

# COVAX UPDATE

BOARD MEETING

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23-24 June 2021, Virtual Meeting



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[www.gavi.org](http://www.gavi.org)

As of 24 June

# Where does COVAX stand in mid-2021?

\$9.7 bn  
pledged for  
COVAX  
AMC

\$1.5 bn  
cash from  
SFPs & Team  
Europe

8 Vaccines  
candidates  
signed

2.8 bn  
APA doses  
secured

528 m  
doses  
donated

88 m  
doses  
delivered...

... to  
131  
countries

The COVAX Facility has received pledges and subject to prompt payment, that can lock in doses for almost 30% of the AMC92<sup>1</sup> population. SFPs can also order doses through the Facility

**The immediate priority for the COVAX Pillar is to make rapid progress** in increasing coverage to AMC and fulfill the remaining SFP commitments:

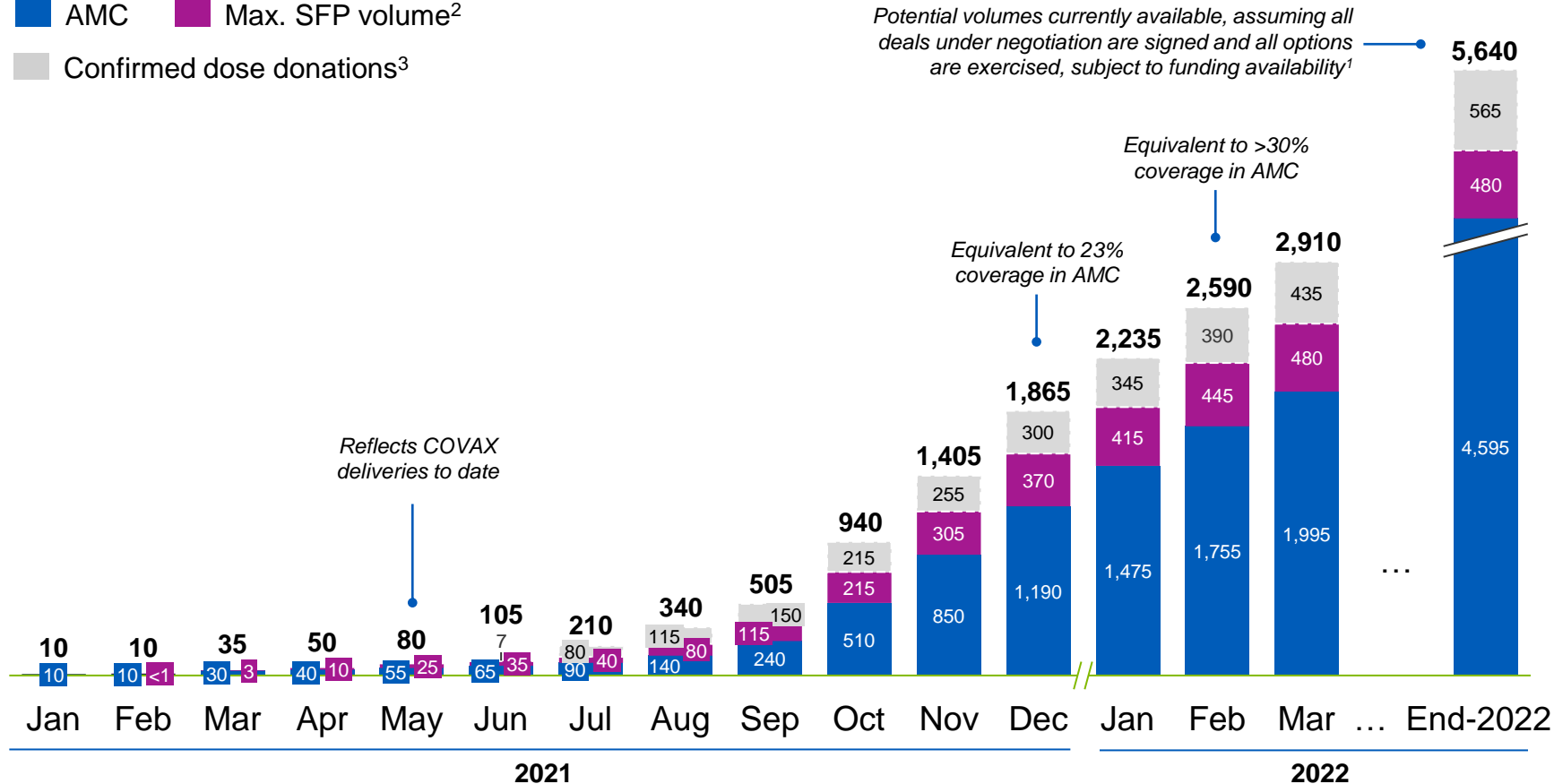
- Getting **timely access to doses from APAs and donated doses**
- Ensuring **fair and equitable allocation of the available supply**
- Supporting **in-country delivery for AMC92**

