

GAVI Alliance **Progress Report** 2007

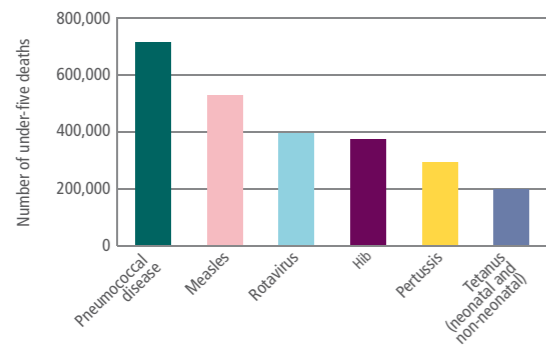
Summary



GAVI Alliance Progress Report 2007
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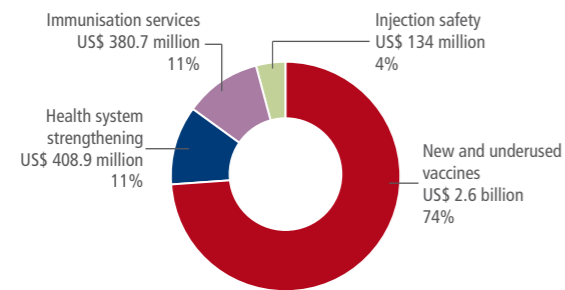
Key facts

GAVI tackles leading global causes of vaccine-preventable deaths in children under five years old



Source: 1

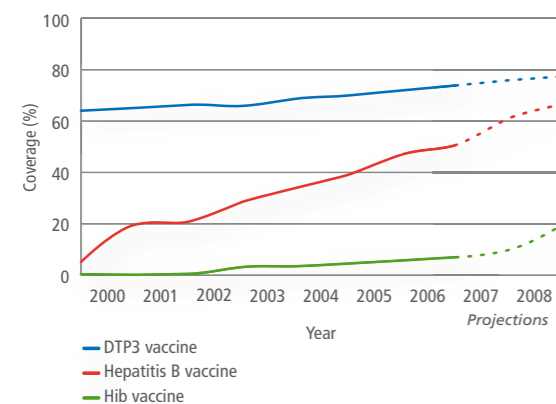
GAVI provides a range of multi-year support to countries



GAVI programme commitments to countries 2000–2015 : US\$ 3.5 billion

Source: 2

Immunisation coverage in GAVI countries continued to rise in 2007



Source: 3

GAVI offers vaccines to the world's poorest countries against some of the leading child killers. In addition, GAVI strongly supports immunisation against hepatitis B virus, the deadly consequences of which strike in adulthood, causing liver disease. Together, by reducing illness and deaths, these vaccines have the potential to accelerate countries' global progress towards the Millennium Development Goals.

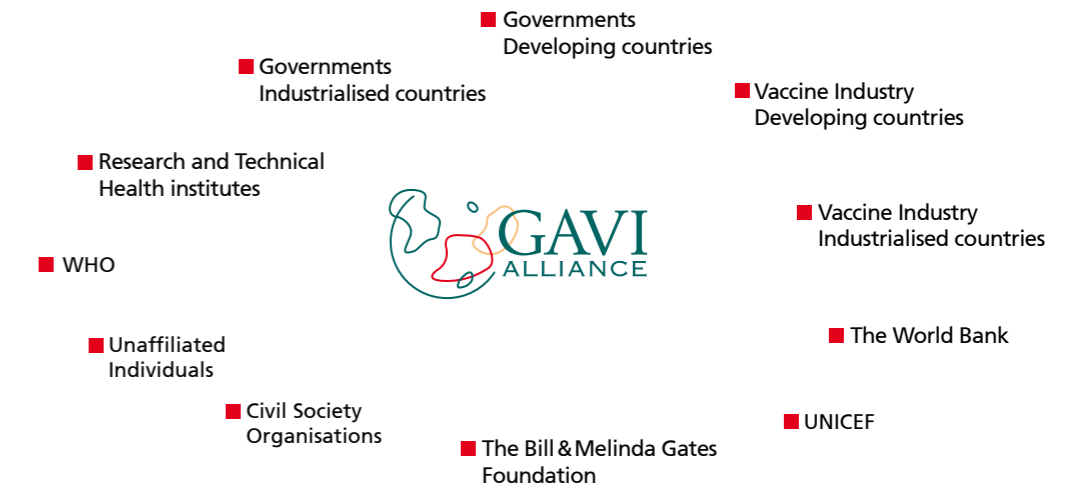
GAVI's support is aligned with countries' own national health and immunisation plans, and is multi-year. The majority of GAVI funding is committed up to 2015. The cumulative total of support approved for country programmes up to the end of 2007 is US\$1.41 billion. By contrast, funding approved to 2015 rises to US\$3.5 billion and will continue to increase.

