

SUBJECT: STRATEGIC PARTNERSHIPS WITH INDIA

Agenda item: 09

Category: For Guidance

Section A: Executive Summary

Gavi's current strategic partnership with India provides US\$ 500 million of vaccine and cash grant support for the period 2017 to 2021. India is currently scheduled to transition out of Alliance support at the end of 2021 despite **remaining gaps and the unprecedented health and economic impacts of COVID-19**.

Based on consultations with the Government of India, Alliance Partners and the Programme and Policy Committee (PPC), **it is proposed to renew Gavi's strategic partnership with India for another five years with an investment of ~US\$ 250 million in 2022-2026** (of which ~US\$ 200 million would be implemented during Gavi 5.0).

Section B: Content

1. Achievements of Gavi's strategic partnership with India

- 1.1 India has significantly improved immunisation services and health outcomes over the past two decades.** Between 2000 and 2017, under-five mortality from vaccine-preventable diseases (VPDs) decreased by 73%, against 61% for all causes. The number of under-immunised and zero-dose children plummeted by 80% between 2000 and 2019, while full immunisation coverage (FIC)¹, a key objective of India's Universal Immunisation Programme (UIP) has increased from 42% to 87%.
- 1.2 These improvements have been driven by increasing domestic health expenditure and strong political will and leadership on immunisation.** Massive immunisation campaigns under "Mission Indradhanush" and "Intensified Mission Indradhanush" have been launched to vaccinate unreached children and pregnant women. Government health expenditure increased by more than 50% from 2013 to 2018 and is set to increase further. **This has allowed Gavi to engage meaningfully and help accelerate progress through catalytic vaccine and cash grants.** From 2002 to 2020, India received US\$ 954 million in Alliance support, amounting to less than a quarter of the average support per child across Gavi-68

¹ The Indian government defines a fully immunised child is one who at 12-23 months of age has received one dose of BCG, 3 doses of Penta or DTP vaccine, 3 doses of oral polio vaccine (OPV) and one dose of measles-containing vaccine (MoHFW: Roadmap for achieving 90% full immunisation coverage in India)

countries. The Alliance's current partnership with India, approved by the Board in 2016, provides catalytic support of US\$ 500 million for the period 2017 to 2021 to support India's transition to a fully self-financing country.

- 1.3 New vaccine introductions powerfully illustrate the catalytic impact of Gavi's investments. **India systematically scales up new vaccines and fully funds doses after a few years of Alliance support.** The introduction of the Hepatitis B vaccine alone has averted almost 1.2 million future deaths. The pace of vaccine scale-up has become faster over time (see Figure 1). Leveraging its manufacturing base of cost-efficient vaccines and complementary investments from other donors such as the Bill & Melinda Gates Foundation, India is preparing to roll out the pneumococcal vaccine to all States, just three years after its initial launch with Gavi support.

