

Annex A: AVMA Base Proposal – key terms

This Annex serves as an overview of the key terms of the base proposal for the design of the AVMA, to be approved by the Gavi Board, as set out in Doc 10b.

Design element	Proposal
Size	Funding requirement of US\$ 750-1,000 million – with the upper end of the range set to accommodate an ambitious outcome for African products in terms of number of incentivised manufacturers and their commercial volumes
Scope	All Gavi Alliance supported vaccines (with differences in payments, see “Incentives”), fill & finish-only (i.e. drug product), and “end-to-end” drug substance + drug product.
Duration	To be launched in 2024 with a proposed duration of 10 years (payments can continue for a period beyond the 10-year mark, depending on tender lengths)
Eligibility	Vaccines manufactured (drug substance and/or drug product) on the African continent*
Procurement pathway	Via successful Gavi-UNICEF tenders (a potential AU pooled procurement mechanism may be accommodated in future)
Incentives	<p><i>Structure</i> Two incentive types:</p> <ul style="list-style-type: none"> • <u>Milestone payment</u> at WHO Prequalification • <u>Per-dose accelerator payment</u>, paid upon delivery of vaccines purchased
	<p><i>Priorities</i> Although <u>all Gavi-supported vaccines</u> are included in scope, the following vaccines and drug substance platforms of specific relevance to pandemic preparedness receive additional incentives (as below in values):</p> <p><u>“Priority Vaccines”</u>: Oral Cholera, Malaria, Measles-Rubella, Hexavalent (wP), Yellow Fever; Ebola (required profile: indication against at least 2 Ebola species and thermostability as from – 20C); Rotavirus (required profile: single-dose blow-fill-seal presentation); Pneumococcal (required profile: minimum 13 valent)</p> <p><u>Priority pandemic preparedness drug substance platforms</u>: mRNA, Viral Vector</p>

Values Milestone payment:

- US\$ 25 million for vaccines whose drug substance is manufactured in Africa on priority pandemic preparedness platforms (including potentially COVID-19)
- US\$ 20 million for Priority Vaccines whose drug substance is manufactured in Africa
- US\$ 10 million for Priority Vaccines whose drug product is manufactured in Africa from imported drug substance (“fill & finish only”)

Accelerator payment of:

- US\$ 0.50 per dose for Priority Vaccines whose drug substance is manufactured in Africa
- US\$ 0.50 per dose for all Gavi-supported vaccines whose drug substance is manufactured in Africa on priority pandemic preparedness platforms
- US\$ 0.40 per dose for all other Gavi-supported vaccines whose drug substance is manufactured in Africa, and
- US\$ 0.30 per dose (up to a cap of US \$1 per vial) for Gavi-supported vaccines whose drug product is manufactured in Africa from imported drug substance (“fill & finish only”)

(Note: Manufacturers doing both drug substance and fill finish steps under a tender award will receive only the drug substance per dose accelerator payment for that tender.)

Caps Manufacturer caps

- US\$ 250 million per manufacturer
- *(of which)* US\$ 50 million for fill & finish-only per manufacturer

Instrument-wide caps

- US\$ 300 million per vaccine category / product
 - US\$ 250 million for milestone payments
 - US\$ 250 million for fill & finish only
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*** At this stage, the intent is to exclude from AVMA incentives for those products whose drug substance or drug product manufacturing depends on Contract Manufacturing Organisations; noting this will be subject to further analysis of these arrangements in the first half of 2024.**

Note: Detailed terms and conditions to underpin all aspects of this base proposal, including eligibility criteria for manufacturers and vaccines, will be determined as part of work to establish the legal, operational and governance arrangements of AVMA. This will, pending Board approval, take place during Q1-2 2024 prior to formal launch.