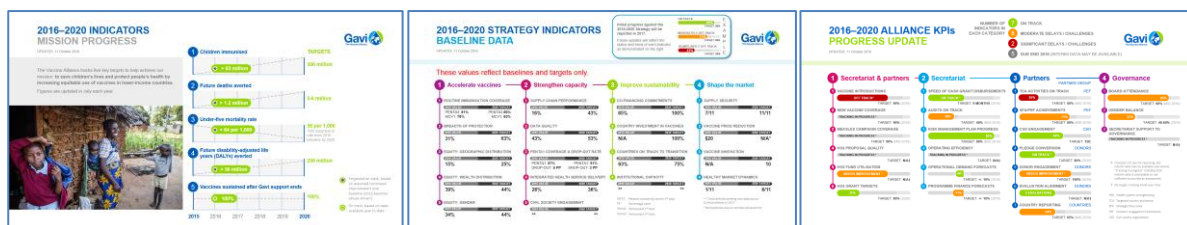


SUBJECT:	2016-2020 STRATEGY: IMPLEMENTATION AND PROGRESS
Agenda item:	03
Category:	For Information
Authored by:	Nicolas Theopold, Roice Fulton, Adrien de Chaisemartin, Alex de Jonquieres, Mirjam Clados, Johannes Ahrendts

Section A: Content

1. A new reporting structure

- 1.1 **This document is the first update on progress against the 2016-2020 strategy.** Going forward, strategy progress updates will be provided at each PPC and Board meeting in a format that provides a consistent view on progress made, how challenges are being addressed, and will contain the latest available data.¹ The strategy progress update uses the indicators in the Gavi 2016-2020 strategy and Alliance Accountability Framework (AAF) to track progress towards strategy goals and to monitor the performance of the Alliance, Secretariat, Partners and countries. These indicators are summarised in Strategy and Alliance KPI dashboards (see appendix for full size versions). Colour-coded references to the relevant indicators in the dashboard are included throughout the paper.



- 1.2 As the Alliance is in the first year of the strategy period, data on progress for Strategy Indicators is not yet available, but progress on Alliance KPIs has been included. Where data is not yet available for Alliance KPIs, projections and estimates have been included to provide indication of progress and/or issues. The dashboards indicate where preliminary data is being used in place of final values.
- 1.3 This progress update is supported by a set of linked papers, as requested by the Board, which should be considered together with this document. The Country Programmes (CP) update provides a summary of developments in key countries and an overview of how the Alliance's investments, technical support and grant and risk management come together at a country level to achieve strategic goals

¹ Throughout the document, data is referenced from Strategy Indicators, Alliance KPIs and Secretariat Performance Management (CPM and TPM)

and better manage risk. The PEF update summarises progress in implementing the new Partners' Engagement Framework. The Risk paper describes the major risks facing the Alliance, how we are managing those risks and how remaining exposure aligns with the Alliance's risk appetite and risk controls.

2. Progress against Gavi's mission aspiration

- 2.1 **In the last strategy period, the Alliance exceeded its mission aspiration.** Gavi aimed to immunise **243 million** children and immunised **277 million** children (2015). Over the same time period, the Alliance goal was to avert **3.9 million** deaths; more than **4 million** were averted. Child mortality² – to which Gavi programmes are one contributor amongst many others – decreased from **76 to 63 deaths per 1,000 live births** in 73 Gavi countries, exceeding the target of **66** deaths per 1,000 live births. Pentavalent vaccines accounted for the majority of deaths averted (67%, 2.7 million); yellow fever vaccines for 10% (400,000), meningococcal A vaccines for 9% (360,000), measles second dose and measles-rubella vaccines for 8% (320,000) and pneumococcal vaccines for 5% (220,000).
- 2.2 **In the 2016-2020 strategy period, the Alliance's mission aspiration is even more ambitious.** The Alliance aims to immunise **300 million** children (MP4)³ in the coming five years and to avert **5-6 million** future deaths (MP2).⁴ Besides pentavalent vaccines (3 million projected), measles second dose and measles-rubella (800,000) and HPV vaccines (600,000 – 900,000)⁵ will be the biggest contributors to the number of deaths averted. **Child mortality is targeted to decrease by a further 10% in the same time period, to 58 per 1,000 live births (MP1).**⁶
- 2.3 Preliminary data indicates that **the Alliance is on track to reach its goals for number of immunised children and deaths averted**; impact data on future deaths averted is being refined through advanced modelling work with 14 models from leading academic institutions. This work is co-funded by the Bill & Melinda Gates Foundation.