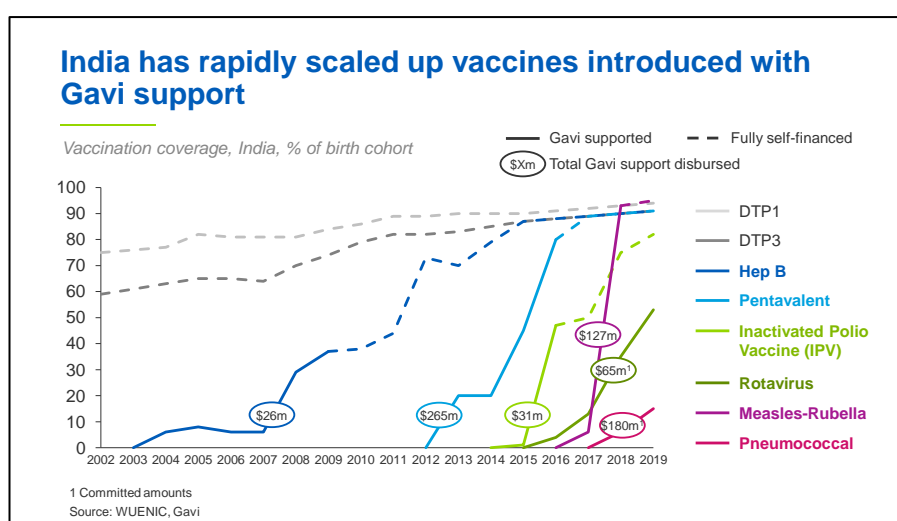


Figure 1

- 1.4 Beyond vaccine doses, **the Alliance has supported the launch and scale-up of sustainable innovations that strengthen health and immunisation systems through health systems strengthening (HSS) grants and private sector partnerships.** Gavi provided seed funding for the National Cold Chain Training Centre (NCCTC) and the National Cold Chain and Vaccine Management Resource Centre (NCCVMRC). Now fully government funded, these institutes build capacities of cold chain technicians and improve vaccine management skills in and beyond India. Gavi has also helped test and roll out the eVIN² technology platform, which improves immunisation supply chains through real-time visibility on stocks and cold chain equipment performance. The Government of India later deployed the platform to the whole country and recently leveraged it to develop the CoWIN³ platform to support the roll-out of COVID-19 vaccines. In close collaboration with the government, Gavi increasingly engaged civil society and community-based organisations such as SEWA (Self-Employed Women's Association) to tackle vaccine demand and hesitancy in marginalised communities.

² Electronic Vaccine Intelligence Network

³ COVID Vaccine Intelligence Network

- 1.5 **India has contributed to Gavi's success beyond its borders.** With 29% of the Gavi-68 birth cohort, India's past and future progress has a strong impact on the achievement of Alliance-wide targets. Learnings from innovations first launched in India have been exported to other Gavi-supported countries. For example, Angola, Senegal, Zambia, Indonesia and other countries have rolled out innovative vaccine and cold chain logistics systems building on India's experience with eVIN. Finally, India's manufacturing base has supplied more than 50% of Gavi's vaccine volume since 2012 and enabled significant price reductions – translating into more vaccines procured with donor funds and eventually reaching more children.

2. Rationale for continued support to India

- 2.1 India is currently scheduled to transition to self-financing status on 31 December 2021.⁴ **Yet while India has made impressive progress and sustained past gains, needs are still immense when expressed in absolute numbers.** For example, 6% of India's 2019 birth cohort were zero-dose children, less than half of the average across Gavi-68 countries. However, given India's size, this still amounts to 1.4 million children, the second highest among Gavi countries. Due to important subnational socio-economic differences, **many Indian states have comparable economic and health outcomes to Gavi-eligible countries.** For example, compared to the average of Gavi-68 countries, Bihar's under-five mortality is higher while its gross (state) domestic product is three times lower.
- 2.2 **Missing vaccine introductions are a key driver of India's high share of the global burden of vaccine-preventable diseases.** 100,000 women a year suffer from cervical cancer caused by the Human Papillomavirus (HPV). Because of supply issues and legal challenges, the launch and scale-up of the HPV vaccine is still pending. India also makes up 46% of global deaths from typhoid fever, which could be prevented by the typhoid conjugate vaccine (TCV). Since typhoid predominantly affects poor areas with limited access to improved and safe water, the introduction of TCV has strong potential to increase health equity.
- 2.3 **These needs are exacerbated by the COVID-19 pandemic, which has led to more under-immunised and zero-dose children.** The first wave of infections and the ensuing pandemic response led to a sharp drop in vaccine coverage in the second quarter of 2020. Full immunisation coverage (FIC) was 5 percentage points lower in April 2020 to March 2021 when compared to the year before. An additional 1.4 million children missed out on vaccination all together over the same period, indicating that the number of zero-dose children may have doubled due to COVID-19⁵. Gross Domestic Product (GDP) was estimated to have decreased by 8% in 2020.

⁴ The annual update of country eligibility metrics based on the latest World Bank GNI data in July could still lead to a modification of the transition date, given the anticipated reduction in economic activity due to COVID-19. Yet this currently appears unlikely as India's GNI per capita significantly exceeds the eligibility threshold.

⁵ Data presented here is from administrative sources, whereas the 1.4 million zero-dose children referred to above are based on WUENIC 2019 data.

Physical distancing measures and the economic squeeze have disproportionately affected low-income and vulnerable populations that lived in precarious conditions even before the pandemic.

