

# Does a sustainable business model need a new global health institution? Lessons from The GAVI Alliance

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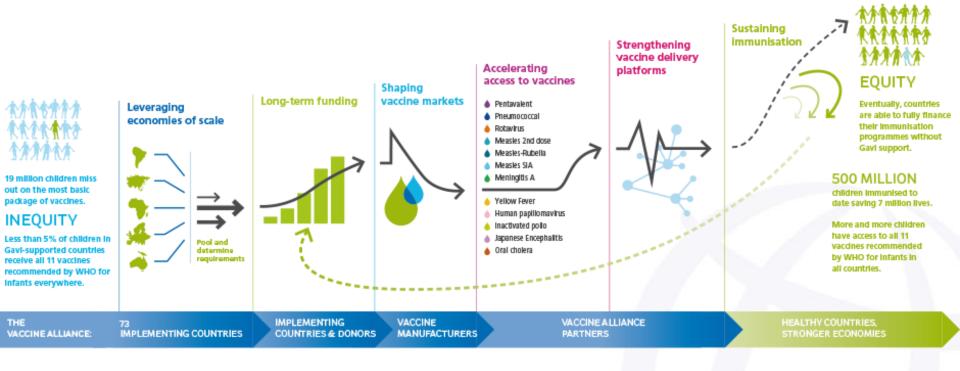
Critical Path to TB Drug Regimens Workshop Washington D.C., March 2017

#### The GAVI Alliance

- WHO
- UNICEF
- World Bank
- Governments, Donor countries
- Governments, developing countries
- Research & Technical Health Institutions
- Bill and Melinda Gates Foundation
- Civil Society Organizations
- Vaccine industry, industrialized countries
- Vaccine industry, developing countries.



# The GAVI model



http://www.gavi.org/progress-report-2014/



# Why is GAVI considered a success story?



http://www.gavi.org/about/gavis-business-model/strengthening-health-delivery-systems/

#### **GAVI** acheivements on affordability.

unite for children																unice	ef 🕲		
Presentation	Supplier Name	DTP-HepB-Hib																	
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
OTP-Hep8-Hib vaccine in a single dose liquid presentation	Biological E													\$2.3500		\$2,3000	\$2.2500		
	Crucel/Berna Biotech Korea						\$3.6300	\$3.7500°	\$3.6000*	\$3.6000*		\$2,8000-				\$2.3500	\$2.3500		
	Panacea Biotec Ltd.								\$3.6000	\$3.6000	\$2,9650	\$2.9650						\$1.4000	
	Sharitha Biotechnics Ltd.								\$2.9000	\$2.7000	\$2,7000								
	Serum Institute of India Ltd.											\$2.2500- \$2.5000	\$2.5000	\$2.6000	\$2,7000	\$2.2500*	\$2.2500*	\$1,1000	\$1,1000
DTP-HepB-Hib vaccine in a ten dose liquid presentation	Biological E												\$1.6000°	\$1.1900*	\$1.1900*	\$1.1900*	\$1.1500*		
	LGLS																\$1.3500		
	Panacea Biolec Ltd.														\$1.8000- \$1.9400*	\$1.9400*	\$1.5500-		
	Shantha Biotechnics Ltd.															\$1.6500	\$1.6500	\$0.8500	\$0.8500
	Serum institute of India Ltd.															\$1.5500- \$1.7050*	\$1.5000- 1.6560*	\$0.7500	
DTP-HepB-Hib vaccine in a ten dose lyophilised presentation	Biological E												\$1.8000*						
in a two dose lyophilised		\$3.5000	\$3.2500	\$3.1000	\$3.6500*	\$3.6000*	\$3.6000*	0-\$3.6000	\$3.5000	\$3.5000	\$2,9500	\$2,9500	\$2.9600						
	LGLS													\$1.9700	\$1.9600	\$1.9500	\$1.9400		
	Serum Institute of India Ltd.										\$2,2500	\$2,2500							

Data shows the awarded price per dose (in US\$) per product per supplier per calendar year, based on a multi year supply agreement Data shows most prices with CPT incoterms from 2001 - 2003; change to FCA incoterms from 2004-2006 onwards.

Where agreements include a range of prices during a calendar year period or for different countries or groups of countries, prices are shown as a range.

The prices are applicable to GAVI supported countries only.

"Special terms apply.

2017 and 2016: Note that this is a partial, mid-process tender outcome and additional awards will be made for these supply years. Last updated 24th May 2016.



## **Lessons from the formation phase (1)**

#### Three main determinants

- The influence of individuals as part of expert networks or leaders.
- The power of actors
- Changes in the policy context.

Sandberg, K.I., S. Andresen & . Bjune (2010) A new approach to global health institutions? A case study of new vaccine introduction and the formation of the GAVI Alliance. Social Science and Medicine, 71: 1349- 1356.

## **Lessons from the formation phase (2)**

#### The influence of individuals

- A small scientist network was crucial in bringing the need for a new alliance to core partners.
- Many of the same individuals formed GAVIs Working Group as representatives of partner organizations.

## Lessons from the formation phase (3)

#### The power of actors

- WHO and UNICEF regained authority on the vaccine issue.
- B & M Gates Foundation represented a financial potential.
- Donor or developing country governments were not involved in the formation phase.
- Trust was more important than power.

## **Lessons from the formation phase (4)**

Changes in the policy context

- The idea of global equity in access to new health technologies.
- Uncertainty about achievements in child immunization.



How did these factors contribute to the GAVI business model the next 5-10-15 years?



#### Is a similar innovative approach feasible now?





