

**SUBJECT: STRATEGY, PROGRAMMES AND PARTNERSHIPS:
PROGRESS, RISKS AND CHALLENGES**

Agenda item: 05a

Category: For Guidance

Section A: Executive Summary

This is the tenth report to the Board on progress in implementing the Gavi 4.0 strategy and associated risks¹. Data for most of the strategic indicators is available up to 2019, i.e. until just before the COVID-19 pandemic started. As such, currently available data provides the **best possible picture of the Alliance's progress over the 2016-2020 strategic period prior to the impact of the pandemic.** In addition, this paper also addresses the **key shifts in Gavi 5.0 priorities** in the context of COVID-19 and the successful replenishment, and implications on the **operationalisation of Gavi 5.0.**

Gavi 4.0 has seen more children protected against vaccine-preventable diseases than ever before. In the first four years of Gavi 4.0, countries have immunised 259 million unique children with Gavi support. The number of zero-dose children in Gavi-eligible countries decreased by 14% since 2015 and under-five mortality has dropped to an all-time low of 55/1,000 live births in 2019.

However, in 2020, the last year of Gavi 4.0, **COVID-19 has caused large-scale disruption of immunisation services,** health systems and economies, putting years of progress at risk and affecting marginalised populations disproportionately. Evidently, we expect **COVID-19 to have strong implications on performance in the last year of the current strategy and on Gavi 5.0.**

Gavi has been reflecting on the recalibration of its strategic priorities for the coming strategic period in light of the pandemic and the successful replenishment. Acknowledging that leaving no one behind with immunisation and Gavi's strategic goals and objectives for the next strategic period are more relevant than ever, **the Board at its September meeting and the PPC at its subsequent meeting confirmed the following recalibrated priorities for Gavi 5.0:**

- **Maintaining, restoring and strengthening immunisation,** including catching up on children who missed their timely vaccinations because of disrupted services,
- **Reaching zero-dose children and missed communities** to advance Gavi's ambitious equity agenda, rendered even more urgent by COVID-19 which has thrust millions more into deep poverty, exacerbating inequities and gender disparities,

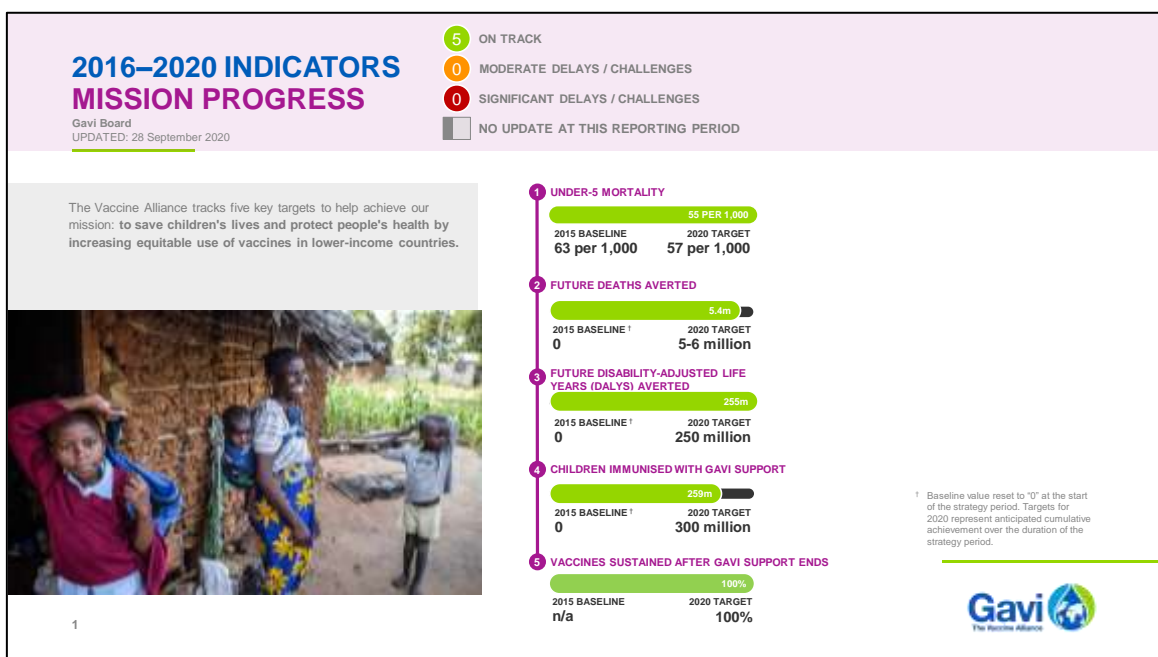
¹ Associated risks refer to top risks described in the 2020 Risk & Assurance Report (See Doc 06).

- Supporting timely access to COVID-19 vaccines, and
- Safeguarding domestic financing for immunisation in a fiscally constrained environment.

