

PARTNERS' ENGAGEMENT FRAMEWORK AND SECRETARIAT AND PARTNERS BUDGET 2018-2019

BOARD MEETING
Anuradha Gupta & Barry Greene
29-30 November 2017, Vientiane, Lao PDR



CONTINUOUS PROGRESS ON KEY PRINCIPLES

Country Focus



“The JA has facilitated country-driven approach to defining TA needs and activities”

Transparency



“EPI teams and partners have greater clarity on others who are supporting the immunization efforts”

Differentiation



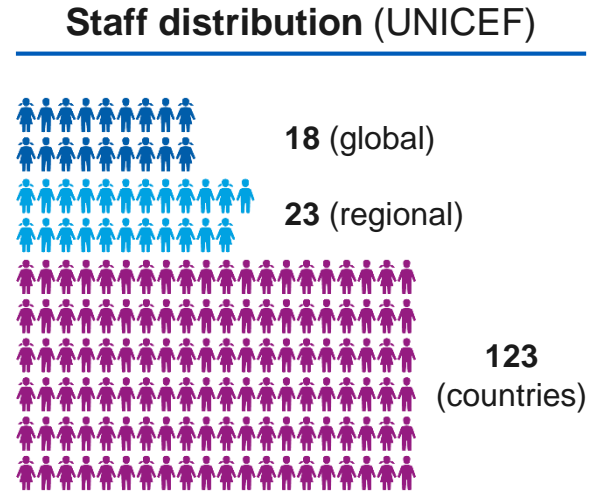
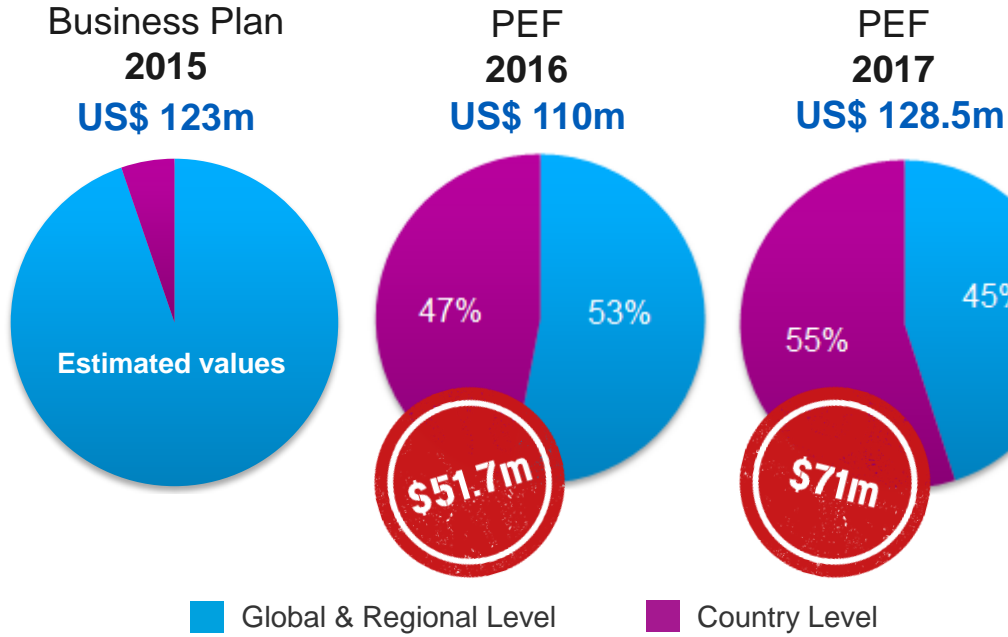
“A strategy that prioritizes countries based on scale and severity of challenges”