By the end of 2007 more than 80% of countries eligible for GAVI Alliance support had received funding for new and underused vaccines, injection safety and improving immunisation coverage. In total, WHO projects that 176 million children have been immunised with GAVI-supported vaccines since 2000, significantly reducing the global burden of illness and disease and averting more than 2.9 million premature deaths.

Stronger health service delivery platforms are essential for sustainable immunisation and other services. In just the first year that GAVI offered support for health system strengthening (2006–2007), 40% of eligible countries were approved for this flexible cash funding. Delivery is also being improved through the programme to support immunisation services, and through closer partnerships with civil society organisations. With their reach, influence and knowledge of delivering health and immunisation services on the ground, these organisations bring important resources and perspective to the Alliance and its work.

The GAVI Alliance Strategy 2007–2010 is a natural extension of the GAVI Alliance mission: *to save children's lives and protect people's health by increasing access to immunisation in poor countries.*

It sets ambitious performance challenges: to accelerate access to vaccines; strengthen the capacity of health systems; increase the predictability of funding; and add value as a public-private partnership.



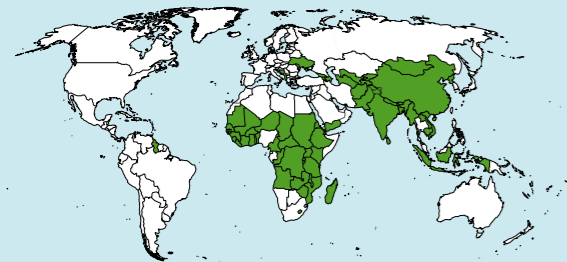
The GAVI Alliance partnership

The Alliance spans cultures and resources, bringing together individuals and organisations through a shared vision of improved health. The partnership is diverse: it includes an outreach worker from a faith-based organisation biking cold boxes full of chilled vaccines to a remote village in Africa and an international banker video-conferencing about new ways to use capital markets to finance immunisation. It includes a research scientist in a Brazilian vaccine company working on a formulation that meets the needs of developing countries and top health and development experts gathered in Geneva to evaluate country funding proposals.

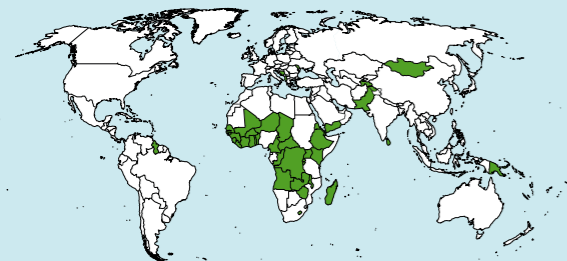
Developed country donors, implementing governments, research and technical institutes, civil society organisations, and vaccine producers are partnering with international organisations, private philanthropists and international financiers to find ways to fund and support immunisation in the world's poorest countries and advance the Millennium Development Goals.

Through this public-private partnership, the GAVI Alliance has developed innovative mechanisms and approaches such as the International Finance Facility for Immunisation and the pilot Advance Market Commitment for pneumococcal vaccine, bringing an unprecedented scale of resources to bear on international health and development. In 2007, GAVI's annual income was its highest ever at US\$786.9 million, US\$428.3 million of which was provided by IFFIm.

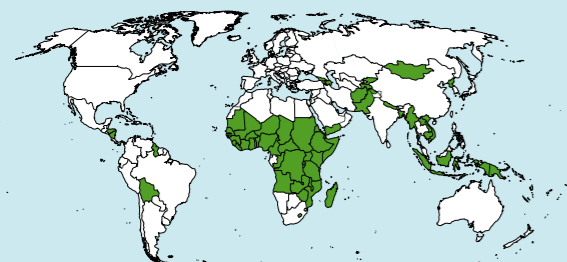
Countries implementing GAVI funds, 2000–2007



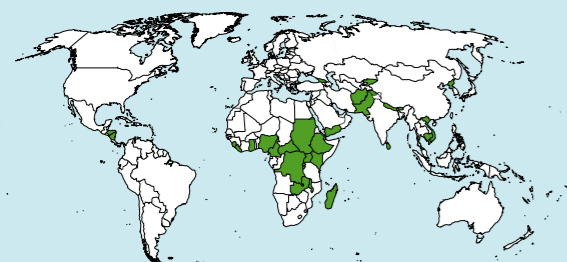
Countries approved for hepatitis B vaccine support, 2000–2007



