

Grant Agreement

Dated _____

**THE GOVERNMENT OF BELGIUM, THROUGH ITS FEDERAL
PUBLIC SERVICE FOREIGN AFFAIRS, FOREIGN TRADE AND
DEVELOPMENT COOPERATION, DIRECTORATE GENERAL
FOR DEVELOPMENT COOPERATION (DGD)**

and

GAVI ALLIANCE

GRANT AGREEMENT

This Grant Agreement is dated _____ and is made between:

- (1) **The Government of Belgium**, through its Federal public Service Foreign affairs, Foreign trade and Development cooperation, Directorate General for Development Cooperation (DGD) (the "**Grantor**") ; and
- (2) **The Gavi Alliance**, a non-profit foundation registered in the canton of Geneva (registry number CH-660-1699006-1) with offices at Chemin du Pommier 40, 1218 Le Grand-Saconnex, Switzerland ("**Gavi**").

(together, the "**Parties**" to this Agreement and "**Party**" means any one of them).

Whereas:

- (A) The COVID-19 pandemic has already caused the loss of hundreds of thousands of lives and disrupted the lives of billions more. Developing and deploying a safe and effective COVID-19 vaccine is essential to restoring normal economic activity.
- (B) Pooling demand with other countries through a joint mechanism vastly increases the probability of success for each country and global success in stamping out a disease which does not recognise borders.
- (C) The Gavi COVAX Advance Market Commitment (the "**COVAX AMC**") has been established to raise funding to enable Gavi to subsidise vaccine dose purchase for 92 eligible economies through Official Development Assistance funding from donors, concessional finance from multilateral development banks, as well as through support from private foundations.
- (D) The Grantor and other donors wish to make pledges to Gavi in order to establish the COVAX AMC. Gavi and/or a procurement agency acting on its behalf, will enter into advance purchase commitments with manufacturers for supply of vaccines for the benefit of the COVAX AMC Group. The COVAX AMC aims to procure 1 billion doses of a safe and efficacious vaccine by the end of 2021.
- (E) [Gavi is able to frontload future grant payments to the COVAX AMC thanks to a facility provided by the European Investment Bank (the "**EIB Frontloading Facility**"). The EIB Frontloading Facility enables Gavi to use future grant payments immediately to enter into purchasing agreements with vaccine manufacturers, to ensure no delay in providing equitable access to COVID-19 vaccines to AMC economies. For this mechanism to function, AMC pledges will be paid into a special account and be assigned to the EIB (as described further below).]¹
- (F) The Grant Agreement is entered into by a Grantor recording the terms upon which the Grantor shall make a Grant Payment in respect of the COVAX AMC.

IT IS THEREFORE AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

¹ To be included in all Grant Agreements which are intended to be "Secured AMC Contributions" for the purposes of the EIB frontloading facility.

1.1 Definitions

In this Agreement:

- (a) All terms capitalised but not otherwise defined shall have the meanings given to them in the Terms and Conditions attached to this Agreement at Schedule 1 (*Terms and Conditions*); and
- (b) The following terms shall have the following meanings:

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"Bank" has the meaning given to such term in Clause 4.2;

"Business Day" means a day on which commercial banks are open for the transaction of general business (including dealings in foreign exchange) in Geneva, Switzerland and the capital city of the Grantor;

"COVAX AMC Payment Account" means the account held in Gavi's name with the following details:

Account Name	COVAX AMC Payment Account [LL Note: Gavi to include payment details for new account being set up for the purposes of the EIB facility in Luxembourg]
Account Number	[•]
IBAN USD Account	[•]
Reference	[•]
SWIFT	[•]
Bank Details	[•]

or such other account as Gavi may from time to time notify to the Grantor in writing no later than 10 Business Days prior to the relevant payment date);

"EUR" or **"€"** means the lawful currency of the Member States of the European Union which adopt or have adopted it as their currency in accordance with the relevant provisions of the Treaty on European Union and the Treaty on the Functioning of the European Union or their succeeding treaties;

"Gavi Transferee" has the meaning given to such term in Clause 4.1;

