

SUBJECT: REPLENISHMENT 2020

Agenda item: 05

Category: For Information

Section A: Executive Summary

Context

This report describes Gavi's campaign in the lead up to its third pledging conference, to be hosted by the United Kingdom on 3-4 June 2020 in London. It presents an overview of the Replenishment launch that was held on 30 August 2019 in Japan as part of the 7th edition of the Tokyo International Conference on African Development (TICAD 7), a summary of the key points of Gavi's Investment Opportunity and financial ask and insights on the campaign approach.

Conclusions

Following a successful Replenishment launch in August 2019 and the unveiling of the 2021-2025 Investment Opportunity, the Replenishment process was set in motion to secure at least US\$ 7.4 billion in donor contributions by June 2020. If the financial ask is met, Gavi will be able to reach another 300 million people with life-saving vaccines, preventing 7-8 million future deaths, and deliver more than US\$ 80-100 billion in economic benefits to countries.

There is significant potential to further accelerate impact if funding were to exceed the ask. Gavi's Replenishment strategy will therefore seek to increase pledges from core donors, bring in new donors closely aligned with Gavi priorities, incentivise private sector pledges, and leverage innovative financial instruments to generate flexible funds. The strategy will also need to mitigate the volatility in exchange rates since the Berlin replenishment.

While the ask is global in nature, Gavi's campaign will be focused on tailored approaches, aligned with donor countries' aid priorities. The approach will combine high-level strategic donor engagement by Gavi's Leadership and Secretariat, UK-led government-wide efforts, peer donor outreach, and coordinated civil society actions in key markets. Global moments will also be leveraged, including Gavi's upcoming 20th anniversary, to be celebrated at the World Economic Forum (WEF) in Davos in January.

Section B: Replenishment 2020

1. Gavi Replenishment Launch

- 1.1. On 30 August 2019, Gavi launched its third replenishment process at TICAD 7 in Yokohama, Japan. Since its G7 presidency in 2016, Japan has steadily enhanced its leadership role in Global Health. Japan made its first multi-year pledge in the current period, and doubled its contribution at the G7 summit. As G20 president this year, the Japanese government's willingness to host the Replenishment Launch is a reflection of Japan's commitment to Gavi. Furthermore, this event marked the first time that Gavi held a major meeting in Asia.
- 1.2. Prime Minister Abe announced the launch in his opening speech at TICAD. Gavi's high level event was attended by more than 200 representatives from Gavi's partners, donors and implementing countries' governments, as well as the private sector and civil society organisations (CSOs). Alliance partners, represented by UNICEF, offered their broad support with UNICEF's Executive Director, Henrietta Fore, underlining the importance of vaccines and committing to working closely with Gavi to help deliver the Alliance's ambitious plans for 2021-2025.
- 1.3. Gavi CEO, Dr. Seth Berkley, unveiled the Investment Opportunity for 2021-2025, highlighting that the Alliance has helped immunise over 760 million people since its inception in 2000, saving more than 13 million lives, generating more than US\$ 150 billion in economic benefits and contributing to a significant reduction in child mortality. However, these hard-won gains are fragile and threatened by population growth, climate change, conflict, migration and increasing country fragility. Dr Berkley emphasised that now is not the time for complacency, but for renewed commitments to help countries prevent disease, protect communities and, above all, prosper.
- 1.4. There was strong recognition that Gavi has consistently delivered on its goals. In his opening remarks, Japan's Foreign Affairs Minister, H.E. Tarō Kōno, stressed his country's support for Gavi and immunisation. Six Heads of State from Burkina Faso, the Central African Republic, Ghana, Mali, Niger and Senegal emphasised their strong commitment to immunisation and the partnership with Gavi. As the host of Gavi's third replenishment, the United Kingdom also reiterated its commitment to Gavi's mission.
- 1.5. Event participants also witnessed an interactive presentation of digital identity technology for immunisation by Gavi's private sector partners NEC and Simprints. This demonstration showcased the uniqueness of Gavi's public-private partnership model and the importance of private sector partnerships to harness innovation. In this context, HRH Princess Lamia Bint Majed Al Saud of Alwaleed Philanthropies announced US\$ 5 million in new funding to help Gavi scale up innovative solutions between 2020 and 2024.

