

SUBJECT:	FINANCIAL FORECAST & PROGRAMME FUNDING REQUEST
Report of:	Barry Greene, Managing Director, Finance and Operations
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Agenda item:	15
Category:	For Decision
Strategic goal:	Alliance operations

Section A: Overview

1. Purpose of the report

- 1.1 This report informs the Gavi Alliance Board (“Board”) of the updated Gavi financial forecast for 2011-2020 (version 11.0Fb¹).
- 1.2 It also informs the Board of programme expenditure through 31 March 2015, and utilisation of the Programme Funding Envelopes and the 2014 Business Plan Budget.
- 1.3 This report requests the Board to make programme funding decisions that arise mainly from the recommendations of the New Proposals Independent Review Committee (“IRC”) that met on the 16 – 17 March 2015, as outlined in Section C of this paper and in Annex 2. It also indicates to the Board that Gavi has sufficient financial capacity for at least US\$ 500 million in Strategic Investments through 2020.

2. Recommendations

IRC recommendations for approval

- 2.1 The Gavi Alliance Board is requested to:
 - (a) **Approve** the recommendations of the March 2015 New Proposals IRC for new vaccine support to commence in 2015 for 9 requests for support as detailed in Figures 6-8 of Doc 15. For countries in default of their co-financing commitments (“Defaulting Countries”), this approval is subject to them meeting their co-financing requirements.

¹ The Audit & Finance Committee reviewed an earlier version of the Forecast, version 11Fa. As noted by the Committee, this Board version includes two minor updates: updating IFFIm proceeds with new information provided by the World Bank; and the removal of the Measles SIA funding request for Ethiopia and DRC that will now be taken to the Executive Committee for approval.

Budgets

- (b) **Endorse** a net increase in programme budgets by US\$ 52.8 million for the period 2015-2019 to implement the IRC recommendations in (a). For Defaulting Countries this endorsement is subject to them meeting their co-financing commitments.

These endorsements would constitute acknowledgement of such budget amounts but would not constitute a funding approval, decision, obligation or commitment of the Gavi Alliance or its contributors.

- (c) **Approve** a net increase of near-term programme liabilities (a sub-component of the endorsed programme budgets in (b)) by US\$ 51.5 million for 2015-2016. For Defaulting Countries this endorsement is subject to them meeting their co-financing commitments.

Strategic Investments

2.2 The Gavi Alliance Board is requested to:

- (a) Note that Gavi has financial capacity, in accordance with the Programme Funding Policy, to undertake at least US\$ 500 million in strategic investments should the Board decide to approve such funding decisions in due course.

2.3 To assist the Board in its decision making, the Audit and Finance Committee in May 2015 reviewed the financial implications of the requested decisions and confirmed that they can be approved by the Board in accordance with the Programme Funding Policy.

3. Executive summary

3.1 The GAVI financial forecast, v11.0Fa (see Section B), incorporates the latest demand estimates and funding decisions to date (through 31 March 2015). Forecast expenditure on Inactivated Polio Vaccine (IPV) and the polio-specific funding to meet this expenditure for the period 2014 – 2018 are now integrated within this forecast. The financial implications of the updated forecast are outlined in paragraph 5 below.

3.2 Overall expenditure levels forecast for 2011-2015 and 2016-2020 are in line with last forecast, presented to the Board in December 2015.

3.3 Consistent with the prior forecast, a provision of US\$ 0.2 billion of new support allocated for India in the 2016-2020 period. This amount will be updated upon Board approval of the comprehensive strategy for Alliance engagement with India.

3.4 The forecast level of resources reflects amounts pledged to date, including in Berlin in January 2015. Further contributions are expected as donors complete pledging for all years through 2020. In advance of that, an allowance for further direct contributions is included, for programme

approval purposes, which assumes an overall direct contributions in 2019 and 2020 will continue at their 2016-2018 level.

- 3.5 The funding decisions recommended in this paper (see Section C) are reflected within the expenditure estimates in the forecast. The forecast indicates that these decisions can be made in accordance with the Programme Funding Policy.
- 3.6 The current expenditure forecast provides for all currently anticipated programmatic needs, strategic investments of up to US\$ 500 million, and business plan costs, through 2020. It includes a provision of US\$ 100 million to support Ebola related activities in 2015. It does not include any provision for vaccines that the Board may decide to support in the future (such as Malaria).
- 3.7 Based on the current forecast, including the allowance US\$ 0.5 billion for further direct contributions not yet pledged, up to US\$ 0.45 billion would be available through 2020 to meet needs beyond those currently provided for in the expenditure forecast. This is of course dependent on all donors completing their pledging through 2020 and contributing their pledges.
- 3.8 Sections D and E of this report provide an overview of the programme and business plan expenditure in 2014.

4. Risk implication and mitigation

- 4.1 See paragraph 13.

5. Financial implications

2011-2015

- 5.1 Expenditure for all Existing Programmes and the decisions recommended in this paper is fully covered by Qualifying Resources through 2017 (i.e. through the next two calendar years), as is required by the Programme Funding Policy.

2016-2020

- 5.2 The current outlook for 2016-20 estimates expenditure at US\$ 9.4 billion, including a provision of US\$ 0.5 billion for strategic investments in priority areas identified in the Gavi strategy for 2016-20.
- 5.3 Assured Resources for 2016-20 are currently forecast at US\$ 9.1 billion. Upon the assumption that the forecasted level of funding (2016-2018) will be maintained through 2020, Qualifying Resources amount to US\$ 9.6 billion. Expenditure for all decisions recommended in this paper is fully covered by Qualifying Resources, as is required by the Programme Funding Policy.

6. Terminology and Rounding

6.1 Terms used in this paper have the meanings described below:

- (a) Assured Resources comprise:
- Cash and investments of the Gavi Alliance, in the amount that exceeds the Cash and Investments Reserve (see (g) below)
 - Expected proceeds from IFFIm, based on existing donor pledges
 - Expected AMC and any other contributions that are contingent on programmatic expenditure included in the expenditure forecast
 - Confirmed direct contributions to GAVI Alliance that are pledged under already-signed agreements or otherwise confirmed in writing.
 - Projected investment income
- (b) Allowance for Further Direct Contributions (for the purpose of approving programme funding): An allowance for further expected direct contributions from existing donors who have not confirmed their pledges for each year, based on current overall contribution levels. The allowance is mandated by the Programme Funding Policy and is important towards enabling programme funding decisions to be made while pledges have yet to be completed for particular years. The allowance assumes that in years where currently confirmed direct contributions total less than the current level, further contributions will bring the total to that level. With Berlin pledges included, the projected level is US\$ 1.5 billion for the year, which equates to the annual average of confirmed pledges for 2016-2018.
- (c) Qualifying Resources: The sum of Assured Resources and the Allowance for Further Direct Contributions (i.e. (a) plus (b) above)
- (d) Existing Programmes: Country programmes (for vaccine and cash-based programmes and investment cases) that have already been approved for support by Gavi, and the Gavi Business Plan.
- (e) New Requests: Projected demand from country applications that are currently being recommended by the Independent Review Committee for approval.
- (f) Expected Future Requests: Projected demand from countries expected to request Gavi support in the future for the currently approved portfolio of vaccines and cash-based programmes. It does not include any additional vaccines that Gavi may consider for support in the future (such as Malaria).
- (g) Cash and Investments Reserve: The reserve required by the Programme Funding Policy to be maintained at minimum equaling eight months of expected annual expenditures.

6.2 Rounding

In text and tables throughout this paper, numbers may be rounded to shorter, significant numbers in order to enhance readability and ease of reference. Individual numbers and the totals they comprise are rounded independently. Consequently, the individual numbers may appear not to sum to the total because of rounding.

Section B: Forecast of needs and resources

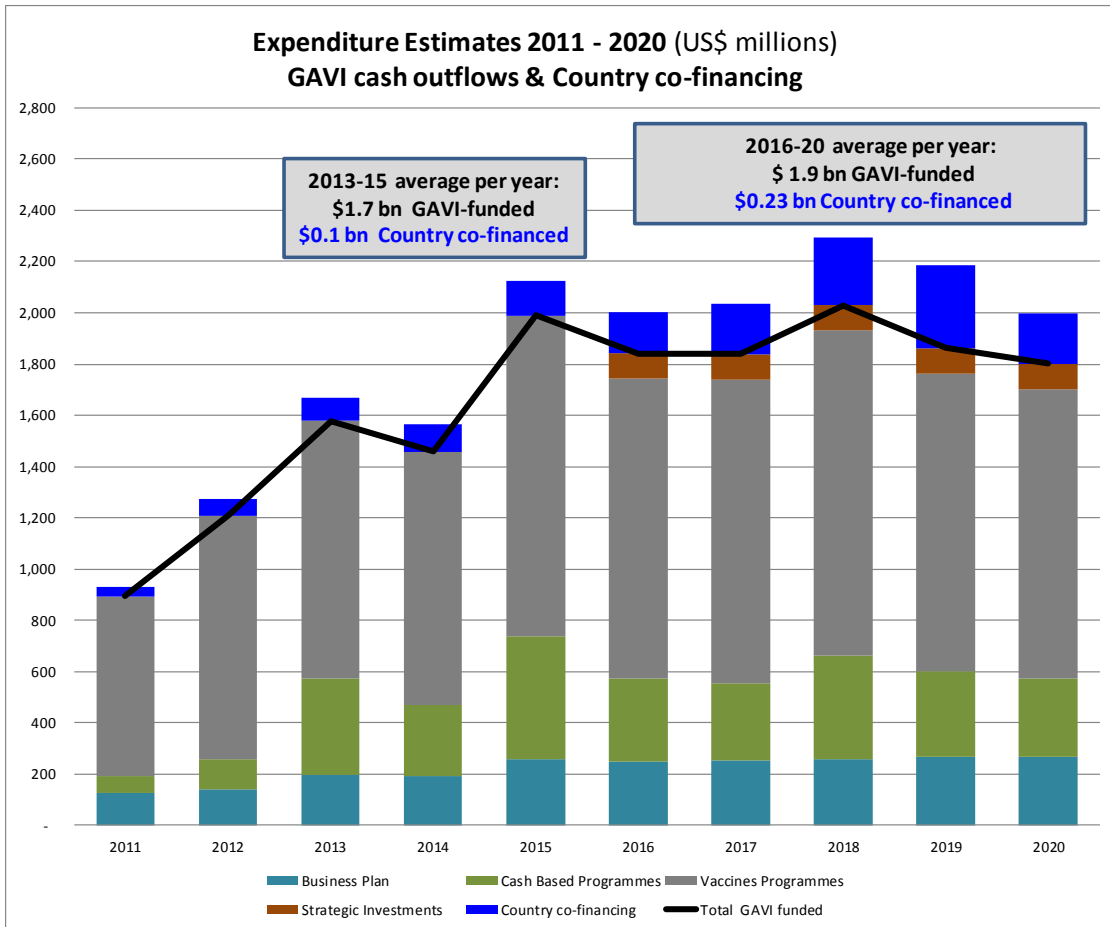
7. Estimates of expenditure to meet country demand through 2020

- 7.1 The expenditure estimates in this forecast (version 11.0Fb²) are based on the latest Adjusted Strategic Demand Forecast (version 11.0), issued in April 2015. The forecast reflects all previous funding decisions of the EC/Board. It incorporates updated implementation assumptions based on latest country and supplier information regarding country readiness and supply availability.
- 7.2 The overview of projected expenditures for GAVI through 2020 per Figure 1 illustrates the scale-up of country demand, with GAVI-funded expenditure expected to reach a level of US\$ 1.7 billion per year on average in 2013-2015. This will reach a plateau of around US\$ 1.9 billion per year in the period 2016-20³.