3. Strategic Goal 1 – Accelerate equitable uptake and coverage of vaccines

- 3.1 **The Alliance exceeded its goals on introductions in the last period (164 vs. 147 projected for pentavalent, pneumococcal and rotavirus vaccines (A1.1)).**⁷ However, Gavi did not achieve its goal on DTP3 coverage, which was targeted to increase from **78% to 84%** and reached **81%** in 73 Gavi-eligible countries.⁸

² Defined as mortality among children under five

³ Mission Progress Indicator. References to key indicators are colour-coded throughout the paper

⁴ Does not include measles investments in India planned after formulation of the deaths averted goal

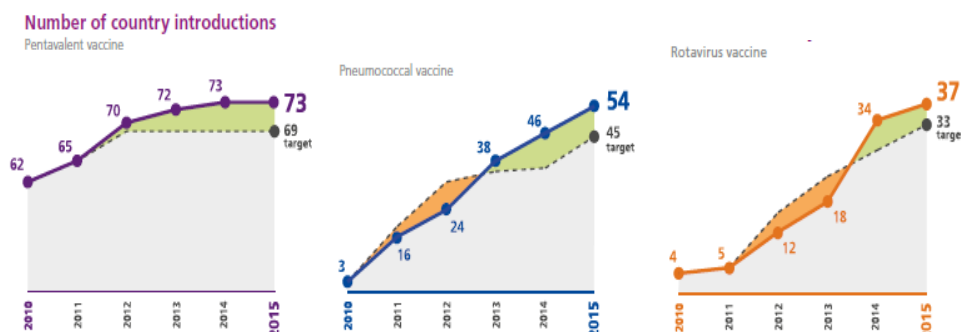
⁵ Latest modelling estimates a range of 450,000-900,000, depending on decision at this Board meeting on HPV programme design and multi-cohort approach

⁶ The baseline for this indicator has been revised from 73 to 68 Gavi countries, making 64/1,000 the new baseline

⁷ Including campaigns and other antigens, a total of 210 introductions took place; Alliance KPIs were introduced for the 2016-2020 strategy period

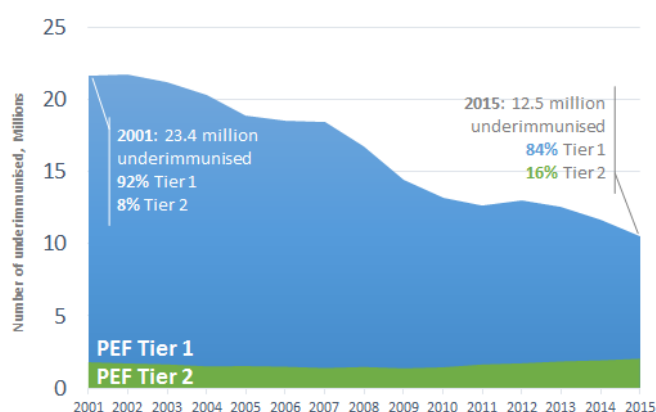
⁸ See strategy goal reporting for details

There was no specific MCV1 target, but coverage remained flat between 2011 and 2015. The Alliance also did not meet its target for equity in immunisation coverage: the proportion of Gavi-supported countries that met the equity goal⁹ increased from 51% to 58%, but was targeted to increase to 62%.



- 3.2 At the end of the last strategy period, 14.9M children in 68 Gavi countries did not receive a full course of DTP-containing vaccines. **To achieve its 2016-2020 coverage target, the Alliance will need to reduce the number of under-immunised children to 10.9 million in these 68 countries.** With population growth, this means that by 2020 the Alliance will need to immunise 6.3 million more children with three doses of DTP-containing vaccine than were immunised in 2015. The latest coverage estimates demonstrate significant progress in most of the 10 **PEF Tier 1** countries, with the number of under-immunised children decreasing from **11.7 million** (2014) to **10.5 million** (2015).¹⁰ However, progress was variable. India accounted for nearly half of this reduction¹¹ and Nigeria now has nearly as many under-immunised children with less than one seventh of the population.¹² In **PEF Tier 2** countries the number of under-immunised children

Total # underimmunised in PEF 20 countries, 2001-2015



⁹ In 2011-2015, the equity goal was a difference of less than 20% in DTP3 coverage between the richest and poorest quintile of the population

¹⁰ Based on the number of children receiving three doses of DTP-containing vaccine, 2016 WUENIC data.

¹¹ Both data points based on 2016 WUENIC data. 2015 WUENIC estimate for 2014 was 4.2M under-immunised

¹² In Nigeria, the number of under-immunised children estimated for 2014 was revised from 2.2 million (2015 WUENIC) to 3.3 million (2016 WUENIC). The number of under-immunised in 2015 was estimated at 2.9 million (2016 WUENIC).

increased slightly from **1.9 million** (2014) to **2.1 million** (2015),¹³ driven primarily by increases in Niger, South Sudan, Yemen and Madagascar. In aggregate, the number of under-immunised children in Tier 1 countries has fallen over 50% but the number in Tier 2 countries has increased nearly 7% since 2001.