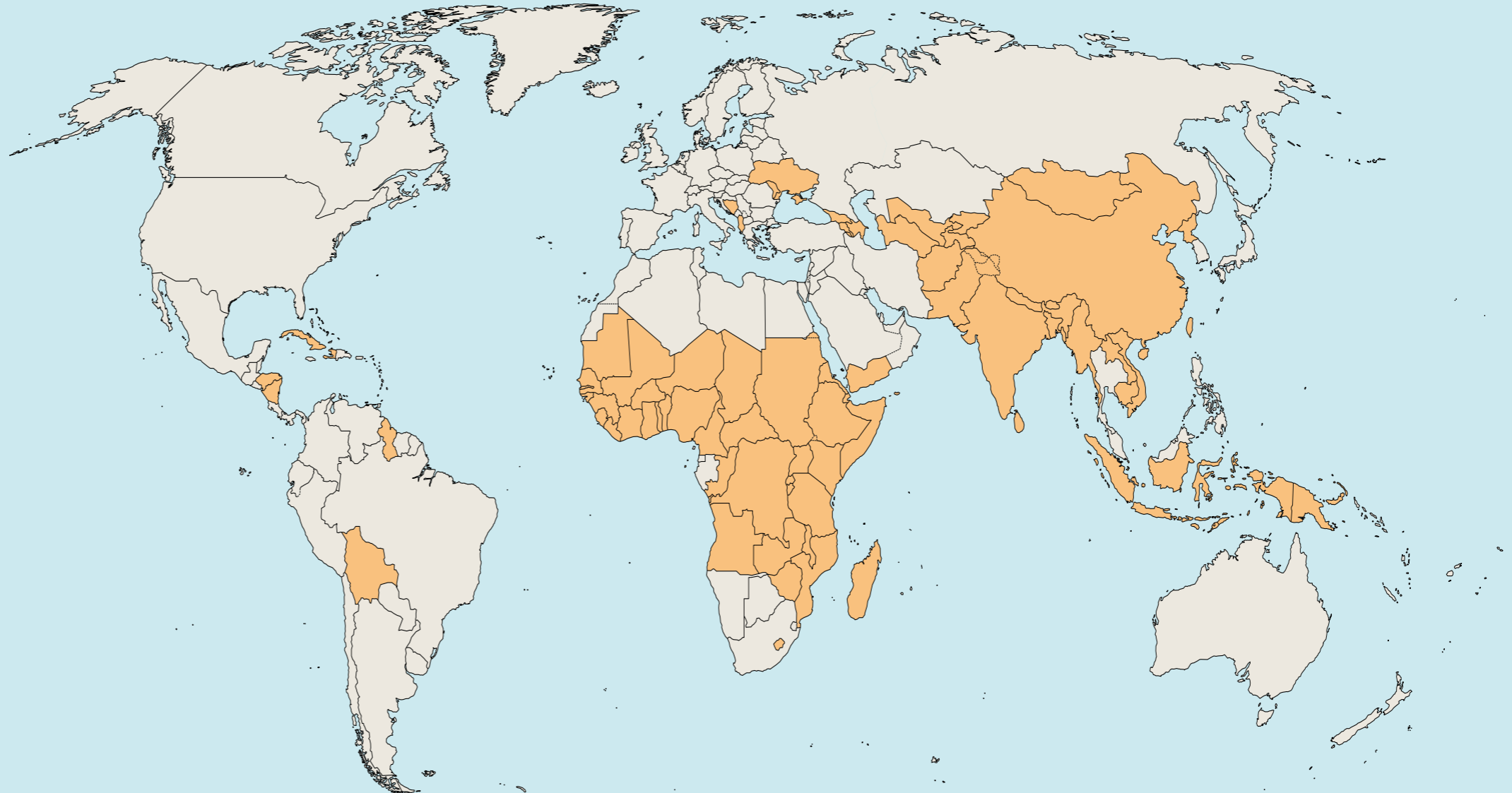
Countries approved for *Haemophilus influenzae* type b vaccine support, 2000–2007



Countries approved for immunisation services support, 2000–2007



Countries approved for health system strengthening support including support for civil society organisations, 2007



Countries eligible for GAVI support

Cumulative approved support to countries, 2000–2007

New and underused vaccines	Immunisation services	Health system strengthening	Injection safety	Total
US\$889.1 million	US\$287.8 million	US\$117.7 million	US\$116.8 million	US\$1.41 billion

Source: 4

Accelerate vaccines

By the end of 2007, all but two of the countries eligible for support for hepatitis B vaccine had applied. The numbers of children protected against yellow fever continued to grow and during the year there was a dramatic rise in the number of countries deciding to introduce Hib vaccine into their immunisation programmes.

2007 was the first year in which new vaccines against rotavirus (causing severe diarrhoea) and pneumococcal disease (causing pneumonia and meningitis) became available to GAVI countries.

Now, with one exception, GAVI-supported vaccines have the potential to tackle the major childhood killers and accelerate progress towards MDG 4. That exception remains malaria.