"Grantor" means "the Government of Belgium, through its Federal Public Service Foreign Affairs, Foreign trade and Development Cooperation, Directorate General for Development Cooperation (DGD);

"Grant Payment" means EUR (€);

"Grant Payment Date" has the meaning give in Clause 2.1;

"Tax" means all forms of taxation in the Grantor's country whether direct or indirect and whether levied by reference to income, profits, gains, net wealth, asset values, turnover, added value or

other matters and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions, rates and levies (including social security contributions and any other payroll taxes), whenever and wherever imposed (whether imposed by way of a withholding or deduction for or on account of tax or otherwise) and in respect of any person and all penalties, charges, costs and interest relating thereto;

"Terms and Conditions" means the terms and conditions of the COVAX AMC as set out in Schedule 1 to this Agreement;

"VAT" means:

- (i) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (ii) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (i) above or imposed elsewhere.

1.2 **Construction**

Unless a contrary indication appears, any reference in this Agreement to:

- (i) **"assets"** includes present and future properties, revenues and rights of every description;
- (ii) **"this Agreement"** or any other agreement or instrument is a reference to that document or other agreement or instrument as amended or novated;
- (iii) a **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;
- (iv) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (v) a provision of law is a reference to that provision as amended or re-enacted; and
- (vi) a time of day is a reference to London time.

1.3 **Singular, plural, gender**

References to one gender include all genders and references to the singular include the plural and vice versa.

1.4 **Clauses**

In this Agreement any reference to a "Clause" or a "Schedule" is, unless the context otherwise requires, a reference to a Clause of or a Schedule to this Agreement.

1.5 **Non-limiting effect of words**

The words "including", "include", "in particular" and words of similar effect shall not be deemed to limit the general effect of the words that precede them.

1.6 **Precedence**

If there is any conflict, apparent conflict or ambiguity in or between any of the sections of the Agreement set out below, the sections shall be applied in the following order of precedence:

- (i) the Clauses; then
- (ii) the Schedules, including the Terms and Conditions; then
- (iii) any other document referred to in this Agreement.

2. UNDERTAKING TO MAKE GRANT PAYMENT

2.1 Grant Payment

The Grantor irrevocably and unconditionally undertakes to pay to Gavi the Grant Payment at the latest at the end of the quarter in 2021 following the reception of the payment request (invoice), or otherwise agreed by the Parties.

2.2 Use of Funds

The Grant Payment and income derived from any investment by Gavi of such Grant Payment shall be utilised by Gavi in accordance with the Terms and Conditions. In any event the Grant shall be used during 2021-2022.

- 2.3 Gavi will provide the Grantor an annual financial and a narrative report on the COVAX AMC which is in accordance with Clause 4.4 in Schedule 1. In accordance with the Terms and Conditions, any surplus funds will be returned to the Grantor.

3. PAYMENT

3.1 Payments to Gavi

Any Grant Payment due from the Grantor to Gavi under this Agreement shall be made to the COVAX AMC Payment Account (or such other account as notified by the Bank to Gavi under Clause 4.2 below) for value on such date by 12 noon.

3.2 Business Days

Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

3.3 Enforcement Rights

If the Grantor does not make the Grant Payment on or before the Grant Payment Date, then Gavi shall be entitled to pursue all rights available to it under this Agreement including under Clause 6.1.

3.4 No set-off by Grantor

All payments to be made by the Grantor under this Agreement shall be calculated and be made without (and free and clear of any deduction for) withholding, set-off or counterclaim.

4. ASSIGNMENT

4.1 Assignment by Gavi

Gavi may transfer to any party that Gavi deems appropriate (acting in its sole discretion) (the

"Gavi Transferee") by way of absolute assignment or transfer i, all of its rights, title, benefit, interest and/or obligations hereunder, including with respect to the payment obligations of the Grantor hereunder. Gavi shall give notice to the Grantor of such assignment or transfer. The Grantor shall acknowledge in writing, addressed to Gavi and the Gavi Transferee, its receipt of notice of any such transfer or assignment. Upon such transfer or assignment to the Gavi Transferee, all references to Gavi in this Agreement shall be deemed to mean the Gavi Transferee, and the rights, title, benefit, interest and/or obligations hereunder (including with respect to the payment obligations of the Grantor hereunder) transferred or assigned to the Gavi Transferee shall not be capable of being further transferred, assigned or otherwise disposed of in any manner whatsoever (whether absolutely or by way of security) without the prior written consent of the Grantor.

