

In this issue...

\$60 Million Awarded by GAVI and The Vaccine Fund to Develop New Vaccines	1
Letter from the President	2
US Approves \$60 Million for Childhood Immunization; Ireland Offers First Contribution	3
Merck Donates Hepatitis B Vaccine to The Vaccine Fund	4
New York Times Editorial	4
Partners Meeting in Dakar Highlights Immunization Inroads	5
Songs for Life: Lyon Children's Concert Honors The Vaccine Fund	6
McKinsey study: Is Eighty Percent Coverage Achievable?	7
Country Snapshot: Rwanda	8

GAVI and The Vaccine Fund Announce \$60 Million Boost to Accelerate Development of Lifesaving Vaccines

Johns Hopkins and PATH award grants to secure availability of vaccines against pneumonia and severe diarrhea in poor countries

Children in the world's poorest countries could benefit from new life-saving vaccines years sooner, thanks to two \$30 million grants announced in early February by GAVI and The Vaccine Fund. Johns Hopkins Bloomberg School of Public Health and the Program for Appropriate Technology in Health (PATH) have each been selected to receive grants to ensure that vaccines against pneumococcus and rotavirus are made available to developing countries quickly when they are licensed. It is estimated that every year half a million children die as a result of rotavirus-related diarrhea, and one million from pneumonia.

This announcement marks the first time that GAVI and The Vaccine Fund will fund projects to ensure access to future vaccines. Since its launch in 2000, the GAVI alliance has focused primarily on ensuring that today's vaccines are made available to all children today.

(continued on page 8)

The Vaccine Fund

Lyon, France

Le Fonds Mondial pour les Vaccins
41 Quai Fulchiron
69005 Lyon, France

+33-4-7256-7310 - Tel
+33-4-7856-4500 - Fax

Washington, D.C.

601 13th St., NW
Washington, D.C. 20005, USA

+1-202-628-4910 - Tel
+1-202-628-4909 - Fax
+1-800-822-4943

www.vaccinefund.org

The Vaccine Fund is a non-profit organization. Contributions to The Vaccine Fund are tax-deductible and may be sent to the above addresses.



Roger Lemoyne for UNICEF; China; a child's immunization series is updated by a local health care provider, while her peers await their turns.

Letter from the President of The Vaccine Fund



Dear Friends,

Today, we find ourselves at a special moment in time. The GAVI partnership has reached significant milestones impacting global immunization and The Vaccine Fund has, at the end of 2002, delivered to 55 of the world's poorest countries \$130 million in cash, disposable syringes, and made newer vaccines more affordable and accessible.

We're proud of the fact that, together with the Alliance, we have protected 20 million children against hepatitis B with a new vaccine previously unavailable to poor countries. The hepatitis B vaccine will prevent as many as 180,000 premature deaths a year. In addition, 3.2 million children have been protected against *Haemophilus influenzae* type b (Hib) and one million children have been protected against yellow fever.

However, to ensure that *every child, everywhere* receives access to life-saving vaccines, The Vaccine Fund must raise an additional \$150 million a year. To help us meet this benchmark, I am pleased to announce the addition of a veteran of the Alliance and a champion of immunization to The Vaccine Fund staff. Effective March 3, Alejandro J. Palacios is our new Executive Vice President for Resource Mobilization.

Alex has been at UNICEF since 1996, and for the past two years has directed its international and corporate alliances section. He brings multi-faceted experience and an extensive network in government relations communications and fundraising to The Vaccine Fund.

Alex gained key experience in such positions as deputy assistant administrator at USAID in charge of outreach directed toward the U.S. Congress, NGOs and the private sector, and during his seven years at the U.S. Fund for UNICEF where he was Director of Public Policy and Governmental Relations. A lawyer by training, he was Assistant General Counsel for the US Peace Corps. While Alex and his family will be based in Lyon, France beginning in July, he begins his stint with The Vaccine Fund in our Washington, D.C. office.

Since my last letter to readers in the November issue of "The Review," I am pleased to announce the Republic of Ireland's first contribution of €500,000 to The Vaccine Fund, bringing to eight the total number of governments to contribute. Also, since the end of last year, the United States government has announced a \$60 million contribution to The Vaccine Fund for 2003. Both contributions bring us closer to our goal of raising \$150 million a year to reach *every child, everywhere*.

