

GSK Public policy positions

CSO Procurement of Vaccines

The Issue

An effective response to healthcare challenges in the developing world embraces many elements, including improved infrastructure, funding, political will, health policy solutions and affordability of products.

Improving sustainable access to medicines and vaccines is core to GSK's overall strategy and is prioritised at the highest levels of the company. Our access strategy focuses on areas where we can make the most difference through our core business activities, skills and resources. In particular this means driving initiatives to improve affordability, to conduct and encourage more investment in research and development (R&D) specifically for the developing world and to tackle the healthcare system challenges impacting access.

Civil Society Organisations (CSOs) have a key role to play in improving health and supporting development through various activities, including vaccination campaign implementation. GSK operates an access-driven tiered pricing approach to vaccine procurement by governments and UN agencies. This paper outlines how we interact with CSOs within our access strategy with a particular focus on accessing vaccines during humanitarian crises resulting in displaced populations.

GSK's Position

- CSOs play an important role in global health and development; GSK actively partners with CSOs, such as Save the Children, on projects ranging from education and awareness, R&D, and improving access to vaccines.
- Vaccination programmes are most effective when they are implemented locally, are stable and sustainable. Government-led programmes offer the best opportunity for achieving this. In addition, by providing reliable procurement forecasting, governments enable manufacturers, like GSK, to improve scalability of manufacturing and sustainability of supply, and all in the most cost efficient way.
- We recognise that humanitarian crises will sometimes compromise a government's ability to provide a sustainable and stable vaccination programme, particularly for displaced populations, and that sometimes a CSO may be better able to temporarily step in.
- Under these circumstances, GSK has on occasion donated a small amount of vaccines or supplied at a nominal cost to CSOs. However, the long and complex manufacturing process means that vaccines cannot easily be supplied on an ad-hoc basis. Equally, ad-hoc and uncertain supplies create major challenges for CSOs operating in these situations; they understandably want to be able to procure vaccines in a timely and sustainable way to support their immunisation programmes.
- In 2016 GSK therefore committed to providing our pneumococcal vaccine at our lowest global price to CSOs that fund and deliver immunisation programmes for refugees and displaced populations. We hope to expand this commitment to other essential vaccines in the future.
- We will work with our partner organisations (such as WHO and UNICEF) to help coordinate, manage and respond to vaccine requests from CSOs in a pragmatic and timely manner.
- For CSOs implementing vaccination programmes in non-crisis environments, we encourage them to include their vaccine requirements in government tenders or through any applicable Gavi, UNICEF or WHO procurement mechanism. In this way, CSOs are able to access the tiered price available in that country.

Background

GSK's Commitment to Health

GSK recognises that global challenges facing access and delivery of vaccination are multifaceted, whether it is the lack of infrastructure to deliver the vaccines to those in greatest need or budget decisions and political will of governments to invest in national immunisation programmes.

We are committed to researching and developing vaccines and medicines addressing unmet medical needs and to improving access to those products. GSK works with academics, Public Private Partnerships and healthcare development organisations to navigate the complex scientific and ethical environment surrounding the R&D of new vaccines and of those vaccines requiring adaptation in order to meet the needs of the developing world.

- Of the 690 million doses of the vaccines we distributed in 2015, over 70% went to developing countries, which include the least developed, low and middle income countries.
- Our drive to make vaccines available to everybody who needs them, no matter where they live or their ability to pay, is at the heart of our business strategy. As part of this, GSK operates an access-driven tiered pricing approach to vaccine procurement by governments and UN agencies that encourages pro-vaccination policies and is based on a country's development level and ability to pay.
- We do more than just deliver vaccines. We have a strong track record of supporting countries to build the capacity and develop the infrastructure necessary to support high quality immunisation programmes.
- We are committed to becoming a partner in finding solutions to healthcare delivery in Least Developed Countries by reinvesting 20% of the profits made in these countries into local healthcare infrastructure and by supporting efforts to expand access to frontline healthcare workers.