4.2 Security Assignment

In connection with the EIB Frontloading Facility, Gavi hereby gives notice (and the Grantor hereby acknowledges such notice) that it has assigned to the European Investment Bank (the "Bank") all its rights, title and interest in and to this Agreement including all amounts which may be payable under this Agreement.

Gavi and the Grantor hereby agree that the Grant Payment by the Grantor to Gavi under or arising from this Agreement shall be paid to the COVAX AMC Payment Account or as the Bank may otherwise specify in writing from time to time.

These instructions and the payment terms of this Agreement may not be amended or terminated without the prior written consent of the Bank.

The Contracts (Rights of Third Parties) Act 1999 shall apply to this Clause 4.2.

4.3 Assignment by the Grantor

The Grantor may transfer all but not part of its rights, title, interest and obligations hereunder to any appropriate ministry or government agency of that same Grantor (if relevant) of the same or higher credit standing provided that such transfer is notified in writing in advance to Gavi.

5. TAX

- (a) The Grantor shall make all payments to be made by it without any deduction or withholding for or on account of Tax (a "Tax Deduction").
- (b) If any Tax Deduction is required by law to be made by the Grantor, the amount of the payment due from the Grantor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

6. INDEMNITIES

6.1 General indemnities

The Grantor shall promptly indemnify Gavi against any cost, loss or liability incurred by Gavi (and supported by evidence which Gavi shall provide to the Grantor) as a result of failure, or delay, by the Grantor to: (i) pay any sum due from it under this Agreement; or (ii) otherwise

comply with any of its other obligations under Clauses 2 (*Undertaking to Make the Grant Payment*), 3 (*Payment*) and 5 (*Tax*) of this Agreement.

6.2 Separate indemnities

Each indemnity obligation arising under this Agreement shall:

- (i) constitute a separate and independent obligation from the other obligations in this Agreement;
- (ii) give rise to a separate and independent cause of action;
- (iii) apply irrespective of any indulgence granted by Gavi or any other person; and
- (iv) continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Agreement or any other judgment or order.

6.3 Mitigation by Gavi

Gavi shall, in consultation with the Grantor, take all reasonable steps to mitigate any circumstances which arise and which would result pursuant to Clause 6.1. This Clause does not limit the obligations of the Grantor under this Agreement, and Gavi shall not be obliged to take any action which it considers (acting reasonably) is prejudicial to it. The Grantor shall indemnify Gavi against any reasonable cost or expense incurred by Gavi in taking any such action.

7. UNDERTAKINGS OF THE GRANTOR

- (a) The undertakings in this Clause 7 shall remain in force from the date of this Agreement for so long as any obligation hereunder remains outstanding.
- (b) The Grantor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorisation required under any law or regulation to enable it to perform its obligations under this Agreement.
- (c) The Grantor represents and warrants to Gavi that:
 - (i) it has full power and authority to enter into, perform and deliver this Agreement and the transactions contemplated herein;
 - (ii) this Agreement has been duly authorised, executed and delivered by it and constitutes valid and legally binding obligations of it and enforceable against it in accordance with its terms;
 - (iii) all actions required to be taken (including the obtaining of any Authorisation) for the entry by it into this Agreement, the carrying out of the other transactions contemplated herein, or the compliance by it with the terms hereof, as the case may be, have been taken and any Authorisations are in full force and effect;
 - (iv) its execution and delivery of this Agreement, the consummation of the transactions herein contemplated and compliance with the terms hereof do not: (a) conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, trust deed, mortgage or other agreement or instrument to which it is a party or by which it or any of its properties is bound; or (b) infringe any existing applicable law,

rule, regulation judgment, order or decree applicable to it or any international treaty convention or agreement to which it is a part or by which it is bound; and

- (v) under the laws of the Grantor it is not necessary that any stamp, registration or similar tax be paid on or in relation to this Agreement or the transactions contemplated by this Agreement.
- (d) The Grantor shall promptly notify Gavi in writing immediately on becoming aware of any breach of the representations and warranties given in Clause 7(c).

