

# Evaluation of Gavi's Private Sector Engagement Approach, 2016-2020

Overview of Findings

The independent evaluation of Gavi's Private Sector Engagement Approach (PSEA) aimed to assess the delivery, results and sustainability of the approach over the period 2016-2020. Lessons learnt and recommendations will inform the design of the PSEA for the Gavi 5.0 strategic period (2021-2025). The findings presented below are structured around three evaluation questions covering: mobilisation of additional resources; PSEA fit to purpose; and lessons and unintended consequences.

Gavi's exploratory PSEA (2016-2020) aimed to enhance immunisation programmes by leveraging private sector resources, expertise and innovation capacity. It was implemented through distinct modalities, namely, a Financial Contributions modality and a Leveraged / Operational modality. It also incorporated an 'Innovation through Uptake, Scale and Equity' (INFUSE) mechanism.

The evaluation findings are based on triangulated evidence from a desk review, over 60 key informant interviews, 7 in-depth case studies, and comparison with similar organisations

## Mobilisation of Additional Resources

### Financial commitments



**Target:**  
US\$150m of additional financial resources raised in new private sector investments

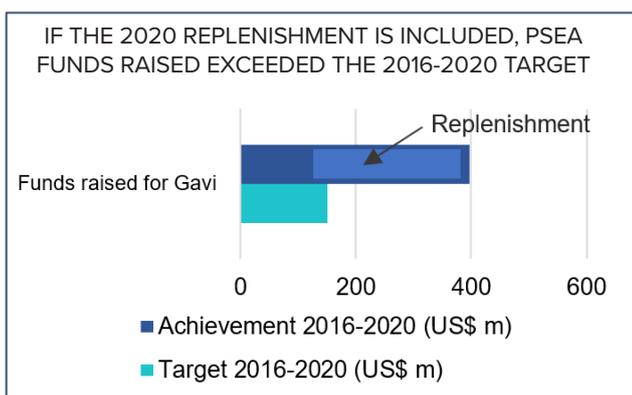
#### Gavi has exceeded the PSEA target on funds raised

The amount of funding mobilised through the PSEA for Gavi over 2016-2020 totalled US\$397m. Notably, two thirds of this total (US\$268m) was pledged through Gavi's 2020 'replenishment' process to fund the 5.0 strategic period (2021-2025), and includes US\$69m of private sector funding earmarked for COVAX. The balance (US\$129m) was raised prior to this for use during the 4.0 strategic period (2016-2020). The 2020 replenishment saw a substantial growth in funding compared to the previous round - up from \$94m at the 2015 replenishment.

#### The target was also exceeded if we consider funds available for utilisation over the period 2016-20

Funding available for investing in Gavi's new PSEA over 2016-2020 included: a) funds allocated in the 2015 replenishment process for use in 4.0 strategic period (US\$94m); and b) other public and private sector funding attracted in 2016-2019 (US\$129m). The total (US\$223m) shows a modest increase when compared to the resources generated for use in the previous strategic period (2011-2015) i.e. US\$ 216m.

The evaluation indicated PSEA funding was partially additional, as some of the funding for the Gavi Matching Fund would have been allocated to Gavi in any case. The evaluation indicated PSEA funding was partially additional, as some of the funding for the Gavi Matching Fund would have been allocated to Gavi in any case.



#### Factors in success

The success of the 2020 replenishment may have been influenced by the COVID-19 pandemic and donor interest in global health security.

#### Challenges

- PSEA targets & indicators ambiguously worded - so challenges for performance assessment.
- Limited reporting available on performance and
- Finances of the PSEA portfolio as a whole.

Over 2016-2020, PSEA funds made up ~2-4% of total funds raised by Gavi.

## Funding diversification

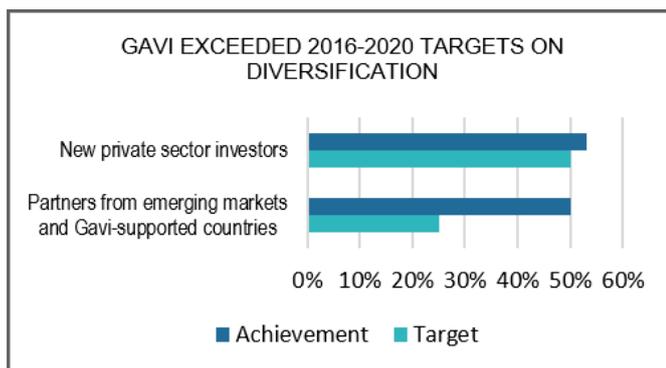


### Diversification targets:

50% investments from new private sector partners; 25% partners from emerging markets and Gavi-supported countries

### Gavi has exceeded PSEA diversification targets:

Over 2016-2020, 53% of PSEA funding came from new private sector partners. Most replenishment pledges for 2021-2025 have, so far, been from new partners. Around 50% of the project partners involved in implementation have been from emerging markets and Gavi-supported countries. There was, however, some ambiguity about indicator criteria, especially for more complex partnerships.