Accountability

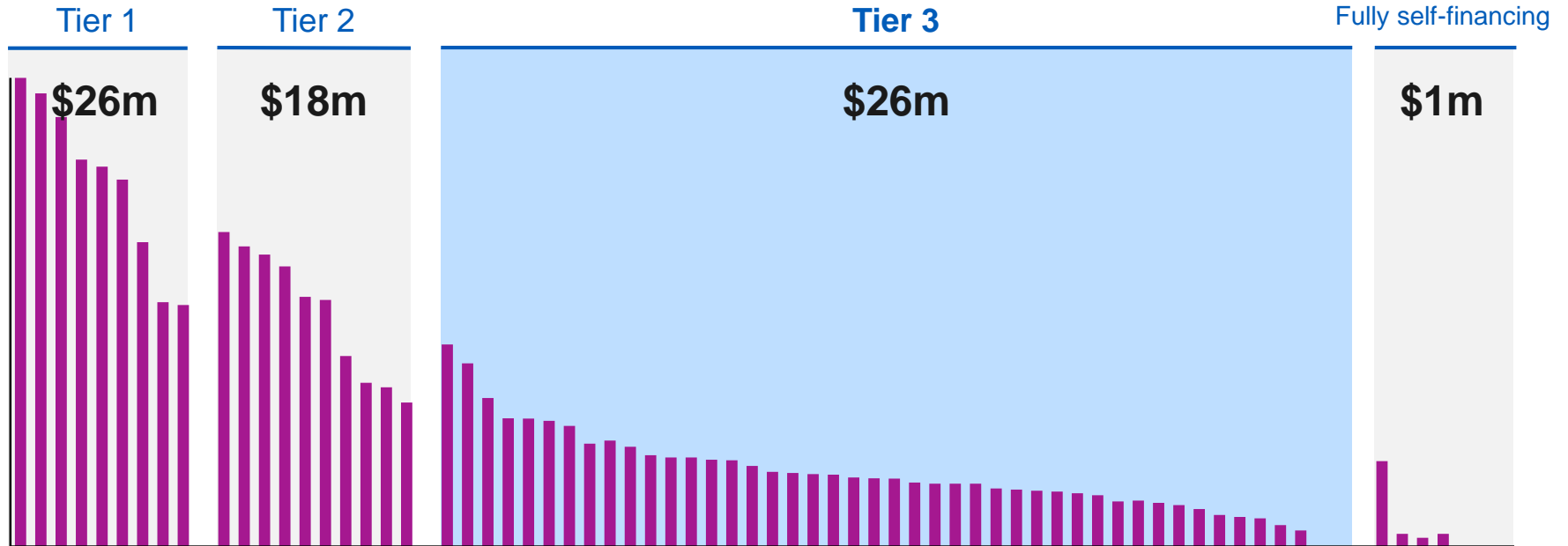


“TCA milestone reporting process has established a solid platform for holding partners accountable”