8. **TERMINATION**

- (a) Gavi may terminate this Agreement if the Grantor is in breach of Clause 2 or commits a material default of any other provisions of this Agreement and fails to remedy such breach within 15 Business Days (or such longer period as Gavi may agree, acting in its sole discretion) of written notice of such breach by Gavi to the Grantor.
- (b) The Grantor may terminate this Agreement if Gavi ceases its operations or is in material breach of this Agreement and fails to remedy such breach within 15 Business Days (or such longer period as the Grantor may agree, acting in its sole discretion) of written notice from the Grantor to Gavi.

9. **TERMS AND CONDITIONS**

Subject to Clause 1.6, the Parties agree that the following paragraphs of the Terms and Conditions shall be binding on the Grantor and Gavi and enforceable against each other:

- (i) paragraph 3 (*Funding Requirements for the Gavi COVAX AMC*);
- (ii) paragraph 4 (*AMC Stakeholders Group Governance, Monitoring & Reporting*);
- (iii) paragraph 5 (*COVAX AMC Group*);
- (iv) paragraph 6 (*Use of Grant Funds*);
- (v) paragraph 7 (*The Role of Gavi in administering the AMC*);
- (vi) paragraph 8 (*Vaccine allocation and distribution*);
- (vii) paragraph 9 (*WHO Emergency Use Listing*);
- (viii) paragraph 10 (*Emergency Buffer*);
- (ix) paragraph 11 (*AMC Term*);
- (x) paragraph 12 (*Early Termination*);
- (xi) paragraph 13 (*Surplus Funds*); and
- (xii) paragraph 14 (*Appointment of a Treasurer*).

10. **COMMUNICATIONS**

10.1 **Methods of Communication**

- (a) Any communication under this Agreement (a "**Notice**") shall be in writing, in English and shall

either (a) be delivered in person or by courier or (b) sent by e-mail, in each case addressed to the relevant Party for the attention of the appropriate person identified below.

- (b) A Notice to Gavi shall be sent to such Party at the following address or to such other person and address as Gavi may notify by Notice to the Grantor from time to time:

Gavi

Chemin du Pommier 40,
1218 Le Grand-Saconnex,
Switzerland

Email: Covax@gavi.org

Attention: Dr. Seth Berkley on behalf of the Office of the COVAX Facility

- (c) A Notice to the Grantor shall be sent to such Party at the following address or to such other person and address as the Grantor may notify by Notice to Gavi from time to time:

SPF Affaires étrangères, commerce extérieur et Coopération au Développement

DGD- Service D2. 5 – Consolidation de la Société

15, rue des Petits Carmes

1000 Bruxelles

E-mail : catherine.gigante@diplobel.fed.be

10.2 Deemed Receipt

The date on which any communication under this Agreement shall be deemed effective is as follows:

- (i) if delivered in person or by courier, on the date it is delivered;
- (ii) if sent by e-mail, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication,

provided that any communication which is received (or deemed to take effect in accordance with the foregoing) outside business hours or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any Party under this Agreement which is to be sent by e-mail will be written legal evidence.

11. MISCELLANEOUS

11.1 Counterparts

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

11.2 Partial invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the

remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

11.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of Gavi, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

11.4 Amendments and waivers

No term of this Agreement may be amended or waived without the prior written consent of Gavi and the Grantor.

12. GOVERNING LAW

The terms of this Agreement shall be interpreted and applied in accordance with their true meaning and intended effect independently of any system of national law, whether federal or state law. If the arbitral tribunal finds the terms of this Agreement to be ambiguous or unclear, then in those circumstances only, the arbitral tribunal may refer to and apply English law as it deems appropriate.