² See footnote 1. Version 11.0Fa of the Financial Forecast was shared with Audit & Finance Committee on 22 May 2015. Version 11.0Fb includes the two Measles SIAs for DRC and Ethiopia in "expected future requests".

³ After including the provision of US\$ 500 million for strategic investments in 2016-2020, distributed evenly over those years.

Figure 1: Expenditure estimates



7.3 Figure 1 also illustrates the country co-financed amounts from 2011-2020 (at the top of each bar, above the trend line). Total estimated co-financing for 2011-2015 amounts to US\$ 0.4 billion. This will increase to US\$ 1.1 billion for 2016-2020. Additional to this co-financing are the investments that the countries make in their immunisation programmes.

7.4 Details of the expenditure estimates for each five-year period are provided in Annex 1, Figure 1. The estimates are based on current Gavi eligibility and graduation rules and include provision for the opening of the envisaged new vaccine windows for Japanese Encephalitis and Typhoid (from 2020).

Inactivated polio vaccine (IPV)

7.5 The current forecast fully incorporates anticipated programmatic expenditure and business plan expenditure of US\$ 446 million for inactivated polio vaccine (IPV) for the period of 2014-2018. Of the US\$ 446 million, US\$ 32 million represents an initial estimate for support to India. A full breakdown of forecast expenditures and funding for IPV is included in Annex 1, Figure 2.

8. Estimates of resource availability

- 8.1 Contributions: The forecast relies on all pledged contributions, including those pledged in Berlin, being paid when due. Because not all donors were able to pledge through to 2020, the resource forecast, in compliance with the Programme Funding Policy, includes an Allowance for Further Direct Contributions not yet pledged. The Allowance assumes – solely for the purpose of making programme funding decisions – that the overall level of direct contributions will be maintained at no less than the 2016-18 level of US\$ 1.5 billion per year in subsequent years (see paragraph 6.1b). The Secretariat expects that this will be achieved.
- 8.2 IPV contributions: The forecast relies on contributions pledged by donors (DFID, Norway and Bill & Melinda Gates Foundation) for the period 2014-2018⁴. A further funding commitment of approximately US\$ 32 million⁵ is required from GPEI or donors before the India programme can commence.
- 8.3 IFFIm proceeds: The forecast includes proceeds from existing IFFIm pledges, a provision of US\$ 0.2 billion from new Berlin pledges and takes into account of the maximum amount that can be provided to Gavi based on the current leverage limit (57.8%) and the timing of Gavi's need for this funding. The ability to receive IFFIm proceeds when most needed for programme funding helps Gavi to match the timing of expenditure needs and the availability of resources. Any new pledges to IFFIm would increase these proceeds.

9. Forecast Period

- 9.1 The forecast spans the period 2011 to 2020, sub-divided into two periods: the current strategy period (2011-2015) and the next (2016-2020). The Programme Funding Policy requires the financial implications of funding decisions to be assessed over the current year and five subsequent calendar years (i.e. a 'rolling six-year' view). Hence funding decisions made in 2015 require visibility on Qualifying Resources through 2020. Paragraph 12 provides the details that are always provided whenever funding decisions are requested.
- 9.2 The evolution of the forecast since the version reviewed by the Board in December 2014 is outlined below, in paragraph 10 for 2011-2015, and paragraph 11 for 2016-2020, while Figure 4 provides an overview of both periods. Further details of the expenditure and resource amounts are provided in Annex 1, Figures 1 & 3.

⁴ Norway has pledged for the period 2014 to 2019, for IPV. For the purpose of this forecast, the 2019 pledge of NOK 190 million (~US\$ 25 million) is excluded from the forecast to align with the expenditure forecast which only covers the period through 2018.

⁵ At the time of the preparation of this paper, the tendering process for IPV in India is not yet finalised and hence the final budget value may change.

10. Forecast for 2011-2015

Changes since the last forecast

- 10.1 The forecast reviewed by the Board in December 2014 for the period 2011 to 2015, indicated that additional resources of US\$ 290 million needed to be raised to fully meet country demand in 2011-15. Based on the latest forecast and if all donors honour their pledges, needs through 2015 can be fully met and resources of US\$ 209 million will be available to meet needs beyond those currently foreseen in the expenditure forecast.

Figure 2: Overview of forecast for 2011-2015

Figure 2: Reconciliation with previous forecast

2011-2015 Cash flow basis US\$ millions		Dec 2014 Board	Change in estimates	New Requests	IPV / Polio	Total Change	June 2015 Board		% of A
Existing Programmes & Business Plan		6,778	(57)	47	174	165	6,943	\$6.9 bn	97%
Expected Future Requests (for existing portfolio)		473	(263)	(47)	22	(288)	185	\$0.2 bn	3%
A	Total Expenditure	7,251	(320)	0	196	(123)	7,128	\$7.1 bn	100%
b1	Assured Resources	6,961	212	0	163	376	7,337	\$7.3 bn	103%
b2	Allowance for Further Direct Contributions*	48	(48)	0	0	(48)	0	\$0.0 bn	0%
B	Qualifying Resources	7,009	165	0	163	328	7,337	\$7.3 bn	103%
C (A-B)	Surplus / (Additional required)	(242)	485	0	(33)	451	209	\$0.2 bn	3%
Surplus after Existing Programmes & new requests		231					394	\$0.4 bn	
Expected Future Requests (net of AMC funding)		(473)					(185)	(\$0.2 bn)	
= C	Surplus / (Additional) required for Expected Future Requests	(242)					209	\$0.2 bn	

* December 2014 Board forecast: Allowance for further direct contributions to maintain an overall annual level equivalent to that confirmed for 2012-2014 (\$1.1bn) in subsequent years (per Programme Funding Policy)

- 10.2 Expenditure: Expenditure in 2011-2015 is forecast to total US\$ 7.1 billion. This reflects a net reduction of US\$ 123 million on the December 2014 forecast (per row A in Figure 2 above), upon:

- (a) including expenditure US\$ 196 million for IPV (which is now being included in the main forecast for the first time); and
- (b) updating of demand estimates for all other programmes resulting in a reduction of US\$ 319 million in 2015 funding needs. Of this, US\$ 123 million results from price savings and in-country stock levels, while US\$ 196 million results from implementation delays on pneumococcal and cash programmes, and will now be spent in 2016 – 2020.

- 10.3 Resources: Assured Resources in 2011-2015 have increased by US\$ 376 million (per row b1 of Figure 2) compared to the December 2014 forecast, due to additional pledges received, including the USAID pledge for 2015 of US\$ 200 million, and the inclusion of IPV-specific funding in this forecast.

Capacity to meet projected demand through 2015

- 10.4 For 2011-15, expenditure to meet forecast demand is now forecast at US\$ 7.1 billion. Qualifying Resources amount to US\$ 7.3 billion, therefore there

is sufficient funding to fully meet demand. Hence, provided that all pledges are contributed, up to US\$ 0.21 billion could be available in 2015 to meet needs beyond those currently anticipated in the forecast through 2015.

11. Forecast for 2016-2020

Changes since the last forecast

- 11.1 The forecast reviewed by the Board in December 2014 for the period 2016 to 2020, indicated that additional resources of US\$ 7.3 billion⁶ were needed to be raised to fully meet country demand in 2016-2020. Based on the latest forecast and if all donors honour their existing pledges and complete pledging through 2020, needs through 2020 will be fully met and resources of US\$ 288 million will be available to meet needs not currently foreseen in the expenditure forecast.

Figure 3: Overview of forecast for 2016-2020

2016-2020 Cash flow basis US\$ millions		Dec 2014 Board	Change in estimates	New Requests	IPV / Polio	Total Change	June 2015 Board		% of A
	Existing Programmes & Business Plan	6,234	(248)	5	239	(3)	6,231	\$6.2 bn	66%
	Provision for strategic investments	500		0	0	0	500	\$0.5 bn	5%
	Expected Future Requests (for existing portfolio)	2,810	(169)	(5)	10	(165)	2,645	\$2.6 bn	28%
A	Total Expenditure	9,544	(417)	0	249	(168)	9,376	\$9.4 bn	100%
b1	Assured Resources	2,212	6,634		245	6,878	9,090	\$9.1 bn	97%
b2	Allowance for Further Direct Contributions*	5,366	(4,843)			(4,843)	523	\$0.5 bn	6%
B	Qualifying Resources	7,578	1,791	0	245	2,034	9,612	\$9.6 bn	103%
C (A-B)	Surplus / (Additional required)	(1,966)	2,208	0	(5)	2,202	236	\$0.2 bn	3%
	Surplus after Existing Programmes, new requests and provision for strategic investments	1,331					3,366	\$3.4 bn	
	Expected Future Requests (net of AMC funding)	(2,798)					(2,630)	(\$2.6 bn)	
= C	Surplus/(Additional) required for Expected Future Requests	(1,967)					236	\$0.2 bn	

* Allowance for further direct contributions to maintain an overall annual level equivalent to that confirmed for 2016-2018 (\$1.5bn) in subsequent years (per Programme Funding Policy)

- 11.2 Expenditure: The December 2014 forecast estimated expenditure in 2016-2020 at US\$ 9.5 billion, including a US\$ 0.5 billion provision for strategic investments in priority areas. Total expenditure is forecasted now at US\$ 9.4 billion including the provision of US\$ 253 million for IPV. The forecast reduction of US\$ 418 million for the period is due to:

- a reduction in the price of pentavalent vaccine resulting in projected savings of approximately US 160 million in the period 2017-2020; and
- updated rotavirus cost assumptions reflecting the decline of the Euro against the US dollar, yielding forecast savings of US\$ 64 million.

⁶ The US\$ 7.3 billion is comprised of US\$ 5.37 billion under "Allowance for Further Direct Contributions" and US\$ 1.97 billion under "Additional Required".

- (c) A reduction of approximately US\$ 190 million in projected Gavi funded spend on pneumococcal vaccine as a result of updated introduction assumptions for Bangladesh and targets assumptions for Bangladesh, Afghanistan and Ethiopia.
- (d) An increase in AMC funded programmes of US\$ 80 million that had been previously forecasted for the 2011 – 2015 period.
- (e) Other changes: US\$ 83 million reduction including US\$ 59 million for HPV as a result of updated implementation assumptions.

11.3 Resources: Assured Resources has increased by US\$ 6.9 billion, due to the pledges at the Berlin Replenishment and the inclusion of US\$ 0.2 billion in IPV funding. (Note: US\$ 0.2 billion of the Berlin announcements had already been included in Assured Resources in the December 2014 forecast.) The table below summarises the outcomes of the Replenishment and how these are now reflected with the current forecast.

Evolution of resources for 2016-2020	per Berlin 'Key Outcomes' document				Change \$bn	per Forecast (May 2015)	
	Prior to Berlin \$m	At Berlin \$m	Total \$m	\$bn		\$bn	Total \$m
	Direct contributions	17	7,265	7,282		7.3	(0.4)
IFFIm proceeds	1,180	164	1,344	1.3	(0.0)	1,314	
AMC	417		417	0.4		410	
Investment income	160		160	0.2		180	
Cash & investment drawdown	240	50	290	0.3	(0.3)	27	
Market shaping		60	60	0.1	(0.1)	0.0	
Assured Resources	2,014	7,539	9,553	9.6	(0.7)	8,845	

add: IPV direct contributions (now integrated within the main forecast) 245

add: Allowance for Further Contributions (to arrive at Qualifying Resources) 523

Qualifying Resources per current forecast	9.6	9,612
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Factors giving rise to the changes:

Direct contributions: FX adjustment comprised of \$0.1bn to reflect decline in forecast FX rates, plus a provision of \$0.2bn for potential future declines; and \$0.1bn for adjustments to proceeds of pledges

Cash drawdown: is not now required because of reduction in expenditure estimates

Market shaping: will be manifested as reduction within expenditure amounts (and not as income)

Capacity to meet projected demand in 2016-2020

11.4 Expenditure to meet country demand is projected at US\$ 9.4 billion for 2016-20. Of this demand, US\$ 6.3 billion (67%) is expected to come from existing programmes including their extension through 2020, US\$ 0.5 billion (5%) from strategic investments. A further US\$ 2.6 billion (28%) is anticipated from Expected Future Requests.