2. Summary of Gavi's 2021-2025 Investment Opportunity

- 2.1 **Prevent:** Gavi's ambition is to reach another 300 million children with life-saving vaccines between 2021-2025. This will translate into an additional 7 to 8 million lives saved. The Alliance will help roll-out the most comprehensive package of vaccines in its history, providing complete protection against up to 18 diseases.

Marginalised communities without access to vaccination are home to most of the world's "zero-dose" children, two thirds of whom live below the poverty line. These communities are also less likely to have access to other basic health services and information. Gavi will put the "last mile first" and enhance its focus on tackling low coverage and inequity in immunisation by leveraging the power of vaccines and targeted health system strengthening (HSS) investments, to help put in place the platform needed to deliver equity-driven primary health care services at both national and subnational levels. This will make a significant contribution to the Sustainable Development Goals (SDGs), notably SDG3.

- 2.2 **Protect:** The same communities who are unable to access regular prevention are also the ones most likely to be at the epicentre of deadly epidemics and pandemics of infectious disease. Gavi-supported stockpiles have already helped immunise more than 90 million people. During the 2021–2025 period, Gavi will contribute to global health security by investing in routine immunisation programmes and targeted campaigns to fill immunity gaps, support and strengthen global emergency vaccines stockpiles against the most epidemic-prone diseases, create a new global Ebola vaccine stockpile and further accelerate the roll-out of the inactivated polio vaccine (IPV), critical to the eradication of polio.

- 2.3. **Prosper:** Each US\$ 1 invested in immunisation delivers a return of US\$ 54 to the countries, including broader societal benefits. Gavi's work in 2021–2025 is predicted to contribute US\$ 80–100 billion in economic benefits. With equity as an organising principle, Gavi will target those who can least afford the consequences of ill health. While girls and boys have equal access to vaccination globally, gender barriers faced by their mothers or caregivers affects their chances of being immunised. A gender-focused approach to vaccination programmes will further ensure that men and women become active agents in their children's immunisation.

- 2.4. Gavi's ambitious agenda for 2021-2025 is underpinned by renewed commitments towards **market shaping**: vaccine price reductions will contribute to projected savings of over US\$ 900 million in the next period. It is also enabled by shared country investments, with countries firmly in the driving seat. Country contributions are expected to reach US\$ 3.6 billion in **domestic co-financing** and self-funded vaccine programmes. In addition, countries will spend an estimated US\$ 6 billion on service delivery costs. The Alliance will also empower 10 more countries to take on vaccine financing and ensure their successful **transition** into self-financing.

3. Partnerships: a model of purposeful collaboration

- 3.1. Gavi's innovative public-private partnership model has fostered collaboration across numerous partners. Each brings its unique area of expertise. Countries set the agendas to drive immunisation programmes; UNICEF, WHO, the World Bank, and CDC (Centers for Disease Control and Prevention), together with the private sector, donors, and the research community, provide the necessary technical know-how and skills; while vaccine manufacturers provide production capability; and CSOs bring invaluable advocacy and operational support. The result of this is an immunisation platform operating at scale, with greater efficiencies than could be achieved by actors or donors operating independently.
- 3.2. Last year, Gavi joined other organisations and signed the Global Action Plan for Healthy Lives and Well-being for All (GAP), a landmark commitment coordinated by WHO to make collaboration across the leading agencies in global health more deliberate and systematic. Gavi, together with the World Bank and the Global Fund, is co-leading the GAP accelerator on sustainable finance, helping to ensure that countries can rapidly improve the mobilisation, allocation and use of funds for health.
- 3.3. Collaboration is at the heart of the Gavi model. Gavi is already working closely with the Global Fund in countries and across a range of areas, from addressing critical health systems challenges to financing malaria pilots (with Unitaid). Partnership with purpose also extends to the Global Financing Facility (GFF), with Gavi taking part in its "Investors Group", and working with them as well as the Global Fund and World Bank to coordinate dialogue with countries and align financing behind country's primary health care priorities.
- 3.4. As the Global Polio Eradication Initiative (GPEI) lays the groundwork for the post-certification era, Gavi and GPEI have deepened their collaboration even further to work towards achieving a polio-free world and ensure all children have access to life-saving vaccines.
- 3.5. Driven by countries, Gavi's collaborative model will continue to evolve moving forward. The Alliance's inclusive approach will further engage communities and civil society, and promote a strong ecosystem, bringing expertise and capacity to address countries' needs.

