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Development Co-operation Directorate
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DAC Working Party on Development Finance Statistics

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

The proposal for valuing the donations of COVID-19 excess vaccines in ODA presented in DCD/DAC/STAT(2021)29 was not approved. This new iteration takes into account additional clarifications as provided by the Secretariat in the course of the written procedure as well as members' last comments (see <https://community.oecd.org/thread/29784>). Changes affect paragraphs 4 and 5 (last bullet and footnote 3) and are highlighted in grey. The Annex was also updated with latest available information.

The proposal (paragraphs 3-5) is submitted for APPROVAL through the written procedure. If no objection is received by 31 January 2022, it will be considered as approved, to take effect in the reporting on ODA for 2021.

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

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2. The proposal (see paragraphs 3-5) is submitted for **APPROVAL** through the written procedure. If no objection is received by **31 January 2022**, it will be considered as approved and take effect in the reporting on 2021 ODA.

Proposal for ODA accounting of excess COVID-19 vaccine donations

3. Members may report donations of excess COVID-19 vaccine doses in ODA as follows.

Price to apply

4. **For the purpose of valuing donations of excess COVID-19 vaccine doses in 2021 ODA, the Secretariat proposes applying a weighted average price of USD 6.72 per dose as determined by Gavi.¹ It is further proposed that this price be used for 2021 ODA reporting only, a year faced with exceptional circumstances due to the introduction and roll-out of COVID-19 vaccines. The WP-STAT commits to review the methodological approach for valuing donations of excess COVID-19 vaccine doses in ODA, and to undertake a new assessment in 2022 to determine the price for 2022 ODA reporting, in line with the instructions on aid in kind (paragraph 174 of the Reporting Directives).** This new assessment will take stock of lessons learnt during the process of reporting the donations in 2021 ODA, and will take into account the evolution of the situation, including donors' commitment to donate rather than to sell COVID-19 vaccine doses to ODA-eligible countries.

Safeguards

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

- The price is applicable to donations of doses in excess from providers' domestic supply, i.e. when purchase agreements with manufacturers have brought about more doses than needed for domestic vaccination purposes and when this surplus is donated to developing countries.²

¹ 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.

² In the case where a provider orders and ships vaccine doses for the specific use by developing countries, the actual costs incurred by the provider are counted in ODA. According to Gavi, most donations in 2021 have been from domestic supplies except for the United States which, in addition to sharing doses from its domestic supply, has also

- The price applies for one dose of vaccine, even in cases where several shots are required for a full vaccination. It applies to donations to developing countries both through COVAX and bilateral agreements.
- Donations can be recorded in ODA disbursements when the beneficiary country has taken delivery of doses.³ Pledges should not be reported in ODA.
- To be reportable in ODA, the donation must concern a COVID-19 vaccine listed by the WHO for emergency use (see Annex) or be either prequalified by the WHO or approved by a Stringent Regulatory Authority.⁴ Donations for other vaccines do not count in ODA.
- Expired doses are not eligible. As a default, donated doses should have a shelf life of minimum 10 weeks upon arrival in-country. An exception is justified when a recipient country has indicated its willingness and ability to absorb doses with shorter shelf lives.⁵
- 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.⁶
- Members report a breakdown of ODA for vaccine donations as detailed below, both in the DAC Advance Questionnaire and final ODA data in CRS reporting:
 - ODA for donations of doses in excess from domestic supply, indicating the vaccine names, number of doses and the mechanism used (COVAX/bilateral)⁷.

purchased vaccines to donate them to developing countries. Other countries have also transferred their COVAX supply to developing countries within COVAX, see footnote 3.

³ Donations through COVAX are facilitated by tripartite agreements between the provider country, the manufacturer and Gavi. The donation is confirmed once Gavi provides a “Gavi Shared Doses Acceptance Notice” to the provider country and the manufacturer, it can then be recorded in ODA as a commitment. It is only upon confirmation by the developing country concerned of its readiness to absorb the donated doses that the necessary regulatory approvals, import licences and waivers will be sought, and that the manufacturer can effectively deliver the doses.