# COVAX Facility global supply forecast

By AMC-eligible and Self-Financing Participants  
PRELIMINARY AND SUBJECT TO ASSUMPTION

## COVAX available supply, cumulative, million doses, 2021–2022<sup>1</sup>

■ AMC ■ Max. SFP volume<sup>2</sup>  
■ Confirmed dose donations<sup>3</sup>



## CAVEATS

**Contracts:** Some of the supply included in the projections are linked to deals that are already concluded, and some are currently being negotiated. Terms are subject to change.

**Candidate attrition:** Some candidates are still in clinical development. If they do not achieve positive clinical trial outcomes (safety and efficacy) and regulatory approval, these volumes will not be procured by COVAX.

**Regulatory approval:** Supply timing will depend on regulatory success and timelines, including reviews of individual batches (“batch release”).

**Manufacturing:** In many cases, manufacturing is yet to reach full scale. Manufacturing productivity will be influenced by multiple factors, which will in turn influence volume and timing of supply.

**Delivery:** Timing of delivery will depend on various factors, including local regulatory approval, country readiness, export licenses, logistics, indemnification and liability in place, in-country distribution, etc.

**Funding availability:** Total potential supply is shown; procurement of these doses will depend on COVAX AMC fundraising, AMC92 cost-sharing beyond donor-funded doses, and the final prices and volumes of doses allocated to AMC92.

**Allocation:** These supply forecasts reflect a preliminary distribution of doses based on each participant’s share of available supply pro rata by demand and are to be treated as indicative. Final timing and volumes will be determined by the WHO Allocation Mechanism.

<sup>1</sup> Timing of available supply is based on anticipated date of release of doses from manufacturers. Volumes for expected single-dose regimen candidates doubled to ensure comparability across vaccines. Volumes have been rounded to nearest 5 m, except those less than 10 m, and so totals may not equal sum of segments.

<sup>2</sup> Final SFP volumes may be lower than forecasted based on opt-out and dose-sharing behavior. Volumes only account for current SFP demand based on Commitment Agreements.

<sup>3</sup> “Dose donations” are estimated based upon commitments from donors to share new doses with the COVAX Facility. The transfer of COVAX allocations between COVAX Facility Participants from SFPs to AMC Participants are already included in the AMC Participant volumes.

# Active portfolio management

Attrition and risks (eg supply constraints, variants, risk/benefit changes) necessitate important portfolio decisions

## Changing circumstances and constraints

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### **A** Guidance from stakeholders, country preferences

Timing: Prioritise supply that is available in 2021

Geography: Diversify manufacturing base

Technologies: Diversify vaccine mix , technology platform

### **B** Candidate and deal developments

Poorer than expected trial results, production scale up from candidates

Announcement of donated dose volumes

### **C** Available funds = \$9.4bn

AMC Summit successfully raised \$9.7bn; after accounting for ancillary costs, COVAX has \$9.4bn to spend on vaccines in the near-term

