



# Evaluation of Gavi's Eligibility and Transition and Co-financing Policies

26<sup>th</sup> November 2019

Gavi, the Vaccine Alliance

**FINAL REPORT**

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## ACRONYMS AND ABBREVIATIONS

Acronym	Full description
ATT	Gavi's Immunisation, Financing and Sustainability technical team
CCEOP	Cold Chain Equipment Optimisation Platform
CEO	Chief Executive Officer
CEPA	Cambridge Economic Policy Associates
CPIA	Country Policy and Institutional Assessment
DTP3	Diphtheria-tetanus-pertussis
ELTRACO Policies	Eligibility, Transition and Co-financing Policies
EPI	Expanded Programme on Immunisation
FER Policy	Fragility, Emergency and Refugees Policy
GAP	Global Action Plan
Gavi	Gavi, the Vaccine Alliance
GFF	Global Financing Facility
The Global Fund	The Global Fund to Fight AIDS, Tuberculosis and Malaria
GNI p.c.	Gross National Income per capita
GPEI	Global Polio Eradication Initiative
HPV	Human papillomavirus
HSIS	Health system and immunisation strengthening
HSS	Health Systems Strengthening
IF&S	Immunisation Financing & Sustainability team
IPV	Inactivated polio vaccine
JA(s)	Joint Appraisal(s)
JRF	Joint Reporting Form
KII(s)	Key informant interview(s)
LIC(s)	Lower income country(s)
LMIC(s)	Lower-middle income country(s)
LMC	Leadership Management and Capacity
LMIC(s)	Lower-middle income country(s)
M&E	Monitoring and evaluation
MA	Mission Aspiration
MCV	Measles Containing Vaccine
MIC(s)	Middle income country(s)
MoF	Ministry of Finance
MoH	Ministry of Health
MSD	Measles second dose
NCD(s)	Non-communicable disease(s)
NITAG	National Immunisation Technical Advisory Group



Acronym	Full description
PAHO	Pan American Health Organization
PCV	Pneumococcal
PEF	Partners' Engagement Framework
PHC	Primary Health Care
PO(s)	Programme Officer(s)
PPC	Programme and Policy Committee
RfP	Request for Proposal
SAGE	The Strategic Advisory Group of Experts
SCM(s)	Senior Country Manager(s)
SDG(s)	Sustainable Development Goal(s)
SD	Supply Division
SG	Strategic Goal
TCA	Targeted Country Assistance
ToC	Theory of change
UHC	Universal Health Coverage
UNICEF	United Nations Children's Fund
UNICEF SD	UNICEF Supply Division
WHO	World Health Organization
World Bank IDA	World Bank International Development Association



## EXECUTIVE SUMMARY

### Introduction

Cambridge Economic Policy Associates (CEPA) has been appointed by Gavi, the Vaccine Alliance (Gavi) to conduct an evaluation of Gavi's Eligibility and Transition and Co-financing Policies ("ELTRACO Policies"). As such, the focus has been an assessment of two separate, but interlinked Policies.

The evaluation has four principal objectives which are to:

- Assess the extent to which the design of the Policies was relevant and appropriate to achieve their intended objectives;
- Assess the effectiveness and efficiency of the implementation and management of the policies at the global, regional and country levels;
- Assess the extent to which the Policies have achieved their desired results, and to understand the main successes, challenges and lessons learned;
- Provide evidence-based findings to assist in the review and update of the Policies.

The evaluation will contribute to an ongoing review and update of Gavi's financing and support policies in 2019-20. This review is, in turn, part of the operationalisation of 'Gavi 5.0', Gavi's strategy for the period 2021-25. The ELTRACO Policies are both considered to be of strategic importance in the context of Gavi 5.0 development and planning especially in the context of a changing global health landscape.

### Background to the ELTRACO Policies

The ELTRACO Policies are a fundamental element of Gavi's work, and together enable Gavi to progress towards the achievement of its overall mission. The Policies support stakeholder engagement and capacity building for decision-making, efficient procurement of vaccines, and provide predictability and transparency around access to Gavi funding and expectations of domestic financing. They both also underscore the importance in the expansion of immunisation programmes both in terms of coverage and the introduction of new vaccines, in line with the needs of the target populations and addressing equity needs. Box E.1 outlines the purpose, aims and objectives of the ELTRACO Policies.

#### **Box E.1: Purpose, aims and objectives of current ELTRACO Policies**

##### **Eligibility and Transition Policy**

- The purpose of this Policy is to set out the criteria – and related terms, processes and procedures - that determine which countries are eligible, and when, to apply for and receive different forms of Gavi support as they transition along a continuum of economic development to the point that all Gavi support ends.
- This Policy aims to apply the vision that, when countries transition out of Gavi support, they will have successfully expanded their national immunisation programmes with vaccines of public health importance and are able to sustain these vaccines post-transition with high and equitable coverage of target populations, while having robust systems and decision-making processes in place to support the introduction of future vaccines.

##### **Co-financing Policy**

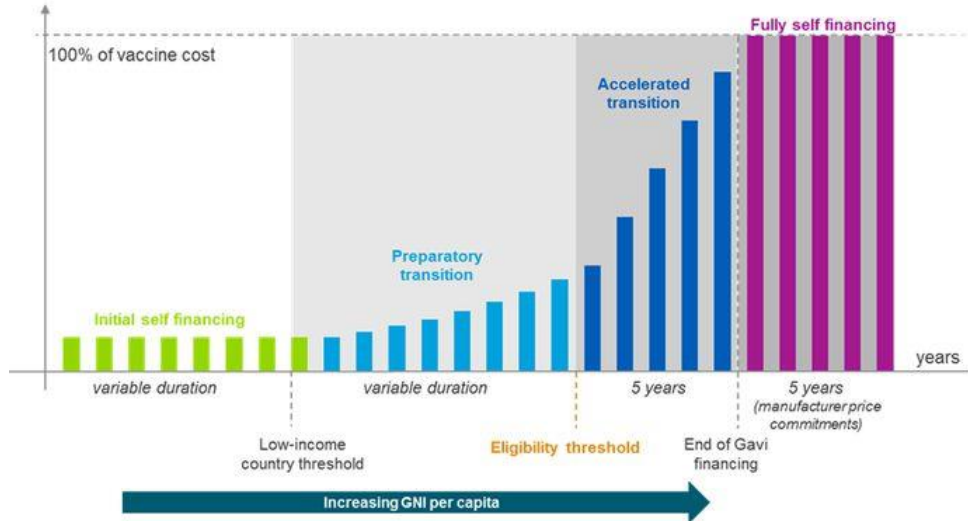
- The overall objective of this Policy is to increase country financing of Gavi supported vaccines in order to facilitate the transition out of Gavi support.
- For countries with a long-time frame before transition, the intermediate objective is to enhance country ownership of vaccine financing and to build capacity relating to procurement processes.





One of the cornerstones of Gavi's model is that support to countries is time-limited and catalytic, and that this support diminishes and ultimately ends as their economies grow.<sup>1</sup> Figure E.1 includes the country classifications as countries move along the development continuum. All countries irrespective of their economic development status are required to co-finance a share of the cost of their Gavi-supported vaccines. As displayed in Figure E.1, a country's contribution gradually increases as its income grows until it is in a position to cover the full cost of its vaccines without additional support.<sup>2</sup>

Figure E.1: Gavi's transition model<sup>3</sup>



## Evaluation approach and methodology

This is primarily a retrospective evaluation and has adopted a mixed methods approach, incorporating both quantitative and qualitative components. The scope of evaluation has covered the period from 2015 when the ELTRACO Policies were designed and applied up to December 2018. As such, the relevant Gavi strategic period covered is 2016-20.

Ten overall evaluation questions were developed to guide the evaluation (see Figure E.2).

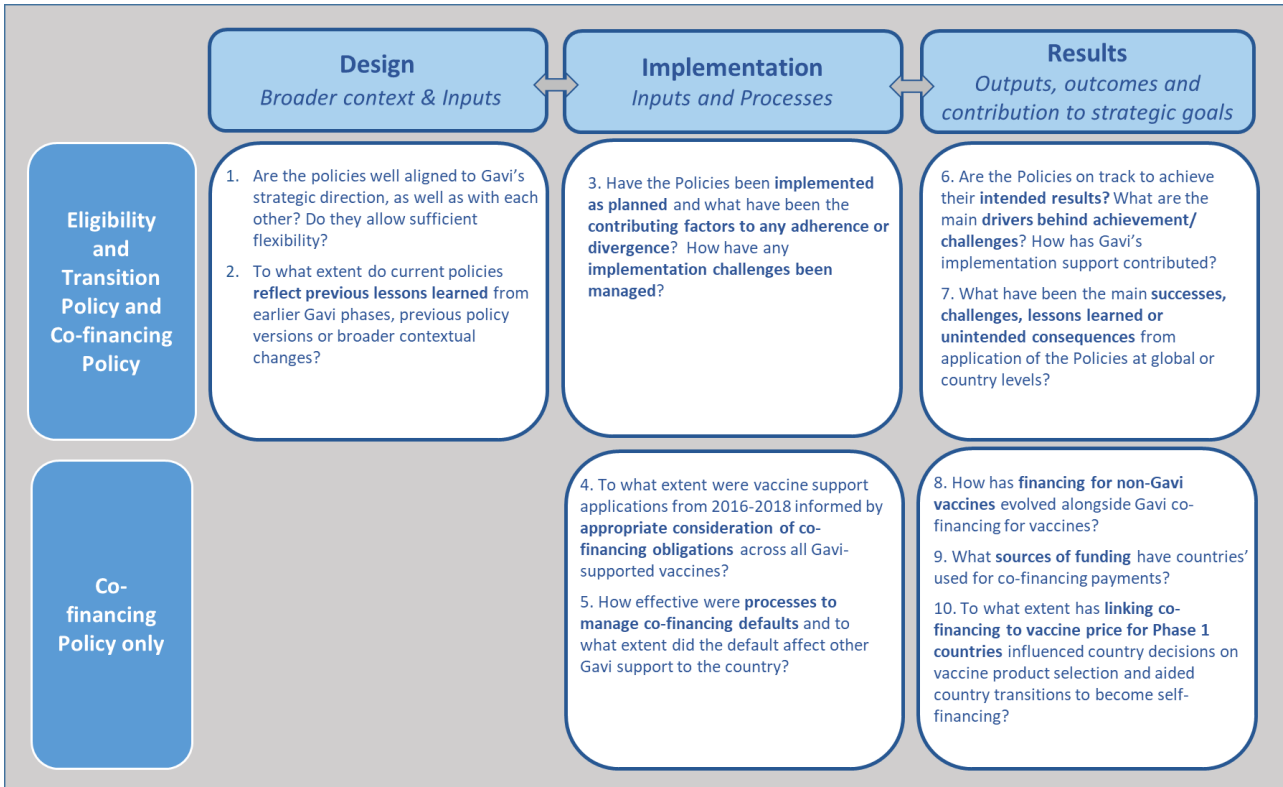
<sup>1</sup> Gavi (2018) [Sustainability](#)

<sup>2</sup> Gavi (2019) RfP ECGFETP. RfP Evaluation of Gavi's Co-Financing, Eligibility and Transition Policies

<sup>3</sup> Gavi (2019) [Eligibility and Transition Policy](#)



Figure E.2: Summary of evaluation questions by Design, Implementation and Results



The evaluation drew on five key discrete but overlapping data collection processes: (i) desk-based documentation review, (ii) quantitative data analysis, (iii) key informant interviews (KIIs) including Gavi Secretariat, Alliance Partners and other global level stakeholders, as well as regional and country level stakeholders, (iv) ten remote country case studies across the phases of Gavi support were carried out (Angola, Bolivia, Burundi, Georgia, Ghana, Lao PDR, Pakistan, Papua New Guinea, Somalia and Tanzania) and (v) policy benchmarking (in which the ELTRACO Policies were benchmarked against similar policies from other organisations/ development agencies).

## Conclusions and recommendations

Table E.1. includes the conclusions and recommendations of the evaluation.

Table E.1: Recommendations mapped against conclusions of the evaluation

Conclusions	Recommendations
<b>Design</b>	
<p><b>Overall Assessment:</b> Gavi's ELTRACO Policies are considered to be at the forefront of donor policies relating to transition and co-financing. Broadly, the ELTRACO Policies are well aligned with Gavi's 4.0 strategic direction and principles. However, the Policies prioritise vaccines rather than services, are somewhat skewed towards new vaccines, and provide insufficient attention to non-financial factors critical for sustainability. Exceptions to Policy implementation processes are mediated through the Board and, generally, are delivered when needed. On balance, stakeholders appreciate the positives in relation to predictability and transparency of the Policies but more nuance and flexibility could help improve implementation.</p>	
<p><b>Conclusion 1:</b> The ELTRACO Policies have many strengths with <b>positive changes</b> made following the previous reviews as learning and experience has been generated.</p>	<p><b>Recommendation 1:</b> Continue periodic assessment and refinement of the two Policies, particularly given the changing global and country-specific contexts for implementation.</p>



<p><b>Conclusion 2:</b> The <b>predictability and transparency</b> of the Policies were clearly identified as strengths. However the lack of flexibility in their application has created a growing need for ad hoc exceptions, suggesting the design of the Policies may need to be revisited.</p>	<p><b>Recommendation 2a:</b> Consider re-designing aspects within the Policies to enable a more tailored and flexible approach to their application in response to evolving country contexts and a broader range of scenarios, whilst maintaining and safe-guarding key attributes including transparency and predictability.</p>
	<p><b>Recommendation 2b:</b> Consider whether and how to allow additional flexibilities in terms of decision-making on co-financing and transition under the FER (Fragility, Emergency and Refugees) Policy.</p>
<p><b>Conclusion 3:</b> On balance, the use of the GNI p.c. appears to be an acceptable indicator for the Gavi <b>eligibility threshold</b> but given country experiences and the variability of programmatic readiness to transition, additional criteria should be applied in the accelerated transition phase to ensure maximum impact and sustainability of Gavi support.</p>	<p><b>Recommendation 3:</b> A measure of programmatic capacity should be incorporated alongside the GNI p.c. criterion in the Eligibility and Transition Policy and applied in a way that incentivises domestic investment into programmatic sustainability so as not to create perverse incentives.</p>
<b>Implementation</b>	
<p><b>Overarching assessment:</b> Management of the policies is broadly considered to be well done, together with more, and earlier engagement, undertaken around the ELTRACO Policies. Transition implementation has evolved a lot but programmatic and institutional challenges remain significant through the transition period. There has been high adherence to the Co-financing Policy in terms of a reduction in defaults. The overall design of linking co-financing to co-procurement of vaccines is seen as positive. However, co-financing calculations are too complex, creating challenges with ownership and transparency at the country levels.</p>	
<p><b>Conclusion 4:</b> Solid improvements in <b>country engagement</b> have been noted in recent years, based on lessons learned around the implementation of the Policies, and in relation to transition planning. However, there is further scope for earlier and broader engagement at the country level.</p>	<p><b>Recommendation 4a.</b> Country engagement should be earlier, deeper and broader. This relates to engagement with countries at all stages of transition, including Lower Income Countries (LICs) Phase I countries, with Ministry of Finance officials (regularly and often) and with key decision-makers in the Ministry of Health beyond the Expanded Programme on Immunisation (EPI) programme, especially planners and policy makers, as well as Alliance partners.</p>
	<p><b>Recommendation 4b.</b> Collaboration with countries should regularly include a review of financing and programmatic implications of introducing new vaccines or shifting to new formulations.</p>
<p><b>Conclusion 5:</b> The <b>programme filter</b> is not an adequate mechanism to determine eligibility for support for new vaccine introduction.</p>	<p><b>Recommendation 5:</b> Add nuance to the programme filter in the Eligibility and Transition Policy and/ or substitute it with a more comprehensive means to determine eligibility for new vaccine introductions.</p>
<p><b>Conclusion 6:</b> The co-financing requirements for <b>campaign vaccines</b> have not worked well and represent an 'ineffective middle ground' in which high transaction costs and added complexities outweigh the limited benefits.</p>	<p><b>Recommendation 6:</b> Remove the co-financing requirements for campaign vaccines.</p>
<p><b>Conclusion 7:</b> The model of <b>linking co-financing to co-procurement</b> of vaccines is positive. However, co-financing calculations are considered too complex, creating challenges with ownership and transparency. In-</p>	<p><b>Recommendation 7a:</b> Simplify co-financing requirements across all Gavi supported interventions to render them more predictable and intelligible to countries.</p>



<p>country knowledge of vaccine financing costs over the long term is varied.</p>	<p><b>Recommendation 7b:</b> Step-up communication with countries around co-procurement and long-term financing needs and commitments.</p>
<p><b>Conclusion 8: Transition implementation</b> has improved. However, programmatic and institutional challenges continue to be significant throughout and beyond the transition period.</p>	<p><b>Recommendation 8:</b> Further align and strengthen transition and post-transition support provided to countries in the accelerated transition phase and post-transition.</p>
<p><b>Results</b></p>	
<p><b>Overarching assessment:</b></p> <p>The ELTRACO Policies are delivering successes; co-financing payments increased more than fivefold since 2008 boosting domestic resources for vaccines and all transitioned countries so far have continued to support the delivery of routine vaccines introduced with Gavi support. However, reductions in vaccine coverage in some ‘second wave transition countries’ that entered transition with more programmatic challenges and weaker health systems will require concerted efforts to ensure the Policies can aid delivery of sustainable immunisation programmes going forward.</p>	
<p><b>Conclusion 9:</b> Overall, there have been <b>notable successes</b> relating to the Policies, although more clearly to the Co-financing Policy than the Eligibility and Transition Policy.</p>	<p><b>Recommendation 9:</b> Continued assessment across immunisation programmes is needed to ensure programmes maintain their pathways to success.</p>
<p><b>Conclusion 10:</b> There are concerns that inadequate consideration of <b>domestic financing for operational costs</b> of delivering immunisation services poses potential risks to both financial and programmatic sustainability.</p>	<p><b>Recommendation 10:</b> Consider sustainability of immunisation programme costs more broadly – including for operational costs to aid country transition planning.</p>
<p><b>Conclusion 11:</b> The limited available evidence suggests that the increase in Gavi co-financing has not led to a systematic displacement in financing for non-Gavi supported vaccines.</p>	<p><b>Recommendation 11:</b> Undertake closer tracking of financing for non-Gavi supported vaccines as well as understanding better the source for Gavi co-financing payments (recognising the challenges of tracking fungible funds).</p>
<p><b>Overarching</b></p>	
<p><b>Conclusion 12:</b> In general, the ELTRACO Policies have supported the Vaccine Alliance in meeting its goals and objectives, particularly for aiding country commitment and sustainability of vaccine financing. However, deep thinking is still needed on the future role of Gavi given changing global health and country contexts.</p>	<p><b>Recommendation 12a:</b> Further develop the framework for vaccine sustainability within the broader health sector evolution in the context of Universal Health Coverage (UHC)</p> <p><b>Recommendation 12b:</b> Rationalise and prioritise Gavi actions that support long-term sustained delivery of immunisation programme outcomes and ensure that the application of the ELTRACO Policies will directly contribute to these outcomes. The expanding Global Action Plan is an ideal opportunity to advance this recommendation jointly with Gavi Alliance partners.</p>

# I. INTRODUCTION

Cambridge Economic Policy Associates (CEPA) has been appointed by Gavi, the Vaccine Alliance (Gavi) to conduct an evaluation of Gavi's Eligibility and Transition and Co-financing Policies ("ELTRACO Policies"). As such, the focus has been an assessment of two separate, but interlinked Policies.

The evaluation has four **principal objectives** which are to:

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- Assess the effectiveness and efficiency of the implementation and management of the policies at the global, regional and country levels;
- Assess the extent to which the Policies have achieved their desired results, and to understand the main successes, challenges and lessons learned;
- Provide evidence-based findings to assist in the review and update of the Policies.

The evaluation will contribute to an ongoing review and update of Gavi's financing and support policies in 2019-20. This review is, in turn, part of the operationalisation of 'Gavi 5.0', Gavi's strategy for the period 2021-25. The ELTRACO Policies are both considered to be of strategic importance in the context of Gavi 5.0 development and planning, especially in the context of a changing global health landscape. The key target audiences for the evaluation are the Gavi Secretariat and the Gavi Alliance Board.

The report is structured as follows: Section 1.1 provides the context of the evaluation; Section 2 provides the context/ positioning of the evaluation and introduces the theories of change (ToCs) of the contribution of both of the Policies; Section 3 introduces the evaluation approach and methodology; Section 4 details the findings, divided into the design (Section 4.1), implementation (Section 4.2) and results (Section 4.3); Section 5 provides the conclusions and Section 6 includes the emerging recommendations.

In addition to the main report, supporting appendices are provided which include the Bibliography (Appendix A); a mapping of the RFP questions to the evaluation questions (Appendix B); the evaluation matrix (Appendix C); quantitative analysis and further supporting evidence (Appendix D); Gavi country characteristics that were considered for country case study selection (Appendix E); information on the process of country selection for the country case studies in this evaluation (Appendix F), assessment of the robustness of findings (Appendix G). Furthermore, additional information on the policy benchmarking analysis is included in Appendix H; Appendix I contains the list of consultations at global and regional levels and Appendix J includes the abridged stakeholder interview guide. The Appendices also include further information on Gavi Co-financing Policies over the years (Appendix K); Gavi's Eligibility and transition policies over the years (Appendix L); a summary of key findings relating to the alignment of Gavi Policies (Appendix M); Gavi's key Board Decisions related to the ELTRACO Policies (Appendix N); Strategic Goal indicators and targets (Appendix O); and lastly key findings, lessons learned and recommendations from previous evaluations/ reviews on Gavi's co-financing and eligibility and transition policies (Appendix P).

In addition, eight country case studies are submitted as separate documents.

## I.1. CONTEXT OF THE EVALUATION

The global health agenda is framed by the Sustainable Development Goals (SDGs) and guided by the principle of 'leave no one behind'. As noted in the Global Action Plan (GAP), it is anticipated that this will require new



or enhanced stronger collaboration for Gavi in ensuring symbiosis with the 11 other global health organisations that need to work together on the ground to deliver on the SDGs.<sup>4</sup> Countries are focused on advancing Universal Health Coverage (UHC) while maintaining the significant gains made in the fight against communicable diseases and diseases of poverty over the last two decades. In Gavi supported countries, vaccinations given between 2001 and 2020 will save US\$ 350 billion in cost of illness.<sup>5</sup> Taking into account the broader benefits of people living longer, healthier lives, the return on investment rises to US\$48 per US\$1 spent.

There is no room for complacency despite impressive gains in increasing immunisation coverage. In particular, there is an increasing importance for an expansion in domestic resource mobilisation particularly in the context of UHC. Population growth, migration, and other stressors continue to increase pressure on limited services and health resources. Making the case for immunisation is an on-going task especially in light of vaccine hesitancy, the polio ramp-down (which has led to fewer donor resources for routine immunisation) and increasing pressures from other health priorities.

Furthermore, with growing knowledge, the links between communicable and non-communicable diseases (NCDs) are increasingly better understood and the role of immunisation is expanding. For example, over 40 million women might be diagnosed with cervical cancer in the coming 50 years. The human papilloma virus (HPV) vaccination has the potential to significantly reduce cervical cancer incidence and save the lives of 13 million of these women.<sup>6</sup>

There is a drive towards the integration of health services and much more agreement regarding the importance of strong health systems within the context of transition from programme support. Less clear, though is the best way to support health systems strengthening (HSS) or spur domestic financing. Immunisation is a core service component of primary health care (PHC) which in turn provides the platform on which many countries build UHC arrangements.

This context, together with the demand for greater collaboration among global health organisations and partners working to support health outcomes in partner countries through the GAP are all important considerations and context for Gavi as it develops its next programming period, including updates to Gavi 5.0 and any revisions made to the ELTRACO Policies.

## **Gavi Mission and Strategic Goals**

The overall mission of Gavi is to save children's lives and protect people's health by increasing equitable use of vaccines in lower-income countries (LICs).<sup>7</sup> To achieve this impact, Gavi has outlined four Strategic Goals (SGs): (i) accelerate equitable uptake and coverage of vaccines; (ii) increase the effectiveness and efficiency of immunisation delivery as an integrated part of HSS; (iii) improve the sustainability of national immunisation programmes; and (iv) shape markets for vaccines and other immunisation products.<sup>8</sup>

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<sup>4</sup> United Nations (2019) [Sustainable Development Goals](#)

<sup>5</sup> Ozawa S. et al. Estimated economic impact of vaccinations in 73 low- and middle-income countries, 2001–2020. [Bull World Health Organ](#). 2017 Sep 1; 95(9): 629–638.

<sup>6</sup> Simms KT et al. Impact of scaled up human papillomavirus vaccination and cervical screening and the potential for global elimination of cervical cancer in 181 countries, 2020–99: a modelling study. [Lancet Oncol](#). 2019 Mar;20(3):394–407.

<sup>7</sup> Gavi (2019) [Gavi's mission](#)

<sup>8</sup> Gavi (2019) [Phase IV \(2016-20\)](#)



Since the Alliance was established in 2000, countries are estimated to have immunised over 700 million children through routine systems.<sup>9</sup> The breadth of protection has increased, with more countries offering a wider range of vaccines as part of their routine immunisation programmes than ever before.<sup>10</sup> It is projected that Gavi's support to countries will avert five to six million deaths between 2016-20, nearly half of which will be in countries where Gavi intends to phase out its contributions during this period.<sup>11</sup> Ensuring sustainable access to vaccines and immunisation coverage therefore depends to a large degree on the extent to which countries use their partnership with Gavi to take ownership of their national immunisation programmes, strengthen their services and scale up their vaccine budgets. Hence, Gavi's ELTRACO Policies recognise that: "(i) domestic financing is key, but not enough; (ii) programmatic sustainability requires critical national capacities; (iii) sequencing interventions correctly and addressing systemic bottlenecks early on is essential, and; (iv) support should be adapted to each country's needs and reflect its transition status".<sup>12</sup> This vision of delivering long term, country specific investments and support to capacity building and systems strengthening as a means to building sustainability especially in Gavi countries in preparatory and accelerated transition creates a critical context for this evaluation.

## 2. BACKGROUND TO ELTRACO POLICIES AND THEORIES OF CHANGE

### 2.1. BACKGROUND TO ELTRACO POLICIES

The ELTRACO Policies are a fundamental element of Gavi's work, and together, enable Gavi to progress towards the achievement of its overall mission. Together the Policies support stakeholder engagement and capacity building for decision-making, efficient procurement of vaccines, and provide predictability and transparency around access to Gavi funding and expectations of domestic financing. They both also underscore the importance in the expansion of immunisation programmes in terms of coverage as well as the introduction of new vaccines, in line with the needs of the target populations, in addition to addressing equity needs. Box 2.1 outlines the purpose, aims and objectives of the ELTRACO Policies. Appendices K and L also describe key aspects of, and summarise changes over time, of the ELTRACO Policies.

#### **Box 2.1: Purpose, aims and objectives of current ELTRACO Policies**

##### **Eligibility and Transition Policy**

- The purpose of this Policy is to set out the criteria – and related terms, processes and procedures - that determine which countries are eligible, and when, to apply for and receive different forms of Gavi support as they transition along a continuum of economic development to the point that all Gavi support ends.
- This Policy aims to apply the vision that, when countries transition out of Gavi support, they will have successfully expanded their national immunisation programmes with vaccines of public health importance and are able to sustain these vaccines post-transition with high and equitable coverage of target populations, while having robust systems and decision-making processes in place to support the introduction of future vaccines.

##### **Co-financing Policy**

- The overall objective of this Policy is to increase country financing of Gavi supported vaccines in order to facilitate the transition out of Gavi support.

<sup>9</sup> By mid-2018. Gavi (2018) 2016-2020 Mid-Term Review report

<sup>10</sup> Gavi (2017) Annual Progress Report 2017

<sup>11</sup> Gavi (2017) Annual Progress Report 2017

<sup>12</sup> Gavi (2018) [Sustainability](#)





- For countries with a long-time frame before they will transition out of Gavi support, the intermediate objective is to enhance country ownership of vaccine financing and to build capacity relating to procurement processes.

Source: ELTRACO Policies

## Country classifications and Gavi's ELTRACO Policies

Gavi's ELTRACO Policies are both designed with the intention to support the achievement of Gavi's Strategic Goals. The ELTRACO Policies lie at the heart of Gavi's development model. One of the cornerstones of this model is that support to countries is time-limited and catalytic, and that this support diminishes and ultimately ends as their economies grow.<sup>13</sup> In this model, Gavi's investments are targeted to LICs. All countries irrespective of their economic development status are required to co-finance a share of the cost of their Gavi-supported vaccines. As displayed in Figure 2.1, a country's contribution gradually increases as its income grows until it is in a position to cover the full cost of its vaccines without additional support.<sup>14</sup>

Figure 2.1: Gavi's transition model<sup>15</sup>

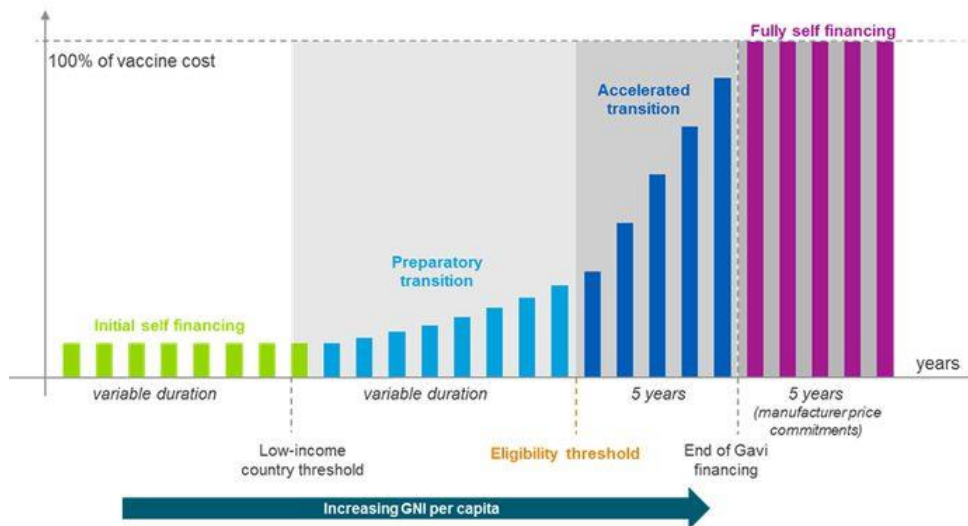


Figure 2.1 also includes the country classifications as countries move along the development continuum. As outlined in the Eligibility and Transition Policy, countries are “Gavi-eligible” if their average gross national income per capita (GNI p.c.) over the previous three years is equal to, or below, the eligibility threshold amount.<sup>16</sup> Phase I countries (preparatory transition countries) which are below the eligibility threshold but above the World Bank's LIC threshold are considered to be in “preparatory transition” leading to an increase in their co-financing requirements as outlined in the Co-financing Policy. Once countries have reached Gavi's eligibility threshold, they enter an accelerated transition process during which Gavi intensifies its efforts to support them to financially sustain their immunisation programmes and assume responsibility for the financing

<sup>13</sup> Gavi (2018) [Sustainability](#)

<sup>14</sup> Gavi (2019) RfP EGFETP. RfP Evaluation of Gavi's Co-Financing, Eligibility and Transition Policies

<sup>15</sup> Gavi (2019) [Eligibility and Transition Policy](#)

<sup>16</sup> Gavi's GNI per capita threshold for eligibility was set at an amount of US \$1,500 in 2011 which has risen to US\$ 1,580 in 2019 to account for inflation. The GNI threshold amount for Gavi is updated annually to account for inflation and published on the Gavi website following the annual release of updated GNI p.c. estimates by the World Bank. The World Bank updates the low income threshold and the rate of this increase is then applied to the Gavi eligibility threshold.





and procurement of Gavi vaccines.<sup>17</sup> Phase 2 countries (accelerated transition countries) receive a reducing amount of support and after five years in the accelerated transition phase, a country becomes fully self-financing (Phase 3 countries), whereby they assume the full cost of continuing vaccine programmes that were initiated with Gavi support. Although fully self-financing countries can no longer access new financial support from Gavi, they do have access to the United Nations Children's Fund (UNICEF) tenders for vaccines issued on behalf of Gavi countries for a time-limited period.<sup>18</sup>

## 2.2. THEORIES OF CHANGE

In the section below, we provide ToCs for both ELTRACO Policies (Figure 2.2 and 2.3), constructed based on the definitions, principles and other aspects outlined in the Policies. These ToCs have been updated throughout the evaluation to reflect input received from the Vaccines and Sustainability Department including the Immunisation Financing & Sustainability team (IF&S) and Policy teams. Using colour coding, the figures illustrate how the Policies guide the application of Gavi's support from inputs towards key identified outcomes at the country level, and Gavi's Strategic Goals. These are noted as **pathways** which are numbered in each ToC. At the end of the section, we describe how the Policies relate to each other and then outline the use of the ToCs in the evaluation.

In both the ToCs, we note that there are a number of *broader contextual factors* within which the Policies are applied:

- Gavi policies and support – including transition support such as Partner Engagement Framework (PEF) Targeted Country Assistance (TCA), the Health System and Immunisation Strengthening (HSIS) Support Framework, Fragility, Emergency and Refugees (FER) Policy<sup>19</sup> amongst others;
- Country socioeconomic environment and governance – which includes political will and country economic growth;
- Donor assistance – including the implications for countries on the withdrawal of other global health donor funds as they transition out of donor assistance.

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<sup>17</sup> Gavi (2018) Gavi Alliance Eligibility and Transition Policy

<sup>18</sup> Gavi (2018) [Eligibility and Transition Policy](#)

<sup>19</sup> Gavi (2019) Health System and Immunisation Strengthening Framework



## Eligibility and Transition Policy

Figure 2.2: Eligibility and Transition Policy: Constructed theory of change

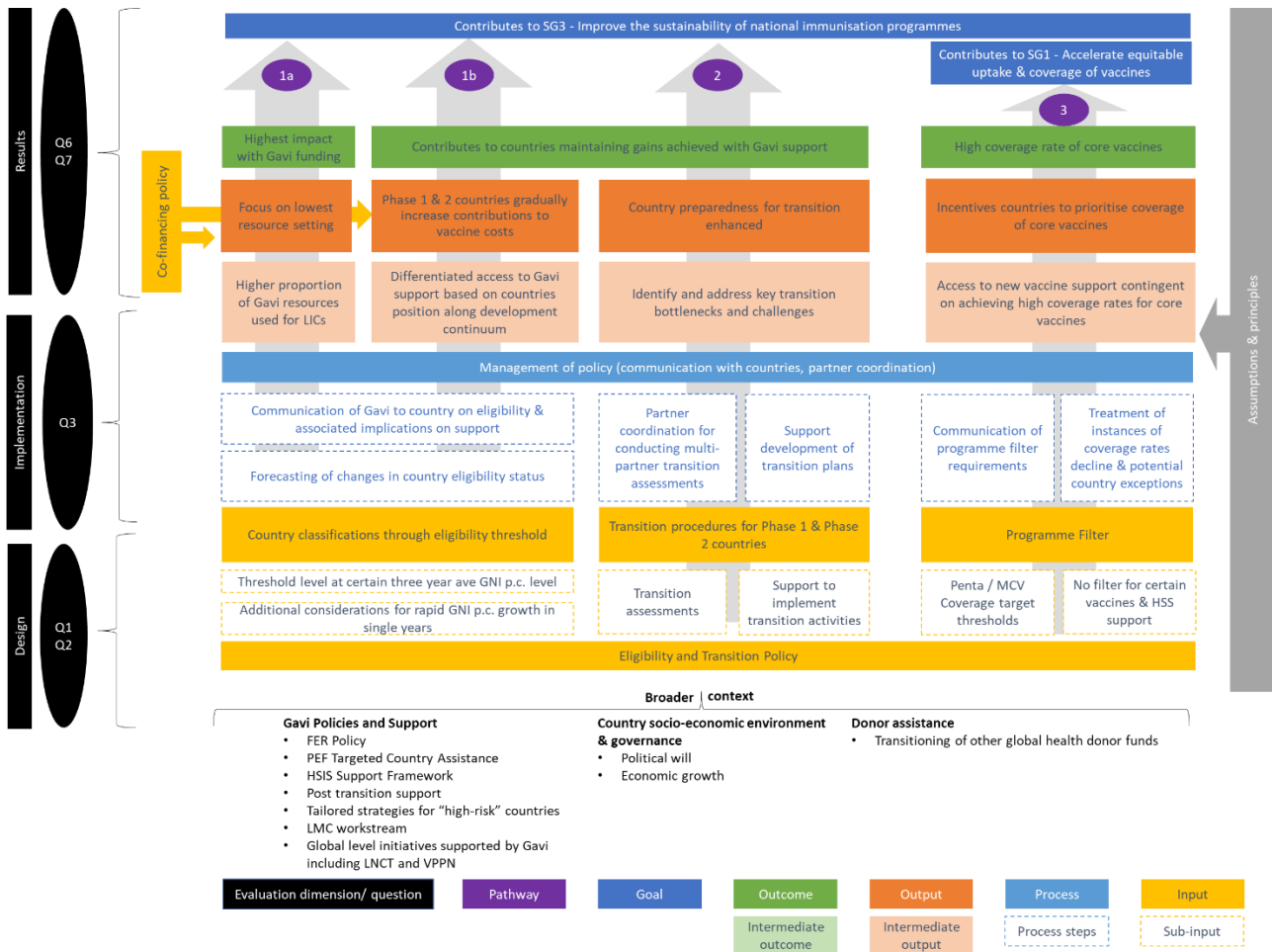


Figure 2.2. includes the ToC associated with the Eligibility and Transition Policy. As noted in Box 2.1, the Policy is designed to set out criteria - and related terms, processes and procedures - that determine which countries are eligible, and when, to apply for and receive different forms of Gavi support along a continuum of economic development to the point that all Gavi supports ends. The Policy makes clear through its principles that Gavi support aims to (i) focus on LICs and (ii) is time-limited and linked to ability to pay for vaccines.

**Pathways 1a and 1b**, which are closely related, stem from the same input of *country classifications which are determined through the eligibility threshold* (with the exceptions of rapid GNI p.c. growth in single years). Through these classifications, the aim is for a higher proportion of Gavi’s resources to be used for LICs and to subsequently have the highest impact with Gavi funding. As countries move through the different phases along the development continuum, there is differentiated access to Gavi support which, amongst other aspects, impacts their contributions to vaccine costs.