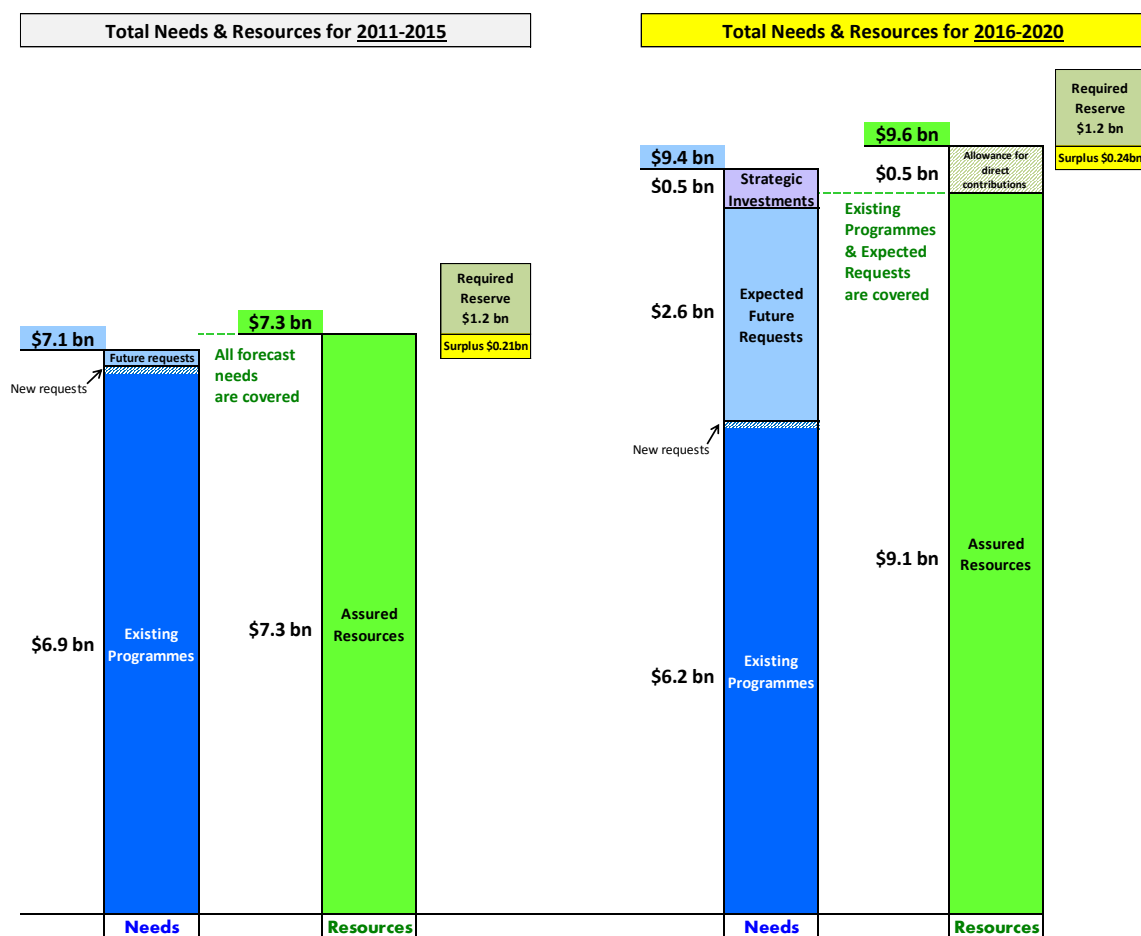
11.5 Already assured resources of US\$ 9.1 billion, cover 97% of projected expenditure. When the Allowance for Further Direct Contributions of US\$ 0.5 billion is taken into account, Qualifying Resources amount to US\$ 9.7 billion. Hence, provided all pledges are contributed, up to US\$ 0.24 billion

could be available in 2016-2020 to meet needs beyond those currently provided for in the forecast, in addition to the US\$ 0.21 billion in 2015 (per paragraph 10.4), in total US\$ 0.45 billion.

Overview of both strategic periods

11.6 Figure 4 below illustrates the forecast capacity to meet the needs of existing and future programmes as outlined above, in each of the five-year Gavi strategic periods.

Figure 4: Overview of needs and resources



See paragraph 6 'Terminology' for an explanation of terms used in Figure 4, summarised as follows:

Existing Programmes – Country programmes already approved for GAVI support and Business Plan, including extension through the five year period.

Expected Future Requests – Projected demand from country programmes expected to seek GAVI support in the future, including their extension through the five year period, for currently supported vaccines and cash-based programmes.

Assured Resources – Direct contributions confirmed, IFFIm and AMC proceeds, investment income and drawdown of cash (limited by the required reserve level).

Allowance – Allowance for further direct contributions to maintain an overall annual level equivalent to that confirmed for 2016-2018 (US\$ 1.5 bn) in subsequent years (as mandated by the Programme Funding Policy, for the purpose of approving programme funding decisions).

Additional Resources Needed – in order to fully fund Expected Future Requests.

Cash Reserve – In addition to Assured Resources, a Cash and Investments Reserve is maintained at a level sufficient to cover at least 8 months' future expenditure needs, as mandated by the Board.

12. Coverage of funding decisions to be made in 2015

12.1 The GAVI Programme Funding Policy requires that:

- (a) As a prerequisite to the approval or endorsement of any new programmes, an amount of Qualifying Resources shall be set aside to fully cover all commitments arising in the period from the start of the then current year through the next two calendar years (the Defined Period), 2015-17; and
- (b) The Secretariat shall also provide the Board with a projection of commitments arising and Qualifying Resources in the three years subsequent to the Defined Period, i.e. 2018-20, so that the Board can take into account the longer-term implications when considering the funding of new programmes.

12.2 Hence, a 'rolling six-year' view is required. Figure 5 below provides a year-by-year view of the cash outflows to meet the needs of existing and future programmes, and the resource inflows to meet those needs, highlighting the two 3-year periods relevant to the Funding Policy: 2015-17 and 2018-20.

12.3 The cash flow impact of the new Programme Funding Envelope decisions now recommended (see Section C) is highlighted within Figure 5 (with further provided detail in Annex 1, Figure 5).

Figure 5: Cash flows by year

Cash flow basis US\$ millions		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-15	2016-20		
Existing Programmes & Business Plan		893	1,208	1,579	1,458	1,758	1,416	1,355	1,256	1,137	1,062	6,895	97%	6,226	65%
New Requests: NVS Programmes (IRC recommendations)		-	-	-	-	47	4	1	0	0	0	47	1%	5	0%
Provision for Strategic Investments***		-	-	-	-	-	100	100	100	100	100	-	-	500	5%
Expected Future Requests**						185	322	384	674	626	640	185	3%	2,645	28%
A	Total Expenditure to meet demand	893	1,208	1,579	1,458	1,990	1,842	1,840	2,030	1,863	1,801	7,128	100%	9,376	100%
												\$7.1 bn		\$9.4 bn	
Assured Resources		893	1,838	1,829	1,136	1,641	1,893	1,828	2,101	1,678	1,589	7,337	100%	9,090	95%
Allowance for further contributions*										261	261	-	-	523	5%
B	Qualifying Resources available	893	1,838	1,829	1,136	1,641	1,893	1,828	2,101	1,939	1,850	7,337	100%	9,612	100%
												\$7.3 bn		\$9.6 bn	
For year:															
Surplus/(Deficit) FOR YEAR		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-15	2016-20		
B-A	Surplus/(Additional required) for Expected Future Requests**		630	250	(322)	(349)	51	(12)	71	77	49	209	3%	236	3%
												\$0.2 bn	of A	\$0.2 bn	of A
Cumulative:															
Surplus/(Deficit) CUMULATIVE		2011	2012	2013	2014	Rolling six-year period				2018	2019	2020			
Surplus/(Additional required) after Expected Future Requests**			630	880	558	2015	2016	2017	2018	2019	2020				
						209	260	248	320	396	445				
Key periods for Programme Funding Policy:															
Forecast Cash & Investments amount at year-end		1,600	1,682	1,852	1,884	1,437	1,486	1,602	1,562	1,597	1,646				
Minimum Cash & Investments Reserve requirement		805	1,053	972	1,327	1,228	1,226	1,353	1,242	1,201	1,201				
Forecast surplus/(deficit) relative to minimum requirement		795	630	880	558	209	260	248	320	396	445				

* Conservative allowance for further direct contributions to maintain an overall annual level equivalent to that confirmed for 2012-2014 in subsequent years (per Funding Policy).

** Projected demand from expected future requests for funding for currently approved vaccine and cash-based programmes, minus related AMC funding.

*** Strategic Investments (SI) in priority areas, such as for improving: sustainability of immunisation programmes; coverage and equity; and immunisation systems and integration.

12.4 In 2015 and the two subsequent calendar years (i.e. 2016-17), the Defined Period for which full coverage of needs is a prerequisite, all currently foreseen needs are forecast to be fully covered. This includes:

- (a) The needs of all Existing Programmes (i.e. already endorsed) and the New Requests that are now being recommended for funding, including provision for their extension (where relevant) through 2017
- (b) The provision for Strategic Investments
- (c) The estimated demand from Future Programmes anticipated to be endorsed in the years through 2017.

12.5 In the three following years (i.e. 2018-20), for which the longer term implications should be considered, all currently foreseen needs are also forecast to be fully covered through 2020.

12.6 Whenever new programmes are considered for endorsement, an updated forecast is provided to provide visibility on their longer-term implications. Accordingly, endorsement of future programmes can be declined or deferred in the light of resource availability at that time.

12.7 In addition to the foregoing, a cash reserve equivalent to at least eight months' future expenditure is maintained .

12.8 Accordingly, the Programme Funding decisions now recommended can be approved in accordance with the Programme Funding Policy.

13. Risk implications and mitigation

Factors that may impact the expenditure forecast include:

- 13.1 Adjustments arising from reviews of Annual Progress Reports and Secretariat adjustments for updated implementation assumptions have historically resulted in the reduction of endorsed programme budgets in light of actual implementation progress. However no reduction has been made in the forecast for 2016-2020 reflecting a prudent approach.
- 13.2 The forecast allows for expected supply availability and country readiness for pneumococcal, rotavirus and yellow fever vaccines in 2015, as currently anticipated.
- 13.3 Expenditure reductions may also be achieved through future vaccine price reductions that cannot yet be counted in the forecast.
- 13.4 The forecast includes a provision of US\$ 0.5 billion for additional strategic investments to fund priority areas, such as strengthening supply chains, improving immunisation coverage and equity, modernising data systems and providing catalytic support to graduating countries. As these investments materialise, expenditures may differ from the forecast.
- 13.5 The introduction of new vaccines would increase expenditure, as would any changes to the recommended age catchments for vaccine campaigns.