Given limited country and Alliance capacity, **Gavi will pace the introduction of new vaccines as well as on the approach for engagement with middle-income countries (MICs).**

Section B: Gavi 4.0 Strategy: Progress, Challenges, Risks and the Impact of COVID-19

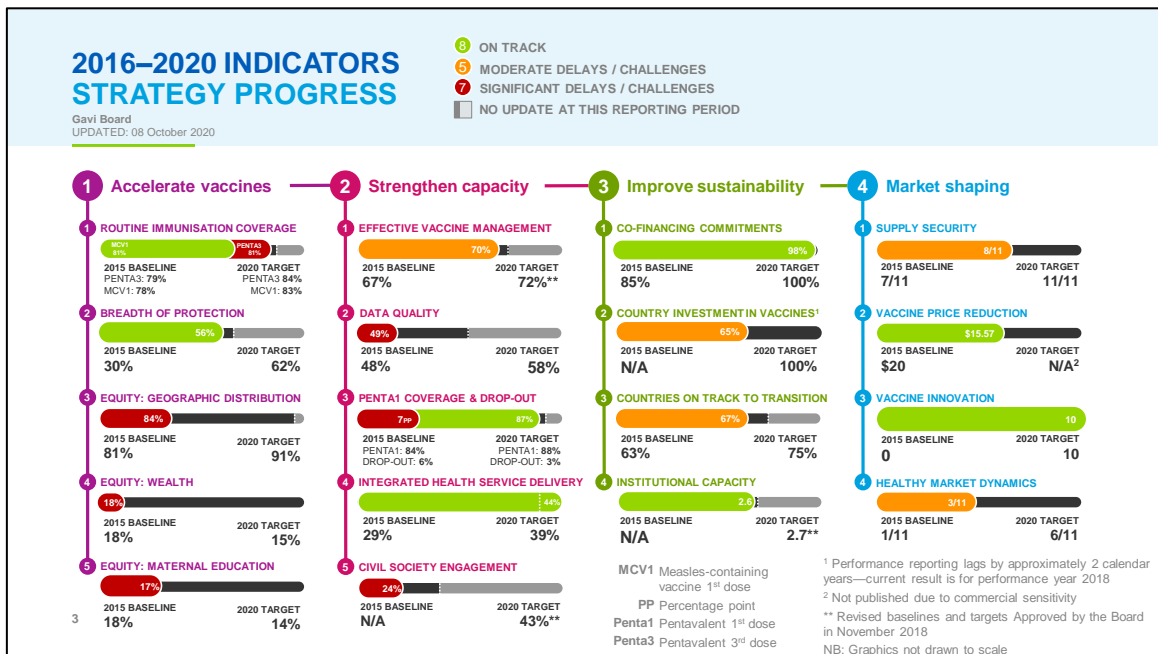
1. Progress on Gavi’s mission aspiration



1.1 Before the pandemic, the Alliance was on track to reach all five Gavi 4.0 mission targets. Countries immunised an additional 65 million children with Gavi support in 2019, bringing the total for the first four years of the current five-year strategic period to 259 million. As a result, 5.4 million deaths have been averted, and 255 million disability-adjusted life years (DALYs) have been saved. Under-five mortality in Gavi-eligible countries has dropped from 63/1,000 live births in 2015 to a historic low of 55/1,000 live births in 2019. All countries that transitioned from Gavi support continued to deliver all recommended vaccines in their routine programmes.

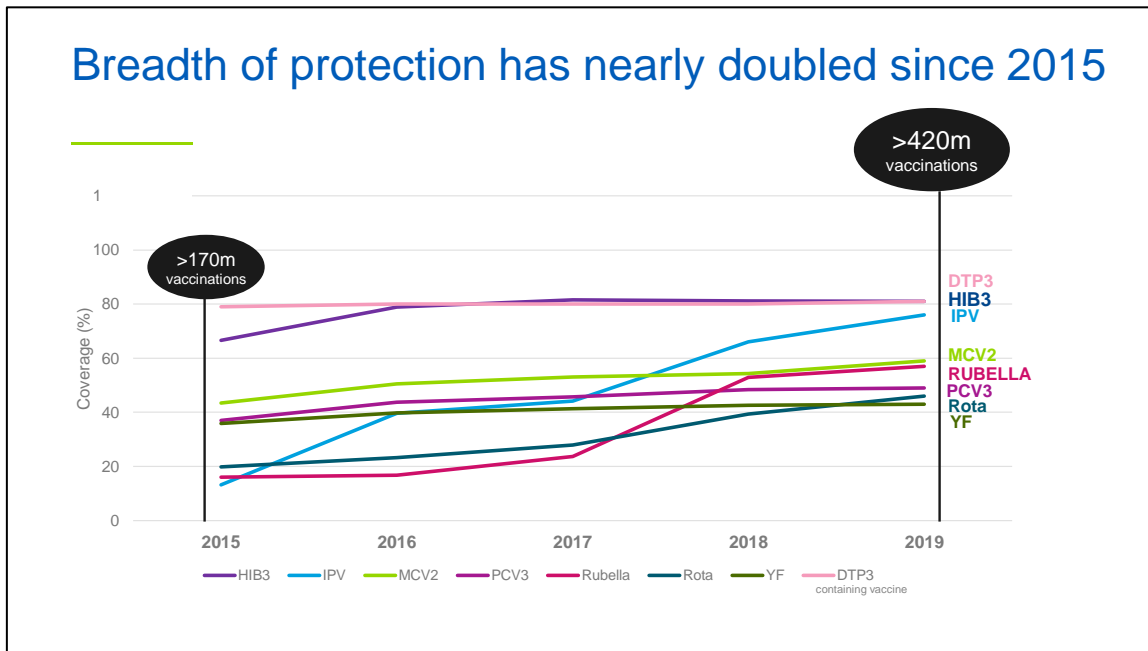
1.2 However, COVID-19 is putting years of progress at risk. Millions of children may miss out on immunisation due to disruptions brought about by lockdown measures, fears and rumours, with marginalised populations disproportionately affected. While Gavi is still likely to achieve most of its mission targets, the direct and indirect impacts of COVID-19 make Gavi’s ambition to leave no-one behind with immunisation not only more challenging but also more important than ever.