The Role of CSOs

CSOs play an important role in global health and development through health service delivery, education and awareness building and advocacy at local, national and global levels. For example, the CSO community is widely credited with shepherding through the 1978 Alma Atta Declaration - the first international Declaration underlining the importance of primary health care, which called on all governments to protect and promote the health of all people. GSK applauds and supports the CSO's vital role of giving a voice to patients and often reaching those most difficult to reach.

Our experience over many decades has taught us that working with governments and Ministries of Health offers the best opportunity to achieve the sustainability that is essential to the success of immunisation programmes. We recognise that a crisis will sometimes compromise a government's ability to provide a sustainable vaccination programme and a CSO may be best positioned to temporarily step offering immediate help to those in need.

Acute Humanitarian Crises

Acute humanitarian crises, such as natural disasters and political conflict or war resulting in large displaced populations, can impact a government's ability to provide a sustainable immunisation programme

Refugee crises can leave displaced people vulnerable and unable to access healthcare. Since 2012, GSK has been working with partners to help protect refugees' health and wellbeing through healthcare provision and child protection. Through our partners, we are addressing immediate needs – such as access to shelter and food – as well as strengthening the long-term capacity of local infrastructures to support refugees and host communities.

Access to affordable vaccines can often be an essential element of any response to a humanitarian crisis. However, it can also be a major challenge for CSOs operating in these contexts, as manufacturing processes are such that ad-hoc requests from CSOs to vaccine manufacturers do not always lead to reliable and timely responses. GSK has therefore committed to provide our pneumococcal vaccine at our lowest global price to CSO that fund and deliver immunisation programmes for refugees and displaced populations, and we hope to expand this commitment to other essential vaccines in the future. At a practical level, we are working with partners (WHO, Unicef, CSOs) to develop a sustainable and coordinated approach to CSO humanitarian crisis supplies, that includes:

- pro-active forecasting and production
- validation of the emergency situation and the need for a particular vaccine (by WHO/Unicef)
- a supply contract with Unicef through which CSOs can buy vaccines for immunisation programmes for refugees and displaced populations

Non-Crisis CSO Programmes

In non-crisis situations, we encourage CSOs to engage with governments to generate the necessary political backing to develop sustainable, government immunisation programmes. We encourage CSOs to include their vaccine requirements in government tenders or through any applicable Gavi, UNICEF, or WHO procurement mechanism. In this way, CSOs are able to access the tiered price available in that country.



We believe that a tiered pricing approach which recognises a country's ability to pay and supports pro-vaccination policies through lower prices, is the most responsible way to drive access. We have therefore embedded these principles in our tiered pricing model. It reflects the fundamental value of immunisation as an investment in health and wealth and GSK's desire to enable countries to maintain and expand upon their commitment to immunisation as their economies grow. Of note, the model is designed to favour those countries which commit to vaccination for the long-term and to implementing programmes aimed at reaching large proportions of the target population. Our tiered pricing approach is progressive in offering lower prices to small countries implementing pro-vaccination policies than a large country in the same GNI per capita tier that is not as ambitious in its pro-vaccination policies.

This in turn provides the framework that allows GSK to work with the CSO and host government to develop and supply high quality vaccines ensuring consistent access for patients.

UNICEF

UNICEF is the largest global vaccines provider (both in terms of volume and value) and GSK has been the leading vaccines supplier to UNICEF for the last decade. This partnership covers four different types of programmes:

1. all UN programmes related to children
2. supplies for Gavi countries
3. country programmes where UNICEF, on request, is acting as the procurement agency for the government
4. the Global Polio Eradication Initiative - a global initiative aimed at meeting the WHO objective to eradicate polio by 2023. GSK has been a key partner in this initiative and since 1988 we have contributed over 16 billion doses of oral polio vaccine (OPV)

Through these different programmes, UNICEF has been able to develop reliable forecasting which contributes to the sustainability of this long-lasting partnership. To further these benefits, GSK encourages CSOs to work with UNICEF on procurement when possible and appropriate.

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