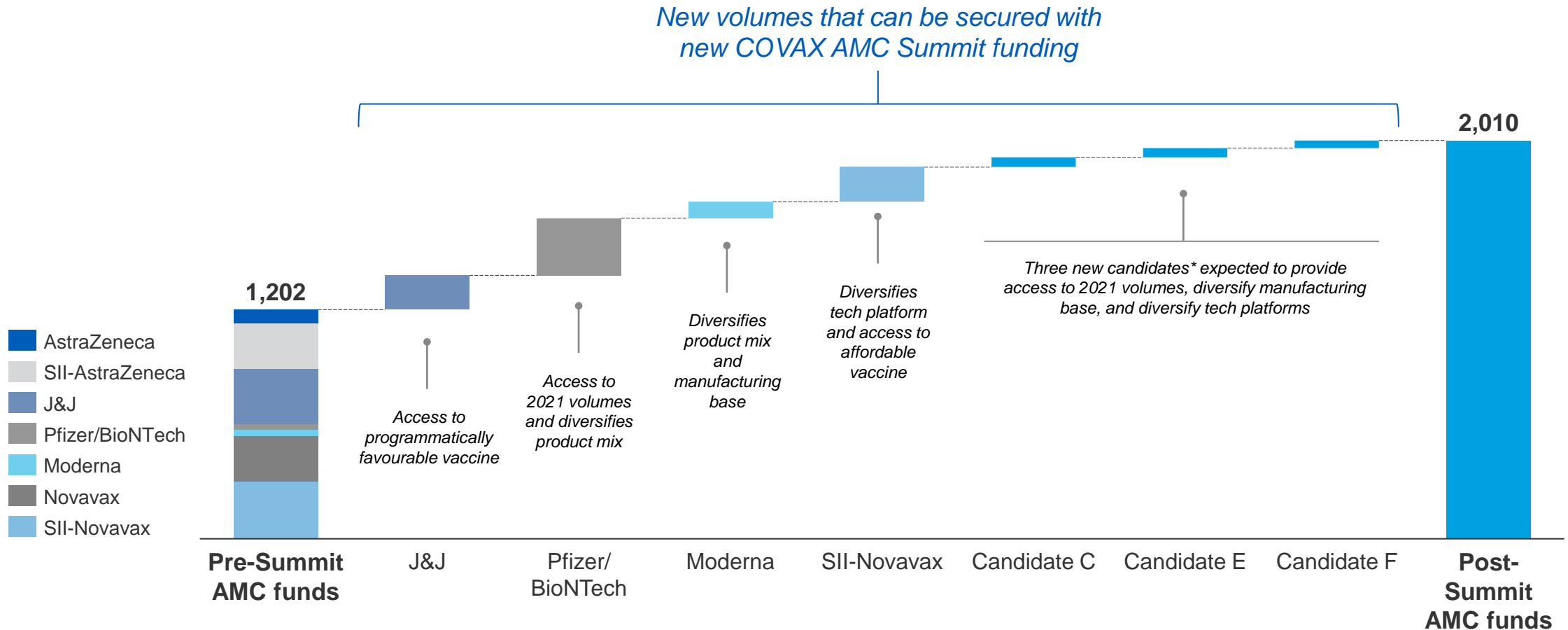


## Implications for portfolio

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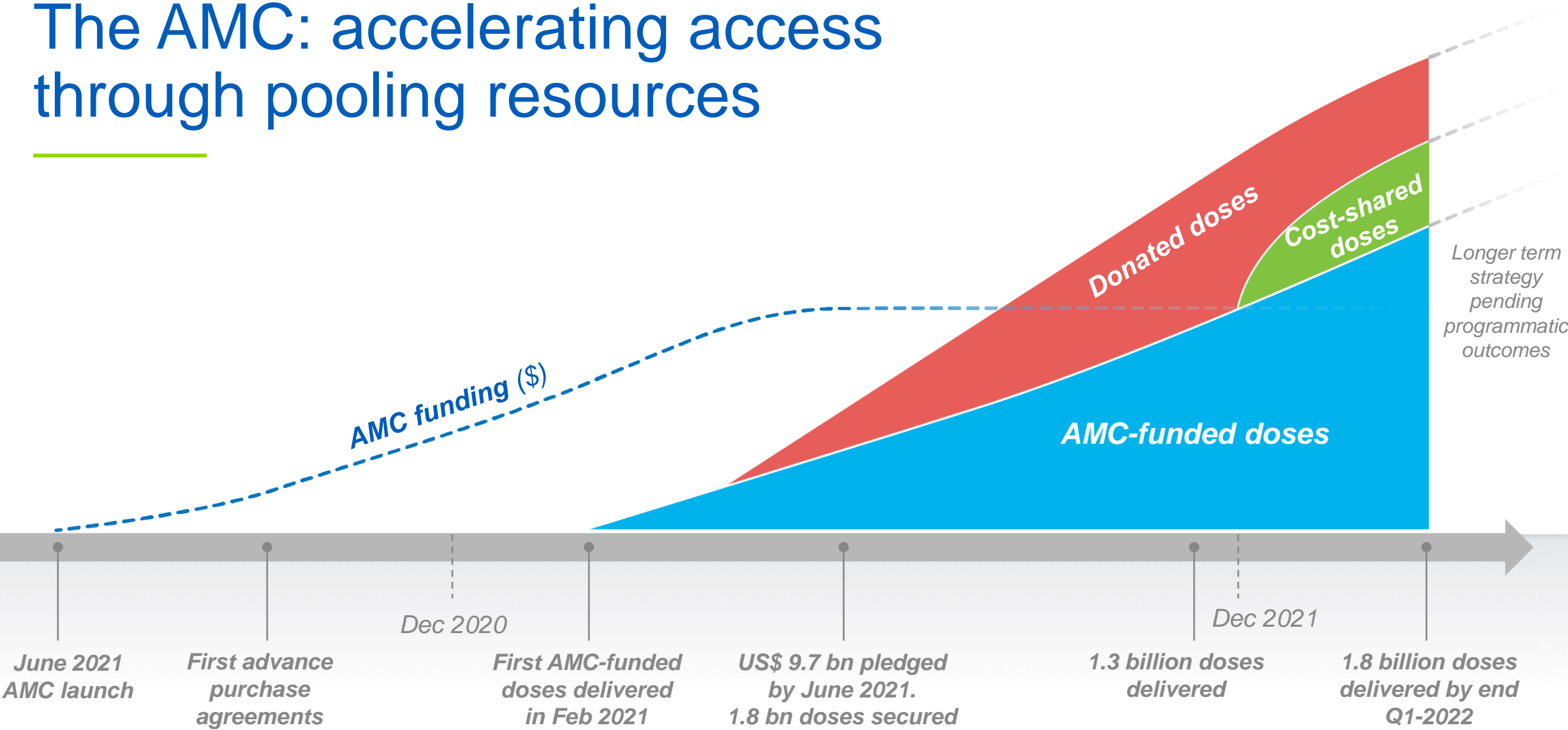
- Prioritise vaccines that deliver 2021 volumes
- Include vaccines that increase diversification (manufacturing base, technology platform)
- Deprioritise candidates that face delayed key milestones (eg R&D, regulatory, production scale up)

# With new AMC pledges, COVAX can diversify the portfolio and expand it to ~2bn doses; of which ~1.2bn have already been secured for AMC



\* under negotiation; subject to certain milestones achieved on time – eg. regulatory approval, manufacturing scale up

# The AMC: accelerating access through pooling resources



Longer term strategy pending programmatic outcomes

June 2021  
AMC launch

First advance purchase agreements negotiated

Dec 2020

First AMC-funded doses delivered in Feb 2021

US\$ 9.7 bn pledged by June 2021. 1.8 bn doses secured

Dec 2021

1.3 billion doses delivered

1.8 billion doses delivered by end Q1-2022

# Pledges to Gavi COVAX AMC

Donors Team Europe	Contribution (US\$ million) <sup>1</sup>
Denmark	16
European Commission <sup>2</sup>	489
Finland	27
France	244
Germany	1,097
Italy	470
Netherlands	85
Spain	122
Sweden	296
Other Team Europe donors (Austria, Belgium, Croatia, Estonia, Greece, Ireland, Luxembourg, Malta, Monaco, Poland, Portugal)	23
<b>Team Europe sub-total</b>	<b>2,867</b>