As accelerating the development of new vaccines is one of our central missions, The Vaccine Fund and GAVI partners recently announced \$60 million in grants to the Johns Hopkins Bloomberg School of Public Health and the Program for Appropriate Technology in Health (PATH) to ensure that vaccines against pneumococcus and rotavirus are made available to developing countries quickly once they are licensed. According to the World Health Organization, every year half a million children die as a result of rotavirus-related diarrhea, and one million from pneumococcus-related pneumonia.

Demonstrating further progress on behalf of the Alliance's activities, six countries—Cambodia, Côte d'Ivoire, Ghana, Guyana, Kyrgyzstan, and Mali—presented "Financial Sustainability Plans" to the GAVI Secretariat during the second conference of GAVI partners in Dakar, Senegal at the end of 2002. These comprehensive blueprints outline their plans for resource mobilization to maintain the continuity of their vaccination and immunization programs once The Vaccine Fund has completed an initial level of support.

On behalf of The Vaccine Fund, I'd like to thank you for your continued interest and support of universal childhood immunization in the world's poorest countries. I look forward to updating you on our progress this year as The Vaccine Fund team strives to nurture the seeds of change planted by the GAVI partners and encourages more promising growth in immunization.

Thanks to your support, our partners in the Alliance will have the financial resources to meet our common goal that *every child, everywhere* has access to life-saving immunization.



Jacques-François Martin
President and Chief Operating Officer, The Vaccine Fund

The United States Awards \$60 Million for Childhood Immunization in 2003; Ireland Announces First Contribution to The Vaccine Fund

Adding to the \$1.1 billion raised by The Vaccine Fund from donor governments, foundations and private individuals to improve and expand basic immunization programs in developing countries, the U.S. Congress approved a \$60 million contribution to The Vaccine Fund as part of an omnibus appropriations bill passed in February.

The U.S. contribution to The Vaccine Fund has increased annually. Working closely with the U.S. Agency for International Development (USAID), The Vaccine Fund initially received a contribution of \$48 million in 2001 which was increased to \$53 million in 2002. The \$60 million to be provided through USAID in 2003 will result in a total U.S. contribution of more than \$160 million over three years.

"Once again the United States is proving its global health care commitment by increasing its investment in early childhood immunization in the world's poorest countries," said Jacques-François Martin. "This significant contribution from the U.S. will help us to ensure the right to a healthy start in life is a fundamental privilege of every child born in this world, regardless of socio or economic status."

In addition, the government of Ireland late last year announced its first contribution to The Vaccine Fund for €500,000 to purchase vaccines and help improve immunization programs in the world's poorest countries.

"The government and the people of Ireland have generously responded to the challenges developing countries face in improving the lives and well-being of their most vulnerable citizens," said Martin.

"Ireland's contribution acknowledges the importance of GAVI's unique public/private partnership that continues to make significant headway in providing life-saving vaccines. Already, we've been able to save hundreds of thousands of lives by providing catalytic funding to developing health systems in order to strengthen their vaccine delivery systems. The need is still great and more funding is necessary in order to provide *every child, everywhere* with a promising start in life. Accordingly, we hope all developed countries will follow Ireland's example."

Ireland joins Canada, Denmark, the Netherlands, Norway, Sweden, the United Kingdom and the United States in adding funds to this effective mix of public and private sectors. Since its inception three years ago, 68 out of the 75 countries eligible for GAVI-Vaccine Fund support (those with a per capita GNP of less than \$1000) have submitted proposals indicating their planned campaigns and needs in terms of immunization. The Vaccine Fund has already committed more than \$900 million over five years to 65 countries for immunization programs. •

Merck Donates Hepatitis B Vaccine to The Vaccine Fund



Children in the former Soviet Union will benefit from over 380,000 doses of hepatitis B vaccine that were donated to The Vaccine Fund by Merck & Co. Merck earmarked the vaccines in support of GAVI's humanitarian assistance for the National Immunization Programs in Kyrgyzstan and Georgia.

"This is the kind of public-private collaboration we envisioned with our GAVI partners. The children of Kyrgyzstan and Georgia will have a better chance at a healthier start in life from this generous donation from Merck and as a result of our work to ensure a stable vaccine supply to those who need it most," said Jacques-François Martin, president of The Vaccine Fund.

