The PAHO Revolving Fund and the Access to Seasonal Influenza Vaccine in the Americas

Workshop on Business Modeling for Sustainable Influenza Vaccine Manufacturing

Daniel Rodríguez (FCH/IM)
Advisor, PAHO Revolving Fund

Washington DC 14th – 16th, 2013
Outline

- The Americas & PAHO: Highlights of the Regional Immunization Program
- Overview of The PAHO Revolving Fund
- Procurement Challenges, Tactics & Experiences with Seasonal Influenza and Pandemic Vaccines
The Americas

GREAT ACHIEVEMENTS ON IMMUNIZATIONS
The Region of the Americas

PAHO

35 Member Countries

3 Participant Countries:

UK: 6 overseas territories

France: 3 Departments

The Kingdom of the Netherlands: Aruba, Netherlands Antilles (6)

Population (2010):
934,571,000

Annual Birth Average (2010):
15,599,000

Reported DTP3 Coverage (2010):
92%

2010 Population (in thousands)

- 5.118 - 1000
- 1000.01 - 5000
- 5001.01 - 10000
- 10000.01 - 100000
- 100000.01 - 400000
**Ellimination and Eradication in the Americas**

**Measles elimination***

*1310 confirmed cases in 2011; data as of 13 January 2012.

**Polio Eradication**

*Type 1 vaccine derived virus in 2000 and 2001: 21 cases

**Diphtheria and Pertussis**

*7 confirmed cases in 2011; data as of 13 January 2012.

**Rubella Elimination***
The Regional Immunization Program in Latin America & The Caribbean: Laws and Source of Funds

2012: 27 countries with immunization laws

Regional EPI Cost (US$ Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Regional EPI Cost (US$ Million)</th>
<th>National Funds</th>
<th>External Funds</th>
<th>Immunization Laws</th>
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<tr>
<td>1987-91</td>
<td>560</td>
<td>440</td>
<td>120</td>
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<td>1992-96</td>
<td>920</td>
<td>620</td>
<td>300</td>
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<td>1997-01</td>
<td>1300</td>
<td>880</td>
<td>420</td>
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<td>2002-06</td>
<td>1600</td>
<td>960</td>
<td>640</td>
<td>94%</td>
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<td>2007-08</td>
<td>2200</td>
<td>1360</td>
<td>840</td>
<td>99%</td>
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<td>2009-10</td>
<td>2500</td>
<td>1780</td>
<td>720</td>
<td>99%</td>
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Rotavirus and pneumococcal vaccines in National Immunizations Programs, Region of the Americas (May 2012)

Rotavirus only:
1. Bolivia
2. Venezuela
4. Guatemala
5. Cayman Isl.

Both vaccines:
1. USA
2. Mexico
3. El Salvador
4. Honduras
5. Nicaragua
6. Panama
7. Colombia
8. Ecuador
9. Peru
10. Brazil
11. Guyana
12. Paraguay

Pneumococcal only:
1. Canada
2. Costa Rica
3. French Guyana
4. Chile
5. Uruguay
6. Argentina
7. Bahamas
8. Barbados
9. Bermuda
10. Trinidad & Tobago
11. Curacao
Proportion of municipalities with different DPT3 coverage levels in children aged <1 year, Latin America and the Caribbean, 2010*

Coverage ranges
- <80%
- 80-94%
- ≥95%

* Haiti data en 2009.
Immunization in The Americas

ROLE OF THE PAN AMERICAN HEALTH ORGANIZATION (PAHO/WHO)

- The Expanded Program on Immunization (EPI) of the Americas is created: Regional Immunization Program

- As part of the EPI, the Revolving Fund for Vaccine Procurement was launched in 1979 as a procurement mechanism for essential vaccines, syringes and other related supplies without interruption
PAHO’s Regional Immunization Vision and Strategy (RIVS) 2007 - 2015

- Technical Advisory Group (TAG)
- Cost-effectiveness analysis
- Management & Logistics
- Infrastructure & Cold Chain
- Technical Excellence- HR
- Information Systems
- Epidemiological Surveillance
- Laboratory Network
- EPI Evaluation
- The Revolving Fund
- Strengthening National Regulatory Agencies (NRAs)

Comprehensive Technical Cooperation

- Protect the Achievements
- Complete the unfinished agenda
- Meet new challenges
As one of PAHO technical cooperation mechanism
THE PAHO REVOLVING FUND
The PAHO Revolving Fund
Principles

Equitable Access
• Member States access to same high quality vaccines and supplies

