

Unclassified

English - Or. English

18 October 2021

Development Co-operation Directorate
Development Assistance Committee

DAC Working Party on Development Finance Statistics

Valuation of donations of COVID-19 vaccine doses to developing countries in ODA

This note presents a revised proposal for valuing the donations of COVID-19 vaccines in ODA. It takes into account comments received from members on the initial proposal presented at the WP-STAT meeting in June 2021 and those made during the DAC meeting in September 2021. The Secretariat in addition consulted with GAVI, UNICEF and the World Bank.

The proposal (paragraph 16) is submitted for APPROVAL through the written procedure. If no objection is received by 2 November 2021, it will be considered as approved, to take effect in the reporting on ODA for 2021.

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JT03483245

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1. To respond to global vaccination inequities and the very low rate of vaccination in low-income countries, there are calls for high-income countries to share COVID-19 vaccine doses quickly, in particular through the COVAX Facility¹. Several donors have committed to share and donate doses as illustrated e.g. in the June 2021 G7 communiqué² and in the latest status report on dose donations to COVAX³.
2. The question of whether, and if so how, to account in ODA the donation/dose sharing of vaccines to developing countries was discussed at the WP-STAT in June 2021⁴, and at the DAC meeting in September 2021⁵. Building on comments received from members and on subsequent consultations with GAVI, UNICEF and the World Bank, this note presents an updated proposal for a price per dose, to apply to vaccine donations for the purpose of ODA reporting. The proposal aims at setting the right incentives to expand the roll out of vaccines to the world's poorest and most vulnerable countries, while also protecting the integrity of ODA and avoiding ODA inflation that might come at the expense of humanitarian and development programmes in developing countries.
3. The note first recalls earlier discussions and summarises members' views on the topic as expressed so far (section 1). It then reports on consultations held with GAVI, UNICEF and the World Bank (section 2), and presents the proposal for ODA accounting of COVID-19 vaccine donations (section 3).
4. **The proposal (paragraph 16) is submitted for APPROVAL through the written procedure. If no objection is received by 2 November 2021, it will be considered as approved and take effect in the reporting on 2021 ODA. The price to use for reporting 2022 ODA will be determined in one year's time.**

¹ [The Independent Panel for Pandemic Preparedness and Response \(IPPPR\) stated in its report](#) (May 2021): "High income countries with a vaccine pipeline for adequate coverage should, alongside their own scale up, commit to provide to the 92 low- and middle income countries of the COVAX Gavi Advance Market Commitment at least one billion vaccine doses no later than 1 September 2021 and more than two billion doses by mid-2022."

² "Recognising the urgent need to speed up delivery of doses, we are committing to share at least 870 million doses directly over the next year. We will make these doses available as soon as possible and aim to deliver at least half by the end of 2021 primarily channelled through COVAX towards those in greatest need." <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/13/carbis-bay-g7-summit-communique/>

³ 645 million doses announced for 2021-2022: <https://www.gavi.org/sites/default/files/covid/covax/COVAX-Dose-Donation-Table.pdf>

⁴ [https://one.oecd.org/document/DCD/DAC/STAT\(2021\)21/en/pdf](https://one.oecd.org/document/DCD/DAC/STAT(2021)21/en/pdf)

⁵ [https://one.oecd.org/document/DCD/DAC\(2021\)33/en/pdf](https://one.oecd.org/document/DCD/DAC(2021)33/en/pdf)

1. Summary of members' earlier discussions and comments received

5. In its paper for the June 2021 WP-STAT meeting, the Secretariat made the case for considering donors' donations of excess vaccine doses as a form of aid in kind, and that, on the basis of the Reporting Directives⁶, it would seem legitimate for members to include the related costs in their ODA. Having considered all elements at stake, the Secretariat recommended to value donations of COVID-19 vaccines in ODA by applying the price used by COVAX AMC i.e. USD 3 per dose. Main elements from the discussion at the WP-STAT meeting⁷ as well as comments received in writing⁸ are summarised below:

- *Narrative for counting donations of vaccine doses in ODA*

Members highlighted the importance of giving sufficient recognition to vaccine donations in ODA, in order to avoid possible negative incentives i.e. provider countries selling, instead of donating, their excess vaccines. However, they also warned against a reputational risk if these donations are over-valued in ODA, pointing out that the vaccines were originally ordered by developed countries in their sole interest and that they were being donated not only with a developmental intent, but also with an objective to curb the pandemic at the global level. Civil society⁹ has also warned against an artificial inflation of ODA and there is a broad concern that counting such donations in ODA might come at the expense of humanitarian and development programmes.