- 3.3 **Gavi has ambitious goals to increase equitable uptake and coverage of all vaccines in the coming strategy period.**¹⁴ The target is to increase DTP3 / penta3 and MCV1 coverage by **5 percentage points (pp)**, from 81% to **86%** for DTP3 and from 78% to **83%** for MCV1 (**S1.1**).¹⁵ To reach the MCV1 coverage goal, the Alliance will need to reduce the number of under-immunised children from 17.2 million (2015) to 13.9 million (2020), reaching 5.7 million more children per year (due to population growth). Breadth of protection with all Gavi-supported vaccines that countries have introduced is targeted to increase by 32 percentage points from **31% to 63%** (**S1.2**).¹⁶ Progress will build on momentum in new vaccine introductions during the last strategy period – half of gains (53%) are expected from increasing coverage of recently introduced antigens towards the level of DTP3 coverage. The other half of expected gains (47%) will be driven by new introductions. Equity indicators now include geographic and gender equity in addition to wealth equity.¹⁷ On all three indicators the target is to increase the proportion of Gavi-eligible countries meeting the threshold by 10% over the strategy period.
- 3.4 To support improvements in breadth of protection, **Gavi expects to support more than 200 vaccine introductions and campaigns in the strategy period.** The Alliance has already supported 41 introductions and campaigns in 2016. However, a number of introductions have been delayed, primarily due to supply shortages for inactivated polio vaccine (IPV), meaning the Alliance is not on track to achieve its 2016 target of 90% of introductions estimated for the year, but expects to achieve 62% (**A1.1**). 14 IPV introductions were delayed, as were 3 HPV routine and 4 rotavirus routine introductions. These delays will have an impact on progress against the breadth of protection indicator when 2016 data is reported.¹⁸
4. **Strategic Goal 2 – Increase effectiveness and efficiency of immunisation delivery as an integrated part of strengthened health systems**
- 4.1 **Slow improvements in DTP1¹⁹ coverage rates suggest that health systems are struggling to reach unreached populations.** However, the reduction in the drop-out rate from DTP1 to DTP3 (**S2.3**) over the past strategy period (from 8

¹³ Ibid.

¹⁴ See indicator update for detailed definition of the breadth of protection indicator

¹⁵ Goal for Gavi68 countries

¹⁶ The 2015 baseline has been revised down to 31% from 34% due to WUENIC data revisions.

¹⁷ The threshold for the wealth equity indicator has been lowered to a difference of 10% DTP3 coverage between richest and poorest quintiles of the population

¹⁸ Source: CPM reporting, available on myGavi

¹⁹ 7% improvement over last decade, compared with 13% for DTP3. No improvement over 2011-2015 strategy period; source: WUENIC 2016

(2011) to 6 percentage points (2015) in Gavi73 countries) demonstrates that health systems are improving their follow-up with children who are reached.

- 4.2 **Work to improve data on and performance management of HSS grants is starting to bear fruit.** All countries now have a Performance Framework in place to set goals and targets and to monitor progress.²⁰ Grant progress is being monitored through achievement of HSS targets (**A1.6**, 31% of countries, above trajectory) and grant utilisation (**A1.5**, 25% year to date, needs improvement). Performance information on HSS grants feeds into the HLRP and Joint Appraisal processes, in which challenges are being reviewed jointly with countries and Alliance Partners to inform future support. Going forward, the new HSIS policy will help strengthen the targeting of Gavi's investments and further changes are being piloted through the Country Engagement Framework²¹ (**C12**) to help channel Gavi support to countries more efficiently. Furthermore, strategy indicators have been developed to track civil society engagement (% countries meeting benchmark for civil society engagement for improved coverage and equity) and integration (% countries meeting benchmark for integrated service delivery).

5. Strategic Goal 3 – Improving sustainability of national immunisation programmes

- 5.1 **The Alliance has made strong progress in the area of sustainability.** 2015 was the best year for the Alliance in terms of co-financing, with **99%** of countries meeting 2014 co-financing obligations²² within one year of being due and **85%** of countries paying 2015 co-financing obligations on time.²³ Of the countries that had defaulted on 2015 co-financing, **70%** came out of default by mid-year, compared to a target of **40%** (**C9**). DR Congo was the last country in default this year and recently paid its arrears.
- 5.2 **Most transitioning countries are on track for successful transition**, as measured by progress in the implementation of transition plans (**86%**) and meeting co-financing obligations on time (**88%**) (**PEF Function reporting by Partners and Secretariat**). The first 4 countries transitioned successfully out of Gavi support at the end of 2015.
- 5.3 However, new GNI and coverage data also highlight **growing sustainability risks**, as discussed in the Risk & Assurance report. Only 63% of countries in accelerated transition have increased Penta3 coverage over the last 3 years or maintained it above 90%, highlighting the risk that some countries (such as Angola, Congo, Indonesia and PNG) may not be fully ready for transition or may transition with sub-optimal coverage levels (**PEF**).²⁴ Nigeria will enter accelerated transition next year with low Penta3 coverage, which could result in it transitioning out of Gavi support with a large cohort of unimmunised children. Furthermore, the current economic context is creating significant uncertainty.