Special one-time investments using IFFIm funds have accelerated disease-control efforts through immunisation against measles, poliomyelitis, and maternal and neonatal tetanus. In addition, hepatitis B vaccine, given in childhood, protects against liver disease that kills adults in their most productive years.

Antigen	GAVI-eligible countries funded	Cumulative number of children immunised since GAVI inception
Hib	44	28 million
Hepatitis B	67	159 million
Yellow fever	17	26 million

Source: 5

New vaccines: new hope

Three countries were approved in 2007 for each of the new vaccines: rotavirus and pneumococcal. Applications for both vaccines totalled US\$27.9 million.

ADIPs: addressing childhood diseases

The Accelerated Development and Introduction Plans – or ADIPs – were conceived as a way of shortening the time between vaccine development and introduction in developing countries. Pneumococcal vaccine was licensed for use in the United States in 2000, and might otherwise have taken up to 20 years to reach children in poorer parts of the world. Rotavirus vaccine is now being made available to eligible countries within two years of licensing in industrialised markets.

Improving childhood survival: addressing pneumococcal disease

In February 2007, Italy, the UK, Canada, Russian Federation, Norway and the Bill & Melinda Gates Foundation pledged US\$1.5 billion for the first Advance Market Commitment to accelerate the development and availability of a new vaccine for pneumococcal disease.

The new vaccine is expected to save the lives of more than 5 million children by 2030.

Reducing children's illness and death from pneumonia

More than 2 million children die of pneumonia each year, accounting for 20% of deaths of children under the age of five. And yet, much of the incidence of pneumonia is preventable and treatable. Immunisation is a powerful tool in this, preventing not only death but many potential episodes of debilitating illness.

The leading causes of childhood pneumonia are the bacteria *Streptococcus pneumoniae* or "pneumococcus" and *Haemophilus influenzae* type b (Hib), which account for more than half of all pneumonia deaths in under-fives. Pneumonia is also a serious complication of measles.

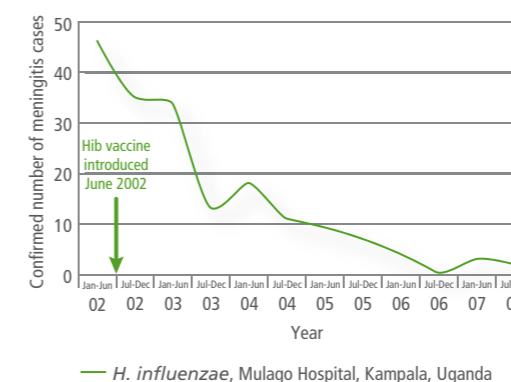
Vaccines for pneumococcal pneumonia, Hib and measles are available to GAVI-eligible countries. These three vaccines have the potential to improve health and save millions of lives by reducing the incidence of pneumonia.

In addition, GAVI is working to address pneumonia through:

- The Accelerated Development and Introduction Plan for pneumococcal vaccine
- The Advance Market Commitment (AMC) pilot for pneumococcal vaccine
- Increased uptake of Hib vaccine through pentavalent vaccine (containing five antigens)
- Increased uptake of measles vaccine.

Increased uptake of vaccines

Elimination of Hib meningitis in Uganda, 2002–2007



Source: 6

Major boost to Hib vaccine efforts

The year was marked by strong uptake of vaccines containing Hib. The number of countries approved for Hib vaccine support now totals 44, more than twice the number just two years ago. Eighty per cent of countries in Africa eligible for Hib vaccine funding have now applied. A cumulative total of 28 million children had been immunised against Hib by end 2007, according to WHO projections.

Uganda provides a notable example of the effectiveness of the vaccine in eliminating disease. Just five years after the Hib conjugate vaccine was introduced nationwide, Hib meningitis has been virtually eliminated in children under five years of age. Five thousand child deaths from Hib disease and 30,000 severe cases are now prevented each year.



Improving hepatitis B vaccine coverage

Sixty-seven GAVI countries now receive funding for hepatitis B vaccine. WHO projects that more than 158 million children have been immunised against hepatitis B through GAVI support since 2000.

Transmission of hepatitis B from mother to newborn infant is a major factor in regions where the disease is widespread. However, vaccination of newborn infants against hepatitis B within 24 hours of birth is about 90% effective in preventing transmission. A timely 'birth dose' of hepatitis B vaccine is advocated by WHO for all infants in high-risk countries. GAVI supports this perinatal immunisation in 18 countries.

In China, where GAVI has co-funded a project since 2002 to target infants and children under five in selected provinces with vaccine against hepatitis B, an estimated 15 million children received the full three doses between 2003–2006. In 2005, the Government took this project to full national scale when it declared that all EPI vaccines, including hepatitis B, would be provided at no charge, eliminating all administrative charges for these vaccines. National coverage with the birth dose increased from 29% of children born in 1997 to 82% of children born in 2005.