1. Fx Rates established as of 2 June 2021
2. Team Europe (European Commission/EIB) has also pledged 600 m EUR in guarantees
3. Allocation between COVAX AMC and delivery tbc

Donor Governments	Contribution (US\$ million)
Australia	100
Canada	384
Japan	1,000
Korea	110
Kuwait	50
New Zealand	12
Norway	141
Qatar	10
Saudi Arabia	153
Switzerland	162
United Kingdom	733
United States	3,500
Other sovereign donors (Basque Gov, Bhutan, Catalonia, Colombia, Extremadura Region, Iceland, Liechtenstein, Mauritius, Mexico, Oman, Singapore, The Philippines, Vietnam)	16

Foundations, Corporations and Organisations	Contribution (US\$ million)
Bill & Melinda Gates Foundation <sup>3</sup>	231
Other foundations, Corporations and Organisations	228

**US\$ 9.7 bn in total**



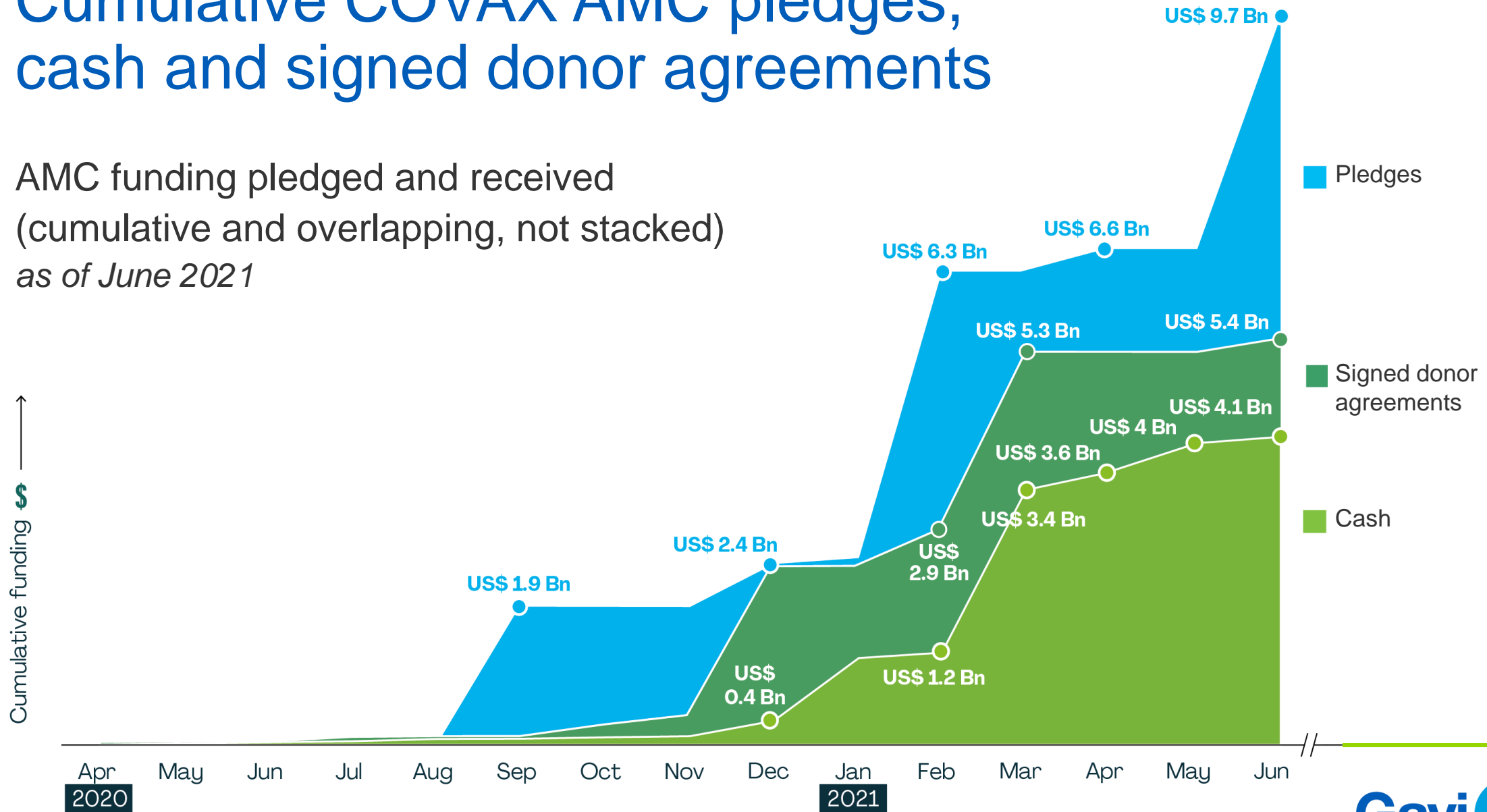
**US\$ 775 mn for delivery**

Vaccine delivery: Canada (US\$ 60 mn), USA (US\$ 500 mn).  
Vaccine logistics: Germany (US\$ 220 mn)



# Cumulative COVAX AMC pledges, cash and signed donor agreements

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



Board meeting  
23-24 June 2021



# Dose donations to COVAX

As of 21 June

Donor	Total announced
 Team Europe	100+*
 France	60
 Germany	30*
 Italy	15*
 Spain	22.5
 Portugal	5%+ of domestic**
 Norway	5
 Belgium	4
 Sweden	At least 3
 Denmark	3*
Others	Tbc
 USA	260***
 Japan	30****
 New Zealand	1.6
 UK	80
 UAE	1
 Canada	13
<b>Total</b>	<b>528+**</b>

- Donations underway, with donations from France and New Zealand delivered, agreements progressed with several others
- Principles being updated
- **Doses urgently needed in June and Q3**

\*Primarily through COVAX., final amount tbc. \*\*Final amount through COVAX tbc  
 \*\*\*US support has allowed COVAX to secure an additional 500m Pfizer doses.  
 Reflecting US funding above its original pledge, 200m of these are recorded here as a donation \*\*\*\*Mainly through COVAX, final amount tbc

Board meeting  