The Policy outlines a transition process that engages multiple stakeholders and partners in identifying bottlenecks to sustainably expanding, and domestically supporting, immunisation programmes as well as supporting country-led transition planning and action. **Pathway 2** therefore describes the *pathway linked to transition procedures* including transition assessments and support to implement transition activities. This aims to identify and address key transition bottlenecks and challenges that countries face in order to enhance



preparedness for transition. The processes are key to this pathway given the need for Partner coordination relating to the multi-partner transition assessments and the development of transition plans.

**Pathway 3** stems from the programme filter, which outlines *countries' eligibility to apply for new vaccine support*. This is determined by country coverage of Pentavalent ( $\geq 70\%$ , as determined by World Health Organization (WHO)/ UNICEF estimates). However, this does not apply for Japanese Encephalitis, Meningitis A, Yellow Fever and Inactivated Polio Vaccines (IPV). A country's eligibility to apply for measles second dose (MSD) support and for measles rubella (MR) support is determined by their current immunisation schedule for measles containing vaccine (MCV), as described in the application guidelines that are based on the latest relevant WHO/ the Strategic Advisory Group of Experts (SAGE) recommendations.<sup>20</sup> Through the programme filter, countries can access support for (some) new vaccines only if they obtain a diphtheria-tetanus-pertussis (DTP3) coverage above 70%, thus incentivising countries to prioritise coverage of vaccines. The application of the programme filter would need to be clearly communicated to countries, with some specific scenarios being considered such as instances of coverage rates decline and potential country exceptions. Ultimately, the programme filter leads to high coverage rate of core vaccines and therefore contributes to Strategic Goal 3 (SG3) on sustainability as well as the Vaccine Goal of accelerating equitable uptake and coverage of vaccines.

Therefore, the Policy as a whole contributes to preparing countries for transition and contributes to (i) Gavi's SG3 - the Sustainability Goal of improving sustainability of national immunisation programmes as well as contributing to Strategic Goal 1 (SG1) to a smaller degree.

Key **assumptions** underpinning the Policy include that:

- Predictability of support regarding eligibility and transition will enable better alignment of country expectations and planning for vaccine programmes and financing, resulting in better integration and prioritisation of vaccine finance into ongoing domestic budget processes.
- Wealthier countries as measured by their GNI p.c. (as a proxy) are in a better position to transition out of Gavi support.
- The programme filter has appropriate criteria which incentivises the coverage of core vaccines and does not preclude countries from accessing needed immunisation support.

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<sup>20</sup> Gavi (2019) [Application guidelines – Measles and measles-rubella vaccine](#). Page 28 and 53-54



## Co-financing Policy

Figure 2.3 Co-financing Policy: Constructed theory of change

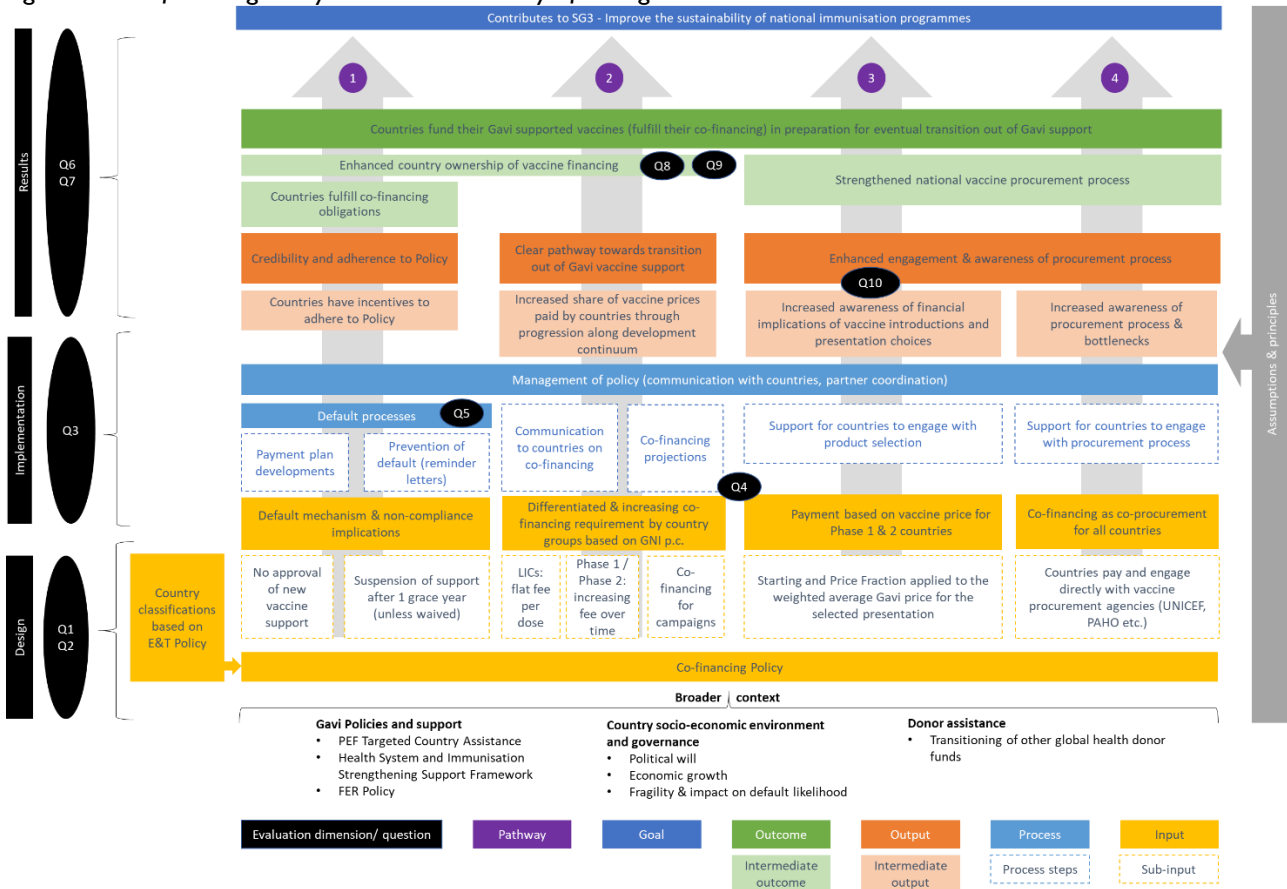


Figure 2.3. includes the constructed Co-financing Policy ToC. The *Co-financing Policy* is designed to enhance country ownership of vaccine financing, strengthen national vaccine procurement capacities, and ultimately increase country financing of Gavi supported vaccines. In practice, co-financing is co-procurement of vaccine doses.<sup>21</sup> The Co-financing Policy includes four **principles**: (i) all countries shall contribute to the cost of new vaccines introduced in routine vaccination programmes with Gavi support; (ii) LICs contribute an absolute (flat) amount per dose independent of the price of the vaccines used. Phase 1 and Phase 2 countries contribute an (increasing) proportion of the vaccine price towards full self-financing at the end of Phase 2; (iii) co-financing shall represent new and additional financing and countries shall not use funds allocated for financing other vaccines and (iv) countries shall not use other Gavi funds for co-financing.

As noted in Figure 2.3, the Co-financing Policy is differentiated by country classifications as defined by the Eligibility and Transition Policy through the GNI p.c. thresholds. As outlined in Figure 2.3, the Policy has four main pathways from input to intended outcomes, although it is recognised that these are interrelated.

Firstly, as demonstrated in **pathway 2**, the *co-financing requirement of countries* – which is differentiated with increasing country obligations as they move through the phases – from a flat fee per dose for LICs and then increasing as countries move through Phase 1 and Phase 2 over time. The co-financing obligation for periodic campaigns vaccines is calculated based on a lower percentage share than for routine vaccines and for “one-off campaigns” there is no co-financing obligation. An important requirement of this pathway is clear

<sup>21</sup> Kallenberg, J et al (2016) Gavi's Transition Policy: Moving From Development Assistance To Domestic Financing Of Immunization Programs. Health Affairs (project Hope), 35, 2, 250-8



communication of the Policy to countries regarding the co-financing requirements linked to their eligibility (and based on accurate co-financing projections). The share of vaccine costs paid by countries will increase as they move along the development continuum and thus provide them with a clear pathway to transition.

**Pathway 3** stems from the input that *payment is based on vaccine price for Phase 1 and 2 countries*. This is determined through the Starting Fraction followed by the Price Fraction which is applied to the weighted average Gavi price for the selected presentation. This creates incentives for countries to engage more with the procurement process through which it raises awareness of the financial implications of vaccine introduction and presentation choice. Therefore, it aims to strengthen the national vaccine procurement process.

**Pathway 4** relates to *co-financing as co-procurement for all countries* that stipulates that countries pay and engage directly with vaccine procurement agencies (primarily UNICEF and the Pan American Health Organization (PAHO) Revolving Fund). This direct engagement improves countries awareness of procurement processes and bottlenecks as well as product choice and price. This enhanced engagement and awareness aims to strengthen the national vaccine procurement process.

Finally, the Policy includes the default mechanism and *the implications for countries which default on their co-financing requirements (pathway 1)*. These include that countries in default will not be approved for new vaccine support and ultimately support will be suspended (after one grace year). Central to the default mechanism is ensuring there are adequate processes around it, including the prevention of defaults in the first place (e.g. through reminder letters) and the development of payment plans once countries have defaulted. Through the default mechanism, countries have financial incentives to adhere to the Policy which increases credibility and adherence. This aids countries to fulfil their obligations and increases ownership of vaccine financing.

**Pathways 1, 2 and 3** increase country financing of Gavi supported vaccines as countries transition out of Gavi support. Therefore, this Policy contributes to the SG3 - the Sustainability Goal of improving sustainability of national immunisation programmes.

Key **assumptions** underlining the ToC of the Co-financing Policy include:

- Although recognised through the default mechanism, it is generally assumed that as countries become wealthier, they are more able to increase contributions for expanded vaccination programmes.
- Predictability of financing requirements will enable better alignment of country expectations and planning for vaccine financing, resulting in better integration of vaccine finance into on-going domestic budget processes.
- Country ownership will translate into sustained budget action in support of vaccines and co-financing encourages countries to prioritise vaccines.

## Interrelationship of the two ELTRACO Policies

The two Policies are closely inter-related, as also demonstrated in the ToC figures. The Co-financing Policy is differentiated by country classifications as defined by the Eligibility and Transition Policy through the GNI p.c. threshold. This determines (i) the co-financing requirement of countries – which is differentiated with increasing country obligations as they move through the phases - and (ii) payments based on vaccine price for Phase 1 and Phase 2 countries as a proportion of vaccine price (following an absolute (flat) amount that LICs make per vaccine). Through the Co-financing Policy, Phase 1 and 2 countries gradually increase contributions to vaccine costs and aims to ensure that more resources are used on vaccines in LICs. Differentiation and targeting by country income allows Gavi to maximise health and equity impacts by



targeting Gavi resources to LICs where generally, vaccine preventable diseases are more prevalent, the impacts on the poor and on national health status are greatest, and the opportunity costs of using domestic financing to fund vaccines are high given severely limited resources.

More broadly, predictable financing supports better programme planning and inclusion of vaccine finance in medium-term domestic budgeting processes. It also supports national programme advocates in building domestic support for financing the programmes. Both ELTRACO Policies target country preparedness and increased financing as key elements of immunisation program sustainability. Gradually increasing the amount of domestic financing to be provided reflects consideration of the overall availability of domestic financing and internal budget processes. LICs provide a minimum amount per dose regardless of vaccine price, and lower-middle income countries (LMICs) gradually take on greater proportions of the total vaccine costs, with uptake accelerating after countries pass a GNI p.c. threshold.

The following section provides an overview of the evaluation approach and overall technical scope of enquiry.

### 3. EVALUATION APPROACH AND METHODOLOGY

#### 3.1. EVALUATION APPROACH

This is primarily a retrospective evaluation and has adopted a mixed methods approach, incorporating both quantitative and qualitative components. The scope of evaluation has covered the period from 2015 when the ELTRACO Policies were designed and applied up to December 2018. As such, the relevant Gavi strategic period covered is 2016-20.

##### 3.1.1. Scope of enquiry

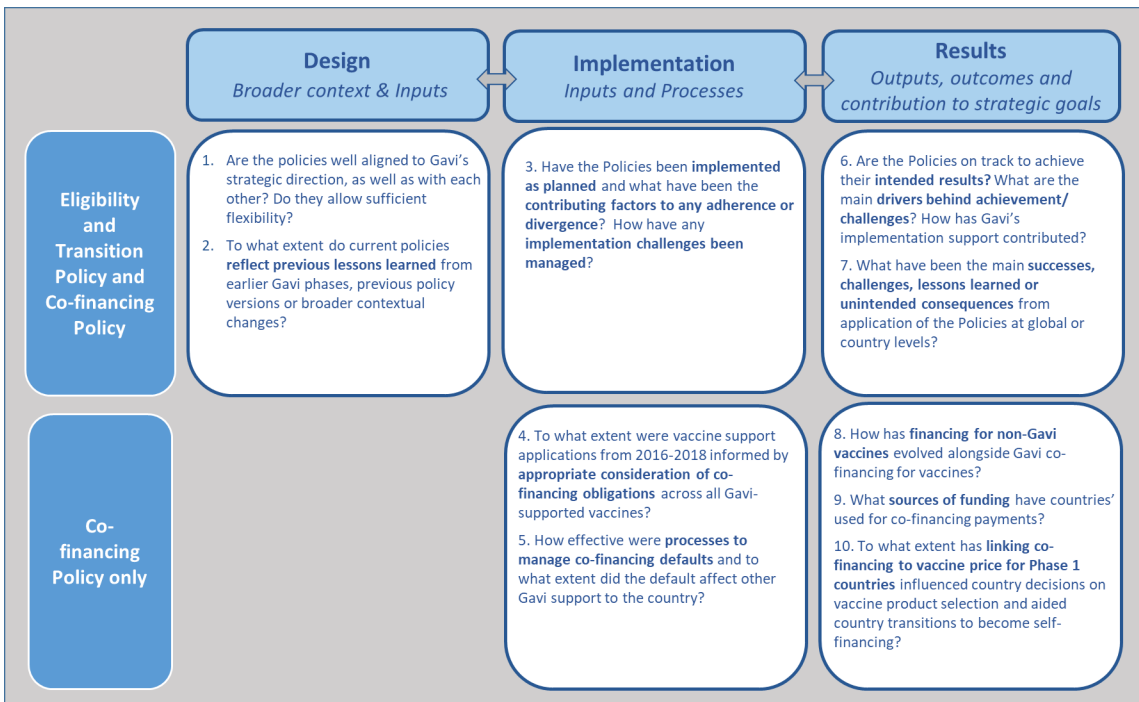
Ten overall evaluation questions were developed to guide the evaluation (see Figure 3.1). These were based on the questions suggested in the RfP but also elaborated, with additional consideration of relevance, efficiency and effectiveness in line with the OECD DAC evaluation criteria (see Appendix B for specific mapping of the evaluation questions against the RfP questions).

The evaluation questions span the three dimensions of *design*, *implementation* and *results*, which link to the principal objectives of the evaluation as well as the ToCs as follows:

- **Design:** the extent to which the overall design of both Policies is relevant and fit for purpose. This focuses on the broader context – including Gavi’s overall strategic direction - and the design of the ToC inputs, including whether these have been revised following previous lessons learnt to guide the application of both policies;
- **Implementation:** a review of whether the Policies have been implemented efficiently and effectively and as planned, with a focus on application of the ToC inputs and processes;
- **Results:** a focus on whether the Policies are on track to achieve the respective intended objectives and targets as well as evidence for any unintended results. This includes whether intended ToC outputs have been achieved; how the outputs from policy application contribute to outcomes and how/ to what extent the outcomes contribute to achievement of Gavi’s overall Strategic Goals.



Figure 3.1: Summary of evaluation questions by Design, Implementation and Results



An evaluation matrix which specifies the indicators, data sources and analytical approach by sub-question is in Appendix C.

## 3.2. EVALUATION METHODOLOGY

### 3.2.1. Data collection and component analyses

The evaluation drew on five key discrete but overlapping data collection processes: (i) desk-based documentation review, (ii) quantitative policy data analysis, (iii) key informant interviews (KIIs), (iv) remote country case studies, and (v) policy benchmarking. These are elaborated on in turn below and further details for each component can be found in the corresponding appendices:

- **Desk-based documentation review:** A comprehensive review of documentation relevant to the ELTRACO Policies included Gavi documents, Gavi commissioned assessment and evaluations, broader landscape documentation, and country documentation; Appendix A contains the bibliography.
- **Quantitative data analysis:** We drew on a variety of data sources - primarily data provided by Gavi, as well as data gathered from international and domestic sources. Data sources included Gavi's co-financing database, the eligibility and transition database, wider development and health financing data, transition assessments data and UNICEF Supply Division (SD) vaccine data. Appendix D contains further details on the quantitative data sources and methods and the evaluation matrix in Appendix C maps the sources across the evaluation questions.
- **Key informant interviews:** KIIs included global level stakeholders (Gavi Secretariat, Partners and other key organisations), regional stakeholders including Partner focal points, and country level stakeholders, in particular Gavi Secretariat Senior Country Managers (SCMs) and Country Programme Officers (POs), representatives from Ministry of Health (MoH) and Partner organisations. A full list of stakeholders consulted is included in Appendix I;





- **Remote country case studies:** Ten remote country case studies were undertaken and included a range of countries across the phases of Gavi support: Angola, Bolivia, Georgia (fully self-financing); Lao PDR, PNG (accelerated transition); Ghana, Pakistan (preparatory transition) and Burundi, Somalia and Tanzania (initial self-financing countries). Further details on the criteria for selection and selection process are included in Appendix F.<sup>22</sup> The country case studies included document review, country specific analysis (e.g. co-financing spending, government immunisation financing, country vaccine product selection etc) and three-six key country stakeholder informant interviews (including MoH, various Alliance Partners and other key stakeholders) as well as interviews with relevant SCMs and POs.
- **Policy benchmarking:** Gavi's ELTRACO Policies were benchmarked against similar policies from other organisations/ development agencies, in particular the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund) and the World Bank International Development Association (IDA). Further details on the policy benchmarking are included in Appendix H.

Bringing these together, we have adopted a four-point scale for robustness rating of findings, as described in Appendix G. Robustness of findings is based on both the underlying quality of the evidence, as well as triangulation, or quantity, of the evidence. All robustness rankings are relative robustness rankings and are ultimately judgement-based. The robustness ratings are presented alongside key findings within the report.

The evaluation has been conducted in regular discussions with the Evaluation Unit at Gavi as well as regular communication with the Business Owners. In addition, feedback has been received from the Steering Committee at multiple key points in the evaluation.

### 3.3.2 DATA ANALYSIS FRAMEWORK

To enable the evaluation to support useful policy development, we investigated the ELTRACO Policies guided both by the evaluation questions and through the framework offered by the ToCs.<sup>23</sup> Our approach to assessing the rigour of our findings is further outlined in Appendix G. Figure 3.2 presents our data analysis framework.

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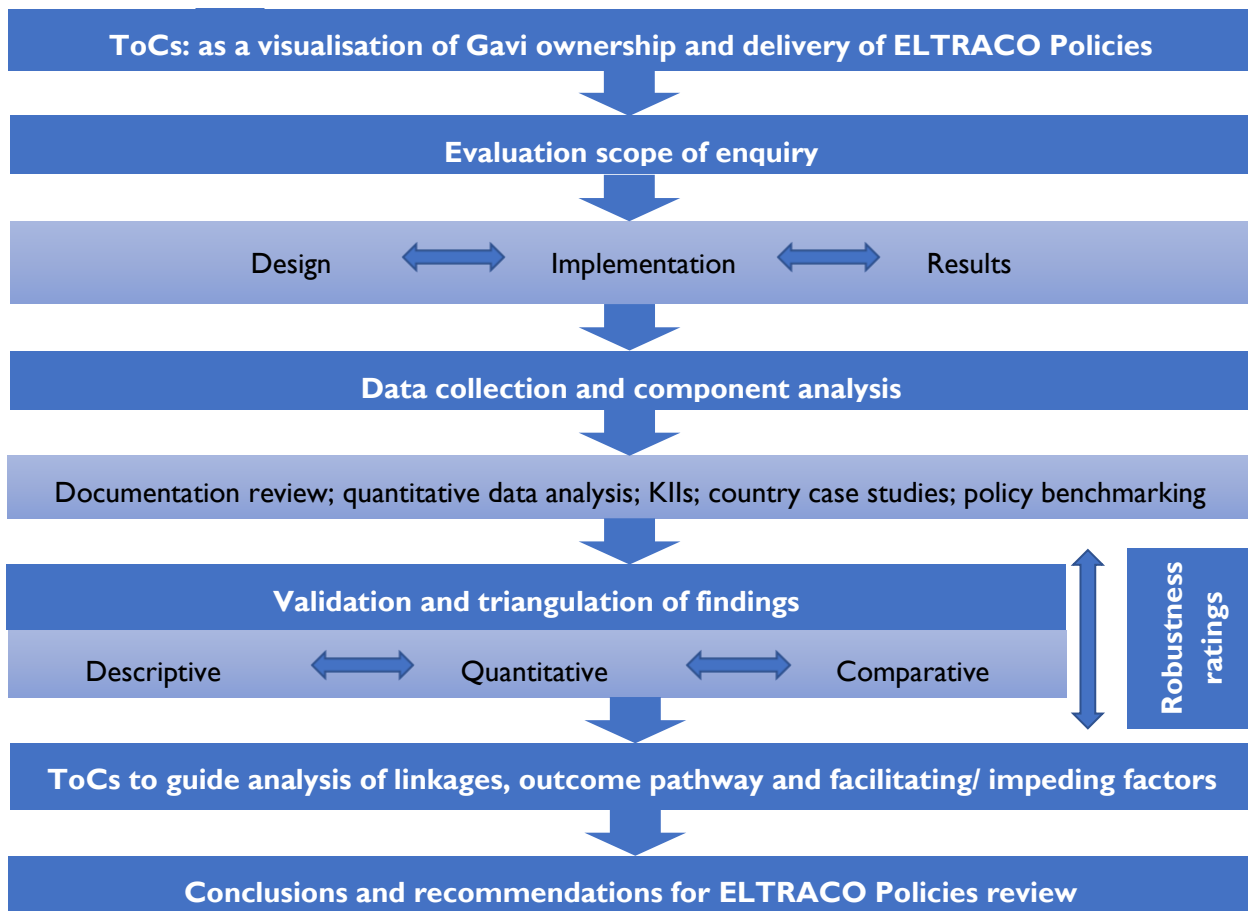
<sup>22</sup> Initial criteria (first round selection) as outlined in the RfP included countries within Gavi's current or recent support: (i) in different stages of Gavi transition, including post-transition; (ii) across different geographic regions; (iii) with different population sizes; (iv) with high/ low vaccine coverage; (v) which are identified as facing fragility (July 2018 – July 2019); (vi) which experience acute or chronic conflict, or that experience periodic conflict; (vii) which have high and low health systems barriers, and; (viii) which have defaulted on their co-financing obligations. CEPA added two more criteria: countries (ix) facing multiple transitions from donor organisations between 2017-27 and (x) which are highly aid dependent

<sup>23</sup> This represents an elaboration of the proposed methods from what was suggested within the RFP





Figure 3.2: Data analysis framework



### 3.3.3 LIMITATIONS AND RISK MITIGATION ACTIONS

A number of limitations were observed during the evaluation process. These are described below, alongside risk mitigation actions undertaken where relevant (noted in *italics*):

- **Lack of ToCs for the Policies:** It was recognised early on that detailed ToCs for each of the Policies would provide useful clarity on the intended outputs and outcome pathways for the Policies, and provide a valuable analytical framework for the evaluation, though had not been previously developed. CEPA added this important, but initially unplanned component, to the Inception Phase which prolonged the start of the core phase of the evaluation given the extensive input the development of the ToCs required. *It should be noted that although all feedback has been incorporated, this has not altered the ToC pathways since the First Draft Report, thus maintaining consistency in the main ToC components for the evaluation questions to be mapped against.*
- **Timeline:** The core phase of the evaluation was highly concentrated into a small number of weeks and while some additional analysis has been carried out in the finalisation phase of the review, this meant there was little opportunity for further reflection of overall findings for the First Draft Report, where the findings were taken from to inform the Funding Policy Review Steering Committee update. *The subsequent draft of the report was used for the PPC.*
- **Availability of interviewees:** The evaluation was conducted over the northern hemisphere summer period which limited the availability of key informants and a small number of stakeholders were unavailable. *CEPA initiated contact with prospective consultees as soon as possible in the core phase of the*



evaluation. If a key informant was unavailable, we identified a replacement interviewee with comparable insight or experience.

- **Remote country case studies:**

- There are inherent limitations with undertaking remote country case studies in comparison to country visits. In particular, this reduces the level of depth relating to country context which can be reflected and stakeholder interviews with a small number of stakeholders reduces the availability to obtain a wide breadth of perspectives. As such, the case studies should be considered as 'high level' country specific reviews. *Country stakeholders were selected to reflect representation from MoH, various Alliance Partners and other key stakeholders. In addition, the desk review and country data analysis complemented the stakeholder interviews.*
- A small number of stakeholders were not available at the country level limiting the range of views and insight possible with regards to some country case studies. As such, two of the ten case studies (Bolivia and Burundi) had comparably less evidence generated than the others. Whilst the main points from these case studies are incorporated in this report, these are not submitted as standalone country appendices. *CEPA did follow up with stakeholders on multiple occasions to try secure interviews.*
- Country level data on domestic vaccine expenditures was lacking in many countries, especially with regard to domestic spending for non-Gavi supported vaccines. *CEPA followed up with stakeholders on multiple occasions, including during KIs and over email to ask participants to share available evidence.*

- **Generalisability of findings**, given country case studies has been limited to ten countries. Countries were chosen to ensure a representation across the phases. However, given each country's unique situation, 2-3 countries in each phase is a limited number. *CEPA conducted an extensive country selection process that involved the review of all Gavi-supported countries against 17 criteria (as described in Appendix F). This process has ensured that the selected countries meet all of Gavi's criteria as set out in the RfP, as well as key other considerations. In addition, CEPA incorporated data obtain from documentation and KIs relating to other countries to ensure a wider representation. However, the evidence relating to these countries is less robust.*

- **Quantitative data:**

- There are limitations with regard to the availability of high quality datasets. This varied across countries and indicators but applies especially to high quality granular immunisation expenditure data. As result, the analysis on the sources of co-financing (Qu 9), expenditure on non-Gavi supported vaccines (Qu 8), and changes in government immunisation expenditure (Qu 6A), have to be interpreted with care. We outline how the lack of high quality data impacts on the robustness of findings directly in the relevant sections in the Report. *As a mitigation action, CEPA conducted analysis within the databases where triangulation was possible to overcome data gaps. This has been flagged as a limitation directly in the relevant areas of the report and the need for the results to be interpreted with care has been highlighted.*
- There have only been a few data points for some of the conducted analyses, e.g. there were only a low number of (i) countries which received waivers, (ii) countries which received support from third parties for co-financing payments or (iii) countries that defaulted. While we explored relationships to other indicators (i.e. fragility, vaccine introduction, country groupings etc.), the limited number of observations did not allow to establish robust relationships between



indicators. As a mitigating action, CEPA relied more on the qualitative data for these countries gathered from the country case studies and global stakeholder consultations.

- Based on discussions with Gavi Secretariat and given the retrospective focus of this evaluation, certain quantitative analysis was determined not to be in scope of this evaluation, including forecasting how certain policy changes could impact on future co-financing amounts for countries. Similarly, we did not conduct any modelling to quantify the potential impact of any changes to the eligibility criteria.
- **All robustness rankings are relative and are ultimately judgment-based.** While based on a review of data across sources, these are inherently subjective in nature, based on the opinions of the evaluation team. CEPA has cross checked the summary findings to ensure consistency across these and to obtain insights from across the evaluators to reduce the inherent risk with judgement-based assessments.

Despite these limitations, we are confident that the evidence collected and analysed is sufficient to form a basis on which sound conclusions and actionable recommendations can be made.

## 4. FINDINGS

In this section we describe the main findings under each question, and sub-question, relating to our evaluation framework. We first provide findings under the design dimension, followed by implementation and results.

### 4.1. DESIGN

**Q1: Are the policies well aligned to Gavi's strategic direction, as well as with each other? Do they allow sufficient flexibility?**

Sub-questions:

- Ia)** Do the design of the ELTRACO Policies clearly articulate the intended principles, strategic direction, objectives and monitoring and evaluation (M&E) framework of Gavi, as set out in the 2016-20 Strategy?
- Ib)** To what degree do the Eligibility and Transition Policy and the Co-financing Policy align and link with each other as well as with other Gavi policies?
- Ic)** To what extent do the policies allow sufficient flexibility to be applied in different settings?
- Id)** How do Gavi's ELTRACO Policies compare with other similar policies of other organisations/ development agencies and what useful learnings can be applied?

#### 4.1.1. Articulation of Gavi's principles, strategic direction, objectives and M&E framework

Under this question, we consider the extent to which the design of the ELTRACO Policies are aligned with the intended principles, strategic direction, objectives and M&E framework of Gavi, as set out in the 2016-20 Strategy. This assessment is based on the extent to which the ELTRACO Policies clearly articulate, or reflect the objectives of the Strategy, as well as the extent to which the implementation of the Policies support Gavi's strategic direction.



## Alignment of the ELTRACO Policies with Gavi 4.0 principles, strategic direction and objectives

This assessment includes a review of the alignment of the ELTRACO Policies to SG3 - “the sustainability goal – to improve sustainability of national immunisation programmes” and SG1 - “the vaccine goal – to accelerate equitable uptake and coverage of vaccines” focusing in particular on how the Policies support countries to introduce and scale up new vaccines.

**Broadly the ELTRACO Policies are well aligned with Gavi’s 4.0 strategic direction and the strategic principles.**

The objectives of the Policies both specify a contribution to successfully supporting transition from Gavi support, while also expanding national immunisation programmes and therefore are closely aligned with the Gavi 4.0 Strategy as outlined in its four goals.<sup>24</sup> This was supported by the majority of global level stakeholders who considered that in general the ELTRACO Policies are well aligned with Gavi’s 4.0 Strategy. One stakeholder noted that the Policies were so closely aligned that, “Gavi 4.0 was built because it assumed that the ELTRACO Policies would continue to hold”. This alignment was also noted by a number of respondents in relation to the introduction of new vaccines through being eligible for Gavi support and the transition of countries from Gavi support. We note that whilst the Policies do align with both the Sustainability Goal and the Vaccine Goal, there is more explicit alignment with the Sustainability Goal. Gavi’s mission (and its 4.0 Strategy) is to serve the poorest countries and this is supported through the Eligibility and Transition Policy’s principles – in that Gavi focuses on LICs and is time-limited. Therefore as countries become wealthier, they are encouraged to increase their vaccine financing - as outlined in the Co-financing Policy - and thus to build country commitment and ownership that helps to ensure gains are sustained after transition. The main policy lever for achieving this sustainable commitment is the gradual shift of the financial burden for vaccine procurement from Gavi to countries over a period of several years.

Table 4.1. below describes a high-level assessment as to the degree of alignment of the ELTRACO Policies with the principles in the 2016-20 Strategy. As shown, in general there is alignment between the Policies and the principles, although less so for some principles, and in other instances, there is no evidence, or the principles are not strongly applicable to the Policies. A number of these aspects are discussed further within the design and implementation sections of the report.

Table 4.1: Alignment of the ELTRACO Policies with strategic principles

Strategic principle <sup>25</sup>	Evidence of alignment
<b>Accountable:</b> maximise Alliance cooperation and performance through transparent accountability mechanisms	Close alignment given the transparent and predictable Policies as well as Board mediated exceptions, which provide accountability.
<b>Catalytic and sustainable:</b> provide support to generate long-term sustainable results, including country self-financing of vaccines through the transition process	Closely aligned through the Co-financing Policy with regards to self-financing of vaccines. Also aligned through the mechanism of transitioning countries out of Gavi support through the Eligibility and Transition Policy.
<b>Collaborative:</b> as a public-private partnership, convene immunisation stakeholders and leverage the strengths of all Vaccine Alliance Partners through shared responsibility at both the global and national level	Alignment through the implementation of the Policies in which Alliance Partners at the global, regional and country level are involved in the implementation of the Policies, as well as engagement with country stakeholders.

<sup>24</sup> Gavi (2015) Gavi strategy 2016-2020

<sup>25</sup> Ibid.



Strategic principle <sup>25</sup>	Evidence of alignment
<b>Community-owned:</b> ensure community engagement to increase accountability and sustain demand and impact	Not applicable given the Policies are applied at the national level.
<b>Country-led:</b> respond to and align with country demand by supporting national priorities, budget processes and decision-making	Whilst the Policies, especially the Co-financing Policy, aim to increase country ownership, in practice, the inflexibility of the Policies mean that a number of global, and country respondents consider that the Policies are more “ <i>Gavi or globally focused</i> ” rather than country focused. This will be discussed again later in the report where more evidence is fully laid out, but the concern expressed was that where the Policies are applied inflexibly, it may be difficult for them to also be country-led. However, in the instances where flexibilities were granted through the approval of exceptions to the Policies (discussed further below and in country case studies such as the PNG case study), this was considered to be more country focused and to aid a country-led response.
<b>Globally engaged:</b> contribute to the Global Vaccine Action Plan, align with the post-2015 global development priorities and implement the aid effectiveness principles	Through the application of the policies, especially the focus on aiding transition, there are opportunities for Gavi to align with other global health partners through coordinated engagement and collaboration in working to support country health systems, taking forward agreed partnership principles and ensuring aid effectiveness including country leadership and the avoidance of duplication of efforts. However there is still scope for further improvement in this area.
<b>Integrated:</b> promote integration of immunisation with other health interventions, harmonising Gavi support with that of other partners	No evidence of explicit linkage in the Policies themselves.
<b>Innovative:</b> foster and take to scale innovation in development models, financing instruments, public health approaches, immunisation-related technologies and delivery science	Not applicable - with the exception of the approach to co-financing of vaccines which, whilst not ‘new and innovative’ now, was an innovative approach amongst donors when introduced.

***The Policies both align well with the Sustainability Goal, although more so regarding financial sustainability than programmatic sustainability.***

The objectives of the Sustainability Goal include: (i) enhance national and sub-national political commitment to immunisation; (ii) ensure appropriate allocation and management of national human and financial resources to immunisation through legislative and budgetary means and (iii) prepare for sustained performance in immunisation after graduation.<sup>26</sup> In terms of the efforts to aid financial sustainability of national immunisation responses, the Policies are well aligned with the Strategy, especially the Co-financing Policy which is directly aligned, at least with regards to the financing of vaccines. In terms of the aim to enhance national and sub-national commitment, they are aligned – again especially in relation to vaccine financing with the Co-financing Policy aiming to “enhance country ownership of vaccine financing”.<sup>27</sup> However, the Policies do not explicitly

<sup>26</sup> Gavi (2019) [Sustainability Goal](#)

<sup>27</sup> Gavi (2016) Gavi, the Vaccine Alliance Co-financing Policy. Version 2.0



support programmatic sustainability<sup>28</sup> in the way they do financial sustainability (especially regarding vaccine financing). In addition, the aim to strengthen the financial sustainability of operational or programme costs needed to sustain delivery of immunisation programmes is less clearly supported by the Policies, and is supported in part through the HSIS Support Framework where it is noted that “HSIS support is tailored to the stage at which a country is in its transition from Gavi support”).<sup>29</sup> This is despite the challenge in many Gavi-supported countries in acquiring sufficient operational funding to support efficient and effective immunisation service delivery throughout transition. This is particularly of note in countries that are undergoing, or are projected to undergo, multiple transitions from donor support over the next 5-10 years (for example Cameroon, Eritrea, Ethiopia, Nigeria and Pakistan).<sup>30,31</sup> In particular, our review suggests that although the Eligibility and Transition Policy aims to increase coverage and equity, there are some instances where this is not achieved – e.g. in never-eligible middle-income countries (MICs) with large numbers of under-immunised children were not eligible for support through the GNI p.c. eligibility criteria<sup>32</sup> or in countries which have transitioned from Gavi support without introducing many vaccines).

As Gavi uses GNI p.c. as the criteria to determine eligibility for support, there are a group of countries that have already, or soon will, transition because their national growth has enabled them to surpass the upper threshold of Gavi support. However, they still have challenges such as large pockets of under-immunised children, high levels of inequity and weak health systems - for example Angola, Nigeria, PNG and Timor-Leste. The evidence from country case studies (specifically Angola and PNG) suggests that there may not be sufficient emphasis on programmatic readiness for transition in these countries including insufficient capacity, a poorly performing cold chain, lack of data management and use for decision-making, insufficient budget planning and forecasting either for vaccine procurement costs or insufficient operational budgets to cover immunisation programme delivery. This is discussed further in Section 4.2.

***The Policies align with the Vaccine Goal, although slightly more so regarding the introduction of new vaccine support than with coverage and equity.***

The objectives of the Vaccine Goal include: (i) increase coverage and equity of immunisation; (ii) support countries to introduce and scale up new vaccines; and (iii) respond flexibly to the special needs of children in fragile countries.<sup>33</sup>

Broadly, both Policies are considered by stakeholders, and in our assessment, to be aligned with Gavi’s Vaccine Goal. In particular, it was noted that through the differentiation of country groupings in the Eligibility and Transition Policy, countries make differentiated co-financing payments for vaccines, thus reducing financial barriers for poorer countries to introduce new vaccines.

Through the use of the Programme Filter, the Eligibility and Transition Policy aims to incentivise countries to achieve coverage levels of 70% for DTP3. However, as discussed above, the emphasis on co-financing of

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<sup>28</sup> For the purposes of our review, programmatic sustainability is defined as, “the capacity, opportunity and commitment to maintain or increase coverage and quality of immunisation through routine health care services“. This definition recognises the link between immunisation services and broader health systems capacity.

<sup>29</sup> [Gavi \(2019\) Health system and immunisation strengthening support framework](#)

<sup>30</sup> Cameroon (Gavi, GPEI, IDA and PEPFAR, highest risk period 2017-22), Eritrea (Gavi and IDA, highest risk period 2027-35), Ethiopia (Gavi, GPEI, IDA and PEPFAR, highest risk period 2017-22), Nigeria (Gavi, GPEI, IDA and PEPFAR, highest risk period 2017-21), and Pakistan (Gavi, GPEI and IDA, highest risk period 2017-27 – also discussed in the Pakistan country case study report).