13. DISPUTE RESOLUTION

Any dispute, controversy or claim ("**Dispute**") between the Parties arising out of or in connection with this Agreement shall be submitted to arbitration at the request of either Party. The arbitration shall be conducted in accordance with the then-current rules of the United Nations Commission of International Trade Law (UNCITRAL). Gavi and the Grantor shall each appoint one arbitrator, and the two arbitrators so appointed shall jointly appoint a third arbitrator who shall be the chairperson. If either Party fails to appoint an arbitrator, the appointing authority shall instead be the President of the Swiss Arbitration Association. The arbitration proceedings shall take place in Geneva (which is the seat of arbitration) and shall be conducted in English. The Parties agree to be bound by any arbitration award, as the final adjudication of any Dispute.

SCHEDULE 1

TERMS AND CONDITIONS

These Terms and Conditions set out the basis on which COVAX AMC Donors will participate in the Gavi COVAX AMC. Capitalised Terms are defined in the Glossary, attached to these Terms and Conditions at Annex 1.

It is intended that these Terms and Conditions of Participation will be attached and referred to in the Grant Agreements to be entered into between the Gavi Alliance ("**Gavi**") and the COVAX AMC Donors. The Grant Agreement sets out which of these Terms and Conditions shall be binding on the COVAX AMC Donors.

1. OBJECTIVE

- 1.1. The objective of the Gavi COVAX AMC is to reduce the impact of COVID-19 within the COVAX AMC Group by accelerating the introduction and scale up of vaccines that protect against COVID-19.

2. THE GAVI COVAX AMC

- 2.1. The "Gavi COVAX AMC" (also referred to as the "AMC") is an innovative instrument capitalised through Official Development Assistance funding from donor countries, as well as through support from foundations, private donors and concessional funds from multilateral development banks. The AMC will initially operate through the "COVAX Facility", a global mechanism through which demand and resources are pooled to support availability of, and equitable access to, COVID-19 vaccines for all economies. High-income and most upper-middle income economies participating in the COVAX Facility will fully self-finance their doses of Approved Vaccines. The AMC will enable Gavi to accelerate the purchase of Approved Vaccines for the COVAX AMC Group, helping to ensure that the COVAX AMC Group will have access to Approved Vaccines at the same time as wealthier economies.
- 2.2. Recognising that under a business-as-usual approach it could take years to develop effective vaccines and even longer to ensure these vaccines reach everyone that needs them, in particular in lower income economies, the AMC will accelerate this time line by providing commitments of future vaccine procurement to increase the speed to production and scale of available vaccines once approved. The AMC aims to make available to the COVAX AMC Group up to 1 billion doses of COVID-19 vaccines by the end of 2021.

3. FUNDING REQUIREMENTS FOR THE GAVI COVAX AMC

- 3.1. The AMC in its initial phase seeks \$2bn by December 2020 as seed funding to accelerate access to doses for the COVAX AMC Group. This effectively represents a \$2/dose in commitments to industry to reserve 1bn doses for the COVAX AMC Group. In addition, the AMC will fund 100m doses of emergency stockpile. A second funding round will be based upon better evidence and an expanded pipeline of vaccines that are effective in the COVAX AMC Group.

4. AMC STAKEHOLDERS GROUP GOVERNANCE, MONITORING & REPORTING

- 4.1. The "AMC Stakeholders Group" will be the forum for the COVAX AMC Donors, multilateral development banks supporting the AMC and representatives of the COVAX AMC Group to come together to monitor progress on the implementation of the AMC and ensure that the Funding Requirement is being met.
- 4.2. **Eligibility.** Countries, foundations, and private donors may commit to the AMC. However, only those donors, which are: (i) founding members of the PCV AMC and which decide to transfer their surplus funds from the PCV AMC to the AMC²; (ii) countries entering into Grant Agreements; (iii) private and/or not-for-profit donors entering into Grant Agreements for more than US\$ 10 million; and (iv) multilateral development banks providing support to the AMC or the COVAX AMC Group in support of the AMC's objectives will be members of the AMC Stakeholders Group.
- 4.3. **Meetings.** The AMC Stakeholders Group will meet semi-annually throughout the life of the AMC.
- 4.4. **Monitoring and Reporting.** In addition to the semi-annual meetings of the AMC Stakeholders Group, the Gavi Secretariat shall regularly inform the AMC Stakeholders Group on the following:
- 4.4.1. subject to strict commercial confidentiality on market information, when it enters into Advance Purchase Commitments with manufacturers of COVID-19 vaccines or candidate vaccines and the amount and timing of such deals, in particular with reference to the COVAX AMC Group;
- 4.4.2. cost estimates for the supply of Approved Vaccine to the COVAX AMC Group and details of the allocation to and introduction of Approved Vaccines in specific economies of the COVAX AMC Group; and
- 4.4.3. updates to the Funding Requirement, including the use and balance of Grant funds.