²⁰ Reporting rate 54% in Gavi eligible countries (**A3.7**) and 65% of 20 PEF priority countries

²¹ A detailed discussion of the CEF is contained in the Country Programmes Update

²² DR Congo is the only country currently in default

²³ Source: Secretariat Performance Management reporting

²⁴ Ibid; additional details contained in the Risk and Assurance Report and Country Programmes update

Some transitioning countries are facing slow or negative growth, such as Angola (-21% GDP p.c.) and Timor Leste (-38% GDP p.c.), which may squeeze fiscal space and could lead to stagnant domestic investment in immunisation. It may also delay countries' transition from Gavi support, as is the case in Zambia, or even in countries re-entering eligibility (potentially Ghana) – see Appendix C to the CP update. Engagement with at-risk transitioning countries is being strengthened (e.g., through high-level visits such as to Indonesia this year). Board guidance on what more should be done in this area is welcome. We are considering a more detailed discussion of sustainability at our April Board retreat.

- 5.4 Gavi is strengthening how it incorporates sustainability in its investments to reduce sustainability risks, using the approach endorsed by the PPC in May. New indicators (“tracers”) are being developed to guide and monitor Gavi’s investments and monitor progress towards transition and a strategy indicator has been developed to track countries’ institutional capacity. Furthermore, by the end of the year, all countries in accelerated transition should have started the process of transition planning.²⁵ The process will be started in all countries entering accelerated transition in 2017 to ensure early engagement with countries.

6. Strategic Goal 4 – Shape markets for vaccines and other immunisation products

- 6.1 **In the 2011-2015 strategy period, the Alliance was highly successful in reaching its market shaping goals, despite some challenges.** The target on supply security was reached and exceeded and the cost of fully immunising a child with rotavirus, pneumococcal and pentavalent vaccines decreased from US\$ 35 to US\$ 20 (**S4.2**) over the period. However, the Alliance faced shortages of yellow fever vaccines and IPV, delaying vaccine campaigns and introductions. The Alliance is working with manufacturers of both vaccines to increase supply. Supply shortages in some markets remain a risk, as highlighted in the risk report.
- 6.2 The Board approved a new supply and procurement strategy in June that takes a more holistic view to healthy markets, applies longer-term view to market shaping and defines Gavi’s role in product innovation. 2016 has seen a high level of activity in implementing this strategy, with ongoing work on supply and procurement strategies for pentavalent, rotavirus, HPV, JE MR, pneumococcal and yellow fever vaccines and cold chain equipment. Furthermore, price reductions have generated savings of over US\$ 300 million for the 2016-2020 period, compared with the financial forecast approved by the Board in December 2015. These funds can be reinvested in other programmes, including the decisions coming to this Board meeting.

7. Alliance Accountability – a paradigm shift

- 7.1 The Alliance Accountability Framework presents a paradigm shift in how Gavi operates: it creates a much more robust approach to accountability across all parts of the Alliance and redefines how we work together.

²⁵ Excluding Cuba and Kiribati, for specific reasons

- 7.2 A new process has been put in place to manage Secretariat performance, through a set of Corporate (CPM) and Team Performance Metrics (TPM) that include the Alliance KPIs for which the Secretariat is responsible (6 indicators), those where accountability is shared with partners (7 indicators) and Alliance KPIs on governance (3 indicators). Alliance KPIs and CPM Metrics have been referenced throughout this strategy progress update. A subset of existing Alliance KPIs has been refined over the course of 2016, based on the first experiences of measuring and using them for management decision-making.²⁶
- 7.3 Of the 6 Alliance KPIs for which the Secretariat is responsible, three were on track mid-year (progress against risk management plan, work on the operational demand forecast and improvements in the time to disburse cash grants²⁷). Two were behind plan (programme financial forecast at -11% versus +-10% target and audits planned), but are expected to be caught up by the end of the year. One indicator (operating efficiency) has not yet been reported. Of the 7 shared indicators two were on track (performance on HSS grants and against transition plans). Two were behind plan (vaccine introductions and HSS fund utilisation) and three have not yet been reported (new vaccine coverage, measles campaign performance and HSS proposal quality).²⁸
- 7.4 Of the larger set of 33 CPM metrics (which include the Alliance KPIs above), 49% were on track mid-year, 30% faced slight delays/challenges, 6% significant delays/challenges and 15% were not due for reporting. The two CPMs with significant delays are implementation of supply and procurement roadmaps, due to team resource constraints (prioritisation being revisited) and implementation of a framework to track time savings in the legal team's involvement in operational and standard issues (temporarily postponed due to competing priorities). Complete CPM metrics reporting is available on MyGavi.
- 7.5 **The Partners' Engagement Framework (PEF) is a big shift in the way the Alliance works together.** It strengthens the accountability of individual partners through greater transparency on progress at country level and through reporting on PEF Functions, which are common across countries. Big steps have been achieved this year in operationalising this new way of working together. However, recruitment of new staff in country is taking time (UNICEF at **61%**; WHO at **29%** (for Tier 1 and 2 countries)²⁹ and has contributed to some delays in the implementation of activities (**53%** of milestones on track at UNICEF, **43%** at WHO) (**A3.1**). Further details are provided in the separate PEF Update paper.

