

**Subject
Summary**

[] ITALY/VATICAN: VISIT BY THE CHANCELLOR

Launch of the first Advance Market Commitment (AMC) for vaccines provides opportunity for Chancellor to highlight UK role and to set out the UK's development agenda to both the Pope and Prime Minister Prodi. []

DETAIL

1. On 9 February, the Chancellor visited Rome for the launch of the first ever Advance Market Commitment (AMC: a market-based mechanism to accelerate access to vaccines in the world's poorest countries). []

VATICAN

2. []

3. []

4. [] In a statement widely carried in the Italian and international press, he [the Pope] said that “such vaccines are urgently needed to prevent millions of human beings, including countless children, from dying each year of infectious diseases, especially in those areas of our world at greatest risk...in this era of globalised markets, we are all concerned about the growing gap between the standard of living in countries enjoying great wealth and a high level of technological development, and that of underdeveloped countries where poverty persists and is even increasing. This creative and promising initiative ... seeks to counter this trend, since it aims to create 'future' markets for vaccines, primarily those capable of preventing infant mortality.” The Pope assured the participating Governments of the Holy See's full support for the humanitarian project, which, he said, was “inspired by that spirit of human solidarity which our world needs in order to overcome every form of selfishness and to foster the peaceful coexistence of peoples”. Finally, the Pope added that the AMC: “has the further merit of bringing together public institutions and the private sector in an effort to find the most effective means of intervening in this area.”

AMC EVENT

5. The launch event brought together the initial group of donor countries represented by: the Italian Economy Minister Padoa-Schioppa; Italian Health Minister Turco; the Chancellor; the Canadian Finance Minister Flaherty; the President of the World Bank Wolfowitz; the Special Counsellor to the Norwegian Presidency Tore Godal; and the Russian Ambassador. The ceremony was also attended by Her Majesty Queen Rania Al-Abdullah of Jordan, the Chairman of the "AMC Committee of Independent Experts" Heatherwick Ntaba, the Health Minister of Ghana, and the Secretary-General of the GAVI Alliance Lob-Levyt.

6. The first AMC will be based on a future financial commitment of 1.5 billion USD and will target pneumococcal disease, with vaccination predicted to save over 5 million lives by 2030. According to the Italian Economy and Finance Ministry, Italy will be the biggest donor country with a commitment of 635 million USD, followed by the UK (485 million USD), Canada (200 million USD), Russia (80 million USD), and Norway (50 million USD). A further 50 million USD will be contributed by the Bill and Melinda Gates Foundation

7. Speaking at the launch, the Chancellor said, "We have come together in a unique and historic global alliance to put innovative finance fully at the service of innovative medicine and to save millions of lives. The advanced market mechanism we launch today means that - instead of high costs, low volume drug production as in the past - we can have high volume, low cost production of drugs in the future and ensure that the many will not be denied the medical advances available to the few." Following the AMC event, the Chancellor called on Prime Minister Prodi (reported separately).