Expanding yellow fever vaccine uptake

In 2007, three more countries were funded for yellow fever vaccine. This brings the total number of countries that receive GAVI support to 17 of the 28 countries eligible. Since GAVI's inception, more than 26 million children have been immunised against yellow fever.

IFFIm funded US\$48.3 million through the Yellow Fever Initiative, in support of yellow fever activities in 2007 in the 12 West African countries most at risk. This includes preventive campaigns and the provision of stockpiles which make vaccine available for all outbreaks. It is predicted that this work will prevent approximately 687,000 deaths between now and 2050 in these countries.

The International Finance Facility for Immunisation: innovative finance - tactical investments

Approximately 50% of IFFIm disbursements in 2006–2007 were allocated to a number of one-time tactical investments in disease prevention and control through partners.

In addition to funding for the Yellow Fever Initiative mentioned above, IFFIm contributed to:

- **Measles:** US\$139 million of IFFIm support has gone to the Measles Initiative to strengthen measles campaigns. This allowed rapid scale-up, providing 194 million children in 32 countries with vaccine. The Measles Initiative announced in November 2007 that deaths from measles in Africa had fallen by 91% between 2001 and 2006. Globally measles deaths fell 68% worldwide in the same time period.
- **Poliomyelitis:** In June 2007, US\$105 million in IFFIm funds were re-programmed from a post-eradication polio vaccine stockpile into intensified polio eradication activities. This helped avert a potentially devastating setback to global polio eradication. IFFIm funding helped to immunise more than 100 million children under the age of five, some of them multiple times, in 11 polio-affected countries. In total, US\$191.3 million was fast-tracked into pre-existing polio eradication efforts and vaccine stockpiles.

- **Maternal and neonatal tetanus:** IFFIm provided US\$50 million for maternal and neonatal tetanus elimination from a total of US\$62 million approved. These resources constitute a 60% boost over those raised for the initiative from other sources between 1999 and 2006. The effect is a projected doubling to 26 million of the number of women targeted with tetanus vaccine in 2007 and early 2008.

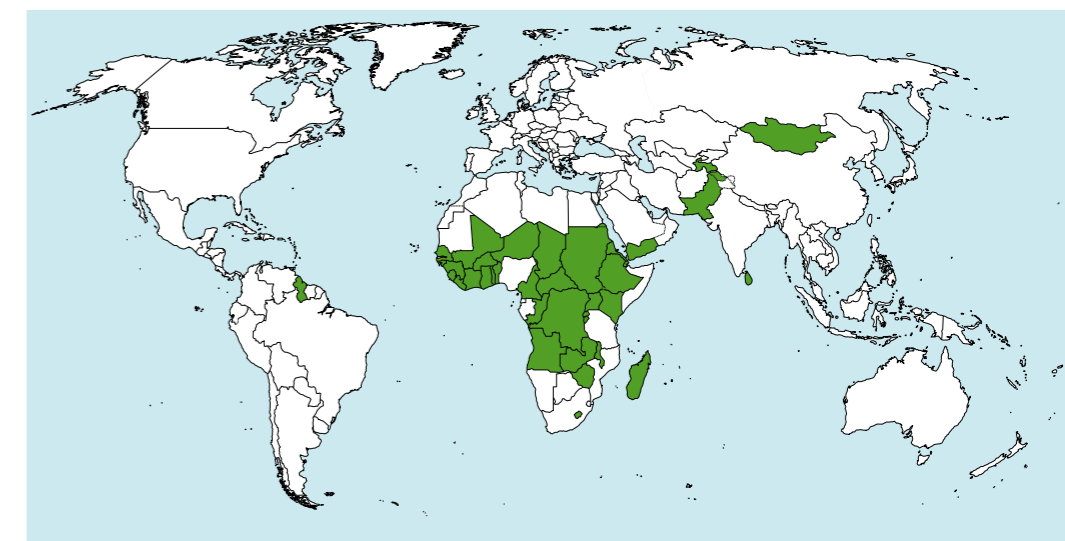
Five-in-one: pentavalent success

Pentavalent vaccine immunises against five infectious diseases - diphtheria, tetanus, pertussis, (DTP), Hib and hepatitis B. The easy-to-administer liquid formulation pentavalent vaccine has clearly played a significant part in the increase in uptake of Hib and hepatitis B vaccines.

Pentavalent vaccine is being used or has been approved for introduction in 39 countries. More than 26 million children are currently being immunised with the vaccine each year.

Additionally in 2006–2007, US\$181 million in funds from the International Finance Facility for Immunisation (IFFIm) were disbursed to purchase or secure supply of the combination pentavalent vaccine.