Appendices (available on myGavi)

- Appendix A: Strategy Indicators – Detailed view
- Appendix B: Alliance KPIs – Detailed view
- Appendix C: Summary of updates to indicator definitions, baselines and targets
- Appendix D: Corporate Performance Management (CPM) Metrics

²⁶ Revisions to Alliance KPIs and new indicators are detailed in appendix

²⁷ It is noted that the baseline for the time to disburse was high, at 11.2 months

²⁸ The Alliance KPI on HSS proposal quality is being revised following IRC feedback

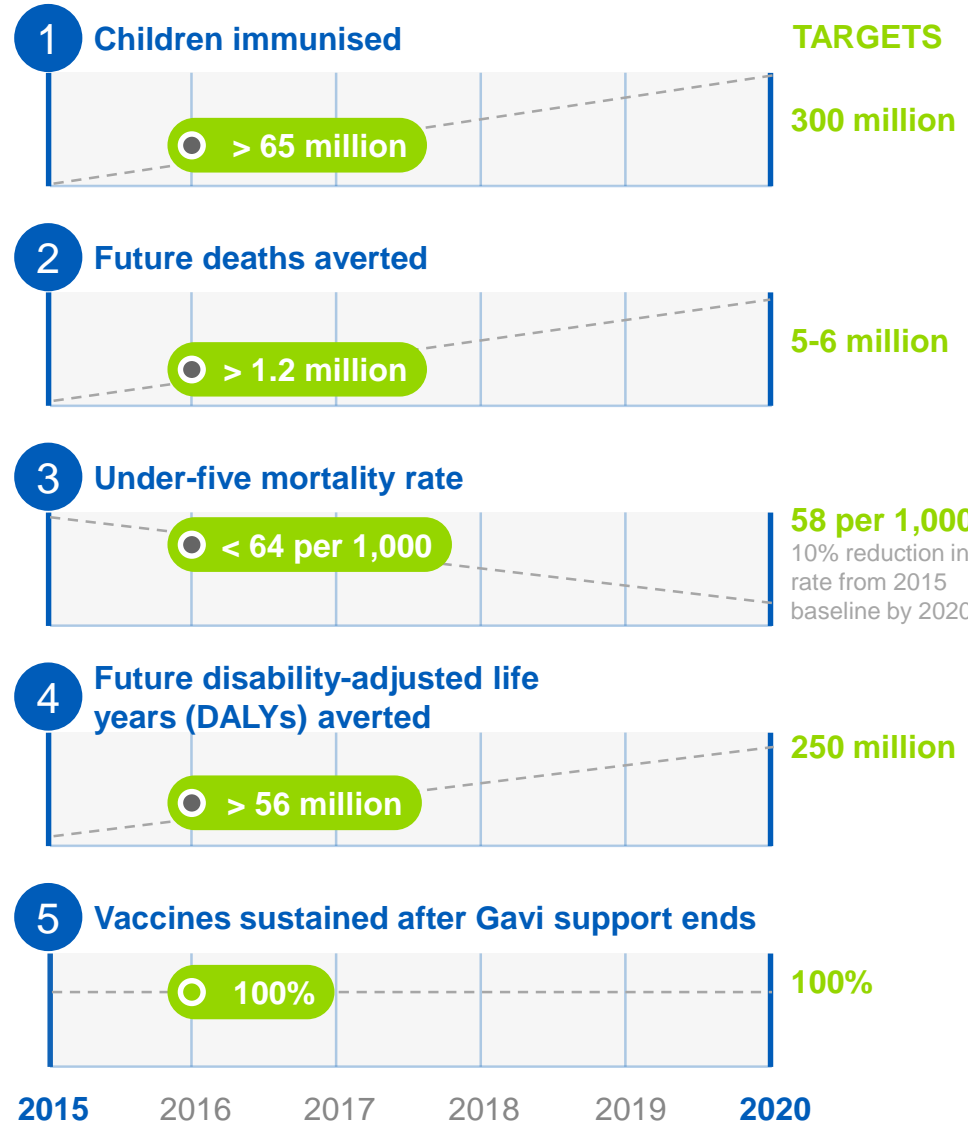
²⁹ Status as of 30th July 2016

2016–2020 INDICATORS MISSION PROGRESS

UPDATED: 11 October 2016

The Vaccine Alliance tracks five key targets to help achieve our mission: **to save children's lives and protect people's health by increasing equitable use of vaccines in lower-income countries.**

Figures are updated in July each year.