Pan Americanism
• Solidarity in a economy of scale and capital fund contribution

Transparency
• Transparency in procurement practices and relationships

Quality International Standards
• Safe and Effective vaccines and supplies meeting quality standards (e.g. WHO PQ)

PAHO Revolving Fund
Main Processes

Demand Planning & Contracting

- Demand Forecasting
- Sourcing
- Bidding & Contracting
- Supplier Management

Requisition Entry
Requisition Processing
Purchase Order Entry
P/O Tracking
Payments
Collections

Purchase Order Management

Purchase Orders & Logistics
The PAHO Revolving Fund
Key Figures: 2012

60 products
28 antigens

39 countries & territories

1,300 orders / 180 M of doses
Seasonal Influenza:
18 M doses (SH) 8 M doses (NH)

Purchase Value: US$ 570 M
Capital Fund: US$ 100 M
The PAHO Revolving Fund
The Capital Fund

- **Objective:**
  - Common fund that give PAHO Member States the option to defer payments for 60 days following satisfactory receipt of the vaccines and supplies

- **Source: 3.5% Contribution**
  - 3% of net value goods contributes to the capital fund
  - 0.5% defray part of administrative & operating costs

- **Capital Fund Level:**
  - 1978: $1 M
  - 2007: $45 M
  - 2012: $100 M

The graph shows the utilization of the Capital Fund in 2012 with countries and orders categorized by payment type: post payment (60 days), pre payment, and both.
PAHO Revolving Fund
Annual Purchased Value by Vaccine Type
2004 - 2012
# The PAHO Revolving Fund
## Added Value for Stakeholders

<table>
<thead>
<tr>
<th>For Manufacturers</th>
<th>For Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>• A “single window” for all transactions</td>
<td>• Permanent mechanism of cooperation</td>
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<tr>
<td>• Prompt payments</td>
<td>• Timely and continuous supply</td>
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<td>• Reliable forecasts and transparent relations</td>
<td>• Safe, high-quality, WHO-prequalified vaccines</td>
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<td>• Post-marketing surveillance</td>
<td>• Facilitates financial self-sustainability</td>
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<td>• A mechanism to promote a robust and orderly vaccine market</td>
<td>• “Catalyst” for a sustainable uptake of new vaccines</td>
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<td>• Access to a credit line (60 days)</td>
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</tbody>
</table>
The PAHO Revolving Fund

EXPERIENCE WITH SEASONAL INFLUENZA VACCINE
Countries and Territories in the Americas with Policies for Seasonal Influenza Vaccination

Out of 45 countries and territories reporting in the Americas

Pending introduction:

- Guyana
- Haiti
- St Kitts
- St Maarten

Source: Country Reports to PAHO, MOH web pages, PAHO/WHO Surveys

Note: Data was not collected from the French Departments (French Guiana, Guadeloupe, Martinique)
Use of seasonal influenza vaccine and formulations in the Americas 2011

**Source:** Country and territory reports to PAHO, MOH websites, WHO survey

<table>
<thead>
<tr>
<th>Number of countries with:</th>
<th>2004</th>
<th>2008</th>
<th>2011</th>
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<tbody>
<tr>
<td>- Public policies for influenza vaccination</td>
<td>13</td>
<td>35</td>
<td>41</td>
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<tr>
<td>- Vaccination of children</td>
<td>6</td>
<td>22</td>
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<td>- Vaccination of elderly</td>
<td>12</td>
<td>33</td>
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<td>- Vaccination of persons with chronic diseases</td>
<td>9</td>
<td>24</td>
<td>34</td>
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<td>- Vaccination of health workers</td>
<td>3</td>
<td>32</td>
<td>37</td>
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<td>- Vaccination of pregnant women</td>
<td>3</td>
<td>7</td>
<td>22</td>
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</tbody>
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*This category does not include countries vaccinating only children with chronic diseases

**Source:** Country Reports to PAHO, MOH web pages, PAHO/WHO Surveys

**Note:** Data was not collected from the French Departments (French Guiana, Guadeloupe, Martinique)
# Seasonal Influenza Vaccine Procurement Challenges & Tactics

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Tactics</th>
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<tr>
<td>• Short shelf life vaccine</td>
<td>• Educate countries about “epidemiological and production cycles”</td>
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<tr>
<td>• Vaccine made for specific hemisphere and season</td>
<td>• Support countries in planning their immunization strategy and demand every year</td>
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<tr>
<td>• Short “Formulation-to-market” cycle</td>
<td>• Pool demand plans before and invite to tender (for hemisphere) just after WHO define strains</td>
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<td>• Place ASAP Purchase Orders and follow up deliveries</td>
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The Seasonal Influenza Vaccine Cycles
PAHO Revolving Fund Demand Planning Tool: PAHO-173