- *General approach for valuing donations of vaccine doses in ODA*

Members generally supported the approach proposed by the Secretariat of all members valuing the vaccine doses in their ODA using the same methodology for assessing the "prevailing [...] market price". This is in line with the Reporting Directives on aid in kind, which instruct to use preferably the market price, and would ensure comparability of reporting across the membership. However, a minority of members expressed the view that it is not the prevailing market price that should be used for valuing donations in ODA, but the "price paid by the official sector for the purpose of acquiring" the vaccine doses. In their view, the market price is too difficult to determine and varies according to each country's individual contracts, while the purchase price would reflect the actual costs incurred by the providers in acquiring and subsequently donating the doses.

- *Need to align the methodology with competent and legitimate multilateral agencies*

⁶ The Directives indicate (see paragraph 174) that "Aid in kind, including food aid, should where possible be valued at prevailing international or national market prices for the goods in question at the time of the transfer. Where this information is not available, the amount reported should be calculated on the basis of the price paid by the official sector for the purpose of acquiring the goods for shipment to the recipient country.)"

⁷ See also the summary record here : [https://one.oecd.org/document/DCD/DAC/STAT/M\(2021\)2/FINAL/en/pdf](https://one.oecd.org/document/DCD/DAC/STAT/M(2021)2/FINAL/en/pdf).

⁸ In follow-up to the WP-STAT meeting, eleven members (Australia, Austria, Czech Republic, Denmark, France, Hungary, Italy, Japan, Spain, United Kingdom, United States) posted their [comments on the WP-STAT community space](#) and one member (Sweden) reached out bilaterally to the Secretariat.

⁹ See the « CSO recommendations on ODA eligibility of spending related to COVID-19 vaccines » sent to the DAC in July 2021 and the follow-up sent in October 2021. See also a blog post by CGD experts : [Should Donated COVID-19 Vaccines Count as ODA?](#) and [What's the Right Price for Surplus COVID-19 Vaccines? The Answer Is Closer to Zero Than You Might Think.](#)

Members urged the Secretariat to connect with appropriate multilateral agencies (ACT-A, COVAX and the World Bank), to avoid duplicating these discussions. The methodology used at the DAC should align with the ones used by competent and legitimate multilateral agencies.

- *Update to the COVAX ceiling price*

The value initially proposed by the Secretariat of USD 3 was no longer up-to-date: the price, at which COVAX is indeed supplied, would average between USD 5 and USD 7 per dose (prices mentioned in members' comments shared in July 2021).

- *Using a unique versus differentiated price*

Most members would favour the application of differentiated prices, to distinguish in particular between the two types of existing COVID-19 vaccines: prices mentioned in members' comments were of USD 3 per dose for vector vaccines and USD 15 per dose for mRNA vaccines. However, a few members supported applying a unique price as this would be the only way to ensure comparability in the measurement in ODA of donations, pledges of which have been expressed in number of doses, not specifying the type of vaccine. In addition, applying a different price for each vaccine or type of vaccine in ODA would imply establishing a form of hierarchy between the vaccines.

- *Additional elements to consider*

Members recommended that, in next steps of this work, the Secretariat should look into issues not covered in its initial proposal: i) the elements included in the proposed price of USD 3 for one vaccine dose (only the vaccine itself or also additional costs such as syringes for administering the vaccine or transport) and the potential risk of double-counting costs (through the vaccine dose price and contribution to COVAX); ii) definition of "one" vaccine dose (one or both shots for vaccines that require multiple doses); iii) frequency of updates of the price used in the ODA calculation (annually, or more often); and iv) transparency of reporting on donations (including the type of vaccine).

2. Consultations with GAVI, UNICEF and the World Bank

6. The Secretariat undertook further research on vaccine prices, and consulted with GAVI (that administers the COVAX Facility), UNICEF (that maintains a dashboard on COVID-19 vaccine market) and the World Bank. The questions discussed included the appropriate methodology for valuing in-kind donations of doses, whether the valuation could differ for different types of vaccines and whether market price data were available. This section summarises the main elements from these discussions.