Significant uptake of pentavalent vaccine in GAVI-supported countries, 2000–2007



Source: 7

Approved for GAVI support

“Over the course of 2007 we’ve seen an accelerated demand for pentavalent vaccine. ...The joint effort of the GAVI Alliance partners has been a major driver of this positive development. The successful introduction of pentavalent vaccines in so many countries can hardly be overestimated.”

Thomas Sorensen, Chief, Immunisation Centre, UNICEF Supply Division.

Public-private partnering: enabling vaccines for infants in Indonesia

Up to 450,000 Indonesian children are at risk of infection with the hepatitis B virus. GAVI has provided funding of US\$17.5 million to support the inclusion of the important birth dose in the national immunisation programme. The Bio Farma plant in Bandung, Indonesia produces 1.5 million doses each year of hepatitis B vaccine in the Uniject autodisable injection device, enough to meet

national demand, with additional capacity for export. The syringes come from Singapore, and Bio Farma combines them with the hepatitis B vaccine from Korea.

Behind that operation lies a story of public and private partnership that stretches back 20 years. PATH had the idea to create a single dose safe-injection syringe and collaborated with the US Agency for International Development, WHO and others, to create the Uniject device. It was licensed for production to BD, the largest syringe manufacturer in the world, under agreement that the Uniject device will be made available to vaccine and pharmaceutical producers, such as Bio Farma, at preferential prices for developing countries' immunisation programmes.

The one-dose disposable syringe reduces the risk of transmission and is easier for health workers to use and to transport to remote or isolated children, and those born at home. This is crucial because babies are more vulnerable to the virus and can be infected at birth by their mothers. It also reduces wastage of vaccines: too often any vaccine left over in an opened multi-dose vial is lost, even if only one or two children received a dose.

Now, with the Uniject syringe in use and secure funding in place, Indonesia estimates hepatitis B vaccine birth dose coverage has reached 42%.



Injection safety

By 2007, 58 countries had completed three years of funding for autodisable (AD) syringes, and six more ended their cycle within the year. Seven countries continue to receive GAVI support, while five countries remain eligible to apply.

In total UNICEF procured and distributed more than 2 billion AD syringes globally. In 2007, GAVI country demand represented 46% of UNICEF's global procurement. Evaluation of the sustainability and impact of the injection safety programme is ongoing, suggesting that many countries are continuing to use AD syringes after GAVI's catalytic support ends.



Strengthen capacity

Strong health systems that reliably provide their communities with equitable access to immunisation and other health services are vital to sustained improvements in health.

GAVI and the wider health development community are working in a coordinated way through initiatives like the International Health Partnership to support countries to tackle weaknesses and bottlenecks.

GAVI financially supports strengthened capacity for immunisation in three ways: through immunisation services support, health system strengthening support and support to civil society organisations.

Programme to strengthen capacity	GAVI allocated funding (US\$ millions)	Countries approved by 2007
Immunisation services support	379 (2000–2007)	62
Health system strengthening support	500 (2006–2015)*	29
Civil society organisations support	30 (2007–2009)	3

* Increased to US\$800 million, Feb 2008

Source: 8

Performance-based funding: immunisation services support

GAVI's immunisation services support (ISS) is possibly the first true performance-based programme of its kind. The goal is to stimulate countries to increase their immunisation coverage through a performance-based "reward" system. Countries receive US\$20 for each additional child vaccinated with three doses of diphtheria-tetanus-pertussis (DTP3) vaccine over and above national targets.

Two independent evaluations conducted in 2006 and 2007 have provided evidence that ISS works to increase coverage. In the five years from 2001 to 2005, it is estimated that 2.4 million additional children were immunised as a result of ISS funds.

Work continues with partners and countries to improve data collection and reporting standards, recognising weaknesses.

Of the 62 countries approved for ISS support, 54 received rewards for increasing the number of children reached with DTP3. Together, this represents a total of more than US\$379 million.

Improving immunisation coverage through strengthened health systems

GAVI has invested an initial US\$500 million for health system strengthening to run from 2006 to 2015. By the end of 2007, 40 of 72 (55%) countries eligible for GAVI support had applied for HSS funding. Twenty-nine countries have been approved for multi-year funding. This represents a total disbursement of US\$403 million.

Building on existing national plans, countries' proposals detail measures that will improve the health sector and increase immunisation

coverage. In collaboration with other stakeholders, the ministry of health determines its health system needs as they relate to the delivery of immunisation and maternal and other child health interventions. The proposal must identify and prioritise bottlenecks and obstacles which have the greatest impact at the service-delivery level.

GAVI will evaluate the first wave of approved funding in 2009–2010. This will help guide future investments.