Resources progressively shifting to country-level

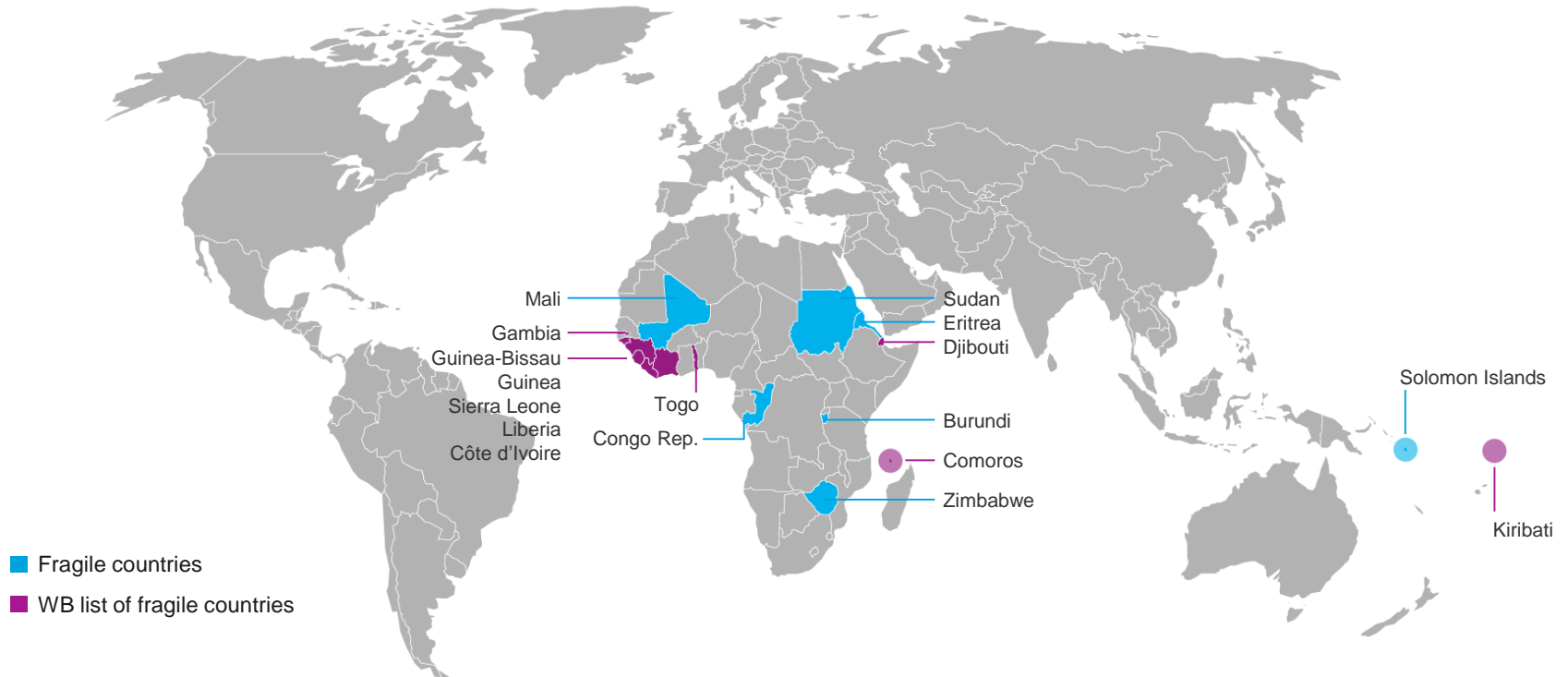


Resource allocation to **tier 3** countries is inadequate



Fragile countries in **tier 3** need additional support

7 tier 3 countries classified as fragile



Pressing need to provide TA at sub-national level, growing in importance



“More TA at the subnational level as that is where there are more prominent and systemic resources gaps”.

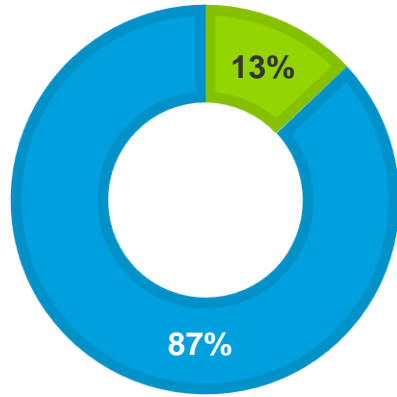


TCA support in
11 out of 26 provinces

WHO twinning its staff with MOH to strengthen data quality.

Supply Chain: rebalancing global & regional investments in 2018

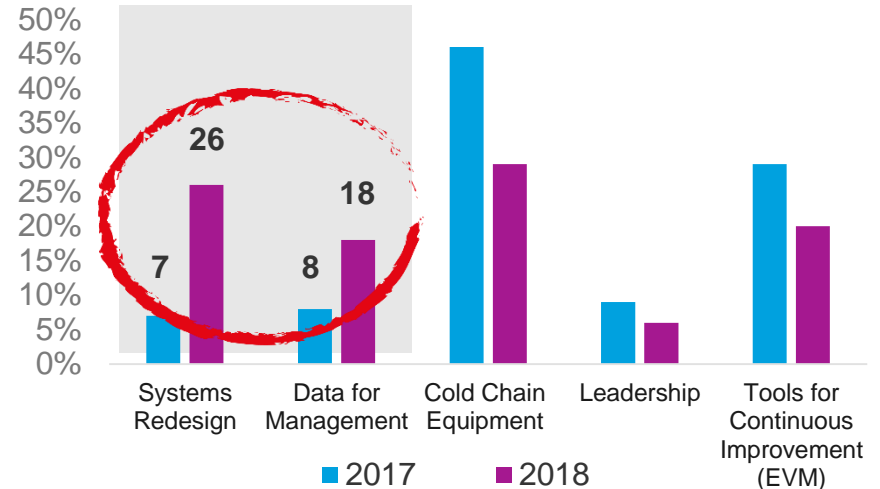
EVM score for 8 countries (2016-2017)