Factors that may impact the forecast of resources available include:

- 13.6 Proceeds to Gavi from IFFIm: In 2013, the IFFIm Board enhanced IFFIm's overall risk profile in a manner that will be beneficial to Gavi for the longer term, while postponing proceeds to Gavi in the near-term. No further such adjustments are currently anticipated that would affect the resources available to Gavi. The forecast includes incremental proceeds of US\$ 0.2 billion for the period 2016 – 2020 from new donor pledges of US\$ 0.3 billion made in Berlin. Should these new pledges not be converted into contribution agreements to IFFIm then Gavi available resources would be decreased by a corresponding amount; frontloading of proceeds to 2016-2020 is dependent on appropriate swap arrangements being put in place.
- 13.7 Foreign currency exchange (FX) rates: In Berlin, donors pledged US\$ 4.8 billion of the US\$ 7.5 billion in non-US dollar currencies for the 2016 – 2020 period. Non-US dollar pledges were expressed in US dollar equivalents using the forecasted FX rates for the period as reported in Bloomberg on 23 January 2015. With 95% of forecasted expenditures in US dollars, Gavi seeks to mitigate the risk of fluctuations in currency exchange rates by purchasing hedging instruments in line with Gavi's currency hedging policy. If the non-US dollar pledges were valued at the spot rate of 31 March 2015, the total forecasted direct contributions amount for 2016-2020 would be reduced by approximately US\$ 400 million (5.6%). To allow for such an eventuality when forecasting the amount of resources available, a provision of US\$ 200 million has been deducted in arriving at the forecast value of proceeds from these pledges.

Risk mitigation

- 13.8 Should the net effect of risk factors materially impact the forecast, the following are important measures towards mitigating that risk:
- (a) The Cash and Investments Reserve, equivalent to eight months' future expenditure, provides a cushion for adverse fluctuations in resources and expenditures.
 - (b) For each year, a surplus is forecast after meeting the needs of Existing Programmes, which is available towards funding Expected Future Requests for programme funding. When, in the future, such requests are considered for funding, endorsement can be declined or deferred in the light of resource availability as foreseen at that time.

14. Conclusions

- 14.1 Expenditure for all Existing Programmes is fully covered by Qualifying Resources through 2020 as is required by the Programme Funding Policy.
- 14.2 Expenditure for all new requests, a provision of US\$ 500 million for strategic investments and anticipated future demand is also forecast to be fully covered by Qualifying Resources. A surplus of US\$ 0.45 billion is forecast to be available by 2020 (US\$ 0.21 billion from 2015, and a further US\$ 0.24 billion from 2016-2020).

Section C: Programme Funding Request

15. New Proposal IRC recommendations

- 15.1 The New Proposals IRC met on 16 – 27 March 2015 and reviewed a total of 28 programmes consisting of 18 New Vaccine Support (NVS) and 10 HSS proposals from 24 countries. The IRC recommended 9 New Vaccine Support (NVS) proposals for approval (unconditionally). Further details can be found in Annex 2.
- 15.2 The New NVS programmes recommended by the IRC are included in the Programme Funding Plan request that is presented in this paper for approval by the Executive Committee (see Figure 8):
- 15.3 As a reminder, in December 2014 the Board approved the 2015 Programme Funding Envelope from which the Secretariat is to allot funding for the continuation and adjustment of existing programmes and for new cash programmes during 2015. Accordingly the funding for HSS, IPV and HPV Demo programmes recommended by the IRC will be allotted by the Secretariat to those programmes.
- 15.4 Figure 6 and 7 summarises the results of the IRC review and the financial implications are presented in Figure 8.

Figure 6: Summary of programme funding approval streams

	Vaccine Programmes				Cash Programmes	
	New NVS		New NVS		HSS Programmes	
	Funding approved through Programme Funding Request*	#	Funding allotted through Programme Funding Envelope	#	Funding allotted through Programme Funding Envelope	#
IRC Recommendation:						
Approval Resubmission	Yes	9	Yes	8	Yes	5
	No	1	No	0	No	5
		10		8		10

**represented in this paper as part of the Programme Funding Request*

Figure 7: Overview of Programme recommendations of the IRC

Country	Type of support and IRC recommendation											Programme Funding Plan (PFP) Request	Funding requests to be approved under the 2015 Programme Funding Envelope			Programmes not sought for funding approval at this time due to IRC recommendation	Total		
	Vaccines						Cash/Demo/IPV						HSS	HPV Demo	IPV			Re-submission	
	Rota	MenA campaign	YF campaign	MR	Men A routine	JEV	Measles SIA	HSS	HPV Demo	IPV									
1 Armenia																		1	
2 Bangladesh												Resub						1	
3 Bolivia												Appr			1			1	
4 Burundi												Appr						1	
5 Cambodia												Appr			1			1	
6 Cameroon												Resub					1	1	
7 Chad												Appr					1	1	
8 Congo																		1	
9 Djibouti																		1	
10 Congo DR																		1	
11 Gambia												Appr						1	
12 Ghana												Appr						2	
13 Guinea Bissau												Appr						1	
14 Guyana																		1	
15 Haiti																		1	
16 Honduras																		1	
17 Kenya																		1	
18 Lao PDR												Appr						1	
19 Lesotho												Resub						1	
20 Nepal												Appr						2	
21 Nigeria																		1	
22 Papua NG																		1	
23 Sao Tome												Appr						3	
24 Zambia												Appr						1	
28 Programmes reviewed	2	2	1	2	1	1	1	1	1	1	1	10	1	7	5	1	7	6	28
17 MS Prog. Approved	1	2	1	2	1	1	1	1	1	1	1	1	1	7	1	7	1	1	17
1 MS Prog. Resubmission	1																	1	1
5 HSS Prog. Approved												5			5			5	5
5 HSS Prog. Resubmission												5						5	5
Total	9	9	5	1	1	1	1	1	1	1	1	5	1	7	5	1	7	6	28

15.5 The IRC also made policy and procedural recommendations for the Secretariat. These recommendations will be duly addressed by the Secretariat as part of the on-going process of improving the grant review process. Annex 2 provides the Committee with the context to IRC recommendations along with issues raised, improvements noted and the next steps. The entire IRC Report is available for review on myGAVI.

16. Provision for Strategic Investments

16.1 The Board will be considering a number of decisions over the coming year to support implementation of the 2016-20 strategy. The Replenishment Ask included a US\$ 500 million provision for strategic investments to

advance the strategy. At its May 2015 meeting, the PPC recommended the first of these strategic investments related to Access to Affordable Pricing and a Cold Chain Equipment Optimisation Platform. The costs associated with these recommendations amount to US\$ 55 million and can be fully met from within the US\$ 500 million provision for strategic initiatives that is included in the expenditure forecast. The Board will be provided with a full list of planned strategic initiatives, with the estimated cost and impact of each, to inform their deliberations.

17. Summary of the role of the Board or Executive Committee in the programme approvals process

- 17.1 Each time a new country programme for New Vaccine Support is recommended for approval by an Independent Review Committee (IRC), the Board (or Executive Committee) is asked to endorse the programme and its associated multi-year budget. These endorsements do not constitute a liability to pay but instead send a positive signal that Gavi intends to fund a programme over its entire lifespan, subject to performance and availability of funds.
- 17.2 Based on the country's annual plan for programme implementation, the Secretariat calculates the near-term financing requirements. In general, near-term financing needs comprise financial commitments for vaccine programmes and for cash programmes through the current calendar year and one further year. The Board (or EC) is asked to approve a firm, near-term programme liability and place it on the balance sheet of the Gavi Alliance.
- 17.3 As explained in section 12, the cash flows arising from changes to programme budgets for which endorsement is requested from the Board are included within the expenditure forecast, for which adequate Qualifying Resources exist in conformity with the Programme Funding Policy

18. Changes to Total Programme Budgets (endorsements)

- 18.1 The Gavi Alliance Board is requested to endorse a net increase in programme budgets by US\$ 52.8 million as summarised in Figure 8. Since 2006, the Board (or Executive Committee) has endorsed US\$ 8,263 million in total programme budgets; the requested increase would bring this to US\$ 8,316 million, as detailed in Annex 2, Table 1. Figure 8 also provides a breakdown of these proposed programme budget changes by country as recommended by the IRC.

19. Changes to Near-Term Programme Liabilities (approvals)

New IRC Recommended NVS programmes

- 19.1 The Gavi Alliance Board is asked to approve an increase in near-term programme liabilities totaling US\$ 51.5 million, as summarised in Figure 8. This amount corresponds to the amounts endorsed for the current and next calendar years (2015 and 2016).

19.2 Figure 8 also indicates the cash flow impact of the proposed programme budgets, which is separately identified within Figure 5 as “New Requests”.

Figure 8: Changes to Programme Budgets and Near-Term Programme Liabilities

"Programme Year" Basis in US \$ 000's							
"IRC Recommended Programmes"	2015	2016	2017	2018	2019	2020	Total
Measles-Rubella	15,560						15,560
Meningitis A - campaign		1,087	1,041				2,128
Rotavirus	13						13
Measles SIA	11,106						11,106
JEV		1,921					1,921
Programme Budget "Endorsements"	26,678	3,008	1,041	0	0	0	30,727
Near Term Liability "Approvals"	26,678	3,008					29,686
on a "cash flow basis"							
"Recommended Programmes"	26,247	3,601	827	52	0	0	30,727

"Programme Year" Basis in US \$ 000's							
"IRC Recommended Programmes" - co-financing default	2015	2016	2017	2018	2019	2020	Total
Meningitis A - campaign	15,041						15,041
Meningitis A - routine		141	87	69	52		349
Yellow Fever - campaign	6,671						6,671
Programme Budget "Endorsements"	21,712	141	87	69	52	0	22,060
Near Term Liability "Approvals"	21,712	141					21,853
on a "cash flow basis"							
"Recommended Programmes"	20,668	1,203	84	64	37	3	22,060

19.3 Figure 8 also indicates the cash flow impact of the proposed programme budgets, which is separately identified within Figure 5 as “New Requests”.

Section D: Programme Expenditure Report for 2014

20. This section informs the Board of:

- (a) Programme disbursements through 31 March 2015 by year since 2010, including forecast amounts for 2015, and impact indicators for each year (Figure 9).
- (b) Amounts endorsed for programme budgets since the inception of GAVI, and the amounts disbursed for these programmes, through 31 March 2015. (This is included in response to requests at the December 2014 Board meeting.)
- (c) Utilisation of the Board-approved Programme Funding Envelopes through 31 March 2015.

21. Programme disbursements by year

21.1 Figure 9 below provides a summary of programme disbursements made, or forecast to be made, in each year from 2010 through 2015. This is complemented by impact indicator data.

21.2 For 2014, a comparison is made with the estimates provided to the Board in November 2013 and December 2014.

21.3 To provide context to the 2015 estimates, the actual disbursement amounts for 2011 – 2014 are expressed as a percentage of the original forecasts for those years that were provided to the Board immediately prior to the start of each year.

Figure 9: Programme Disbursements, by year

2010	US\$ millions	2011	2012	2013	2014	Full Year-2015 Estimate			Jan-Mar 2015		2016	2011-15
		Actual	Actual	Actual	Actual	Estimate to Board in Dec 2014	Changes since Dec-14	Latest Estimate	Actual YTD	% of Dec 2014 Estimate	Latest Estimate	Latest Estimate
Actual	Cash flow basis	a	b	c	d	ADF v10 h	j = (h - i)	ADF 11 i	m	i (=m/h)	ADF 11 j	a+b+c+d+j
Vaccine Programmes												
429	Pentavalent	295	356	290	248	378	82	460	147	39%	237	1,649
146	Pneumococcal	354	396	471	533	588	(142.4)	446	179	31%	508	2,199
9	Rotavirus	11	136	96	33	56	3	59	37	66%	124	335
0	Measles-Rubella	-	4	57	54	44	(1.2)	43	2	5%	48	157
0	Measles SIA (vaccine only)	-	3	29	2	10	22	32	-	-	12	65
1	Measles - 2nd dose	1	5	8	0	7	0	7	3	39%	7	21
35	Meningitis A	21	39	28	47	41	14	55	-	-	40	189
33	Yellow Fever	17	12	27	25	39	7	46	17	42%	37	126
0	Human Papillomavirus	-	-	3	4	21	(8.9)	12	6	28%	21	19
0	Japanese Encephalitis	-	-	-	1	1	1	2	0	10%	5	2
0	Cholera	-	-	-	-	17	(11.6)	5	-	-	27	5
	IPV/Polio	-	-	-	45	-	85	85	23	100%	102	130
(4)	All other	1	(0.0)	(0.0)	(0.2)	1	(0.5)	-	-	-	-	1
	Provision for Strategic Investments	-	-	-	-	-	-	-	-	-	100	-
649	Vaccine Programmes*	700	951	1,008	989	1,203	49	1,251	414	34%	1,267	4,899
96	Cash-based Programmes	68	118	377	264	507	(57.8)	449	11	2%	326	1,276
	IPV/Polio - Vaccine Intro Grants	-	-	-	13	-	-	33	12	-	-	46
745	Total Programmes	768	1,069	1,385	1,267	1,710	(9.2)	1,733	437	26%	1,593	6,222

% of original forecast for year

66% 73% 76%

% of original forecast for 2014 (as forecast in Nov 2013)

28%

Impact Indicators

The indicator data are compiled by programme year and hence do not directly correspond to the cash flow amounts (above) for a particular year.