4. Financial ask and approach to donors' contributions

- 4.1. Delivering on the Investment Opportunity will require an expenditure of at least US\$ 9.4 billion over 2021-2025. With assured resources for this period in the order of US\$ 2 billion, Gavi will need to raise **at least US\$ 7.4 billion** through direct contributions and other innovative financing sources, including new pledges to IFFIm (International Finance Facility for Immunisation). The ask represents a minimum: there is significant potential to further accelerate programmes, notably through health system strengthening, if the target is exceeded.

- 4.2. Gavi's replenishment strategy will work to: (i) secure increased multi-year pledges from Gavi's major donors and encourage donors who have stepped up in the past to expand further, given close alignment between Gavi's and their priorities; (ii) broaden the donor base by actively engaging with new and emerging sovereign donors; (iii) use innovative financial instruments, including IFFIm, and put in place incentivising mechanisms such as a renewed Matching Fund to catalyse new private investments.
- 4.3. Since the Replenishment launch, Gavi has carried out extensive donor visits to seek critical support for its replenishment. In the past 15 weeks, Gavi's Leadership Team has engaged with representatives from more than 20 donors. Their feedback points to significant support for the Investment Opportunity. Emerging donors expressed strong interest in further support but wanted assurance that substantial increases would lead to meaningful engagement with Gavi's governance. Broadening and deepening these relationships will be critical.
- 4.4. Securing at least US\$ 500 million in new, long-term IFFIm pledges as part of the replenishment is a key priority. It would give Gavi the means to flexibly access funding based on the timing of programmatic needs through the mechanism's unique front-loading capability. IFFIm's ability to frontload can also put Gavi in a strong position to quickly roll out any promising new vaccine that could come to the market during 2021-2025. IFFIm may also be used to spread budgetary contributions. Finally, as some IFFIm pledges wind-down over the next period and IFFIm's asset base declines, so does its ability to access capital markets effectively. New pledges will help maintain IFFIm's value¹ for Gavi and other potential partners such as CEPI (Coalition for Epidemic Preparedness Innovations) or GPEI.
- 4.5. Transformational innovation is built into Gavi's DNA, from identifying local innovations in countries to forging impactful private sector partnerships, from incubating and scaling new solutions with INFUSE (Innovation for Uptake, Scale and Equity in Immunisation) to pursuing Alliance-wide efforts to ensure immunisation products meet the needs of developing countries through VIPS (Vaccine Innovation Prioritisation Strategy). Work with the private sector has also contributed to raising significant additional funds. Replenishment efforts include seeking donor commitments to renew the Gavi Matching Fund for 2021-2025, expanding current private sector partnerships and bringing new partners to the pledging conference.

5. Timeline and approach adopted to campaign and mobilise funding

- 5.1. Gavi's campaign plans have followed a phased approach taking into account the timing of other replenishments and coordinating with key partners' financing moments. In the past months, focus has been on garnering broad support for global health, while actively supporting sister institutions (e.g. Global Fund and GPEI) as they sought to rally the international community behind their own financing efforts.

¹ Consistent with Gavi's long-term funding strategy, Gavi 2018 Annual Financial Report.