■ EVM score >80

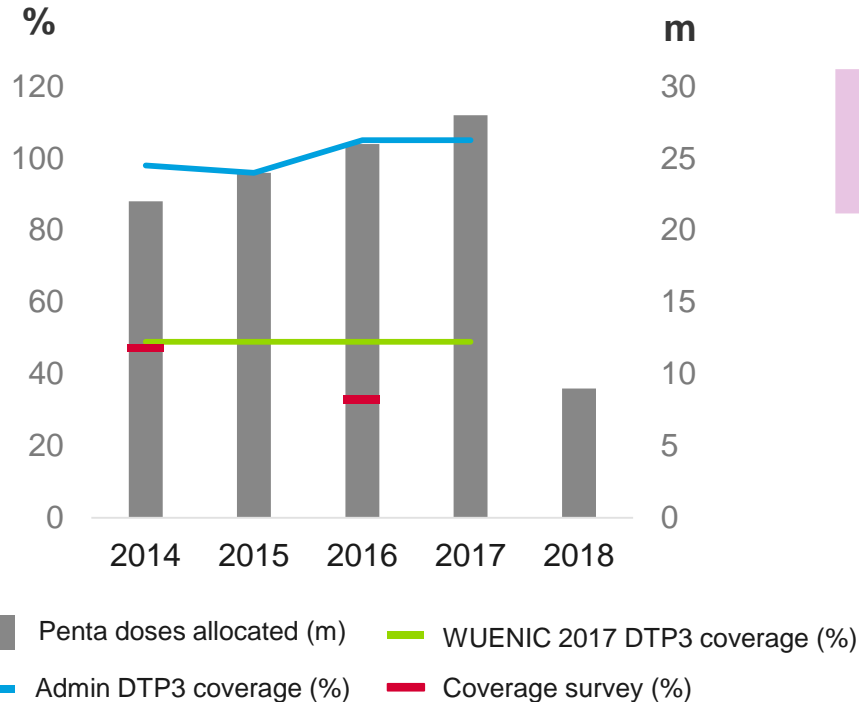
■ EVM score <80

Special investments in Supply Chain SFA

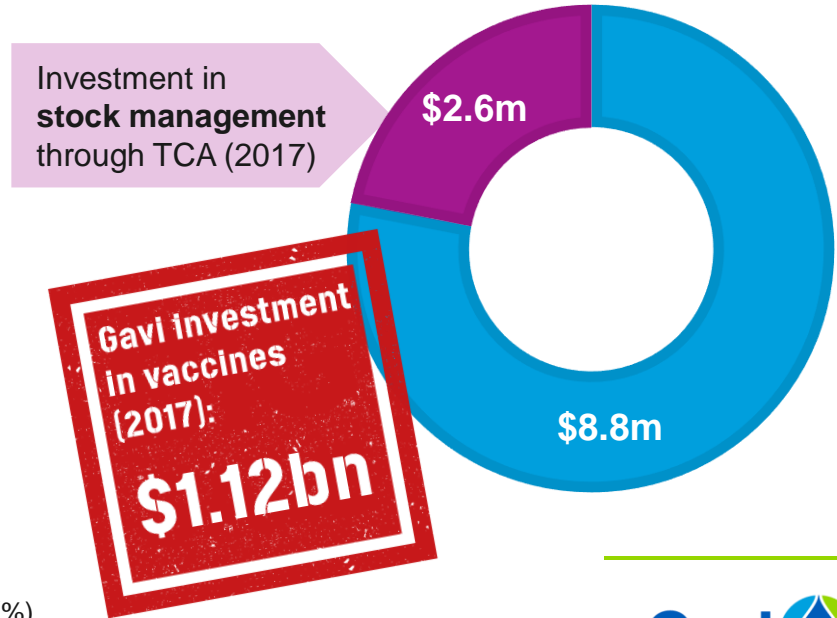


New thrust: effective stock management

Nigeria: Penta dose allocation



TCA investment in Supply Chain



Growing ambition on data: need to scale up TA

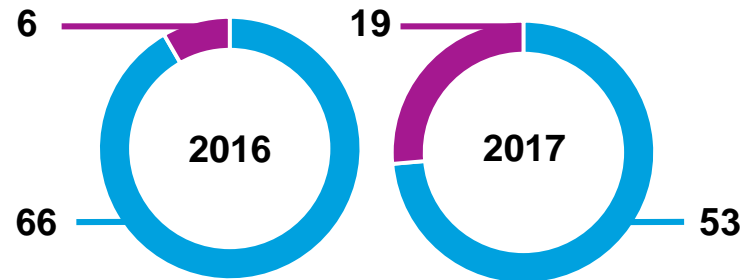
TCA support on data is low

PEF investment in DCE



■ Global & Regional
■ Country

Slow progress on DQR compliance



■ Countries partially/not compliant to DQR

■ Countries compliant to DQR

New direction being set with data SFA investments



- Subnational estimates provided for the first time at SAGE