5. COVAX AMC GROUP

- 5.1. **Gavi Policies.** The Gavi Board is responsible for determining the applicability of Gavi policies to the COVID-19 vaccine programme. Unless expressly decided otherwise by the Gavi Board from time to time, Gavi policies (e.g. Transparency and Accountability, Co-financing) shall apply to the COVID-19 vaccine programme.
- 5.2. **Eligibility for support through the AMC.** The Gavi Board decided that 92 low income and lower middle-income economies based on 2018 and 2019 World Bank GNI data and World Bank IDA eligible economies are eligible for AMC support.
- 5.3. **Requirements for Support.** Economies in the COVAX AMC Group wishing to receive vaccines through the AMC will be required to:
- 5.3.1. submit a Gavi COVAX AMC vaccine support Request Form, which shall require basic information, e.g., information on readiness, product choice, etc. and shall include the terms and conditions of support; and
- 5.3.2. report to Gavi on use and coverage of the Approved Vaccine allocated to it.

² The Republic of Italy, the United Kingdom, the Government of Canada, the Kingdom of Norway and the Bill and Melinda Gates Foundation.

6. USE OF GRANT FUNDS

- 6.1. The Grant funds will be used to frontload the procurement of Approved Vaccine for the COVAX AMC Group by entering into Advance Purchase Commitments with individual vaccine manufacturers to guarantee the purchase of, or have the option to purchase, a pre-defined number of doses of COVID-19 vaccines from each manufacturer, contingent on the vaccine achieving at minimum licensure/authorisation from a Stringent Regulatory Authority ("SRA"), as defined by reference to the World Health Organisation's (the "WHO") list of SRAs which is regularly updated, and/or WHO Prequalification.
- 6.2. The vaccine costs include four components:
 - 6.2.1. Ex-factory costs: Gavi will negotiate the best possible prices with manufacturers and this same price will be applied transparently to procurement of the Approved Vaccines;
 - 6.2.2. Access/speed premium: payments made to manufacturers to enter into advance purchase commitments in advance of the vaccine being licensed, which shall be kept to a minimum, are aimed at ensuring access to more doses as soon as approval is granted;
 - 6.2.3. Compensation scheme: funding to support the establishment for the benefit of the COVAX AMC Group a no-fault compensation scheme, estimated at approximately US\$ 10 cents per dose. The purpose of such a scheme would be to compensate individuals seriously injured by the administration of COVID-19 vaccines; and
 - 6.2.4. Operating costs associated with the AMC: administrative fees for the operations of the AMC, which are above and beyond Gavi core requirements. These are expected to be in the range of 3% of AMC funding. Gavi will seek to keep operating costs low and will pass through real costs; not charge a percentage.

7. THE ROLE OF GAVI IN ADMINISTERING THE AMC

- 7.1. The responsibilities of Gavi in relation to the AMC will be as follows:
 - 7.1.1. enter into Grant Agreements with COVAX AMC Donors;
 - 7.1.2. select the most promising vaccine candidates for Advance Purchase Commitments with input from COVAX partners (such as the Coalition for Epidemic Preparedness Innovations and WHO) and the guidance, based on technical assessment, of experts on the COVAX Independent Product Group. Such assessment shall be based on regular assessment of policy recommendations, the latest evidence from clinical development (e.g., safety, efficacy), the pathway to regulatory approval and considerations regarding vaccine delivery and use and vaccine production, in order to create a portfolio that is diversified (e.g., vaccine technology platform, geographic location of production, supplier) and to manage development and supply risks;
 - 7.1.3. negotiate Advance Purchase Commitments and volume guarantees with individual vaccine manufacturers and make investments in manufacturing capacity expansion, technology transfer and vaccine production in advance of licensure with individual vaccine manufacturers to increase the speed to production and availability of vaccines once approved; facilitate the provision of Approved Vaccines to the COVAX AMC Group through discussions with economies within the COVAX AMC Group on interest in

requesting support for COVID-19 vaccines, readiness to introduce Approved Vaccines and any Gavi requirements;