World Bank

7. The World Bank Group (WBG) does not have a pricing methodology and recalls that prices vary according to each manufacturer's price structure, transportation and additional services which may be included. They review each contract they finance to ensure that it provides value for money with a fit-for-purpose approach and using available comparators. They do not negotiate prices with manufacturers, but may support borrowers hands-on during negotiations, if requested. In addition to the unit price per dose, key determinants of value for money include the delivery schedule, delivery terms, additional logistics and services included in the total contract price, and the overall balance of risks in the contract. See Box.

Box. World Bank Group financing to address the COVID-19 pandemic

WBG financing to address the COVID-19 pandemic has been the largest and fastest emergency response in its history. Between April 2020 and September 2021, USD 157 billion has been committed, with more than 100 countries supported with financing and analytics to address the health, social, and economic impact of the crisis. The health response includes: 1) a USD 20 billion vaccine financing package that is immediately available to countries; 2) USD 7.5 billion for medical countermeasures, including PPE, oxygen, other therapeutics, diagnostics. The WBG is partnering with the African Union and the Africa Centres for Disease Control to support the African Vaccine Acquisition Trust (AVAT) in order to help countries purchase and deploy single-dose COVID-19 vaccines for up to 400 million people across Africa. It is also working with COVAX to accelerate COVID-19 vaccine supply for developing countries through a new financing mechanism that builds on GAVI's newly designed Advance Market Commitment cost-sharing arrangement.

Earlier this year the WBG, IMF, WHO, and WTO, formed the Multilateral Leaders Task Force (MLT) to accelerate access to COVID-19 vaccines, therapeutics and diagnostics by leveraging multilateral finance and trade solutions. The MLT has been working to support faster and more targeted solutions at global and country levels to address vaccine inequity and accelerate access to therapeutics and diagnostics, particularly for low- and middle-income countries, working with governments, the private sector and other partners. The MLT launched a new [website](#) and database to help identify, track, monitor and address gaps and bottlenecks in financing, production, delivery, trade, supply chain, and deployment of vaccines and other COVID-19 tools, at global and country levels.

UNICEF

8. The UNICEF provided the Secretariat with a download of the raw data related to vaccine prices, as shown on its [COVID-19 Vaccine Market Dashboard](#)¹⁰. Using these data¹¹, the Secretariat calculated average prices per dose and per type of vaccine and type of purchaser (developing country or not). The tables below show the results of these calculations.

Table 1. Average price per dose, all purchasers, USD

n = number of available price points in the dashboard

	Vaccine Type		
Manufacturer and Vaccine Name	mRNA (n=15)	Vector (n=25)	Inactivated (n=15)
Janssen – Ad26.COV 2.S		10	
SinoPharm – BBIBP-CorV			24
Pfizer & BioNTech – Comirnaty	14		
Sinovac – Coronavac			16
Serum Institute of India – Covishield		4	
Moderna – mRNA-1273	25		
AstraZeneca – Vaxzevria		4	
Average by type of vaccine	19	5	20
Average for all vaccines (n=55)		13	

¹⁰ A download feature will be added soon to their website, to facilitate users' access to the data.

¹¹ The reported prices reflected in the dashboard provide an overview of information collected from public sources. It is the most comprehensive known source on vaccine prices publicly available from a central repository system. While the dashboard should show the right order of magnitude in vaccine market prices, it does not reflect prices paid by countries of large vaccine manufacturers (e.g. how much China is paying for locally produced vaccines) and may therefore not provide an accurate picture of COVID-19 vaccine prices. The calculation of averages by type of vaccine is also based on a smaller number of available price points.

Table 2. Average price per dose, when purchased by ODA recipients, USD*n = number of available price points in the dashboard*

Vaccine Type	mRNA (n=6)	Vector (n=19)	Inactivated (n=14)
Manufacturer and Vaccine Name			
Janssen – Ad26.COV 2.S		10	
SinoPharm – BBIBP-CorV			22
Pfizer & BioNTech – Comirnaty	9		
Sinovac – Coronavac			16
Serum Institute of India – Covishield		4	
Moderna – mRNA-1273	25		
AstraZeneca – Vaxzevria		4	
Average	14	4	18
Average for all vaccines (n=39)		11	

Source: [UNICEF COVID-19 Vaccine Market Dashboard](#), data extracted on 27 September 2021. See the disclaimer presented on the overview page of the dashboard.

Note: Only the vaccines listed on the WHO emergency listing have been included. The average price is not weighted by the volume of doses being supplied, as the dashboard does not yet allow linking the information on prices and on agreements. UNICEF is currently working on an analysis to correlate each pricing point with a supply agreement, and will share the analysis once it is finalised.