- Population, coverage, stock
- Tools under development

Foundational support being repurposed

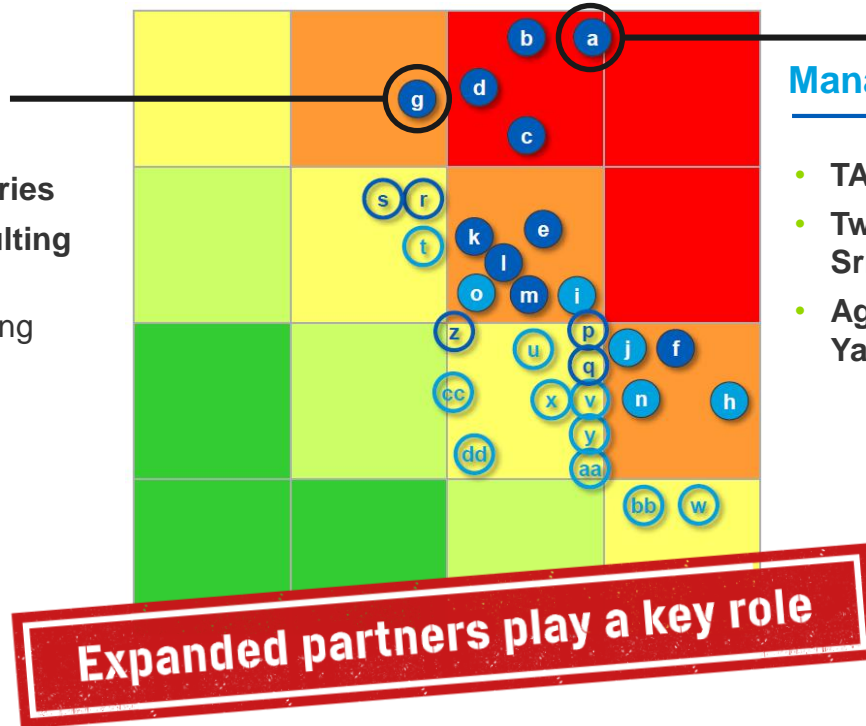
New TA priorities to mitigate risk

Financial management

- TCA initiated in 14 countries
- Local partner: MB Consulting in Mozambique
 - Embedded support linking MOF to EPI

Leadership, Management & Coordination

- TA initiated in 15 countries
- Twinning agreement between Sri Lanka and Timor-Leste
- Agreement with GHE Rwanda & Yale being signed



Engagement of expanded partners is increasing

2016 (\$6m)

2017 (\$16m)

Haiti



Embedded TA has helped reorganize vaccine distribution and reduce stock outs.