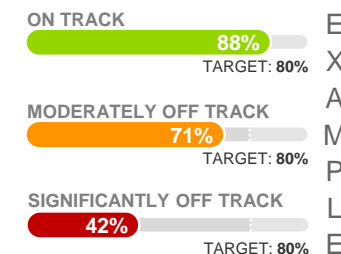
- Projected on track, based on assumed continued improvement over baseline (2015 baseline values shown)
- On track, based on data available year to date

2016–2020 STRATEGY INDICATORS BASELINE DATA

UPDATED: 11 October 2016

Initial progress against the 2016-2020 Strategy will be reported in 2017.

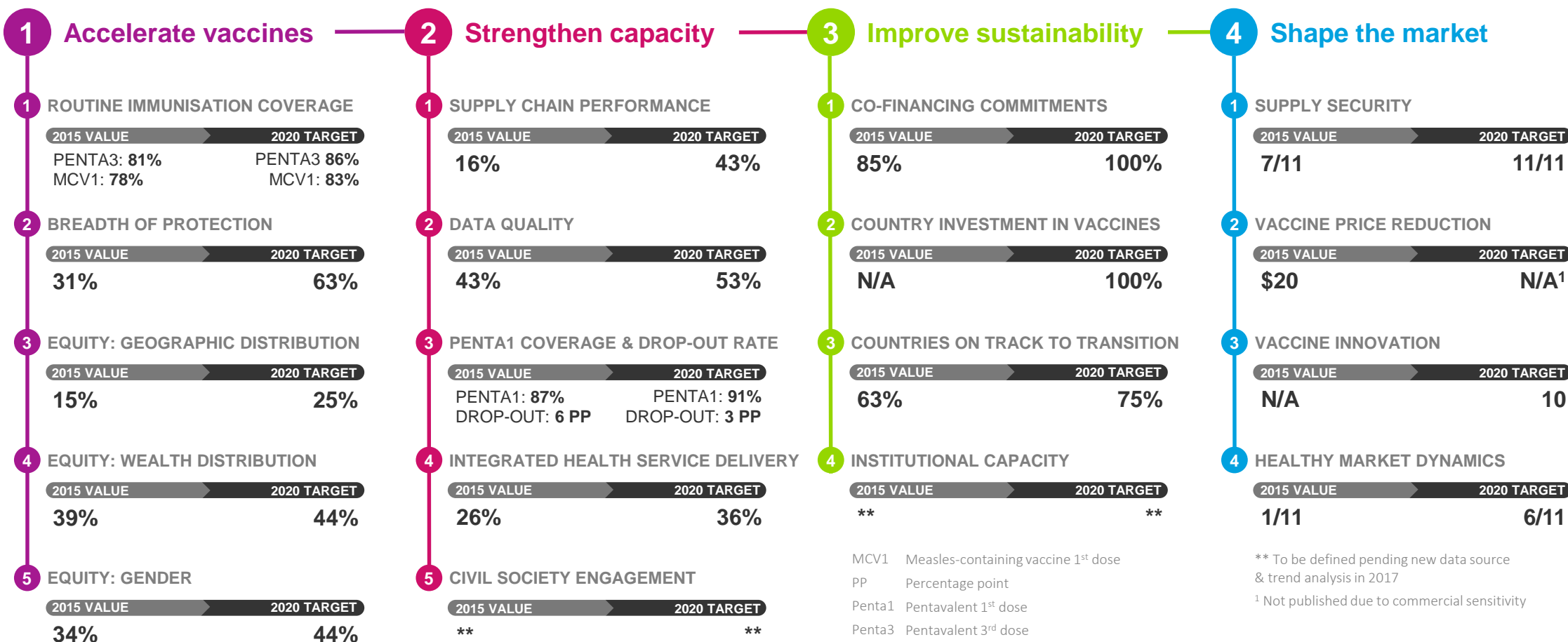
Future updates will reflect the status and trend of each indicator as demonstrated on the right.



