FINANCING VACCINATION FOR EVERY CHILD
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Dear Friends

Thank you for joining with us to discuss the major ethical challenge, a challenge which demands a response in respect of public health financing within countries, public private partnerships and the relations between North and South to guarantee the basis for sustainable development.

The appeal to our collective conscience is that every day, 4 000 children die in the world from diseases that could have been prevented by vaccination. Yet, diseases for which very effective and safe vaccines exist, like measles, pertussis, tetanus, hepatitis B, Haemophilus Influenzae type B (meningitis and pneumonia), polio and diphtheria, collectively kill nearly 3 million people each year, of whom 2 million are children living in developing countries. Obviously, Sub-Saharan Africa and other low-income countries bear the brunt of this burden. A child living in a poor country is one thousand times more likely to die of measles than a child living in a high-income country. Millions more people could be spared the illness and life-long disabilities related to these preventable infectious diseases. Vaccinations not only reduce infant and child deaths, they potentially provide long-term protection against certain diseases like tuberculosis, which impose a major burden of ill-health on adults.

The 4 000 deaths a day, is our collective crisis of conscience.

It is the fact that the solution is as glaringly obvious, and the costs as manageable, that presents the responsibility for vaccination as a fascinating case study in the paradigm of international development, financing, co-operation and governance issues.

The wide unevenness in vaccine accessibility reflects so many of the core issues of the international order. The huge successes in many regions of the world provide far-reaching lessons for regional and global governance. They teach of the interaction between the best scientific development and the ability of governments to deliver; new approaches to financing development and the structuring of the global order; and to the collaboration between nation states, multinational corporations and global and regional organisations.

Three weeks ago, we adopted the Monterrey Consensus document, which defines the gaps in the funding of development. The preparations for the Monterrey Summit saw significant increases in Official Development Assistance announced by a number of industrialised countries. The recognition that there is something seriously amiss in the financing for development is indisputably accepted. The path to correction must still be taken.

In just over four months, we will host the World Summit on Sustainable Development, the focus of which will be on the three inter-related elements of sustainability –economic development, social development and environmental protection. A discussion on the financing of vaccinations could not have been better timed than between the Monterrey and Johannesburg summits. It is all of our responsibility, it is a critical element of sustainable development and the resources must be found.

The inter-relationship between health and economic development was highlighted in the recent report of the Commission on Macroeconomics and Health. The report confirmed that health is influenced by a range of factors including

- Income, not only absolute income levels, but also by the distribution of income
- Access to a range of basic services such as water, sanitation, housing and electricity
- Education; and
- Health Services

The constraints on economic development translate into poor performance in all of these factors affecting health. However, we should recognise that improved economic growth will not automatically translate into improved health. The economic growth needs to be translated into increased investment in government spending on the full range of social services, as well as the improved distribution of these services among the population.

Improved health, in turn, will contribute to the improved prospects for economic development. Healthy children are better able to reap the fruits of better schooling and a more educated workforce can contribute to achieving economic development goals. A healthy workforce reduces lost productivity due to days off as a result of illness. There are cogent reasons for investing in health, on both trite economic and humanitarian grounds.

So, what stands in the way of implementing the overwhelmingly logical proposals to finance and roll-out vaccination programmes?

Governance is always about choices, and Finance Ministers the world over have to reconcile competing claims on government resources. The challenge to spend on basic services and social grants in order to deliver better health outcomes is incredibly strong. A recent study here in South Africa showed that interventions to address disparities in socio-economic status, particularly through income transfers, contribute substantially to improved health status. This study, conducted by the National Bureau for Economic Research found that households with a member in receipt of a non-contributory state pension had significantly higher health status than household in the same community that did not have pensioner as a member.

Sadly, most governments in poor countries do not have free choices. Too often there are imposed conditionalities which require performance against macroeconomic variables only. This focus is wrong because it fails to

understand that sustainable change requires investment in a series of social and micro-economic areas. But then, there are also electorates who require of governments to build the grand projects during their limited term in office. Against these criteria, mass vaccination programmes will also tend to fail the test of 'grandness'.

We need to leave this conference committed to ensuring that the whole world understands that vaccination programmes are grand projects and that conditionalities that focus on macroeconomic variables to the exclusion of key issues like sustainable improvements in the health indices of a nation are doomed to failure.

The arguments for achieving high global coverage with vaccination is so compelling:

- ?? High effectiveness
- ?? Very attractive cost-effectiveness and cost-benefit ratios
- ?? A clear case of a public good
- ?? A sound public financing investment under almost any circumstances
- ?? Eradication or elimination of mass epidemics of the past – smallpox, polio, tetanus, diphtheria has been an outstanding feature of modern civilisation
- ?? Research to develop mass interventions against HIV/AIDS, malaria and TB present major research challenges for the present century.

The tragedy of our times is that despite the low cost and cost-effectiveness of vaccinations, and despite the fact that no argument – medical, sociological or political, can be offered against it, too many countries are too poor to provide this service. There are a number of Sub-Saharan countries that are only able to contribute between $1 and$2 per capita to finance health services annually. It is estimated that an additional $ 1 billion is required to ensure that all children have the additional set of vaccinations, or $ 1.5 billion if the Hep-B and Hib vaccines are added to the compulsory list.

We can, and must, commit to seeking even lower costs of immunisation programmes through maximising the advantages of NEPAD, to ensure bulk buying and improved administration for the roll-out. We must work across sovereign borders because infectious diseases do not recognise these borders. Reducing the incidence of infectious diseases is thus a global concern. Funding the $ 1.5 billion required would cost donor countries only $6 for every $ 100 000 of their wealth.

We must now up the campaign for ODA –either directly to countries or through intermediaries like GAVI (the Global Alliance for Vaccines and Immunisation). Documentation produced by GAVI and the World Bank usefully describe a wide range of funding options for vaccination. The key is to change the outlook by identifying the need to eliminate preventable diseases as a global public good –the World Health Organisation estimates that of all the expenditures on health research, 90% is for diseases that affect only 10% of the world's population. Vaccines represent only 1.5% of the global

pharmaceutical market. It is obviously much more profitable for the private industry to sell high-margin pharmaceuticals in wealthy countries than to sell low-margin vaccines in poor countries. But we, as public policymakers, as thinkers, as academics, as the carers, must have a different agenda. We have the potential to help or hinder development. We can break the cycle of poverty and disease. Let us define an agenda for action. We can change the norms. Let us do so.

Thank you.