2. Progress against Strategic Goals



2.1 **The Alliance has made tremendous progress in increasing the reach of immunisation services in Gavi-supported countries over the past four years.** The number of zero-dose children in Gavi-supported countries has decreased by 1.7 million children or 14% between 2015 and 2019, despite growing birth cohorts and at a time when the number of zero dose children in non-Gavi supported countries increased by 30%. There were also 1.5 million (9%) fewer under-immunised children in 2019 compared to 2015. Yet **due to population growth, Penta3 coverage has only increased by 2 percentage points (pp) from 79% to 81% for the strategic period (compared to a target of five pp by 2020).** Gavi has made positive strides on increasing the coverage of measles containing vaccine (MCV1). MCV1 is an important indicator of countries’ ability to reach older infants. Whereas coverage was almost stagnant in Gavi 3.0, it has increased from 78% in 2015 to 81% in 2019. This is equivalent to reaching 3.9 million more children with MCV1.

2.2 **Thanks to the introduction and scale-up of new and underused vaccines, the breadth of protection for children in Gavi-supported countries has nearly doubled in Gavi 4.0, exceeding expectations.** Over the past four years, countries have introduced 95 new vaccines with Gavi support. The average coverage of Gavi-supported vaccines that children receive through routine immunisation has nearly doubled, from 30% to 56%, putting Gavi on track to reach its 2020 target of 62%. From 2018 to 2019, breadth of protection has increased by five pp. Inactivated polio (from 65% average coverage in 2018 to 76% in 2019) and rotavirus (from 38% to 46%) continued to be strong drivers of progress in 2019. Coverage of haemophilus influenzae type B vaccine (Hib), pneumococcal and rotavirus vaccines in Gavi countries is now higher than in the rest of the world.



- 2.3 In Gavi 4.0, the Alliance has introduced more targeted and differentiated approaches in engaging with countries.** As part of the Partners' Engagement Framework (PEF), **political engagement, innovations, technical assistance and monitoring have been enhanced in PEF Tier 1 countries.** This approach is now bearing fruit, as these countries have reduced the number of zero-dose children by 22% between 2015 and 2019 (vs. 6% between 2010-2015). In addition, nine of the ten PEF Tier 1 countries² have improved coverage of Penta3 during this strategic period, including Nigeria (+15 pp), Chad (+8) and Ethiopia (+5).
- 2.4 However, many countries still face persistent challenges relating to coverage and equity.** Fragile countries³ still account for 50% of zero-dose children, despite representing only 22% of the birth cohort of Gavi-supported countries. Gavi will further strengthen its approach to such challenging contexts through the 5.0 strategy, for example, by engaging new partners such as humanitarian partners and local Civil Society Organisations (CSOs) with expertise and field presence in fragile and emergency contexts (see Doc 05b).
- 2.5 Immunisation coverage and equity have been significantly affected by the direct and indirect effects of the pandemic.** As of 30 November, over 12 million COVID-19 cases and 200,000 deaths have been reported across 71 out of 73 Gavi-eligible countries. 85% of these cases are in Asia, mostly in India, while confirmed cases in Africa have remained relatively low

² In the Democratic Republic of Congo (DRC), while recently reported WUENIC data shows a 6 percentage-point drop in Penta3 coverage, recent subnational surveys show substantial increases in coverage associated with the Gavi-supported Mashako Plan.

³ This is based on the 2020 fragility classification per the Gavi Fragility Policy. The following countries are considered fragile: Afghanistan, Burundi, Central African Republic, Chad, DRC, Eritrea, Haiti, Lao PDR, Mali, Nigeria, PNG, Republic of Congo, Solomon Islands, Somalia, South Sudan, Sudan, Yemen, and Syria. Since Syria became eligible for Gavi support in 2019, it is not part of Gavi68, and as such, is not reflected in the coverage estimate for fragile countries.