	2011	2012	2013	2014*	2015*	Total
Persons Immunised (million)	90	102	206	309	294	1,001
Deaths Averted (million)	0.6	0.7	0.9	1	1	4

*The impact indicator values for 2014 and 2015 are projections based on Strategic Demand Forecast version 10.

The indicator of Persons Immunised shown here captures the total number of complete series administered with a GAVI supported vaccine, rather than the unique number of individuals reached with a GAVI supported vaccine, since the former more closely corresponds to the monetary values shown above by capturing the scale-up of the number of vaccines included within the GAVI portfolio. The corresponding results for GAVI mission indicator 3 are shown on the GAVI website along with the full definition of each indicator:

<http://www.gavi.org/results/goal-level-indicators/mission-indicators/>. Between 2011 and the end of 2013 GAVI supported vaccines reached 148 million unique children, placing GAVI on track to meet the 2011-2015 target of 243 million.

2014, full year

21.4 The original financial forecast for 2014 as presented to the Board in November 2013 estimated programme disbursements at US\$ 1.6 billion. This was subsequently updated during 2014 to US\$ 1.4 billion with actual disbursements coming in at US\$ 1.2 billion. The reduction US\$ 0.4 billion versus the original forecast arises principally from delayed disbursement of penta and pneumo programmes combined with the delayed disbursement of HSS funds for India.

2015, January through March

- 21.5 The current financial forecast estimates programme disbursements in 2015 at US\$ 1.7 billion which is US\$ 26 million more than the estimate presented to the Board in December 2014.
- 21.6 In the first three months of 2015, GAVI has disbursed US\$ 437 million of programme expenditure, representing 28% of the currently estimated amount for all of 2015. This compares with US\$ 239 million disbursed in the corresponding period of 2014.

22. Amounts endorsed and disbursed since Gavi inception

- 22.1 Since inception in 2000 through to March 2015, the Board has endorsed programme budgets totaling US\$ 9.8 billion (covering programmes years 2000 to 2020) of which US\$ 9 billion is for years through 2015. As at the end of March 2015, Gavi had disbursed US\$ 8.2 billion representing 92% of the endorsed programmes through 2015. Of the programmes endorsed through the end of 2015, a further US\$ 0.7 billion (8%) is still to be disbursed. This is summarised in Figure 10 below and details by programme are provided in Annex 1, Figure 4.

Figure 10: Amounts endorsed and disbursed since Gavi inception

US\$ million	Endorsed to Date		Disbursed	
	Total 2000-2020	For years thru 2015	To Date (Mar 2015)	
Vaccines				
Penta	3,102	3,070	2,889	94%
Pneumo	2,187	1,970	1,955	99%
Rotavirus	369	312	271	87%
All Other vaccines	1,110	936	857	92%
Subtotal	6,768	6,288	5,971	95%
Cash Support	2,223	1,929	1,574	82%
Investment cases (Vaccine + Op costs)	845	736	686	93%
Total Programmes	9,836	8,953	8,231	92%
		100%	92%	

23. Utilisation of 2014 and 2015 Programme Funding Envelopes

- 23.1 The Board has approved programme funding envelopes from which the Secretariat can allot funding to programmes, as follows:
- (a) In December 2013 the Board approved an envelope for 2014 of US\$ 709 million for multi-year budget amounts to be endorsed for new cash programmes, HPV demonstration projects and extensions and adjustments of existing programmes.

- (b) In December 2014 the Board approved an envelope for 2015 of US\$ 2,472 million for multi-year budget amounts to be endorsed for new cash programmes, HPV demonstration projects and extensions and adjustments of existing programmes.
- (c) In November 2013 and subsequently in December 2014 the Board approved an envelope for 2014 and 2015 of a cumulative amount of US\$ 389 million for multi-year budget amounts to be endorsed for IPV programmes (new and the extension and adjustment of existing programmes).

The utilisation to date of these funding envelopes is shown in Figure 11 below.

Figure 11: Programme Funding Envelope utilisation

For 2015 (through 31 March 2015)

Envelope Utilisation for 2014 (Full Year) and 2015 (YTD Mar'15)

Programme year basis Endorsed budget amounts, US\$ million	Envelopes for 2014 (approved Nov 2013)			Envelopes for 2015 (approved Dec 2015)		
	Envelope amount	Allotted to date	% Allotted	Envelope amount	Allotted to date	% Allotted
		31.12.14			31.03.15	
<u>New Programmes & extensions to existing programmes</u>						
a) New cash programmes	460	305	66%	758	146	19%
c) Envelope for HPV demo Projects	7	6	78%	3	1	33%
d) Extensions of existing vaccine programmes	442	302	68%	1,911	0	0%
	909	613	67%	2,672	147	6%
<u>Adjustments to existing programmes</u>						
e) Adjustments to existing programmes	-200	-339	170%	-200	6	-3%
Core Programme Envelope for 2014 and 2015	709	274	39%	2,472	153	6%
IPV Envelope for 2014 and 2015 (cumulative)	231	167	72%	389	251	65%

24. Core Programme Funding Envelope for 2014 (non-IPV)

24.1 As illustrated in Figure 11, from the total envelope amount of US\$ 231 million for 2014, US\$ 167 million was allotted. With regard to each component of the envelope:

- (a) New cash programmes: An estimate of US\$ 460 million was provided in the envelope for the endorsement of new cash programmes as and when recommended through the Grant Application Monitoring and Renewal (GAMR) process. US\$ 305 million (66% of annual amount) was allotted.
- (b) HPV demonstration programmes: US\$ 6 million (78% of envelope amount of US\$ 6 million) to 11 HPV demonstration projects, based on the recommendations of the Independent Review Committee.

- (c) Extension of vaccine programmes: US\$ 442 million was estimated for the extension of existing programmes as and when recommended through the GAMR process. At 31 December 2014, US\$ 302 million (68%) were allotted.
- (d) Adjustments to existing programme: US\$ (200) million (a net reduction) was estimated for adjustments to existing programme budgets for decisions through the GAMR process, updated implementation assumptions and other operational adjustments. At 31 December 2014, a total net decrease of US\$ (339) million were made for the year.

25. Core Programme Funding Envelope for 2015 (non-IPV)

25.1 As illustrated in Figure 11, from the total envelope amount of US\$ 2,472 million for 2015, US\$ 154 million had been allotted. With regard to each component of the envelope:

- (a) New cash programmes: An estimate of US\$ 758 million was provided in the envelope for the endorsement of new cash programmes as and when recommended through the Grant Application Monitoring and Renewal (GAMR) process. US\$ 146 million (19% of annual amount) has been allotted.
- (b) HPV demonstration programmes: US\$ 1 million (48% of envelope amount of US\$ 3 million) has been allotted to 2 HPV demonstration projects, based on the recommendations of the Independent Review Committee. These projects were for the following countries: Bangladesh and Burkina Faso.
- (c) Extension of vaccine programmes: US\$ 1,911 million was estimated for the extension of existing programmes as and when recommended through the GAMR process. No funds were allotted as of 31 March 2015. The allotments will take place following the recommendations by the July and October 2015 High Level Review Panel.
- (d) Adjustments to existing programme: US\$ (200) million (a net reduction) was estimated for adjustments to existing programme budgets for decisions through the GAMR process, updated implementation assumptions and other operational adjustments. These total a net increase of US\$ 6 million reflecting updated assumptions for implementation and operational adjustments. Further net reductions mainly from the recommendations of the July and October 2015 High Level Review Panel will be made in Quarter 3 and 4.

25.2 There is no carry-forward of any unutilised amounts from the annual envelope from one year to the subsequent year.

26. IPV Programme Funding Envelope for 2014 and 2015

- 26.1 As illustrated in Figure 11, through 31 March 2015, US\$ 251 million had been allotted to new IPV programmes including the related Vaccine Introduction Grants (US\$ 45 million), representing 64% of the envelope amount for 2014 and 2015. US\$167 million of this amount had been allotted by 31 December 2014.
- 26.2 It is anticipated the majority of the envelope will be allotted by the 31 December 2015.

Section E: Business Plan Expenditure Report

27. 2014 Business Plan budget and actual expenditure

- 27.1 The report informs the Board of Gavi's business plan expenditure for 2014. An update was provided to the Audit and Finance Committee at its meeting on 22 May 2015.
- 27.2 Figure 12 summarises the utilisation of the 2014 Business Plan budget. GAVI spent US\$ 215.6 million in 2014 against an approved business plan budget of US\$ 222.1 million reflecting a 97% utilisation and an under spend of US\$ 6.5 million, 3%.
- 27.3 The net budget underspend of US\$ 6.5 million results from:
- (a) US\$ 2.6 million net underspend from the Secretariat budget, which is the net result of savings in some areas that are partially offset by expenditures above budget in other areas. Approximately US\$ 2.9 million of activities are postponed to 2015.
 - (b) US\$ 1.2 million net underspend across the Other Partners⁷ budgets and US\$ 1.2 million net underspend on Impact Assessments. With many contracts only being signed in late 2013 the impact has been that the work (and the expenditure) has been delayed thus resulting in underspending versus budget in 2013 and 2014 and overspend versus budget in 2015. This has been flagged in the April 2013 & 2014 Business Plan Budget update AFC papers. As such, US\$ 5.7 million is likely to be spent in 2015 originally budgeted for in prior years.
- 27.4 Gavi will seek to manage the expenditures associated with these postponed activities within its 2015 budget of US\$ 258 million and not ask for a budget carry-forward at this time. In the event that such cannot be achieved, an appropriate budget carry-forward will be requested later in 2015 to the Audit and Finance Committee.

⁷ Other Partners consists of Implementation Partners, VITAC and CRS.