Under the agreement, Georgia will receive 167,700 doses and Kyrgyzstan will receive 220,000 doses of the vaccine.

The hepatitis B virus is spread from infected mothers to their infants at birth, between young children, through contaminated blood, unsafe injections and sex. An estimated 350 million people are chronic carriers of the virus, which

kills about 521,000 people a year. Although most people are infected in infancy or childhood, most deaths from hepatitis B occur in adulthood, as a result of cirrhosis and/or liver cancer, both of which are strongly associated with the virus.

Vaccines against hepatitis B have been available for 20 years, although they have not been readily available in developing countries. Their impact is already being seen in reduced numbers of adult deaths from liver cancer in countries where the vaccine is used routinely in infants. By the time today's infants reach childhood, an increase in the size of the global adult population will increase the number of deaths related to hepatitis B to around 1.8 million a year.

Merck & Co., Inc. is a leading research-driven pharmaceutical products and services company and is a vaccine industry partner with GAVI. Merck discovers, develops, manufactures and markets a broad range of innovative products to improve human and animal health, directly and through its joint ventures. •

The New York Times

Founded in 1851

ADOLPH S. OCHS, *Publisher 1896-1935*
ARTHUR HAYS SULZBERGER, *Publisher 1935-1961*
ORVILLE E. DRYFOOS, *Publisher 1961-1963*
ARTHUR OCHS SULZBERGER, *Publisher 1963-1992*

January 30, 2003

The Vaccine Gap

As the world struggles to fend off mysterious and complex plagues like AIDS and malaria, it must still find a sustainable way to assure that children do not die from diseases that vaccines can prevent. Unhappily, this year the supply of vaccines against diphtheria, tetanus and pertussis will fall short of demand in many nations. Yellow fever and oral polio vaccines suffered recent scarcities. In general, the market has tightened for most vaccines used in developing countries.

Universal childhood immunization, a campaign begun in 1985 by Unicef and the World Health Organization, has been one of the world's most significant health achievements. By the early 1990's, more than 70 percent of children in developing countries got basic vaccines, up from zero in some parts of Africa. But now progress has stalled, and Africa is slipping backward. One-quarter of the world's children get no protection from the diseases that basic vaccines can ward off, and two million children will die of these diseases each year.

One of the reasons is AIDS, which is killing off the health workers who administer vaccines and is hogging the health care dollars of African nations. The debt crisis is also reducing African health care budgets. A particularly vexing reason for vaccines

failing children in poor countries is that they are protecting children in rich ones increasingly well. New vaccines and combinations used in the developed world are too expensive for poor countries, but since the old versions are used mainly in nations that cannot pay, manufacturers have little incentive to manufacture them.

The Global Alliance for Vaccines and Immunizations, created with an initial grant from the Bill and Melinda Gates Foundation in 1999 as a partnership of international organizations, governments, philanthropies and vaccine manufacturers, has helped to mobilize global support for immunization. It also helps the poorest nations extend their vaccine coverage, and through Unicef buys them new vaccines. The alliance is hoping to provide manufacturers with a steady, predictable demand for vaccines for poor nations.

Developing nations can do a better job of forecasting their needs. Wealthy nations that underwrite immunization programs need to think in the long term, pledging their donations five years in advance. The business of vaccines is changing. Predictability is now the key to insuring that the gap between rich children and poor does not continue to widen.

GAVI Partners Meeting Highlights Immunization Progress

Six Countries Present Financial Sustainability Plans

Featuring the theme “Immunization: An Investment for Life,” the second annual GAVI partners meeting held in Dakar, Senegal brought together nearly 400 participants, including more than 60 government ministers, non-governmental organizations, representatives from the vaccine industry, and UN partner agencies to evaluate progress of this groundbreaking organization within the last few years. The meeting, held in November, also afforded the opportunity for participants to look at strategic development between the organizations and supported countries and to identify goals and challenges for the future.

Dr. Tore Godal, executive secretary of GAVI and Jacques-François Martin, president of The Vaccine Fund, led the first session of the Conference with presentations of the Alliance and The Vaccine Fund's progress to date and outlined the tasks ahead. Sixty-five of the 75 eligible countries whose annual income per head is below \$1000 have now been approved for support by GAVI and The Vaccine Fund, and 180 million doses of vaccines have been supplied. Some \$130 million of funds have been disbursed. Most of this money has been spent on new vaccines but a quarter of the total has gone to improving countries' health systems

and infrastructure and \$4.5 million has been spent on disposable syringes to improve injection safety. Over the five-year initial funding period, more than \$900 million has been committed by The Vaccine Fund.