## Leveraging expertise at scale

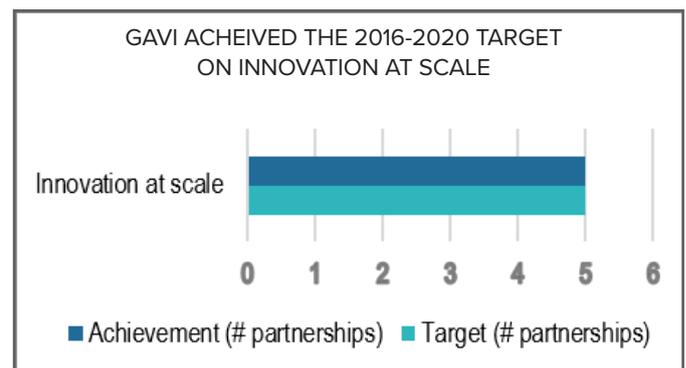


### Innovation at scale target:

Five innovative scalable partnerships leveraging private sector expertise

### Gavi achieved the PSEA target on innovation at scale:

By 2020, four Leveraged/Operational partnerships and one INFUSE partnership had met the agreed criteria for this target. These related to leveraging private sector expertise, strategic relevance, and achieving significant geographic coverage. Notably, however, some projects were multi-country from the outset. The evaluators confirmed that all PSEA projects addressed Gavi's strategic focus areas of immunisation supply chains, improved data quality and demand generation.



## Increasing Gavi visibility

There were some strong examples of Financial Contributions partnerships helping to raise public awareness of Gavi and immunisation priorities. There was also some good online media coverage of PSEA projects – with the Zipline-UPS drone project achieving substantial coverage. However, the evaluators were unable to confirm the hypothesised links between PSEA communication efforts and increased resource commitments from sovereign donors.

### Factors in success

Success in achieving PSEA financial commitment and diversification targets was widely attributed to the skills and experience of Gavi's resource mobilisation team.

### Challenges

- Across the board, sustainable scale-up of private sector projects to additional countries has taken longer than expected.
- Some secretariat concerns about the management demands of a rapidly expanding project portfolio.
- Difficulties in interpreting and measuring the concept of Gavi visibility.

## PSEA Fit to Purpose

### PSEA Fit to 4.0 Strategy

The evaluation confirmed the design of the PSEA, 2016-2020, was broadly consistent with Gavi's 4.0 strategic goals and objectives. There was particularly strong alignment with Goal 2 health systems strengthening objectives. Overall, there was good alignment with the 4.0 principles and strategic enablers. However, the principle of sustainability had yet to be fully demonstrated, and there was scope to increase support to the strategic enabler on monitoring and evaluation (M&E).

### Contributions to objectives

Reference to a reconstructed theory of change for the PSEA showed there had been good progress in achieving intended output-level results across all modalities – these related to increased resource commitments and establishment of strategically-relevant expertise/innovation projects. There was insufficient consolidated evidence to demonstrate the intended outcome on adoption of proven approaches at scale, or impact through contributions to Gavi's 4.0 goals and objectives.