Figure 12: Gavi Alliance Business Plan Budget - 2014

	Budget 2014	Actual 2014	Actual vs. budget	%	Activities Postponed to 2015
US\$ 000					
Staff Costs	42,872	41,333	(1,539)	-4%	
Other costs					
Outsourced Services	18,798	22,251	3,453	18%	
Facility & Office Costs	11,693	9,899	(1,794)	-15%	
Travel	4,834	4,293	(542)	-11%	
Events & Meetings	5,580	2,985	(2,595)	-47%	
Media Production, Supplies & Other	4,018	2,858	(1,160)	-29%	
Total Other Costs	44,924	42,286	(2,638)	-6%	
sub-total: Secretariat	87,796	83,619	(4,177)	-5%	1,993
Business Plan Partners:					
WHO	56,987	56,987	-	0%	
UNICEF - Supply Division	19,140	19,140	-	0%	
UNICEF - Programme Division	22,120	22,120	0	0%	
World Bank	2,000	2,000	-	0%	
CDC	630	690	60	10%	
sub-total: Business Plan Partners	100,877	100,937	60	0%	
Supply Chain - CANADA earmarked	3,000	3,000	-	0%	
Other Partners					
Implementation Partners	10,160	10,073	(87)	-1%	2,600
VITAC	7,140	6,257	(883)	-12%	
CRS	3,146	2,936	(210)	-7%	
sub-total: Other Partners	20,446	19,266	(1,180)	-6%	2,600
Impact Assessments					
PATH (Special Studies)	2,969	3,801	832	28%	
ADIPs	150	(0)	(150)		
Envelope for new Impact assessments	6,892	5,009	(1,883)		3,082
sub-total: Impact assessments	10,011	8,810	(1,201)	-12%	3,082
GRAND TOTAL - Alliance	222,130	215,632	(6,498)	-3%	
% of 2014 budget	100%	97%	3%		
Portion of underspend from 2013 (note 1)			(1,177)		
Potential carry-forward to 2015 from amounts underspent in 2013 & 2014			(7,675)		7,675

Note 1: Total under-spend in 2013 was \$7.8 million; the \$1.2 million is a sub-set of this amount and relates to the Envelopes for Implementation Activities & Impact Studies. The multi-year dimension of the under-pinning activities has resulted in a 'catch-up' effect in 2014 & 2015 as many of the contracts were signed in late 2013. This was flagged in previous Business Plan AFC papers.

Section F: Implications

28. Impact on countries

- 28.1 The additional support now requested will enable countries to advance their immunisation plans.
- 28.2 Country proposals and corresponding technical assistance should address key weaknesses outlined by the IRC around indicator strength, risk mitigation, added value of GAVI funding, and demand driven and gender focused interventions

29. Impact on Secretariat

- 29.1 None.

30. Legal and governance implications

- 30.1 There are no material legal or governance implications.

31. Consultation

- 31.1 The Strategic Demand Forecast is produced by GAVI's Market Shaping Team in collaboration with Vaccine Implementation and partner agencies represented on the SDF sub team and vaccine-specific sub teams of the Vaccine Implementation Management Team (VIMT) . It is reviewed and endorsed by the Head of Market Shaping and the VIMT.
- 31.2 An earlier version of this paper was reviewed by and discussed with the Audit and Finance Committee at its meeting on 22 May 2015.

32. Gender implications

- 32.1 None.

Section D: Annexes

Annex 1: Additional figures

Annex 2: Further detail of IRC recommended proposals

Annex 1: Additional figures

Annex 1, Figure 1: Projected expenditure to meet demand - detail

Expenditure estimate 2011-2015	Existing Programmes		New Requests		Estimate for future demand	Total		2011	2012	2013	2014	2015
	Endorsed	Provision for Extensions	Endorsed	Prov. for Extensions								
Cash flow basis, US\$ million												
Programmes:												
Penta	1,575	74	-	-	-	1,649	27%	295	356	290	248	460
Pneumo	2,063	136	-	-	0	2,199	35%	354	396	471	533	446
Rota	310	21	0.01	0.004	3	335	5%	11	136	96	33	59
Measles-Rubella	128	-	15	-	14	157	3%	-	4	57	54	43
Measles SIA	35	-	11	-	18	64	1%	-	3	29	2	31
HPV - routine & demo	17	1	0	-	1	19	0%	-	-	3	4	12
Typhoid	-	-	-	-	-	-	-	-	-	-	-	-
IPV/Polio	108	-	-	-	22	130	2%	-	-	-	45	85
Other vaccines	297	3	22	-	22	345	6%	40	56	62	117	194
Total Vaccine Programmes	4,535	235	47	0	81	4,899	79%	700	951	1,008	1,035	1,330
Health systems strengthening	582	-	-	-	100	682		44	52	119	145	322
Campaign operational costs	283	-	-	-	3	286		8	29	107	85	57
Vaccine introduction grants	80	-	-	-	1	80		6	15	28	32	45
VIG - IPV	46	-	-	-	-	46		-	-	-	13	33
Measles SIA operational costs	80	-	-	-	-	80		-	-	58	1	21
All other cash (ISS, CSO, HPV etc)	148	-	-	-	0	148		11	22	64	15	37
Total Cash-based Programmes	1,219	-	-	-	103	1,322	21%	68	118	377	291	514
Total Programmes	5,754	235	47	0	185	6,221	100%	768	1,069	1,385	1,326	1,844
Provision for Strategic Investments												
Business Plan	907											
Total Expenditure	6,661	235	47	0	185	7,128		893	1,208	1,579	1,516	2,102
2011-2015	\$6.9 bn		\$0.0 bn		\$0.2 bn	\$7.1 bn						

Expenditure estimate 2016-2020 (tentative)	Existing Programmes		New Requests		Estimate for future demand	Total		2016	2017	2018	2019	2020
	Endorsed	Provision for Extensions	Endorsed	Prov. for Extensions								
Cash flow basis, US\$ million												
Programmes:												
Penta	14	1,024	-	-	-	1,038	14%	237	218	206	194	182
Pneumo	101	2,254	-	-	302	2,657	35%	508	523	572	574	479
Rota	50	457	0	0	328	835	11%	124	137	178	195	202
Measles-Rubella	1	-	1	-	237	238	3%	48	79	96	12	3
Measles SIA	0	-	-	-	13	13	0%	12	1	-	-	-
HPV - routine	9	38	0	-	267	314	4%	21	42	70	87	95
Typhoid	-	-	-	-	136	136	2%	-	-	-	34	103
IPV/Polio	117	106	-	-	10	232	3%	102	81	50	-	-
Other vaccines	181	55	5	-	202	443	5.8%	191	155	111	64	63
Total Vaccine Programmes	473	3,933	5	0	1,496	5,907	78%	1,242	1,236	1,283	1,161	1,127
Health systems strengthening	446	-	-	-	650	1,096		186	188	231	251	240
Campaign operational costs	53	-	-	-	360	412		94	70	127	77	44
Vaccine introduction grants	4	-	-	-	135	139		29	31	45	9	25
Measles SIA operational costs	1	-	-	-	2	3		3	-	-	-	-
All other cash (ISS, CSO, HPV etc)	23	-	-	-	3	26		14	11	1	0	0
Total Cash-based Programmes	527	-	-	-	1,150	1,677	22%	326	301	403	337	310
Total Programmes	1,000	3,933	5	0	2,645	7,584	100%	1,568	1,537	1,686	1,498	1,437
Provision for Strategic Investments					500	500		100	100	100	100	100
Business Plan		1,292				1,292		248	255	260	265	265
Total Expenditure	1,000	5,226	5	0	3,145	9,376		1,917	1,892	2,046	1,863	1,801
2016-2020	\$6.2 bn		\$0.0 bn		\$3.1 bn	\$9.4 bn						
Total 2011-2020						\$16.5 bn						

Note:

Projected cash flows above are presented on a cash flow basis and hence take into account adjustments for procurement lead times as well as specific supplier payment terms (e.g. Pneumococcal firm order commitment and Rotavirus specific payment schedule)

Health System Strengthening estimates for the 2016-2020 period reflect estimates to maintain to the same proportion of overall cash programme support as in 2011-2015.

Annex 1, Figure 2: IPV / Polio projected expenditure and resources 2014 - 2018

IPV Forecast (May 2015 update)

US\$ millions

US\$ millions	Programme Year - unadjusted basis					
	2014	2015	2016	2017	2018	2014-18
Vaccine - Approved & Endorsed	0.4	76.9	109.7	62.8		249.9
Vaccine - Extensions				26.9	90.5	117.4
Total vaccines - excl. India unadjusted	0.4	76.9	109.7	89.8	90.5	367.3
* Management adjustment		-7.7	-11.0	-9.0	-9.0	-36.7
Total vaccines - excl. India adjusted	0.4	69.2	98.7	80.8	81.5	330.6
Vaccine - Balance of Demand (India)		9.0	23.0			32.0
Total vaccines	0.4	78.2	121.7	80.8	81.5	362.6
Vaccine Introduction Grants (VIG)	0.5	45.4				45.8
Total Programme costs	0.9	133.8	140.7	89.8	90.5	455.6
<i>Business Plan (Secretariat + Partners)</i>	<i>10.02</i>	<i>10.5</i>	<i>6.7</i>	<i>5.3</i>	<i>5.1</i>	<i>37.6</i>
Total IPV Support - excluding India	10.9	125.1	105.4	86.1	86.6	414.1
Total IPV Support - including India	10.9	134.1	128.4	86.1	86.6	446.1

US\$ millions	Cash flow - adjusted basis					
	2014	2015	2016	2017	2018	2014-18
Vaccine - Approved & Endorsed	45.1	63.1	82.3	34.5	0.0	225.0
Vaccine - Extensions	0.0	0.0	9.5	46.5	49.7	105.7
Total vaccines, excl. India	45.1	63.1	91.8	81.0	49.7	330.6
Vaccine Introduction Grants (VIG)	13.3	32.5				45.8
Total Programme costs	58.4	95.6	91.8	81.0	49.7	376.4
<i>Business Plan (Secretariat + Partners)</i>	<i>10.02</i>	<i>10.5</i>	<i>6.7</i>	<i>5.3</i>	<i>5.1</i>	<i>37.6</i>
Total IPV Support - excluding India	68.4	106.1	98.5	86.3	54.8	414.1
Total IPV Support - India only		22.0	10.0			32.0
Total IPV Support - including India	68.4	128.1	108.5	86.3	54.8	446.1

Note: Dose assumptions established using Penta3 targets

Annex 1, Figure 3: Updated forecast, with bridge from previous forecast

The table below provides detail of the amounts summarised in Figure 2 and Figure 3

Cash flow basis US\$ millions	2011-2015					2016-2020						
	Dec 2014 Board	Change in estimates	New Requests	IPV / Polio	Total Change	June 2015 Board	Dec 2014 Board	Change in estimates	New Requests	IPV / Polio	Total Change	June 2015 Board
Expenditure to meet demand												
Existing Programmes	5,847	(12)	47	154	189	6,036	4,942	(231)	5	222	14	4,939
Business Plan**	930	(44)		21	(23)	907	1,292	(17)		17	236	1,292
Existing Programmes & Business Plan	6,778	(57)	47	174	165	6,943	6,234	(248)	5	239	250	6,231
Provision for Strategic Investments		0			0	0	500	0	0		500	500
Expected Future Requests (for existing portfolio)	473	(263)	(47)	22	(288)	185	2,810	(169)	(5)	10	(310)	2,645
Total Expenditure Outflows	7,251	(320)	0	196	(123)	7,128	9,544	(417)	0	249	440	9,376
	\$7.2 bn	(\$0.3 bn)				\$7.1 bn	\$9.5 bn	(\$0.4 bn)				\$9.4 bn
Resources Available												
Direct contributions - confirmed	5,202	254			254	5,456	265	6,649			6,649	6,914
Direct contributions - IPV		0		163	163	163		0		245	245	245
IFFIm proceeds	600	0			600	600	1,180	134			134	1,314
AMC proceeds	1,000	(77)			(77)	923	416	(6)		(6)	(6)	410
Investment income	181	2			2	183	160	20			20	180
Total inflows	6,983	178	0	163	358	7,324	2,021	7,213	0	245	7,458	9,063
Drawdown of cash & investments	(23)	35			35	12	190	(163)			1	27
Assured Resources	6,961	212	0	163	394	7,337	2,211	6,634	0	245	7,459	9,090
Allowance for further direct contributions*	48	(48)			(48)	0	5,366	(4,843)			(4,843)	523
Qualifying Resource Inflows	7,008	165	0	163	346	7,337	7,577	1,791	0	245	2,615	9,612
	\$7.0 bn	\$0.2 bn				\$7.3 bn	\$7.6 bn	\$1.8 bn				\$9.6 bn
Surplus / (Additional required)	(242)	484	0	(33)	451	209	(1,967)	2,208	0	(5)	2,203	236
	\$0.2 bn	\$0.5 bn				\$0.2 bn	(\$2.0 bn)	\$2.2 bn				\$0.2 bn
Surplus after existing progs. & new requests	231					394	1,331					3,366
Expected Future Requests (net of AMC funding)	(473)					(185)	(2,798)					(2,630)
Surplus / (Additional Req'd) -- for Exp. Future Req	(242)					209	1,966					236
												\$0.2 bn
Cash Reserve maintained - at end of 2015 / 2020	1,263					1,228						1,201

