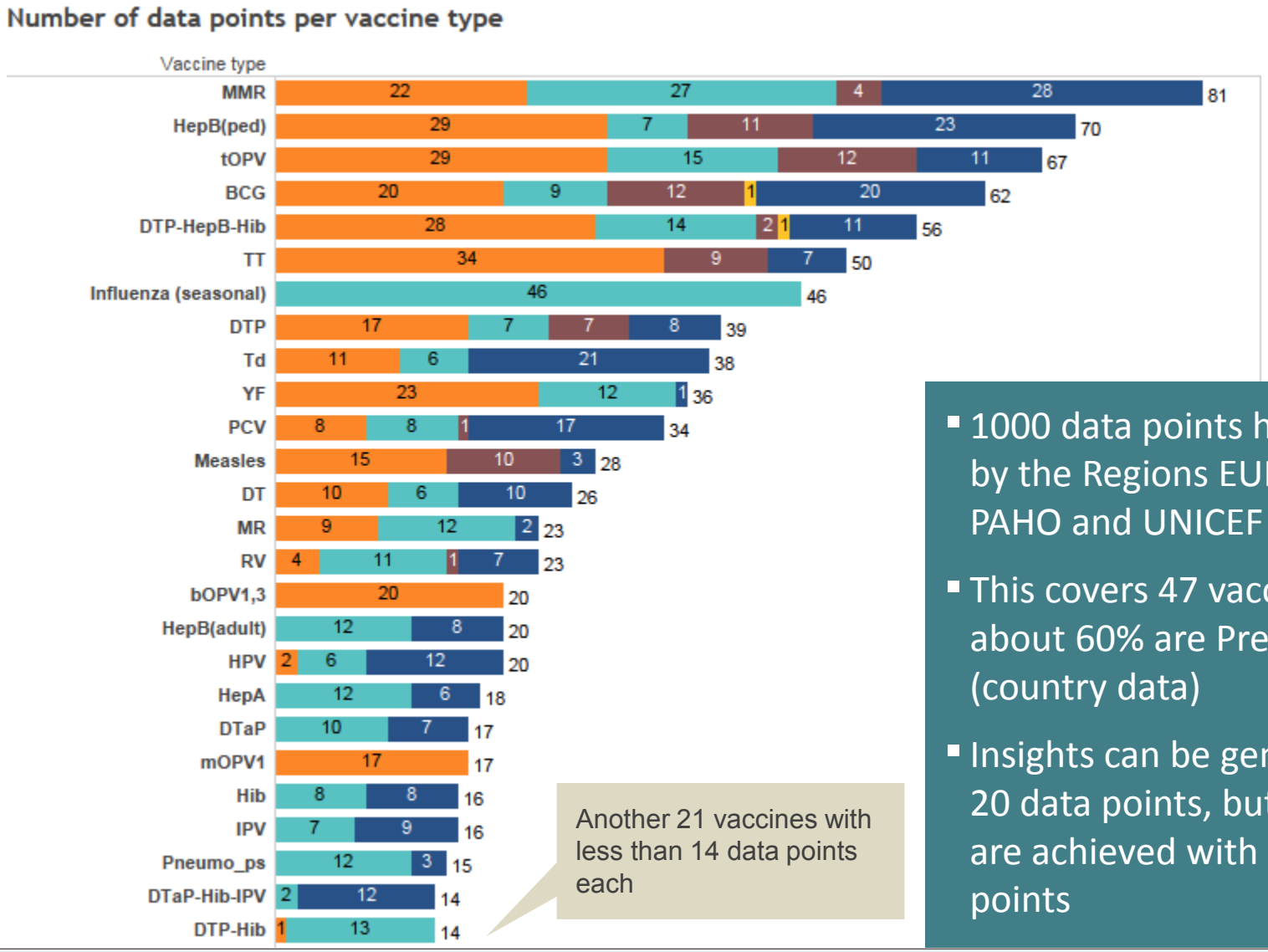
Comparison of lives saved by increasing coverage and introducing new vaccines



- Lives saved by increasing coverage of traditional vaccines to 90% by 2025
- Lives saved in countries already using PCV and/or Rota coverage by increasing their coverage to 90% by 2025
- Additional lives saved by introducing Hib to 90% by 2025
- Additional lives saved by introducing PCV and/or Rota to current DTP3 coverage by 2025
- Additional lives saved by introducing PCV and/or Rota to 90% by 2025 for countries with current DTP3 < 90%

Lives saved estimation conducted on LiST.
WHO/UNICEF coverage estimates (2013) for DTP3, Hib, HepB, measles, PCV, and Rota.
Traditional: DTP3, Hib, HepB, and measles. New: PCV and Rota
Range: 2014 (baseline)-2025, coverage increasing linearly to 90%. If coverage above 90% in 2013, kept consistent to 2025.

25 countries are currently reporting price information to WHO



Another 21 vaccines with less than 14 data points each

- 1000 data points have been provided by the Regions EURO, SEAR and WPR, PAHO and UNICEF
- This covers 47 vaccines, of which about 60% are Pre-qualified vaccines (country data)
- Insights can be generated starting at 20 data points, but the best results are achieved with at least 50 data points