### Overview of PSEA Performance by Modality

Funding modality			
	Financial Contributions	Leveraged/Operational	INFUSE
<b>Progress</b>	<p>By Nov. 2020:</p> <ul style="list-style-type: none"> <li>Gavi had 10 signed Financial Contribution (Cash) partnerships with a total value of US\$ 105.5 m. Another seven partnerships were listed as replenishments or as being under development.</li> <li>There were some good examples of value added through Financial Contributions partnerships – especially in raising awareness among domestic stakeholders and local businesses.</li> </ul>	<p>By Nov. 2020:</p> <ul style="list-style-type: none"> <li>Gavi had 18 signed Leveraged / Operational partnerships; another six were under development and five were in the pipeline for 2021-2025.</li> <li>Most signed partnerships were still in the implementation phase and were only scheduled for evaluation at a later stage.</li> </ul>	<p>By Nov. 2020:</p> <ul style="list-style-type: none"> <li>Gavi had signed 15 INFUSE partners (or 'Pacesetters'); another five were under development and five were in the pipeline for 2021-2025.</li> <li>There was good evidence of inclusive recruitment, with 50% of recruited Pacesetters being from the global South.</li> <li>There had been good efforts to strengthen Pacesetter capacity e.g. in gender sensitive working.</li> </ul>
<b>Factors in success</b>	<ul style="list-style-type: none"> <li>Secretariat skills in client relations and marketing.</li> </ul>	<ul style="list-style-type: none"> <li>Some evidence that synergies with company social responsibility and sustainability strategies helped to sustain partner commitment.</li> </ul>	<ul style="list-style-type: none"> <li>Design of the annual INFUSE selection workshop – some key informants cited this as industry best practice.</li> </ul>
<b>Constraints analysis</b>	<ul style="list-style-type: none"> <li>Some concerns about the expanding portfolio of relatively small-scale 'cash' partnerships – especially the potential for increasing Secretariat transaction and opportunity costs.</li> </ul>	<ul style="list-style-type: none"> <li>Lengthy processes for: establishing the commercial case for partners; values orientation; country matching; stakeholder engagement; start-up processes; and recruitment of local implementation partners.</li> </ul>	<ul style="list-style-type: none"> <li>Protracted processes for matching Pacesetters to funds, countries and a predictable package of support (from Gavi and/or Alliance Partners);</li> <li>Maintaining a viable INFUSE community of practice.</li> </ul>

## Secretariat engagement processes

There was good evidence that Gavi Secretariat structures, procedures and processes have been functioning well to support transparency and sound administration of private sector partnerships. A number of external key informants commended the dedication and “solutions-focus” of the Gavi Secretariat – also its willingness to learn, “stay the course”, embrace the complexities of partnership working, and guide projects towards positive results.

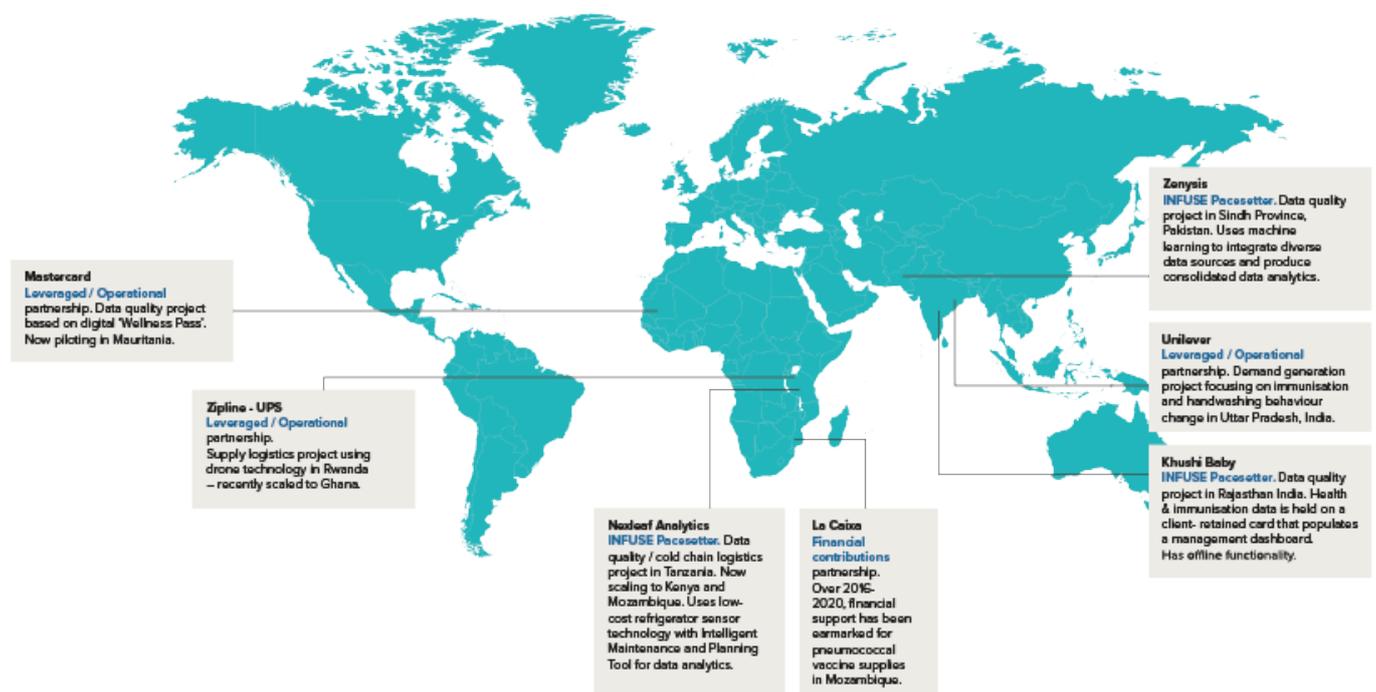
## Modality costs and value for money (VFM)

Since data on results, expenditure and costs are only generated at the end of projects, it was too early to draw evaluation conclusions on the VFM criteria of effectiveness, cost-effectiveness and sustainability within or across partnerships. Recent efforts to cost innovation projects for Gavi's Innovation Catalogue were a welcome development. This could be a useful first step towards the introduction of systematic ‘total cost of ownership’ assessments for innovation projects.

