

COLD CHAIN EQUIPMENT OPTIMISATION PLATFORM

BOARD MEETING

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The problem: How to achieve coverage & equity objectives when...

60%

of fridges frequently expose vaccines to **excessive heat and / or cold**

90%

of cold chain deployed is **out-dated technology**

20%

of cold chain devices are **not functioning**

20%

of facilities that need cold chain **don't have it**



Note: Estimations for 55 countries eligible for platform funding (excluding India)

Source: CCEM data, country data, WHO, NPHCDA, team analysis

There are clear cold chain equipment market failures

Today

Tomorrow

Funding

- **\$50M annual funding gap**

- Increased **dedicated resources** for optimal CCE

Demand



- **Unpredictable** demand, **fragmented procurement** and funding, choices driven by **familiarity and procurement cost**

- **Predictable** planning and strategic forecasts, **consolidated procurement** and coordinated funding, informed choices based on **performance and lifetime cost**

Supply



- **High upfront** costs for optimal equipment, limited incentive to **develop and market new technologies, insufficient feedback** on device performance

- **Cost reductions, accelerated technology upgrades** through manufacturer incentives, **greater visibility** into device performance

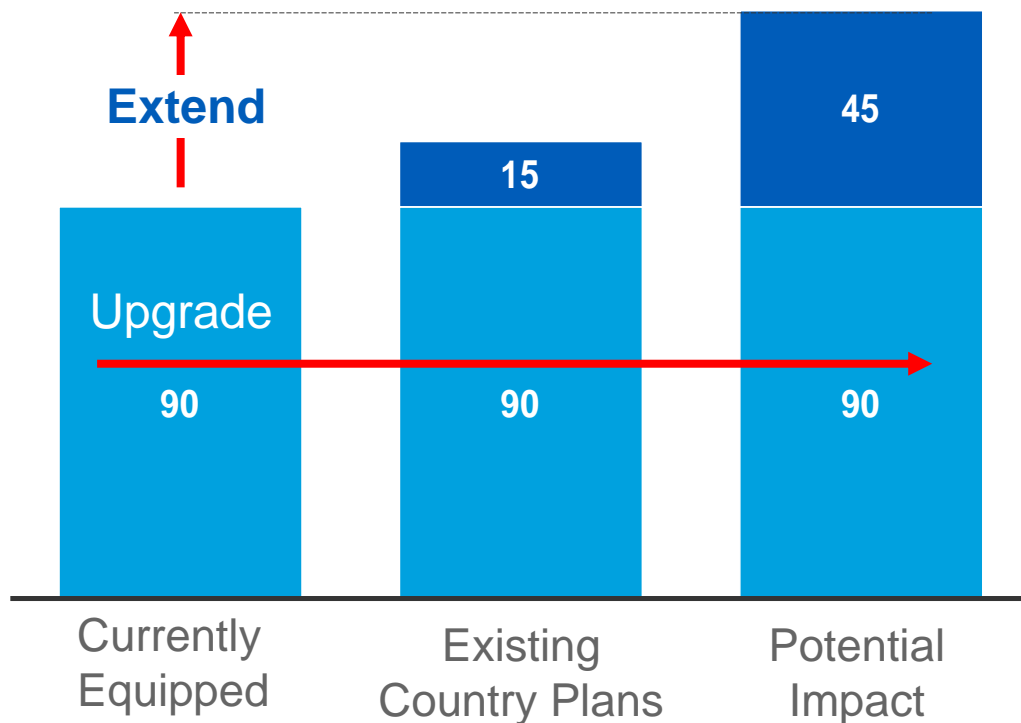
CCE optimisation platform will...

- **Increase and coordinate CCE investments** to improve coverage and equity and better protect vaccines
- Strengthen systems with more efficient, sustainable, and reliable technologies at lower lifetime costs
- **Build on other supply chain and health system interventions** including management and maintenance of CCE



Extending reach & performance to support coverage & equity

Impacted facilities across Gavi-eligible countries (excl. India) '000



The existing support is not enough. [The platform will] provide fridges to facilities that currently have none. This will enable to vaccinate more children! (Gavi country EPI Manager)

Source: CCEM, Country EVM assessments (2011-2014), IEA, World Energy Outlook 2012, Interviews with Country SCMs and external consultants, team analysis

Platform design (1)