Members have the flexibility of reporting their donation both as a commitment and as a disbursement at the time of the “Acceptance Notice”, given that the donation becomes binding at this point of time, and that the time lag between the agreement and the disbursement is only a few weeks. However, in the eventuality that the donor does not make any payment to the manufacturer and the delivery of doses does not materialise (in case of unexpected issues in the implementation of the agreement), the donor should include a negative entry in its ODA figure to offset the disbursement.

Self-financing participants to the COVAX Facility that decide to not exercise their rights to vaccine doses and transfer them instead to COVAX AMC should report their original financial contributions to the COVAX Facility as ODA.

⁴ 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-reg-authorities/SRAs>.

⁵ In line with the [Joint Statement on Dose Donations of COVID-19 Vaccines to African Countries](#) signed by COVAX, the African Vaccine Acquisition Trust (AVAT) and the Africa Centres for Disease Control and Prevention (Africa CDC).

⁶ Although the weighted average of USD 6.72 is derived from prices that include the logistical costs, it seems justified to count these costs in ODA on top of the donations when they are actually incurred by providers and paid out of an ODA budget.

⁷ Given the level of aggregation, this requirement should not lead to disclosure of confidential contractual information. Example: “USD 672 million, 80 million doses of Johnson & Johnson & 20 million doses of AstraZeneca”.

- ODA for donations of doses bought specifically for developing countries.
- ODA for ancillary costs if separately identifiable.

In CRS, donations are reported under purpose code 12264 – COVID-19 control along with the COVID-19 keyword. For the sake of ODA integrity, members should verify the aggregate ODA figure reported for donations against their actual outlay in 2021 and make an adjustment if needed.

Narrative for counting the donations in ODA

Developing countries need such support from the donor countries to overcome the pandemic.

6. 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 Facility⁸. Several donors have committed to share and donate doses as illustrated e.g. in the June 2021 G7 communiqué⁹ and in the latest status report on dose donations to COVAX¹⁰.

Counting donations in ODA is in line with the Reporting Directives.

7. Donors' donations of excess vaccine doses is a form of aid in kind. On the basis of the Reporting Directives¹¹, it is legitimate for members to include the related costs in their ODA.

ODA recognition is an incentive to donate instead of sell (and avoid wasting doses).

8. 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. The price of USD 6.72 per dose 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.

The price (weighted average price of vaccines aligned with COVAX) is a strong signal to support the multilateral approach for distribution of vaccines to developing countries.

9. The price complies with the principles of simplicity, efficiency and robustness:

- 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. Applying a unique price is also the only way to ensure comparability in the measurement of donations in ODA: pledges have been expressed in number of doses, not specifying the type of

⁸ [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."

⁹ "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-communiqué/>

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

¹¹ 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.)"

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

- 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 withstands public scrutiny; the prices are indicated in their Board summaries: these are reliable and verifiable sources. Applying the purchase price 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.

10. In addition, the price of USD 6.72 per dose provides 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.¹² Opting for a higher price could be a disincentive for cash contributions, which is the preferred option of COVAX in the longer term.

The reporting will be transparent.

11. Donations will be reported separately to allow public scrutiny on the amounts reported in ODA as well as the share donations represent in each provider's ODA.

¹² The price of USD 6.72 is also used in the ACT-A commitment tracker to calculate the "USD value of delivered doses", see <https://www.who.int/publications/m/item/access-to-covid-19-tools-tracker>.

Annex . List of COVID-19 vaccines, which have received emergency use listing by WHO, as of 21 January 2022

https://extranet.who.int/pqweb/sites/default/files/documents/Status_COVID_VAX_23Dec2021.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
Bharat Biotech, India	Covaxin	Inactivated
Janssen (Johnson & Johnson)	Ad26.COV2.S	Vector
Moderna	mRNA-1273	mRNA
Novavax	Nuvaxovid	Protein
Pfizer & BioNTech	Comirnaty	mRNA
Serum Institute of India	Covishield	Vector
Serum Institute of India	Covovax	Protein
SinoPharm	SARS-CoV-2	Inactivated
Sinovac	Coronavac	Inactivated