## Key findings from case studies

- Among the seven in-depth case studies, some projects were demonstrating substantial benefits and were advancing towards scale-up.
- In most cases, project start-up took considerable time – on average about two years.
- It was sometimes helpful to sub-contract a local implementing partner – although this could be time-consuming in itself (e.g. Mastercard in Mauritania).
- It was still too early to assess which of the technical solutions were likely to be sustainable over the longer term – although there were some good examples of skills transfer and contributions to infrastructure (e.g. the Zipline-UPS project).
- Private sector partners involved in the case study projects reported good levels of satisfaction with project relevance and value.
- For INFUSE Pacesetters there was general acknowledgement that a partnership with Gavi could raise their international profile and facilitate entry into new product markets.

## Overview of sampled case study projects



**Factors in success**

- Alignment of PSEA opportunities to Gavi country portfolio planning / reviews was reported to bring benefits for efficiency and country engagement.
- Case studies demonstrated benefits from early and continuous country involvement, and timely technical guidance for Alliance Partners or the Secretariat.
- In the few cases where there was provision for formative research and M&E services, there were important contributions to improved project design, course correction, and documentation / review of results.

**Some challenges**

- Some inconsistencies in Secretariat PSEA guidelines, agreement on respective roles, and standardisation of methodologies (e.g. for county appraisals).
- Absence of project and PSEA logic models showing clear pathways to intended results.
- Timely availability of Secretariat (or Alliance Partner) expertise and capacity for project support and scale-up.
- Little systematic documentation of lessons learnt or provision for structured learning.
- Lack of provision for systematic costing or 'total cost of ownership' assessments.
- Protracted start-up processes causing fund flow and resource management issues – especially for smaller Pacesetters.

## Lessons and Unintended Consequences

**Unintended consequences**

Positive unintended consequences of the exploratory PSEA included strengthening of Secretariat expertise in working with private sector innovators and, potentially, enhanced COVID-19 readiness. Negative unintended consequences included the additional time demands placed on the Secretariat – this has resulted in some tensions.

**Risk management**

Gavi has managed PSEA risks to date satisfactorily. Key risks to be managed included: project implementation and performance risks; political and reputational risks; capacity risks; cyber security risks; donor dependency and fund flow risks. Additional risks associated with innovation activities included partner selection risks, adaptation risks and failure risks.

**Influence on other multilaterals**

Gavi is widely recognised as being at the forefront of private sector engagement. There was anecdotal evidence of an indirect influence on how multilateral Alliance Partners (e.g. WHO and UNICEF) engage with the private sector e.g. through participation in INFUSE workshops. However, there were also calls for improved multilateral coordination and collaboration.

**Private sector perceptions**

Private sector partners interviewed were positive about the value proposition offered by Gavi's PSEA. Most saw considerable potential for improving their public profile and entry into emerging economies. Some partners suggested Gavi's staffing for private sector engagement should be expanded to keep pace with the efficient project management offered by other global health partners.

## Summary of key lessons

<p><b>Design</b></p> 	<ul style="list-style-type: none"> <li>• Need to maintain alignment of the PSEA modalities to higher-level Gavi strategic approaches and decision-making.</li> <li>• Scope for clarifying and testing PSEA contributions to Gavi 'visibility'.</li> </ul>
<p><b>Implementation</b></p> 	<ul style="list-style-type: none"> <li>• Need to optimise institutional arrangements and incentives for private sector engagement across the Secretariat.</li> <li>• Scope for reassessing in-house guidelines and streamlining management systems for each modality.</li> <li>• Need to reflect on timeframes needed for accelerating innovations to scale.</li> <li>• Need to consider how to provide INFUSE Pacesetters with a more predictable package of support.</li> <li>• Scope for scheduled risk reviews throughout project implementation and scale-up.</li> </ul>
<p><b>Efficiency &amp; Effectiveness</b></p> 	<ul style="list-style-type: none"> <li>• Scope for improved cost-tracking, regular project and portfolio VFM assessments and commissioned 'total cost of ownership' studies.</li> <li>• Need for integrated M&amp;E system and results frameworks for projects and PSEA as a whole.</li> </ul>
<p><b>Impact &amp; Sustainability</b></p> 	<ul style="list-style-type: none"> <li>• Scope for better alignment to country portfolio planning to maximise efficiencies, country buy-in and sustainability.</li> <li>• Potential for more collaboration with other Alliance Partners and global health partners to increase scale, impact and sustainability (with possible lessons from the Alliance's recent Vaccine Innovation Prioritisation Strategy).</li> </ul>

