Gavi 2020/154

15th September 2020

Your Excellency,

Our collective effort to accelerate, reserve and share vaccines against the pandemic is approaching a crucial moment. On Friday we will enter binding commitments with COVAX Facility Participants, allowing us to move from intense negotiations with vaccine manufacturers to binding commitments with them.

I do appreciate that the pace we have needed to set has been testing for all of us. But if we do not continue to move rapidly, we will not be able to secure the doses we need. The discussions we have had collectively and individually with you have helped us to refine our approach, and I wanted to share with you how our thinking has developed.

As of today, we have received 85 Confirmations of Intent to Participate from self-financing economies. This has enabled us to communicate a real sense of momentum around 31st August. As we approach 18th September – the eve of the UN General Assembly – we have the possibility of being able to present to the world one of the most successful multilateral breakthroughs of recent times. We are pleased to have already received our first several signed Commitment Agreements and look forward to increasing momentum over the coming days. It is in this spirit that I write to you today, to address five key issues and provide a collective way forward, that I believe will be essential to the success of the COVAX Facility.

The first point relates to the **hosting of the Facility**. A primary driver of this has been speed. To this end, we have used an existing legal entity – Gavi – to administer the Facility in order to save time and leverage the track record of Gavi and its Alliance in funding the procurement of billions of doses of vaccines over the last two decades. This means that the Gavi Board will remain ultimately responsible and has asked us to ensure that hosting the Facility does not impede Gavi's existing vital programmes. My discussions with the Board give me every confidence that in practice the main decisions about the operation of the Facility will be for the mechanism set up specifically for the governance of the COVAX Facility.

The second point concerns the overall **legal structure of the COVAX Facility.** The discussions we held over the last few months improved the approach to the Facility, as did the feedback on the draft Terms and Conditions (T&Cs) that we circulated on 23rd August.

The T&Cs now need to remain in their present form both if we are to have any chance of meeting the 18th September deadline, so that we can start making legally binding commitments to secure doses, and if we are to benefit from the very large economies of scale we can provide by serving more than half the world's population operating on the same terms.

This also has implications for the Commitment Agreements – if they are changed in ways that change the T&Cs, we would have to reissue the T&Cs. This means that we can only accept minor adjustments to the Commitment Agreements or where changes are helpful clarifications – and in neither case can those changes affect the T&Cs. Given the deadline, where possible we would like the Commitment Agreements to be signed in the form that they were sent to you.

My third point concerns the **allocation of vaccines**. We have had three imperatives here: sharing vaccines equally so that healthcare workers and the most vulnerable are protected everywhere; ensuring that we meet the commitments made to Participants; and moving as quickly as possible to tackle the pandemic. This means applying two principles to the **distribution of vaccines**: each Participant gets doses at the **same rate**, and **no dose can be idle**. All Participants will be offered vaccines at an equal pace up to 20% of the population (or the amount which they have requested through the Facility if less than 20%). Based on the principle of having no dose go idle, lack of funding, or readiness, or the exercising of options on the part of one Participant would not delay allocation of doses to other Participants. Beyond 20% of the population per Participant, the allocation process will progressively expand access to continue to cover a larger portion of the population. In the event that protracted severe supply constraints remain at this point, adjustments in the timing of distribution of vaccines will be considered – with independent review – taking into account factors such as countries' vulnerability and the COVID-19 epidemiological threat. The Shareholders Council will have visibility of this process and will have the opportunity to raise concerns.

My fourth point concerns the need for **guarantees**. Both the Committed Purchase and the Optional Purchase arrangements require guarantees. We need security that these guarantees will be respected because otherwise the Facility will collectively suffer, and we will not be meeting the Gavi Board's requirement that we protect Gavi's existing programmes. In conjunction with this letter, I am also sharing guidance on the requirements for the financial guarantees. Some countries have expressed an interest in providing a cash deposit, to be held in an escrow account, instead of a guarantee, and we are happy to work with you if this is your preference.

My final point concerns **communications** around the deadline. As mentioned above, 31st August served as a watershed, defying many sceptics who believed an initiative as ambitious and complex as ours was just not possible. In answering our critics we have won many new friends, however we know all eyes will be on us on 18th September as the world waits to see how many Commitment Agreements have been signed.

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We are aware that signing a legally-binding agreement within this short time frame may be challenging, but just as it is in all our interests for the Facility to succeed, it is also in our interests for the world to know we are succeeding.

To this end, we plan to issue a press release on the 21st September naming every country that has confirmed interest on or after 31st August. We believe this extra level of information – which has not yet been shared publicly - will be sufficient to demonstrate to the media that we are maintaining our trajectory in spite of our ambitious timetable. We believe that is in all parties' interests, especially during UNGA week, to be publicly associated with the only truly global response to the most severe economic and public health catastrophe to have befallen the world in a hundred years.

We thank you for support in allowing your inclusion in this list and will work on the basis that you are content to be named unless you tell us otherwise. If you're interested in playing a more proactive role in our communications campaign, we would be very happy to include a supportive quote from your head of government or senior public figure: please reach out to us directly through your focal point if you would like to collaborate with us in this way.

On behalf of the Office of the COVAX Facility, please accept the assurances of our highest consideration,

Dr Seth Berkley,
Chief Executive Officer
Gavi, the Vaccine Alliance

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