Daunting obstacles to immunisation: Democratic Republic of the Congo

Bonny Sumaili is a health officer for UNICEF. "One of the largest challenges we face is logistics. There are 11 provinces in the Democratic Republic of the Congo and only one of them can receive the necessary supplies by road. The rest have to be supplied by plane and then by whatever means are available, because the infrastructure is so poor and the country so big and inaccessible." Achieving immunisation coverage under these circumstances has been a triumph of collaboration and partnership, ingenuity and perseverance.

"Armenia has determined that a crucial factor in achieving our much-needed health-care reform is GAVI funding for health system strengthening support. As we see it, it is difficult to get, but easy to use!"

Dr Tatul Hakobyan, Deputy Minister of Health, Armenia

Drawing on the strength of civil society organisations

Civil society organisations have been working in the field of public health for many years. They have been particularly effective in reaching people and children in remote or under-served areas, with poor health infrastructure, or who are marginalised.

In Africa and parts of Asia, it is estimated that CSOs deliver from 10% to as much as 65% of immunisation services through their outreach and community-based strategies. Strengthening that role will help countries

meet the MDG targets, as well as increase national and community ownership and sustainability.

The Board has approved a new US\$30 million investment in supporting civil society organisations through direct government partners.

This pilot phase of GAVI CSO support will be evaluated in 2009–2010.

Partnering with civil society organisations: the Afghan approach

In 2003, the Government undertook sweeping reforms by defining a Basic Package of Health Services, focusing on the most critical and cost-effective services, including immunisation and reproductive and child health.

The solution lay in building on the aspects of the health infrastructure that were functioning well.



Civil society organisations have played an active role in Afghanistan's health service delivery since the 1980s. In 31 of 34 provinces implementing the plan, the ministry has contracted civil society organisations to deliver it.

In addition to ongoing support for immunisation services, GAVI has given a US\$34.1 million grant for health system strengthening, focusing on establishing mobile health teams and health centres, as well as training health workers and educating the population about immunisation and maternal and child health.

Results are already evident. According to a 2006 Household Survey, the Basic Package coverage has risen from 9% in 2002 to more than 80% in 2007. The same survey indicates that infant mortality has dropped to 129 per 1000, translating into 80,000 fewer infant deaths per year.

Increase predictability

GAVI aims to ensure increased and growing direct donor support, both public and private, while continuing to develop new innovative and flexible instruments of long-term predictable financing such as the International Finance Facility for Immunisation.

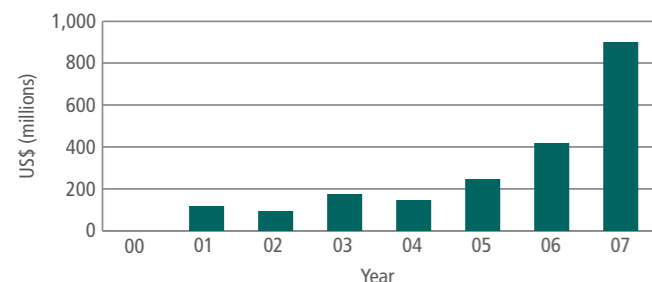
Contributions to GAVI (cash received US\$)

Source of funds	2007	Cumulative total 2000–2007
Australia	5,000,000	10,000,000
Canada	0	148,727,565
Denmark	4,737,540	17,051,196
European Commission (EC)	4,849,640	6,109,640
France	0	18,659,114
Germany	5,948,000	11,208,400
Ireland	8,311,200	18,829,160
Luxembourg	811,840	2,775,765
The Netherlands	33,547,469	120,664,898
Norway	86,156,761	292,606,694
Sweden	15,514,976	53,095,896
United Kingdom	48,113,952	121,562,308
United States	69,300,000	421,812,000
Total : governments + EC	282,291,378	1,243,102,636
Total IFFIm proceeds	428,268,866	953,018,151
Bill & Melinda Gates Foundation	75,000,000	987,838,000
Other private donors	1,335,180	9,749,271
Total : private donors and institutions	76,335,180	997,587,271
Total contributions	786,895,424	3,193,708,058

Source: 9

IFFIm proceeds have massively boosted GAVI's disbursements to support country programmes.

Programme disbursements by GAVI, 2000–2007



Source: 10

The 2007 GAVI audited, consolidated accounts will be available on the GAVI website on or before September 30, 2008

Improving health and saving lives with donor support

The profile of direct government support continues to shift to multi-year funding commitments, matching GAVI's long-term support to countries. By the end of 2007, 67% of direct government donors had entered into grant agreements of three years or more, up from 33% in 2005.

The spending forecast: rising demand

GAVI's direct programme spending is projected to rise significantly in the coming years. GAVI's annual spending levels have already surged from approximately US\$220 million in 2005, to US\$889 million in 2007.

