

**STATEMENT OF NATASHA F. BILIMORIA
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GAVI, THE VACCINE ALLIANCE**

**SUBCOMMITTEE ON STATE, FOREIGN OPERATIONS
HOUSE COMMITTEE ON APPROPRIATIONS
WASHINGTON, D.C.**

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Madam Chairwoman,

Thank you for the opportunity to appear before the Subcommittee today on behalf of Gavi, the Vaccine Alliance (Gavi). **I respectfully request the Committee to provide \$290 million as the U.S. contribution in fiscal year 2021 to Gavi as part of an initial four-year, \$1.16 billion commitment (fiscal years 2020-2023) and to provide \$900 million for USAID's Maternal and Child Health account.** This support will help Gavi achieve its goal of providing vaccines to immunize an additional 300 million children between 2021 and 2025, saving seven to eight million additional lives. It will also contribute to strengthening global health security at a time of growing concern over infectious disease outbreaks.

I would like to thank you, Chairwoman Lowey, Ranking Member Rogers, and the other members of the Subcommittee for your strong support of Gavi. This Committee has been the leader, since our inception in 2000, in the partnership between the United States and Gavi. You have been and continue to be an essential part of our success in bringing vaccines to the world's poorest and most vulnerable children, helping to keep the world safe from infectious diseases.

THE ALLIANCE'S 2021-2025 STRATEGY AND THE ROAD AHEAD

In 2021, Gavi will begin its new five-year strategic cycle with ambitious goals that build on the achievements made to date. While the world is healthier, safer and more prosperous, these gains are fragile. Many children still miss out on the benefits of vaccination, and progress made can be threatened by population growth, increasing fragility, displacement, and recurrent disease outbreaks.

In order to deliver on the ambitious plans for its 2021-2025 period, Gavi is seeking at least \$7.4 billion from all of its donors as part of its upcoming replenishment to support the roll out of the most comprehensive package of protection in the Alliance's history. We request that the U.S. Congress begin fulfilling the four-year (FY20-FY23) \$1.16 billion pledge to Gavi, announced by USAID on February 10, by approving \$290 million for Gavi in the fiscal year 2021 appropriations process towards this goal.

Sustained commitment from the United States is necessary to ensure continued gains for increasing immunization coverage and to allow for additional predictability and stability to the vaccine market. It will also enable strong global health security efforts and encourage continued innovative approaches to global health and development issues.

A successful replenishment with continued support from key donors like the U.S. will allow Gavi to immunize an additional 300 million children between 2021 and 2025 and save an additional seven to eight million lives.

It will also ensure the successful transition of a further 10 countries and catalyze Gavi recipient country contributions to their own programs of \$3.6 billion in domestic co-financing, up from \$1.6 billion in the current period, making it their largest investment in immunization in history. In addition, developing countries will invest a further \$6 billion of their own funding for training health workers and strengthening health services, delivering further long-term societal and economic benefits.

U.S. support will also boost the competitiveness and supply security of at least five Gavi-supported vaccine markets on top of the price reductions through Gavi's market shaping model. This will result in savings of over \$900 million in the next strategic period. And U.S. support will help Gavi continue to invest in critical vaccine stockpiles, including the newly licensed Ebola vaccine.

GAVI CELEBRATES 20 YEARS OF PROGRESS AND IMPACT

The mission of Gavi, the Vaccine Alliance is to save lives, reduce poverty and protect the world against the threat of epidemics. The Vaccine Alliance turns twenty this year, celebrating the milestones it has achieved to dramatically increase immunization rates in low-income countries and protect hundreds of millions of children from some of the deadliest diseases on the planet.

Vaccines are one of the most cost-effective investments in health and development in history. Throughout the last 20 years, Gavi has helped immunize a whole generation—over 760 million children—and prevented over 13 million deaths. By improving access to new and under-used vaccines for these children, the organization is transforming the lives of individuals, helping to boost the economies of low-income countries and making the world safer for everyone.

Significant Reductions in Child Mortality

Over the last 20 years, the expansion of global immunization has helped nearly halve childhood mortality rates and has dramatically driven down the incidence of deadly and debilitating infectious disease. Since Gavi's inception, we have seen a global decline in deaths in children under the age of 5 by almost 50% from 10 million a year to just under five and a half million a year in 2017. And the rate of decline is even greater when you look the decline in deaths per year from vaccine-preventable diseases—from 2.2 million in 2000 to 600,000 in 2017—a 70 percent reduction.

Economic Prosperity

In addition to the benefits we see in the health of the population, as children become healthier, they, their families, communities and countries are more able to be economically prosperous and socially stable. For every \$1 invested in vaccines in Gavi-supported countries, there is a \$54 return in savings from averted illness and broader societal benefits of people living longer, healthier lives. To date, it is estimated that Gavi-supported vaccines have helped generate more than \$150 billion in economic benefits since 2000.

THE GAVI MODEL

Gavi's impact draws on the strength of its partners, all of whom play a critical role in the Alliance. This unique model brings together donors, including sovereign governments like the United States, developing country governments, the Bill & Melinda Gates Foundation and other private sector partners, as well other international organizations including UNICEF, WHO, the World Bank, and civil society partners to build sustainable, country-led immunization programs in poor countries around the world.

The Gavi model puts countries in the lead, helping them build sustainable programs that allow countries to transition out of Gavi support over time.

Increasing Country Domestic Financing for Immunization and Transition

Empowering countries to take ownership of their vaccination programs is a core component of the Gavi business model. Every country that receives Gavi support shares in the responsibility of vaccinating their children and co-finances vaccine costs.

