

Annex C: Lessons from Gavi's Advance Market Commitment for Pneumococcal Conjugate Vaccines

Original objectives

The Advance Market Commitments (AMC) for Pneumococcal Conjugate Vaccines (PCVs) was launched in 2009 with the aim of reducing morbidity and mortality from pneumococcal disease, preventing an estimated seven million childhood deaths by 2030. The objectives of the pilot AMC were:

- To accelerate the development of vaccines that meet LIC and LMIC needs.
- To bring forward the availability of these vaccines for LICs and LMICs.
- To accelerate the uptake of vaccines by ensuring predictable vaccine pricing for countries and manufacturers.
- To test the effectiveness of the AMC mechanism as an incentive for needed vaccines.

Results to date

Backed with funding from six donors including the Bill and Melinda Gates Foundation, Canada, Italy, Norway, Russia and the United Kingdom, the AMC has been successful in:

- Driving down the tail price of PCV from \$3.50 in 2010 to \$2.00 in 2020
- Accelerating vaccine supply, with PCV introduced in implementing countries a year after introduction in HICs, compared to a typical delay of 10 years, and uptake to meet growing demand, with the vaccine now introduced in 60 countries
- Improving market health for PCV; three manufacturers are now supplying Gavi countries

Lessons

The experience of the AMC for PCVs is being used to inform decisions made around the new COVAX AMC. Specific lessons include:

- Flexible governance structures which are simple to monitor and adjust according to supply and demand uncertainty in the market are critical.
- Clear prioritisation of outcomes drives focus of objectives and leads to greater achievement of those outcomes.
- Successful engagement with the biopharmaceutical industry improves sustainability of initiatives; enabling manufacturers to adopt a commercially viable strategy is critical
- Complementary forces to an AMC are critical for creating the enabling environment necessary for its success.

For further details, please see the [2019 Annual Report](#) conducted by the AMC Secretariat, or the [2018 Impact Evaluation](#) conducted by the Boston Consulting Group. A new impact evaluation will be conducted in 2021 after the AMC has closed.