### Influenza: Epidemiological, production and ordering cycles

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**Northern Hemisphere**

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The PAHO Revolving Fund
Seasonal Influenza Vaccine
Current Sources & Prices

● Current Sources:
  – 4 manufacturers with WHO-PQ vaccines
  – Non WHO-PQ sources for export from developing countries

● Tactics:
  – Competitive International tender for every season (NH and SH)
  – Price transparency
  – Participation in forums with current and potential manufacturers
Experience of the PAHO Revolving Fund

ACCESS TO THE PANDEMIC INFLUENZA VACCINE (H1N1)
Experience with The Pandemic Influenza Vaccination..

- **On 25 April 2009**: WHO reported the emergence of a new influenza (H1N1) virus detected in North America.

- Early analysis of vaccine production capacity highlighted that pandemic influenza (H1N1) vaccine would be scarce for those countries without pre-existing purchase agreements with manufacturers.

- Countries had to mitigate the first pandemic wave without a vaccine.

- Despite of concerns about vaccine access, countries in LAC, with historically strong vaccination programs, began preparations for upcoming vaccination campaigns.
PAHO developed a regional plan to provide technical cooperation in vaccination to LAC. This plan included three main pillars:

1. Immediate support for seasonal influenza vaccination in countries not yet administering it;

2. Technical cooperation to assist LAC countries in elaborating national pandemic vaccination guidelines and knowledge platform

3. Support in pandemic (H1N1) vaccine acquisition through the Revolving Fund
Influenza A (H1N1) Vaccine Access in Latin America and the Caribbean

Vaccine source:
- Revolving Fund-RF (PAHO)
- WHO Donation*
- Direct Purchase (DP)
- RF-PAHO and WHO Donation
- DP and WHO Donation
- Mixed Purchase
Differential Access to Pandemic Vaccine in the Region

More than 224 million doses applied in the Region
- 144 million in LAC
- 81 million in USA
Regional reports of progress of vaccination campaigns

Report on the Progress of Influenza A (H1N1) Vaccination in Latin America and the Caribbean (LAC)
16 April 2010

1) Advances in Vaccination Campaigns

It is estimated that LAC countries and territories will have access to approximately 170 million doses of influenza A(H1N1) vaccine to cover the risk groups estimated by Ministries of Health of the Member States. Countries and territories in the Region have acquired the vaccine through 4 sources: direct purchase of the vaccine through the PAHO Revolving Fund (23 countries); vaccine donation from WHO (10 countries), vaccine donation from Spain (7 countries); direct purchase (2 countries); and mixed purchase from suppliers (1 country).

Graphic 1. Procurement of Vaccine against Influenza A(H1N1) in LAC.

<table>
<thead>
<tr>
<th>Source</th>
<th>Number of countries and territories</th>
<th>Number of programmed doses</th>
<th>Number of doses received*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revolving Fund (RF) PAHO</td>
<td>23</td>
<td>20.5 million</td>
<td>20.2 million</td>
</tr>
<tr>
<td>WHO Donation</td>
<td>7</td>
<td>6.7 million</td>
<td>1.7 million</td>
</tr>
<tr>
<td>WHO Donation and RF purchase</td>
<td>3</td>
<td>2.5 million</td>
<td>1 million</td>
</tr>
<tr>
<td>Direct purchase</td>
<td>2</td>
<td>40 million</td>
<td>40 million</td>
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<tr>
<td>Mixed purchase</td>
<td>1</td>
<td>100 million</td>
<td>100 million</td>
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<tr>
<td>Total</td>
<td>33</td>
<td>170 million</td>
<td>162.9 million</td>
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*Information updated as of 16 April 2010
In Summary

“In the Region (LAC) there are key aspects for a sustainable demand of Seasonal Influenza Vaccine”

A) Strong National Immunization Programs
   – Financial self-sustainability, high political commitment, strong programs and acceptance of vaccines by populations

B) PAHO technical cooperation
   – Recommendation of immunization strategies, country presence of international immunization consultants, knowledge platform and capacity building.

C) The PAHO Revolving Fund
   – Strategic mechanism that “pools and organize demand plans” facilitating a continuously and timely access to quality vaccines at lower prices
   – Facilitates countries to the access to vaccine during pandemic outbreaks.
Thank you

Contact:
Daniel Rodríguez, Advisor: rodrigda@paho.org
PAHO Procurement (PRO): pro@paho.org

Website:
www.paho.org/revolvingfund