

STRATEGY, PROGRAMMES AND PARTNERSHIPS: PROGRESS, RISKS & CHALLENGES

BOARD MEETING

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Key Gavi 5.0 priorities continue to be recalibrated in light of the impact of the pandemic and related risks

1 INTRODUCE AND SCALE UP VACCINES

- New VIS put on hold
- New vaccine introductions paced
- COVID-19 vaccine introductions prioritised

2 STRENGTHEN HEALTH SYSTEMS TO INCREASE EQUITY IN IMMUNISATION

- Restore and maintain immunisation
- Rebuild better with focus on zero dose children

3 IMPROVE SUSTAINABILITY OF IMMUNISATION PROGRAMMES

- Minimise co-financing waivers
- Safeguard domestic financing for routine immunisation

4 ENSURE HEALTHY MARKETS FOR VACCINES AND RELATED PRODUCTS

- Uninterrupted supply of vaccines and related products for routine immunisation

Gavi
Levers

Vaccines

Cash grants

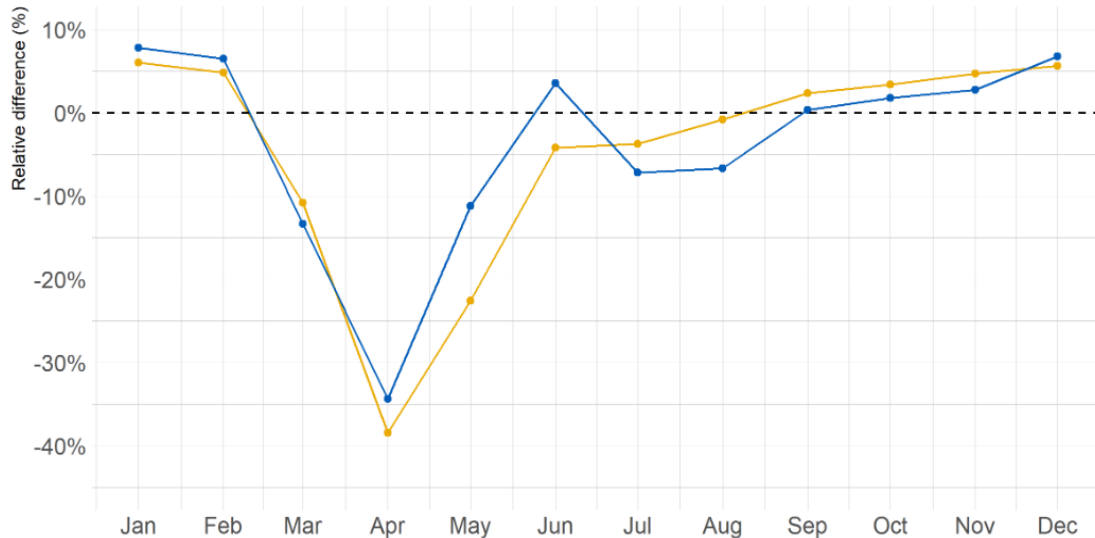
Technical
Assistance

Advocacy

Encouraging signs of immunisation recovery, but there remains high level of uncertainty

Weighted relative difference in # vaccinated in 2020 compared to 2019

Based on reporting from 40 Gavi countries



Diff. for each country weighted by surviving infants for each country.
Source: Monthly admin estimates, April 2021

● DTP 3
● MCV 1

Significant **regional variations**: AFRO

showed limited impact; majority of disruption in SEARO, PAHO, and EMRO

Immunisation amongst **hardest hit** but showing **faster catch up**: 37% countries reported disruptions in Q1 2021 compared to 62% in Q2/Q3 2020

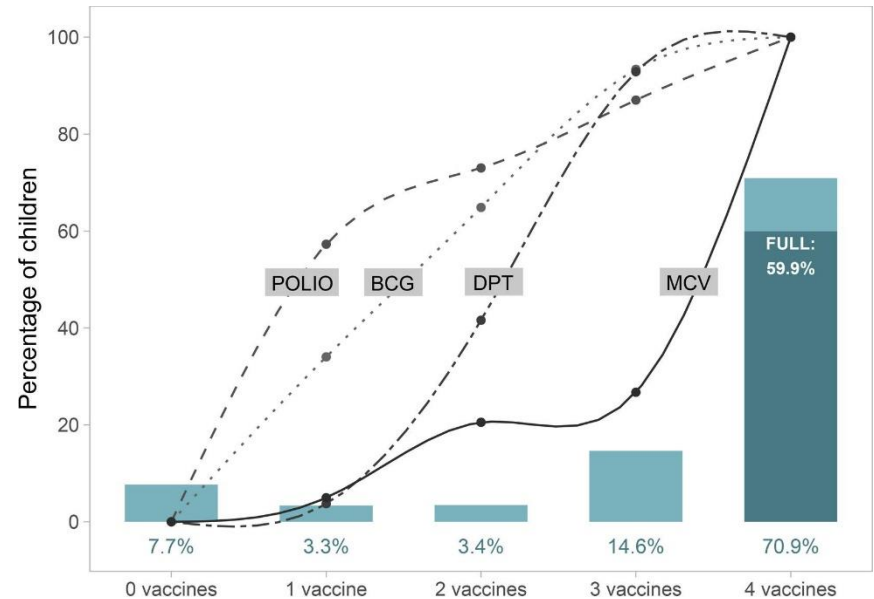
2020 coverage likely to drop compared to 2019, with an increase in missed children