* Conservative allowance for further direct contributions to maintain an overall annual level equivalent to that confirmed for 2016-2018 (\$1.5bn) in subsequent years (per Programme Funding Policy)
 ** IPV business plan budget previously included in forecast shown to Board in December 2014

Annex 1, Figure 4: Programme amounts endorsed and disbursed since inception

US\$ million	Endorsed to Date		Disbursed To Date (Mar 2015)	Yet to be disbursed				
	Total 2000-2020	For years thru 2015		Total	For years thru 2015			
Vaccines								
Penta	3,102	3,070	2,889	213	7%	181	6%	
Pneumo	2,187	1,970	1,955	232	11%	15	1%	
Rotavirus	369	312	271	99	27%	41	13%	
HepB mono	164	164	164	0	0%	0	0%	
Hib mono	2	2	2	0	0%	0	0%	
HPV	30	14	8	22	74%	6	44%	
HPV Demo	7	6	5	2	32%	1	23%	
IPV	206	80	48	159	77%	33	41%	
JEV	1	1	1	0	16%	0	16%	
Measles	28	21	20	8	30%	2	7%	
Measles SIA	33	33	33	0	0%	0	0%	
Measles-Rubella	122	122	117	5	4%	5	4%	
Meningitis A - campaign	146	146	133	13	9%	13	9%	
Tetra DTP-HepB	159	159	159	0	0%	0	0%	
Tetra DTP-Hib	20	20	20	0	0%	0	0%	
Yellow Fever	114	114	118	-4	-3%	-4	-3%	
Yellow Fever - campaign	77	53	30	47	61%	23	44%	
Subtotal	6,768	6,288	5,971	797	12%	317	5%	
Cash Support								
HSS	1,234	954	682	553	45%	272	29%	
INS	114	114	113	1	1%	1	1%	
ISS	362	362	343	19	5%	19	5%	
CSO Type A	0	0	1	-1		-1		
CSO Type B	29	29	29	0	0%	0	0%	
Graduation Grant	1	1	0	1	100%	1	100%	
HPV Demo - cash support	5	5	3	2	36%	2	34%	
JEV - Operational costs	1	1	1	0	0%	0	0%	
Measles SIA - Operational costs	63	63	59	4	6%	4	6%	
Meningitis A - operational costs	122	122	109	14	11%	14	11%	
MR - Operational costs	106	106	106	0	0%	0	0%	
YF - Operational costs	41	30	13	28	69%	17	58%	
Vaccine Introduction Grant	145	144	116	29	20%	28	19%	
Product Switch Grant	0	0	0	0	3%	0	3%	
Subtotal	2,223	1,929	1,574	649	29%	355	18%	
Total Country Programmes	8,991	8,217	7,545	1,446	16%	672	8%	
Investment Cases								
Measles	Vaccines	60	60	60	0	0%	0	0%
	Operational costs	116	116	116	0	0%	0	0%
Measles-Rubella	Vaccines	22	14	14	8	36%	0	0%
	Operational costs	33	21	21	12	36%	0	0%
Meningitis	Vaccines	60	60	49	11	19%	11	19%
	Operational costs	28	28	24	4	14%	4	14%
MNT	Vaccines	16	16	16	0	1%	0	1%
	Operational costs	45	45	45	0	0%	0	0%
Polio	Vaccines	143	143	143	0	0%	0	0%
	Operational costs	48	48	48	0	0%	0	0%
Yellow Fever	Vaccines	121	121	110	11	9%	11	9%
	Operational costs	36	36	34	2	7%	2	7%
Cholera	Vaccines	115	26	4	110	96%	21	83%
Total Investment Cases	845	736	686	159	19%	50	7%	
Total Programmes	9,836	8,953	8,231	1,605	16%	722	8%	

Annex 1, Figure 5: Cash flows by year

Cash flow basis US\$ millions		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-15	2016-20	2011-20
Existing Programmes & Business Plan		893	1,208	1,579	1,458	1,758	1,416	1,355	1,256	1,137	1,062	6,895	97%	13,121
New Requests: NVS Programmes (IRC recommendations)		-	-	-	-	47	4	1	0	0	0	47	1%	53
Provision for Strategic Investments***		-	-	-	-	-	-	100	100	100	100	-	-	500
Expected Future Requests**						185	322	384	674	626	640	185	3%	2,830
A	Total Expenditure to meet demand	893	1,208	1,579	1,458	1,990	1,842	1,840	2,030	1,863	1,801	7,128	100%	16,504
												\$7.1 bn	\$9.4 bn	\$16.5 bn
Assured Resources		893	1,838	1,829	1,136	1,641	1,893	1,828	2,101	1,678	1,589	7,337	100%	16,426
Allowance for further contributions*										261	261			523
B	Qualifying Resources available	893	1,838	1,829	1,136	1,641	1,893	1,828	2,101	1,939	1,850	7,337	100%	16,949
												\$7.3 bn	\$9.6 bn	\$16.9 bn
For year:		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-15	2016-20	2011-20
Surplus/(Deficit) FOR YEAR														
B-A	Surplus/(Additional required) for Expected Future Requests**		630	250	(322)	(349)	51	(12)	71	77	49	209	3%	445
												\$0.2 bn	\$0.2 bn	\$0.4 bn
	For each year Cumulative													
Cumulative:		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-20		
Surplus/(Deficit) CUMULATIVE												2011-20		
Surplus after Existing Programmes & Business Plan			630	880	558	441	918	1,389	2,231	3,029	3,813	3,813		
Surplus after above and New Requests			630	880	558	394	866	1,337	2,178	2,976	3,760	3,760		
Surplus after above and New Req. + Strategic Investments			630	880	558	394	766	1,137	1,878	2,576	3,260	3,260		
Surplus/(Additional required) after Expected Future Requests**			630	880	558	209	260	248	320	396	445	445		
Key periods for Programme Funding Policy:								2017		2020				
Forecast Cash & Investments amount at year-end		1,600	1,682	1,852	1,884	1,437	1,486	1,602	1,562	1,597	1,646			
Minimum Cash & Investments Reserve requirement		805	1,053	972	1,327	1,228	1,226	1,353	1,242	1,201	1,201			
Forecast surplus/(deficit) relative to minimum requirement		795	630	880	558	209	260	248	320	396	445			

* Conservative allowance for further direct contributions to maintain an overall annual level equivalent to that confirmed for 2012-2014 in subsequent years (per Funding Policy).

** Projected demand from expected future requests for funding for currently approved vaccine and cash-based programmes, minus related AMC funding.

*** Strategic Investments (SI) in priority areas, such as for improving: sustainability of immunisation programmes; coverage and equity; and immunisation systems and integration.

Detail of Expenditure and Resources:

Cash flow basis US\$ millions		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <th>2011-15</th> <th>2016-20</th> <th>2011-20</th>	2011-15	2016-20	2011-20
Expenditure to meet demand		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-15	2016-20	2011-20
Existing Programmes		768	1,069	1,385	1,267	1,500	1,168	1,100	997	872	797	5,989	84%	10,922
Business Plan		125	139	194	191	258	248	255	260	265	265	907	13%	2,199
Existing Programmes & Business Plan		893	1,208	1,579	1,458	1,758	1,416	1,355	1,256	1,137	1,062	6,895	97%	13,121
New Requests - NVS programmes: for decision now						47	4	1	0	0	0	47	1%	53
Provision for Strategic Investments								100	100	100	100			500
Expected Future Requests						185	322	384	674	626	640	185	3%	2,830
A	Total Expenditure Outflows	893	1,208	1,579	1,458	1,990	1,842	1,840	2,030	1,863	1,801	7,128	100%	16,504
												\$7.1 bn	\$9.4 bn	\$16.5 bn
Resources Available		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-15	2016-20	2011-20
Direct contributions - confirmed		795	912	1,308	1,181	1,260	1,459	1,488	1,514	1,226	1,226	5,456	74%	12,370
Direct contributions for IPV					31	132	83	82	79			163		408
IFFIm proceeds		300	100	200			200	290	290	290	244	600	8%	1,914
AMC contributions for Existing Programmes & New Requests		128	224	214	238	119	113	57	67	80	79	923	13%	1,318
AMC contributions for Exp. Future Requests							0	2	4	5	4			15
Investment income		30	55	26	40	32	36	36	36	36	36	183	2%	363
Total inflows		1,253	1,290	1,748	1,490	1,543	1,892	1,955	1,990	1,637	1,589	7,324	100%	16,387
Drawdown / (increase) of cash and investments		(360)	548	81	(355)	98	2	(127)	111	41		12	0%	40
Assured Resources		893	1,838	1,829	1,136	1,641	1,893	1,828	2,101	1,678	1,589	7,337	100%	16,426
Allowance for Further Contributions*										261	261			523
B	Qualifying Resource Inflows	893	1,838	1,829	1,136	1,641	1,893	1,828	2,101	1,939	1,850	7,337	100%	16,949
												\$7.3 bn	\$9.6 bn	\$16.9 bn
B-A	Forecast surplus / (deficit) after maintaining the minimum Cash & Investments Reserve requirement											209		445
												\$0.2 bn	\$0.2 bn	\$0.4 bn

Annex 1, Figure 6: Allotments from Programme Funding Envelopes - detail

The table below provides detail of the amounts allotted from each envelope through 31 March 2015.

Envelope for 2015 (approved December 2014)

Allotments from the Programme Funding Envelope by Programme as at 31 March 2015
US\$ millions

Programme Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Adjustments to Existing Programmes										
Vaccines										
HPV Demo					-0.2					-0.2
Measles					-0.1	0.0				0.0
Meningitis A - campaign					-0.6					-0.6
Penta					6.3					6.3
Pneumo				0.3	-1.7					-1.4
Rotavirus					0.0					0.0
Yellow Fever					0.9					0.9
Yellow Fever - campaign					0.7					0.7
Cash										
HSS	-0.3	-0.3	-2.1	-4.3	5.7	0.6	0.7	-0.5		-0.5
ISS				0.0						0.0
Meningitis A - operational costs				-0.9	1.8					0.9
Graduation grant					0.0					0.0
*Sub-Total	-0.3	-0.3	-2.1	-4.9	12.9	0.6	0.7	-0.5	0.0	6.2
New Cash Programmes										
HSS					48.5	36.1	26.7	16.9	16.8	145.0
Vaccine Introduction Grant					0.2					0.2
Graduation grant					0.4	0.4				0.9
*Sub-Total	0.0	0.0	0.0	0.0	49.1	36.5	26.7	16.9	16.8	146.1
New HPV Demo Programmes										
Cash support					0.5	0.1				0.5
Vaccine support					0.5	0.4				0.9
*Sub-Total	0.0	0.0	0.0	0.0	1.0	0.5	0.0	0.0	0.0	1.5
Total - 2015 Envelope Allotments	-0.3	-0.3	-2.1	-4.9	63.0	37.6	27.4	16.4	16.8	153.7

Annex 1, Figure 7: Allotments IPV Envelope for 2014 & 2015 (approved November 2013 and December 2014)

Allotments from the IPV Programme Funding Envelope by Country as at 31 March 2015
US\$ millions