As a country's income grows their co-financing obligation also grows until they reach a specific Gross National Income cap at which point they begin to transition out of Gavi support and take on full financial responsibility for financing their vaccine programs. Throughout this process, Gavi provides technical support and guidance to ensure transitioning countries have the capacity to continue implementing sustainable, equitable vaccine programs.

Currently, 15 countries have fully transitioned from Gavi support and an additional three are expected to do so by the end of the year.

Now more than ever, Gavi-supported countries are increasing their own burden share and allocating an even greater proportion of their domestic resources to their own immunization programs.

Ensuring Healthy Vaccine Markets

Building healthy vaccine markets is critical to the long-term success of the Gavi mission as it enables manufacturers to produce the right vaccines in the quantities and at prices that are affordable and sustainable for developing countries. These activities also allow donor contributions to go further while maximizing the Vaccine Alliance's impact. In addition, by creating a stable marketplace, Gavi also encourages the entry of new vaccine manufacturers to expand supply.

Since 2000, Gavi and its partners, including UNICEF, which manages Gavi's vaccine procurement, and the vaccine industry, have been working to improve vaccine market certainty by pooling demand from eligible countries. Gavi's purchasing power covers 60 percent of the annual global birth cohort, enabling it to provide a large and sustainable market when negotiating vaccines prices. These market shaping strategies have also helped attract new manufacturers to support Gavi-eligible countries, going from five vaccine manufacturers in 2001 to 17 currently. This promotes innovation and continued investment by manufacturers in the industry.

Partnering for Innovation with the Private Sector

Partnership with the private sector has been integral to the Gavi model since its inception. The Vaccine Alliance was founded to address a market failure and ensure a secure supply of vaccines at affordable prices to developing countries. But as our work evolves, we are pioneering new and innovative approaches to providing vaccines to the world's most vulnerable children.

Recognizing that business as usual will not solve all the challenges we face, Gavi is building on its foundation by establishing strategic partnerships with leaders in business and industry. Leveraging the private sector's financial resources, operational expertise, and innovation helps the Alliance to deliver on its ambitious coverage and equity goals.

One example is Gavi's partnership with The UPS Foundation, one of our longest-standing private sector partners. Since 2014, the partnership has grown to include several different initiatives to improve immunization supply chains. In 2016, together with Gavi and Zipline, The UPS Foundation helped to launch the world's first drone delivery network in Rwanda. In 2020, the partnership with The UPS Foundation extended to support the Zipline launch in Ghana, which will deliver life-saving vaccines to millions of people.

Most recently, The UPS Foundation has worked with the Government of Uganda to leverage its local expertise and resources to improve vaccine distribution to the last mile. Gavi's engagement with innovators and the private sector like The UPS Foundation has been a journey – one of learning, adjusting and iterating in order to progress and succeed.

GAVI'S CONTRIBUTION TO GLOBAL HEALTH SECURITY

Vaccines are one of the most cost-effective ways to prevent epidemics at the source and are a crucial component of any global health security strategy. Gavi has made great progress in strengthening immunization programs, delivery systems and surveillance systems, as well as boosted vaccine stockpiles to help safeguard against disease outbreaks and reduce the threats to global health security, making the world a safer place for everyone.

Gavi has helped protect more than 140 million people with vaccines from Gavi-funded stockpiles and outbreak response funds since 2006. Continued contributions from the U.S. help ensure this work continues in Gavi-supported countries, and in turn, makes the world safer for all, given diseases know no borders.

Recognizing that prevention is crucial to preventing infectious disease threats and epidemics, in 2016, Gavi announced an Advance Purchase Commitment with Merck, providing \$5 million towards the procurement of an Ebola vaccine once licensed and recommended by the WHO. As part of this commitment, Merck agreed to create and store a stockpile of 300,000 doses of the unlicensed vaccine, in case of an immediate outbreak.

The stockpile was later used to deploy vaccine in recent Ebola outbreaks in the Democratic Republic of the Congo. This partnership and the Gavi-supported stockpile have allowed more than 250,000 people to receive the vaccine since the outbreaks began. In December 2019, the Merck Ebola vaccine was approved by the FDA and WHO pre-qualified, ready now for

commercial use. Soon after as part of Gavi's sustained commitment to preventing and ending infectious disease outbreaks, Gavi's board approved an additional \$178 million in funding for an Ebola vaccine program.

ACHIEVING OUR GOALS

Though we have made significant progress over the last 20 years, there are still more than 20 million people around the world missing vital vaccines, leaving them susceptible to disease and the world vulnerable to epidemics.

Continued U.S. support to Gavi will help build on the efforts we have already achieved together and contribute towards the immunization of 1.1 billion children by 2025, saving an estimated 22 million lives. Moreover, currently as the third largest donor to Gavi at approximately 15% of donor contributions in this current period, continued strong U.S. investment significantly leverages other donors.

We also cannot succeed alone. The U.S. investment in global health programs and the larger foreign assistance budget is essential to protecting people from rising health threats. These programs complement the impact of Gavi-supported immunization efforts and are crucial to the health security in the United States and around the world.

CONCLUSION

A \$290 million contribution to Gavi for fiscal year 2021 as part of a \$1.16 billion commitment over four years (FY2020-FY2023) and \$900 million for the USAID Maternal and Child Health account as well as \$134 million for UNICEF is important to maintaining our gains in child survival programs. This funding will help expand immunization efforts, transition countries out of Gavi support, promote program sustainability, and boost global health security.

We thank this Subcommittee for its long history of protecting global health and other foreign assistance programs.

Thank you for your consideration.