<sup>31</sup> Page 26 – Silverman, R (2018) Projected Health Financing Transitions: Timeline and Magnitude

<sup>32</sup> Gavi (2018), Gavi 5.0 –The Alliance’s 2021-25 Strategy Board Meeting, Seth Berkley. 28-29 November 2018

<sup>33</sup> [Gavi \(2019\) The vaccine goal](#)



vaccines, and using the GNI p.c. indicator potentially brings the ELTRACO Policies into conflict with the objective of increasing coverage and equity. This relates in particular to the incentives for countries to introduce new vaccines at a lower prices through the Co-financing Policy before transitioning from Gavi support, and the instances where countries may not having strong enough health systems to support high coverage rates. Although these have not been many examples, one example is Angola which introduced two vaccines in its accelerated transition phase, despite WHO/ UNICEF estimates suggesting vaccine coverage was approximately 52-55% between 2012-14).<sup>34</sup>

The degree to which the two Policies are linked to the objective of responding flexibly to the needs of children in fragile countries is discussed further below.

## Alignment of the ELTRACO Policies with Gavi 4.0 M&E framework

Under this component of the evaluation question, we considered the extent to which the ELTRACO Policies align with the Strategic M&E Framework, and the degree to which the ELTRACO Policies are designed to contribute towards the expected outcomes that Gavi is measuring through a range of indicators in their M&E Framework within, and across, countries.

### ***The ELTRACO Policies are aligned with the Strategy M&E Framework.***

There are three Strategic Goal indicators measured in the M&E framework which relate to the ELTRACO Policies.<sup>35</sup> These include:

- Strategic Goal 3.1. (SG3.1) “*Fulfilment of co-financing commitments*”: the percentage of countries that fulfil their co-financing commitments by the end of the year, or who pay their arrears in full within 12 months;
- Strategic Goal 3.2. (SG3.2) “*Country investments in routine immunisation*”: this indicator measures the percentage of countries that have increased their investment in routine immunisation per child, relative to 2015; and
- Strategic Goal 3.3 (SG3.3) “*Countries on track for successful transition*” which measures the percentage of countries in the accelerated transition phase that are on track to transition successfully.

In addition, there is one Mission Aspiration indicator of relevance to the Policies:<sup>36,37</sup>

- Mission Aspiration indicator (MA.1.5) “*vaccines sustained after Gavi support ends*”: this measures the percentage of countries that continue to deliver all recommended vaccines included in their routine programmes after they transition out of Gavi financing.

SG3.1. is the key metric that Gavi tracks with regards to co-financing payments and as such is directly aligned with the Co-financing Policy. The ELTRACO Policies contribute to SG3.2, SG3.3 and MA1.5. For example, SG3.3 includes a measurement as to whether countries have met their co-financing obligations and did not default on their payments in the previous year. Therefore, we conclude that the Policies are aligned with the M&E Framework. However, as the indicators remain relatively high level, they are also impacted by factors outside of the influence of the ELTRACO Policies. These aspects, alongside other issues to do with monitoring of the Policies are further elaborated in Section 4.2.1 in implementation. The indicators, and performance against them are described further in Section 4.3.1.

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<sup>34</sup> Gavi (2019) [Country hub: Angola](#)

<sup>35</sup> <https://www.gavi.org/results/measuring/2016-2020-indicators/sustainability-goal/>

<sup>36</sup> Mission indicators reflect Gavi’s overall aspiration for the 2016-2020 period.

<sup>37</sup> <https://www.gavi.org/results/measuring/2016-2020-indicators/mission/>





## 4.1.2. Alignment of the Policies with each other and other Gavi policies

### ELTRACO Policies' alignment with each other

***The ELTRACO Policies are broadly well aligned with each other, although there have been some challenges regarding the alignment in the accelerated transition phase.***

Overall, the ELTRACO Policies are considered to be well aligned to each other, especially in terms of their joint aims of facilitating transition out of Gavi support, and working towards those through the mechanisms of increasing country ownership, building country capacity etc. Highlighted by global level stakeholders, and in our own assessment, this alignment has been increased following the 2015 joint policy review after which a number of helpful changes were made. However, the one exception which was raised by a number of global stakeholders, as well as suggested through some of our country case studies concerns the transition timeframe. The accelerated transition period of five years in duration may create a relatively steep increase in the level of co-financing for countries in this phase, which for some countries may compound challenges of insufficient budgets for immunisation programmes, including operational costs, if this is the case. Whilst this has not been strongly evidenced so far, our review identified this as a potential cause of concern for countries due to enter this phase in the future. For example, with regards to Pakistan, with the world's fifth largest population and a large number of Gavi-supported vaccines, all country stakeholders suggested the duration of the five-year accelerated transition period to be a risk for immunisation sustainability when the country enters the accelerated transition phase.<sup>38</sup>

### ELTRACO Policies alignment with other Gavi policies and support

In this section, we consider the alignment of the ELTRACO Policies with other Gavi policies and support. Appendix M provides further background comparing other policies and support.

***Gavi policies, particularly those developed or amended during 2017 or after, are well aligned with the intent of the ELTRACO Policies. However, the operationalisation of individual Gavi policies is not well integrated at times with other Gavi Policies and support.***

In comparing co-financing, eligibility and transition between the ELTRACO Policies and other Policies - including policies such as the FER Policy,<sup>39</sup> Risk Policy,<sup>40</sup> the Self-Procurement Policy<sup>41</sup> and the Prioritisation Mechanism,<sup>42</sup> we consider that these are aligned (further details are demonstrated in Appendix M).<sup>43</sup> However, the operationalisation can be confusing at the country level, especially given there is lack of operational guidance across Gavi policies. We consider this to be due in part to an apparent hierarchy of policies within Gavi, with the ELTRACO Policies reportedly being “*at the top*”. In general, it is considered that policies such as the FER Policy can only “*touch the margins*”, as the Eligibility and Transition Policy outlines and categorises countries, and this impacts the support that they may receive. Whilst this may be the intentions of the Policies, the operationalisation has been confusing for some stakeholders.

A number of respondents noted that there is room for improved linkage across Gavi policies through better or more integrated application of the policies – which while not specifically related to the ELTRACO Policies, is of importance given their centrality to Gavi's model. In addition, it was noted that there is a need for better

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<sup>38</sup> Gavi co-financing database, estimated projections based on Gavi co-financing factsheet; CEPA analysis

<sup>39</sup> Gavi (2019) [Fragility, emergencies and refugees policy](#)

<sup>40</sup> Gavi (2019) [Risk policy](#)

<sup>41</sup> Gavi (2019) [Self-procurement policy](#)

<sup>42</sup> Gavi (2019) [Prioritisation mechanism](#)

<sup>43</sup> Alignment with the HSIS Framework is discussed below in the point regarding alignment with Gavi support.





understanding as to how Gavi's policies work with each other. Some reasons provided for this are that (i) there are different levels of understanding and varying degrees of discussions within Secretariat teams regarding the policies; (ii) the policies operate at different levels (within a hierarchy) and have varying levels of detail within them, and; (iii) the policies were designed at different times, especially with a number being designed in a more "reactive than proactive way" and have had "add-ons" and amendments made to them which warrant further consideration. It is understood that some of these aspects are being addressed in the current joint policy review to ensure further complementarity, especially in terms of operationalisation of the Policies.

**The ELTRACO Policies broadly align with the FER Policy but there are challenges with the application of the FER Policy on the ELTRACO Policies.**

The main policy of relevance in terms of alignment with the ELTRACO Policies is the FER Policy<sup>44</sup> - especially relating to flexibilities in Gavi's regular processes and requirements including programmatic, administrative or financial. Since 2017, the revised FER Policy has allowed the Alliance to respond more flexibly to specific immunisation challenges in fragile settings. The Policy also details flexibilities that can be extended in humanitarian emergencies, as well as to Gavi-supported countries hosting refugees.<sup>45</sup>

Stakeholders note that the FER Policy operates like a flexibility lever and it builds off the other policies, thus aiding alignment with the ELTRACO Policies. An example as to where it has reportedly worked well is Bangladesh, where under the FER Policy, the Alliance funded the provision of vaccines to Rohingya children in refugee camps.<sup>46</sup>

However, there are some **deficiencies with how these policies inter-relate**, primarily through the relatively limited application of the FER Policy on the ELTRACO Policies. Although these do not relate to alignment of these policies per se, which as noted above is generally noted to be good, we outline key issues below. Whilst this review has not assessed the FER Policy itself (and therefore we have not obtained extensive evidence on the FER Policy), given the rigidity of the ELTRACO Policies, the way in which the FER Policy has been applied on the ELTRACO Policy is of importance, and therefore we highlight the following points. We also recognise that for each of these aspects, there are a range of (in some cases opposing) views.

Firstly, the FER Policy is considered to have been applied well when it has 'over-ridden' the programme filter in situations where this has been justified, thus enabling new vaccine support in countries based on identified health needs of the population (based on the FER Policy) even if the Pentavalent coverage  $\geq 70\%$ .

However, there are some specific examples where the application of the FER Policy on the ELTRACO Policies has been considered to be deficient. These include:

- (i) There are a number of instances – especially relating to economic crises, which are of significance for countries being able to meet their co-financing requirements – in which it is considered that the FER Policy does not go 'far enough' through its criteria to address challenges experienced by the countries to meet their co-financing requirements.
- (ii) Although the FER Policy may provide a justification to seek flexibility on co-financing, most of the decisions require approval from the Board, rather than be undertaken at management discretion, with the Board approval sometimes being an uncertain and long process.<sup>47</sup> For example, the FER

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<sup>44</sup> Gavi (2017) Gavi Alliance Fragility, Emergencies, Refugees Policy. Version 3.0

<sup>45</sup> Ibid

<sup>46</sup> Ibid

<sup>47</sup> The current FER Policy operational guidelines state: "The Fragility, Emergencies and Refugees policy does not allow for national co-financing waivers for a country in an emergency (i.e. the Secretariat is not authorised to approve such a request). Co-



Policy does not provide management discretion to waive co-financing requirements in countries deemed to be in an emergency, and only in exceptional circumstances this can be approved by the Chief Executive Officer (CEO) in the case of waivers for refugees.

- (iii) In addition, in some circumstances, partners end up paying the co-financing requirements on behalf of countries. This includes for example, where countries are unable to make their co-financing payments (such as Somalia and Yemen) or when a government is unable to take on the costs associated with immunising refugees. In these cases, co-financing commitments may be paid by a partner, often an Alliance Partner like UNICEF. Payment by a Partner, according to many stakeholders, fails to deliver an important goal of the Co-financing Policy (to increase country ownership and commitment to vaccine financing). Furthermore, where a Partner pays, it is in effect another aid transfer from donors to Gavi. Therefore, this raises questions regarding whether further waivers should be applied.
- (iv) Finally, some stakeholders consider that governments should not have to pay for the co-financing of refugees' vaccines as poor countries should not be expected to take on these costs.<sup>48</sup>

Both the Tanzania and Somalia<sup>49</sup> case studies provide examples of these deficiencies in the overlaying application of the ELTRACO and FER Policies at the country level.

Therefore, given the strength of the ELTRACO Policies, and the relatively limited application of the FER Policy as discussed above, this has key issues with regards to the implementation of the Policies (discussed further in Section 4.2).

***The ELTRACO policies broadly align with other Gavi support but there is a need for better linkage and further clarity.***

The linkage across different strands of Gavi support is not fully clear to some stakeholders, especially due to the lack of operational guidance across Gavi support mechanisms and a “*proliferation of separate approaches*” (discussed further in Section 4.2 on implementation). Some examples include:

- There is a lack of integrated domestic financing across Gavi's areas of support and a holistic approach for countries to co-finance Gavi-supported programmes, including co-financing which focuses on co-procurement of vaccines, and HSIS, and the cold chain equipment optimisation platform (CCEOP). This is particularly relevant for CCEOP where countries are expected to jointly invest in the CCEOP support, depending on the transition phase that they are in and countries can use HSS grants as a form of their joint investment.<sup>50</sup> Clearly co-financing for commodities is a different proposition than for some other

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*financing waiver requests must be approved by the Board.”* Thus, there is no immediate link between the FER Policy and the co-financing waiving process. Gavi (2017). Operational Guideline 3.16. Implementation of the Fragility, Emergencies and Refugees Policy

<sup>48</sup> The FER Policy (page 8-9) notes that “Governments are encouraged to co-finance all doses. In exceptional circumstances, where it promotes integration by the government of refugees into national planning processes, and where other partners are unable to co-finance in lieu of the government, the CEO may temporarily waive co-financing on these doses. In cases where a government is unable to include immunisation of refugees in the national programme, Gavi, in consultation with the government, may exceptionally fund Alliance partners to provide Gavi-supported vaccines to refugees in Gavi-supported countries”

<sup>49</sup> This is in relation to UNICEF paying the co-financing waiver on behalf of the government, and the process of seeking Board approval for a waiver, which was considered time-consuming and complex.

<sup>50</sup> The CCEOP Application form notes that “Similar to the co-financing model for vaccine support, the exact degree of joint investment for the full duration of support varies based on the country's transition phase (at the time of the independent review). This varies from up to 80% joint investment from Gavi for countries in initial self-financing phase to up to 50% joint investment share from Gavi for countries in preparatory and accelerated transition phase”



areas of investment; the co-financing requirement for vaccines was set at a level that was affordable for countries and relatively easy to budget for. Budgeting for large scale or capital investments such as cold chain systems is more sporadic, expensive, and can be harder to budget for. The main alignment issues are that (i) there is some confusion at global and country levels given different approaches in Gavi to co-financing and joint investment and (ii) there is a need to consider more holistically the implications for domestic financing and budgeting across the support received by a country from all of Gavi's combined modalities.

- Regarding **HSS**, a number of points regarding the alignment have been noted:
  - Whilst the HSIS Framework aligns with the Eligibility and Transition Policy, there are some instances where the link between the two is not fully clear – i.e. eligibility of countries for HSIS support, partly because there is limited information in the Eligibility and Transition Policy.
  - There is a need for better linkage and coordination with HSS support at country level in order to aid programmatic sustainability, which is essential in relation to transition.
- In relation to **post transition support**, this is one of the areas which is the most unclear to all stakeholders. In 2017-18, support was set up ad hoc to address immediate challenges, including post-transition grants, a special line of **PEF TCA** for post-transition countries.<sup>51</sup> In addition, other support, including customised plans has been provided to countries such as Angola and Timor-Leste, considered to be “high risk”. These introductions have been a positive step towards supporting sustainability. As the introduction of this support was subsequent to the most recent changes to the Eligibility and Transition Policy, post transition support is currently not included in the Policy. This is an issue which warrants reflection as (i) as the Policy focuses on transition, the post-transition support is key and (ii) the introduction of post transition support has created ambiguity for some stakeholders regarding when countries ‘fully transition’ from Gavi support (e.g. Georgia) and therefore it is considered that further clarification would be helpful. It is also considered that there is a need to better integrate post transition support as part of the continuum of Gavi support activities.
- In relation to **new vaccine support**, the Co-Financing Policy outlines that IPV, HPV demonstration programmes and all vaccination campaigns, except follow-up campaigns with measles and measles-rubella vaccines, are exempt from co-financing.<sup>52</sup> A number of observations were made by key informants regarding the extent this aligns well with the vaccine support under the Co-financing Policy. It was “*done in its own silo*” and brings in monitoring challenges. In general, it is recognised that exceptions come about for good reasons but it is also considered that the Co-financing Policy is “*currently in a bad middle place with a complicated formula which handles some but not all vaccines and exceptions*”. In our opinion, further simplification would help strengthen alignment.

#### 4.1.3. Flexibility for application in different settings

***The Policies are seen as inflexible but the relatively high number of approvals for exceptions to the Policies are seen as flexible.***

Stakeholders generally consider the Policies to be fairly rigid, designed in such a way to have clear definitions and application for countries and thus to encourage adherence. This rigidity or inflexibility was seen by many global level, and some country stakeholders, to be a strength. However, a number of stakeholders equally

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<sup>51</sup> In addition, initiatives such as the Learning Network for Transitioning Countries was established.

<sup>52</sup> <https://www.gavi.org/support/sustainability/co-financing/>



highlighted that there are frequent exceptions to the Policies, and due to this, their application is considered – by some – to therefore be flexible (although with transaction costs to obtain this flexibility discussed further in Section 4.2.1). We have found examples of this flexibility through the country case studies, such as exceptions related to the duration of the accelerated transition phase (Nigeria, PNG), re-accessing eligibility based on one-year GNI instead of 3-year average GNI due to economic crisis (the Republic of Congo), an exception from co-financing obligations (South Sudan)<sup>53</sup> and others. The number of exceptions approved appears to have increased over time. One global level stakeholder noted that it was now “*nearly comical there were so many exceptions*” and a large number of respondents highlighted the need for the Policies to be recalibrated based on the number of exceptions needed. On the other hand, every country has particular circumstances, and it was suggested by many to be impractical for single policies to be able to apply to all circumstances.

***Whilst the rigidity of the Policies is seen as a strength, many consider that this was more appropriate for previous strategic periods but less so now. Suggestions for a more tailored approach to provide more flexibility and better reflect countries’ needs.***

The context in which the ELTRACO Policies were introduced – when there was a need to shift attitudes around the idea of, and commitment to, transitions from Gavi support and ensuring that co-financing requirements were met – has now evolved. In particular, Gavi is considered to have paved the way globally in this area and it has been noted that due to the Policies, “*behaviour of countries*” has changed over time as the Policies have become internalised and there is an acceptance of co-financing requirements as well as around transitions from donor support more broadly. Therefore, while a more tailored approach and having more exceptions could have undermined the Policies in earlier strategic periods, it is considered that the context has changed and it is now more feasible for the Policies to be nuanced around a range of specific scenarios so as to provide additional flexibility, requiring less exceptions to the Policies.

***Certain aspects within the Policies are considered to warrant particular reflection with regards to flexibility.***

There are circumstances under which exceptions to the Policies have been granted, thus providing some flexibility. These include: (i) co-financing waivers and application of the programme filter (through the FER Policy), and (ii) reduction from three year average to a one year of GNI p.c. to re-access Gavi support (e.g. the Republic of Congo), linking co-financing to fiscal rather than calendar years and transition time period extensions (through exception approvals). The provision of exceptions for these aspects are considered to warrant further reflection with regards to whether the Policies provide sufficient flexibility (relating to the both the application of the FER Policy and other exception approvals). These are discussed further in the following section as well as in Section 4.2.

***There is a lack of clarity around exceptions, alongside high transaction costs for exceptions to be approved. There is a need for further clarity.***

Many stakeholders, particularly at the country level, noted the benefits of exceptions being applied but that there were a number of issues regarding the request and approval of exceptions including:

- The exceptions are often not pro-active or upfront, including especially in the instances of waiving co-financing requirements when deemed appropriate. For example, in the instances of waivers being

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<sup>53</sup> Gavi (2017) Consent Agenda: Continuation of support to South Sudan. Report to the Board. 29-30 November 2017



applied in emergency settings, it notes in the FER Policy that governments can request a waiver in the year of the requirement or in the first year of default, but this still requires Board approval.<sup>54, 55</sup>

- Decision making criteria sometimes lack transparency and are considered opaque and ad hoc, including around exceptions and fragility. For example, there were suggestions to have clearer criteria for potential extensions of the transition period, and further clarity to be provided around when country co-financing can be waived, including especially for countries in economic crises.
- The process to require approval is considered cumbersome and can require a considerable amount of time (e.g., Board decisions regarding Timor Leste and others). Further details are included in Section 4.2 on implementation.

***It is recognised that there are a number of positives and negatives around the potential flexibilities of the Policies and Gavi needs to carefully consider these trade-offs.***

A number of global level stakeholders highlighted that the degree of flexibility offered by the Policies has pros and cons and ultimately Gavi needs to consider the trade-offs and decide what is most appropriate for the upcoming strategic period. A number of positives and negatives for flexible Policies were raised, as captured below:

The case for increasing flexibility in the policies:

- Many of the countries that Gavi supports have unique circumstances and contexts that require tailored approaches;
- Having the possibility to be flexible may make the Policies easier to apply;
- Decisions could be made more quickly if they were not reliant on the Board for decision making.

The case against flexibility:

- Less flexibility translates into greater simplicity and helps the Policies (and their application) to be clear and straightforward for countries, thus providing predictability;
  - A strength of the Eligibility and Transition Policy was considered to be how clear cut the eligibility criteria are;
  - Allowing too much flexibility around eligibility and transition might make it hard to determine ‘what it really means to be Gavi eligible’ and create room for subjective decision-making;
  - Co-financing is seen as “*black and white, not flexible, so that has enabled traction with countries*” precisely because there is no room for negotiation. In addition, the “*consequences are clear for countries entering into default*” – in some instances this has been appreciated by the expanded programme on immunisation (EPI) programme stakeholders who often need to compete for scarce domestic resources;
- Board level approval is seen as a powerful disincentive and also “*protects the Secretariat from having to make these decisions*”;

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<sup>54</sup> Gavi (2017), Fragility, Emergency and Refugees Policy, version 3.0.

<sup>55</sup> Gavi (2016) Operational Guideline: Operationalisation of Gavi’s co-financing policy – guide to assess the possibility of waiving co-financing default sanctions (draft).



- If there is a lot of flexibility applied, then the fairness of the policies may be questioned if it is very individualised;
  - Flexibility that depends on the ability to “*make the case*” for it rather than objectively verifiable criteria, could create incentives for countries to make requests even when they do not really need to and this could introduce an element of ‘unfairness between countries;
  - Similarly, if decisions to be flexible are made by the Secretariat instead of the Board, there is a risk that exceptions may become predominately SCM personality driven and, in that way, may become “*unfair*” between countries.

#### 4.1.4. Benchmarking against other organisations

In this section, we highlight key findings from benchmarking of Gavi’s ELTRACO Policies against similar policies from the Global Fund and the World Bank IDA. Further information is provided in Appendix H on policy benchmarking.

As determined in the analysis here and as reported by many respondents at global and country levels, the Gavi **ELTRACO Policies are seen to be at the forefront** of other organisations in the challenging areas of eligibility, co-financing and transition from financing. The **ELTRACO Policies are simple, transparent and predictable**, with clear rules for eligibility; the level of co-financing required, measuring co-financing, and identifying and managing defaults; and progressive stages towards transition with increases in country income. In comparison to other organisations, Gavi is also noted for recognising the importance of sustainability from the beginning, early transition planning, and post-transition support (although as highlighted elsewhere in the report these are still aspects requiring further improvement).

**On eligibility, use of GNI p.c. is considered a useful means of targeting activities by a number of organisations for lack of a better measure, and despite its limitation.** All three organisations use World Bank income estimates (GNI p.c.) or classifications as a key criterion for determining eligibility, co-financing and transition. Recent reviews for Gavi and during the mid-term review of the Eighteenth Replenishment of IDA (IDA18) concluded that GNI p.c. was still a valid measure of relative poverty and adequately correlated with many social indicators. The consultations conducted in this review confirms that inclusion of GNI p.c. as an appropriate eligibility assessment measure provided that this is within the context of broader programmatic assessment which has been a focal area of this review (discussed further below and in the following sections).

However, **balancing GNI p.c. with programmatic criteria may support better targeting of support and reduce programme risks in post-transition.** The Global Fund and IDA use additional criteria – disease burden and debt sustainability, respectively. Gavi currently uses only GNI p.c. resulting in some situations where countries transition before fully implementing their intended immunisation programmes. For example, there are cases of countries with low coverage transitioning from Gavi support and countries transitioning without introducing key vaccines (e.g., rotavirus vaccine (rota)). Using disease burden criteria allows the Global Fund to target LMICs with high burden of disease, reaching the large numbers of vulnerable people living in these wealthier low-income countries. The use of credit-worthiness as a criterion enables the World Bank to flexibly work with LICs and LMICs that are not yet fully on a sustainable path to growth.

Implementation of the ELTRACO Policies is rigid, **with high transaction costs in terms of country efforts and programme delays needed for obtaining Board approval for exceptions.** As previously discussed, little flexibility is provided through other Gavi policies, for example, even in the event of fragility, emergency and refugee settings and Board approval must be sought except when relating to refugees. In





comparison, the Global Fund and IDA policies are implemented flexibly, allowing the Secretariat or World Bank management to take greater control over the process and with country-specific responses to sustainability challenges. Both the Global Fund's Challenging Operating Environment Policy and the World Bank's Fragility, Conflict and Violence Strategy provide situations for management waivers of eligibility, transition and co-financing policies; Gavi's FER Policy in the majority of cases does not. Gavi is the smallest of the organisations, and the most focussed (immunisation programmes in poor countries). In 2019, 58 countries were eligible for Gavi funding, 119 for the Global Fund, and 75 countries for IDA and IDA blend. As of 2019, 15 countries have graduated from Gavi, with another three expected to transition by end of 2020; 35 have transitioned out of IDA (a total of 44 have graduated, but nine re-entered). In terms of Global Fund financing, 19 disease components have transitioned.

In addition, respondents noted that the **ELTRACO Policies have been successful in leveraging domestic resources** in that many countries have moved from 'zero co-financing' of Gavi supported vaccines to partially or even fully financing them.<sup>56</sup> Use of co-procurement as the mechanism for co-financing engagement is also considered positive as it potentially has positive spin-off effects on health systems as countries include funding in national budgets and may improve forecasting and procurement with successive increases in responsibility for vaccine purchases (although this has not been fully realised as noted in Section 4.2). Respondents noted that given the simple rules and strong implementation of the Policies, Gavi has a unique ability among its peers to assess co-financing and impose consequences for default in 'real' time. The ELTRACO Policies expanded the basis for Gavi staff interaction with Ministries of Finance and budget and planning personnel (recognising that this still requires further improvement), key partners in ensuring long-term sustainability of immunisation programmes. Implementation of the Policies has also reportedly resulted in increasing Gavi interaction with the World Bank and the Global Financing Facility (GFF), key partners with strengths in health sector financing.

Compared to other organisations, as highlighted in global consultations, the **ELTRACO Policies areas of weakness are (i) the lack of specific focus on vulnerable populations (including in MICs which have transitioned out of Gavi support), and (ii) limited flexibility and/ or differentiation** that would allow a more country specific transition or co-financing schedule based on indicators other than GNI (even though the inflexibility was also identified as a strength of the Policies as well). It was suggested that programmatic indicators could better reflect the context and sustainability risks for immunisation services. Other organisations use more indicators than GNI p.c., such as the Global Fund which also uses disease burden and GFF uses maternal, newborn and child health burden indicators. It was noted that the current eligibility threshold prevents Gavi from addressing issues of vulnerable populations in MICs that have transitioned, but have weak immunisation systems. Not reaching the large numbers of unvaccinated persons in these countries may hinder achievement of global targets. In addition, it was noted that the majority of exceptions to the ELTRACO Policies are only granted by the Board, which can mean a time-consuming and delayed process.

While the focus of this section has been on comparing Gavi policies to those of relevant organisations, part of the story regarding the inherent risks to transition and co-financing may be obscured by focusing on the individual organisations, rather than the global setting within which these organisations all operate (i.e. on the

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<sup>56</sup> "Country co-financing has increased more than six-fold from US\$ 21 million per year in 2008 to US\$ 133 million in 2016 with over 90% using domestic resources to pay for co-financing... Overall, Gavi countries increased government expenditures on routine immunisation per live birth<sup>2</sup> by an average of 43% between 2010-2011 and 2015-2016." Global Vaccine Action Plan Monitoring, Evaluation and Accountability. Secretariat Annual Report 2017. Geneva: World Health Organization; 2017. As presented to the Gavi Board, Board-2017-Mtg-3-Doc 14



trees rather than the forest). Three important points raised in recent literature and in the consultations shed light on these areas.

First, several articles, organisational reviews, and partners have raised concerns regarding the issue of **escalating co-financing requirements from multiple donors, as well as multiple transitions from donor financing** as countries achieve LMIC status triggered by common eligibility and transition criteria (e.g., GNI p.c.).<sup>57</sup> None of the organisations' policies directly address these affects. However, the organisations have increased coordination at the corporate level, and are beginning to work together at the country level in pilot areas to jointly address health sector planning and financing, often with the support of external partners. For example, Gavi is partnering with the Global Fund, the World Bank and WHO on regional health financing and sustainability courses for country partners, pilot versions of which have now been completed in Lao PDR, Central America, and Armenia. In addition, Gavi is one of the leaders in global efforts to align external health funding partners in a more consistent approach to sustainability, transition and financing of health systems (e.g., the WHO Health Financing Accelerator, UHC 2030 and the Equity Access Initiative). The World Bank's mid-term review of IDA18 also notes the need for greater country-level and global coordination on transition.

A second point is the **divergence of the current global context from the past**: globally, incomes have been rising, with large numbers of countries becoming middle income – but continuing to face extreme challenges of inequality and vulnerability.<sup>58</sup> As a result of more rapid growth, the alignment of health outcomes with GNI p.c. is not as strong as in the past. This also means that to achieve global health goals in the timeframe of the SDGs, more attention must be granted to these LMIC settings. The ubiquitous use of GNI p.c. as the trigger for eligibility, and growth from that low point as the trigger for increased co-financing and transition may indeed be multiplying the negative risks to successful achievement of SDG goals and long-term sustainability of health outcomes.

A third change in the global health landscape is the range of **other health sector issues that create competing objectives**. Country commitments to UHC add additional pressures on national budgets and allocations within health albeit in support of achieving universality in access to health services, a key component of Gavi efforts. At the same time, burgeoning LMIC NCD epidemics mobilise citizen and health personnel demand for NCD prevention and chronic care, absorbing new funding for the sector before expansion of ongoing activities can be covered. As countries achieve success in reducing vaccine-preventable diseases, the political currency of the investment case often wanes (polio eradication efforts being a case in point).

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<sup>57</sup> For an example, see Silverman, R (2018).

<sup>58</sup> Yamey, Gavin and Gonzalez, Diana and Bharali, Ipchita and Flanagan, Kelly and Hecht, Robert, Transitioning from Foreign Aid: Is the Next Cohort of Graduating Countries Ready? (July 16, 2019). Duke Global Working Paper Series No. 2019/08. Available at [SSRN](https://ssrn.com/abstract=3444444). The authors note that the upcoming cohort of countries graduating from LIC status “have on average, lower per capita income, greater indebtedness, weaker capacity..., more limited and less effective health systems, weaker governance and public institutions, and greater inequality.”





#### 4.1.5. Summary findings

Key issue/ theme	Findings	Robustness rating	and explanation
Alignment with Gavi's strategy	<ul style="list-style-type: none"> <li>The Policies are broadly aligned with the Gavi 4.0 Strategic principles, objectives and M&amp;E framework. Policies align best with the Sustainability Goal in relation to vaccine procurement (rather than operational delivery costs), and to the Vaccine Goal, through shared aims primarily around introduction of new vaccines.</li> </ul>	B	Majority of global level stakeholders agreed and supported by documentary evidence.
	<ul style="list-style-type: none"> <li>The ELTRACO Policies broadly are well aligned with each other.</li> </ul>	B	Majority of global level stakeholders agreed and supported by documentary evidence.
Alignment of Policies with each other and other Gavi Policies/ support	<ul style="list-style-type: none"> <li>There is broad alignment of the ELTRACO Policies and other policies and support, although the linkage across Gavi policies lacks clarity. The application of the FER Policy on the ELTRACO Policies is relatively limited.</li> </ul>	B	Analysis of documentation relating to the Policies. Support from global and country level stakeholders.
Flexibility of policies for different country contexts	<ul style="list-style-type: none"> <li>The Policies are seen as inflexible but the relatively high number of approvals for exceptions to the Policies are seen as flexible.</li> </ul>	B	Majority of global stakeholders (Secretariat and Alliance Partners) agree.
	<ul style="list-style-type: none"> <li>Whilst the rigidity of the Policies is seen as a strength, many consider that that the rigid approach of the ELTRACO Policies was appropriate for previous strategic periods but less so now. Suggestions for a more tailored approach to provide more flexibility and better reflect countries' needs.</li> </ul>	B	Majority of global stakeholders (Secretariat and Alliance Partners) agree.
	<ul style="list-style-type: none"> <li>Certain aspects within the Policies are considered to warrant particular reflection with regards to flexibility.</li> </ul>	B/ C	The aspects which warrant further review were raised by a number of global level stakeholders and literature regarding the exceptions.
	<ul style="list-style-type: none"> <li>There is a lack of clarity around exceptions, alongside high transaction costs for exceptions to be approved. It is considered that there is a need for further clarity.</li> </ul>	B	Many global and country level stakeholders agree. Country case studies identify several examples.
Benchmarking	<ul style="list-style-type: none"> <li>ELTRACO Policies are considered to be at the forefront of donor policies because of their transparency and predictability.</li> </ul>	B	Supported by a large number of global level stakeholders.
	<ul style="list-style-type: none"> <li>On eligibility, use of GNI p.c. is considered a useful means of targeting activities by a number of organisations for lack of a better measure, and despite its limitation.</li> </ul>	B	Supported by a number of global level stakeholders as well as documentary evidence.
	<ul style="list-style-type: none"> <li>Other organisations use additional indicators which enable them to balance judgements about capacity to pay with aspects such as disease burden and thus provide further flexibility.</li> </ul>	B	Supported by majority of stakeholder feedback as well as documentary evidence.

**Q2: To what extent do current Policies reflect previous lessons learned from earlier Gavi phases, previous policy versions and broader contextual changes?**

Sub-questions:



**2a)** Do the design of the ELTRACO Policies reflect lessons learned and recommendations from earlier Gavi phases and previous policy versions?

**2b)** Does the design of the Co-financing Policy consider broader contextual changes to the co-financing environment, and if so, how?

#### 4.1.6. Application of previous lessons learned

##### Eligibility and Transition Policy

In 2015, Gavi conducted a detailed assessment of factors that may affect the likelihood of a successful transition.<sup>59</sup> The findings, lessons learned, and recommendations of this assessment are presented in Appendix P. Following the assessment, the new Eligibility and Transition Policy was updated as part of a joint 2014-15 Secretariat-led review, and the new policy came into effect in 2015, replacing both Gavi's Eligibility Policy and its Graduation Policy previously approved in 2009.<sup>60</sup> Appendix L presents the changes made in the update to the most recent policy as well as other changes made since 2009.

The review found that countries face a variety of financial and institutional challenges as they transition to full domestic financing of their immunisation programmes. These challenges may be caused or exacerbated by very rapid income growth, often driven by relatively new extractive industries rapidly expanding in a context of weak governance. We note the main updates below and reflections of these are described in Section 4.2 on implementation.

- the introduction of a three-year rolling average of GNI p.c. (instead of that for the most recent year) to determine whether a country's income is above or below the eligibility threshold;<sup>61</sup>
- intensified engagement with and technical assistance for countries in preparation for transition out of Gavi support;
- the extension of the grace period for new vaccine introduction during the accelerated transition phase from one year to the full five years;
- countries have one year to apply for new HSS support (i.e. for a country that has not received any HSS support from Gavi yet), after surpassing the Eligibility Threshold (a grace year). However, new HSS support is restricted to those countries with pentavalent coverage below 90%.

The primary lesson learned which was not taken forward relates to the potential to extend the accelerated transition phase in order to mitigate the highest risks to successful transition, especially as the 'new wave' of transition countries were expected to have additional challenges.<sup>62</sup> It was noted that one of the reasons against introducing this flexibility is due to the potential perverse incentives that it may introduce. Since the

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<sup>59</sup> Kallenberg, J et al (2016) Gavi's Transition Policy: Moving From Development Assistance To Domestic Financing Of Immunization Programs. Health Affairs (project Hope), 35, 2, 250-8

<sup>60</sup> Gavi (2019) [Eligibility and Transition Policy 3.0](#)

<sup>61</sup> Kallenberg et al (2016) two additional years of Gavi support are provided for countries that experienced a single year increase of 20% or more in gross national income per capita in the 5 years before their income surpassed the eligibility threshold and that have low immunisation coverage rates (defined as take-up of the third dose of pentavalent vaccine at less than 90%). Two additional years of support are provided for countries (e.g. Ghana) that experienced increases of 30% or more in gross national income per capita, regardless of immunisation coverage rates

<sup>62</sup> Gavi (2015), Report to the Programme and Policy Committee, 4-6 May 2015, Strengthening country transitions out of Gavi support



last review was undertaken this has been an ongoing issue with two countries subsequently being granted exceptions to extend their accelerated transition phase, Nigeria and PNG.<sup>63</sup>

In terms of broader contextual changes in more recent years, and the Policies' consideration of these, we note the following:

- An increasing awareness of the impact on health spending resulting from the simultaneous withdrawal of health grants from multiple global agencies as a result of GNI growth: As noted above, this may not have been adequately considered and there is a need for more explicit linkages across organisations to improve coordination.
- Exogenous shocks affecting fragility including humanitarian emergencies and large-scale migrations: The Policy does not explicitly take this into consideration, except through the application of the FER Policy and consequent decisions about adjustments that are taken by the Board.
- Increasing number of MICs with high levels of inequities in relation to immunisation coverage (both in relation to never-eligible Gavi countries and MICs which have transitioned from Gavi support): The Policy does not take account of this (except to a small degree in relation to tailored transition, HSIS and post transition support for countries transitioning). The assumption is that it is the country's obligation to address these inequities within its own population. However, this is currently being reviewed under Gavi 5.0.

## Co-financing Policy

The Co-financing Policy was independently evaluated in 2014 and Appendix P includes a comprehensive list of findings, as well as recommendations from the review.<sup>64</sup> Recommendations from the evaluation were focused in particular on improving Gavi Secretariat responsiveness to country systems and requirements, such as aligning its country-specific procedures with the budget cycles and fiscal years of each recipient country. Other recommendations focused on how to better strengthen country capacity, immunisation governance and sustainability as well as the technical assistance countries may need as they approach transition.<sup>65</sup> Following the evaluation, the new policy was updated as part of a joint 2014-15 Secretariat-led review and came into effect in January 2016. The main changes at this time are noted below and a full list of the changes over time to the policy can be found in Appendix K.

