Gavi Vaccine Supply and Procurement Strategy 2016-20

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Supply and procurement strategy

- **Gavi’s Supply and Procurement Strategy** describes the Alliance’s activities towards Strategic Goal 4 (SG4), to ‘shape’ markets to the benefit of the countries that Gavi supports. It highlights:

  - **Accomplishments and lessons learned** in the past strategic period;
  - **External and strategic developments** affecting market-shaping going forward;
  - **Desired outcomes** and new strategic priorities for 2016-20;
  - **Strategic enablers** to deliver on these aspirations; and the approach to monitoring and evaluation.
Lessons learned from Supply & Procurement Strategy 2016-20

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<th>Strategic objectives</th>
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<td>• Clearer definition of ‘healthy markets’ and</td>
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<td>• Broader consideration of costs beyond price;</td>
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<td>• Greater focus on innovative products to overcome barriers to coverage and equity</td>
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<th>Collaboration with partners and industry</th>
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<td>• Better leverage strengths of market-shaping partners;</td>
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<td>• Enhanced industry engagement and clear sense of priorities.</td>
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<th>Supply and procurement tools</th>
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<td>• Clear principles for inclusion of vaccine products on the product menu</td>
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<td>• Improvements in country-level forecasts</td>
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<td>• Better adaptation of tactics to markets</td>
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In 2016-20, three strategic priorities drive a more ambitious agenda:

1. Taking a long-term view of markets
2. Driving innovation to better meet country needs
3. Delivering on healthy markets
Expansion of view of market time horizons taking into account country transition

Taking a long-term view of markets

Identify point at which **markets no longer require market-shaping interventions** beyond active procurement

Enable **informed, country-owned decisions** and share market-shaping best practices with **country transition** stakeholders

Monitor positive and negative **externalities** of Gavi market shaping actions
Emphasis on promoting suitable and quality products to enhance equitable uptake

Driving product innovation to better meet country needs

Align product innovation priorities and definitions across market-shaping partners

Convene partners to develop common principles for weighing the benefits of long-term product innovations to provide greater clarity for manufacturers or partners to make investment decisions

Shape cold chain equipment markets to increase coverage and equity
Commitment to improving the overall health of vaccine markets

Healthy markets

Delivering on healthy markets

Account for markets being at different stages of health and further challenge assumptions about market evolution

Adopt a higher risk tolerance if required in markets with new challenges for potentially higher gain

Increase rigor of decision-making to tailor approaches and tools
Each vaccine market has specific attributes and needs – strategies are aligned to individual markets

Gavi Strategy – Phase IV

Supply and Procurement Strategy 2016 – 20

Supply and Procurement Roadmaps

UNICEF Procurement Strategies

Tenders

- Analysis of market health
- Prioritised objectives
- Action plan with target outcomes, interventions, actors and timelines
- Flow on from prioritised objectives in roadmaps
- Inform tender planning and award decisions
- Include recommended mechanisms and tactics
- Results in award decisions

By Product Market

- New market information monitored to see if roadmap objectives are being met
Supply and procurement strategies are developed for each vaccine market to set targets & ensure coordination.

Roadmaps:
Short to long term view of how the market should evolve for particular vaccines and identification of mechanisms to influence the supply and price environment and achieve set targets.

Note: Roadmap documents exist in three versions: Restricted and Highly Restricted ‘full’ versions (highly confidential) and a ‘Public Summary’ version available via http://www.gavi.org/
Delivering on healthy vaccine markets

The Healthy Markets Framework is a holistic approach to viewing and measuring markets.

- The highest level achieves positive system features such as the effect of the market on immunisation system effectiveness, long term competition and product innovation.
- A more healthy market has additional supply security attributes.
- A healthy market meets country preferences for specific vaccine characteristics.
- The minimum of a healthy market is supply meets demand.
- Markets without adequate supply are not healthy.

Developed jointly by BMGF, Gavi and UNICEF
Industry engagement moving forward

Gavi will engage with industry in a deliberate and partnership-minded way with sensitivity to the different business needs of individual manufacturers and mutual transparency.

- **Give visibility over longer time horizons** for product development and adapting product strategies where needed to recognise the varying constraints of individual manufacturers

- **Communicate priorities and opportunities** for vaccines and other immunisation products as early as is feasible through the VIS and the product roadmaps

- **Coordinate and align their communications** to ensure that market-shaping goals are clearly articulated (‘one voice’)

- **Engage in regular dialogue**, both formal and informal

- **Convene informal bilateral meetings** (mirrored at CEO level when possible) to review individual and joint business priorities
THANK YOU