23-24 June 2021

# Resource mobilisation priorities and strategy for 2022

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- **Converting pledges to agreements to cash**
- **Dose donations**
- **MDB support to cost sharing**
- **In light of emerging Global Vaccination Strategy, consulting on resource mobilisation scenarios for 2022**

# Vision for COVAX in 2022

2021

To end the acute phase of the pandemic by end 2021

World's largest and most diverse portfolio of Vx candidates



Pooling of demand, supply and resources



Equitable access & fair allocation



Delivery at Scale



2022

To support countries' needs and ambitions to control the disease and reopen society

Actively managed portfolio of effective & scalable vaccines



Pooling demand, supply, expertise and resources, complemented by other mechanisms



Advancing equitable access & fair allocation



Increased support and innovative solutions on in-country delivery for AMC92

# We explored 3 models of country participation and considered their impact on AMC92 participants

## Options

**1: Status Quo: Maintain status quo, with AMC92 participants and SFPs continuing under current terms**

## Considerations

- + Inclusivity and continuity
- + Model offers significant scale and buying power
- Operational complexity of models (Optional Participants vs Committed Participants), financial risks to the Facility

Recommended

**2: AMC+: Retain AMC92, offer SFPs opportunity to join on updated principles, focusing on those with greatest need.**

- + Maintains access for those who rely on the COVAX Facility
- + Operational simplification, financial risk reduction
- Reduced flexibility for countries

**3: AMC92 Only: Limit participation to AMC92**

- + Simplification and alignment with Gavi's core mission
- Excludes countries who need COVAX and increases reputational risk
- AMC bears all fixed operating costs of the COVAX Facility

