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Key European Nations Join UK and France to Commit Nearly US\$4 Billion to Expand Child Immunisation in Developing Countries

Innovative Financing Approach Will Tap Capital Markets to Maximize Impact of Funds

London, 9 September — The United Kingdom, France, Italy, Spain, and Sweden today committed nearly US\$4 billion to support and scale up the work of the Global Alliance for Vaccines and Immunisation (GAVI) over the next decade. These long-term and unprecedented financial commitments to the International Finance Facility for Immunisation (IFFIm) will enable GAVI to bring lifesaving vaccines to millions of the world's poorest children.

The pledges announced today, which will be paid out over the next 10 years, will be used to launch an innovative financing mechanism for GAVI, called the International Finance Facility for Immunisation. IFFIm will issue bonds against these donor pledges in order to make funds available for immunisation programs more quickly. This “frontloading” approach will enable GAVI to invest now in strengthening immunisation systems and introducing urgently-needed new vaccines.

With the funds committed today, GAVI estimates that it will be able to prevent the deaths of more than five million children from vaccine-preventable diseases over the next ten years. Millions more deaths will be prevented beyond the 10 year timeframe of the initiative through the lasting benefits that childhood immunisation confers.

The recently announced Bill & Melinda Gates Foundation contribution of US\$750 million over 10 years to The Vaccine Fund – the financial arm of GAVI - will be provided alongside the resources from Government donors to the IFFIm. These contributions are joined together in a global campaign to deliver immunisation, and these funds will be jointly managed to maximize financial efficiency and ease of access for recipient countries. [Details will be provided when the bonds are issued by IFFIm].

The US\$4 billion available for disbursement by GAVI through the funds committed today from donors and the recent Gates Foundation commitment will help GAVI's unique public private partnership save the lives of millions of the world's poorest children. Both the Gates Foundation and government donors look forward to continuing to working together with GAVI to achieve this goal.

Individual pledges from donor countries include:

- €# The United Kingdom has pledged 35% of the total resources required for a US\$4 billion IFFIm, which is equivalent to US\$130 million a year;
- €# France has pledged 25%, equivalent to US\$100 million a year;
- €# Italy has pledged 10%, equivalent to US\$30 million a year;
- €# Spain has pledged 3%, equivalent to US\$12 million a year; and
- €# Sweden has made a total pledge of US\$27 million.



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“The determination of the European leaders who are participating in the IFFIm will enable us to build on the significant successes of GAVI and its partners and save millions of children’s lives,” said Graça Machel, chair of the Board of The Vaccine Fund. “Our experience shows us that even the poorest countries, even those torn apart by conflict are able to save children lives and respond to the GAVI approach—reward success and focus on outcomes.”

In launching the new initiative, Gordon Brown said: "By matching the power of medical advance with a wholly new innovative mechanism to frontload long term finance, the International Finance Facility for Immunisation which we are launching here today will over time enable ten million lives to be saved and spare millions of families the agony of a loved one needlessly dying".

Welcoming the initiative Bill Gates said: "The commitments announced today provide a major boost to GAVI's work to ensure that all children - no matter where they are born - have access to lifesaving vaccines. I commend the U.K., France, Italy, Spain, and Sweden for their generosity and Gordon Brown for his tireless work to make this announcement possible."

"I wholeheartedly thank the governments of the United Kingdom, France, Italy, Spain and Sweden for their commitments today," said Dr LEE Jong-wook, Director-General of the World Health Organization and Chair of the GAVI Board. "The return on this investment will be enormous. Increased access to immunisation can prevent the deaths of 5 million young children in the next ten years. It would have a major impact on progress towards our common goal of reducing the under-five mortality rate by two-thirds by 2015. The IFFIm approach to funding is an innovative idea that should be extended to other critical public health actions."

An alliance of all the major stakeholders in immunisation, GAVI includes among its partners developing countries and donor governments, the World Health Organization (WHO), UNICEF, the World Bank, the vaccine industry in both industrialised and developing countries, research and technical agencies, NGOs, and the Bill & Melinda Gates Foundation.