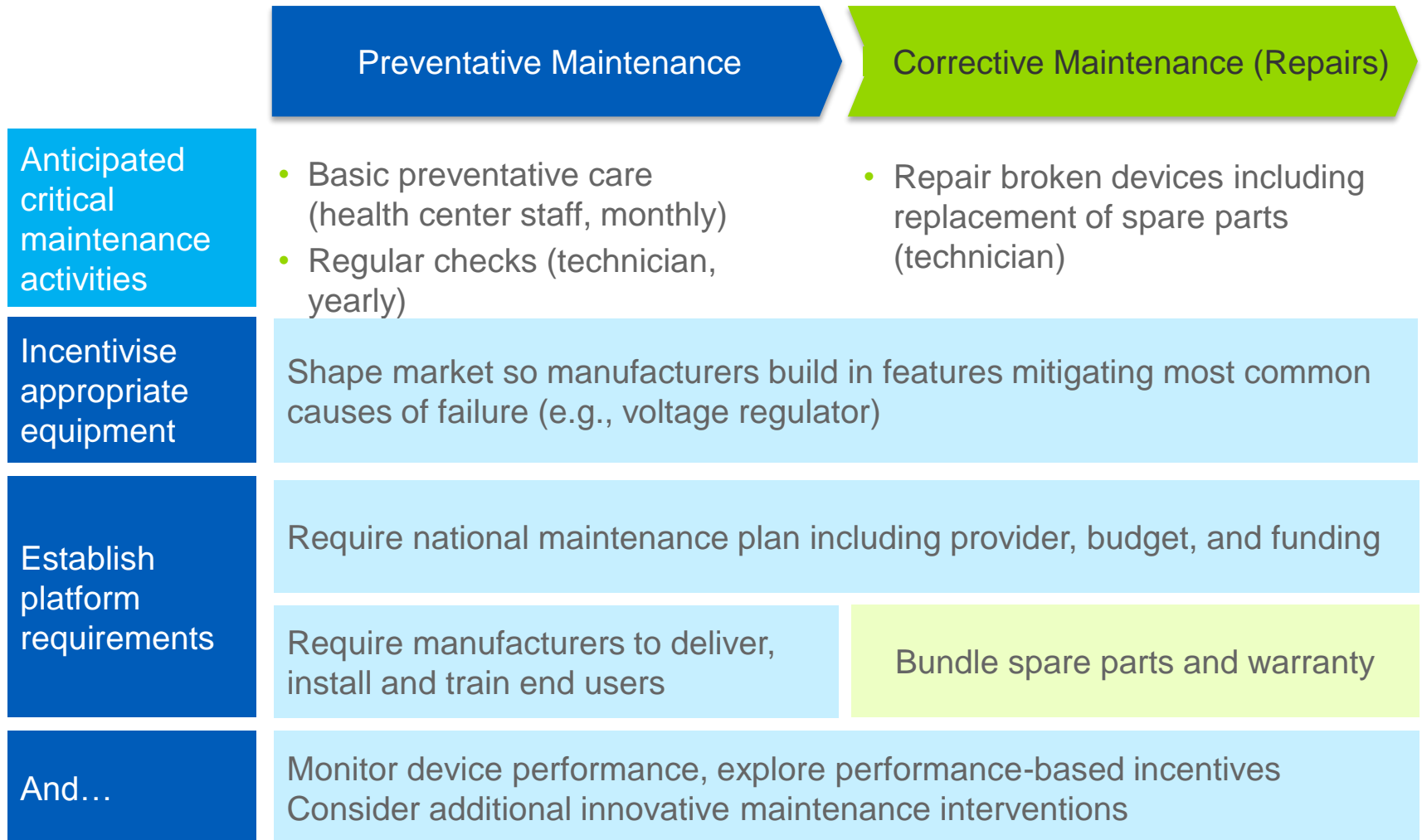
Technologies supported

- Devices supported include: **Solar direct drive refrigerators, passive cooling devices, vaccine carriers, cold boxes, freezers**
- Accessories included: **Voltage regulators, temperature monitors, spares**

Operating model

- Co-investment by countries **tiered** based on GNI groups
- **Multi-year commitment** to enable strategic planning
- Use **HSS mechanism** to make easier and increase uptake
- **2016 as “scale up year”**

Platform design (2): Maintenance approach addresses underlying problems



PPC recommendation to the board



(a) **Approve** the creation of an innovative mechanism to strengthen country cold chain systems and advance the Alliance’s Supply Chain Strategy and, ultimately, its coverage and equity goals (the “CCE platform”), the design of which is set out in Section 8 of Doc. 15 and includes a funding model tiered by country GNI level;

(b) **Note** that an amount of US\$50 million (to be reassessed and potentially increased based on initial applications to the CCE platform) will be allocated from the strategic initiatives resources pledged for 2016-20 (which envisage funding to strategic initiatives to realise Gavi’s new strategy) to launch the implementation of the CCE platform and fund the initial applications in 2016-17 and **request** the Secretariat to report back to the PPC and to the Board in 2017 on the implementation of the CCE platform.

THANK YOU



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Country CCE management process (simplified)

Utilise country and Gavi support processes (i.e. PEF)

- Conduct CCE inventory & facility segmentation to **identify needs** (replacement and equipping new facilities)
- Translate needs into a **CCE plan** (type of devices, number, phasing of deployment, maintenance plan) as part of national immunisation plans

Apply for platform support

- Use **HSS window**, with exceptions in years 1-2
- **Co-invest** existing CCE resources with platform, tiered by GNI (50-80% of total purchase value)

Procure through existing mechanisms

- Delivery, installation, end user training and spare parts provision responsibilities of manufacturers

Manage and maintain devices with reporting on functionality