Major scaling up

- **48** expanded partners
- **45** countries
- **69** contracts signed

Nurturing the spirit of the Alliance

Several initiatives address findings from Alliance Health survey

Alliance directory

For the first time a 'who's who' for the Alliance – from country to global level



Gavi Secretariat			
Region	Reg. Head	Title	Reg. Head Email
AFRO / Francophone	Erica	Regional Head	ericaf@gavi.org
AFRO / Anglophone	Marianne Egan	Regional Head	marianne@gavi.org
EMRO / WHO / Arabic	Carole Serran	Regional Head	carole@gavi.org
EMRO / WHO / Urdu	Shahana	Regional Head	shahana@gavi.org
Programmatic Area Contact			
Area	Name	Title	Email
Health Systems & Information	Alan Brooks	Director, HSDS	alanb@gavi.org
Information	Samira	Director, IHS	samirag@gavi.org
Finance & Sustainability	Carroll		
Leadership, Management, Coordination (LMC)	Rachana Kumar	Senior Specialist, LMC	rachana@gavi.org
Monitoring & Evaluation	Hope Johnson	Director, M&E	hopej@gavi.org
Programme finance	David Fozard	Programme	dfozard@gavi.org
Vaccine Implementation	Thomas	Director, M	thomas@gavi.org
Programmatic Area Contact			
Area	Name	Title	Email
Applications & Review	Veronica Rao	Head, Review	veronica@gavi.org
Technical Support	Christine	Senior Specialist	
Equipment	Alison Cook	Manager, Equipment	alisonc@gavi.org
Programme quality	Alison	Manager, Quality	
Equipment (PCA)	Markus	Finance	markus@gavi.org



Alliance-wide 'brown bags'

Virtual discussions on hot topics
Launch with session on strategy progress

- Strategy progress update (Gavi)
- Market shaping (UNICEF)
- Immunisation in conflict areas (UNICEF)

THE BEST PARTNERSHIPS AREN'T DEPENDENT ON A MERE COMMON GOAL, BUT ON A SHARED PATH OF EQUALITY, DESIRE AND NO SMALL AMOUNT OF PASSION.



To review

- **Budget for Partners Engagement Framework**
- **Budget for Secretariat**
- **Efficiency ratios**

Partners Engagement Framework Budget

Accrual basis	US\$ million	2017	2017	2018	2019
		Budget	Projection Nov 2017	Budget	Budget
➤ Targeted Country Assistance		69.5	71.0	85.0	95.0
Strategic Focus Areas		29.0	24.4	29.0	29.0
Foundational Support		36.4	33.1	36.4	36.4
Procurement fees		22.9	22.0	23.3	22.6
➤ Private Sector Partnerships in Innovation		0.0	10.0	26.0	26.0
PEF Programme Expenditure		158	160	200	209
Evaluations and Assessments		20.4	15.6	19.3	19.7
AMC fees		0.5	4.9	0.0	0.0
PEF Operating Expenses		21	21	19	20
Total PEF budget		179	181	219	229

Increased investment in:

Targeted Country Assistance

Private Sector Partnerships in Innovation

Secretariat Budget

Accrual basis	US\$ million	2017		2018	2019
		Budget	Projection Nov 2017	Budget	Budget
Salary and other staff costs		62.2	52.6	59.1	60.2
Consultancy & professional services		19.3	27.1	23.7	22.9
Facility & office costs		12.4	11.5	10.3	9.4
Travel costs		5.8	5.7	6.0	6.1
Events & meetings		4.2	3.0	3.8	3.9
Other costs		4.7	4.4	5.2	5.2
Secretariat		108.6	104.3	108.2	107.8

**2018 is less
than 2017 budget**

Further reduction in 2019

Secretariat Budget

Accrual basis	US\$ million	2017		2018	2019
		Budget	Projection Nov 2017	Budget	Budget
Salary and other staff costs		62.2	52.6	59.1	60.2
Consultancy & professional services		19.3	27.1	23.7	22.9
Facility & office costs		12.4	11.5	10.3	9.4
Travel costs		5.8	5.7	6.0	6.1
Events & meetings		4.2	3.0	3.8	3.9
Other costs		4.7	4.4	5.2	5.2
Secretariat		108.6	104.3	108.2	107.8