9. The average price per dose, for vaccines listed on the WHO emergency listing, is USD 13 when all purchasers are considered, and USD 11 when looking at vaccines purchased by developing countries only. The prices are not weighted (see note above) but still give useful indications on the difference of price between types of vaccines (USD 4 for vector, USD 14 for mRNA – when purchased by developing countries), and confirm that, for a same vaccine, developing countries pay a lower price than developed countries (tier-pricing).

10. UNICEF highlighted that the vaccine market was in any case highly complex, with different prices for different vaccines, but also different prices for one vaccine (depending on the manufacturer, and due to tier-pricing). Going forward, there could also be different prices for boosters and for childhood versions of the vaccines.

GAVI

11. GAVI administers the COVAX Facility, so the price at which the Facility supplies vaccine doses is key to its functioning. They very much welcome a consultation on the topic of valuing donations of vaccine doses in ODA and are in favour of an alignment of the DAC methodology with the COVAX approach in this context.¹² It is of high importance to them that the valuation in ODA sets the right incentive for donors to share doses with COVAX (instead of possibly selling them). However, they are also mindful that applying a too high price in the context of ODA might result in less resources for other crucial health-related developmental issues. They also highlight that they see the sharing/donation of doses as a temporary mitigation measure, to cope with their current difficulty in supplying doses. But in the longer term, they prefer cash contributions as it is a much more predictable modality and allows proper planning of dose distribution. See GAVI's [Principles for dose sharing](#).

12. GAVI explained that the price paid by COVAX to acquire vaccine doses for distribution to AMC countries evolves. While the initial ceiling price was indeed USD 3 per dose (price initially proposed by the

¹² Consulting with ACT-A would be redundant, as GAVI is responsible for sharing data with ACT-A, e.g. for the purpose of completing the ACT-A tracker.

Secretariat for use in ODA reporting of donations¹³), the range in March 2021 was USD 5.2 - 7 per dose and is at present (October 2021) closer to USD 6-7 per dose. The price has increased because GAVI had to diversify its vaccine portfolio given delays in supply in particular from India, and therefore introduced the more expensive mRNA vaccines. These prices as quoted by GAVI are public information, and indicated in the form of ranges as well as weighted averages in the summaries of meetings of the Board¹⁴. The individual prices per contract are part of confidential agreements.

13. In line with their statement at the DAC meeting in September, for the purpose of ODA accounting, GAVI recommends using the weighted average price that COVAX pays for buying vaccines. This price is “fully-loaded” i.e. it includes the cost of shipment and syringes. It is for one dose of vaccine. They further argue that this price would provide for consistency in ODA reporting of cash contributions on the one hand and donations on the other: it is the price at which COVAX will purchase doses using donors’ ODA cash contributions. In addition, a weighted average encompassing the whole COVAX portfolio of vaccines¹⁵ would integrate the higher price of mRNA vaccines and set a better incentive than the USD 3 price, which was based on vector vaccines only. In their view, applying differentiated prices would however be less practical as the information is partly confidential.

14. As regards the frequency of updates to the price used in ODA reporting, GAVI recommended an annual update as the prices are still evolving a lot, and there is still uncertainty about the situation (e.g. the boosters).

3. Proposal for ODA accounting of COVID-19 vaccine donations

15. Based on members’ discussions so far, and consultations with relevant international agencies, in particular GAVI and UNICEF, the Secretariat has adjusted its initial proposal as detailed below.

Price to apply to value vaccine dose donations in ODA

16. The proposal takes into account the need to set the right incentive for donations, avoid ODA inflation, and align with methodologies used by competent multilateral organisations (as explained in paragraphs 2 and 5). **For the purpose of valuing donations of excess COVID-19 vaccine doses in ODA, the Secretariat proposes applying a weighted average price as determined by GAVI. This weighted average price is currently USD 6.72 per dose.¹⁶ It is further proposed that this price be used for 2021 ODA reporting and that a new assessment be undertaken in one year’s time to update the price for 2022 ODA reporting.**

17. This price complies with the principles of simplicity, efficiency and robustness, put forward during the September 2021 DAC meeting:

- Simplicity: ease of tracking, one unique (instead of differentiated) price to avoid giving the impression that the price used in the ODA context reflects a hierarchy between vaccines. The

¹³ In their submission sent in October 2021, the CSOs support applying a cap of USD 3 per dose.

