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### RECOMMENDATION TO THE EXECUTIVE BOARD

# Establishment of a vaccine independence initiative

The Executive Director recommends that the Executive Board approve an interregional programme for the period 1991-1995 to establish and capitalize a revolving fund to enhance the ability of developing countries to procure, with their own currencies, high-quality, low-cost vaccines in adequate quantities to reach and sustain universal child immunization and to achieve the goals of eradicating poliomyelitis, eliminating neonatal tetanus and controlling measles during the 1990s, in the amount of \$10 million in supplementary funds, subject to the availability of specific-purpose contributions.

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#### INTRODUCTION

- 1. The global drive to achieve universal child immunization (UCI) has been a resounding success, with immunization coverage in developing countries overall increasing nearly fourfold from a base of approximately 20 per cent in 1981 to reach the 1990 goal of 80 per cent. Moreover, if the increase in population is taken into account, coverage increased fivefold. At the end of 1989, coverage for specific antigens was as follows: 80 per cent for anti-tuberculosis vaccine (BCG); 78 and 75 per cent, respectively, for three doses of poliomyelitis vaccine and combined diphtheria/pertussis/tetanus (DPT) vaccine; and 71 per cent for measles vaccine. Tetanus toxoid coverage for pregnant women, at 44 per cent for the second dose, remains an area requiring special attention in the next several years.
- 2. When data for 1990 are compiled, it is expected that 80 per cent coverage levels will be reached globally for three doses each of DPT and poliomyelitis, and BCG will exceed the 80 per cent target. The figure for measles coverage, likely to be between 75 and 80 per cent, is lower, in part owing to the fact that reporting is restricted to vaccinations administered to infants between the ages of 9 to 12 months. Surveys have shown higher coverage in many countries among children aged up to 18 months.
- 3. The number of developing countries achieving their UCI targets has also increased each year, from only 16 in 1986 to 34 in 1988 and to 43 by 1989. An additional 40 countries achieved coverage levels greater than 60 per cent in 1989, and during 1990 were striving to reach their UCI targets. It is expected that approximately 60 countries will have reached UCI by the end of 1990 and another 15 to 20 will have achieved the goal for all antigens except measles. These achievements are detailed in documents E/ICEF/1991/L.8 and E/ICEF/1991/L.8/Add.1.
- 4. At these coverage levels, the World Health Organization (WHO) estimates that 3 million deaths from measles, neonatal tetanus and whooping cough, as well as more than 400,000 cases of poliomyelitis, were prevented in 1990. These figures, of course, are only estimates and do not take into account children whose lives have been saved from immunizable diseases, but who subsequently die from another cause.
- 5. UNICEF has supported the global immunization programme during the past 10 years by providing developing countries with a significant portion of the vaccines, together with much of the cold-chain equipment to protect the vaccines and injection and sterilization equipment. UNICEF support has also included the provision of vehicles to distribute vaccines and facilitate programme management, the training of health workers and the provision of resources for communication and social mobilization activities. UNICEF has expended nearly \$500 million for immunization activities during this period.

6. With the success in improving immunization coverage, the World Health Assembly has set goals of eradicating poliomyelitis whe bally by the year 2000, eliminating neonatal tetanus by 1995, reducing measles cases and mortality by 90 and 95 per cent, respectively, by the year 2000 and increasing coverage of children under one year old to 90 per cent by the year 2000. These goals were endorsed by the UNICEF/WHO Joint Committee on Health Policy and the UNICEF Executive Board in 1989 (decision 1989/12, E/ICEF/1989/12) and by the World Summit for Children in 1990.

#### I. UNICEF VACCINE PROCUREMENT

- 7. The UNICEF supply system has been very effective in procuring low-cost quality vaccines. Since 1982, a total of 4,408.7 million doses at a cost of \$177.2 million have been procured for programmes and on behalf of Governments and Rotary International. WHO has cooperated with UNICEF in elaborating technical and biological standards and in designating vaccine manufacturers that meet these standards for the UNICEF bidding process. Vaccines are shipped directly from manufacturers to the receiving countries, and an elaborate mechanism ensures that the cold chain is maintained and that vaccines are protected during shipment.
- 8. The demand for UNICEF-procured vaccines will continue to rise as coverage increases and disease eradication programmes accelerate. The Supply Division estimates that 5,557 million doses, valued at approximately \$362.6 million, will be procured over the next five years. Many countries have already requested WATCEF support for the provision of hepatitis B vaccine, as well as the triple-antigen measles, mumps, rubella vaccine. Continued support for cold chain upgrading and replacement and the provision of injection and sterilization equipment has also been requested and will be required to sustain immunization programmes in most developing countries during the next several years.
- 9. Rotarians world-wide have played an important role in the UCI drive. Following the launch of the "Polio Plus" initiative in 1986, a total of \$226 million was collected, against a target of \$120 million. Rotary/UNICEF collaboration began in 1986 with an agreement for UNICEF to procure poliomyelitis vaccines on behalf of Rotary (Rotary provides funding only for poliomyelitis vaccines), and \$41 million has been received for this purpose. Smaller amounts have been received as well to support the cold chain and social mobilization activities. Rotary has pledged to provide funds for poliomyelitis vaccines to developing countries until the disease is eradicated. However, funding for other expanded programme on immunization (EPI) vaccines remains a challenge for the next decade.

#### II. VACCINE INDEPENDENCE INITIATIVE

- 10. The vaccine independence initiative is being developed to provide a mechanism for developing countries to become self-reliant in vaccine procurement, the most critical element in the immunization programme. It is anticipated that, over the next two to five years, many countries, except the poorest, will fund their own vaccine requirements, freeing UNICEF funds to support other activities and needs of the immunization programme.
- However, although many countries are able to provide adequate 11. budgets for purchasing vaccines, they may be unable to secure adequate hard currency from scarce foreign currency reserves. Therefore, the initiative will have three components: (a) revolving fund; (b) a vaccine procurement mechanism; and (c) a mechanism to utilize local currencies to replenish the dollar-based fund. The dollar-based revolving fund will accept payment for vaccines in a national currency, which will then be utilized by UNICEF (and, where applicable, the United Nations Development Programme (UNDP), WHO and other United Nations agencies) to meet country programme and administrative expenses. The dollar equivalents will then be freed to pay for the vaccines. The capitalized fund will also generate a modest amount of income that will pay for its administration. Vaccine procurement will continue through the current UNICEF system, and countries that can pay for vaccines with hard currency can also participate in the programme to benefit from the UNICEF procurement mechanism, which supplies high-quality vaccines at lowest prices.
- 12. The initiative will be organized in geographic groupings to facilitate regional cooperation in the administration of the initiative, and because it is anticipated that a regional organization or donor country could provide resources to capitalize the revolving fund for a group of countries. It is anticipated that the initiative will be implemented in close collaboration with the WHO EPI.
- 13. The initiative offers the following advantages to the participating countries:
- (a) Quality, low-cost vaccines will be available on a timely, resurrent basis through the established, efficient UNICEF procurement system;
- (b) Countries will be able to pay for vaccines with local currency, thus avoiding a drain on scarce foreign exchange;
- (c) UNICEF funding will be freed to provide support for other critical activities:
- (d) Self-sufficiency in a vital recurrent health intervention will be assured;
  - (e) Regional collaboration will be enhanced.

## III. RECOMMENDATION

14. The Executive Director <u>recommends</u> that the Executive Board approve the vaccine independence initiative for the period 1991-1995 in the amount of \$10 million in supplementary funds, subject to the availability of specific-purpose contributions.