Health Campus one-time costs

7.1

For Board approval: Operating Expenses
Capital Expenditure*

115.3	107.8
2.5	1.0

2018 is less than 2017 budget

Further reduction in 2019

Move to Global Health Campus in 2018:
\$7.1m one-time expenses & \$2m included in capital expenditure

*The annual depreciation of capital expenditure is included in OpEx

Secretariat – departmental view

Accrual basis	US\$ million	2017		2018	2019	% of Current Budget
		Budget	Forecast Nov 2017	Budget	Budget	
Country Programmes		26.8	23.7	24.4	24.7	92%
Policy & Performance		16.1	14.3	14.2	14.5	90%
Public Engagement & KMTS		15.6	13.8	14.7	14.8	95%
Finance & Operations		11.1	10.9	10.6	10.7	96%
Resource Mobilisation & PSP		8.9	8.3	8.8	9.0	101%
Executive Office & HR		6.9	6.2	6.1	6.2	89%
Governance & Legal		5.6	5.3	5.3	5.3	96%
Audit & Investigation		3.9	3.5	4.0	4.1	106%
Department specific		94.9	86.1	88.1	89.2	94%
Facility & Corporate costs		12.8	11.3	12.2	11.2	88%
KMTS - Business applications		0.9	6.7	6.9	6.7	744%
MTR and Replenishment		---	0.2	1.0	0.6	--
Total Secretariat		108.6	104.3	108.2	107.8	99%

Growth in Secretariat budget is almost entirely for systems development

Efficiency Ratios

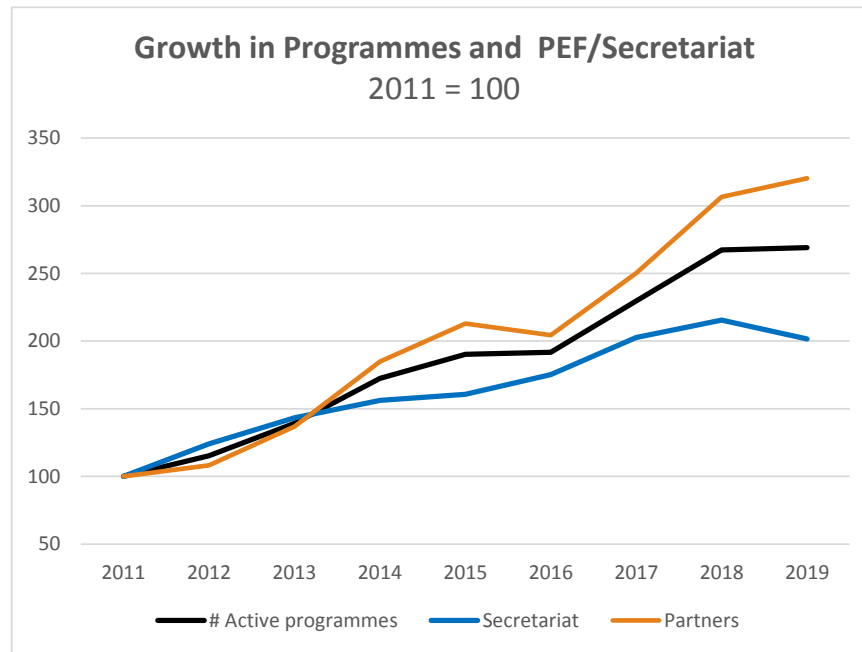
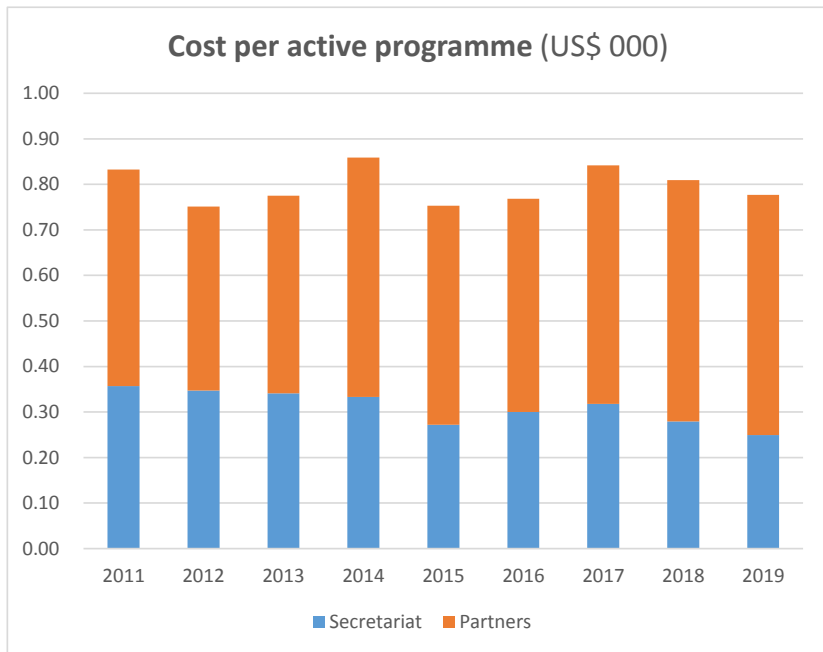
Cashflow basis	US\$ million	2016	2017	2018
		Actual	Projection Nov 2017	Budget
Programmes (vaccines & cash)		1,197	1,480	1,636
PEF Programmatic expenditure		130	160	200
Total Programmatic Expenditure		1,327	1,641	1,835
Total Operating Expenses		113	128	138
Of which, Overhead* :		46	48	54
Adjustment to cash flow basis**		16		
Total Expenditure		1,455	1,769	1,973
➤ Operating Expense ratio		7.8%	7.3%	7.0%
		As % of Total Expenditure		
➤ Overhead ratio		3.1%	2.8%	2.7%