- 7.1.4. facilitate access to a pooled procurement mechanism (for example, the UNICEF Supply Division or PAHO Revolving Fund) for the COVAX AMC Group;
- 7.1.5. monitor and ensure appropriate use of Approved Vaccines in accordance with terms and conditions of the Request Form;
- 7.1.6. convene the AMC Stakeholders Group and provide regular reporting on manufacturer transactions, including costs associated with such transactions, as well as administrative fees involved in managing the AMC;
- 7.1.7. ensure that the Grant funds are administered in accordance with Gavi financial policies and procedures and are subject to an annual independent external audit; and
- 7.1.8. perform all other administrative functions necessary for the proper functioning of the Gavi COVAX AMC.

8. VACCINE ALLOCATION AND DISTRIBUTION

- 8.1 The AMC will fund the speed premium and procurement of doses of Approved Vaccines for the COVAX AMC Group, subject to the availability of: (i) an Approved Vaccine and (ii) sufficient funding.
- 8.2 The number and type of Approved Vaccine doses to be allocated to each economy will be implemented through the Allocation Mechanism established to implement the Allocation Framework. Recognising that sufficient doses will not be immediately available to cover the needs of all economies eligible for support, doses will be provided gradually, intended to cover subsets of high risk and priority groups. Notwithstanding operational considerations, such as minimum shipment size and country readiness, allocation will respect the fundamental principle that economies should receive doses at the same rate to the extent possible, and where requested.
- 8.3 The AMC will continue to procure Approved Vaccines for the COVAX AMC Group once the COVAX Facility is complete (see "AMC Term" below).

9. WHO EMERGENCY USE LISTING

- 9.1 Vaccines may be made available to the COVAX AMC Group prior to licensure and prequalification if they gain WHO Emergency Use Listing or Emergency Use Authorisation from a Stringent Regulatory Authority, with the ultimate goal of expediting the availability of these vaccines to people who need them. The WHO Emergency Use Listing process would take into consideration the WHO target product profile and SAGE recommendations.
- 9.2 The distribution of Approved Vaccines with a WHO Emergency Use Listing to the COVAX AMC Group will be subject to any policies that economies may have on the use of vaccines with a WHO Emergency Use Listing.

10. EMERGENCY BUFFER

- 10.1 The AMC aims to fund an emergency buffer of up to 100 million doses of Approved Vaccine. The emergency buffer will be accessible to all economies and humanitarian actors. Access to doses from the emergency buffer will be determined by an independent decision-making body.

- 10.2 There will be an expectation of reimbursement of the cost of vaccines drawn from the emergency buffer except for where the receiving economies are included in the COVAX AMC Group.

11. AMC TERM

- 11.1 The AMC will last for ten years (the “**AMC Term**”) (from 01 September 2020 – 31 August 2030), unless terminated earlier in accordance with its terms.
- 11.2 COVAX AMC Donors may donate to the AMC at any time during the AMC Term. Future funding will be used for the procurement of Approved Vaccines for the COVAX AMC Group.

12 EARLY TERMINATION

- 12.1 At the end of 2025, COVAX AMC Donors shall have the opportunity to review the AMC based upon an independent evaluation. Subject to the outcome of the review, the Majority of COVAX AMC Donors may decide that the objective has been achieved and to terminate the AMC.
- 12.2 The Majority of COVAX AMC Donors may decide to terminate the AMC in the following situations:
- 12.2.1 if there are no Approved Vaccines manufactured by 1 December 2023; or
 - 12.2.2 if at any time after 1 December 2021, no Request Forms have been submitted from the COVAX AMC Group for a period of one year to Gavi for support.