(although levels of testing and surveillance are also lower). Efforts to contain the spread of COVID-19 have impacted immunisation services, with vaccination levels reported to have dropped by approximately 20% on average across Gavi-eligible countries in April and May. More promisingly, recent evidence suggests that most of the countries experiencing significant disruption have largely restored previous coverage levels by August 2020.

- 2.6 **COVID-19 is also affecting the introduction of new vaccines and campaigns.** As per the latest estimate, 15 out of 26 introductions and 24 out of 42 campaigns planned for 2020 were delayed due to COVID-19, raising the **risk of outbreaks**. While the Alliance is working to support countries with the safe resumption of delayed preventive campaigns to reduce the risk of outbreaks, over the next few years the pace of new vaccine introductions, particularly those approved through the Vaccine Investment Strategy (VIS), will be impacted depending on the duration and intensity of pandemic (see Section C).

Strategic Goal 2: Health System Strengthening

- 2.7 **The Alliance has made progress in supporting countries in strengthening health systems and increasing coverage and equity in Gavi 4.0.** Progress against Gavi's strategic indicators shows important achievements, such as improving supply chain performance and promoting integrated service delivery, as well as areas of concern including data quality, drop-out rates and CSO engagement. Over three quarters of HSS grants now have a subnational focus and target districts and communities with low coverage or high numbers of under-immunised and zero-dose children. HSS expenditure has increased from US\$ 194 million in 2016 to up to 390 million in 2020.
- 2.8 **Effective vaccine management (EVM) is central to Gavi's mission, ensuring that no child misses a routine dose while also promoting judicious management of donor and domestic investments.** Gavi-supported countries have made significant strides in vaccine management since the inception of the Alliance's immunisation supply chain (iSC) strategy in 2015. The average composite score of all Gavi countries that have conducted an EVM assessment (EVMA) increased from 66% prior to the strategic period to 70% in 2019, with the 36 countries who have conducted new EVMA's in this period having improved their composite scores by 8.8 pp on average. Gavi is currently updating its supply chain strategy for Gavi 5.0 with a focus on ensuring vaccines are reliably available everywhere they are needed, as part of the equity agenda, and on improving the efficiency, sustainability and quality of countries' supply chains.
- 2.9 Gavi supports and encourages **integrated approaches that combine immunisation with other primary health care interventions.** In 2019, 44% of countries met the **benchmark for integrated service delivery**⁴.

⁴ Integrated service delivery is defined as the percentage of countries where Penta3, MCV1, protection at birth against neonatal tetanus and at least one antenatal care visit are within 10 pp and coverage levels for all four services are at least 70%.

This is a significant increase from 29% in 2015, 37% in 2018, and above Gavi's 2020 target of 39%. For example, Gavi partnered with the International Organization for Migration (IOM) in South Sudan to deliver an integrated package of health services, including nutrition and immunisation, to refugee camps, migrants and other mobile populations. The **Alliance's focus on zero-dose children in Gavi 5.0** will further strengthen the focus on **communities that miss other essential services** besides immunisation, such as antenatal care, skilled birth attendance, contraception, nutrition, water and sanitation and would therefore benefit from an integrated package of Primary Health Care (PHC).

- 2.10 **The quality of country-level immunisation coverage data remains a persistent challenge and a top risk for Gavi.** The share of countries meeting the data quality target⁵ has stagnated at around 50% since 2015, well below the 2020 target of 58%. **Poor data quality undermines the broader planning and management of immunisation programmes**, and particularly efforts to identify zero-dose children and missed communities and the monitoring and measurement of programmes. Measuring equity is particularly challenging. District-level coverage data to measure geographic equity is often unreliable, and household surveys to assess equity by wealth and maternal education are infrequent. WHO/UNICEF Estimates of Immunisation Coverage (WUENIC) provide a view on national coverage levels, yet these are only published in July for the previous year and are often revised retrospectively. To address these issues, Gavi is supporting countries in collaboration with WHO and the University of Oslo to integrate immunisation data into District Health Information Software (DHIS2). So far, 20 countries are exclusively using DHIS2 to aggregate, report on, and triangulate immunisation data as a basis for planning and management. Further investments to help identify zero-dose children and missed communities and to monitor and measure progress will be needed in Gavi 5.0 (for further details see Annex C of Doc 05b).
- 2.11 **Drop-out rates between Penta1 and Penta3 have remained flat at 7% since 2016 and insufficient demand remains a top risk for the Alliance.** As Gavi looks to extend immunisation services to reach more zero-dose children and missed communities in the next strategic period, an intensified focus on demand will be needed to ensure caregivers bring their children back for full immunisation after their first dose of pentavalent vaccine (see Doc 05b for more details). This will, among other things, require a stronger focus on engaging communities and civil society organisations. **Currently only 24% of Gavi-supported countries meet the Alliance's expectations on engagement with CSOs⁶, up from 6% in 2016.** Following an evaluation, and recognising the critical role of civil society in helping to advocate for, identify, reach and monitor delivery of immunisation

⁵ Countries meeting the data quality target are defined as those with a coverage surveys in the past five years indicating a difference of less than ten pp to national administrative coverage estimates.