- 2.4 **A catastrophic second wave of infections is now heavily impacting India, threatening not only India's health systems but also global efforts to curb the pandemic.** Fuelled by a new predominant variant, population fatigue and complacency, daily record levels peaked over 400,000 cases for a week in early May with over 4,000 deaths reported daily for over 2 weeks in May 2021. While case numbers are now steadily declining, infections are reported to keep spreading in rural areas, where testing and treatment is more challenging. High levels of transmission also increase the likelihood of more dangerous variants of the virus developing and spreading to other countries. As part of its response, the Government of India has accelerated its vaccination programme and widened the age limits, contributing to increased demand of COVID-19 vaccines domestically and constraining exports to other countries, including through COVAX.

3. Proposed ambition and investments

- 3.1 **Two decades of engagement have shown the value of Gavi's targeted, catalytic investments,** enabled by India's leadership and investments in immunisation. While India was expected to transition to fully self-financing status by the end of 2021, significant needs remain and are being magnified by the catastrophic impact of COVID-19. It is therefore proposed to **renew support to India for a limited period to safeguard past achievements and build the foundations to leave no one behind with immunisation.** Continued support to India would be focused on targeted, catalytic investments based on a clear roadmap and commitment to full domestic funding. **The design and implementation of this next phase of the partnership would be guided by a set of key principles** (see Figure 2).

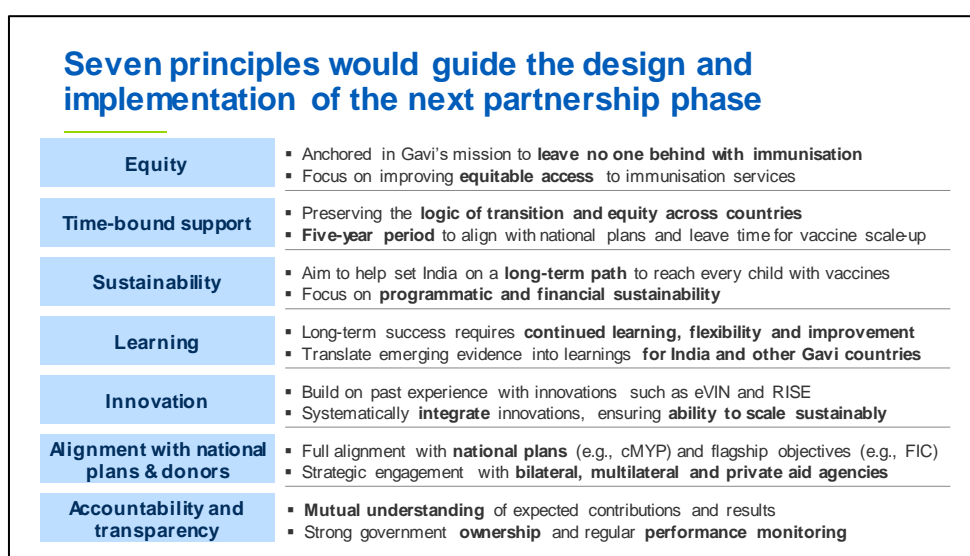


Figure 2

- 3.2 Following consultations with the Government of India and Alliance partners, and with unanimous support from the PPC, **it is proposed that Gavi**

support India in leaving no one behind with immunisation and catalyse equity-focused vaccine introductions over the next five years (see Figure 3). Considering required resources and domestic funding capacity, **an estimated US\$ 250 million would be required** for the 2022-2026 period⁶, of which approximately US\$ 200 million would fall into Gavi 5.0.