- linking co-financing to vaccine prices for preparatory transition phase countries to help countries prepare for the transition to full self-financing (e.g. via increasing awareness of vaccine costs, improving country ownership and decision making);
- introducing a 'payment plan' for countries in default;

The Policy was also subsequently updated in June 2016 to include co-financing for measles and MR periodic follow-up campaigns as well as an extension to the grace period for certain new vaccine introductions during the accelerated transition phase.<sup>66</sup>

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<sup>63</sup> Gavi Board June 2019 Decision 14, Approved exceptional extension of accelerated phase for PNG from 2020 to 2025. Gavi Board June 2018: Decision 14 Approved that Nigeria be exceptionally granted an extension of "Accelerated Transition" period (Phase 2) from 2021 to 2028

<sup>64</sup> Norwegian Institute of Public Health (2014) Evaluation of the GAVI Alliance Co-Financing Policy

<sup>65</sup> Ibid

<sup>66</sup> Gavi (2017) Gavi Alliance Board Meeting. Minutes. 29-30 November 2017



We note that some ongoing issues remain concerning the Co-financing Policy. These issues were previously raised in the co-financing review and changes were not made at that time: (i) the budget cycles for co-financing are virtually all still based on calendar years rather than country fiscal years with just a few select exceptions being made<sup>67</sup>; (ii) there were concerns raised as to whether the five-year accelerated transition phase and associated co-financing increases were too steep and the risk that this may pose as to whether this may detrimentally affect countries' abilities to sustain their immunisation programmes.<sup>68</sup>

In terms of broader **contextual changes which have influenced the co-financing environment** over recent years, we consider the most notable to include:

- The shift to UHC and related shifts in domestic revenue raising potential and capacity: feedback has indicated that Gavi could be doing more to position immunisation as a platform for essential primary services. For example, this could include more emphasis on investment in PHC, which includes immunisation given that there is an increasing effort to promote the integration of programmes and reduce competition among them (for example, for human resources).
- An increase in awareness regarding streamlining decision-making on budgeting, public expenditure management and better cooperation around both competing and complimentary interests in domestic resource mobilisation (including from other donors/ programmes which may require co-financing). Improving public expenditure management, budget processes and decentralised capacity underpins all health services, not just immunisation. Gavi support has limited scope to invest in these areas and most support is delivered through other partners such as the World Bank. However, Gavi has an interest in ensuring strengthened capacity in these areas. The ELTRACO Policies do not explicitly consider these other capacity areas, nor do they measure or monitor country progress in relation to them according to their scope, though but more effective linkage with TCA focused here could be useful.
- There is a growing number of new vaccines and product presentations from manufacturers, and countries therefore have more choice. Gavi has also added more vaccines into their portfolio. Feedback suggested that there may not be enough information or guidance available to countries to adequately undertake which vaccines to introduce and in what formulations, with associated implications for country co-financing requirements and considerations for sustainability.

#### 4.1.7. Summary findings

Key issue/ theme	Findings	Robustness rating and explanation
Application of previous lessons learned	<ul style="list-style-type: none"> <li>• Following previous reviews, several important adjustments were made to the Policies based on experience.</li> </ul>	A Lessons learned were identified and applied through Policy adjustments as noted in the documentation. Corroborated through stakeholder feedback.

<sup>67</sup> There have reportedly been a few select exceptions including Ethiopia, Kenya and Pakistan. Also it is recognised that some countries do have fiscal years that follow the calendar year (i.e., the budget year runs from January to December).

<sup>68</sup> Norwegian Institute of Public Health (2014) Evaluation of the GAVI Alliance Co-Financing Policy



## 4.2. IMPLEMENTATION

**Q3: Have the policies been implemented as planned and what have been the contributing factors to any adherence or divergence? How have any implementation challenges been managed?**

Sub-questions:

**3a)** To what extent are the ELTRACO Policies being well-managed, including effective communication, partner coordination and broad stakeholder engagement?

**3b)** To what extent has the Eligibility and Transition Policy been implemented as planned, including the degree to which it ensures appropriate support for countries at different phases as well as early transition planning?

**3c)** To what extent has the Co-financing Policy been implemented as planned, including adherence to co-financing rules and effective monitoring?

### 4.2.1. Management, communication and engagement surrounding the Policies

#### Management

***Management of the policies is broadly considered to be well done although there is some disconnect between the design and implementation of the Policies.***

Stakeholders commonly considered there to be a solid management effort of both Policies, though the heavy burden this placed on the Secretariat was noted by many. From our assessment, there appears to be a disconnect however between those who drafted the Policies and those who implement them in terms of general understanding of the implications for operationalisation. This seems to be in part due to the organisational structure, in that the roles within and between the vaccines and sustainability department, the country programmes department and those involved in the PEF team remain somewhat ineffectively distinct from each other despite their common investment in the Policies. For example, this is played out in terms of uncertainty around who should respond to specific Policy matters within country applications for support, or who should flag any potential issues as relating to application of the Policies. While the broad aims of the Policies are widely understood in the Secretariat, there appears to be an ongoing level of siloed working relating to internalising and applying them, rather than an approach to transition and co-financing which permeates across strategic decision making and operationalisation relating. As noted by one stakeholder, “the Secretariat still needs to mainstream transition.”

***A lack of flexibility in the operationalisation of the Policies across different settings leads to frequent exceptions being discussed and approved by the Board.***

As was discussed in more detail above in Section 4.1, there are advantages and disadvantages to the level of detail included, and degree of flexibility, to weave into the Policies. Some stakeholders considered that they should remain relatively rigid with exceptions as required, whilst others (particularly those at the national level) suggested the Policies should allow for more flexibility in their application upfront, potentially leaving less room for interpretation or Board-led bespoke exceptions. As has been noted, opinion varies in terms of the specific details to include to enable more flexibility in application of the ELTRACO Policies. While it is noted that the blurring of lines between what is a policy issue or what is an operational issue is not specific to the ELTRACO Policies, it is clear that more work is required to elaborate on operational parameters and differentiated processes (to be included within the Policies or in related operational guidance).

A particular challenge with a more rigid approach is the perceived length and complexity in applying for Board approval. This is particularly relevant if needed to take on annually. For example, country stakeholders noted that in Somalia’s case, this resulted in the country deliberately avoiding requesting a waiver on its co-financing



payments, despite not having the available funds owing to the fragile context. As another example, Gavi's engagement on transition with PNG, which led to the development of a country tailored approach, was considered long and iterative as highlighted in Box 4.1. Overall, as highlighted in Section 4.1, there was a common view that clarification is needed regarding the process to approve exceptions. For example, numerous global and country stakeholders emphasised the need to have clearer criteria around when extensions of the transition period could be enabled and further clarity to be provided around when country co-financing could potentially be waived (prior to defaulting), such as in the case of economic crises or conflict (see Section 4.1.3). This would enable these issues to be addressed prior to them having to be considered by the Board as 'exceptions' - particularly important given the number of exceptions that have been approved has increased over time.

**Box 4.1: Gavi's engagement on transition with PNG leading to the development of a country tailored approach**

The approval for a country tailored approach in PNG was acquired in 2019, five-years post the first transition assessment in 2014. There was a standard approach to transition planning, which was not 'country tailored', up until 2017. In 2017, following the rejection by the PNG Health Minister of the proposal to extend Gavi support until 2025, country transition plans were adjusted, though without changing the actual timeline for transition. The continued emphasis on planning for transition left limited time for implementation support in PNG. In late 2018, the Minister recognised the challenges facing immunisation and formally asked Gavi to extend support beyond 2020. The approved extension to PNG's accelerated transition phase is from 2021-25. PNG will still be expected to fully self-finance all vaccines that have been introduced through Gavi-support by 2021 but will have the opportunity to apply for further HSIS and NVS of up to US\$ 60m until 2025.

Therefore this example highlights the long and iterative process required for the development of the tailored approach.

## M&E

***Measurement of the Policies is hindered by the lack of clear definitions of programmatic sustainability and successful transition within Gavi, as well as an absence of ToCs relating to the Policies.***

Global level stakeholders highlighted that some challenges in measurement of the ELTRACO Policies, especially the Eligibility and Transition Policy, link to **broader measurement issues** within Gavi, especially:

- There is a lack of clear definition of sustainability, especially programmatic sustainability.
- There is currently no clear definition of 'successful transition'. In particular this relates to (i) the vision of success; (ii) elements of a healthy transition and steps towards healthy transitions.<sup>69</sup> Transition is currently considered to have a broad vision but is not well defined in terms of specific objectives and outcomes which has implications for performance monitoring and results.

While these are all issues that go well beyond their remit, the ELTRACO Policies do aim to drive sustainable transitions and thus their measurement is particularly relevant. These issues have already been recognised within Gavi and work is currently being undertaken to address these aspects raised here.<sup>70,71</sup>

More specifically related to the ELTRACO Policies, the **absence of clear ToCs for the Policies** may have hindered the formalisation of intended outputs, outcomes and goals of the Policies, and subsequent tracking and measurement of these. This has specific implications in instances where the Policies are not clear, as

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<sup>69</sup> (Gavi 2019). Defining characteristics of country segments presentation: Brainstorming Session, Monitoring and Evaluation Team

<sup>70</sup> Ibid

<sup>71</sup> Gavi (2019) [RfP: Support the development of theories of change for Gavi investments](#)





ToCs would aid more stakeholders in understanding the primary aims of the Policies, rationale for certain components and how these link to Gavi's strategic aims. In particular it is difficult to identify the impact of the Eligibility and Transition Policy as the Eligibility and Transition Policy is "linked to everything that Gavi is doing", therefore making it challenging to isolate the contribution of the Policy itself.

**Secretariat overview of transition across countries is lacking, not supported by an effective M&E system and with country insights not systematically pooled.**

The indicators used for the monitoring of the Co-financing Policy were generally seen as sufficient. The Secretariat also considers notable progress to have been made on improving tracking around transition, including through more regular communication with countries and some performance management processes are in place for measuring transition. However, numerous Secretariat informants suggested that there is a need for more 'pooled oversight' of transition experience across countries, through either some kind of insight/ learning compilation, cross-analysis or mapping effort to both inform ongoing learning and communication with countries. So far, the IF&S team have used a 'traffic light' mapping of high-level indicators to see whether countries are at risk of transition and there are some other tools whereby risk, including on transition is measured across the organisation.<sup>72</sup> However, whilst assessment against these indicators are reportedly shared and discussed with partners, countries, the Programme and Policy Committee (PPC), and the Board, they are considered by many to be too high-level. Further, the Sustainability Tracers, which contain more detail including system indicators, were developed by the IF&S team with the aim of involving colleagues who work on other areas in transition assessment across Gavi (data, demand, etc), though are not used in any official reporting and reportedly have gained little traction within the Secretariat. Finally, while monitoring of the indicators linked to the Policies is done by the IF&S team and these are reportedly regularly shared with the M&E team (whose role is to coordinate subsequent dissemination efforts), it was commonly viewed that these data seem to lack visibility across broader teams within the Secretariat.

## Communication and engagement

**Overall, countries have a general awareness of the Policies but also tend to lack detailed knowledge on their implications.**

Efforts in recent years to improve the communication and understanding of the Policies were praised by a number of global and country stakeholders. Country stakeholders broadly appear to have a good overview of the overall objectives of both Policies and how they impact their country, including phased increases in financial obligations. There are some exceptions though - for example, (i) some LICs are reportedly unaware of the increased co-financing requirements in future transition phases (i.e. Burundi), (ii) there was one example where stakeholders suggested the country was not aware that it had transitioned (Kiribati),<sup>73</sup> and (iii) some country stakeholders - although aware of the upcoming accelerated transition phase - were unaware of its imminence which has been projected to be within the next two years, and the specific implications of that (Pakistan).<sup>74</sup> The previous assessment of the Eligibility and Transition Policy found that countries in the

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<sup>72</sup> For example, there is a risk matrix maintained by the Risk Team, and country metrics summarising performance across various areas and related risks per country, maintained by Country Support.

<sup>73</sup> This was clearly communicated via stakeholder enquiry, though it is understood from the Secretariat that multiple communications were sent to the country on this – as such it is possible that other factors such as staff turnover could potentially account for this.

<sup>74</sup> The example of limited knowledge in Pakistan, however, could be attributed to current economic projections making it possible that entering Phase II will be delayed and the fact that Gavi's projections fluctuate on an annual basis, hence country stakeholders may be cautious to solely rely on these figures for planning purposes





preparatory transition phase had relatively low awareness that they were about to enter the final phase of Gavi support,<sup>75</sup> though this awareness seems to have largely improved. Highlighted through this review however was the limited knowledge in some countries of the financial implications of transitioning to the next phase, suggested in part to relate to the limited availability of resources to work with countries.<sup>76</sup>

Numerous stakeholders at the global and country levels suggested that there continues to be little understanding of the detail with regards to the application of the Policies. As explained by one stakeholder in relation to the Co-Financing Policy, *“co-financing started complex and became even more complex. There are high transaction costs involved with the Co-financing Policy and up to 125 rules and sub-rules for calculating the obligation. It is also particularly complex when countries are changing transition status. The price fraction is another complexity that is not often understood – partly it is a % of a % that is calculated. Also, there are many exceptions such as for measles or transition countries that want to apply for vaccine support.”*

Whilst operational guidelines do exist,<sup>77</sup> they are reportedly infrequently read, and little referred to during exchanges between the Secretariat and countries. As explained by a Secretariat stakeholder, *“producing a long document which outlines all scenarios is less useful as people won’t read it and really you are only interested in something like this when the situation arises and that can be a very specific situation.”* According to country stakeholders (i.e. in Ghana, Lao PDR, Pakistan, PNG, Somalia and Tanzania), other factors which appear to inhibit understanding of the Policies’ detail include frequent turnover of government staff, limited time to read all policy documentation related to their portfolio, the complicated *“legal”* language of the Policies being difficult to understand by non-native English speakers, alongside and lack of opportunity to keep pace with evolving implementation guidelines. Highly decentralised systems, such as Pakistan, can also complicate understanding in the application of Policies at the country level.

In terms of providing guidance to countries, which requires a detailed knowledge of the Policies, some challenges which were reported include: (i) a varying knowledge of the Policies among SCMs, (ii) that the IF&S team are already stretched, and (iii) there is often a lack of comprehensive knowledge of the Policies among Alliance Partners. For example, when Ghana reverted from accelerated to preparatory transition phase in 2017, country stakeholders noted the lack of guidance to both Gavi and country stakeholders in how to manage the process. Also raised was the lack of specific, accessible information on eligibility to apply for exceptions or waivers (as has been discussed above).

**Country engagement: some solid improvement but needs to be earlier, deeper and broader.**

Improvements in country engagement have been noted in recent years, including some efforts to coordinate learning around transition planning. For example, the Learning Network for Countries in Transition was launched in 2017, and Gavi has been investing in the network since.<sup>78</sup> The network links country teams consisting of EPI, MoH and the Ministry of Finance (MoF) and health insurance/ national advisory committees

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<sup>75</sup> This was found to be particularly evident among senior government decision makers. Kallenberg et al (2016) Gavi's Transition Policy: Moving From Development Assistance To Domestic Financing Of Immunization Programs. Health Affairs (project Hope), 35, 2, 250-8

<sup>76</sup> Whilst working with countries to improve their knowledge of financial implications of transitioning was seen as important by the Secretariat, the Sustainability SFA receives limited resources every year (approximately US\$ 3m), compared with the data SFA (receiving approximately US\$ 22m in 2018).

<sup>77</sup> Our documentation review found the following key guidance documents: *“Overview of decision process for exceptions and flexibilities in Gavi policies and guidelines”*; *“Applications for new vaccines for countries in the ‘Accelerated transition phase’ – co-financing rules”*; *“Immunisation Financing: Planning, Budgeting, Allocation, Disbursement, Execution and Reporting Considerations for Country Dialogue”*; *“PEF Targeted Country Assistance. 2018 Reporting and 2019 Planning Guidance”*; *“Application guidelines: Gavi’s support to countries”*; *“How to request new Gavi support”*.

<sup>78</sup> LNCT (2019) [Homepage](#)



on immunisation (NITAG) members in peer learning with other countries around financing of immunisation programmes, as well as programmatic issues (for example vaccine hesitancy and, procurement). Also emphasised by the Secretariat was Gavi's enhanced involvement in health systems financing assessments at country level.

There was broad consensus across global and country stakeholders however that transition-focused thinking and communication – because it is the basis of sustainable investment - should be incorporated from the very start of Gavi support (and not only in Phase I) and that country engagement to support transition assessment needs to be initiated earlier. This is discussed in the Pakistan, PNG and Tanzania country case studies. There were also a number of reports of the development of “*scrambled transition plans*” relating to transition plans being put together in a rushed manner, although this may not accurately reflect the country's genuine position (e.g. Lao PDR – see case study for more details).

It was raised by a few stakeholders at all levels that Gavi engagement with countries to support transition preparation should more comprehensively span a range of technical areas, requiring and resulting in coordination across Gavi internal departments as well as Alliance Partners. Where this has been done, it has aided the transition process (e.g. Georgia). However, while there are numerous components expected to be addressed in transition plans, as is evident from the Guide for Transition Assessments and Plans (2016) for example, (i.e. procurement capacity and processes, forecasting calculations, health system capacity, economic context and domestic resource availability, alignment with other country plans and support mechanisms), dependent on the priorities identified during an initial review there are examples where transition assessments were suggested to be insufficiently detailed to effectively guide the transition process in a sustainable way. For example, in Lao PDR's transition plan, there was reportedly a need for more emphasis on strengthening financial planning. There does appear to be some gap here between what the documentation suggests in terms of the intended breadth and detail of transition assessments and plans and the scope as tends to be the case in practice, as reported by a number of stakeholders. This could be due to ineffective opportunity in country for broader engagement or insufficient representation through the evaluation of country stakeholders who have been part of detailed planning or annual review meetings.

Coordination of transition planning across Alliance Partners, as well as other implementing partners, was recognised as particularly important in countries due to transition from other donor support simultaneously with Gavi support. Examples were raised where engagement has been more ‘light touch’ and ‘top-down’, resulting in both lack of Gavi insight into transition readiness in a country, or a prolonged lack of support which meant that opportunities were missed that could have boosted preparedness. Lao PDR, for example, had for a long time reportedly been supported through quite a hands-off engagement, as both global and country stakeholders reported the lack of a deep dive into aspects which could affect long term financial or programmatic sustainability. However, last year, an audit process uncovered a range of issues such as weak financial management and poor reporting detail and quality,<sup>79</sup> which will feed into a redraft of the transition plan later this year (also planned to further link to the HSS component with the aim of enhancing sustainability of transition). It is understood that transition plans are designed to be living documents with the idea that every year through the Joint Appraisal (JA), country activities can be dropped, replaced, or added and additional budget can be requested if needed, and there are examples of adjustments made to the plans based on evolving country context (e.g. Ghana). However, a number of both Secretariat and country stakeholders noted that in a number of instances, transition plans were rarely revisited or adjusted (based on insightful assessment and broad country engagement).

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<sup>79</sup> Gavi (2018) Joint Appraisal Report: 2018



Finally, there was a similarity in opinion at all levels that Gavi country engagement should be broader, specifically with a wider range of stakeholders including Alliance Partners and government departments. Engagement is considered to generally be targeted towards the technical level, primarily the EPI teams, with health financing and HSS teams given less focus (E.g. in Ghana, Pakistan, Ghana and Tanzania). In particular, it is considered that priorities should include more strategic thinking around targeting decision-makers beyond EPI teams for sustainable financing post-transition, involving those responsible for financing and budget processes, such as key representatives within the MoF. Sub-national level engagement will become increasingly important as more countries devolve, especially given that operational costs are often financed on a sub-national level (Ghana, Pakistan and PNG are cases which emphasise this point). However the new full portfolio planning process has reportedly boosted the involvement of a broader range of stakeholders with a better focus on building on and addressing current issues affecting sustainability in-country.

***Partner coordination is considered to be working well at global level, is variable at regional level, and is more variable still at country level.***

Effective transition planning relies on an adequate understanding of the roles and responsibilities of the different Partners of the Alliance, including the responsibility of Alliance Partners in communicating the Policies from headquarters to regional and country levels internally in their organisations, as well as clearly defining roles and responsibilities within countries. At the *global level*, partner coordination appears to be working well and improving over time, especially through the Immunisation, Financing and Sustainability technical team (ATT). Recent coordination efforts from partners have reportedly resulted in strengthened communication between the Secretariat and WHO (particularly focused on technical assistance), UNICEF (particularly focused on communication and supply chain) and the World Bank (particularly focused on health financing and HSS). While knowledge of the ELTRACO Policies has appeared to have improved among Alliance Partners, their actual engagement in support of the implementation of the Policies has seemed to remain more limited.

At the *regional level*, there appears to be significant variability in awareness of the ELTRACO Policies, largely arising from the extent of knowledge transfer from, and engagement with, the global level. It is generally assumed that Alliance Partners understand the ELTRACO Policies well but, as indicated through a range of consultations at global and regional levels, this was not always be the case, possibly affecting the quality of regional provision of technical assistance to countries. This is reportedly exacerbated by the frequency of updates of the ELTRACO Policies and insufficient communication to Alliance Partners on these changes as well as overall breadth in application of the Policies.

Overall, the biggest variability in partnership engagement and coordination appears to be at the *country level*. There are a number of positive examples:

- In Georgia, strong technical assistance, and frequent engagement aided the country through the transition process.
- In Pakistan, good coordination with Partners was reported through the development of the National Immunisation Support Project (NISP) which has reportedly improved advocacy for timely co-financing payments and the shift of immunisation financing to the recurrent budget. Through the NISP, Gavi participates in joint missions with the World Bank, the Bill and Melinda Gates Foundation and United States Agency for International Development to each of the four provinces twice a year. Pakistan is also the only country in Gavi's portfolio that pays for vaccine procurement at the provincial level. Gavi's deep engagement at the provincial level, in collaboration with other key Partners, has been an enabling factor to facilitate and prepare the country for the process of co-financing payments.



- In Nigeria, engagement with the World Bank has helped to identify the key levers of support needed to improve transition.
- In Angola, engagement with the World Bank has supported efforts to address post-transition health systems weaknesses
- In PNG, there has been good coordination between the Secretariat and Alliance Partners (at all levels and across teams), which has helped to present a unified view to government on EPI activities.<sup>80</sup>

The need for continued coordination with other donors on transition planning at the country level was emphasised, especially for countries about to enter or already in the preparatory transition. A key challenge from the country perspective is that many donors have similar expectations to increase domestic funding of health programmes and these historically have not been well coordinated. According to Secretariat and Alliance Partners this has been given more attention recently but still requires improvement.

***Buy-in from countries is a key focus for the Secretariat but there is varied opinion on the most effective approach.***

Engagement and ownership from countries in the transition process and commitment to deliver on their co-financing requirements has been a cornerstone to the ELTRACO Policies achieving their objective of sustainability. Country buy-in relies on the extent to which the application of the Policies supports the aims of predictability, critical for strengthening country ownership of vaccine planning and financing. This likely requires effective and timely communication from the Secretariat to countries on the Policies.

In Nigeria and PNG, approval of an extended accelerated transition phase also involved the development of a stronger “accountability framework.”<sup>81</sup> This has been seen as positive for boosting accountability and enabling more cross-sectoral discussions around domestic financing capacity. Most recently in Gavi’s June Board meeting, Gavi’s extended support to PNG between 2020-25 was made contingent on the government’s agreement to a set of commitments, one of which was the development of a specific accountability framework.<sup>82</sup> Whilst country opinion was more focused on its alignment with other existing plans and funding mechanisms, which had not been detailed and as such, how this fit within the broader context had not been assessed. It was recognised, for example, that PNG was using a policy matrix with the Asian Development Bank linked to disbursements and achievement indicators (some of which were linked to rural primary healthcare and could reflect an overlap of priorities). This matrix required central agency involvement, and concerns were raised in-country about how the proposed accountability framework for immunisation (also referred to as a policy matrix in country) could be effectively applied in PNG as a part of its transition.

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<sup>80</sup> For example, in January 2019, key Alliance Partners took part in a mission in PNG which discussed how they could improve coordination and partnership

<sup>81</sup> Gavi (2019) Report to the Board. Review of the Strategy for Papua New Guinea. Agenda item 08 for decision. 26-27 June 2019

<sup>82</sup> Country stakeholders referred to this as a “policy matrix”. In the instance that PNG is unable to meet the requirements set out, Gavi would be constrained in providing any further support, and reconsideration of the PNG approach would be required. Gavi (2019) Report to the Board. Review of the Strategy for Papua New Guinea. Agenda item 08 for decision. 26-27 June 2019



## 4.2.2. Summary findings

Key issue/ theme	Findings	Robustness rating and explanation	
Management of Policies	<ul style="list-style-type: none"> <li>Management of the policies is broadly considered to be well done although there is some disconnect between the design and implementation of the Policies.</li> </ul>	B	Majority of global level stakeholders agreed.
	<ul style="list-style-type: none"> <li>A lack of flexibility in the operationalisation of the Policies across different settings leads to frequent exceptions being discussed and approved by the Board.</li> </ul>	B/C	Some differences in opinion between Secretariat and country stakeholders in terms of the level of operational detail to be included in the Policies, as well as level of flexibility that should be incorporated.
M&E	<ul style="list-style-type: none"> <li>Measurement of the Policies is hindered by the lack of clear definitions of programmatic sustainability and successful transition within Gavi, as well as an absence of ToCs relating to the Policies.</li> </ul>	B	Majority of global level stakeholders (Secretariat and Alliance Partners) agreed.
	<ul style="list-style-type: none"> <li>Secretariat overview of transition across countries is lacking, not supported by an effective M&amp;E system and with country insights not systematically pooled.</li> </ul>	B	Majority of Secretariat broadly agreed, with some difference of opinion on specifics.
Communication and engagement	<ul style="list-style-type: none"> <li>Overall, countries have a general awareness of the Policies but also tend to lack detailed knowledge on their implications.</li> </ul>	B	Many Secretariat and country level stakeholders agree. Country case studies identify several examples.
	<ul style="list-style-type: none"> <li>Country engagement: some solid improvement but needs to be earlier, deeper and broader.</li> </ul>	B	Many Secretariat and country level stakeholders agree. Country case studies identify several examples.
	<ul style="list-style-type: none"> <li>Partner coordination is considered to be working well at global level, is variable at regional level, and is more variable still at country level.</li> </ul>	B	Varied opinion across global level and country level stakeholders, dependent on specific country insight.
	<ul style="list-style-type: none"> <li>Buy-in from countries is a key focus for the Secretariat but there is varied opinion on the most effective approach.</li> </ul>	B	Varied opinions across Secretariat and country level stakeholders as to whether buy-in is a key focus. Many global level and country level stakeholders agree that there are varied opinions on the related approaches.

## 4.2.3. Implementation of the Eligibility and Transition policy

The Eligibility and Transition Policy aims to ensure appropriate support for countries at different phases, with a focus on lowest income countries, as well as early transition planning and support. This section explores the extent to which the Eligibility and Transition Policy has been implemented as planned (including early transition planning), as well as the degree to which the Policy ensures appropriate support for countries at different phases. Within this evaluation dimension, we note the inputs and processes undertaken to reach the intended outputs and outcomes of the Policy, based on the ToC (Figure 2.2) introduced above in Section 2.2; discussion will be focused around the specific pathways.



## E&T Policy – Pathway 1: Eligibility threshold

As outlined in the Policy, Gavi’s GNI p.c. threshold for eligibility is currently set at an amount of US\$ 1,580 (the low-income threshold is updated by the World Bank annually to account for inflation, which is then applied to the Gavi eligibility threshold). Countries are eligible for Gavi support (vaccine and/ or HSS programme support) if their average GNI p.c. over the past three years is equal to or below the threshold amount.<sup>83</sup> Under the Eligibility and Transition Policy, reaching this threshold enables a country to move into the accelerated transition phase during which a country has five years before transitioning to the ‘fully self-financing’ stage where domestic sources cover the cost of the full vaccine portfolio (though they are still able to access UNICEF prices for the vaccines). This section highlights some key findings as relating to the use of the eligibility threshold.

***While it does provide clarity for the application of the Policies, the use of the GNI p.c. is considered insufficient as the sole measure to assess eligibility for Gavi’s support.***

There was broad consensus across the Secretariat that better financial predictability was enabled through the use of the three-year rolling average for assessing GNI p.c. as compared with the annual GNI which has been applied through the previous version of the Policy,<sup>84</sup> providing more of a ‘safety valve’. In some countries, GNI p.c. can fluctuate year to year, for example, GNI p.c. in Zimbabwe doubled in December 2018. As noted by a stakeholder, the use of GNI p.c. encourages broad support for “enabling a simple, easily comparable measurement”. Given the extent of discussion on the appropriateness of GNI p.c. as a means of assessing eligibility over the years, there is also little appetite for revisiting this within the Gavi Board, as well as a sense that the ‘advantages outweigh the disadvantages of opening up the debate’ despite its limitations (see the Benchmarking discussion in Section 4.1). However, in addition to this reluctance, many stakeholders considered the use of GNI p.c. on its own to be insufficient as the sole measure to assess eligibility for Gavi’s support, with the following key reasons cited:

- Programmatic readiness to transition and the specific in-country immunisation context is not taken into account;
- To focus solely on domestic and foreign output claimed by resident producers of the country may not be appropriate given GNI p.c. does not reflect broader challenges impacting immunisation financing. This includes aspects such as limited fiscal space given the competition for domestic financing across government departments, and the pace of absorption, which can vary considerably. Similarly, the GNI p.c. does not reflect income inequalities in a country;
- In reality, GNI p.c. is highly variable (i.e. it not always increasing) which means that countries sometimes fall back below the threshold.

Discussion is growing within the Secretariat on the introduction of broader means to assess transition, in particular the consideration of programmatic factors. The M&E team is reportedly currently developing a

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<sup>83</sup> Gavi Alliance Eligibility and Transition Policy, Version 3.0., 2018.

<sup>84</sup> Gavi (2015) Gavi Alliance Eligibility and Transition Policy. Version 2.0. Two further exemptions were also included into the current Co-Financing Policy: Firstly, Phase 1 countries: Countries will remain in Phase 1 for two additional years if: i) their average GNI p.c. over the past three years is above the threshold, and they experienced a more than 30% single-year increase in GNI p.c. in the previous five years; or ii) their average GNI p.c. over the past three years is above the threshold, they experienced a more than 20% single-year increase in GNI p.c. in the previous five years, and have a WHO/UNICEF pentavalent coverage estimate below 90%; Secondly, Phase 2 countries: Phase 2 Countries: If subsequent to entry into Phase 2, a country’s three-year average GNI per capita falls below the threshold amount, the country would regain its Gavi-eligible status”





selection of suitable indicators (also contributed to by the IF&S team) that could be used, possibly based on a combination of high, medium and low-level indicators that cover both programmatic and financial criteria. Based on the evidence generated through this assessment, we agree that there is an important need to expand the criteria for eligibility and transition to reflect programmatic capacity. It was suggested by a range of global level stakeholders that some kind of composite index based on GNI p.c. and other factors could offer a more flexible and insightful measure. These other factors could potentially include (i) public health indicators, critical ones being immunisation coverage (measles, DPT3), equity and access; (ii) governance and systems factors i.e. leadership management and coordination within both the MoH/ EPI and MoF, investment in human resources/ health staffing in both management and service delivery, data management, operational cost allocation to the EPI programme, and (iii) other macro-economic indicators such as Gini co-efficient which could better reflect equity or reduce exposure to rapid movement in GNI p.c. While we consider it important to link programmatic readiness indicators to the duration of the accelerated transition phase, the challenges around instituting a composite index are recognised. These may include the potential lack of transparency around calculations, the need for regular updates of each input indicator whilst maintaining transparency, and the additional burden on Gavi for communicating the index with countries. The Secretariat would need to balance such challenges against the sole use of GNI p.c. indicator to determine the duration of this phase.

While discussions within the Secretariat are already moving positively to address the current limitations of the eligibility threshold, our assessment is that the following key questions require focused attention before an alternative, or evolved, measure of eligibility can be proposed:

- The extent to which Gavi could feasibly take into account programmatic factors based on the underlying limiting factors for programmatic sustainability, as well as the relatively limited HSS funding available;
- The multi-faceted nature of programmatic sustainability and the variability across contexts;
- How any key factors identified could be ‘merged’ with GNI p.c. to assess the need for extension of the accelerated transition phase;
- How flexibility across contexts and phases could be weaved in whilst avoiding the introduction of perverse incentives (i.e. rewards for under-performing);
- How progress could effectively be measured across a range of programmatic areas, including with appropriate weighting;
- How accountability based on more programmatic considerations can be built in without, again, creating perverse incentives or ‘rewarding’ countries for under-investing in their health systems.

***Broad support for linking the duration of the transition phase to progress indicators.***

The accelerated transition phase was broadly suggested as too short for a number of countries, or at least there was insufficient review of country readiness - which could inform the duration of this phase (for example, see the Ghana, Lao PDR and Pakistan case studies). As is discussed in the Design section, the Policy is seemingly rather rigid in the timeframe of five years, with a limited number of exceptions to this (e.g. exceptions of Nigeria and PNG). A number of Secretariat and Alliance stakeholders suggested that progress parameters/ indicators could be added as additional measures to be monitored, particularly later on in the phase – which could also potentially build on the programmatic measures discussed above. It was suggested that transition readiness in particular should be linked to countries having sufficient (i) coverage and (ii) breadth of protection (i.e. no of antigens considered), as well as programmatic sustainability. Our assessment is that flexibility in extending transition timeline needs to be linked to how Gavi addresses the timeframe





once a country reaches the eligibility threshold, with transition readiness predictability tailored to the country setting. This may not imply that transition should be delayed necessarily if programmatic capacity is not sufficient – where countries have the resources, they should be required to pay their own vaccine costs - it is more that in programmatically challenged places, the country should be monitored and assessed regularly on this level as well. It is noted though that in order to support countries with HSS support, the transition phase needs to be extended even if the country is fully paying the vaccine costs. It is understood that the PPC and Board have been discussing increasing the flexibilities around the timeline, but there is currently little appetite to revisit this.

***Countries have welcomed the opportunity for new vaccine introductions in the accelerated transition phase, though it is too early to fully assess the impact of this.***

The Policies were ‘tweaked’ in 2018 to allow new vaccine support grants for countries until the end of the accelerated transition phase. The new rule relates to the extension of the grace period, as introduced in 2018,<sup>85</sup> and sets out that a country can apply for new vaccine support within any of the five years in which the country is in accelerated transition. Our case studies generally indicate that countries appreciate the opportunity to introduce new vaccines throughout the accelerated transition phase, especially as this means they can benefit from UNICEF prices going forward for those vaccines. This also means that countries are not ‘rushing applications’ as was reportedly previously, and can in theory spend more time considering vaccine introduction through a more sustainable approach. For example, Bolivia introduced the HPV vaccine one year prior to becoming fully self-financing, which had a positive impact reaching 60.2% coverage.<sup>86</sup> One country stakeholder noted “*this was one of the biggest successes in recent years*”.

This new rule stipulated changes to the co-financing schedule for these new vaccines, as the number of years of support is determined by the year of accelerated transition phase in which a country applies for new vaccine support.<sup>87</sup> Co-financing obligations can already present a challenge for a country in accelerated transition, given the need to shift in budget terms from 15% contribution to 100% contribution in just five years for example. Therefore, this has steeper vaccine costs and programme implications. It was suggested by some Secretariat stakeholders that this financial pressure may discourage countries from introducing new vaccines, though there is no aggregate data to evidence this as yet, and country response to this new rule also suggests that this is so far not the case.

However, our assessment is that the tension between taking on more vaccines (public health benefit, especially in stronger health systems with higher coverage rates) and moving effectively toward transition (financial sustainability) should be transparently debated with a clear position statement to be provided by Gavi. The number of new vaccines that countries take on affects their ability to transition. For example, although Angola “*transitioned on paper*” and therefore is fully self-financing its vaccine portfolio, it now has a US\$ 20m grant from the Board to help strengthen programmatic capacity, and there is still only 59% coverage of DTP3.<sup>88</sup> Angola however is seen as a benefiting from “*exceptional technical support*”. Pakistan offers another example – it has the world’s fifth largest population with over 200 million people and has simultaneously introduced a large number of Gavi-supported vaccines, four of which require co-financing. As indicated from stakeholder consultations, the five-year accelerated transition period may be too short for Pakistan to manage due to a number of reasons: its ongoing economic challenges and constrained fiscal space, a large (and still rapidly growing) population which requires more vaccines every year, and the number of Gavi supported

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<sup>85</sup> Gavi (2018). “Applications for new vaccines for countries in the ‘Accelerated transition phase’ – co-financing rules”

<sup>86</sup> Joint Appraisal report 2018

<sup>87</sup> Gavi: Applications for new vaccines for countries in the ‘Accelerated transition phase’ – co-financing rules, 2017

<sup>88</sup> Estimate data on coverage of DTP3/ pentavalent 3<sup>rd</sup> dose in 2017



vaccines. All of these may create changes for the fiscal space which the MoF manages. In cases where countries may rush to introduce multiple vaccines to take advantage of Gavi support when their introduction is not responsive to programmatic capacity/ readiness to support further introductions, poor programmatic sustainability could further be affected, also hindering long-term results.

## **E&T Policy – Pathway 2: Transition procedures**

***Transition implementation has evolved a lot but programmatic and institutional challenges remain significant through the transition period.***

The previous review of the Eligibility and Transition Policy highlighted programmatic and institutional challenges of countries transitioning out of Gavi support,<sup>89</sup> including transitioning (i) without introducing vaccines such as pneumococcal vaccine or rota vaccine, with potential for financial challenges in the coming years; (ii) with low vaccine coverage and low performing immunisation programmes; (iii) with limited procurement capabilities and weak vaccine regulatory capacity, and; (iv) without institutionalised independent expert advice for immunisation programme decisions (for example, countries without a NITAG).

Transition plans are required to be developed to guide transition in all countries and in 2017, the Gavi Board committed to a systematic engagement approach to support ‘high-risk’ countries in transition.<sup>90</sup> This engagement includes making applications for new vaccine support available at any stage during the transitioning process and strengthening service delivery through increasing the capacity of health workers and modernising supply chains. As stated in Gavi’s recent Mid-term Review,<sup>91</sup> the Republic of Congo, and Timor-Leste all share deep-rooted systemic issues, mainly linked to post-conflict challenges and have therefore been identified as ‘high risk’ by the Gavi Board. This has led to the development of customised plans for these countries (although the Republic of Congo did not receive ‘tailored support’ due to re-eligibility, it did receive an increase in its HSS allocation to support more intensive engagement), indicating that there is flexibility where needed though these have been the exception rather than the rule. A positive aspect is in relation to HSS support, for which the scope is revisited each year based on expectations of evolving scope. Our assessment is that this will become more important as programmatic sustainability through transition is given more attention under Gavi 5.0.