⁶ Civil society engagement is defined by three factors: 1) the inclusion of civil society organisations (CSOs) in national immunisation plans, 2) allocations in immunisation budgets for CSOs plans and activities, and 3) documented evidence that CSOs plans have been completed and/or are being implemented

to missed communities, the Secretariat initiated work on a new CSO engagement approach focusing on political will and accountability, community demand and complementing public sector service delivery. This approach will be brought to the Board in 2021.

- 2.12 **In 2020, Gavi also made a strong commitment to gender equality** through the revision of the gender policy and ensuring that strengthening equality is a central approach in Gavi 5.0. Progress on the implementation of this and other policies related to gender is shared in the Annual Report on the Implementation of the Gender Policy (see Annex C).
- 2.13 **Ensuring the right partners work at the right level with the right capacity and performance remains a key priority for Gavi.** Between 2017 and 2019, the compliance of core partners with agreed PEF Targeted Country Assistance (TCA) milestones has been relatively stable at around 75%, except for the first year where compliance across a limited set of initial milestones was 58%. In contrast, the compliance of the top five expanded partners⁷ has steadily increased from a low 41% in 2016 to reach the same level as core partners in 2019. In the first half of 2020, performance dropped to 56% for core partners and 63% for expanded partners, which may partly be explained by stretched partner capacities due to COVID-19. Of note, the number of milestones for core partners has decreased significantly since 2018 due to guidance to focus on outputs rather than processes. The structure of PEF will evolve in Gavi 5.0 to reflect the increasing focus on zero-dose children and missed communities (see Section C).

Strategic Goal 3: Improve Sustainability

- 2.14 **Gavi's co-financing approach continued to show unprecedented success in 2019, with co-financing performance reaching an all-time high.** 51 out of 52 countries met their 2019 co-financing commitments on time. This was the highest share of countries fulfilling their obligations on time and the lowest number of defaulters since the Co-financing Policy was introduced in 2008. The only defaulting country, Liberia, has since successfully mobilised funding from the World Bank and received a partial co-financing waiver in the context of the COVID-19 pandemic. **Countries contributed a total of US\$ 130 million towards the co-financing of Gavi-supported vaccines in 2019**, bringing the total amount for Gavi 4.0 to US\$ 526 million. Countries also showed an improving trend on immunisation financing. **The share of countries that have increased their investment in routine immunisation per child, compared to 2015, reached 65% in 2019**, representing a steady increase over the strategic period.
- 2.15 **The continued worldwide spread of COVID-19 has significant impact on macro-economic and fiscal stability in Gavi-supported countries.** To ensure immunisation services were not disrupted, the Board exceptionally approved flexibility by granting the CEO the authority to provide waivers of 2020 co-financing on a case-by-case basis and upon request by a country. So far, co-financing waivers have been agreed with

⁷ Acasus, CHAI, Dalberg, JSI, PATH.

Liberia, Ethiopia and Syria. At the same time, Gavi and its Alliance partners, in particular the World Bank, have been engaging with countries to mitigate the impact of the pandemic on their ability to co-finance and protect the significant gains achieved in strengthening the financial sustainability of immunisation programmes. **Therefore, despite the fiscal constraints related to COVID-19, countries continue to show good progress on co-financing payments in 2020.** As of November, countries have already co-financed US\$ 104 million for Gavi supported vaccines (69% of requirements for this year). Safeguarding domestic financing for immunisation will remain a priority for Gavi in the next strategic period (see Section C).

- 2.16 **By the end of 2019, six out of nine countries (67%) in the accelerated transition phase were on track to transition successfully**⁸. Three countries - Lao PDR, Papua New Guinea (PNG) and Vietnam - missed the criteria⁹ to be considered on track for successful transition because of their Penta3 coverage level. Vietnam is on a positive trajectory to recover its level of Penta3 coverage after one-off supply challenges in 2018, while Gavi is engaging in Lao and PNG to improve outcomes.
- 2.17 **Sixteen countries have transitioned now to self-financing their vaccines and the vast majority are increasing or maintaining coverage levels after transition.** Penta3 coverage has however dropped in Bolivia and Honduras since transition. In addition, the pandemic may further affect transitioned countries' programmatic performance, increasing the likelihood and potential extent of programmatic backsliding. To address specific country challenges after they transition, **the Alliance continues to implement the approved time-limited catalytic post-transition support in thirteen (out of fourteen eligible) countries**, complemented by regional and global-level initiatives. Furthermore, in June the Board approved targeted support to former Gavi-eligible countries to address the **risk of backsliding** in the context of COVID-19 and the Secretariat is on track to operationalise the support. In addition, the Secretariat is bringing forward a proposal for consideration by the Board regarding Gavi's approach for engagement for middle-income countries (MICs). Further details can be found in Doc 07.