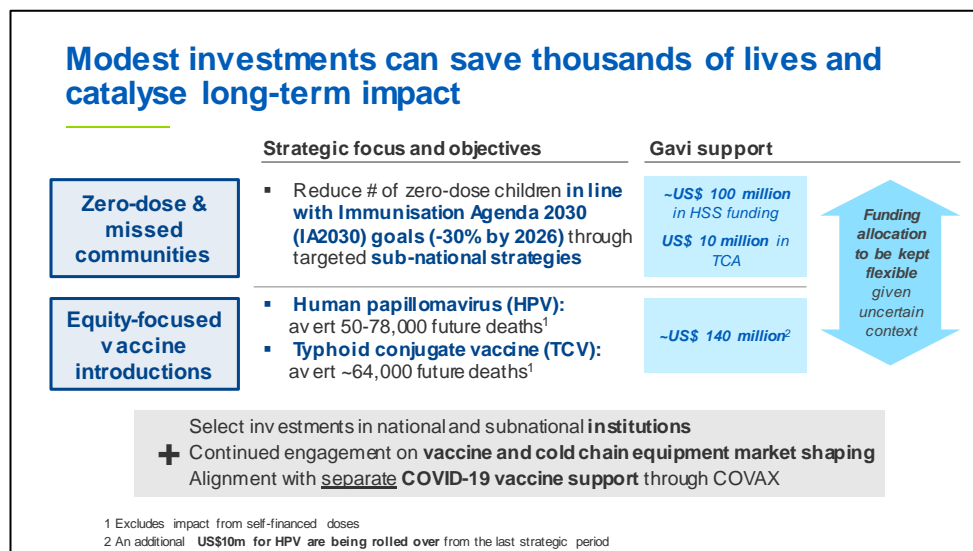


Figure 3

3.3 As noted and agreed during PPC discussions, **the proportion of fund allocation between the areas of investment will need additional refinement and calibration** by the time the Secretariat brings back the detailed investment case to the Board at the end of 2021. Depending on the evolution and impact of the COVID-19 pandemic as well as intensified in-country and stakeholder consultations, **initial projections on impact and estimations of vaccine coverage will likely need to be adjusted**. Of note, the overall envelope is less than half the level of investments of the past strategic phase, and significantly less on a per child basis than post-transition support provided to countries such as Nigeria, Papua New Guinea and Angola. The strategic nature of Gavi's relationship with India and the magnitude of required support also mean that the recently approved envelope for former and never Gavi-eligible middle-income countries (MICs) is not an appropriate channel of support for India.

3.4 **Reaching zero-dose children and missed communities is central to the Alliance's mission and the success of immunisation in India.** Gavi 5.0's overarching priority is **to sustainably reach zero-dose children with a full course of vaccines**. These children, and the communities in which they live, are among the most marginalised globally, facing multiple deprivations including poor health, lack of education, inadequate living standards, poor quality of work, the threat of violence, and exposure to environmental hazards. Missed communities are prone to recurrent VPD outbreaks, requiring reactive, repeated, and expensive immunisation campaigns and

⁶ The proposed investment period of five years lags Gavi 5.0 by one calendar year to allow for sufficient time for vaccine scale-up and innovations implemented.

outbreak response. COVID-19 exacerbates these inequities and reinforces the importance and urgency of reaching every child with immunisation.

- 3.5 The Alliance proposes to set a target of reducing the number of zero-dose children across Gavi-supported countries by 25% in 2025, in line with the Immunisation Agenda (IA) 2030's global objectives. Applying this target to India **could set the country on a trajectory to a 30% reduction of zero-dose children by 2026**, resulting in 420,000 less zero-dose children compared to 2019 as a pre-pandemic baseline. Gavi's investments aim to accomplish this while also boosting full immunisation coverage and creating an opportunity to complement immunisation with other Primary Health Care (PHC) services. Depending on the evolution of the pandemic and its impact on immunisation services, **the proposed target could represent a significantly higher reduction against 2020 and 2021 and require more deliberate efforts to maintain and restore immunisation services.**
- 3.6 **To maximise effectiveness and efficiency, Alliance support would be targeted to a subset of districts.** Highly urbanised, densely populated and relatively poor States such as Uttar Pradesh, Bihar and Rajasthan (with its hard-to-reach tribal areas) concentrate high numbers of under- and unvaccinated children (see Figure 4 below). Contrastingly in less populated but often hard-to-reach areas such as the north-eastern States, the share of zero-dose children in the birth cohort is high. The choice of focus areas will depend, among other things, on the number of additional children that can be reached with immunisation and other primary health care services, cost, alignment with government strategies and efforts of other donors, political will at subnational levels, learning opportunities and appropriate local partners, including civil society and community-based organisations.