A number of Secretariat stakeholders also discussed the need to expand the scope of the transition assessments/ plans to cover aspects relevant to programmatic sustainability, procurement expertise, data management, HR capacity, as well as sustainable financing for the vaccines. It is noted though that this opinion may in some part reflect to a lack of detailed knowledge of the content of the transition plans. One stakeholder suggested that “*transition plans went for small fixes - for smaller issues - whereas there needs to be a broader engagement on the bigger issues.*” In contrast to this, there were examples of countries which considered the transition planning process to be participative and reflexive. For example, in Bolivia, stakeholders explained that during the JA process, implementing partners felt empowered to evaluate, identify needs, prioritise, address the gaps and draw the lessons learnt for future planning. Good coordination across implementing partners and with the MoH and MoF were seen as key enabling factors to the collaborative decision-making process.

As indicated in the above section on communication and engagement, there was broad consensus across stakeholders that an earlier start of transition planning processes would be beneficial and engagement in

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<sup>89</sup> Kallenberg, J et al (2016). Gavi’s Transition Policy: Moving From Development Assistance To Domestic Financing Of Immunization Programs. Health Affairs (project Hope), 35, 2, 250-8

<sup>90</sup> Gavi (2017-18) Board Meeting Minutes

<sup>91</sup> Gavi (2018) [Mid-term review](#)



transition planning appears to be highly variable at the country level. It was also suggested by some stakeholders that more effort could be made to further integrate (or at least operate parallel recognising the broad scope of JA requirements) transition monitoring, assessment and planning processes into country review and appraisal cycles, such as the High-Level Review Panel and annual JAs which already generally require Alliance Partner coordination and engagement.

***Programmatic sustainability requires better alignment and coordination with other means of Gavi support.***

A few points were highlighted across Secretariat and country stakeholders in this regard:

- Overall, support should be more effectively integrated and aligned around the purpose of transition;
- There is a lack of clarity regarding post-transition support, has raised confusion among countries. This needs further clarification, as discussed in the Design section.
- Leadership Management and Capacity support (LMC) benefits have been noted to aid sustainability given the strong focus on capacity building.
- An additional support package being developed by the World Bank in the space of Public Financial Management for health and the Vaccine Procurement Practitioners Network<sup>92</sup> has been highlighted as a step towards furthering sustainability, although the impact is unclear as yet.

### **E&T Policy – Pathway 3: Programme filter**

Under the programme filter, Gavi-eligible countries with pentavalent coverage  $\geq 70\%$ , as determined by WHO/ UNICEF estimates, are allowed to apply for new vaccine introduction support.<sup>93</sup>

***The programme filter is not considered to be an adequate mechanism to determine whether a country may obtain new vaccine introduction support.***

The underlying basis of the programme filter is to encourage countries to increase coverage of core vaccines by making access to new vaccine support contingent on reaching the DTP3 coverage threshold of 70%. This should aid to ‘reward’ countries with higher coverage. At the same time, the programme filter also aims to ensure that countries with weak health systems do not overburden themselves with the introduction of new vaccines before basic immunisation services are well established. However, based on quantitative analysis and stakeholder consultations, there is evidence to suggest that the programme filter was not seen as performing as it was intended for a range of reasons:

- The requirement for DTP3 coverage  $\geq 70\%$  to introduce new vaccines is not responsive to specific epidemiologic context (e.g., needs at different time points, settings).<sup>94</sup> Depending on the burden of disease in countries, the programme filter could preclude the introduction of relevant vaccines and there has not been enough flexibility for exceptional approval where the burden of disease is considered warranted (e.g. in Chad for rota, in Somalia for PCV). In fact, although a demonstrated driver of under-five mortality, the programme filter may have prevented the scale up of rota vaccine coverage.<sup>95</sup> Of note, Côte d'Ivoire

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<sup>92</sup> An online community that has been developed by UNICEF-SD through funding from the SFA envelope, the platform contains modules on specific areas of vaccine procurement and is a community for practitioners to exchange knowledge

<sup>93</sup> Gavi Alliance Eligibility and Transition Policy, Version 3.0., 2018.

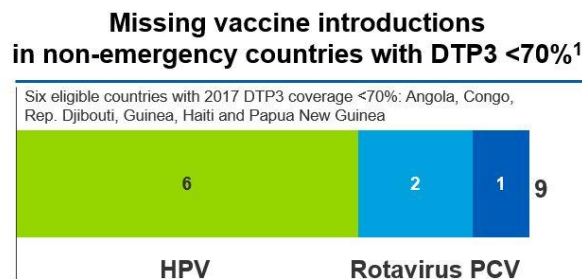
<sup>94</sup> Gavi. Presentation - Discussion: Potential removal of DTP coverage filter, 2019.

<sup>95</sup> A. Clark et. al. Estimating global, regional and national rotavirus deaths in children aged <5 years: Current approaches, new analyses and proposed improvements. PLoS One. 2017; 12(9): e0183392.



was granted an exception with DTP3 coverage below 70% during a period of political instability based on previous strong performance of the EPI programme. Figure 4.1 below illustrates missing vaccine introductions in non-emergency countries as arising from the programme filter.

Figure 4.1: Missing vaccine introductions in non-emergency countries as arising from the programme filter



Source: Gavi

- The programme filter has prevented a few introductions (<10%) but in some cases, the Policy was waived to allow larger countries (not facing emergency) to introduce high impact vaccines even when below the threshold. Nigeria, for example, introduced PCV in 2014 and MSD in 2018, and is exploring rota vaccine and HPV introduction;
- The programme filter potentially exacerbates inequities within and between countries since only 'well' performing countries can introduce new vaccines. However, it is noted that having access to new vaccines does not, in and of itself, address equity imbalances (this is expected to be a stronger focus in Gavi 5.0);
- 'One size fits all' requirement to have  $\geq 70\%$  coverage of DTP3 for new introduction does not account for differences across vaccine programmes and their varying factors for success;
- Similarly, performance-based incentives are crude – the filter emphasises the country/ system as a single unit, though the bottlenecks of coverage may be far away from the MoH. Suggestions were that capacity assessments should be better emphasised;
- Many countries are motivated to meet vaccination targets anyway and this does not in practice offer an additional drive/ incentive. In fact, some evidence suggests that when more vaccines are introduced in LICs, this may strengthen intentions to immunise overall – an example is Meningitis which can help to boost overall demand for routine immunisation;<sup>96</sup>
- Coverage requirements to achieve population level impact differ by disease (i.e. herd immunity for HPV is achieved at lower coverage rates). As such, the programme filter should not preclude countries that have the public health needs to introduce it (i.e. in PNG and Solomon Islands, there are significant burdens of cervical cancer yet very few treatment centres);
- Countries have 'got around' the programme filter by promoting vaccination campaigns (e.g. Chad), and so the core outcome has not been the strengthening of the routine system;
- A lot of data for which the assessment relies upon is poor and in so in many cases, coverage is not an accurate measure. In Ghana, for example, the decision to use coverage as a measure through the programme filter was considered useful in some settings, but there were challenges in implementing this

<sup>96</sup> C. MacLennan. Vaccines for Low Income Countries. Seminars in Immunology, Volume 25, Issue 2, April 2013, Pages 114-123.



in Ghana as the data was very poor quality data and in any case masked significant inequities in coverage. The challenge on relying on poor quality data for this assessment was also highlighted in the Burundi case study, where country stakeholders also explained the national coverage is likely to mask regional inequalities where the coverage is low.

It is understood that in March 2019, the Board recommended at its retreat to consider the removal of the programme filter and allow more flexibility on introductions.<sup>97</sup> Instead, it is suggested that a more comprehensive checklist is developed to determine eligibility on the operational level, which is likely to be beyond the Policies. The evaluators agree that that the programme filter in its current form is not an adequate mechanism to determine eligibility for new vaccine introduction. However, the benefits of the programme filter are also recognised, in providing a benchmark for immunisation programmes to achieve prior to taking on additional vaccines and resulting in new vaccine financing ‘rewarding’ countries with higher coverage.

#### 4.2.4. Summary findings

Key issue/ theme	Findings	Robustness rating and explanation	
Eligibility threshold	<ul style="list-style-type: none"> <li>While it does provide clarity for the application of the policies, the use of the GNI p.c. is considered insufficient.</li> </ul>	B	Majority of Secretariat stakeholders agree.
	<ul style="list-style-type: none"> <li>Broad support for linking the duration of the transition phase to progress indicators.</li> </ul>	B	Many global stakeholders (Secretariat and Alliance Partners) agree on the need to link transition phase to progress indicators but there are some varied opinions in how to approach this.
	<ul style="list-style-type: none"> <li>Countries have welcomed the opportunity for new vaccine introductions in the accelerated transition phase, though it is too early to fully assess the impact of this.</li> </ul>	C	Supported by consensus across country case studies though this is based itself on little insight.
Transition procedures	<ul style="list-style-type: none"> <li>Transition implementation has evolved a lot but programmatic and institutional challenges remain significant through the transition period.</li> </ul>	B/ C	Majority of global stakeholders (Secretariat and Alliance Partners) and country stakeholders agree that challenges exist but there are different opinions on those which are most important, depending on focus/ insight.
	<ul style="list-style-type: none"> <li>Programmatic sustainability requires better alignment and coordination with other means of Gavi support.</li> </ul>	B	Majority of global stakeholders (Secretariat and Alliance Partners) and country stakeholders agree that more alignment is required, and as backed up by evidence, but with varied specific foci across stakeholders.
Programme filter	<ul style="list-style-type: none"> <li>The programme filter is not considered to be an adequate mechanism to determine whether a country may obtain new vaccine introduction support.</li> </ul>	A	Strong evidence based on quantitative analysis and majority of global level (Secretariat and Alliance Partners) and country level stakeholders agree.

#### 4.2.5. Implementation of the Co-financing Policy

The Co-financing Policy aims to enhance country ownership of vaccine financing, increase domestic resources for vaccines and strengthen national vaccine procurement capacities. This section explores the extent to

<sup>97</sup> Gavi (2019) Discussion: Potential removal of DTP coverage filter. 23 July 2019, Geneva



which the Co-financing Policy been implemented as planned, including adherence to co-financing rules and effective monitoring. As in the above section, we evaluate the Co-financing Policy through the lens of the ToC for the Co-financing Policy (Figure 2.3).

## **Co-financing Policy – Pathway 2 – Increasing co-financing requirements linked to GNI p.c.**

***In general, there is a high adherence to the Policy, resulting in a reduction in defaults and increase in co-financing amounts.***

Overall, there was broad consensus that the Policy has been working well and as result of various refinements over time since its introduction in 2008 (see Appendices K and L). A few countries are defaulting on their payments, but on an aggregate level, there has been a growth in commitment to domestic financing over time. This is a positive outcome and a unique and critical approach to Gavi's vaccine investment. Specific results as relating to increases in co-financing commitments from domestic sources, and a reduction in defaults over time is covered under Results in Section 4.3.

***Co-financing calculations are largely inaccessible, creating ownership and transparency issues.***

While the results of the Policy have on a broad level been positive, a number of global and country level informants discussed that the complexity around the forecasting of co-financing requirements reportedly leads to a lack of country involvement in this process, raising ownership, as well as transparency, issues. This may be because of staff turn-over, lack of institutional memory, a tendency to focus on the short term or other reasons. It was suggested that the Secretariat could do more to both simplify the calculations, as well as communicate forecasting and calculations processes internally so as to further equip SCMs to guide and liaise with countries on this. Stakeholder consultations indicate the constraints inhibiting further dialogue on financial implications of vaccines (which according to the Secretariat are intended to happen during the JAs), could be due to (i) a lack of SCM capacity to discuss the financial implications of procuring less vaccines or in setting coverage rates; (ii) the lack of detail and background formulae provided through the sheets given from the Vaccine Forecasting group; and (iii) a lack of country level prioritisation of this effort through the JAs (likely linked to the above points as well as other competing priorities). Country interest in understanding calculations behind the forecasting and co-financing commitments also appears to grow alongside the rise in co-financing amounts, as may be expected. As stated by one country stakeholder, *“It is never ok to have wastage, but it was somehow easier to have wastage before. But now there is more country financing and vaccines are funded through the domestic budget, [the MoF] needs to be sure that these funds are used well.”* Issues around forecasting calculations are discussed in the Angola, Georgia, Lao PDR, Pakistan and PNG case studies.

As indicated by various country stakeholder consultations, this lack of involvement in engaging with the calculations in relation to the co-financing amounts also appears to contribute to a lack of country understanding (real or perceived) about the implications of co-financing, uncertainties which in turn creates challenges for domestic budgeting. As noted above, country engagement is also again a factor here, where more engagement with the MoF would be beneficial. In Ghana, for example, the EPI team is somewhat distanced from priority setting processes and engagement with the MoF and this was found to hinder engagement with senior MoF officials to ensure they are both aware of Gavi co-financing requirements and that co-financing requirements are allocated in the budget lines. Our assessment suggests that if Gavi wants to better support financial sustainability then more effective engagement with the MoH/ MoF and Alliance Partners in country should be prioritised (recognising that this engagement needs to be done strategically and at key points given the pressures and competing demands on their time). More specifically, country stakeholders should be further engaged in the co-financing calculations, increasingly as countries move towards transition.





***The co-financing requirements for campaign vaccines have not worked well and represent an ‘ineffective middle ground’ in which high transaction costs and added complexities outweigh the limited benefits.***

The co-financing requirement for campaigns is specified as 2% of each dose of vaccine for the Gavi-supported measles or MR periodic follow-up campaigns for low income countries, and 5% of each dose of vaccine for the same campaigns in Phase 1 and Phase 2 Countries. As outlined in the Policy, countries are not required to co-finance Gavi-supported vaccines for use in ‘one-time immunisation campaigns’ (i.e. those campaigns that, for population immunity reasons, are conducted once, such as meningococcal A preventive mass campaigns or MR catch-up campaigns) as these are fully financed by Gavi. However, countries are required to co-finance Gavi-supported vaccines for use in ‘periodic follow-up campaigns’ (i.e. those campaigns that are conducted periodically such as measles or MR follow-up campaigns).<sup>98</sup>

There is limited quantitative data on co-financing for campaigns. For example, the co-financing database only differentiates between campaign and routine for some countries in 2019. However, for the current year, the data suggests that the co-financing obligation for follow-up campaigns was only US\$ 1.8m, or less than 2% of total co-financing obligations.

The evaluation highlights the following key findings with regards to the implementation of this component of the Policy, based on Secretariat and country stakeholder consultations as well as the quantitative data available:

- Countries will invest in campaigns not because of the lower co-financing requirement (as compared with routine co-financing) but because of the **need to boost vaccine coverage in-country**, as arising from poor health systems or the functionality of routine immunisation programmes. Therefore, stipulating co-financing requirements for follow-up campaigns is seen as detracting from their investments into HSIS;
- **Co-financing generally works better on predictive, routine spending** and so shocks to the system based on unplanned spending/ activities (campaigns) which are not going to be planned every year can create challenges for domestic planning and budgeting;
- The **difference specified in the Policy between ‘one-time immunisation campaigns’ and ‘periodic follow-up campaigns’ is potentially problematic** in that many campaigns are to some extent cyclical, with various time intervals between campaigns.

Our assessment is that this co-financing requirement for vaccine campaigns is an ineffective ‘middle ground’. Overall, the data suggests minimal benefits (on an aggregate level) in terms of co-financing amounts in campaigns in relation to the added complexity and transaction costs. However, a smaller number of stakeholders questioned whether incentives (through co-financing) should exist to conduct on campaigns. As one global level stakeholder put it, “*it is not because countries have necessarily wanted to get more support from Gavi but it’s more that they haven’t been disincentivised not to do campaigns.*” It is noted that there is also a difference in opinion across the Alliance in terms of the extent to which campaigns should be supported (as relating to routine immunisation so as to boost immunisation outcomes). The current approach by Gavi is seen as a compromise position - however with heavy transaction costs and adding to the complexities of the Co-financing Policy in hampering country understanding and implementation. The benefits are more marginal as the limited co-financing for campaigns does not play a major role in the country decision-making between

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<sup>98</sup> Gavi (2016) [Gavi, the Vaccine Alliance Co-financing Policy](#). Version 2.0





campaigns/ routine. Our suggestion would be to remove co-financing for campaigns, although this should be monitored given the potential risk of perverse incentives for countries to undertake more campaigns.

### Co-financing Policy – Pathway 3 - Using the vaccine price for Phase 1 and Phase 2 countries

Question 10 looks directly at the price-link with co-financing payments for Phase 1 countries. This question looks more broadly at country engagement in forecasting during Phase 2.

***Engagement in the financial implications of product selection among Phase 2 countries is variable but, in many cases, still limited and short term in focus. This will become more relevant as more expensive vaccine products enter the market.***

Our assessment, drawing in particular on country case studies as well as Secretariat and Alliance Partner enquiry, highlighted the following points with regards to the consideration of co-financing obligations as countries shift into Phase 2:

- Whilst significant variability, many countries still appear to **give limited consideration to the both the short and long-term costs when planning vaccine need, with more of a focus on the number of doses.** This can be particularly problematic in Phase 2 given the increases in co-financing requirements. If the financial analysis to support that planning is not comprehensive then countries will find it more difficult to take the long-term financial obligations into account, which can also risk defaulting on co-financing obligations (this likelihood can also be masked by a solid co-financing payment history). This is linked to above discussed issues of complexity of calculations and a lack of breadth and depth of country level engagement.
- **Vaccine forecasting tends to be done on an annual basis,** sometimes linked to in-country annual and budget cycles, which may prohibit a longer-term view considering epidemiological projections as well as co-financing implications. Even based on estimates, a five-year projection visibility could provide a solid base for country planning and the acquisition of a projected increase in domestic finance. This will require effective collaboration across groups, given NITAGs where available, for example, will be more likely to focus on epidemiological data, whereas the MoH/ MoF more likely to focus on resource needs and costs.
- As also discussed above, a number of stakeholders noted that there is room for Gavi to provide more support to emphasise **trade-off decisions relating to public health benefit against financial implications** when discussing forecasting and co-financing.
- Financial planning for vaccine **co-financing tends not to be integrated with or considered against other aspects of Gavi support.** There is a need for wider planning when doing vaccine procurement, including specific consideration of operational costs for example. As stated by a stakeholder, “Gavi has failed to understand until recently that vaccine financing does not equal immunisation financing.”
- **There appears to be a bias to over-procure vaccine doses.** While not relating to a specific objective of the Policy, one hypothesis that the Co-financing Policy may provide an incentive to decrease forecasting estimates<sup>99</sup> seems not to hold true. In fact, country requests often assume projections of annual needs well above likely levels which is due to a number of reasons .<sup>100</sup> Once the doses have been

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<sup>99</sup> Gavi (2019) Vaccine Renewals High-Level Review Panel, Record of Proceedings and Recommendations, 4-5 July 2019, Geneva, Switzerland

<sup>100</sup> Gavi (2019), Vaccine Renewals High Level Review Panel presentation



procured, countries tend to receive Gavi funded doses first which may represent a large portion of the doses required, leaving less need for the entirety of non-Gavi/ co-financed doses. This in turn may result in an over-supply which in theory may encourage countries to request lower dosages/co-financing the following year but this tends not to be the case (for the same reasons over projections are made in the first place). While intentional country engagement by Gavi and its Partners on product choice, pricing options and forecasting is seen as critical by the Secretariat, a number of stakeholders at the global and country levels consider this is an area which could be better supported by Gavi.<sup>101</sup> However, this has not been analysed in depth through this review.

## Co-financing Policy – Pathway 4 - Co-financing as co-procurement pathway

### **Overall design of linking co-financing to co-procurement of vaccines seen as positive.**

Many respondents noted that this connection was a ‘clever’ aspect of the policy, and a strong positive in relation to policy design. That notwithstanding, there remains some misunderstanding at country level that co-financing in practical terms means procurement. Other key issues such as calculation complexities, support to develop financial projections and country level engagement, have been discussed above.

### **Co-financing encourages countries to engage with UNICEF SD and the wider procurement process, which may benefit both high and low capacity countries.**

From a review of documentation and stakeholder enquiry, support to countries appears to be orientated around timely co-financing of vaccines in order to avoid supply disruption.<sup>102</sup> While clearly important, it is apparent that supporting the strengthening of procurement capacity is given much less priority (though it is recognised that this is beyond the Policy itself). A range of global and country informants emphasised that this remains a key programmatic challenge for countries across transition phases, even among recently graduated countries. Building procurement capacity for post transition is widely seen as an area needing more emphasis. Furthermore, there is little flexibility - arrangement of dose procurement through UNICEF is reportedly a very structured arrangement which is hard to adjust on the back of a reforecasting effort, for example.

### 4.2.6. Summary findings

Key issue/ theme	Findings	Robustness rating and explanation	
Increasing co-financing requirements linked to GNI p.c.	<ul style="list-style-type: none"> <li>In general, there is a high adherence to the Policy, resulting in a reduction in defaults and increase in co-financing amounts.</li> </ul>	A	Strong evidence based on quantitative analysis and global level and country level stakeholder consultations.
	<ul style="list-style-type: none"> <li>Co-financing calculations are largely inaccessible, creating ownership and transparency issues.</li> </ul>	B	Many global level (Secretariat and Alliance Partners) and country level stakeholders agree on the complexity of co-financing calculations with varied, but largely not opposing, views on the implications of that.

<sup>101</sup> CHAI is helping a few countries with evaluating alternative presentations and products and looking at the financial implications and co-financing requirements, but this is not happening in all countries

<sup>102</sup> Gavi (2019) Vaccine Renewals High-Level Review Panel, Record of Proceedings and Recommendations, 4-5 July 2019, Geneva, Switzerland



Key issue/ theme	Findings	Robustness rating and explanation	
	<ul style="list-style-type: none"> <li>The co-financing requirements for campaign vaccines have not worked well and represent an 'ineffective middle ground' in which high transaction costs and added complexities outweigh the limited benefits.</li> </ul>	C	Varied opinions at the global level (between and amongst Secretariat and Alliance Partners) and between country level stakeholders and little informative quantitative data available
Using the vaccine price for Phase I and Phase 2 countries	<ul style="list-style-type: none"> <li>Engagement in the financial implications of product selection among Phase 2 countries is variable but, in many cases, still limited and short term in focus. This will become more relevant as more expensive vaccine products enter the market.</li> </ul>	B/ C	Some similar opinions across global level (Secretariat and Alliance Partner) stakeholders and varied, but not opposing, experiences highlighted through the country case studies.
Co-financing as co-procurement pathway	<ul style="list-style-type: none"> <li>Overall design of linking co-financing to co-procurement of vaccines seen as positive.</li> </ul>	B	Many Secretariat and country level stakeholders agree, but there is variability in understanding.
	<ul style="list-style-type: none"> <li>Co-financing encourages countries to engage with UNICEF SD and the wider procurement process, which may benefit both high and low capacity countries.</li> </ul>	B	Some differences in opinion between Secretariat and country level perspectives.

**Q4: To what extent were vaccine support applications from 2016-2018 informed by appropriate consideration of co-financing obligations across Gavi-supported vaccines?**

Sub-questions:

**4a)** To what extent did countries undertake thorough financial analyses and planning – taking into consideration country characteristics such as ability to pay, epidemiological need, health system capacity - to inform their decisions to apply for Gavi vaccine introduction support?

An assessment of countries' ability to pay requires a thorough consideration of the ongoing provision for existing vaccines (including aiming to scale-up coverage) as well as the introduction of new vaccines (including HPV, for example). The decision to introduce and scale up vaccines is dependent on multiple factors including the epidemiological need, the strength of the health system, fertility rate, a country's fiscal space as well as importantly, the ability of a country to make the necessary existing and future co-payments and ultimately self-procure vaccines. The extent to which countries tend to conduct thorough financial analyses and planning, taking into consideration country characteristics such as ability to pay, epidemiological need and health system capacity, to inform their decisions to apply for Gavi vaccine introduction has been discussed in the sections relating to Question 3 above (see Section 4.2). Overall, there was variable and possibly insufficient financial analysis done by and with countries ahead of vaccine introductions.

**Q5: How effective were processes to manage co-financing defaults and to what extent did the default effect other Gavi support to the country?**

Sub-questions:

**5a)** To what extent is the default mechanism to manage defaulting countries effective?

**5b)** What are the non-compliance implications and to what extent does this effect other Gavi support to the country?



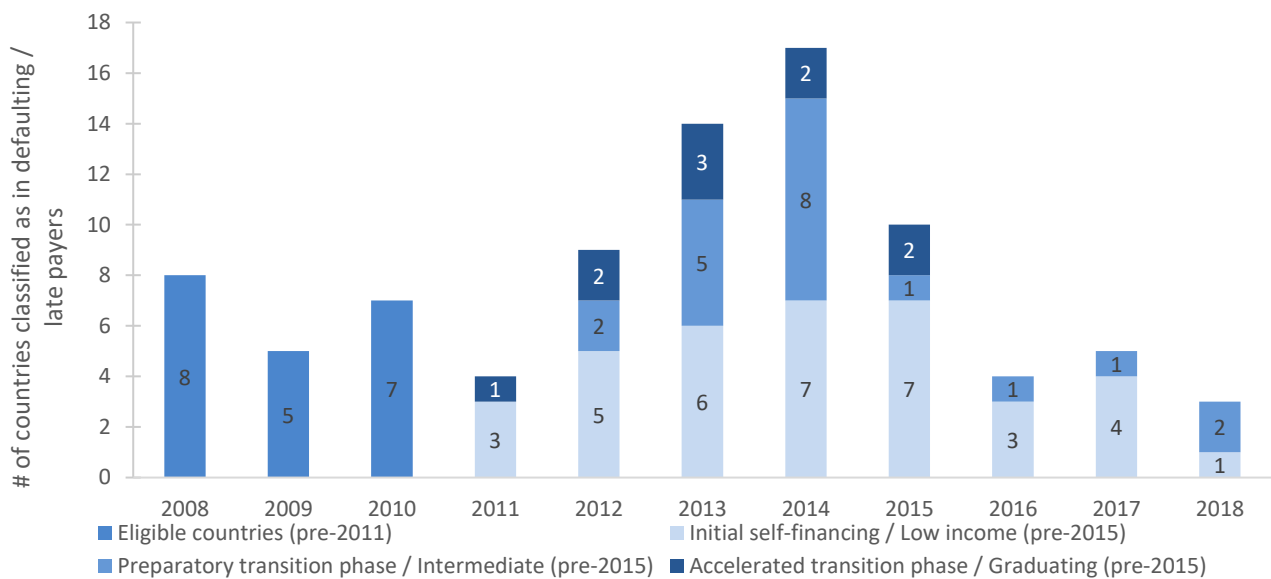
As relating to the *default mechanism and non-compliance implications* highlighted within the ToC, in this section we review evidence relating to country defaults, the management of the default mechanism and the use of waivers by Gavi.<sup>103</sup> The Co-financing Policy considers a country to be ‘in default’ when it has not fulfilled its co-financing commitment for a particular year by 31 December of that year. In reality, there is a short grace period within Q1 to pay the outstanding arrears without the country being considered to have defaulted. A country is considered to be a “late payer” once it has paid its arrears in full (or pays the tranches of the agreed repayment plan). A country’s co-financing obligation can also be waived on a case-by-case basis through Gavi Board approval.

#### 4.2.7. Default mechanism

**Level of defaults has reduced since 2014 mostly due to better communication and advocacy, country internalisation of the needs to pay the co-financing obligations and, more recently, country customisations.**

Figure 4.2. below provides an overview of the countries that experienced a default since 2008 split by country classification. The data includes countries in active default (i.e. those in 2018) and countries that have since been classified as late payers (by fully repaying their arrears or by following their agreed repayment plan).

Figure 4.2. Overview of the number of countries experiencing a default or late payment by country classification



Source: Gavi’s Historic Co-financing Performance database from 2019

As the figure illustrates, there was an increase in the number of defaults after 2011 with the peak of defaulting countries in 2014 (with 17 countries defaulting). Positively, since then defaults have rapidly declined and reached a record low in 2018 (with just three countries defaulting). A number of reasons related to changes undertaken by Gavi were suggested by global and country stakeholders as to why the number of defaulting countries decreased after 2014, including:

- Better communication and advocacy for co-financing obligations at the country level by Gavi. This has been enabled through an increase in human resources within the Alliance, especially with regard to experienced SCMs and support through Alliance Partners. For example, PNG stakeholders suggested

<sup>103</sup> The analysis conducted on defaults uses the historic default, late payer and waiver classifications which have been directly obtained from Gavi in June 2019 in the “Historic Co-financing Performance” database



that UNICEF has been effective in informing, facilitating and following-up with the government on its co-financing payments each year, and this ‘chase’ was a key reason for lack of defaults;

- Internalisation of the need to pay co-financing obligations by decision-makers such as MoH (and to a lesser degree MoF) in countries. For example, Tanzania has not defaulted on its co-financing obligations since 2014, which was attributed to factors including increased ownership for vaccine co-financing payments in the MoH and MoF, despite fiscal year misalignment;
- Country tailored approaches were found to be useful in preventing default, further supported through the alignment of fiscal years, such as Pakistan.

In total, 36 different countries experienced a default / late payment since co-financing was introduced in 2008. The countries currently in default (for the year 2018) are Cameroon, Sierra Leone and Ghana. The full list of countries is depicted in the Supporting Appendix D.

***In the select number of defaults, there have not only been defaults in LICs but also in preparatory transitioning countries, with 2018 being the first year in which more preparatory transitioning countries defaulted than LICs.***

Figure 4.2 above illustrates that defaulting has not only been an issue for LIC countries as transitioning countries also experienced defaults. Prior to 2015, two transitioning countries were mostly responsible for the defaults - namely Angola (2011-15) and the Republic of Congo (2012-15). Since the updated Policies have been introduced, there has been no defaults in countries that are in accelerated transition. However, some countries in preparatory transition continue to default including Ghana (2016, 2018) and Cameroon (2017, 2018) that both defaulted twice. This made 2018 the first year where more countries in preparatory transition defaulted than countries in initial self-financing. The reasons behind the default of countries in preparatory and accelerated transition phases has been varied. Reasons include:

- In Angola the defaults took the form of underpayment and were driven by a combination of reasons, including a lack of full funding commitment, a low health budget, high debt in the country, insufficient line of argument/ justification to the MoF (by MoH);
- In Ghana the key drivers behind defaults included a lack of prioritisation, poor visibility and engagement between the EPI and high-level officials in MoH and MoF and the lack of its own budget line.

***There continue to be a wide range of factors driving country defaults, many being country-specific and beyond Gavi’s direct control.***

The Gavi IF&S team recently conducted a comprehensive regression analysis into the drivers of defaults using a logistic model with country and time-invariant fixed effects.<sup>104</sup> It identified that key risk drivers for defaults are beyond Gavi’s direct control (e.g. country fragility, trade shock, weak governance and inappropriate prioritisation of health financing) with only the introduction of vaccines being directly related to Gavi’s scope of influence. While this analysis is based on data from 2008 to 2018, the conclusion still seems to also relate to the current country defaults (Table 4.2) below.

*Table 4.2. Overview of countries that experienced defaults and late payments*

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<sup>104</sup> Assessing drivers of co-financing default risk – preliminary results. April 2019. The analysis uses a longitudinal dataset from 70 Gavi-eligible countries from the time period of 2008 – 2017.



Countries	Default	Fragility (Gavi data, 2018)	Vaccine introductions	# of Co-financed vaccines (as of 2018)	CPIA <sup>105</sup>
Cameroon	2017, 2018		PCV (2011), Rota (2014)	5	2.5
Central African Republic	2017	Yes	PCV (2011), MenA (2017)	4	2.5
Chad	2017	Yes	MenA (2017)	3	2.5
DRC	2016, 2017	Yes	PCV (2011)	3	2
Ghana	2016, 2018		PCV (2012), Rota (2012), MenA (2016)	5	3.5
Madagascar	2016		PCV (2012), Rota (2014)	3	2.5
Niger	2016		PCV (2014), Rota (2014); MenA (2017)	5	3
Sierra Leone	2017, 2018		PCV (2011), Rota (2014)	4	3

Source: Gavi data, World Bank

The qualitative and quantitative data confirms the findings of the Gavi analysis, showing that it mostly risk factors outside of Gavi control:

- Fragility continues to play a role with three fragile countries defaulting (DRC twice);<sup>106</sup>
- While a quantitative indicator (such as the Country Policy and Institutional Assessment (CPIA) indicator) is not able to capture the variety in institutional challenges, the country case studies confirmed that they play a key role including: (i) lack of political will and prioritisation (e.g. Ghana); (ii) administrative barriers (e.g. delay of funds in Pakistan due to legal restrictions); (iii) Set-up of the EPI and its respective relationship with the MoH and MoF were important (e.g. Ghana);
- Economic factors such as country currency fluctuation played a role (e.g. Pakistan);

***The new payment plans are positively received by countries and considered as fair and flexible. That notwithstanding, they have not completely resolved the issue of repeated defaults.***

Recent changes to the Co-financing Policy introduced payment plans that are agreed between Gavi and the defaulting country. They allow repayment of the obligations in tranches over an agreed time period rather than forcing countries to repay the full obligation within one year, with the aim of reducing the risk of a vicious cycle whereby the repayment of the previous year leads to another default in the current fiscal cycle.

<sup>105</sup> CPIA transparency, accountability, and corruption in the public sector rating (1=low to 6=high World Bank data (2018), the average for all Gavi countries was 2.5.

<sup>106</sup> This would be a bigger issue when fragile countries with waivers (e.g. South Sudan) or with external donors paying for co-financing are considered (i.e. Yemen and Somalia)



This had been identified as major concern prior to the Policy changes in 2015.<sup>107</sup> Since 2008, 16 countries (46% of all defaulting countries) experienced a consecutive default.

The data suggests that the problem was largely tackled prior to 2016 (assuming due to similar drivers that reduced the overall number of defaults outlined above) highlighting positive steps made by the new payment plans. However, consecutive defaulting continues to be an issue with two out of three countries defaulting repeatedly in both 2017 and 2018 (Cameroon and Sierra Leone) and Ghana defaulting in 2016 and 2018. Thus, while payment plans may relieve some pressure for countries, they do not address all the reasons why country default consecutively or multiple times within a few years. The use of the payment plans since its introduction is illustrated in Appendix D.

Of the 12 times a country defaulted since 2016, six times countries have used a payment plan, of which five are still active as Niger already repaid their payment plan in full.<sup>108</sup> Ghana was the only country that received two repayment plans for the defaults in 2016 and 2018. In-country stakeholders in Ghana were in support of the default payment plan, describing them as fair and flexible to country needs. However, they were not seen as solution in itself as the default in 2018 illustrated. Although the reasons have reportedly been an issue of political will and administration structure, stakeholders suggested that the processes around managing defaults by Gavi could be more stringent (as further discussed under Section 4.2.8), with others suggesting that more proactive processes may be needed by MoH to inform Alliance Partners and Gavi in advance if co-financing payments cannot be met so they are able to co-produce a solution.

***Greater flexibility around alignment with countries fiscal years could be achieved but only at a high transaction cost.***

Gavi has started aligning co-financing payments to country fiscal years in a few big population countries including Ethiopia, Kenya and Pakistan. In Pakistan, this greater flexibility around alignment was well received and was contributed to Pakistan no longer defaulting. It removed the need for further administrative hurdles and enabled co-financing payments to be made at the end of the year. However, stakeholders noted this could only be achieved through high transaction costs - especially for Gavi Secretariat and Alliance Partners. In particular, changes in the payment date can pose a significant challenge for vaccine forecasting which relies on the reported information. Thus, despite further demand from countries (e.g. some West African countries reportedly requested alignment with their budget cycle) these wider trade-offs should be carefully considered.

#### **4.2.8. Non-compliance implications**

***The data suggests that the threat of suspension of Gavi support serves as an effective penalty and the use of the grace year has been seen as positive. However, the threat of suspension of Gavi support is only fully considered by some countries in the final stages.***

Global and country stakeholders agreed that the threat of suspension was important to put pressure on governments to pay for the co-financing obligations. This threat (and incentive to further receive Gavi support) was described as important to resolve payment issues at the “11<sup>th</sup> hour” just before Gavi support would have been suspended. In addition, the use of a grace year before support was suspended was overwhelmingly seen as positive. A removal of the grace year was seen as unpractical and costly as it would

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<sup>107</sup> Gavi (2015). Report to the Programme and Policy Committee in May 2015

<sup>108</sup> Of the remaining 6 defaulting countries, 4 did not require a payment plan as they repaid their arrears at the beginning of the next year. For two other countries, external stakeholders paid the co-financing amount. This included DRC in 2016 (World Bank funds used) and Chad in 2017 (France paid)





also penalise many countries that are willing and able to pay the co-financing requirement but faced administrative and budget planning difficulties to do so on time (i.e. due to misalignment of budget cycles, no available funds at the end of the year etc.). However, a few stakeholders argued that the Policy could be more stringent to ensure countries paid on time rather than at the time when the suspension was threatened. It was considered that a few countries (i.e. Ghana) used the fact that harsh penalties only applied after one year to delay payment. This review finds that these specific situations do not warrant a Policy change with regard to the removal or change in the length of the grace year. However, Gavi should monitor this further and, if necessary, could consider taking some action such as reducing the length of the grace year for repeated defaulters.

***There has been only a limited use of the co-financing obligation waivers with just six different countries receiving a waiver so far. While waivers should not be extended to all countries on the FER list, Gavi should consider a more flexible approach to waivers in countries where external funders routinely pay for the Gavi co-financing requirements.***

Table 4.3. shows that, so far, the co-financing obligation was only waived a total of 12 times for 6 different countries. The countries that received waivers were those affected by Ebola (Liberia, Guinea and Sierra Leone) as well as conflict (South Sudan, Yemen and the Central African Republic). Except for South Sudan, the waivers have been granted over a short-time period (i.e. one or two years). There have been no waivers due to economic reasons.<sup>109</sup> With the exception of Yemen, all countries are initially self-financing and classified by the World Bank as LIC. Yemen was still classified as in preparatory transition by the time it received the waiver, but its GNI p.c. has since then deteriorated and it is also now classified as initially self-financing.