5-10% drop expected in WUENIC coverage for DTP3 and MCV1 in 2020

Increase in **under-immunised and zero dose** children

Important to build **momentum on zero dose and community-based approaches**[^]

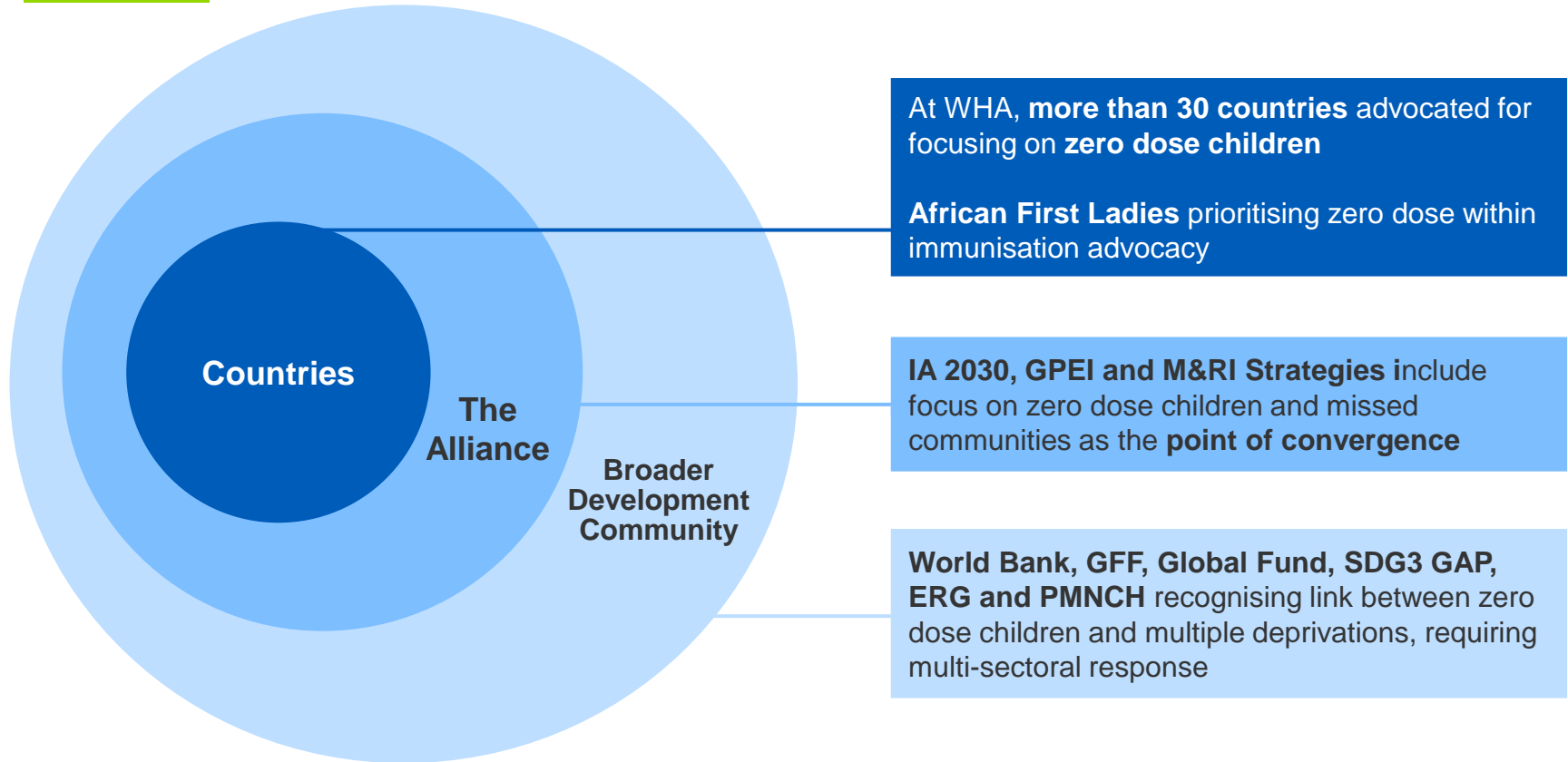
Two-thirds of children reached with at least one dose of a vaccine go on to become fully vaccinated



[^] New study published in the Lancet (2021) confirms interventions that are often delivered at community level are usually more equitably distributed

■ % of children who receive at least one dose of 1, 2, 3, or 4 vaccines: Polio, BCG, DTP, MCV
■ % of children who have been fully immunised: received all doses of all 4 vaccines