13 SURPLUS FUNDS

- 13.1 At the end of the AMC Term (or upon early termination of the AMC), Gavi will calculate funds remaining from each donor.
- 13.2 The calculated surplus funds of each COVAX AMC Donor will be distributed to Gavi for core programmes or returned to the COVAX AMC Donor as instructed by each COVAX AMC Donor.

14 APPOINTMENT OF A TREASURER

- 14.1 A treasurer may be appointed to manage the AMC funding flows (money received from COVAX AMC Donors and money due and payable by Gavi under Advance Purchase Commitments) and ensuring Gavi has availability of funding at the time it is needed.

ANNEX 1: COVAX GLOSSARY OF TERMS

Term	Meaning
Advance Purchase Commitment	An agreement between Gavi and a vaccine manufacturer, whereby Gavi commits to the purchase of a defined number of Approved Vaccines.
Allocation Framework	The rules which govern the allocation of vaccines to Participants and the COVAX AMC Group, as developed by WHO, subject to periodic review by Participants and the COVAX AMC Group.
Allocation Mechanism	The allocation mechanism is the means by which the Allocation Framework becomes operational. Whilst still undergoing development, it will include an independent body that considers a variety of inputs relevant to the allocation of doses and makes an assessment of dose allocation for Participants and the COVAX AMC Group.
Approved Vaccine	A vaccine against COVID-19 in respect of which Gavi has entered into an Advance Purchase Commitment and which has, at minimum, licensure/authorisation in place from a Stringent Regulatory Authority, WHO Prequalification or has been issued authorisation for emergency use based on a national emergency use process or WHO Emergency Use Listing (EUL).
COVAX AMC Donor(s)	Economies and private individuals / institutions which make donations to the Gavi COVAX AMC.
COVAX AMC Group	92 low income and lower middle-income economies based on 2018 and 2019 World Bank GNI data and World Bank IDA eligible economies eligible for AMC support or as determined by the Gavi Board from time to time.
COVAX Independent Product Group	A group of 7 independent experts responsible for providing independent technical advice to the COVAX Facility to inform the selection of vaccine candidates to be funded by the COVAX Facility.
Emergency Use Authorisation	A process by which an SRA approves the use of a vaccine under development for use during a public health emergency.
Funding Requirement	The funding requirement for the Gavi COVAX AMC described in paragraph 3 of these Terms and Conditions.

The Grantor

THE GAVI ALLIANCE

Name: **Meryame KITIR**

Name:

Title: **Minister of Development Cooperation and
of Major Cities**

Title:

Date: 14.04.2021

Date:



Term	Meaning
Grant	Funding allocated by donors from the PCV AMC and grant payments to Gavi pursuant to Grant Agreements.
Grant Agreement	The Agreement between Gavi and COVAX AMC Donors setting out the basis on which donors are contributing to the AMC.
Majority of COVAX AMC Donors	a majority of the COVAX AMC Donors, representing three-quarters majority of the total Grants (both paid and payable) provided by each COVAX AMC Donor calculated in its US dollar equivalent value as of the date of conversion to US dollar.
Official Development Assistance	Government aid designed to promote the economic development and welfare of developing countries.
PAHO Revolving Fund	The revolving fund of the Pan American Health Organization.
Participant	Any party who signs a Commitment Agreement with Gavi.
PCV AMC	The pneumococcal conjugate vaccine advance market commitment.
Request Form	The form to be used by the AMC Group to request support for COVID-19 Approved Vaccines.
Stringent Regulatory Authority or SRA	A stringent regulatory authority as defined by reference to WHO's list of stringent regulatory authorities, as updated from time to time.
WHO Emergency Use Listing	An extraordinary process in the case of a public health emergency for the review of quality, safety and efficacy of vaccines to provide guidance to interested United Nations procurement agencies and national regulatory authorities of relevant WHO member states.
WHO Prequalification	Prequalification is a service provided by WHO to assess the quality, safety and efficacy of medical products for priority diseases and which are intended for United Nations and international procurement to developing countries.