Table 4.3. Overview of waivers

Row Labels	2013	2014	2015	2016	2017	2018	Grand Total
Central African Republic	1						1
Guinea		1	1				2
Liberia			1				1
Sierra Leone		1	1				2
South Sudan			1	1	1	1	4
Yemen			1	1			2
<b>Grand Total</b>	<b>1</b>	<b>2</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>12</b>

Source: Gavi's Historic Co-financing Performance" database from 2019

A key aspect for debate is whether there should be a closer link to the FER Policy and an expansion of waivers to all listed FER countries.<sup>110</sup> Many global and country stakeholders considered the current approach to waivers to be limited, in particular as some fragile countries required support from external donors but did not receive a co-financing waiver (e.g. Somalia and Yemen, discussed under question 8 in Section 4.3.7).

<sup>109</sup> The internal guideline of the IF&S team allows to initiate a waiving process based on an economic shock but did not define any indicators and instead would use an ad-hoc assessment to test whether any claims on economic grounds would have merit.

<sup>110</sup> Currently, there is no automatic link between a co-financing waiver and the FER Policy. The current FER Policy states: "The Fragility, Emergencies and Refugees policy does not allow for national co-financing waivers for a country in an emergency (i.e. the Secretariat is not authorised to approve such a request). Co-financing waiver requests must be approved by the Board"



On the other hand, most global and country stakeholders cautioned that not all countries on the FER list should receive waivers as this would create perverse incentives for other countries and was considered to undermine the Policy. It was seen as “opening the door” for more waivers and was suggested that these should be seen a big negative trade-off for any changes. Thus, rather than to apply a blanket approach to linking the FER list and co-financing waivers, Gavi should consider increasing flexibility in specific circumstances, e.g. in cases when otherwise external funding sources is used to pay the co-financing obligation.

***The co-financing waiver process requires both Secretariat and Gavi Board approval – it is seen as very complex with high transaction costs that acts as deterrent by some countries to apply.***

The Policy stipulates no circumstances in which waivers may be granted and as such, little guidance is offered to countries which may consider applying for a waiver for various reasons.<sup>111</sup> The complexities, delayed timeframe and the transaction costs of the waiver process act as barriers for countries, as was the case in Somalia. Additionally, some stakeholders stipulated that the current rules around the process are not clear (e.g. there are only internal but not published operational guidelines) and considered that these should be included, or at least referred to, in the Policy.

***The co-financing waivers have been criticised for not enabling sufficient proactivity and for lengthy approval times.***

The current approach to co-financing waiving is only initiated after a country is already in default, unless delaying the co-financing payment risks the country supply security (i.e. when co-financing payment is a relatively high share of all vaccines).<sup>112</sup> Some stakeholders argued that in cases of disaster or conflict, or when the SCM clearly knows that the country will default, then it should be possible to initiate the process before a country is officially in default. Others suggested that, given the long-time approval and the high-transaction costs, few waivers are either granted or approved (so far only South Sudan has been granted a multi-year waiver). We consider that this process requires further consideration.

***The current approach to waiving co-financing for refugees is seen as inconsistent but there have been diverging views whether all payments should be waived, or whether the host government should be obliged to pay.***

Under the current Policy, refugees in host countries are only able to receive a co-financing waiver if there has been a documented and unsuccessful attempt by the government to find a partner to pay the co-financing obligation. Global stakeholders stated that the current application led to different outcomes between countries which led to confusion at the country level. There were differing views in-country on whether requirements should remain strict in terms of expecting governments to pay or whether these payments should be waived. It was suggested by some country stakeholders that Gavi needs to maintain a pragmatic approach to the co-financing requirements, whereby governments are encouraged but not obliged to co-finance all doses for refugees. Country stakeholders also suggested that asking another donor to pay for refugee population vaccines may not be useful as a mechanism. In cases where the government is unable to pay the co-financing costs for refugee population vaccines, country stakeholders thought these responsibilities should be fully waived.

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<sup>111</sup> These may include (i) co-financing for the doses of in-country refugee populations, (ii) difficulties in meeting co-financing requirements due to sudden unexpected events, such as natural disasters or hazards such as floods or cyclones, or (iii) economic difficulties due to limited fiscal space

<sup>112</sup> Gavi (2017). Operational Guideline 3.16. Implementation of the Fragility, Emergencies and Refugees Policy



## 4.2.9. Summary findings

Key issue/ theme	Findings	Robustness rating and explanation
Default mechanism	<ul style="list-style-type: none"> <li>Level of defaults has reduced since 2014 mostly due to better communication and advocacy, country internalisation of the needs to pay the co-financing obligations and, more recently, country customisations.</li> </ul>	A/ B Evidenced by quantitative data and backed up by majority of Secretariat agreeing. Country case studies identify several examples.
	<ul style="list-style-type: none"> <li>In the select number of defaults, there have not only been defaults in LICs but also in preparatory transitioning countries, with 2018 being the first year in which more preparatory transitioning countries defaulted than LICs.</li> </ul>	A/ B Evidenced by quantitative data and backed up by examples in country case studies.
	<ul style="list-style-type: none"> <li>There continue to be a wide range of factors driving country defaults, many being country-specific and beyond Gavi's direct control.</li> </ul>	B Evidenced by quantitative data and Secretariat and country level stakeholders range of opinions into the key drivers of default.
	<ul style="list-style-type: none"> <li>The new payment plans are positively received by countries and considered as fair and flexible. That notwithstanding, they have not completely resolved the issue of repeated defaults.</li> </ul>	B Backed up by quantitative data and some agreement across Secretariat and country level stakeholders.
	<ul style="list-style-type: none"> <li>Greater flexibility around alignment with countries fiscal years could be achieved but only at a high transaction cost.</li> </ul>	B/ C Some global level (Secretariat and Alliance Partners) and country level stakeholders agree.
Non-compliance implications	<ul style="list-style-type: none"> <li>The data suggests that the threat of suspension of Gavi support serves as an effective penalty and the use of the grace year has been seen as positive. However, the threat of suspension of Gavi support is only fully considered by some countries in the final stages.</li> </ul>	B Broad agreement across Secretariat and country level stakeholders though some differing opinions on appropriate levels of stringency.
The use of waivers for co-financing obligations	<ul style="list-style-type: none"> <li>There has been only a limited use of the co-financing obligation waivers with just six different countries receiving a waiver so far. While waivers should not be extended to all countries on the FER list, Gavi should consider a more flexible approach to waivers in countries where external funders routinely pay for the Gavi co-financing requirements.</li> </ul>	B/ C Based on available quantitative data and some differing, but not fully opposing, views among Secretariat and country level stakeholders.
	<ul style="list-style-type: none"> <li>The co-financing waiver process requires both Secretariat and Gavi Board approval – it is seen as very complex with high transaction costs that acts as deterrent by some countries to apply.</li> </ul>	B Some Secretariat and country level stakeholders agree. Country case studies identify examples.
	<ul style="list-style-type: none"> <li>The co-financing waivers have been criticised for not enabling sufficient proactivity and for lengthy approval times.</li> </ul>	B Some Secretariat and country level stakeholders agree. Country case studies identify examples.
	<ul style="list-style-type: none"> <li>The current approach to waiving co-financing for refugees is seen as inconsistent but there have been diverging views whether all payments should be waived, or whether the host government should be obliged to pay.</li> </ul>	B Some differing views amongst country-level stakeholders.



### 4.3. RESULTS

**Q6: Are the Policies on track to achieve their intended results? What are the main drivers behind achievement/ challenges? How has Gavi's implementation support contributed?**

Sub-questions:

- 6a)** What progress has been made towards the intended targets for the 2016-20 strategic period and to what extent is this due to the contribution of the Policies?
- 6b)** What progress has been made towards achieving intended results of the Policies as outlined in the ToC outcomes?
- 6c)** What are the main drivers behind achievement and challenges?

In this section we firstly describe progress made towards targets as set out in the 2016-20 Strategic Goal indicators.<sup>113</sup> We then outline progress made towards intended results more broadly, as linked to the ToCs. Finally, we describe the drivers for successes and challenges in reaching the intended results.

#### 4.3.1. Progress towards intended Strategic Goals targets

Reportedly, there is no specific monitoring framework for the Policies and therefore implementation of the Policies is monitored through Gavi's Monitoring and Evaluation framework, which includes indicators for measuring sustainability as well as vaccine coverage, breadth of protection and equity.<sup>114</sup> This sub-question will therefore assess the progress made towards targets for the 2016-20 strategic period (and other complementary indicators) as an indication as to whether the Policies are on track to achieve intended results.<sup>115</sup> However, it is recognised that reaching the targets is dependent on a number of other factors beyond the ELTRACO Policies, such as other Gavi support and policies, country contextual factors etc.

#### Co-financing Policy

On an aggregated level, the Co-financing Policy has performed well and is on track to achieve its intended results to increase country financing of Gavi supported vaccines in order to facilitate the transition out of Gavi support. The progress can be seen across three areas: (i) reduction in defaults and no need for suspension of Gavi support as measured under Strategic Goal 3.1 (SG3.1) "*Fulfilment of co-financing commitments*"; (ii) an increase in combined co-financing and fully self-financing and an increase in the number of co-financed vaccines and (iii) increase in domestic vaccine (and routine immunisation) expenditure as measured by Strategic Goal 3.2. (SG3.2) "*Country investments in routine immunisation*".

***There has been a reduction from 17 defaults in 2014 to 3 defaults in 2018 and, as measured under Strategic Goal 3.1, there has been no need to suspend Gavi support due to delayed repayment.***

The key metric that Gavi tracks and reports on with regards to the co-financing payments is SG3.1 "*Fulfilment of co-financing commitments*". This indicator reports on the percentage of countries with co-financing obligations to Gavi that complete co-financing payments by 31 December of the relevant year, or that are no

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<sup>113</sup> CEPA reviewed these indicators in-depth and presented further analysis where this provided additional insights (i.e. breaking down which countries are driving the trend, highlighting areas with need for further attention, complementing the analysis with other health indicators etc.). Appendix D provides further detail on the conducted quantitative analysis and the reviewed data sources.

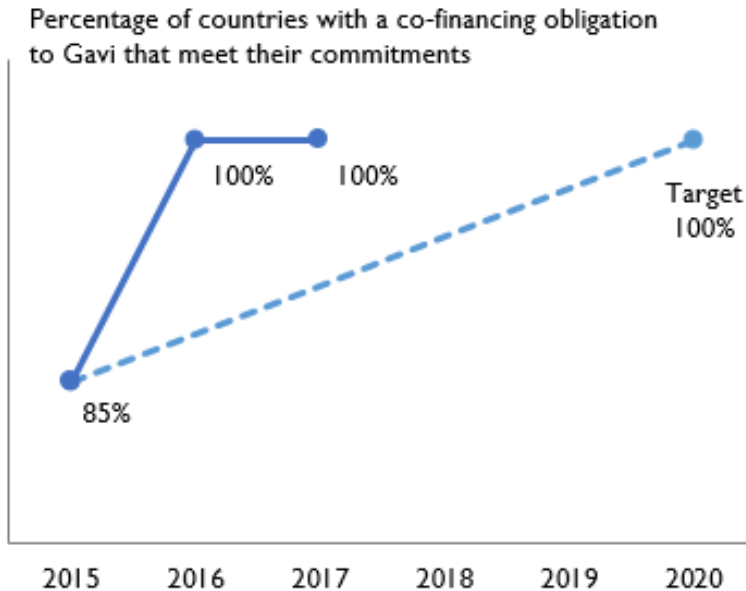
<sup>114</sup> <https://www.gavi.org/results/measuring/2016-2020-indicators/>

<sup>115</sup> This review has focused on the indicators that are seen by stakeholders as most directly linked to the Policies. As such, broader indicators such as Strategic Goal 3.4 on institutional capacity are not presented.



longer in default by 31 December of the following year. Thus, SG3.1 effectively tracks whether Gavi funding for vaccines had to be suspended if countries did not fulfil their commitment (Figure 4.3). So far, all countries fulfilled this criterion since the Strategic Goal indicators have been used.

Figure 4.3. Strategic Goal 3.1. Co-financing fulfilment<sup>116</sup>



Source: As reported by Gavi<sup>117</sup>

While this is a positive outcome, it should be noted that the 85% baseline is based on defaulting countries (i.e. those that did not pay within 12 months) in 2015. However, if the same definition that was applied to 2016 and 2017 was applied to 2015, then the 2015 percentage should in fact also be 100% of countries fulfilling their commitment in the same year or the year after. Thus, the baseline suggests an improvement across 2016 that was not an improvement in reality and also suggests an ambitious target that actually reflects maintaining the same progress. The trend in the actual defaults described in question 5 under Section 4.2 provides a fuller picture of the progress that has been made regarding defaults, illustrating the reduction of from 17 defaulting countries in 2014 to just three in 2018.

However, the reduction in defaults needs to be caveated by the fact that not all countries paid their co-financing from domestic sources. A handful of countries actually relied on donor funding to fully or partially fulfil their co-financing commitment. This issue is explained in more detail in question 9 (Section 4.3.9).

**After a rapid increase in co-financing payments in the past, these have now stabilised as countries transition out of Gavi support and start to fully self-finance their vaccines.**

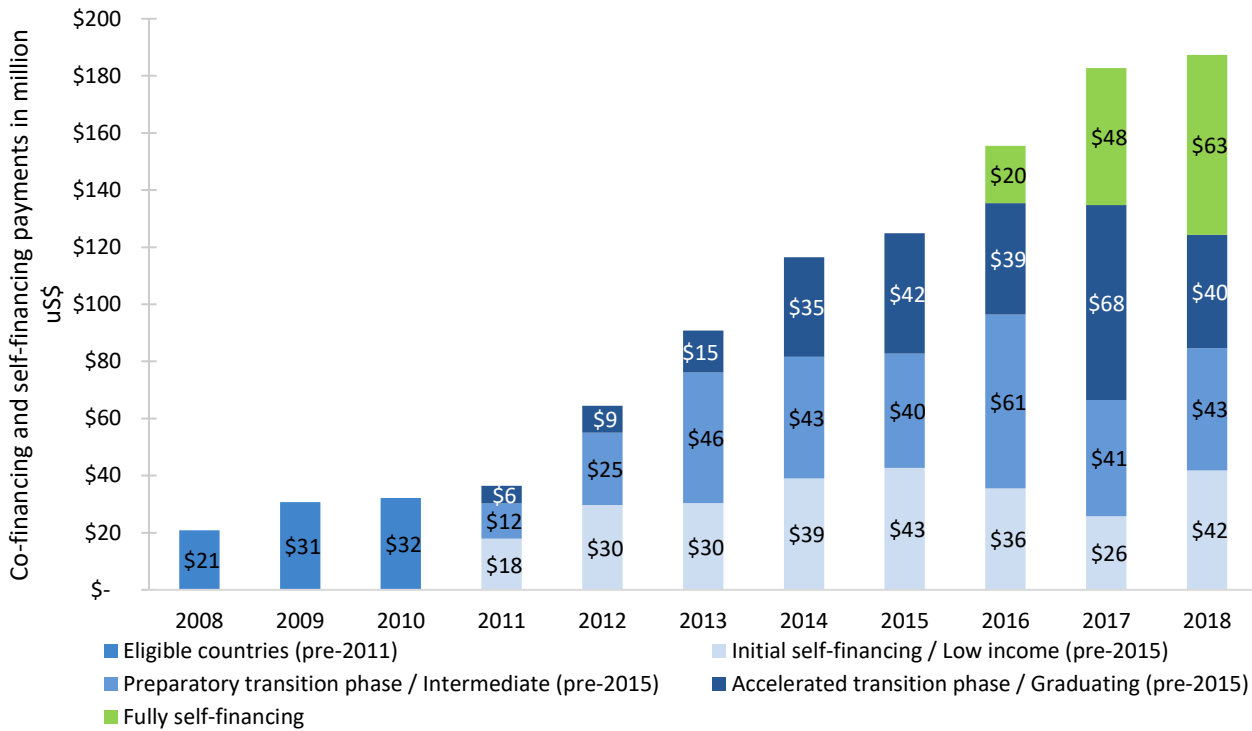
As countries moved along the development continuum, country co-financing increased rapidly prior to 2016, resulting in a higher percentage of co-financing contributions (Figure 4.4 below).

<sup>116</sup> Strategic Goal 3.1 measures the percentage of countries that fulfil their co-financing commitments by the end of the year, or who pay their arrears in full within 12 months.

<sup>117</sup> <https://www.gavi.org/results/measuring/2016-2020-indicators/sustainability-goal/>



Figure 4.4. Country co-financing and fully-financing by country classifications



Source: Gavi co-financing database; Gavi data on fully self-financed vaccines provided only for post 2016, no data provided for country groupings prior to 2016.

This can be seen in the expansion of the transitioning countries payments prior to 2016. At the same time, there has also been a growth in the number of co-financed vaccines that increased from 39 to over 200.<sup>118</sup> This illustrates that Gavi managed to increase country responsibilities for vaccine financing whilst maintaining its aim to encourage vaccine introductions. The recent plateau of country co-financing payments is mostly driven by the transitioning of countries that now fully self-finance their vaccines illustrating the success of the Policies. The self-financed amount has increased from US\$ 20m in 2016 to US\$ 63m in 2018.<sup>119</sup> Additionally, the recent stabilisation should also be seen in the context of the gains made through Gavi’s market shaping activities such as the reduction of pentavalent prices that reduce the co-financing obligations for all countries.

**There has been an increase in government vaccine expenditure over time that is closely linked to the rise in Gavi co-financing payments.**

Overtime, there has been an increase in the total amount of government vaccine expenditure in Gavi-supported countries that is driven by the increase in co-financing and fully self-financing of Gavi-supported vaccines (Figure 4.5).<sup>120</sup>

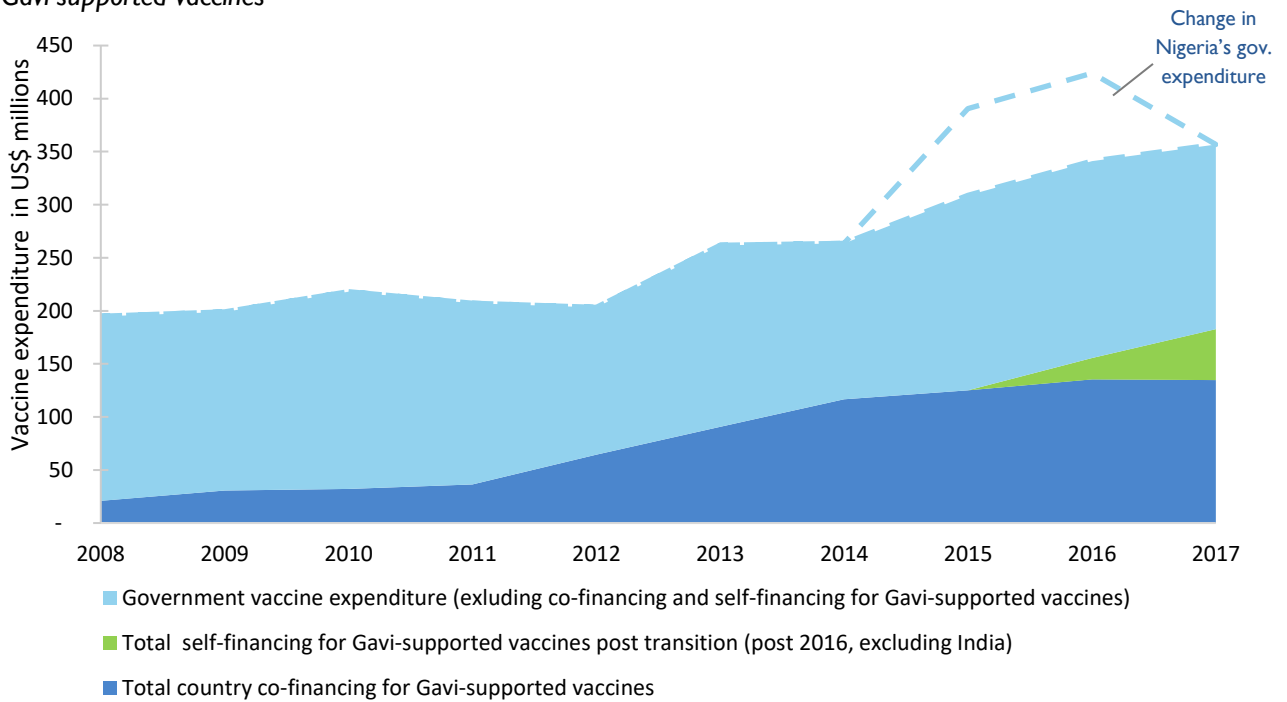
<sup>118</sup> Based on the number of individual vaccines – country pairs for which annual co-financing payments have been recorded in Gavi’s co-financing database. A big boost in vaccine co-financing was seen across 2011-16 with the introductions of rota and PCV.

<sup>119</sup> This excludes self-financing for India as their payments have also not been included previously in the co-financing payments.

<sup>120</sup> The presented data is from UNICEF WHO JRF which gather self-reported country data so that any results should be interpreted with care.



Figure 4.5: Trend in government vaccine expenditure in Gavi-supported countries and co-financing and self-financing of Gavi-supported vaccines



Source; Gavi co-financing database; WHO UNICEF JR. CEPA analysis – all countries were included that paid co-financing payments over the time period.

Since 2008, government vaccine expenditure in Gavi-supported countries has steadily increased from around US\$ 200m to around US\$ 350m in 2017.<sup>121</sup> Over the same time period co-financing increased from US\$ 20m to US\$ 135m with an additional US\$ 48m in fully self-financed vaccines.

**Government routine immunisation per child increased since 2008, but not all countries maintained the momentum with 33% of countries failing to increase spending across 2015-16 and 2016-17.**

The increase in Gavi co-financing also provided a boost to government routine immunisation per child that increased on aggregate for Gavi-supported countries from 2008 onwards. The annual unweighted average government routine immunisation expenditure per child for Gavi-supported countries doubled from around US\$ 10.50 to around US\$ 22.50 over this time period. This was driven by improvements across most countries with over 80% of Gavi-supported countries increasing their immunisation expenditure per child between 2008 and 2017<sup>122</sup> However, the Strategic Goal indicator 3.2. on “Country investments in routine immunisation” illustrates that not all countries manage to improve their spending on a year to year basis (Figure 4.6).

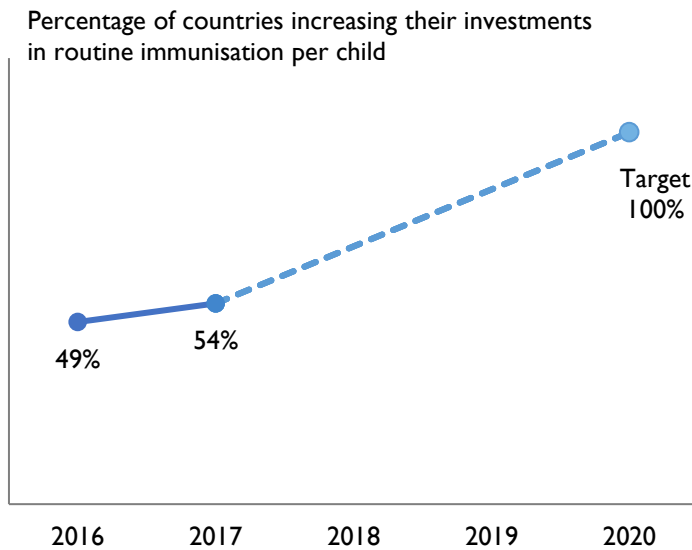
<sup>121</sup> Once the fluctuations in Nigeria’s vaccine expenditure across 2015-16 are excluded.

<sup>122</sup> Based on Gavi data downloaded on <http://gotlife.gavi.org/data/sustainability/> which used WHO UNICEF JRF data. UNICEF WHO JRF is based on self-reported country data so that any results should be interpreted with care.





Figure 4.6. Strategic Goal 3.2. Country investments in routine immunisation<sup>123</sup>



Source: Gavi with data from WHO UNICEF Joint Reporting Form (JRF), World Bank

From 2016 to 2017, 54% of Gavi eligible countries increased their spending (up from 49% of countries between 2015 to 2016). While progress has been made, it shows that not all countries steadily increased their routine immunisation expenditure.

Importantly, of the 71 countries that received Gavi support between 2015-17, 23 countries (33%) had a lower spending per child in both 2016 and 2017 relative to the baseline year of 2015. . Countries from all country classifications were affected although there was a higher proportion of initially self-financing countries, as well as countries that recently transitioned into fully self-financing, as shown in Table 4.4.

Table 4.4. Countries with lower routine immunisation spending per child in 2016 and 2017 compared to the baseline year of 2015

Country Classification <sup>124</sup>	Number of countries	Countries
Fully self-financing (transitioned over the period)	5	Armenia, Azerbaijan, Bhutan, Mongolia, Timor-Leste
Initial self-financing	12	Chad, Comoros, DPRK, Madagascar, Malawi, Niger, Rwanda, Sierra Leone, South Sudan, Tanzania, Uganda, Zimbabwe
Preparatory transition phase	4	Kyrgyz Rep, Yemen, Zambia, the Republic of Congo
Accelerated transition phase	2	Lao PDR, Vietnam

Thus, while the aggregate routine immunisation spending is increasing and a majority of countries have increased their commitment, the commitment is more nuanced on a country-by-country basis.

<sup>123</sup> This indicator takes into account every vaccine in a country's national programme, not just those supported by Gavi. It also includes expenditure on relate products such as injection supplies.

<sup>124</sup> Based on country classification in 2018 (the Republic of Congo reclassified based on board decision)



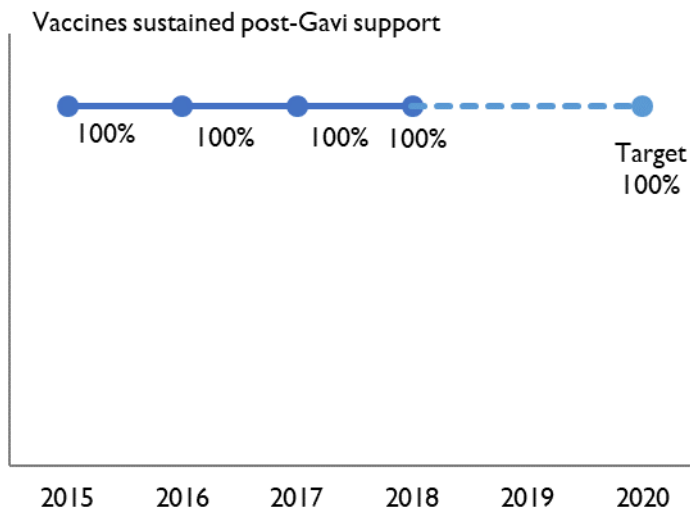
## Eligibility and Transition Policy

On the aggregated level, the results achieved for the Eligibility and Transition Policy is more mixed in comparison to the Co-financing Policy. There have been good outcomes noted in that (i) 15 countries have now transitioned, and (ii) eight of the countries that transitioned more than a year ago have maintained their support for the introduced vaccine programmes as measured by the Mission Aspiration indicator MA.1.5 on “vaccines sustained after Gavi support ends”. From a less positive perspective, there has been a reduction in the number of countries that are on track for a successful transition as measured by the Strategic Goal indicator SG.3.3. This was predominately due to different characteristics of transitioning countries in the “second wave” that lead to more programmatic challenges in these countries.

**15 countries have transitioned out of Gavi support during the review period. All countries that transitioned more than a year ago managed to sustain the support for the introduced vaccine programmes.**

Mission Aspiration indicator MA.1.5 on “vaccines sustained after Gavi support ends” depicts that all transitioned countries sustained the delivery of all recommended vaccines in their routine programmes after transitioning away from Gavi financing support (Figure 4.7).

Figure 4.7 MA.1.5 Vaccines sustained after Gavi support



Source: Gavi reported based on UNICEF WHO JRF data

15 countries<sup>125</sup> have transitioned out of Gavi support during the review period alone. All countries that transitioned more than a year ago have so far managed to sustain the delivery of vaccines in their routine programmes introduced with Gavi support. With the exception of Bolivia, all transitioning countries managed to increase or maintain their DTP3 coverage above 90% after transitioning from Gavi support.<sup>126</sup>

With the recent one-time support from Gavi for the HPV introductions, most transitioned countries also now have either three or four, critical vaccines (penta, PCV, rota, HPV) introduced. Exceptions remain in Azerbaijan, Cuba, Indonesia and Sri Lanka that only have one or two critical vaccines introduced.

<sup>125</sup> Angola, Armenia, Azerbaijan, Bhutan, Bolivia, Cuba, Georgia, Guyana, Honduras, Indonesia, Kiribati, Moldova, Mongolia, Sri Lanka, Timor-Leste

<sup>126</sup> UNICEF WHO JRF data; Bolivia’s DTP3 coverage decreased from 87% in 2016 to 83% in 2018.



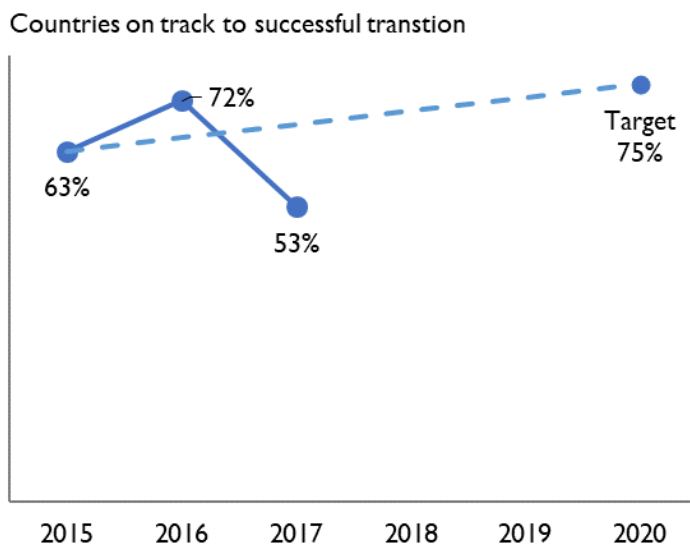
**Recent evidence suggests that a third of countries that transitioned during the review period decreased their routine immunisation spending per child over the last two years.**

The routine immunisation spending decreased for five recently transitioned countries (33%) over both 2015-16 and 2016-17, while it increased only for four countries for both years. However, with the exception of Azerbaijan and Bhutan, the routine immunisation was higher in 2017 than in 2011 when many countries started their transition progress. Thus, while across the whole transition phase, spending per child was boosted for most countries, it is a concern that there has been a drop during, or closely following, transition in a third of countries.<sup>127</sup> At this stage, there is only limited and poor-quality data on this point but Gavi should closely monitor this development over the next years.

**The second wave of transitioning countries faces more programmatic challenges resulting in a reduction in the percentage of countries on track for a successful transition from 72% to 53%.**

Strategic Goal 3.3. on “Countries on track for successful transition” measures the percentage of transitioning countries that are on track do so successfully by assessing whether countries (i) completed 75% of predefined transition activities on time; (ii) maintained or increased DTP3 coverage above 90% and (iii) met the co-financing obligation (Figure 4.8).

Figure 4.8. Strategic Goal 3.3. Countries on track for successful transition



Source: Gavi reported based on UNICEF WHO JRF data and Gavi data

The reduction from 2016 to 2017 depicted in the composite score was driven by the fact that countries did not manage to maintain or increase their DTP3 coverage.<sup>128</sup> In 2016, eight out of eleven countries were on track to successfully transition (73%). The three countries that did not manage to maintain their DTP3 coverage included Angola, the Republic of Congo (which also failed to complete its transition plan activities on time) and PNG. In 2017, eight out of 15 countries were on track to successfully transition – a decrease to 53%. Repeatedly, the drop was due to more countries not maintaining or increasing their DTP3 coverage. The seven countries included (Angola, Bolivia, the Republic of Congo, Lao PDR, Nigeria, PNG and Timor-Leste).

<sup>127</sup> This analysis is based on the UNICEF WHO JRF data that is self-reported by countries and of low quality.

<sup>128</sup> Based on provided Gavi data behind the SG3.3 that used UNICEF WHO JRF data for DTP3 coverage



While this indicator does highlight the existing challenges on DTP3, there are other high-level indicators that similarly show that transitioning countries possess different characteristics that hamper programmatic sustainability. The “traffic light” analysis developed by Gavi’s IF&S team also highlights that Angola, the Republic of Congo, Nigeria, PNG and Timor-Leste were struggling across a range of areas including coverage equity<sup>129</sup> and institutional capacity<sup>130</sup>. It should be noted that the Eligibility and Transition Policy is not primarily “responsible” for the DTP3 coverage in any given country, but rather that these indicators are impacted by a wide range of factors including other Gavi policies, but also many country-specific socio-economic factors. Thus, what the indicator primarily shows is the fact that second wave transitioning countries are in different situations that require more support than set out under the current ELTRACO Policies. This has been recognised by Gavi that classified Angola, the Republic of Congo, Nigeria, PNG and Timor-Leste at high-risk for a successful transition and provided exceptions for additional support to these countries.

#### 4.3.2. Summary findings

Key issue/ theme	Findings	Robustness rating and explanation	
Co-financing Policy progress towards their intended results	<ul style="list-style-type: none"> <li>There has been a reduction from 17 defaults in 2014 to 3 defaults in 2018 and, as measured under Strategic Goal 3.1, there has been no need to suspend Gavi support due to delayed repayment.</li> </ul>	A	Based on Gavi data on defaults. The data was considered to be of high quality.
	<ul style="list-style-type: none"> <li>After a rapid increase in co-financing payments in the past, these have now stabilised as countries transition out of Gavi support and start to fully self-finance their vaccines.</li> </ul>	A	Based on Gavi co-financing data. The data was considered to be of high quality.
	<ul style="list-style-type: none"> <li>There has been an increase in government vaccine expenditure over time that is closely linked to the rise in Gavi co-financing payments.</li> </ul>	C	Based on quantitative data, but self-reported and low quality data
	<ul style="list-style-type: none"> <li>Government routine immunisation per child increased since 2008, but not all countries maintained the momentum with 33% of countries failing to increase spending across 2015-16 and 2016-17 relative to the baseline year 2015</li> </ul>	C	Based on quantitative data, but self-reported and low quality data
Eligibility and Transition Policy progress towards their intended results	<ul style="list-style-type: none"> <li>15 countries have transitioned out of Gavi support during the review period. All countries that transitioned more than a year ago managed to sustain the support for the introduced vaccine programmes.</li> </ul>	A	Based on quantitative data
	<ul style="list-style-type: none"> <li>Recent evidence suggests that a third of transitioned and transitioning countries decreased their routine immunisation spending per child over the last two years.</li> </ul>	C	Based on quantitative data, but self-reported and low quality data
	<ul style="list-style-type: none"> <li>The second wave of transitioning countries faces more programmatic challenges resulting in a reduction in the percentage of countries on track for a successful transition from 72% to 53%.</li> </ul>	A /B	Based on quantitative data

<sup>129</sup> Percentage of districts with coverage rate below 80% is below 80%.

<sup>130</sup> World Bank CPIA Index data for “Quality Public Administration” and “Building HR” is below the WB threshold of 2.8.



### **4.3.3. Progress of Policies in terms of outcomes indicated through the Theories of Change**

In this section we discuss progress of the Policies in terms of the intended results beyond those reported on in the Strategic Goal indicators, as linked to the ToC outcomes, and outputs. Given the interlinkage across the two Policies, we note just the most important aspects here.

#### **Country ownership**

The intended outcomes of the Policies are to increase country ownership, especially relating to ownership of vaccine financing through the Co-financing Policy. In this regard, the Policies are broadly considered to have achieved this, especially given the rigid application of default consequences. However, it is not that clear how the Policies contribute to country ownership more broadly beyond vaccine financing – specifically relating to domestic financing for the immunisation programme beyond vaccines and providing a pathway to transition.

#### **Clear pathway to transition**

One of the aims of the Policies is to support countries to have a clear pathway to transition out of Gavi support – this is through the use of the GNI p.c. as well as linking this to a differentiated share co-financing requirement. The use of the GNI p.c. aids this as it is one indicator, rather than a composite group of indicators. However, the use of the GNI p.c. can create challenges, specifically – (i) it is not that well understood at the country level and (ii) it is ‘far removed’ from immunisation performance which is the focus of EPI departments. This was noted to be an issue previously where countries moved very quickly through Phase I. It is expected that the change to using a three-year GNI p.c. average will help to address this to some extent, but given the recent change, it is still too early to conclude the impact. In addition, the inclusion of post-transition support, allowing countries to apply for new vaccine support in the accelerated transition phase, and having a number of exceptions to the accelerated transition phase duration, have blurred the clarity of countries’ pathways to transition in some cases.

#### **Country preparedness for transition**

One of the aims of the Eligibility and Transition Policy is to identify key transition bottlenecks and challenges and thus aid country preparedness for transition – this is emphasised through the transition assessment and planning processes. However, one of the main challenges in this regard is the lack of early identification of context-specific programmatic weaknesses, and strategic planning and broad engagement to help address them. It has been noted that programmatic sustainability has been less of a focus of the Policies. As noted in the sections above, this links to (i) financing of operational costs; (ii) capacity building; (iii) linking of HSS support transition, and; (iv) a lack of clarity regarding linkage with PEF support, especially in the post-transition phase.

More broadly, this has created instances where a number of countries have transitioned with: (i) limited breadth of support in terms of vaccines introduced, and; (ii) relatively low vaccine coverage (e.g. Angola).

#### **Contribution to countries maintaining goals post transition**

As noted above, there has been a drop-in countries on track for a successful transition – primarily driven by a drop in DTP3 coverage in countries. In general, it is considered that the aim of the Policies to support countries to maintain gains post transition is effective, although some ‘backsliding’ has happened as noted above.

#### **Strengthening national vaccine procurement processes**



One of the intended results of the Co-financing Policy is to enhance engagement and awareness of procurement processes, and through doing so, to strengthen this capacity. In general, it is considered that the mechanism of co-procurement of vaccines has increased engagement in the following ways: (i) around vaccine choices; (ii) around vaccine doses, and; (iii) with UNICEF SD. Whilst the Co-financing Policy might then work as an incentive, and an advocacy tool for countries to more accurately forecast their dosage requirements though this has not been found to be the case. This is because (i) lack of or poor-quality data used in forecasting estimates; (ii) 'overestimated' coverage targets, and; (iii) lack of capacity. More broadly it has been recognised that a number of challenges with procurement and transition relate more broadly to national procurement challenges. For example, for smaller countries, there are a number of challenges related to economies of scale and registration of vaccines (e.g. Georgia).