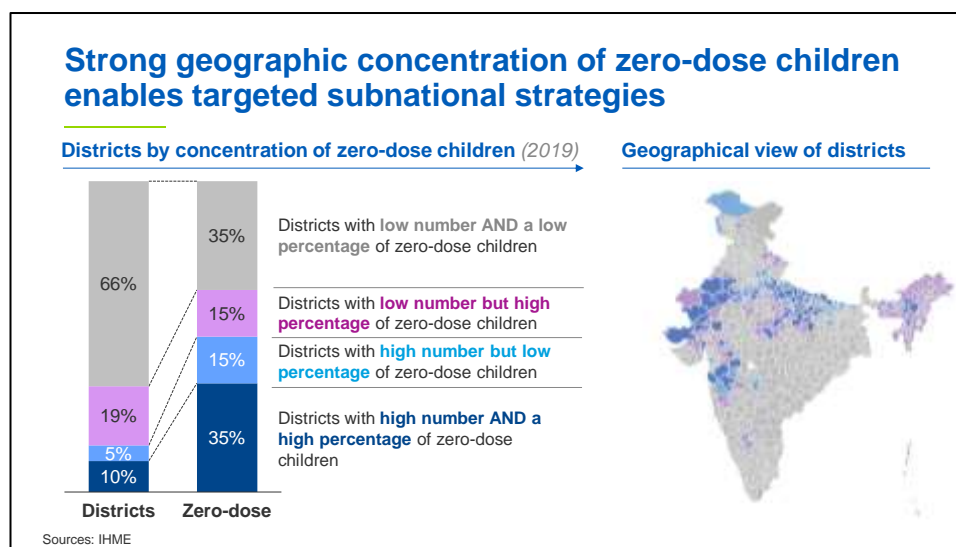


Figure 4

- 3.7 **Ultimately, Gavi's catalytic investments aim to help develop and roll out the tools to reach all children with a full course of vaccines.** Funding will therefore focus on holistically building systems that help identify and reach zero-dose and under-immunised children, monitor and measure progress, and advocate for equity, as opposed to one-off efforts to

temporarily boost immunisation coverage or only reach children with one dose of DTP. Sustaining and expanding on programmatic achievements **may require select small investments in national and sub-national institutions.** The Secretariat has initiated conversations with the Government of India and partners to identify capacity building needs.

- 3.8 Building on India's ability to rapidly scale-up and fully self-finance vaccine doses, **vaccine investments would focus on the unfinished introduction of HPV vaccine as well as TCV.** Supply constraints that have held back the scale-up of HPV vaccine are expected to ease over the next years thanks to additional products, including an Indian one, and increased production. Stronger political engagement, catalysed by the prospect of Gavi support, will likely help overcome current legal challenges. According to high-level forecasts, a ramp-up of HPV vaccines starting in 2023 could reach 25% of 10-year-old schoolgirls by 2026, immunising nearly 6 million girls and averting up to 78'000 future deaths. This impact would be multiplied by the eventual nation-wide roll-out with self-financed doses.
- 3.9 **Introducing TCV could further boost equity and help combat antimicrobial resistance.** Most of the 50,000 annual deaths attributed to typhoid fever in India occur in poor settings, while the spread of extensively drug-resistant typhoid cases adds further urgency to roll out vaccinations. The Alliance has gained valuable experience through the recent introduction of TCV in Pakistan and could leverage existing surveillance mechanisms in India to prioritise high-risk areas. Gradually introducing TCV from 2023 could help immunise over 60 million children and directly save around 64,000 lives by 2026, with additional impact expected from the future self-financed scale-up in India and positive spill-overs to the fight against antimicrobial drug resistance.
- 3.10 **In parallel, the Alliance will continue to engage with India on market shaping,** to help achieve Gavi's strategic objectives on healthy markets, and on COVID-19 to mitigate the risk of potential further lockdowns and diversion of health staff attention and resources to manage cases and roll out vaccines. The Alliance will also keep a close eye on other risks, including the legal and supply challenges on vaccine introductions.

Section C: Actions requested of the Board

The Gavi Alliance Board is requested to **provide guidance** on the principles, duration, ambition and level of investment for the next period of Gavi's strategic partnership with India.