# High-level risk analysis indicates the AMC+ model tends to mitigate the most risks to Gavi

## OPTION 1: STATUS QUO

## OPTION 2: AMC+

## OPTION 3: AMC92 ONLY

	OPTION 1: STATUS QUO	OPTION 2: AMC+	OPTION 3: AMC92 ONLY
<b>Financial</b>	<b>Higher Risk:</b> Continued financial risks	<b>Lower Risk:</b> reduced financial risk to Gavi with an updated model of participation	<b>Lower Risk:</b> No financial risk to Gavi
<b>Reputational</b>	<b>Medium Risk:</b> Continues the multilateral solution to end the pandemic with greatest impact on equity. Some risk with Gavi deviating from its core mission supporting the poorest countries.	<b>Lower Risk:</b> By giving countries the option to self-select into COVAX for 2022	<b>Higher Risk:</b> Reputational risk to Gavi, moving away from a global equity-based objective
<b>Pandemic Response</b>	<b>Lower Risk:</b> Greatest impact providing SFPs options to secure vaccines to end the pandemic	<b>Lower Risk:</b> Inclusion of countries that rely on COVAX as a primary secure for vaccines	<b>Higher Risk:</b> Participants that need COVAX will be excluded, potentially prolonging the acute phase of the pandemic with impact on future global health security efforts
<b>Operational</b>	<b>Higher Risk:</b> Complexity in operations and transaction costs for the Facility in engaging with countries that do not rely on COVAX	<b>Medium Risk:</b> Simplified Facility operations lowering the risk compared to status quo. Does not deviate from Gavi resources, although may impact some support functions from Gavi	<b>Lower Risk:</b> Simplified Facility operations with focus on only the AMC92
<b>Governance</b>	<b>Higher Risk:</b> Time and resource intensive to manage both the Shareholders Council and the AMC Engagement Group	<b>Medium Risk:</b> Possibility to reassess governance structures to reflect needs	<b>Lower Risk:</b> Governance body solely focused on the AMC92

# In a dynamic funding landscape, COVAX delivery funding should respond to countries' short- and mid-term needs

## Dynamic funding landscape requiring strong alignment



- Evolving landscape with many funders
- Uncertainty on concrete gaps – dynamic situation