## Comparison with similar organisations

### Key findings

- Among multilaterals, growing recognition of the potential benefits of private sector engagement for addressing global health and social development issues.
- Trend towards dedicated units or 'partnership hubs' to consolidate the skills needed for managing the complexity and risks of private sector engagement and innovation work.
- 'Innovation' was widely recognised as a specialist area, requiring dedicated staff with technical know-how and experience.
- Despite an element of competition between global health partners, a growing appetite for closer collaboration on private sector engagement, especially with respect to health systems strengthening.

### Factors in success

- Recognising private sector engagement is a means to an end, not an end in itself - use of specific assessments to determine what additionality a private sector partnership will bring.
- Dedicated time and resource investments for private sector engagement work - optimising the trade-off between transaction costs and the likelihood of securing a mutually-beneficial partnership.
- Investing in staff capacity - getting the skills and incentives mix right.
- Flexible approaches based on long-term perspectives.
- Strong strategic direction and leadership bolstered by supportive management structures and operational guidance – including tried-and-tested tools and templates.
- Capturing and sharing emerging lessons, especially lessons on innovation.

## Conclusion and Recommendations

### Conclusion

Over the 4.0 strategic phase, Gavi has made impressive progress in establishing a cutting-edge private sector engagement approach. Gavi has met or exceeded all the PSEA performance targets. The commitment and skills of the Gavi Secretariat and leadership have been consistent factors in success.

Gavi's leaders and partners have reviewed the recommendations of this evaluation in a 'co-creation workshop'. They will continue to reflect on the implications for 5.0 operational planning. Next steps will involve consensus-building on PSEA design adaptations; and development of a PSEA implementation plan and monitoring, evaluation & learning (MEL) plan for the next strategic phase. The evaluators have configured the following recommendations around these steps. Those marked \* are priority recommendations.

### Summary of recommendations



#### PSEA design

- **\*Alignment to Gavi 5.0:** Adjust the PSEA design to the 5.0 Strategy – especially Goal 2 objectives & strategic enablers on evidence, evaluations and data; also align to Gavi's forthcoming 5.0 operational plans & innovation / digital health strategies
- **Scope definition:** Ensure Gavi continues to clearly communicate the scope of the PSEA vis-à-vis its other activities with the private sector.
- **Alignment of innovation agendas:** Consider how to maintain alignment between the PSEA and Gavi's wider innovation initiatives, and the innovation strategies of other global partners.
- **Clarify and tailor PSEA modalities and mechanisms** to better suit different types of partnership, partner and stage of development (e.g. proof of concept vs scale up).
- **Gavi visibility:** Ensure this concept is clearly defined so PSEA contributions to Gavi visibility can be better assessed and evaluated over time.



#### PSEA implementation

- **\*Institutional arrangements:** Review roles, responsibilities, incentives and capacities for managing and implementing the PSEA across the Secretariat.
- **Guidelines and procedures:** Review PSEA guidelines to ensure consistency and completeness.
- **Risk management:** Ensure there is robust risk management of the PSEA portfolio and projects at each operational stage.
- **PSEA reporting:** Improve the structure and regularity of PSEA financial and progress reporting across the portfolio.
- **PSEA governance:** Agree mechanisms for PSEA oversight by the Board – possibly including an Advisory Council.
- **Aligned planning:** Reflect on options for better aligning PSEA planning with Gavi portfolio planning on country-level support.
- **Timeframes and mechanisms for scaling:** Consider the duration of Gavi support needed to take establish projects and take them to scale.



#### Monitoring, evaluation & learning

- **\*An integrated approach:** Invest in an integrated and aligned MEL plan for both projects and the PSEA as a whole.
- **Specifying targets:** Be specific in the definition PSEA targets and indicators – especially for measuring financial commitments, diversification and innovation scale up.
- **\*Costing and VFM assessments:** Incorporate VFM assessments into scheduled project and PSEA reviews. Consider commissioning 'total cost of ownership' studies.
- **\*Structured learning:** Strengthen the emphasis on structured learning. Consider establishing a forum for sharing lessons on private sector engagement with other global health partners.

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