¹⁴ See slide 6 in: <https://www.gavi.org/sites/default/files/board/minutes/2020/15-dec/09%20-%20AMC%20Resource%20Mobilisation%20-%20Presentation.pdf>.

¹⁵ The current portfolio of vaccines at COVAX consists of eleven vaccines, all listed in the COVAX supply forecast <https://www.gavi.org/sites/default/files/covid/covax/COVAX-Supply-Forecast.pdf> - see slide 8.

¹⁶ The figure is a weighted average price of the donated doses delivered to GAVI COVAX AMC eligible countries by 18 October 2021. The price for each vaccine is taken from the prices agreed between GAVI and the relevant manufacturer through Advance Purchase Agreements.

complexity of the vaccine market and the confidentiality/lack of the information are additional arguments for using an overall average price. See also footnote 11.

- Efficiency: set the right incentive for providers to donate doses instead of selling them; the weighted average encompasses the whole COVAX portfolio of vaccines, including the vaccines with a higher price (mRNA).
- Robustness: aligning with GAVI/COVAX price will withstand public scrutiny; the prices are indicated in their Board summaries: these are reliable and verifiable sources. Applying the purchase price, as suggested by a few members would not be verifiable as there are strict confidentiality constraints in the individual agreements. Based on the data available from the UNICEF dashboard, developing countries in any case pay a lower price.

18. In addition, the price proposed would provide consistency in ODA reporting of cash contributions and donations: it is the price at which GAVI/COVAX will purchase doses using donors' ODA cash contributions. Opting for a higher price could be a disincentive for cash contributions, COVAX preferred option in the longer term.

19. **Additional elements need to be taken into consideration when reporting donations to ODA. Members are invited to refer to the reporting guidance below:**

- The price applies for one dose of vaccine (even in cases where several shots are required for a full vaccination). It is used for reporting in ODA donations to developing countries both through COVAX and bilateral agreements.¹⁷ Donations to COVAX can be recorded in ODA when doses are actually delivered to AMC countries by COVAX (not at the time of pledging).¹⁸
- Should members pay ancillary costs (shipment and additional costs such as syringes) in addition to donating doses, they should report these costs in their ODA as a separate item, in addition to the donations.¹⁹
- To be reportable in ODA, the donation must concern a COVID-19 vaccine listed by the WHO for emergency use (see Annex) or prequalified by the WHO, or approved by a Stringent Regulatory Authority.²⁰ Donations for other vaccines do not count in ODA. Expired doses are not eligible.
- When reporting donations in their ODA (CRS reporting), members will indicate the number of doses and vaccine name.

¹⁷ Making a differentiation could create negative incentives to use the multilateral system. In addition, there is no comprehensive, reliable and verifiable source of data on bilateral transactions outside COVAX. Data from the UNICEF dashboard provide useful indications on prices, but do not allow for the time being to calculate a weighted average price. See section 2.

¹⁸ Note the specific case of self-participating countries' transfers of their rights to vaccine doses through the COVAX Facility to the COVAX AMC: these are reportable in ODA as transfers of funds to GAVI, not as donations.

¹⁹ Although the price paid by COVAX does include ancillary costs, it seems preferable to consider that the estimated price used for the purpose of ODA accounting does not, given that provider countries might indeed incur these costs in addition to their donations.

²⁰ In line with COVAX rules. No COVID-19 vaccine has been prequalified by the WHO at this stage. See the list of Stringent Regulatory Authorities as approved by WHO here: <https://www.who.int/initiatives/who-listed-authority-req-authorities/SRAs>.

Annex . List of COVID-19 vaccines, which have received emergency use listing by WHO, as of 13 October 2021

https://extranet.who.int/pgweb/sites/default/files/documents/Status_COVID_VAX_29Sept2021_0.pdf

WHO's Emergency Use Listing (EUL) is a prerequisite for COVAX Facility vaccine supply. It also allows countries to expedite their own regulatory approval to import and administer COVID-19 vaccines.

Manufacturer	Vaccine	Type
AstraZeneca	Vaxzevria	Vector
Janssen (Johnson & Johnson)	Ad26.COVS.S	Vector
Moderna	mRNA-1273	mRNA
Pfizer & BioNTech	Comirnaty	mRNA
Serum Institute of India	Covishield	Vector
SinoPharm	SARS-CoV-2	Inactivated
Sinovac	Coronavac	Inactivated