Strategic Goal 4: Shape Markets

- 2.18 **Gavi's efforts on market shaping are mostly on track.** Gavi has reduced the price of fully vaccinating a child with pentavalent, rotavirus and pneumococcal vaccine by another 2% from 2018 to 2019. **The overall price reduction since 2015 stands at 22% and is expected to slow down as it approaches the limits of what is sustainable for manufacturers.** Gavi

⁸ As of 2019, India, Nicaragua, Nigeria, Solomon Islands, Sao Tome and Principe, and Uzbekistan were on track to transition successfully

⁹ This indicator is measured as the percentage of countries in the accelerated transition phase which meet the following criteria 1) at least 75% of predefined transition have been completed on time; 2) DTP3 coverage has increased over the last three years (if a country has already achieved at least 90% DTP3 coverage, this level should have been sustained for three years); and 3) it is meeting its co-financing obligations and did not default on payments in the previous year.

also added a further three product innovations to the procured vaccine portfolio in 2019, **reaching the Gavi 4.0 target (ten innovations) a year ahead of expectations**¹⁰. The Alliance is currently also **defining the scope and priorities of its market shaping efforts in Gavi 5.0**. In October, the PPC endorsed the proposed focus areas of its Market Shaping Strategy (previously referred to as the Supply and Procurement Strategy). The full Strategy will be brought to the PPC for decision in May 2021.

- 2.19 **Global supply challenges remain a top risk for the Alliance.** Eight out of 11 markets¹¹ continue to be assessed as exhibiting low health, making it unlikely that Gavi will reach the 2020 target of six healthy markets. **However, market dynamics are improving for inactivated polio vaccine (IPV), human papillomavirus (HPV) and pneumococcal conjugate vaccine (PCV).** The prequalification of two additional IPV manufactures will improve volumes, supply security and affordability ahead of the introduction of a second dose of IPV in Gavi-supported countries in 2021. For HPV, increased supply from existing and new manufacturers is expected to materialise in line with announcements made at the Global Vaccine Summit in June 2020, enabling the immunisation of 84 million adolescent girls in Gavi 5.0. For PCV, a third supplier with lower prices was added, further reducing the weighted average price in years to come. For oral cholera vaccine (OCV), low demand predictability in the context of COVID-19 continues to affect market health.
- 2.20 Following strong engagement of countries, industry and regulators, **the Alliance has aligned on three priority innovations to drive as part of the Vaccine Innovation Prioritisation Strategy (VIPS):** micro-array patches that have the potential to address multiple immunisation barriers; heat-stable formulations (including Controlled Temperature Chain qualified vaccines) that address thermostability, a top priority identified by countries; and barcodes on primary packaging that could enable greater accuracy in tracking at lower levels of distribution and accelerate electronic record keeping. These innovations have the potential to facilitate catch up and recovery in the context of COVID-19 and could be relevant for later generations of COVID-19 vaccines. VIPS will be a key part of the broader 5.0 innovation strategy that is currently under development (see section C).
- 2.21 **Procurement is underway to constitute the first Ebola vaccine stockpile for use in outbreak settings.** MSD's Ervebo was the first Ebola vaccine to be prequalified by WHO, in November 2019, with first doses made available to the stockpile in November 2020. SAGE is expected to deliberate in 2021 on vaccination outside of outbreak settings (including targeted preventative vaccination of at-risk populations: health workers and front-line workers in high-risk countries) and to make recommendations as to their use.

¹⁰ Further details were provided in the May update to the Board.

¹¹ Rotavirus, HPV, IPV, MR, Measles, MenA, JE, Cholera markets exhibited low health; pentavalent, pneumococcal, YF exhibited medium health.

2.22 Further market shaping updates can be found in Appendix 1.

Section C: Recalibration and operationalisation of Gavi 5.0

- 3.1 **Gavi's successful replenishment at the Global Vaccine Summit in June 2020 enables the Alliance to accelerate progress on its zero-dose agenda in Gavi 5.0.** The minimum replenishment request involved a reduction in HSS and PEF budgets versus Gavi 4.0 to accommodate inactivated polio vaccine (IPV) in the core ask, and would not have allowed Gavi to engage more strongly at sub-national levels and in fragile countries to address persisting inequities. Hence the Alliance advocated for more resources to support the equity agenda and mobilised US\$ 10.4 billion to implement Gavi 5.0, much more than the US\$ 9.5 billion available for the current strategic period.
- 3.2 **At its latest meeting, the PPC provided guidance on the recalibration of programmatic priorities** in light of the replenishment and COVID-19 and confirmed that Gavi should focus on maintaining, restoring and strengthening immunisation services, reaching zero-dose children and missed communities, ensuring access to COVID-19 vaccines and safeguarding domestic financing for immunisation. **The PPC recommended that the Board approve additional funding of US\$ 500 million in HSS and US\$ 128 million in PEF for Gavi 5.0** and asked for further clarification on the operationalisation and cost of the zero-dose approach as well as the allocation of PEF funding, which is provided in Docs 02b and 05b.
- 3.3 **The PPC acknowledged that other areas of Gavi engagement will need to advance at a slower pace than initially planned and encouraged the Secretariat to highlight trade-offs.** The pandemic has led to two such trade-offs: the slower introduction of vaccines and a paced trajectory for the engagement with middle income countries:
- a) As countries' immediate focus is towards containing the pandemic, keeping immunisation services running and trying to reduce the number of zero-dose and under-immunised children, **further vaccine introductions may happen more slowly than expected.** The conclusion of long-standing introductions and scale-up programmes including measles second dose, rubella, yellow fever, rotavirus and pneumococcal vaccines along with the continued scale-up of HPV and Typhoid Conjugate Vaccine (TCV) will continue, although the pace of introductions is likely to be impacted by the duration and intensity of the pandemic. While the PPC noted the importance of vaccines included in the Vaccine Investment Strategy, it recognised the **limited capacity of countries and the Alliance to introduce vaccines such as rabies, Hepatitis B birth dose and DTP boosters** until the acute phase of the pandemic is over.