Since its inception in 2000, GAVI has reached almost 78 million children with new and under-used vaccines, and almost 8.7 million additional children with basic vaccines. It is estimated that by the end of 2004, immunisation support by the Alliance in more than 70 countries had prevented more than a million premature deaths over the lifetime of children born between 2001-2004. GAVI has also accelerated introduction of new vaccines and is strengthening vaccine delivery systems.

"With a fully-funded IFFIm of US\$4 billion, we can play a dramatic role in reducing child mortality, and help to strengthen health systems in more than 70 of the poorest countries," said Julian-Lob-Levyt, executive secretary of GAVI and chief executive of The Vaccine Fund. “We welcome the support of the people and governments of the UK, France, Italy, Spain and Sweden, and we invite other nations to join them in supporting our work.”

In recent years, immunisation efforts have suffered from a lack of stable, predictable and coordinated cash flows. IFFIm’s approach of "frontloading" of resources—investing development assistance up front—is expected to prove more efficient and cost-effective than spending the money more slowly over time. The funds raised through IFFIm and disbursed through GAVI should provide recipient countries with predictable, stable and coordinated aid flows to finance the investments needed to improve immunisation rates and health status.



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Graça Machel noted the potential impact of an expanded GAVI programme on efforts to reach the Millennium Development Goals (MDGs), a topic of the 2005 World Summit, which begins 14 September. The three-day event organized by the United Nations is expected to draw more than 170 world leaders to New York City, USA.

“The world’s ultimate goal is the reduction by two-thirds of the under-five mortality rate,” Machel said. “Increasing the number of children who receive routine as well as new and underused vaccines will save millions of lives and will help the world meet the goal of improving child health (MDG-4).”

Since 2000, national governments and private sources, working through GAVI and The Vaccine Fund, have committed US\$2.7 billion to support immunisation programs in more than 70 of the world’s poorest countries. Of the US\$1.7 billion already received, US\$1.6 billion has been promised to eligible countries and US\$567 million has been disbursed to 72 countries. The results—obtained through the efforts of in-country and NGO partners on the ground—have been significant.

- Ø In the countries receiving support to help strengthen immunisation services, an additional 8.7 million children were immunised with three doses of diphtheria-tetanus-pertussis vaccine by December 2004.
- Ø As of December 2004, the number of children immunised through the introduction of under-used vaccines in Vaccine Fund-supported countries have included more than 71.9 million with the hepatitis B vaccine; more than 9.3 million with the Hib vaccine, and more than 10.5 million with the yellow fever vaccine.

“Substantial funding to support health systems is needed if countries are going to expand access to the traditional vaccines and manage and deliver the new vaccines,” Lob-Levyt said. “Although the IFFIm does not replace and remove the need for sustained and increasing flows of overseas development assistance, it opens the way to lasting progress in immunisation service delivery and it will produce major health benefits that will continue to increase long after the initial investment period has ended.”

The UK Treasury originally conceived a broader International Finance Facility (IFF) as a way of raising the US\$ 50 billion thought necessary to bridge the gap between rich countries and poor. In November 2004, the governments of the United Kingdom and France announced their commitment to launch IFFIm, an effort to apply the principles of the IFF on a smaller scale. Machel, Mozambique’s former First Lady and Minister of Education said she welcomed the decision.

“The benefits of immunisation reach far beyond the children and their families and help to create healthier and more prosperous communities and countries, worldwide,” Machel said.



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The Global Alliance for Vaccines and Immunisation (GAVI) was launched in 2000 to increase immunisation rates and reverse widening global disparities in access to vaccines. Governments in industrialised and developing countries, UNICEF, WHO, the World Bank, non-governmental organizations, foundations, vaccine manufacturers, and public health and research institutions work together as partners in the Alliance, to achieve common immunisation goals, in the recognition that only through a strong and united effort can much higher levels of support for global immunisation be generated. Funds channelled through GAVI's financing arm, The Vaccine Fund, are used to help strengthen health and immunisation services, accelerate access to selected vaccines and new vaccine technologies - especially vaccines that are new or under-used, and improve injection safety. In addition to substantial funding from the Bill & Melinda Gates Foundation, The Vaccine Fund has been financed by ten governments to date—Canada, Denmark, France, Ireland, Luxembourg, the Netherlands, Norway, Sweden, the United Kingdom, and the United States— as well as the European Union and private contributors.

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