Programme Year Country	2014	2015	2016	2017	Total
Afghanistan		2.8	1.8		4.5
Bangladesh	2.5	10.0	8.8		21.4
Benin		0.9	0.7	0.6	2.1
Bhutan		0.1	0.0		0.2
Cameroun		2.2	1.7		3.9
Comoros		0.2	0.1		0.2
Congo DRC		7.2	5.0		12.1
Ethiopia		4.0	5.6		9.6
Gambia		0.3	0.2		0.5
Guinea		1.1	0.6		1.7
Indonesia		3.7			3.7
Kiribati		0.1	0.0		0.1
Korea DPR		1.2	0.9	0.7	2.8
Lao PDR		0.3	0.5	0.3	1.0
Liberia		0.5	0.3		0.8
Madagascar		2.4	1.6	1.4	5.3
Malawi		2.3	1.4		3.7
Nepal	0.9	1.4	1.2		3.5
Nigeria	5.8	14.0	12.9		32.7
Pakistan		14.1	8.4		22.5
Senegal		2.3	1.5		3.8
Sri Lanka		1.6	1.0		2.7
Sudan, Republic of		4.3	2.6		6.9
Tajikistan		0.5	0.7	0.5	1.7
Tanzania		4.8	4.8	3.9	13.6
Uganda		3.7	3.6	2.9	10.1
Yemen	1.0	1.8	1.5		4.3
Angola		2.6	1.3	1.3	5.1
Azerbaijan		0.4	0.5	0.4	1.3
Burkina Faso		1.1	1.0	0.9	3.1
Burundi		0.5	1.3	0.9	2.7
Cambodia		0.6	1.0	0.7	2.3
CAR		0.2	0.1	0.1	0.4
Chad		1.0	0.8	0.6	2.4
Congo		0.3	0.3	0.2	0.9
Côte d'Ivoire		1.3	1.0	1.0	3.3
Eritrea		0.3	0.3	0.2	0.8
Ghana		1.1	1.2	1.1	3.3
Guinea Bissau		0.2	0.1	0.1	0.4
Kenya		2.3	2.0	1.8	6.1
Kyrgyz Rep		0.2	0.6	0.4	1.2
Lesotho		0.2	0.2	0.2	0.5
Mali		1.2	0.9	0.8	2.9
Mauritania		0.3	0.2	0.2	0.6
Moldova		0.1	0.1	0.1	0.4
Mongolia		0.1	0.2	0.1	0.4
Mozambique		2.0	2.2	1.7	5.8
Myanmar		1.3	1.1	1.0	3.4
Nicaragua		0.2	0.5	0.4	1.2
Niger		1.5	1.1	1.1	3.6
Rwanda		0.6	0.7	0.6	1.9
São Tomé		0.1	0.0	0.0	0.1
Solomon Isl		0.1	0.1	0.0	0.2
Somalia		0.5	0.6	0.4	1.6
Sudan South		0.7	0.5	0.4	1.6
Timor-Leste		0.1	0.1	0.1	0.4
Togo		0.8	0.5	0.4	1.7
Uzbekistan		1.4	1.6	1.2	4.2
Vietnam		1.5	1.4	1.2	4.1
Zambia		0.7	0.9	0.8	2.4
Zimbabwe		1.0	1.2	0.9	3.1
Cuba		0.4	0.4	0.3	1.1
Sierra Leone		0.3	0.3	0.3	0.9
Total - 2014 & 2015 IPV Envelope Allotments	10.3	114.6	93.7	32.3	250.9

Annex 2: Further detail of IRC recommended proposals

Table 1: Country Budgets

Country Programme Budgets																
Programme budgets (endorsed amounts; reported on a 'programmatic year' basis; does not include investment cases)																
US\$ million	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
(A) Position prior to decisions recommended in this paper																
NVS	0.1	217.6	273.8	446.1	390.0	563.9	757.5	955.3	1,070.7	1,153.5	353.8	114.8	6.7	4.5	0.2	6,308.4
Campaign Operational Costs						8.3	32.9	148.4	95.1	36.9	0.0	9.1		1.9		332.6
Vaccine Introduction Grant	0.1	1.3	12.1	2.5	7.3		22.0	29.5	19.6	42.3	1.2					137.9
Product Switch Grant							0.4			0.0						0.4
Cash Support							1.3	2.0	1.4	0.2						4.7
INS	0.0	8.7	5.4	3.8	5.7											23.6
ISS	27.8	85.4	26.0	13.9	13.3	14.3	4.9	4.3	0.1	0.2						190.2
CSO			5.3	6.2	2.6	6.3	5.0	1.5	2.5							29.5
HSS		117.5	121.0	62.8	38.8	48.7	76.9	156.9	137.2	193.7	128.6	76.5	59.0	16.8		1,234.4
Graduation grant							0.2	0.6	0.4							1.2
Total	28.1	430.6	443.6	535.3	457.7	641.5	899.2	1,297.5	1,327.3	1,428.4	484.1	200.5	65.7	23.2	0.2	8,263.0
(B) Impact of decisions recommended in this paper																
New Programmes - IRC Approved																
NVS	-	-	-	-	-	-	-	-	-	48.4	3.1	1.1	0.1	0.1	0.0	52.8
Campaign Operational Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vaccine Introduction Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Product Switch Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ISS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CSO	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HSS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Graduation grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	48.4	3.1	1.1	0.1	0.1	0.0	52.8
Total change	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52.8
(A+B) Position after decisions recommended in this paper																
NVS	0.1	217.6	273.8	446.1	390.0	563.9	757.5	955.3	1,070.7	1,201.9	356.9	115.9	6.8	4.6	0.2	6,361.2
Campaign Operational Costs						8.3	32.9	148.4	95.1	36.9		9.1		1.9		332.6
Vaccine Introduction Grant	0.1	1.3	12.1	2.5	7.3		22.0	29.5	19.6	42.3	1.2					137.9
Product Switch Grant							0.4	0.0	0.0	0.0						0.4
Cash Support							1.3	2.0	1.4	0.2						4.7
INS	0.0	8.7	5.4	3.8	5.7				0.0	0.0						23.6
ISS	27.8	85.4	26.0	13.9	13.3	14.3	4.9	4.3	0.1	0.2						190.2
CSO			5.3	6.2	2.6	6.3	5.0	1.5	2.5							29.5
HSS		117.5	121.0	62.8	38.8	48.7	76.9	156.9	137.2	193.7	128.6	76.5	59.0	16.8		1,234.4
Graduation grant							0.0	0.0	0.2	0.6	0.4					1.2
Total	28.1	430.6	443.6	535.3	457.7	641.5	899.2	1,297.5	1,327.3	1,476.8	487.3	201.6	65.8	23.3	0.2	8,315.7

Note: Included is the Programme Variance Allowance : \$1.6m (2009), \$14.5m (2010), \$23.3m (2011), \$31.8m (2012) and \$35.1m (2013). Total \$106.2m. Also included, Restricted Countries budgets.

Table 2: IRC Review of Country Response to Conditions (March 2015) included in Programme Funding Plan Request

Extracted from the Independent Review Committee's Report to the Gavi Board (Geneva, March 2015).

Approvals with Recommendations:

Country	Type of Support	Outcome	Actions Points
1. DR Congo	Men A Campaign	Approval	<p>1. Resolve or provide a plan for resolution of the current problems of transport to the provinces planning to conduct Men A campaign.</p> <p>2. Provide a plan that ensures availability of sufficient storage space for 52 m³ of Men A upon arrival in Kinshasa.</p> <p>3. Ensure sufficiency of storage space at the province and district / HF by putting in place the new equipment planned for the purpose - as per the implementation plan of Men A, or organise alternative storage possibility with controlled temperature zones.</p> <p>4. Pay the co-financing arrears of 2014 and make sure that future co-financing requirements are fully budgeted and met.</p>
2. Gambia	MR Campaign	Approval	<p>1. Country should consider adopting SAGE recommendation based on costing analysis of using one vaccine vs another (taking into account any implications for cold chain, wastage rate and stock management) and inform Gavi.</p> <p>2. Budget line items on HR and incentives, per diems and printing require further explanation.</p>
3. Ghana	MenA mini catch-up & Routine in 3 regions & YF Campaign	Approval	<p>1. Align coverage target for Men A in routine with measles second dose instead of DTP3.</p> <p>2. Align Men A vaccine wastage rate with measles vaccine wastage rate.</p> <p>3. Consider postponing the yellow fever campaign until the end of the year to ensure that logistics are in place before the campaign starts.</p> <p>4. To pay the co-financing</p>

			arrears of 2014 and to make sure that future co-financing requirements are fully budgeted and met.
4. Guinea Bissau	Men A Campaign	Approval	<p>1. Clarify with the country that this is a proposal for one time preventive campaign.</p> <p>2. Clarify the budget discrepancies between the (2) preventive campaign(s) total with the overall proposal total requested. They have budgeted only half of the funds requested.</p> <p>3. There are different numbers and types of equipment in various documents; consistency needs to be reached for a final count and status report. Please specify in the IP (Improvement Plan for the EVM) the final list of numbers and types of equipment.</p>
5. Kenya	MR Catch-up Campaign & MR Introduction	Approval	<p>1. Submit minutes of ICC meeting during which the proposal was endorsed</p> <p>2. Country to submit formal letter for financial support for MR routine vaccine.</p> <p>3. Clarify the budget figures</p> <p>4. Duplication of budget for safety boxes for the MR campaign. This is usually included in the operational budget yet an extra allocation of US\$ 183,000 is made. The country is requested to revise the operational budget accordingly.</p>
6. Nepal	JE Campaign & JE VIG	Approval	<p>1. Provide a timeline for the EVM improvement plan, its preparation aligned to the NHSP III and its implementation.</p> <p>2. Ensure that CCL equipment procured under this grant is PQS pre-qualified and communicate to Gavi.</p> <p>3. Prepare a roadmap for the health sector waste management strategy – including immunisation waste – to be included in the NHSP III along with the roadmap implementation documents, and related timeline.</p>

<p>7. Nigeria</p>	<p>Nationwide MCV Campaign</p>	<p>Approval</p>	<p>1. By the end of April 2015, please provide Gavi with an update on plans for the SIA including the dates of vaccination, the target age group and copies of documentation (i.e. correspondence) on all non-Gavi financing that is committed to support of the SIA.</p> <p>2. The size of operational grant awarded by Gavi will depend upon Gavi’s validated estimate of the number of children 9 to 59 months of age. Data from the 2006 census suggest that this age group constitutes 13.5% of the national population. Once the size of the population 9 to 59 months of age is validated, the budget will need to be revised accordingly.</p> <p>3. Either costs that should be covered from the polio eradication budget should be removed from the budget for the measles SIA OR the Country should clarify that activities labelled as involving “polio vaccinators” are not related to or covered by the budget for polio eradication.</p> <p>4. The country reports sufficient cold chain capacity in 2015 after completion of the cold chain expansion and rehabilitation at the national and zonal levels. In April 2015 country should provide documentation of cold chain inventory as a supporting document to this statement.</p>
<p>8. Sao Tome</p>	<p>Rota & HPV Demo</p>	<p>Approval</p>	<p><u>For Rotavirus</u></p> <p>1. PIE is funded by WHO through the Gavi Business Plan so no need to include it in the budget. However, describe how and when the PIE will be conducted as part of the activities (before the proposal is approved).</p>

		<p>2. Revise timeframe to reflect the November 2015 introduction date (before vaccines introduction or disbursement).</p> <p><i>For HPV Demo</i></p> <p>3. Must comply with WHO recommendations, and alter timeline and planning</p> <p>4. Correct timeline to plan for and develop AHI options, THEN assess whether want to have joint delivery in year 2 of demo project.</p> <p>5. Adjust timeline to allow more time for Cervical Cancer Strategy.</p> <p>6. Identify person to lead its development; and operationalize TAG</p> <p>7. Identify person responsible for communication and dissemination of information and panel of country experts, and respected leaders who are ready to respond when misinformation occurs</p>
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