In addition, six countries—Cambodia, Côte d'Ivoire, Ghana, Guyana, Kyrgystan, and Mali—presented reports titled, “Financial Sustainability Plans.” These explain how once The Vaccine Fund has completed an initial level of support, the countries will mobilize resources, both their own and external, to maintain the continuity of their vaccination and immunization programs. They illustrate the potential success gained from an effective collaboration between the countries and the alliance with the Fund acting as the financial catalyst.

At the conclusion of the conference, the Ministries of Health and Finance of 13 GAVI-supported countries signed a declaration that called upon “all governments to recognize that immunization and the sustainability of immunization is a national priority, a global concern and a shared responsibility.” This document marked the end of another historic dialogue among GAVI partners and demonstrated a commitment to aggressively pursuing strong results for countries' vaccine and immunization needs. •



At the start of the GAVI partner's meeting, President of Senegal Abdoulaye Wade is greeted by Tore Godal, GAVI executive secretary and Jacques-François Martin, president of The Vaccine Fund.

Songs for Life: Children's Concert Held in Honor of The Vaccine Fund

On February 2nd, two children's choirs, "Bonjour la Chanson" from Colfontaine, Belgium and "La Cigale" from Lyon, France joined their voices in a recital called "Songs for Life", honoring The Vaccine Fund.

The concert, organized in cooperation with the City of Lyon, which has increasingly expressed its willingness to develop a partnership with The Vaccine Fund, drew a crowd of over 400 spectators. Children from France and Belgium, between the ages of 7 and 15 years old, performed a diverse repertoire representing the world's cultural traditions.

Before the concert, which attracted local media, Jacques-François Martin reminded the audience that not all of the world's children benefit from the protection vaccines afford against infectious diseases, and that, in supporting this initiative, they are helping The Vaccine Fund to accomplish its mission with the GAVI alliance. •



Poster advertising the concert in Lyon.



Various scenes from the Children's Concert held in Lyon on February 2.

Is Eighty Percent Coverage Achievable?

Analysts review countries' performance and assess what steps are needed if the Alliance is to meet internationally agreed targets for immunizing more children

Despite early signs that a number of countries are improving their vaccination coverage, it looks unlikely that the GAVI goal of 80% of the poorest countries reaching 80% coverage in all districts by 2005—the "80/80 goal"—will be reached. This is according to an analysis ⁽¹⁾ carried out for the GAVI Board by management consultants McKinsey & Company.

The McKinsey team pored over the multi-year plans submitted to GAVI, examined data from UNICEF and WHO, and interviewed national, regional and international experts to assess the current coverage situation and forecast the likely evolution over the coming years. There are encouraging preliminary signs that GAVI may be contributing to a "modest" increase in overall coverage rates in countries supported by the Vaccine Fund in the past two years. However, the overall conclusion is that on current levels of activity, most GAVI-supported countries will not achieve 80% district-level coverage until after 2010.

Worldwide every year, about 34 million children miss out on immunization, resulting in nearly 3 million preventable deaths. At least 31 million of the unimmunized children live in countries supported by GAVI and The Vaccine Fund. Two out of every three unimmunized children can be found in five countries—India, Nigeria, China, Pakistan and Indonesia.

It is clear that unless countries increase vaccination coverage, the United Nations Millennium Development Goals (MDGs) will not be reached. The MDGs pledge to reduce deaths in children under age five by two-thirds before 2015. To support this goal, at the 2002 Children's Summit the UN General Assembly pledged to "ensure full immunization of children under one year of age, at 90% coverage nationally, with at least 80% coverage in every district or equivalent administrative unit," by 2010.

Faced with the findings of the McKinsey report, the GAVI Board is considering the most appropriate actions to meet the global goals. At its most recent meeting in New York on 6 March, Board members expressed a reluctance to launch brand new initiatives, wishing to work within

established policies and programs. And, as the report warns, localized and tailored solutions are required to ensure sustainable improvements in coverage that eventually benefit the entire health system.

