PROSUR Sustainable Investment in Vaccines Webinar

Prepare your production operations for the relentless pursuit of **excellence**

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Most Relevant Aspects to Sustainable Market for Local Production

Sufficient Demand Volumes

- Minimal viable production capacity must be achieved – varies by production step (Pkg, Form/Fill, Bulk) and Technology (i.e. egg based, modular DS platforms, # valencies)
- At first focus is to keep facility ”warm” but quickly changes to needing to achieve economy of scale
- Private market is usually quite small compared to public market, especially for mature vaccines

Competitive Pricing

- New market entrants will most likely have higher prices in the short term
- Many procurement regulations eschew significant price preferences (i.e. Serbia joining EU, WTO procurement rules impact on GAP projects)
- UNICEF/GAVI do have some flexibility on pricing in order to maintain healthy markets

Long-Term Perspective

- Tech Transfers and building new facilities take years with a long payback period
- Covid looks to be following the typical panic/neglect cycle (i.e. Aspen/SII/Mabxience Covid mfg)
- Sustained, coherent government policy is required (SA Penta Policy, GAP participants)

Public Vs Private Investment

- Government
  - Main stakeholder in strengthening and maintaining enablers such as legal and financial systems and national regulator
  - Can't change birth cohort, but are only actor able to impact market dynamics in other ways
    - Expand coverage (i.e. with adult vaccines such as Influenza or some childhood such as HPV)
    - Add new products to vaccination schedule
    - Enter into demand pooling or pooled procurement agreements
  - Can also be an owner or source of incentivizes in R&D or production projects

- Private Industry - Catalyst
  - Can be an important catalyzing force for creating sustainable local production
    - Government incentives and funding need a recipient to be effective
    - May have a higher risk tolerance than fully public funded programs
    - Often seen as a preferable partner to fully government owned organizations by vaccine originators
  - Especially in countries without vaccine manufacturers currently, private actors in adjacent industries could pivot operations more easily than building a firm from scratch (i.e. pharma manufacturers, those serving private vxn market, etc)

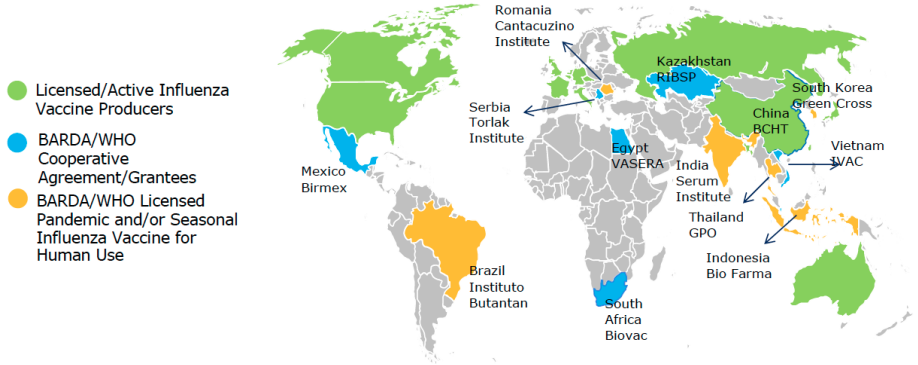
Back Up Slides

WHO Global Action plan (gap) for influenza vaccines

- Program Overview
  - Chartered in 2006 during H5N1 Pandemic and ran until 2016
  - ~$100M in seed funding from BARDA; ~$1B in total spend (includes local spend)
  - Goal to expand influenza vaccine production at 14 manufacturers
    - 4 are not producing
    - 3 are still in progress
    - 3 have sustainability issues
    - 4 are sustainably producing

- Lessons Learned from GAP and other tech transfers
  - Timelines measured in decades
  - Policy coherence can quickly ruin a project
  - Global competition exists and is fierce
  - Long-term financial sustainability is a must
  - R&D and production capacity building require two different sets of people

Geographical Distribution of Influenza Vaccine Production as of 2018



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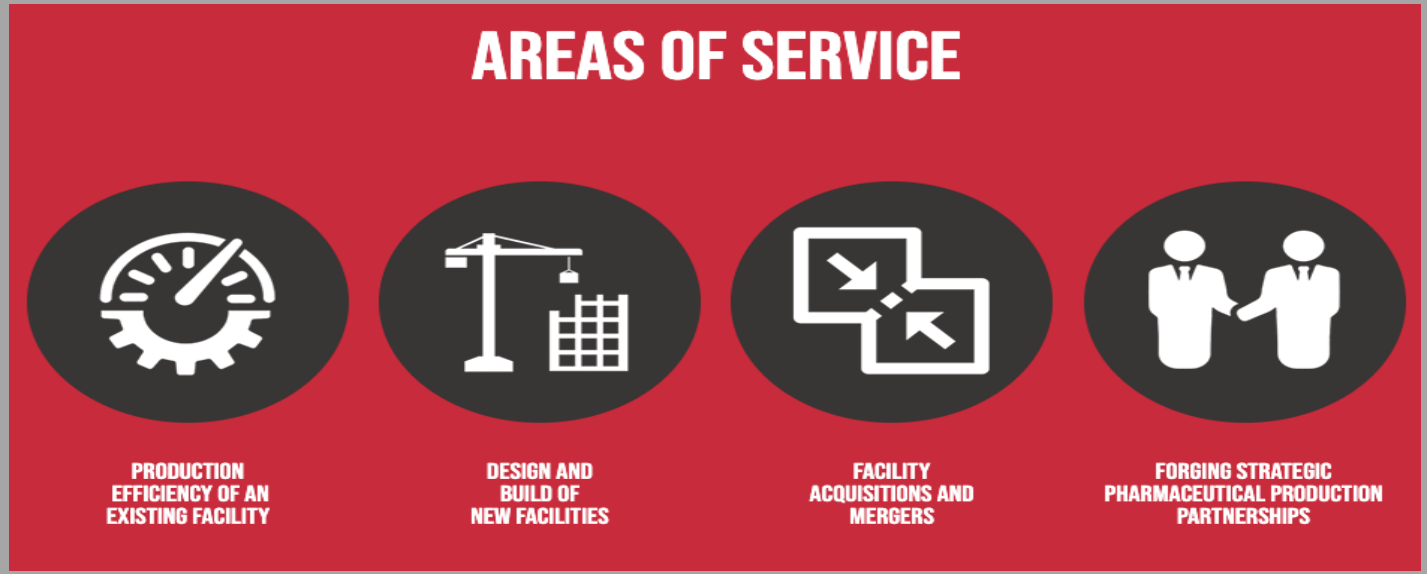
Questions???



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