- b) While the original **objectives of the approach for engaging middle-income countries (MICs) remain as relevant as ever** given it is estimated that 70% of under-immunised children will live in middle-income countries by 2030, Gavi proposes an initial engagement over the next 18 months with a focus on preventing and mitigating backsliding due to COVID-19 in former Gavi-eligible countries. Additionally, relationships with never Gavi-eligible countries will be strengthened through Gavi's COVAX AMC92 engagement. This proposal recognises the limited capacity of both countries and the Alliance to engage in new non-COVID-19 vaccine introductions in the near term. For further details, see Doc 10.

3.4 **The proposed additional investment for HSS and PEF to advance the equity agenda (described in Docs 02b and 05b) reflects consideration of the trade-offs. The PPC and AFC acknowledged that:**

- c) Vaccine investments required to maintain the current vaccine programmes, introduce new vaccines, and reserves for outbreak response, including stockpile **are fully factored into the financial forecast**. The current allocation of **US\$ 281 million for MICs** engagement is also maintained given the high degree of uncertainty due to pandemic.
- d) After providing for the proposed addition to HSS and PEF for the equity agenda, **funding remains available to provide for additional areas of investments**, such as innovation, additional fiduciary risk assurance and financial management capacity building and the strategic partnership with India.
- e) No **priority or programmatic area is missing** which should be considered while weighing options and trade-offs¹².
- f) Given the uncertainties relating to the impact of the COVID-19 pandemic, **Gavi will retain its ability to reallocate funds as guided by the PPC and Board**. The experience from previous strategic periods shows that reallocations remain possible as not all funding will be firmly committed and expended until later in the strategic period.

3.5 **The table below provides a summary of proposed investments in comparison with the allocation of funds in Gavi 4.0 and the current Gavi 5.0 forecast.**

¹² The Board emphasised the importance of addressing vaccine hesitancy and demand for immunisation services. This is factored into the increased HSS and PEF.

Investment areas under discussion	Forecasted investments, US\$ m			Cost rationale	Impact
	Gavi 4.0 latest ¹³	Gavi 5.0 Current ¹⁴	Gavi 5.0 proposed ¹⁵		
Maintain, restore & strengthen and reach zero-dose <ul style="list-style-type: none"> • HSS • PEF TCA¹⁶ • PEF SFA and FS¹⁷ 	1'425	1'200	1'700	<ul style="list-style-type: none"> • HSS: Maintaining HSS at 16% of overall expenditure in Gavi 5.0 (was 15% in Gavi 4.0); equivalent to amounts that would have been invoked through FER policy¹⁸ • TCA: maintaining (at least) 2020 levels • SFA and FS: Slight increase for new partners and priority topics under the zero-dose agenda (e.g. vaccine hesitancy, gender-related barriers) 	<ul style="list-style-type: none"> • Prevent and mitigate backsliding • Decrease number of zero dose children and reach missed communities including under-immunised children
Access to COVID-19 vaccines	80	0	70	Kick-start delivery planning (incl. cold chain and additional TA)	Timely access to COVID-19 vaccine in Gavi-supported countries
Vx programmes¹⁹	5'645	5'102	5'485	Paced introduction of new vaccines	Expand breadth of protection in line with country and Alliance capacity
VIS²⁰	0	445	300		
Middle Income Countries	0	281	281	Limited country and Alliance capacity to introduce some new vaccines	Prevent and mitigate backsliding in key former Gavi-eligible countries and build relationships with never Gavi-eligible countries
<i>Other planned expenditures</i>	1'345	1'596	1'318	Assumptions underpinning planned expenditures are rapidly evolving in the context of COVID-19	Investments in prevention, outbreak response, breadth of protection, stockpiles safeguarded
Total expenditure	9,192	9,361	10,018	n/a	n/a
<i>Net available resources</i>	345	1'180	424	Reserve for future investments	To further accelerate progress on equity, quality and sustainability