#### 4.3.4. Main drivers behind achievement and challenges

In this section we consider the **main drivers** behind the achievement of results, or challenges. Firstly, we present the drivers in relation to transition with regards to the Eligibility and Transition Policy, followed by co-financing for the Co-financing Policy and then drivers relating to both policies. These are based on drivers which have been noted in relation to individual, or a number of countries, but are not necessarily evident across countries.

### Eligibility and Transition

#### Success drivers

Success drivers in relation to the Eligibility and Transition Policy, flexibilities and processes around them include:

- Providing a clear pathway to transition for countries; including through having broader and transition planning processes and discussions, and an institutional focus, with the opportunity to revisit transition plans dependent on country progress;
- Where flexibilities have been applied to countries post-transition in light of specific country contexts;
- Effective engagement of the Gavi country team.

Success drivers at country-level include:

- Political will and prioritisation/ visibility of immunisation within government. This has been aided by country 'champions';
- Sustained, stable economic growth;
- Strong existing PHC or ongoing HSS efforts at this level;
- Strong leadership, management and coordination capacity both within the EPI and across relevant government departments, as well as limited staff turnover.

#### Challenges drivers

In addition to factors which are the converse to those mentioned above, challenge drivers in relation to country specific factors include:

- Countries which are recognised to have health systems that are particularly weak in some areas (e.g. Ghana, Pakistan) and countries with 'higher' programmatic challenges relating to capacity, coverage,



political will, post-conflict and high inequities in coverage – as in the new wave of countries coming up to transition;

- Insufficient planning for withdrawal of funds including:
  - Limited donor coordination and a lack of holistic consideration for the support needed across immunisation programmes and health systems. For example, in Kiribati, where reportedly other donors needed to ‘pick up’ the gap relating to funds when Gavi transitioned out;
  - A need to take on immunisation programme operational costs which may be de-emphasised in comparison to vaccine co-financing;
- Additional financial and programmatic implications for countries with larger population sizes and devolved structures, e.g. Pakistan, Nigeria, Indonesia;
- Procurement challenges, especially in settings of post transition, such as relating to the challenge in obtaining lower prices from vaccine manufacturers;
- Country level budgeting and planning challenges – e.g. the need for vaccine financing to be well projected and budgeted/planned over the term;
- Instances where the technical assistance provided was considered to be insufficient during transition;
- A lack of collaboration between the EPI and other health programmes, as well as the MoF;

## Co-financing

### Success drivers

Success drivers in relation to the Co-financing Policy and processes around it include:

- Inflexibility of Policy, with clear consequences, has enabled traction given co-payments are seen as immovable or unnegotiable;
- Effective communication and engagement with countries around the co-financing process;
- Engaging with the MoF, especially from an earlier stage.

Country level drivers for success include:

- Country commitment to raising domestic financing of vaccines and resource availability;
- Alignment with fiscal cycles (in instances where this has been applied such as Pakistan);
- Procurement capacity and expertise;
- Availability of quality data to effectively inform projections;
- Financial analysis and planning capacity and engagement and support Alliance Partners.

### Challenges drivers

In addition to factors which are the converse to those mentioned above, challenge drivers include:

- Lack of knowledge about future costs of vaccine antigens to inform decision making;
- Poor coordination for health financing at the national level;
- Vaccine price fluctuations.





**Q7: What have been the main successes, challenges, lessons learned or unintended consequences from the application of the Policies at global and country levels?**

Sub-questions:

**7a)** What have been the main successes, challenges and lessons learned from the application of the ELTRACO Policies at global and country levels?

**7b)** What have been the main unintended consequences, either positive or negative, from the application of the ELTRACO Policies at global and country levels?

#### **4.3.5. Main successes, challenges and lessons learned**

Within this question, we consider what the main successes, challenges, lessons learned and/ or unintended consequences have been from the application of the policies.

##### **Successes**

In this section we discuss the successes relating firstly to the Eligibility and Transition Policy, and then to the Co-financing Policy.

As noted in the sections above, there have been a number of successes in relation to the Eligibility and Transition Policy, in particular that out of the 18 countries due to transition out of Gavi support by 2020, 15 are already fully self-financing their vaccine programmes.<sup>131</sup> In addition, it was highlighted that it was possible to transition out 40 programmes in a smooth way. More specifically:

- There has not been a substantial decrease in coverage after transition (although it was noted that as countries which have recently transitioned out of Gavi support still have access to Gavi vaccine prices, so this may potentially change when they no longer have access to these lower prices);
- There have been amendments/ exceptions in instances where the Policies were deemed not to be adequately addressing needs in the accelerated and post transition phases;
- There have been a number of specific country successes i.e. Sri Lanka, which is seen as a successful transition. This is especially due to the country commitments to PHC and the way in which evidence is used to drive decision making process (e.g. it was decided not to introduce rota as the burden of disease was lower than other countries and instead decided to prioritise water, sanitation and hygiene).

As noted in Question 6 above (see Section 4.3.1), there have also been a number of successes relating especially to the Co-financing Policy, especially relating to: (i) the domestic resource mobilisation for vaccines and increase in country co-financing – with few other organisation achieving something on this scale; (ii) the fact that the Board has not had to suspend support to any countries because they did not meet their co-financing requirements, and; (iii) the decrease in the number of countries defaulting on their payments.

Beyond those noted above, some of the main 'global' successes noted are as follows:

- The ability to monitor the large amount of co-financing payments;

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<sup>131</sup> These numbers have been updated and are therefore different from those in the Gavi (2018) [Sustainability](#) reporting document. This is due to the fact that the Republic of Congo is no longer considered to be transitioned. Both PNG and the Republic of Congo are also not considered to be due to transition by 2020.



- The fact that Gavi has been able to follow through on the rigid policy, but in a number of instances when it has been needed, flexibility has been provided.

In addition, there have been a number of country ‘success’ cases, with one stakeholder noting, “*co-financing brings more responsibility and decision-making to the countries, and more ownership. It makes political commitment more visible, if they are willing to pay but are worried about programmatic/ financial sustainability...it brings more sensible decision making for the countries.*” Other stakeholders noted how the co-financing mechanism has been effective to the point where it is now well engrained in countries.

## Challenges

A few key challenges have been identified:

- GNI p.c. is not a perfect measure and ineffectively incorporates programmatic considerations;
- The complicated nature of vaccine forecasting and the lack of accurate data on which to base projections;
- The lack of attention given to programmatic sustainability as compared with financial sustainability of vaccine procurement;
- Estimating the trade-offs between the costs of introducing new vaccines and the benefits of disease reduction in order to guide decision-making and prioritisation;
- There is insufficient attention given to HSS in transition planning;
- There is varying knowledge and engagement across the Alliance Partners (especially at the regional and country levels) regarding the Policies;
- Ineffective engagement at the country level, including in key decision-making processes and in routine reviews such as JAs;
- A lack of communication and understanding between the MoH and MoF in country in relation to planning and budgeting surrounding vaccine introductions and pricing.

## Lessons learned

In this section we note some of the main lessons learned regarding the Policies. These include the following:

- Even the poorest countries can prioritise immunisation and meet co-financing requirements, including countries like Burundi which has consistently met its payments despite being a LIC and has a recent history of conflict;
- There are a number of aspects which affect transition which require adequate consideration. These include:
  - the forecasting of vaccine prices (where possible) and communicating this better to countries, especially those in the last phase of transition;
  - country understanding of immunisation programmes and associated immunisation operational costs beyond vaccine doses, as well as the need to ensure country commitments for these to aid transition;
  - the need to begin working with countries earlier on transition aspects;



- the need for focus on programmatic sustainability and strengthening the capacity of the health system;
- Capacity building is of high importance, including more focused support in aspects such as the legislation side and engagement with the national regulatory authorities. Through application of the Policies and providing pathways to transition, there are opportunities to build capacity.
- A number of lessons have been learned regarding country engagement and ownership:
  - In settings where there has been more engagement from the Gavi Secretariat, especially with government stakeholders engaged directly with health financing, this has aided positive outcomes and country ownership (e.g. Pakistan);
  - There is a need to have sustained communication given the high turnover of country level staff, especially around sustained financing and the vision for this. In addition, it is important to ensure the relevant “political levels” and the MoF have understood the impact of what is being committed to as well as understanding of the value of these investments;
- In relation to countries meeting their co-financing requirements, and the need for greater understanding ‘on the ground in countries’, the following aspects were noted:
  - It is important for Gavi to be more involved in domestic budget discussions in order to better understand the amount of government immunisation spend over time, where larger domestic contributions could be made etc.;
  - Gavi uses co-financing payment as a proxy for commitment but this is not necessarily an indication of commitment. There could be red tape or capacity issues. For example, in Ghana the frequent defaults may have been put down to a commitment issue but it is considered to be more about the budgeting processes;

## Unintended consequences

Very few unintended consequences have been identified in this evaluation. The select positive unintended consequences include:

- There has been a “proof of concept” at a systematic level. This has applied to Gavi where across the organisation, this approach has influenced thinking around transitions. In addition, Gavi’s application of the Policies has spurred on transition thinking for countries transitioning out of support from other organisations – thus helping to pave the way for more transitions for other organisations;
- In some countries, the focus on transition has required an increased level of discourse with senior level decision makers on PHC more broadly and reportedly this has helped to raise the profile of PHC, including immunisation financing at senior levels. In addition, it has provided the opportunity to highlight the need for prevention support rather than tertiary investment (e.g. in the Republic of Congo where a cost-benefit assessment was presented) and this has encouraged dialogue around PHC and prevention that is considered otherwise not to have been there;

Based on our review of the changes made to the Policies in line with lessons learnt, and from stakeholder feedback, it is considered that many of the negative unintended consequences have been mitigated in the Policy updates. However, some of the identified negative unintended consequences include:



- Countries are encouraged to introduce vaccines without always being fully aware of long-term financial implications, which could be considered a moral hazard. This is a potential risk which is expected to increase with more products coming into the market;
- The fact that UNICEF (or other donors) pay the co-financing requirements for a handful of countries (varying between 5-8% of countries per year) has meant that in effect, “money is just being moved around” rather than Gavi reaching its intended principle of increasing country ownership (discussed further in question 9 below);
- In select instances, the focus on vaccine financing has meant that there has been less of a focus on operational costs (e.g. Georgia). Similarly, there is mixed evidence regarding the impact on financing for traditional vaccines (discussed in question 8 below);
- It is possible for countries to transition without having introduced core vaccines.

#### Q8: How has financing for non-Gavi vaccines evolved alongside Gavi co-financing for vaccines?

Sub-questions:

**8a)** To what extent are there substantial differences in the financing trends of Gavi-supported and non-Gavi supported vaccines?

**8b)** Is there a relationship between domestic financing for Gavi and non-Gavi vaccines?

This evaluation question assesses how financing for non-Gavi vaccines (such as BCG, bOPV or TT)<sup>132</sup> has evolved alongside Gavi co-financing for vaccines.<sup>133</sup> A key issue of concern under this question is whether country’s co-financing payments had either a positive or negative impact on domestic financing for non-Gavi supported vaccines.

#### 4.3.6. Financing trends of Gavi-supported and non-Gavi supported vaccines

***Domestic financing for non-Gavi supported vaccines has not decreased over the review period, but also did not experience a strong upward trend.***

As outlined in the limitation section, there is no comprehensive and high-quality dataset that tracks the financing of non-Gavi supported vaccines.<sup>134</sup> As a result, this review had to rely on high-level UNICEF procurement data provided by Gavi and a triangulation of self-reported domestic vaccine immunisation data from WHO UNICEF JRF with Gavi’s co-financing database. Both approaches have their limitations and should be interpreted with care.<sup>135</sup>

The high-level UNICEF figures provide an overview of the domestic and external donor funding trends for non-Gavi-supported vaccines that have been procured through UNICEF. The trend of this data is depicted in Figure 4.9 below.

<sup>132</sup> Bacillus Calmette–Guérin (BCG) vaccine, bivalent oral polio vaccine (bOPV) and tetanus (TT) vaccine.

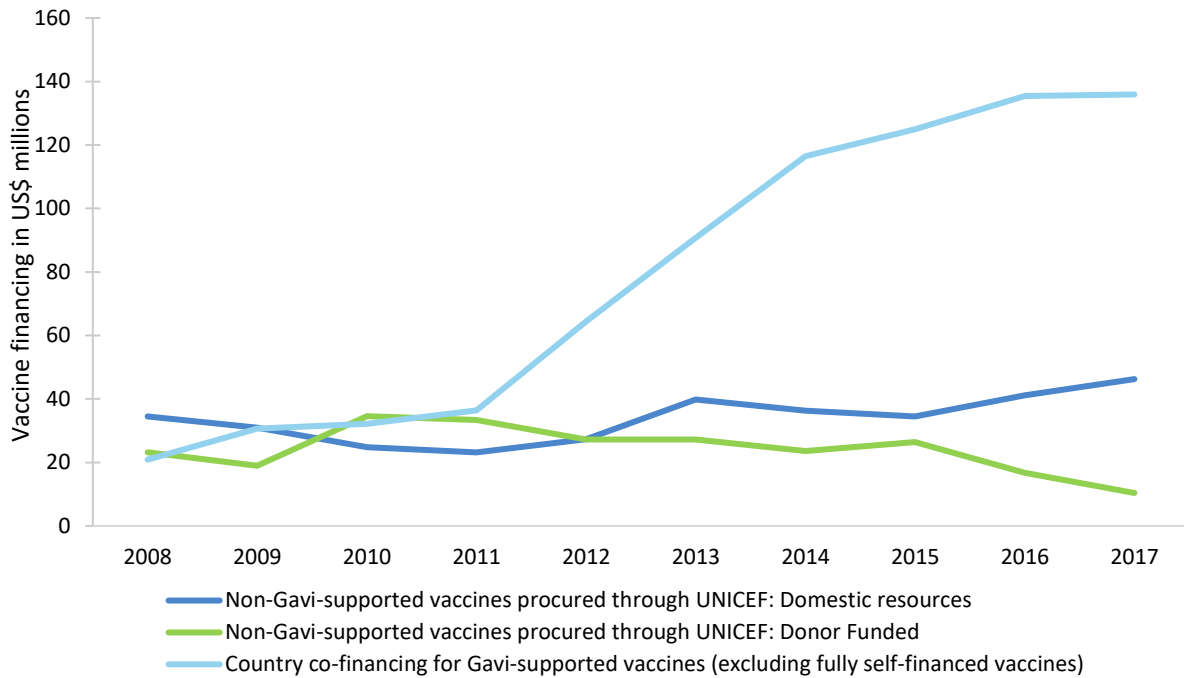
<sup>133</sup> GVAP (2017) Secretariat report

<sup>134</sup> There has been a recent effort in the WHO GHED to split immunisation financing, but at the current stage that data is only for a given year and a small sub-set of countries.

<sup>135</sup> We consider the UNICEF procurement data to be more robust as it reflects the actual spending on non-Gavi supported vaccines through UNICEF. However, the fact that it remains at high-level and is not further broken down into the included countries and vaccines for each year limits the interpretation of the results.



Figure 4.9: Vaccine financing for non-Gavi supported vaccines and country co-financing for Gavi-supported vaccines



Source: Gavi co-financing database, UNICEF data provided by Gavi; CEPA analysis

Figure 4.9 shows that there has been an improvement in domestic financing for non-Gavi supported vaccines, especially after a dip in 2011. Over the same time, the reliance on donor funding has decreased as well. However, the graphic also shows that there has been a rapid improvement in spending that can be observed for country co-financed vaccines that increased by over 500% between 2008 and 2017. In comparison, non-Gavi vaccines increased by only 34% (or only 18% when compared to its 2005-levels). While there may be good reason not to expect such strong growth for non-Gavi supported vaccines (e.g. lower price levels, no big entry of new vaccines, no support of Gavi Policies), there are also other factors that would suggest that a stronger growth should have been possible (e.g. government health spending growth). Without a breakdown by country, vaccines and number of procured doses, the high-level UNICEF data does not allow to disentangle any confounding factors that may influence the vaccine financing trends to derive a more robust conclusion. For example, it would be important to understand whether any changes in the composition of the included countries, or vaccines, influenced the depicted trend in financing for non-Gavi supported vaccines.<sup>136</sup>

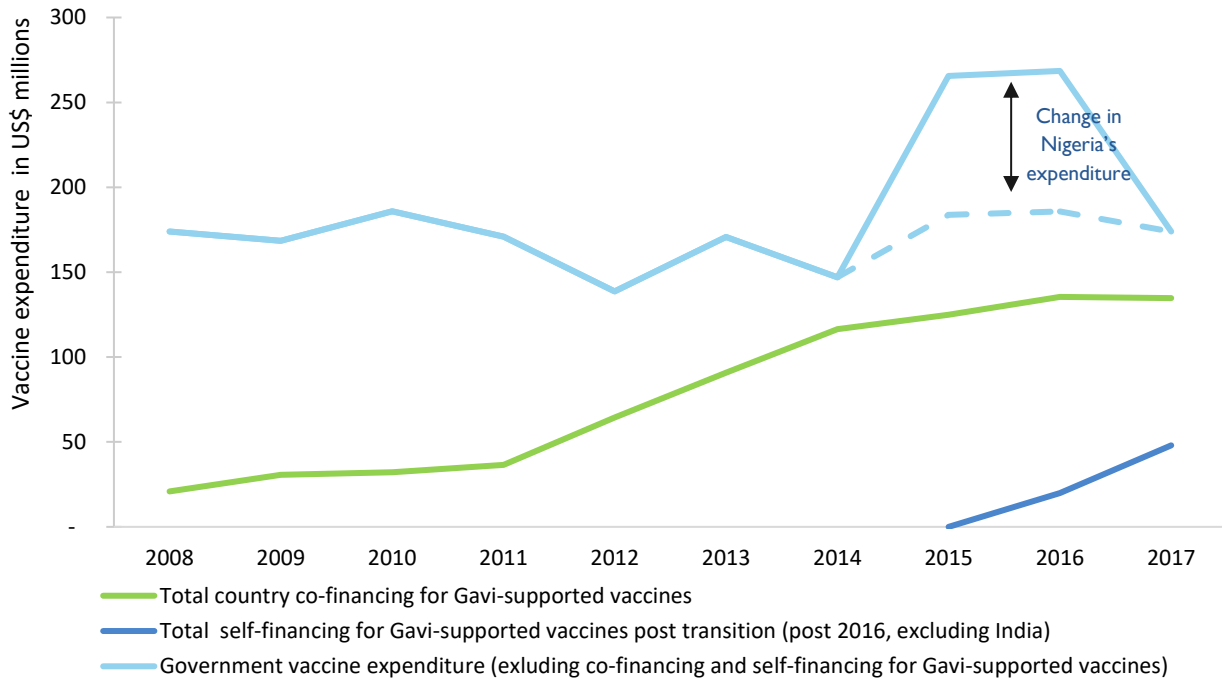
Another quantitative approach to answer this question involves the comparison of co-financing payments and self-financing for Gavi-supported vaccines with total government expenditure for routine vaccines derived from the UNICEF WHO JRF. Such a comparison assumes that government vaccine expenditure, which is not co-financing or self-financing for Gavi-supported vaccines, has instead been used to fund non-Gavi-supported vaccines. While this is a reasonable assumption,<sup>137</sup> there might also be other reasons that explain the difference in the data such as methodological reasons and accuracy of the self-reported WHO UNICEF JRF data. The comparison is depicted in Figure 4.10 below.

<sup>136</sup> More detailed data could also be used to check whether the reduction in donor funding directly corresponded to an increase in domestic funding for the same vaccine in the same country.

<sup>137</sup> Though there are some limitations as Gavi-supported but not co-financed vaccines would also be included such as JEV and MR.



Figure 4.10: Government vaccine financing in Gavi-supported countries and country co-financing and fully self-financing of Gavi-supported vaccines



Source: WHO UNICEF JRF, Gavi co-financing database, Gavi provided data on self-financing for Gavi-supported vaccines from 2016 onwards. CEPA analysis – all countries were included that paid co-financing payments over the time period.

While imperfect, the comparison between the data seems to suggest that the government vaccine expenditure on non-Gavi support vaccines stayed more or less stable since 2008. The increase in 2015 and 2016 is driven by changes in government vaccine expenditure in Nigeria. This is more likely to be country-specific rather than connected to the Co-financing Policies and also does not seem to be a long-term trend as Nigeria’s vaccine expenditure dropped back to 2014-levels in 2017. Thus, this data shows that overall government vaccine expenditure has increased, but that this was driven by increases in country co-financing for Gavi-supported vaccines and was not accompanied by an increase in spending for non-Gavi-supported vaccines.

Overall, the aggregated data has to be interpreted with great care but does not provide any evidence that the Co-financing Policy had a systematic negative impact on government expenditure for non-Gavi-supported vaccines.

#### 4.3.7. Is there a relationship between domestic financing for Gavi and non-Gavi vaccines?

**The limited available evidence suggests that the increase in Gavi co-financing has not led to a systematic displacement in financing for non-Gavi supported vaccines.**

As outlined above, the aggregated data does not provide evidence for an inverse relationship between financing for Gavi-supported and non-Gavi supported vaccines. A similar picture emerged on the national level across the country case studies where we have found no evidence that an increase in co-financing for Gavi-supported vaccines was linked to declines in domestic financing for non-Gavi supported vaccines. At the same time, we have also not received any strong evidence that suggested that co-financing provided a boost



to financing for non-Gavi supported vaccines. The data on domestic health financing for non-Gavi vaccines is of poor quality on the country-level and does not allow to further refine this point.<sup>138</sup>

The global and country consultations provided anecdotal evidence that some countries experienced a tension between financing for Gavi-supported and non-Gavi supported vaccines. For example, stakeholders reported that there have been some instances where countries refused to pay for non-Gavi supported vaccines so that donors had to continue to finance them. Reported country examples include Afghanistan and Sudan (who paid co-financing for vaccines on time and fully, but every year partners supported the financing for non-Gavi supported vaccines). However, this was not considered to be robust evidence that the co-financing requirement was the leading cause behind the continued need for partner contributions for non-Gavi supported vaccines.<sup>139</sup> Thus, while there are some country-specific situations where co-financing is paid by countries but non-Gavi supported vaccines are not, there is no evidence that this is a large scale problem. In addition, there is no evidence that an increase in co-financing has been paid by purposefully diverting funds from non-Gavi supported vaccines.

#### 4.3.8. Summary findings

Key issue/ theme	Findings	Robustness rating and explanation	
Non-Gavi support vaccines	<ul style="list-style-type: none"> <li>Domestic financing for non-Gavi supported vaccines has not decreased over the review period, but also did not experience a strong upward trend.</li> </ul>	B	The available quantitative data supports this conclusion on the aggregate. The available data is not of high-quality (UNICEF WHO JRF) or is not provided on a country level (UNICEF SD) so that not a more robust conclusion on a country level can be established.
	<ul style="list-style-type: none"> <li>The limited available evidence suggests that the increase in Gavi co-financing has not led to a systematic displacement in financing for non-Gavi supported vaccines.</li> </ul>	C	The available quantitative data and country case studies consultations support this. However, the lack of high-quality and comprehensive quantitative data does not allow a more robust interpretation (i.e. it is not possible to control for any confounding factors).

### Q9: What sources of funding have countries' used for co-financing payments?

Sub-questions:

**9a)** What sources of funding have countries drawn on for co-financing payments?

**9b)** Did countries adhere to the Gavi Co-Financing Policy in not using funding that was previously allocated for financing other vaccines or use other Gavi funds such as HSS support?

<sup>138</sup> There is still outstanding domestic health financing data that we hope to receive from in-country stakeholders.

<sup>139</sup> As these were not country case studies within this evaluation, it was not possible to disentangle whether these countries would have been likely to pay for non-Gavi supported vaccines from domestic sources in case of lower co-financing requirements.



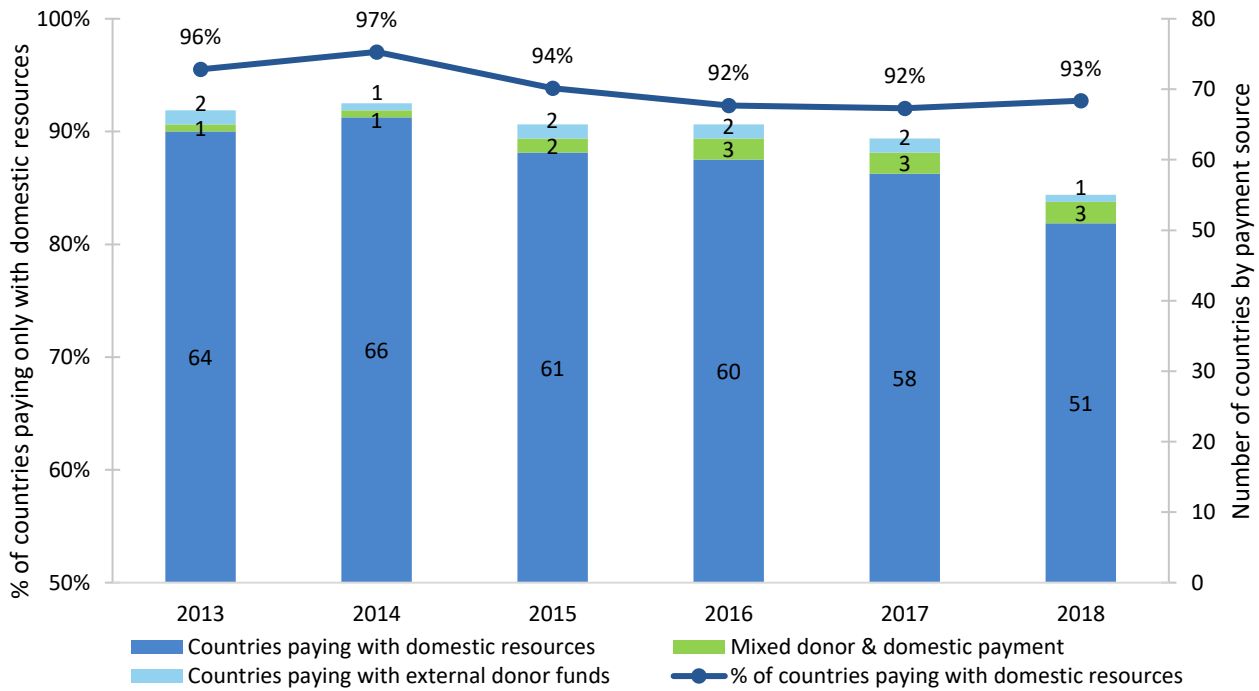


### 4.3.9. Source of funding for co-financing payments

**The majority of funding for co-financing payments comes from domestic sources with over 90% of countries using domestic sources for the co-financing payment over the review period.**

Given the fungibility of domestic financing, it is challenging to establish an ultimate source of co-financing payments and even more difficult to understand what the money would potentially have been used in the absence of the co-financing payments. Our analysis in Figure 4.11 illustrates that over 90% of countries used domestic resources for their Gavi co-financing payment during the review period.

Figure 4.11. Funding sources for Gavi co-financing payments



Countries paying with domestic resources also include countries that use World Bank lending to pay for co-financing (i.e. Nigeria 2015-18, Republic of Congo 2017).

Source: Information on countries using external donor funding or both donor and domestic funding has been taken from the Annual Monitoring Reports on Gavi co-financing from UNICEF Supply Division<sup>140</sup> (for countries procuring through UNICEF) and from Gavi Secretariat documents for other countries (i.e. countries procuring through PAHO); CEPA analysis.

The qualitative evidence from global, regional and country stakeholders also suggests that the vast majority of countries use domestic resources to pay for co-financing requirements. In nine out of ten case study countries, stakeholders reported that the co-financing requirements are paid from domestic sources (Somalia has been an exception and is discussed further below). Most Gavi-eligible countries use budget lines for immunisation in their national budget, but the usefulness of national budget lines varies depending on country circumstances. Further evidence on this can be found in Appendix D.2.2.

**There are some important exceptions where predominately fragile and initially self-financing countries have not paid their co-financing obligations from domestic sources. This detracts from the**

<sup>140</sup> UNICEF SD collates data on the agent through which co-financing payments are made (e.g. Ministry of Health). This information allows to determine whether a country uses domestic resources to fund Gavi co-financing payments. In some limited cases, donor funds may be routed and paid via regular government channels which then may be registered by UNICEF SD as domestic resources.



**aim of boosting country ownership of vaccine financing and should be tracked routinely in conjunction with country defaults.**

The analysis presented in Figure 4.12 shows that there are a range of countries that completely relied on external donor funds to pay their co-financing obligation, including:

- Chad (2017) paid by France after a default;
- Haiti (2014-16) paid by the Centre for Disease Control and Prevention;
- Somalia (2013-2017) paid for by the UNICEF country budget, but recently using the UNICEF emergency reserves instead.

Additionally, there were countries that relied on mixed donor and domestic funding to pay for their co-financing, including:

- Yemen (2017, 2018) paid for with World Bank grants;
- DRC (2016, 2018) paid partially with World Bank grants;
- Ethiopia (2015-18) used pooled donor funds; and
- Bangladesh (2013-17) used pooled donor funds.

With the exception of Bangladesh, all countries are initially self-financing, and most are classified as fragile (i.e. Chad, DRC, Haiti, Somalia and Yemen). The use of external funds to pay for Gavi co-financing is a key issue as it has the potential to undermine the principal aims of the Policy as countries do not take on ownership for their vaccine financing. In this regard, it is important that the results tracking of the Co-financing Policy does not only focus on country defaults but closely monitors where defaults or suspension of Gavi support were only circumvented due to the use of external funding. For example, this was the case in Chad and DRC – which both used external funding after the countries defaulted in order to avoid the suspension of Gavi support or the need for a payment plan. The need to monitor and routinely report on both funding sources as well as defaults is underlined by the fact that there has been a slight increase in countries relying on donor support after 2014, while the number of defaulting countries has rapidly decreased over the same time.

***In cases where the use of external funding are longer-term arrangements, the available evidence suggests that the use of Gavi co-financing waivers could be a more efficient and effective approach.***

In the case of Somalia, donor support for co-financing payments has been a longer-term arrangement that has therefore required a substantial financial commitment from an Alliance Partner. It has also not built country ownership for vaccine financing (see Box 4.2 for key details and the country case study for the longer discussion around this). Similarly, Yemen had to use World Bank funding for its co-financing payments after the Gavi Board waiver for the co-financing obligation ended in 2016. These two cases in Somalia and Yemen suggest that there is room for improvement in the way Gavi is currently providing co-financing waivers. The country case study in Somalia could not identify any major benefits of not providing a co-financing waiver and the use of external funding was seen as ineffective by adding additional transaction costs. Thus, the question on external donor financing should be explored further in addition to the discussion on the flexibility regarding co-financing waivers set out in Section 4.2.

**Box 4.2: Somalia: Reliance on external donors for co-financing payments**

Somalia is a very fragile setting with significant political instability, lacking the financing capacity to afford the US\$ 0.20 per dose co-financing payments for pentavalent vaccines. Most available resources are used to respond to conflict and natural disaster related challenges. All co-financing contributions are currently paid by UNICEF;

Asking another donor to 'pay the bill' was not seen as efficient or useful by stakeholders. It was suggested that this mechanism is increasing the burden on UNICEF without positive outcomes on country ownership, and that asking UNICEF to pay could impact the organisation's capacity to support other key priority areas, such as the operational costs for HSS.

The majority of country stakeholders suggested for Somalia's co-financing obligations to be formally waived.

**4.3.10. Did countries adhere to the Gavi Co-financing Policy in not using funding that was previously allocated for financing other vaccines or use other Gavi funds such as HSS support?**

*There has been no evidence that co-financing payments were made by using other Gavi funds or by taking designated funds from other vaccines. However, there are concerns that operational costs do not receive the same attention as co-financing requirements - a risk to the sustainability of vaccine programmes.*

This evaluation did not find any reported evidence that other Gavi support such as HSS support has been used for co-financing payments. Similarly, as outlined in question 8 (see Section 4.3.6), there has been no strong evidence that funding for other vaccines has actively been diverted for co-financing payments. However, some global and in-country stakeholders emphasised that Gavi co-financing payments are sometimes prioritised by countries above other health spending. While this was recognised a positive development in terms of defaults and co-financing, as well as total vaccine spending, it can have unintended consequences for aspects such as the financing of operational costs in countries with low budgets. For example, it was flagged that in Uganda the co-financing amount meant that there was lower funding for operational costs with reportedly 50% of the recurrent budget being used for the co-financing payments.<sup>141</sup>

Global and in-country stakeholders also cautioned that funding for vaccine operational costs should be further emphasised during the transition period especially in instances where countries also expanded their vaccine portfolio. In such cases, countries' co-financing requirements increase due to the double-burden of an expanding price share to be paid by countries during the accelerated transition phase as well as an expanding total cost from the new vaccine introduction. At the same time, an expanding vaccine portfolio also requires additional operational costs to support the introduced vaccines. Global and in-country stakeholders raised concerns that while this has not been evidenced much so far, there is a risk that while countries may account for the increase in vaccine co-financing requirements, the implications on the operational costs are not taken into sufficient consideration. For example, this has been an issue in Georgia where the country has increased its budget for vaccines, but without the same consideration for the immunisation programme operational costs, for which there has been limited budget available.

With an expanding Gavi vaccine portfolio and an increasing number of countries (especially those with high populations) in the next strategic period, Gavi should closely monitor for this risk and consider steps to mitigate the impacts. For example, this also relates the discussion in the implementation section regarding

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<sup>141</sup> Uganda was not one of the country case studies and, as such, the evidence base behind this finding is not as strong as for the country case studies. The evaluation team do however note that there are a number of compounding factors that may potentially impact financing of operational costs such as political will and degree of prioritisation of vaccines within the health and broader government budgets.



the ‘one-size-fits all’ transition rules and the discussion of whether specific countries should have a transition period beyond five years.

### 4.3.11. Summary findings

Key issue/ theme	Findings	Robustness rating and explanation	
Funding sources	<ul style="list-style-type: none"> <li>The majority of funding for co-financing payments comes from domestic source with over 90% of countries using domestic sources. for the co-financing payment over the review period.</li> </ul>	A/B	Based on UNICEF SD data, Gavi documents, country case studies and global consultations.
	<ul style="list-style-type: none"> <li>There are some important exceptions where predominately fragile and initially self-financing countries have not paid their co-financing obligations from domestic sources.</li> </ul>	A/B	Based on UNICEF SD data, Gavi documents, country case studies and global consultations.
Use of other Gavi funding and other vaccine spending	<ul style="list-style-type: none"> <li>There has been no evidence that co-financing payments were made by using other Gavi funds or by taking designated funds from other vaccines. However, there are concerns that operational costs do not receive the same attention as co-financing requirements- a risk to the sustainability of vaccine programmes.</li> </ul>	B/C	The available quantitative data and country case studies consultations support this. However, the lack of high-quality and comprehensive quantitative data does not allow a more robust interpretation.

**Q10: To what extent has linking co-financing to vaccine price for Phase I countries influenced country decisions on vaccine product selection and aided country transitions to become self-financing?**

Sub-questions:

**10a)** How many, and which, vaccines have countries chosen to adopt with Gavi support and has this been influenced by the knowledge of the co-financing requirements in Phase I?

**10b)** If there is a change in product selection, is there a causal link between co-financing and vaccine prices which motivated countries to become more active in the selection of vaccine products?

**10c)** Are there common attributes of the vaccine presentations that Phase I countries switch towards?

**10d)** Are country stakeholders becoming more knowledgeable through their involvement in the selection of products?

A key change of the updated Co-financing Policy has been the introduction to link the co-financing requirement of Phase I countries (preparatory transition countries) to the proportion of the total vaccine costs. Instead of being based on an increase of the US\$ 0.20 per dose paid by LICs, Phase I countries’ co-financing requirements are now calculated by applying a proportion, a so-called “Price Fraction”, to the weighted average Gavi price of the presentation used by the country following the Starting Fraction calculation.<sup>142</sup> The price fraction still grows by 15% annually, as under the previous Policy version. It also is applied to any new vaccine introductions that take place during Phase I. The aim behind this change was to contribute to transition preparedness by increasing awareness of the financial implications of vaccine introduction and presentation choices.<sup>143</sup> In this section, we consider whether this change has influenced country decision making.

<sup>142</sup> Gavi (2016) Co-financing Policy

<sup>143</sup> Gavi (2015) Report to the Programme and Policy Committee (May 2015)



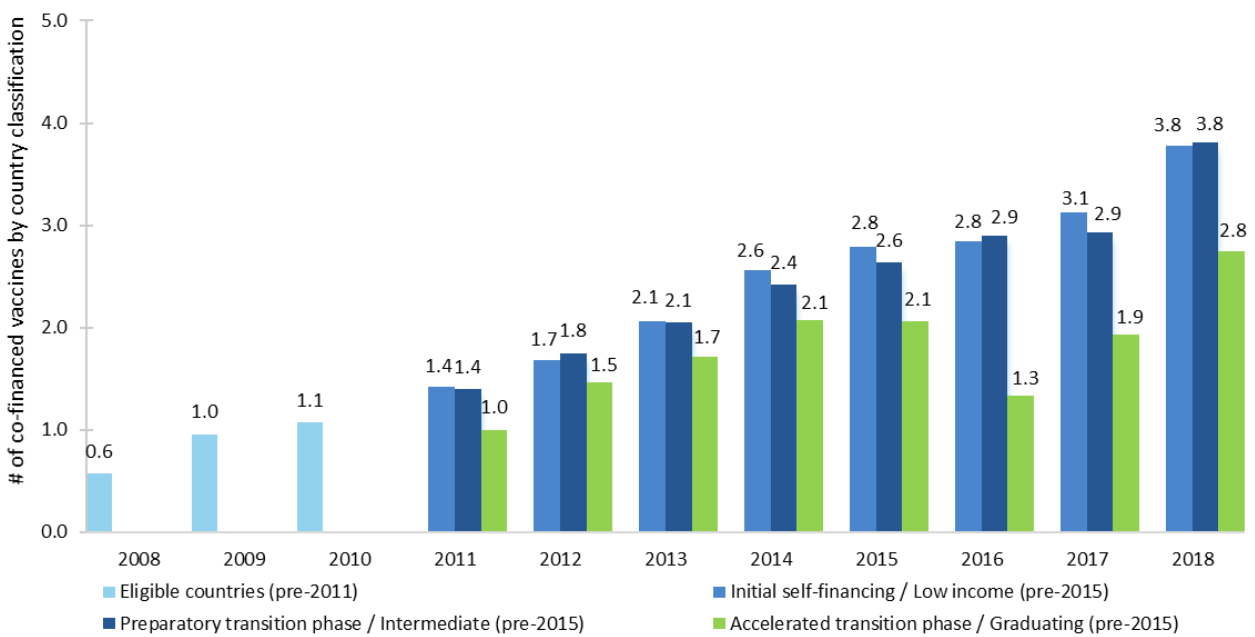
### 4.3.12. Vaccines introduced with Gavi support

While the Co-financing Policy changes were aimed to increase cost awareness, a key concern behind the price-linked co-financing for Phase I countries is that this could create cost barriers for the introduction of higher-cost new vaccines.<sup>144</sup> The Policy was designed on purpose to provide a “smooth transition” from initial self-financing to Phase I by keeping the price the same between the last and first year in the respective phases so that the impact of the change will only be noticed as a country transitioned through Phase I. The short amount of time since the Policy changes have been introduced make it difficult to draw out a clear conclusion and, thus, the presented findings in this section need to be interpreted with care.