The McKinsey team was able to identify some broad groupings of countries by looking at the barriers they face. The team identified five key health system "drivers" that determine the performance of a national immunization programme: the degree of political and financial commitment; the physical infrastructure; the monitoring and information system; the management of service delivery and staff; and the degree of demand for immunization, or social mobilization.

While there are some countries that have all areas well in hand, most countries are lacking in at least in one or two areas, creating "barriers" to improved performance. Weak management of service delivery and staff was found to be the most common barrier to improved performance, affecting some 40 countries. In a handful of countries, all barriers exist. A system-wide approach would be needed to overcome the barriers, according to the report.

On the positive side, McKinsey concluded that, when the value of immunization is well communicated, and social mobilization is strong, a "virtuous circle" can follow, with strong political commitment, ensured resource flow to districts, and appropriate service delivery with good monitoring.

One finding is clear: there can be no "one-size-fits-all" approach to improving the delivery of immunization—each country's solution would differ. Therefore the McKinsey report is being shared this month with countries; the GAVI Board will consider their reactions before taking decisions about how to accelerate the growth in coverage. •

Reprinted from current issue of GAVI's Immunization Focus Newsletter
Lisa Jacobs and Phyllida Brown
www.vaccinealliance.org

(1) McKinsey & Company. Achieving our immunization goal.

(continued from page 1)

With The Vaccine Fund's support, many countries are improving their basic vaccine coverage rates and 20 million additional children have been newly vaccinated against hepatitis B—a vaccine that was first licensed 20 years ago.

Both grants awarded will be used to bring together experts in research, regulation, marketing and manufacturing to address potential obstacles to speedy availability of new vaccines. Among such obstacles are lack of disease-burden data and vaccine efficacy, uncertain market demand, and regulatory processes that could delay approval of vaccines for the developing world. The projects set out the key steps, timelines, players and budgets needed to deliver a specific number of doses of vaccines by a specific date.

The GAVI Board of Directors has focused on rotavirus

and pneumococcus because both illnesses cause a high disease burden in developing countries, and new vaccines for both are in advanced stages of development. A rotavirus vaccine could be licensed by 2005; a pneumococcus vaccine suitable for strains prevalent in developing countries could be licensed by 2007.

According to Dr. Richard Klausner, executive director of Global Health for the Bill & Melinda Gates Foundation and a member of the GAVI Board, "only a concerted and collaborative effort by the global health community, government, and private industry will ensure that the vaccines will be available where they are most needed. These projects represent a new approach to vaccine development that combines good public health policy with good private industry practices." •

Country Snapshot: Rwanda

Building Sustainable Health Care Systems Around the World

Rwanda has one of the world's highest rates of infant mortality: 107 children out of every 1,000 die after reaching their first birthdays. A difficult national economic situation, a challenging global marketplace where falling coffee prices mean a lower gross national product, and a decline in agricultural production, are all negative factors only compounded by the devastating genocide of 1994.

Nevertheless, as a signatory to the Dakar Declaration on Financial Sustainability, Rwanda has made the battle against childhood disease one of its priorities, with a particular emphasis on prevention. It is one of the first countries in the GAVI alliance to submit its long-term plan for sustainability. Since 1995, the country's leadership has been a proponent of immunization as a vital component of national policy. Rwanda currently seeks to diversify sources of funding for immunization beyond that of The Vaccine Fund by expanding contributions from its Ministry of Finance as well as bilateral donors.

A vibrant national immunization effort is propelled by the wise, decentralized use of resources. Strategies are in place to buttress vaccination services and minimize attrition rates. Exclusive use of disposable syringes and safety

boxes help to ensure better health care outcomes for "the beneficiary, the provider and the environment," according to the Ministry of Health.

Measures taken to ensure the sustainability of the program include a broad education program that informs a range of audiences about the efficacy of vaccination and seminars that support efforts to expand the knowledge of local health care workers.

Dynamic relationships with members of local inter-agency coordinating committees engage donors in medium- to long-term planning. Quarterly meetings ensure coordination among ministries to improve the allocation of resources as well as to manage and anticipate health care needs. At the administrative level, computer hardware has been updated to ensure accurate processing of data. Decentralized stock management is verified by annual inventories and, outdated components of vital 'cold chain' equipment—refrigerators and freezers—have been upgraded. Local monitoring and supervision of activities at all levels guarantee high performance and maximize program benefits. •