¹³ As per October 2020 forecast

¹⁴ As per July 2020 forecast

¹⁵ As per October 2020 forecast

¹⁶ Targeted Country Assistance

¹⁷ Strategic Focus Areas and Foundational Support

¹⁸ Detailed explanation in Doc 3b

¹⁹ New vaccine support, vaccine introduction grants, operational support

²⁰ Includes VIS operational costs

3.6 **Gavi continues to make progress on the operationalisation of the Gavi 5.0 agenda and the recalibrated priorities.** The operationalisation is structured around six workstreams. The workstreams include:

- g) **Measurement Framework:** The Gavi 5.0 Measurement Framework can be found on the consent agenda. Based on the PPC's recommendation, the Board is requested to approve the proposed mission and strategy indicators. A draft of the broader 5.0 Learning System is also included for information as Appendix 2 to Doc 01g.
- h) **Maintain, restore, strengthen and reach:** Gavi has started to operationalise the approach on maintaining, restoring and strengthening immunisation services and reaching zero-dose children and missed communities and is progressing on the development of tools and approaches for the equity agenda. Over the coming months, Gavi-supported countries will be convening multi-stakeholder dialogues to consider programmatic adjustments and how Gavi support might be repurposed. Further details can be found in Doc 05b.
- i) **Funding Policy Review:** Currently paused, the resumption of the Funding Policy Review²¹ will be reviewed in early 2021 and will take stock of lessons learned from the programmatic response to COVID-19, COVID-19 vaccine delivery needs and the Alliance's enhanced focus on equity. It will also assess the macroeconomic impact of COVID-19 to reflect implications on domestic financing and eligibility.
- j) **Partner engagement:** The Partners' Engagement Framework established in Gavi 4.0 leverages the comparative advantage of WHO and UNICEF as well as over 60 different partners providing technical assistance to countries. The vision for PEF in Gavi 5.0 complements the four existing principles of country ownership, accountability, transparency and differentiation with an increasing focus on zero-dose children and missed communities, context-appropriate partnerships, embracing non-immunisation partners and sustainability. This will require slight amendments to the PEF model:
 - Increased focus on activities related to the zero-dose agenda along the identify, reach, monitor, measure and advocate framework (described in Doc 05b) and stronger engagement of local institutions and Civil Society Organisations in doing so;
 - Consolidated support for the global and regional functions of WHO and UNICEF to address previously scattered funding;

²¹ The Funding Policy Review commenced in early 2019 and was intended to update Gavi's three core funding policies: Eligibility & Transition, Co-Financing and Health Systems and Immunisation Strengthening (HSIS). It was paused in April 2020 upon recommendation by the Steering Committee, while COVID-19-related policy and programmatic responses were discussed and agreed with the Board (e.g. eligibility freezes, co-financing flexibilities, HSIS reprogramming).

- Tailored global agreements with other institutions who can contribute to the Gavi 5.0 agenda; and
- More targeted investments in innovation and learning with a particular focus towards the zero-dose agenda.

Due to limited capacity to engage in long-term changes to PEF in the context of COVID-19, Gavi will move gradually towards this new structure (e.g. engaging new humanitarian partners, investments in innovation for zero-dose agenda), with 2021 as a bridge year during which the support to regional and global levels of WHO and UNICEF will increase to add surge capacity needed in the context of COVID-19 (see details in Doc 02b) .

- k) **Portfolio management:** Based on extensive consultations with countries, Alliance partners and other funding organisations several critical shifts to Gavi's portfolio management processes are being operationalised. These shifts include grounding Gavi's support to countries in a single strategic 'Theory of Change' and application across all streams of support (Vaccines, TCA and HSIS). There will also be greater alignment across portfolio planning, review and approval for HSIS, vaccine support and TCA; moving to a single integrated process and avoiding current fragmentation. These two shifts are critical in the Alliance's efforts to accelerate progress on its equity agenda (see Doc 05b). The Secretariat will continue to rely on an independent review of applications by the Independent Review Committee (IRC) with more differentiation of the modalities of review. The level of Secretariat engagement would be more deliberately differentiated by countries' programmatic risk profile, portfolio level impact on reaching zero-dose children and missed communities. Finally, it is envisioned to move away from annual renewal cycles to multi-year approvals of funding envelopes to provide longer term visibility of support to countries and partners and reduce the significant administrative burden associated with annual renewals for the Alliance. A phased rollout- and communication plan is being developed to ensure a gradual transition of countries to new modalities from early 2021 onwards.
- l) **Innovation:** Innovation is part of Gavi's DNA and will be critical to achieve the ambitious Gavi 5.0 strategic goals. As the Alliance is looking at collaborating more purposefully with Alliance partners and implementing countries to introduce and scale up new approaches based on country needs, the Secretariat is currently in the process of developing a dedicated strategy for innovation for Gavi 5.0 to be brought to the Board and PPC in due course.

Section D: Actions requested of the Board

This report is for information only.

Annexes

Annex A: Updated Alliance KPIs dashboard

Annex B: Strategy Indicators reported as originally defined

Annex C: Annual Report on Implementation of the Gender Policy

Additional information available on BoardEffect

Appendix 1 (in October 2020 PPC meeting book): Doc 03a *Strategy, Programmes and Partnerships and Recalibration of Gavi 5.0*