**Phase I countries introduced the same number of co-financed vaccines as initial self-financing countries on the aggregate level suggesting that linking co-financing to vaccine prices has not strongly altered country decision-making for vaccine introductions.**

An analysis of the co-financing database provides an understanding of the average number of vaccines a country in each country classification co-finances. Figure 4.12 illustrates the expansion of the Gavi portfolio and how this is reflected in the increasing number of country co-financed vaccines.<sup>145</sup>

Figure 4.12: Number of co-financed vaccine programmes by country classification over time



Source: Gavi co-financing database. CEPA analysis was conducted on the vaccines for which a co-financing payment was made.<sup>146</sup>

It shows that the number of co-financed vaccines between Phase I and initial self-financing countries had a very similar increase (of around one additional co-financed vaccine per country) from 2016 to 2018. The increase is driven especially by the introductions of PCV and rota between 2011 and 2015. The further increase from 2015 onwards is due to outstanding PCV and rota introduction, but also increased co-financing

<sup>144</sup> Gavi (2015). Report to the Programme and Policy Committee

<sup>145</sup> There has been a stable upward trend that shows Gavi’s success in encouraging countries to take on more responsibility in co-financing vaccines. The number is decreasing for transitioning and countries in accelerated transition as co-financed vaccines are phased out and then fully financed by the countries.

<sup>146</sup> CEPA did not receive data to split countries across country classifications prior to 2016. The actual co-financing expenditure was chosen so that countries with waivers were not included.



of HPV, Men A and, to a lesser degree, MR campaign country co-financing. However, the introduction of different vaccines has differed between countries.

The data suggests that co-financing for national routine HPV has so far been limited with only ten countries paying co-financing payments (not including 2019). Of these, four have been in accelerated transition and six have been in initial self-financing. However, this difference may change over the next year with a range of Phase I countries being projected to introduce HPV including for example Cambodia, Cameroon and Cote d'Ivoire. Another Phase I country that will be introducing HPV in 2022 is Ghana and whilst HPV vaccine costs were seen as a concern in-country they were ultimately not seen as major cost barrier for introduction. Additionally, there were global supply issues that meant that Gavi delayed the introduction of HPV in certain countries and thus, we suggest not too overinterpret the results for HPV at this stage.

Overall, the trend has been similar between these two country classifications providing some very tentative evidence that cost consideration (i.e. payments as fraction of vaccine prices) played a minor role in country decision-making for the introduction of new vaccines. However, the data should be interpreted with care as it does not provide any context on confounding factors and also only offers a very short time period to observe the impact. Additionally, some stakeholders argued that many key vaccines that are major cost drivers such as rota and PCV have already been introduced by many countries and, thus, that the impact would not be felt at this stage. As such, the data provides some tentative evidence that the price-link has not acted as cost barrier for introduction for phase I countries.

#### **4.3.13. Link between co-financing and product selection**

***There has been no strong evidence at this stage that the price-link has altered product selection of countries, with some limited exceptions regarding PCV. However, it is expected that there will be a more pronounced impact for the next strategic period given new product entries and bigger price differentials between presentations.***

We reviewed Gavi's disbursement data and product shipment database to analyse Phase I countries<sup>147</sup> which had changed their product selection between 2016 and 2018. Table D.3. in Appendix D lists all countries, the vaccine and presentation change together with the underlying vaccine price difference of the change. The table illustrates that 14 countries changed their product selection, with 14 product changes taking place in PCV<sup>148</sup> and one change in rota presentation from a two dose to a three dose presentation.

There was no price difference for PCV10 presentation and instead this was a 'forced' decision for countries due to the fact that the manufacturer moved away from producing the two-dose vial. While there was a price difference of around US\$ 0.35 (10% of the price) between the PCV13 presentations, the available evidence suggests that the incentive to switch the products was not driven by the co-financing link to the vaccine price. Instead stakeholders considered that the main driver was that Gavi encouraged countries across all country classifications to switch towards a four dose PCV13 presentation given the logistical advantages of the four-dose vial as well as the general price advantages of this vial. This is supported by the quantitative data that showed that 18 initial self-financing countries changed their PCV13 products in 2017 and 2018. This represents a higher proportion of initial self-financing countries switching (58%) than Phase I countries

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<sup>147</sup> Including all countries that were at some point classified as Phase I during 2016-18.

<sup>148</sup> Seven countries changed from a PCV13 in one dose to a four dose presentation, six countries changed to PCV10 in one dose to a four dose presentation and one country changed from PCV10 one dose presentation to a PCV13 four dose presentation.



(31%).<sup>149</sup> However, stakeholders suggested that the decision of Myanmar to switch from PCV10 on a one dose presentation towards a four-dose presentation of PCV13, rather than of PCV10, was driven by the price differences of the products (of around US\$ 0.10). Gavi did not encourage any specific product choice for countries on PCV10 and, thus, this provides tentative evidence that in this case the price-link played a more prominent role in the country decision-making.

The lack of strong evidence that the price-link for Phase I countries played a major role in country product selection at this stage was expected by global stakeholders. This is partly due to the fact that product selections are based on a much wider range of important aspects (storage, cold chain requirements, training needs for administration, efficacy, rounds of needed administrations). Additionally, the current presentations procured through UNICEF do not offer high price differentials that provide strong incentives to switch presentations. This is expected to change with new projected product entries in the HPV, PCV rota and hexavalent markets. For example, HPV9 is expected to be more expensive in comparison to HPV4 or HPV2 and there is also a cheaper PCV10 product expected to enter the market in 2020. Additionally, the last year already saw many changes in the rota market leaving countries now with a wider range of presentation choices. These developments as well as further expected market entries mean that Gavi should closely monitor how the impact of the price-link develops over time.

#### **4.3.14. Common attributes of vaccine presentations**

***The product presentations that countries switch towards tend to offer a higher number of doses per presentation.***

As described above, product selection is based on a wide number of considerations, and depending on the country circumstances, different attributes will influence the selection process. For Phase I countries, the common attribute is that the switch was carried out towards presentation with a higher number of doses that often are more programmatically suitable (e.g. by easing storage requirements).

#### **4.3.15. Impact on country knowledge and capacity**

***Where in-country capacity exists, it was suggested that the price-link did encourage some countries to further engage with the financial implications of product selection and vaccine introductions.***

Global consultations suggested that the price-link did have a positive impact in-country and encouraged Phase I countries to start think about the financial implications of their product selections. However, as outlined above, the majority considered that this has not been reflected necessarily in a different outcome of choices but helped to build capacity and thinking on vaccine procurement. The experience in-country has been more mixed where engagement with vaccine prices was seen to be predominately driven by in-country capacity in the national EPI team. Where this capacity existed, it was suggested that the price-link did encourage further engagement with the financial implications of vaccine introductions. Although LICs face flat costs at the moment, in settings where country capacity exists, the increase in co-financing has also been considered when applying for new vaccine support (for example, Tanzania).

There also have been some critical views on the way the price-link has been implemented. The current approach was seen as adding complexities to the Co-financing Policy, therefore lowering country understanding and increasing transaction costs. In particular, applying a percentage growth of 15% to an

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<sup>149</sup> Based on the years 2017 and 2018 taking into consideration the country classification in the year of the PCV13 switch.





already calculated percentage of the vaccine price was seen as difficult to understand. One suggestion was to rather have a fixed increase of percentage points of the price fraction rather than a percentage growth.

#### 4.3.16. Summary findings

Key issue/ theme	Findings	Robustness rating and explanation	
Vaccine introductions	<ul style="list-style-type: none"> <li>Phase I countries introduced the same number of co-financed vaccines as initial self-financing countries on the aggregate level suggesting that linking co-financing to vaccine prices has not strongly altered country decision-making for vaccine introductions.</li> </ul>	C/ D	Based mostly on quantitative data without the ability to control for confounding factors.
Presentation characteristics	<ul style="list-style-type: none"> <li>There has been no strong evidence at this stage that the price-link has altered product selection of countries, with some limited exceptions regarding PCV. However, it is expected that there will be a more pronounced impact for the next strategic period given new product entries and bigger price differentials between presentations (especially in the HPV and PCV market).</li> </ul>	B/ C	Based on quantitative data over a limited time period and global consultations.
Engagement with vaccine choice	<ul style="list-style-type: none"> <li>Where in-country capacity exists, it was suggested that the price-link did encourage countries to further engage with the financial implications of product selection and vaccine introductions.</li> </ul>	C	Based on global consultations and in-country findings, however, the price-link was not seen as key driver making it difficult to clearly distinguish its impact.

## 5. CONCLUSIONS

The main conclusions based on the evaluation’s findings are laid out below. These are structured loosely in line with the three dimensions of the evaluation framework (design, implementation, results).

**Conclusion 1: The ELTRACO Policies have many strengths with positive changes made following the previous reviews as learning and experience has been generated.**

Gavi’s ELTRACO Policies are considered to be at the forefront of donor policies relating to transition and co-financing. Many respondents noted that the Policies use simple criteria for decision-making and are consistently applied, aside from some exceptions.

Gavi has demonstrated that it is a learning organisation, regularly revising the Policies in response to lessons learned during their application. Regular reassessment is needed, particularly given fast evolving country-specific and global health contexts, and some additional adjustments could strengthen both the design and application of the Policies still further.

**Conclusion 2: The predictability and transparency of the Policies were clearly identified as strengths. However the lack of flexibility in their application has created a growing need for ad hoc exceptions, suggesting the design of the Policies may need to be revisited.**

The simplicity and clarity of the eligibility and transition criteria were especially valued as they contributed to making the design of the Policies appear fair. However, further flexibility in application of the Policies, or possible differentiation according to country specific needs, could be helpful and acceptable, especially as many Gavi countries are dealing with rapidly evolving economic and development challenges, such as migration, climate change impacts, conflict and natural resource driven economic growth.



The fairly rigid application of the Policies was identified as both a strength and a weakness. While some appreciated the clarity in adhering to the rules with exceptions being approved at the level of the Board, others considered the Policies to be inappropriately inflexible, or even be unhelpful in that they can sometimes appear to work at cross purposes to the overall goal of strengthening immunisation. Some of these issues have been addressed with recent changes to the Policies, such as the use of a three-year average GNI to determine eligibility, rather than basing transition decisions on a single year's performance. However, the growing number of exceptions granted suggests difficulties in consistently applying the Policies across a range of country contexts and scenarios, and that increasing flexibility may be needed. While it is important to be able to grant exceptions to policy application, at a certain moment when exceptions are needed too often, it suggests the policies are no longer fit for purpose.

Furthermore, in contrast to the clarity of the ELTRACO Policies themselves, there was a noted lack of clear understanding and consistency around exceptions (when and how to apply for an exception, why exceptions were or were not granted), as well as high transaction costs for ad hoc exceptions to be requested and approved. More clarity on how and when to seek exceptions would be helpful.

There are pros and cons to increasing flexibilities of the Policies, and the trade-offs would require careful consideration. Areas identified where greater flexibility in policy application might be useful included co-financing waivers, extension of transition time-periods, decreasing the number of years (i.e. three years) in which a country's GNI needs to be below the threshold to enable countries to re-access support, and linking co-financing to fiscal rather than calendar years.

In addition, any changes made to provide greater flexibility must be undertaken transparently and should continue to result in the objective application of the Policies. To be applied to all countries transparently, and with only rare exceptions, policy design needs to respond to and accommodate the circumstances or country contexts that currently require Board approved exceptions while safeguarding current strengths (transparency and predictability).

**Conclusion 3: On balance, the use of the GNI p.c. appears to be an acceptable indicator for the Gavi eligibility threshold but given country experiences and the variability of programmatic readiness to transition, additional criteria should be applied in the accelerated transition phase to ensure maximum impact and sustainability of Gavi support.**

The GNI p.c. criterion remains a useful means of determining country eligibility despite its limitations. However, use of the GNI p.c. alone has limitations. Without additional criteria, it has been difficult to identify readiness (and lack of readiness) for countries to transition, especially in the later phases using objective measures. This has been evidenced through recent country experiences where exogenous shocks, low coverage, programme weaknesses, systems failures or larger than expected cost drivers of vaccine programmes have influenced outcomes. There is a need to further consider whether and how additional indicators – for example to measure programmatic readiness – could be used in the accelerated transition phase to support progress towards sustainability. In addition, the accelerated transition phase duration of five years may not allow sufficient tailoring to different country contexts.

Potentially linking programmatic readiness indicators to the duration of the accelerated transition phase could be helpful, although this would need to be carefully calibrated to avoid creating perverse incentives to 'underperform'. In essence, countries should be incentivised and rewarded for investing in programmatic sustainability. Thus, one option may be to allow countries that are demonstrating increased investment in health generally and in immunisation programming in particular to be eligible for a *longer* transition period and thus more Gavi support, possibly transitioning over seven or eight years rather than five. Although the transition would take longer, the sustainability of country immunisation programmes would, theoretically, be



stronger with more domestic resources channelled to health through the regular budget. Countries that cannot demonstrate more investment into programming and growing commitment to immunisation would transition in the five-year period as normal. The attention to the total health budget in this scenario reflects the role of the broader health system in ensuring immunisation is well established within a primary health care approach as part of a package of basic services that most countries aspire to deliver. Many of the programmatic costs of delivering immunisation services (staff, vehicles) are shared with other basic PHC services.

**Conclusion 4: Solid improvements in country engagement have been noted in recent years, based on lessons learned around the implementation of the Policies, and in relation to transition planning. However, there is further scope for earlier and broader engagement at the country level.**

Improvements in country engagement have been noted in recent years, including efforts to coordinate learning around transition planning, especially relating to earlier engagement. However, there is further scope for engagement that (i) starts earlier (i.e. with LICs and at the early stage of Phase I countries), (ii) is broader (i.e. incorporates a more diverse range of stakeholders especially those in addition to the EPI team such as health financing and HSS teams as well as in-country financial decision-makers, such as within the Ministry of Finance, to further aid transition planning), relating to countries in all stages of transition as appropriate, and (iii) is potentially deeper, to ensure consideration of a broader range of relevant technical areas in line with specific country needs through the transition process, and which is integrated into countries' review processes.

**Conclusion 5: The programme filter is not an adequate mechanism to determine eligibility for support for new vaccine introduction.**

The programme filter has the advantage of trying to ensure basic immunisation services are well established and countries have achieved minimum coverage of routine services as a critical platform on which to build the introduction of new vaccines. The requirement for countries to have a minimum DTP3 coverage  $\geq 70\%$  to be eligible to introduce new vaccines with Gavi support is not, however, responsive to specific epidemiologic contexts (e.g., needs at different time points, or contexts where not all children can be reached because of conflict, country size or geo-political issues). Depending on the burden of disease in countries, the programme filter can preclude the introduction of relevant vaccines. In implementation, there has not been enough flexibility for exceptional approvals where the burden of disease warrants additional vaccines despite low national DTP3 coverage. Therefore, concerns have been expressed regarding the programme filter as a hindrance to improving immunisation programme coverage and equity. On the other hand, the programme filter has served as an important and valuable benchmark for immunisation programmes to achieve prior to taking on additional vaccines and resulting in new vaccine financing 'rewarding' countries with higher coverage.

**Conclusion 6: The co-financing requirements for campaign vaccines have not worked well and represent an 'ineffective middle ground' in which high transaction costs and added complexities outweigh the limited benefits.**

Countries appear to invest in campaigns not because of the lower co-financing requirement but because of the need to boost vaccine coverage or address specific in-country inequities arising from poor health systems or weak functionality of routine immunisation programmes. Thus, stipulation of co-financing requirements for follow-up campaigns was seen by many respondents as pulling funds away from investments into HSS. The benefits of requiring co-financing are marginal as the limited co-financing for campaigns does not play a major role in country decision-making between campaigns and routine services and there are heavy transaction



costs. It also adds to the complexity of the Co-financing Policy, hampering understanding and related implementation. The co-financing requirement for vaccine campaigns at its current level is therefore considered to be an 'ineffective middle ground'.

**Conclusion 7: The model of linking co-financing to co-procurement of vaccines is positive. However, co-financing calculations are considered too complex, creating challenges with ownership and transparency. In-country knowledge of vaccine financing costs over the long term is varied.**

The model of linking co-procurement of vaccines is positive overall. However, whilst the model of co-procurement of vaccines has increased engagement around vaccine procurement, the complexity around forecasting co-financing requirements reportedly leads to a lack of country involvement in this aspect of the process, raising ownership as well as transparency issues. This further appears to contribute to a lack of country understanding (real or perceived) about the implications of co-financing and uncertainties which in turn create challenges for domestic budgeting and planning. Furthermore, in-country stakeholder knowledge on the requirements for vaccine financing in the long term was found to be varied and often low. Whilst co-procurement through UNICEF was found to be useful for countries with a range in procurement capacities, consideration for building longer-term national capacity for sustainable vaccine procurement is needed.

**Conclusion 8: Transition implementation has improved. However, programmatic and institutional challenges continue to be significant throughout, and beyond, the transition period.**

Attention to identifying and planning for transition challenges has improved in recent years. However, for many countries there remain significant programmatic and institutional challenges to scaling-up and sustaining immunisation coverage throughout, and beyond, the transition from Gavi support. Further attention is needed to ensuring programme strengthening during, and beyond, the transition. This issue is compounded as informants note that the current cohort of transitioning countries is experiencing more significant transition challenges than the countries that previously exited from Gavi financing. On average, these countries are entering Gavi GNI-determined transition phases with weaker institutions and greater fiscal and programmatic challenges. As a result, these 'second wave of transitioning countries' are less likely to maintain or increase their DTP3 coverage, with only 53% of transitioning countries being considered by Gavi to be on track for successful transition in 2017 (down from 72% in 2016).

In addition, there has been a lack of clarity on the types and availability of post-transition support for the current cohort of transition countries. A more planned approach to Gavi and other technical partner support during and post transition is needed. Additionally, better alignment between the types of Gavi support is needed in the transition phase, including better coordination of HSS and PEF TCA.

**Conclusion 9: Overall, there have been notable successes relating to the Policies, although more clearly to the Co-financing Policy than the Eligibility and Transition Policy.**

The Co-financing Policy has been notably successful in a number of ways. These successes include (i) domestic resource mobilisation for vaccines and increased country co-financing. Since 2008, government vaccine expenditure in Gavi-supported countries has steadily increased from around US\$ 200m to around US\$ 350m in 2017. Over the same time period, co-financing increased from US\$ 20m to US\$ 135m with an additional US\$ 48m in fully self-financed vaccines. Few other organisations have achieved something on this scale through a sustained period of time; (ii) the fact that the Board has not had to suspend support to any country because their co-financing requirements were not met; and (iii) the decline in the number of countries defaulting on their co-financing payments from the peak of 17 countries in 2014 to only 3 countries in 2018. However, the successful reduction in defaults has to be somewhat caveated by the fact that a few countries



(around 7% of all Gavi-countries in 2018) required support from donors to pay their Gavi co-financing requirement.

The Eligibility and Transition Policy has also had some important results. For example, 15 countries have transitioned out of Gavi support during the review period alone. All countries that transitioned more than a year ago have so far managed to sustain the delivery of vaccines in their routine programmes introduced with Gavi support. And with the exception of Bolivia, all transitioning countries managed to increase or maintain their DTP3 coverage after transitioning from Gavi support. However, recent evidence has shown that over the last two years, a third of transitioned or transitioning countries have *decreased* routine immunisation spending per child, suggesting either greater efficiency or, more likely, less progress with sustainable programmes. Further assessment is needed to ensure programme financing and immunisation outcomes remain robust.

**Conclusion 10: There are concerns that inadequate consideration of domestic financing for operational costs of delivering immunisation services poses potential risks to both financial and programmatic sustainability.**

Linking the Co-financing Policy to vaccine financing has worked well in increasing domestic financing for Gavi-supported vaccines. The annual unweighted average government routine immunisation expenditure per child for Gavi-supported countries doubled from around US\$ 10.50 to around US\$ 22.50 between 2008 and 2017. However, there is concern that although the emphasis on vaccine financing has resulted in increased funding for vaccine procurement, the lack of emphasis on increasing domestic support for the operational costs of immunisation service delivery raises risks for overall programme outcomes and sustainability. This risk is particularly relevant for countries transitioning out of Gavi support.

**Conclusion 11: The limited available evidence suggests that the increase in Gavi co-financing has not led to a systematic displacement in financing for non-Gavi supported vaccines.**

The limited available evidence shows that domestic financing for non-Gavi supported vaccines has not decreased on an aggregate level across Gavi-supported countries since the introduction of the Co-financing Policy. The country case studies found no evidence that Gavi co-financing displaced financing for non-Gavi supported vaccines. Similarly, the evidence did not suggest that Gavi co-financing provided a strong boost to financing for non-Gavi supported vaccines. There is a need to improve the data collection on domestic health financing for non-Gavi supported vaccines in order to gain a more robust insight into the relationship between Gavi co-financing and domestic financing for non-Gavi supported vaccines.

**Conclusion 12: In general, the ELTRACO Policies have supported the Vaccine Alliance in meeting its goals and objectives, particularly for aiding country commitment and sustainability of vaccine financing. However, deep thinking is still needed on the future role of Gavi given changing global health and country contexts.**

To date, these Policies have yet to adequately reflect the changing global health broader context. Immunisation is a core service component of PHC which in turn provides the platform on which most Gavi partner countries will build UHC arrangements. This sense of the strategic role of immunisation services at the heart of a major social, economic and political shift lacks prominence in Gavi operations and policies.

A final thought concerns the Global Action Plan (GAP) which anticipates a new role for Gavi in ensuring symbiosis with the 11 other Global Health organisations that need to work together on the ground to deliver on the SDGs. As a new policy and programme, the GAP is obviously largely absent from the Gavi policy landscape. But a vision for Gavi with regard to the integration of immunisation into PHC, and as a platform for UHC in the context of the GAP, would be apposite alongside the clearer articulation of the role of Gavi within PHC and UHC goals, as well as within a consolidated approach with other global health organisations.



## 6. RECOMMENDATIONS

### 6.1. RECOMMENDATIONS MAPPED AGAINST SPECIFIC CONCLUSIONS

There are sixteen recommendations. The following table maps these recommendations to specific conclusions structured around the three areas of policy design, implementation, and results as well as for overarching concerns. The recommendations are then elaborated more fully in Section 6.2. Many of these conclusions and recommendations span several of these areas and may be located in a different section within the document. They are placed in the matrix below where the reviewers consider them most relevant.

Table 6.1: Recommendations mapped against conclusions of the evaluation

Conclusions	Recommendations
<b>Design</b>	
<p><b>Overall Assessment:</b> Gavi's ELTRACO Policies are considered to be at the forefront of donor policies relating to transition and co-financing. Broadly, the ELTRACO Policies are well aligned with Gavi's 4.0 strategic direction and principles. However, the Policies prioritise vaccines rather than services, are somewhat skewed towards new vaccines, and provide insufficient attention to non-financial factors critical for sustainability. Exceptions to Policy implementation processes are mediated through the Board and, generally, are delivered when needed. On balance, stakeholders appreciate the positives in relation to predictability and transparency of the Policies but more nuance and flexibility could help improve implementation.</p>	
<p><b>Conclusion 1:</b> The ELTRACO Policies have many strengths with <b>positive changes</b> made following the previous reviews as learning and experience has been generated.</p>	<p><b>Recommendation 1:</b> Continue periodic assessment and refinement of the two Policies, particularly given the changing global and country-specific contexts for implementation.</p>
<p><b>Conclusion 2:</b> The <b>predictability and transparency</b> of the Policies were clearly identified as strengths. However the lack of flexibility in their application has created a growing need for ad hoc exceptions, suggesting the design of the Policies may need to be revisited.</p>	<p><b>Recommendation 2a:</b> Consider re-designing aspects within the Policies to enable a more tailored and flexible approach to their application in response to evolving country contexts and a broader range of scenarios, whilst maintaining and safeguarding key attributes including transparency and predictability.</p>
	<p><b>Recommendation 2b:</b> Consider whether and how to allow additional flexibilities in terms of decision-making on co-financing and transition under the FER Policy.</p>
<p><b>Conclusion 3:</b> On balance, the use of the GNI p.c. appears to be an acceptable indicator for the Gavi <b>eligibility threshold</b> but given country experiences and the variability of programmatic readiness to transition, additional criteria should be applied in the accelerated transition phase to ensure maximum impact and sustainability of Gavi support.</p>	<p><b>Recommendation 3:</b> A measure of programmatic capacity should be incorporated alongside the GNI p.c. criterion in the Eligibility and Transition Policy and applied in a way that incentivises domestic investment into programmatic sustainability so as not to create perverse incentives.</p>
<b>Implementation</b>	
<p><b>Overarching assessment:</b> Management of the policies is broadly considered to be well done, together with more, and earlier engagement, undertaken around the ELTRACO Policies. Transition implementation has evolved a lot but programmatic and institutional challenges remain significant through the transition period. There has been high adherence to the Co-financing Policy in terms of a reduction in defaults. The overall design of linking co-financing to co-procurement of vaccines is seen as positive. However, co-financing calculations are too complex, creating challenges with ownership and transparency at the country levels.</p>	





<p><b>Conclusion 4:</b> Solid improvements in country engagement have been noted in recent years, based on lessons learned around the implementation of the Policies, and in relation to transition planning. However, there is further scope for earlier and broader engagement at the country level.</p>	<p><b>Recommendation 4a.</b> Country engagement should be earlier, deeper and broader. This relates to engagement with countries at all stages of transition, including Lower Income Countries (LICs) Phase I countries, with Ministry of Finance officials (regularly and often) and with key decision-makers in the Ministry of Health beyond the Expanded Programme on Immunisation (EPI) programme, especially planners and policy makers, as well as Alliance partners.</p> <p><b>Recommendation 4b.</b> Collaboration with countries should regularly include a review of financing and programmatic implications of introducing new vaccines or shifting to new formulations.</p>
<p><b>Conclusion 5:</b> The programme filter is not an adequate mechanism to determine eligibility for support for new vaccine introduction.</p>	<p><b>Recommendation 5:</b> Add nuance to the programme filter in the Eligibility and Transition Policy and/ or substitute it with a more comprehensive means to determine eligibility for new vaccine introductions.</p>
<p><b>Conclusion 6:</b> The co-financing requirements for campaign vaccines have not worked well and represent an ‘ineffective middle ground’ in which high transaction costs and added complexities outweigh the limited benefits.</p>	<p><b>Recommendation 6:</b> Remove the co-financing requirements for campaign vaccines.</p>
<p><b>Conclusion 7:</b> The model of linking co-financing to co-procurement of vaccines is positive. However, co-financing calculations are considered too complex, creating challenges with ownership and transparency. In-country knowledge of vaccine financing costs over the long term is varied.</p>	<p><b>Recommendation 7a:</b> Simplify co-financing requirements across all Gavi supported interventions to render them more predictable and intelligible to countries.</p> <p><b>Recommendation 7b:</b> Step-up communication with countries around co-procurement and long-term financing needs and commitments.</p>
<p><b>Conclusion 8:</b> Transition implementation has improved. However, programmatic and institutional challenges continue to be significant throughout and beyond the transition period.</p>	<p><b>Recommendation 8:</b> Further align and strengthen transition and post-transition support provided to countries in the accelerated transition phase and post-transition.</p>
<p><b>Results</b></p>	
<p><b>Overarching assessment:</b></p> <p>The ELTRACO Policies are delivering successes; co-financing payments increased more than fivefold since 2008 boosting domestic resources for vaccines and all transitioned countries so far have continued to support the delivery of routine vaccines introduced with Gavi support. However, reductions in vaccine coverage in some ‘second wave transition countries’ that entered transition with more programmatic challenges and weaker health systems will require concerted efforts to ensure the Policies can aid delivery of sustainable immunisation programmes going forward.</p>	
<p><b>Conclusion 9:</b> Overall, there have been notable successes relating to the Policies, although more clearly to the Co-financing Policy than the Eligibility and Transition Policy.</p>	<p><b>Recommendation 9:</b> Continued assessment across immunisation programmes is needed to ensure programmes maintain their pathways to success.</p>
<p><b>Conclusion 10:</b> There are concerns that inadequate consideration of domestic financing for operational costs of delivering immunisation services poses potential risks to both financial and programmatic sustainability.</p>	<p><b>Recommendation 10:</b> Consider sustainability of immunisation programme costs more broadly – including for operational costs to aid country transition planning.</p>





<p><b>Conclusion 11:</b> The limited available evidence suggests that the increase in Gavi co-financing has not led to a systematic displacement in financing for non-Gavi supported vaccines.</p>	<p><b>Recommendation 11:</b> Undertake closer tracking of financing for non-Gavi supported vaccines as well as understanding better the source for Gavi co-financing payments (recognising the challenges of tracking fungible funds).</p>
<p><b>Overarching</b></p>	
<p><b>Conclusion 12:</b> In general, the ELTRACO Policies have supported the Vaccine Alliance in meeting its goals and objectives, particularly for aiding country commitment and sustainability of vaccine financing. However, deep thinking is still needed on the future role of Gavi given changing global health and country contexts.</p>	<p><b>Recommendation 12a:</b> Further develop the framework for vaccine sustainability within the broader health sector evolution in the context of UHC.</p> <p><b>Recommendation 12b:</b> Rationalise and prioritise Gavi actions that support long-term sustained delivery of immunisation programme outcomes and ensure that the application of the ELTRACO Policies will directly contribute to these outcomes. The expanding Global Action Plan is an ideal opportunity to advance this recommendation jointly with Gavi Alliance partners.</p>

## 6.2. OVERALL RECOMMENDATIONS

### **Recommendation 1: Continue periodic assessment and refinement of the two Policies, particularly given the changing global and country-specific contexts for implementation.**

There is a need to continue reviewing and updating the Policies as appropriate, based on lessons learned from their application given the constantly evolving broader context, the increased availability of data and range of country transition experiences, as well as the role and impact of other partners.

### **Recommendation 2a: Consider re-designing aspects within the Policies to enable a more tailored and flexible approach to their application in response to evolving country contexts and a broader range of scenarios, whilst maintaining and safe-guarding key attributes including transparency and predictability.**

This is in line with the expected changes in Gavi 5.0 which will require a more tailored country approach. The benefits and limitations and associated trade-offs of Policy changes would need to be taken into account in determining the best means to identify and implement flexibilities. Specifically, the most relevant factors to consider in the Policies' redesign include:

- Identifying the means through which the flexibility could be applied. Consider whether additional flexibility could be included within the Policies themselves (in design) or whether flexibility could be granted in the operationalisation of the Policies such as in the operational guidance. In addition, consider whether this could be through application of the FER Policy (discussed further in Recommendation 2b), and/ or whether decision-making about exceptions could be shifted to the Secretariat rather than maintained at the Board level in some pre-identified instances in order to reduce the delays in decision-making.
- Identifying the key areas or reasons around which flexibilities could be applied. For example, in relation to co-financing waivers under some conditions, accelerated transition period extensions, re-accessing Gavi support following the decline in GNI p.c.
- Provide additional operational guidance on exceptions, particularly for exceptions to key tenets of the ELTRACO Policies, to clarify situations when and how waivers might be sought. 'Cataloguing'



exceptions to the ELTRACO Policies may provide a useful means to provide further clarity regarding the exceptions.

**Recommendation 2b: Consider whether and how to allow additional flexibilities in terms of decision-making on co-financing and transition under the FER Policy.**

In order to reduce transaction costs and delays for countries, and where the FER Policy is being applied, consider providing additional flexibilities around the ELTRACO Policies. This could be to consider certain criteria in the Policies and/ or to consider ways to enable the Secretariat, instead of the Board, to approve certain decisions and waivers. These should be related to clearly defined, objectively measurable conditions such as co-financing difficulties related to IMF-recognised economic crises or an on-going need to provide immunisation services to large refugee populations on a non-emergency basis.

**Recommendation 3: A measure of programmatic capacity should be incorporated alongside the GNI p.c. criterion in the Eligibility and Transition Policy and applied in a way that incentivises domestic investment into programmatic sustainability so as not to create perverse incentives.**

The use of one or more programmatic indicators could be incorporated into the management of Phase 2 countries to better support sustainable transitions. This would need to be done in a way that rewarded and increased support to countries that invested more in programme and operational capacity so as not to create perverse incentives (i.e. inadvertently rewarded persistently weak programmes). This additional differentiation of countries could be used to determine the duration of the accelerated transition phase. For example, countries that increase their investments in health systems and services or consistently achieve a positive trend in their immunisation coverage could be given slightly extended transition periods (perhaps up to three years longer). Suitable indicators (and their measurement) would have to be carefully considered but might include coverage, operational budgets, actual disbursed funds, the reduction of vacancies, or other measures of programmatic capacity. The essential point is that to introduce a criterion along these lines, the approach should be designed to reduce perverse incentives by creating a mechanism that rewards rather than penalises programmatic readiness. Countries that did not invest more in programme capacity would be expected to transition in the five-year timeframe as usual.

**Recommendation 4a. Country engagement should be earlier, deeper and broader.**

This relates to engagement with countries at all stages of transition, including LICs and Phase I countries, with Ministry of Finance officials (regularly and often at strategic points) and with key decision-makers in the Ministry of Health beyond the EPI programme, especially planners and policy makers, as well as Alliance partners. Where possible, transition assessment and planning should be aligned in country with the monitoring and review processes of other means of Gavi support and be coordinated with other donor efforts which may affect or influence immunisation, either financially or programmatically. Where possible, transition assessments or transition planning should be integrated or conducted alongside joint appraisals or other relevant national level review cycles.

**Recommendation 4b. Collaboration with countries should regularly include a review of financing and programmatic implications of introducing new vaccines or shifting to new formulations.**

Consistent and frequent engagement coupled with good assessment is needed to support countries in understanding the full implications of introducing new vaccines or shifting presentations. Deeper engagement for these countries around product choices, vaccine introductions and projected co-financing payments would aid transition planning.



**Recommendation 5: Add nuance to the programme filter in the Eligibility and Transition Policy and/ or substitute it with a more comprehensive means to determine eligibility for new vaccine introductions.**

Consider use of a more comprehensive means to determine eligibility for new vaccine introductions, e.g. adding operational or programmatic criteria to determine eligibility. For example, where countries fail the DTP3 coverage criterion, additional levels of assessment are applied to assess whether there is still merit in introducing selected new vaccines.

**Recommendation 6: Remove the co-financing requirements for campaign vaccines.**

As high transaction costs and added complexities outweigh the limited benefits, we suggest removing co-financing for campaigns, although this should be monitored given the potential risk of perverse incentives for countries to undertake more campaigns than required.

**Recommendation 7a: Simplify co-financing requirements across all Gavi supported interventions to render them more predictable and intelligible to countries.**

Simplify co-financing calculations through a narrower range and more standardised co-financing requirements. More could be potentially be done to communicate forecasting and calculations processes internally so as to further equip SCMs to guide and liaise with countries. Country stakeholders should be more engaged with the calculations in relation to the co-financing amounts.

**Recommendation 7b: Step-up communication with countries around co-procurement and long-term financing needs and commitments.**

Jointly with countries develop something like an expanded annual statement or stock-take to update relevant information related to the Gavi - country partnership. This stock-take should include a basic set of country financing commitments into the future including post-transition. Possibly something like a dashboard, this tool should be compiled and proactively or purposefully reviewed with key counterparts annually. It should include upcoming and longer-term co-financing expectations and country liabilities. This could potentially be included in the Joint Appraisal process. It is necessary to ensure these updates are shared with health planners and policy makers and, critically, with Ministries of Finance. Countries should be required to acknowledge receipt of this updated stock-take or forecasting dashboard every year.

**Recommendation 8. Further align and strengthen transition and post-transition support provided to countries in the accelerated transition phase and post-transition.**

Adopt a more holistic approach to transition and post-transition support with more emphasis on a continuum of support and engagement aimed at scaling-up and sustaining immunisation services.

**Recommendation 9: Continued assessment across immunisation programmes is needed to ensure programmes maintain their pathways to success.** Gavi should continue to refine and measure indicators and assess programmes for sustained immunisation outcomes. For example, recent reductions in routine immunisation expenditure per child in a third of Gavi countries should be analysed to ensure that reductions result from increased efficiencies or lower pricing, and that adequate investment is being maintained in these programmes. Similarly, the use of donor funding for Gavi co-financing payments detracts from the aim of boosting country ownership of vaccine financing and should be tracked routinely in conjunction with country defaults.

**Recommendation 10: Consider sustainability of immunisation programme costs more broadly – including for operational costs to aid country transition planning.**



Although it is challenging to monitor operational costs for the delivery of immunisation services, Gavi should consider ways to encourage country commitment to required operational costs of immunisation programmes to aid transition planning.

**Recommendation 11: Undertake closer tracking of financing for non-Gavi supported vaccines as well as understanding better the source for Gavi co-financing payments (recognising the challenges of tracking fungible funds).** If possible, this information could be reported at higher levels within Gavi. This recognises that financing for immunisation is fungible and that there is a risk that Gavi co-financing payments are taken from other immunisation budget lines rather than being additional domestic funding.

**Recommendation 12a: Further develop the framework for vaccine sustainability within the broader health sector evolution in the context of UHC.** This should include the articulation of Gavi's role in placing immunisation at the heart of PHC, enabling and supporting PHC as a platform for UHC.

**Recommendation 12b: Rationalise and prioritise Gavi actions** that support long-term sustained delivery of immunisation programme outcomes and ensure that the application of the ELTRACO Policies will directly contribute to these outcomes. The expanding GAP is an ideal opportunity to advance this recommendation jointly with Gavi Alliance partners.