Appendix

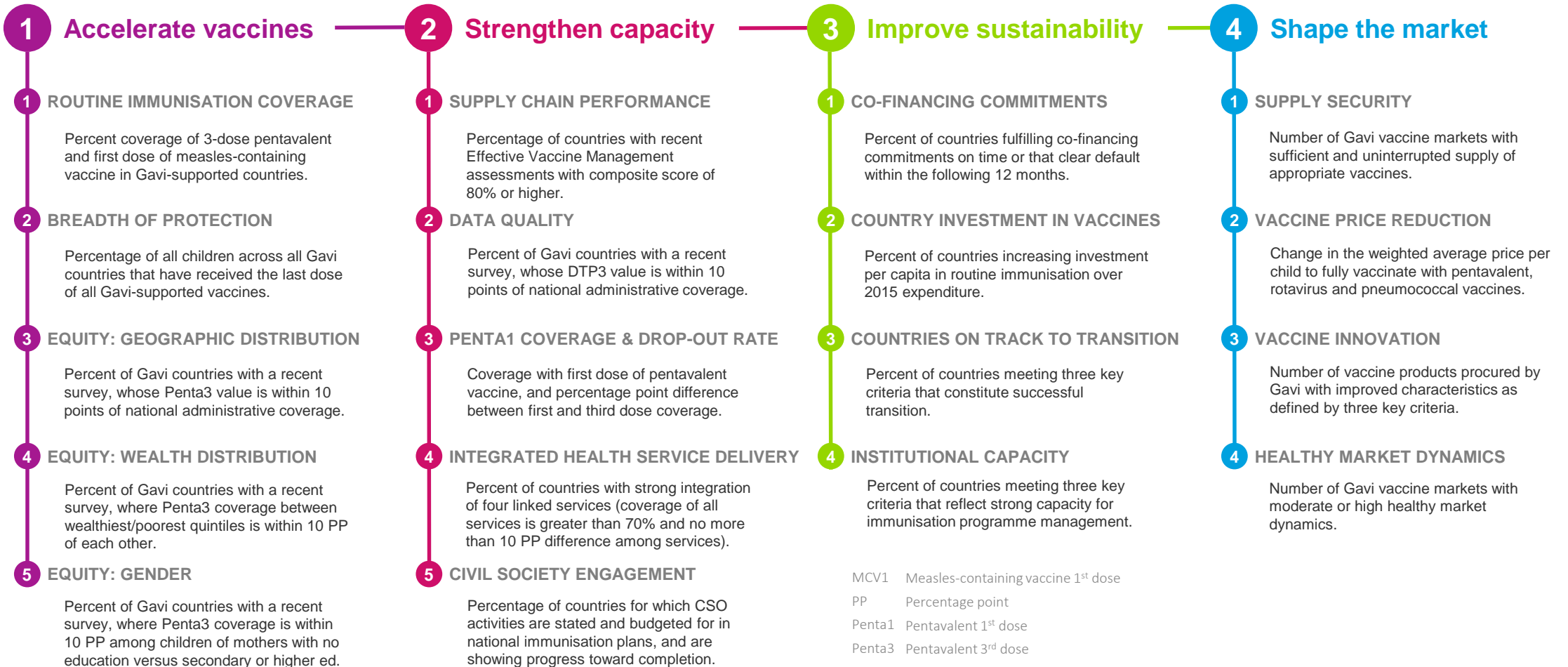


These values reflect baselines and targets only.