## COVID-19 Delivery & Systems Strengthening (CDSS) set up to respond flexibly to evolving country needs & gaps

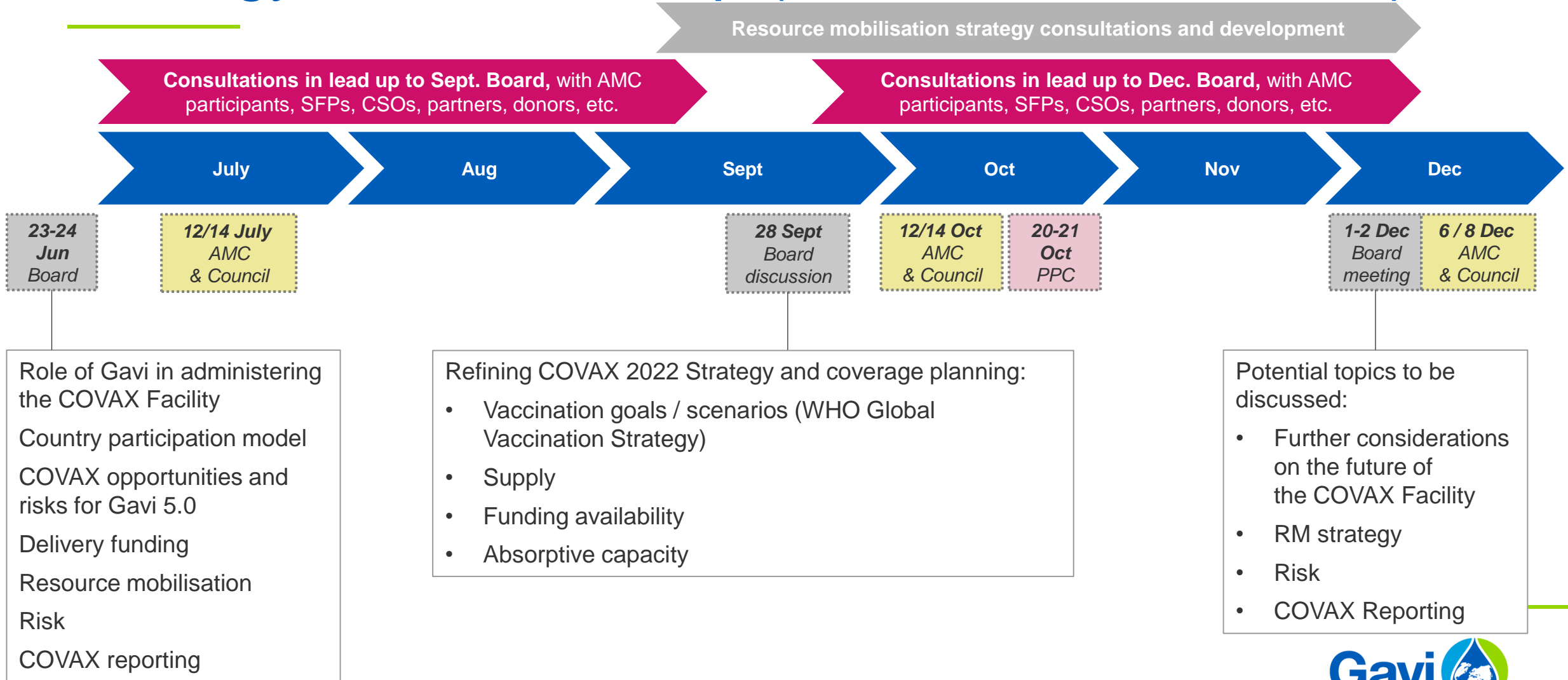
~US\$ 775 million<sup>1</sup> for delivery funding across AMC92 countries for 2021-2023 to:

- **Primarily respond to countries needs** for near and medium-term **COVID-19 vaccine roll out**
- In medium term, through Covid Vaccine delivery strengthen routine immunisation (RI) and contribute to **Gavi 5.0 objectives**

**Initial disbursements have started** through 'bridge funding' to support critical near-term needs

Recognising urgent country needs and emergency **context**, **PPC recommended to accelerate disbursement of 30% of CDSS** as advance funding to countries after Board approval

# Strategy 2022 Roadmap (June-December 2021)



# Recommendation

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The Gavi Alliance Board is **requested** to:

**Approve** the continued administration of the COVAX Facility by Gavi in 2022.

The Gavi Alliance Programme and Policy Committee **recommends** to the Gavi Alliance Board:

- a) That it **consider** Option 2 for the future participation model for Self-Financing Participants (SFPs) and the proposal to unify terms and conditions as set out in Annex E to Doc 06 subject to additional information including risk considerations requested by the Programme and Policy Committee being made available to the Board and subject to the analysis of the three models as recommended by the Audit and Finance Committee;
- b) That it **approve** the design of the COVID-19 Delivery and System Strengthening (CDSS) envelope and cross-cutting delivery elements as set out in Annex F to Doc 06 and associated funding of US\$ 775 million pending confirmation of availability of funding by the Gavi Alliance Audit and Finance Committee (AFC); and
- c) Recognising the emergency context, that it **delegate** to the Secretariat, with support from partners WHO and UNICEF, the authority to allot and disburse up to 30% of COVID-19 Delivery and System Strengthening (CDSS) funds to scale-up delivery of COVID-19 vaccines without requiring independent review for rapid disbursement and utilising existing programmatic and fiduciary risk mitigation mechanisms such as those used in emergency and humanitarian contexts on a no regrets basis.



# Guidance

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The Gavi Alliance Board is requested to **provide guidance** on:

- a) Gavi's engagement in COVID-19 vaccines and its role in reducing risks and contributing to Gavi 5.0 goals and objectives where possible; and
- b) Gavi's future engagement in COVID-19 vaccines.



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