Both ratios
are decreasing ✓

*Overhead is comprised of Secretariat management & general, fundraising, and IFFIm costs.

** Secretariat & PEF expenditures are on an accrual basis; adjustment is to align with cash-flow basis

Costs per Active Programme



Included in 2018 Secretariat costs are the impact of the one-off Health Campus costs in 2018

Recommendation

The Gavi Alliance Audit and Finance Committee recommends to the Gavi Alliance Board that it:

- a) **Approve**, within the overall amount of US\$ 218.9 million for 2018 and US\$ 228.6 million for 2019 for the Partners' Engagement Framework, the following allocations:
- i. US\$ 85 million in 2018 and US\$ 95 million in 2019 for Targeted Country Assistance;
 - ii. US\$ 29 million annually for 2018 and 2019 for Special Investments in Strategic Focus Areas
 - iii. US\$ 36.4 million annually for 2018 and 2019 for Foundational Support;
 - iv. US\$ 19 million in 2019 for UNICEF Supply Division for fees to implement vaccine and related supplies procurement;

Recommendation

- v. Up to US\$ 1.9 million in 2018 (in addition to the US\$ 2.4 million already approved for 2018 by the Board in June 2017) and US\$ 3.6 million in 2019 for UNICEF Supply Division for fees to implement cold chain equipment
 - vi. US\$ 26 million annually for 2018 and 2019 for investing in Partnerships in Innovation to be administered by the Secretariat;
 - vii. US\$ 19.3 million for 2018 and US\$ 19.7 million for 2019 for impact assessments and evaluations to be administered by the Secretariat;
- b) **Approve**, US\$ 115.3 million in 2018 and US\$ 107.8 million in 2019 for Secretariat Engagement;
- c) **Approve**, US\$ 2.5 million in 2018 and US\$ 1 million in 2019 for capital expenditure budgets to implement the Secretariat's part of the Gavi Engagement Framework.

Thank you



www.gavi.org