- 5.2. In September, at the United Nations' General Assembly (UNGA), Gavi's work with CSOs, Alliance partners and governments contributed to 194 countries agreeing to expand coverage of preventative health services and vaccines as part of the Universal Health Coverage (UHC) Declaration. Gavi and the Global Fund also organised a joint event at UNGA, where speakers highlighted the power of purposeful collaboration. In October, Gavi's CEO was invited to take part in the G20 Health Ministers' meeting. In their declaration, G20 Ministers recognised that "immunisation is one of the most cost-effective health investments" as they "look forward to [Gavi's] third replenishment".
- 5.3. Moving forward, Gavi's campaign for the replenishment is set to accelerate. Working with the Gavi Board, Gavi's CEO and senior management will further increase their visits to leadership in donor markets, to help build strong momentum in favour of the Gavi replenishment. Senior political personnel from key Gavi donor countries will be solicited to reach out to their peers. The UK will take a strong role as Replenishment host. Building on the engagement of the six Heads of State who spoke at the Replenishment launch, leaders of Gavi-supported countries and other high-level Gavi stakeholders will also reach out to donor and other influential leadership.
- 5.4. CSO-led advocacy plans are being developed and will kick off in the new year. Coordination in each market is taking place between Gavi and advocates. In November, a joint meeting between Gavi, DFID, the Bill & Melinda Gates Foundation and UK-based CSOs helped align approaches in the Replenishment host's country. In December, a similar gathering will take place to finalise plans globally. Campaigns will be launched in critical geographies in support of donors' decision-making.
- 5.5. The WEF's 2020 Annual Meeting is a special platform to celebrate Gavi's 20th anniversary – and the WEF's own 50th anniversary. Davos will provide a key opportunity to garner support for the Replenishment from global leaders. Gavi will also leverage other global events, such as the Global Forum on Childhood Pneumonia (January), the Munich Security Conference (February), a UK-hosted vaccine conference (March), and the World Bank Spring meetings (April). In addition, Gavi will also seek to work closely with the US G7 and Saudi G20 to bolster global support for immunisation.
- 5.6. Gavi will use the opportunity of the WEF meeting to formally kick off its public campaign activities, to raise awareness and ensure decision makers are persuaded to continue their support. Gavi will engage with advocacy and Alliance partners, "Gavi Ambassadors" including country champions, leadership from vaccine manufacturers, private sector partners, and key journalists and media outlets in targeted markets. As these partners vocally support Gavi's replenishment ask and commit to a world where all are served with healthy vaccine markets, a variety of tactics will be utilised in the run up to the Replenishment conference, including multiple

communications channels (e.g. social and traditional media, digital content, etc.) and personal immunisation stories.

- 5.7. The United Kingdom will host the third Gavi Replenishment conference on 3-4 June 2020. This high-visibility event will bring together high-level representatives of donors, implementing countries, vaccine manufacturers, Alliance partners, civil society and other core contributors to the Gavi model. The evening of 3 June will include a high-level social event. At the conference, world leaders will spell out their commitments towards the Investment Opportunity. In the context of a volatile global environment, efforts must continue to be sustained at the highest decision-making level in donor markets right through to the pledging conference. In order to help build and sustain momentum, early leadership pledges will be encouraged.

Section C: Actions requested of the Board

The coming six months are a critical time for all Gavi stakeholders – from donors, Gavi-supported countries, and Alliance partners, to civil society, research institutions, and pharmaceutical companies – to publicly support the replenishment ask, explain why Gavi is important and recommit to the model. Gavi will seek Board members' help and support in facilitating high-level outreach to mobilise their leadership towards embracing the Investment Opportunity and amplifying its message, including on the road to the Replenishment and at the conference itself.

Annexes

Annex A: Implications/Anticipated impact

Additional reference materials online:

Gavi's 2021-2025 Investment opportunity:
<https://www.gavi.org/investing/funding/resource-mobilisation-process/gavi-replenishment-launch-meeting-august-2019/>