2016–2020 STRATEGY INDICATORS

STRATEGY INDICATOR DEFINITIONS



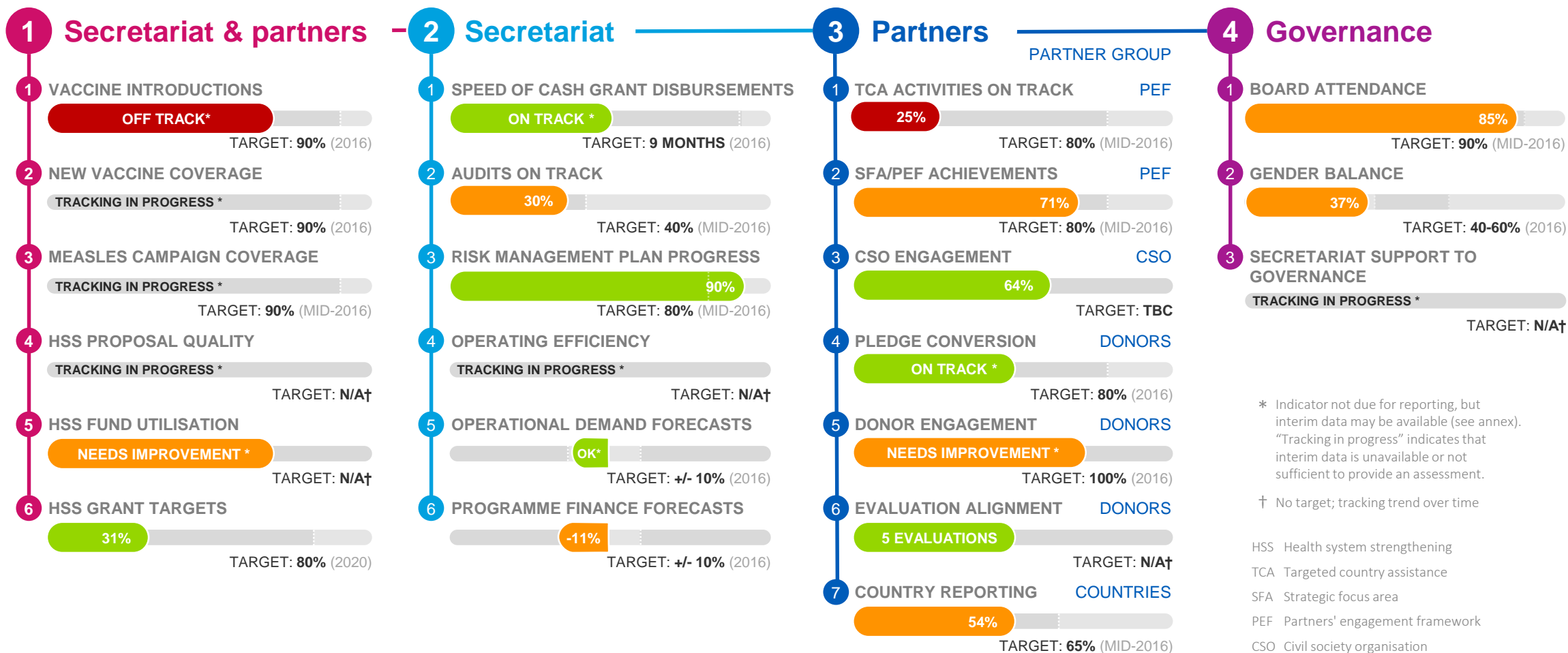
2016–2020 ALLIANCE KPIs PROGRESS UPDATE

UPDATED: 11 October 2016

NUMBER OF
INDICATORS IN
EACH CATEGORY

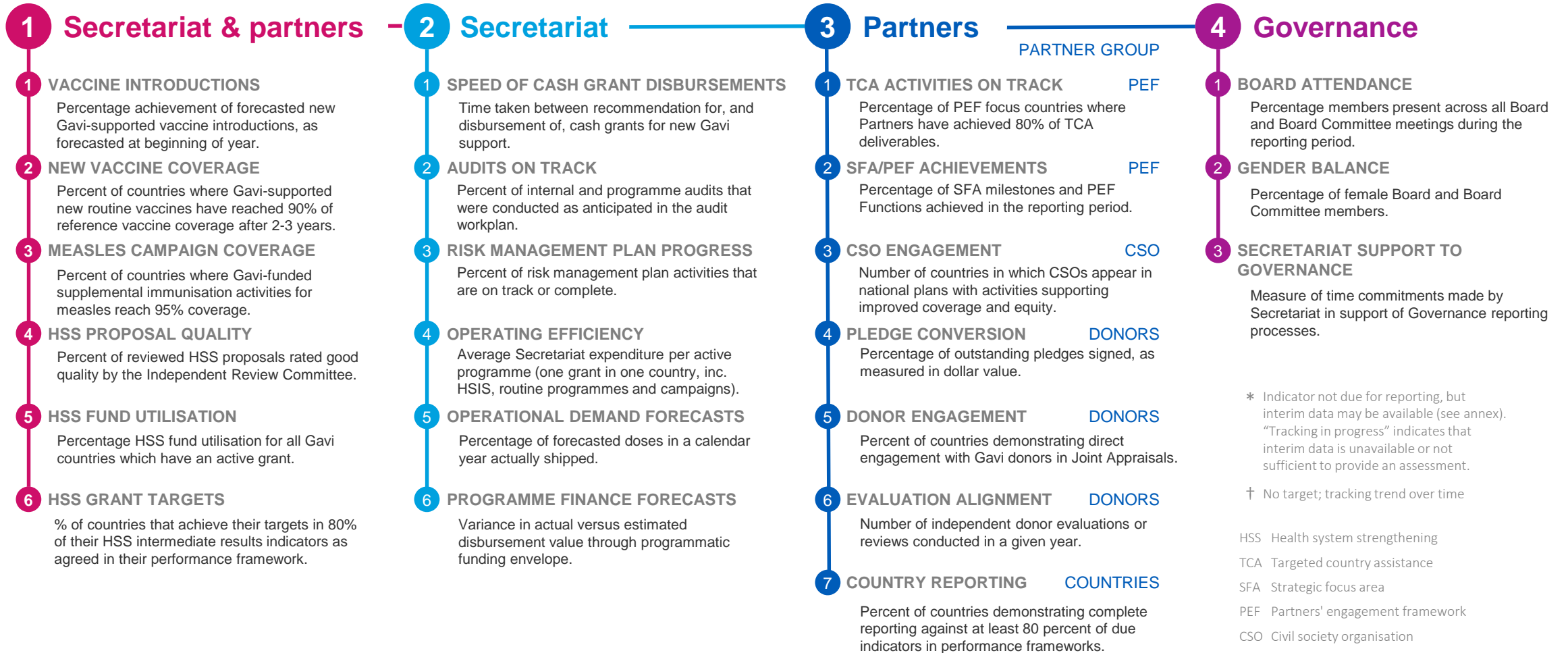
- 7 ON TRACK
- 8 MODERATE DELAYS / CHALLENGES
- 2 SIGNIFICANT DELAYS / CHALLENGES
- 5 DUE END 2016 (INTERIM DATA MAY BE AVAILABLE)

Appendix



2016–2020 ALLIANCE KPIs

KPI DEFINITIONS



HSS Health system strengthening

TCA Targeted country assistance

SFA Strategic focus area

PEF Partners' engagement framework

CSO Civil society organisation