Zero dose agenda is being embraced and amplified across the Alliance and beyond



Unprecedented scale of COVID-19 vaccination presents both opportunities and risks

- COVID-19 vaccination would **intersect with routine immunisation at country level**
- **Equity is fundamental** to both – zero dose and missed communities are often the ones that are unable to maintain social distancing and hygiene
- Country level **planning, nimble support** to fill capacity gaps and attention to **public trust** would be key
- Global **supply outlook** and **country absorptive capacity** would need to match
- **Financial, programmatic and operational integration** of COVAX AMC 92 into Gavi's core business and operating model

Gavi's Risk Appetite Statement

The amount of risk the Alliance is willing to take, accept, or tolerate to achieve its goals

The Alliance is accepting to face risks required to achieve its goals, enabled by robust risk management to ensure these stay within the Board-approved risk appetite

Mission

- The Alliance **embraces the need to take risk** to achieve its ambitious mission of leaving no-one behind with immunisation in the world's poorest countries
- It acknowledges risks inherent in its **operating model** relying on many partners and in its **business model** requiring country ownership
- It acknowledges that during the **COVID-19 crisis** risks may increasingly materialise, and is willing to take risk needed to respond flexibly and timely to special needs
- It understands that operating the **COVAX Facility** carries risks worth taking, and seeks to find the right balance to minimise risks to core resources and programmes

Strategic Goals

The Alliance adopts an **overall high risk appetite to achieve its strategic goals**, acknowledging the aspirational ambition of the Gavi 5.0 strategy, requiring more and novel support to countries to reach missed communities and zero-dose children in hard-to-reach areas and challenging operating environments

1 INTRODUCE AND SCALE UP VACCINES

High

- Risks required to introduce and scale up coverage in fragile/emergency settings
- Risks required for equitable allocation and timely delivery of COVID-19 vaccines

Balanced

- Vaccine-preventable disease outbreaks

Low

- Vaccine introduction decisions exacerbating inequities or affecting sustainability
- Campaigns undermining routine immunisation or being of low quality

2 STRENGTHEN HEALTH SYSTEMS TO INCREASE EQUITY IN IMMUNISATION

High

- Risks required to strengthen health systems and increase equity
- Risks of working with new partners
- Risks of exploring innovative strategies

Balanced

- Building immunisation-critical management capacity in-country
- Improving data quality to find and target zero-dose children
- COVID19 roll-out adversely affecting routine immunisation or missed opportunities for synergies

Low

- Fraudulent misuse of Gavi support
- Drop or insufficient increase in vaccine demand and confidence
- Weak systems jeopardising vaccine and immunisation safety

3 IMPROVE SUSTAINABILITY OF IMMUNISATION PROGRAMMES

Balanced

- Countries transitioning without sufficient financial and programmatic capacity
- Significant reduction in performance post-transition

Low

- Drop in political will and social commitment for immunisation
- Countries defaulting on co-financing obligations

4 ENSURE HEALTHY MARKETS FOR VACCINES AND RELATED PRODUCTS

High

- Risks required to transform markets
- Risks required to incentivise innovation for vaccine development and scale up of related products

Balanced

- Supply shortages impacting existing programmes
- Risks required for securing access to and sufficient supply of safe and efficacious COVID-19 vaccines

Organisation

The Alliance has **overall a lower appetite for organisational risks** that could impede its ability to deliver on the mission, while recognising the risks inherent in having a lean Secretariat without in-country presence and reliance on many partners

OPERATIONAL RISK

Low

- Quality and robustness of Secretariat processes, facilities and business continuity
- Critical information systems or data being compromised
- Risks related to staff health and safety, engagement and capacity, including harassment and exclusion

PERFORMANCE RISK AND OVERSIGHT

Balanced

- Risks related to the capacity and performance of Alliance partners
- Risks related to the increasing complexity of managing many partners at country level
- Risks related to grant performance in-country

Low

- Risks undermining accountability and transparency

REPUTATIONAL, FUNDING AND FINANCIAL RISK

High

- Risks required for attracting new donors

Balanced

- Risks affecting Gavi's image and confidence of its stakeholders

Low

- Immunisation becoming a lower priority on policy agendas
- Risks affecting the sustainability of donor funding
- Risks affecting Gavi's finances (accounting, foreign exchange, credit, liquidity, financial market and internal fraud risk)
- Forecasting variability reducing manufacturer or donor confidence

• Acknowledges risks inherent in mission and model

• Adopts an overall high risk appetite to achieve new strategy

• Updated along new strategic goals

• Reflects known top risks more comprehensively

• Defines criteria and trade-off considerations to **balance risk and reward** and guide context-dependent risk appetite decisions

Recommendation

The Gavi Alliance Audit and Finance Committee recommends to the Gavi Alliance Board that it approve the updated Risk Appetite Statement attached as Annex A to Doc 03.

THANK YOU



Reach every child

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