To ensure funds are available to sustain the continued scale up of programme activities and underpin the Board decisions to invest in support for new vaccines, the multi-year donor base needs to be expanded. It currently consists of direct government, innovative finance, and private funding sources. Those sources need to be broadened to ensure the sustainability of programmes beyond the lifespan of IFFIm bond proceeds.

Raising private funds for the global public good

GAVI is inviting broad-based support from the ranks of venture philanthropists, business leaders, entrepreneurs, wealth managers and donor advisors who want to help build on the strengths of GAVI's public-private partnership and who recognise the power of the GAVI business model. In September 2007, GAVI introduced the *Immunize Every Child* private philanthropy campaign and launched the *Every Child Council* leadership society.

Impact after one year: the International Finance Facility for Immunisation

The International Finance Facility for Immunisation was one of the first innovative finance mechanisms for development. One year after its launch, the impact of IFFIm is clearly visible. By the end of 2007, US\$862 million had been disbursed - almost 90% of the total proceeds.

The IFFIm funding supported both the "core" GAVI programmes for immunisation and health development, and a range of special one-time investments in disease eradication or control through operations run by partners.

IFFIm's anticipated investment of US\$4 billion over the next 10 years is expected to provide immunisation for an additional half a billion people.

IFFIm relies upon the financial support of its founding and forward looking donors: United Kingdom (£1.38 billion), France (€1.24 billion), Italy (€473 million), Spain (€190 million), Sweden (SEK 276 million) and Norway (US\$27 million). South Africa (US\$20 million) joined IFFIm in March 2007.

IFFIm approvals and disbursements 2006–2007 (US\$)

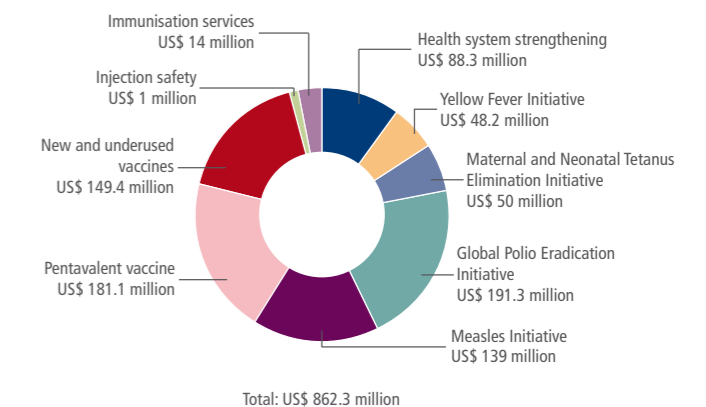
Total approved by IFFIm board of directors: 1.047 billion

Disbursements by end 2007: 862 million

- 50% to GAVI partners: 428.6 million
- 29% to GAVI programmes: 252.6 million
- 21% to pentavalent procurement: 181.1 million

Source: 11

GAVI disbursement of IFFIm funds, 2006–2007



Source: 12

Boosting the country programme portfolio

In addition to tactical investments in disease prevention and vaccine programmes noted earlier, IFFIm enabled GAVI to nearly double support to countries. Funding has risen from US\$206 million per year in 2005 to US\$394 million in 2007 for a range of country-specific programmes supporting strengthened immunisation services, new vaccines, and immunisation safety.

In 2007, US\$204.7 million went to support GAVI's efforts to scale up access to vaccination in the poorest countries. Of that, US\$101.7

million went to support country applications for new vaccines and US\$14.7 million went to country programmes that support immunisation safety and routine immunisation services.

US\$88.3 million went to GAVI's health system strengthening programme to support immunisation delivery and coverage. This represents a substantial portion – nearly 20% - of GAVI's initial funding for the HSS programme.

Stabilising funding and shaping markets

Predictable long-term financing for countries is a cornerstone of the GAVI business model. The Alliance operates multi-year programmes and makes multi-year commitments to GAVI countries. These in turn contribute to sustainability by co-financing immunisation.

Innovative mechanisms developed through the GAVI Alliance and its partners are stabilising long-term funding to countries. The effect is to shape vaccine markets, ensure predictable demand and supply, and in many cases, attract new manufacturers and reduce prices.

IFFIm's value-added: predictable and stable funding

IFFIm has made it possible for GAVI to commit to support national immunisation programmes for as long as 10 years, providing countries with an assurance of continued support to enable them to plan effectively.

The availability of IFFIm funds increases incentives to new manufacturers to enter the market. It signals stability and committed financing, stimulates markets, accelerates vaccine development, and promotes increased production, availability and lower prices.

Incentive to the market: the Advance Market Commitment

The Advance Market Commitment, or AMC, is a new approach to public health funding. It establishes a financial commitment by donors for future purchases of a targeted new vaccine - up to a pre-determined price per dose and market size, and for a fixed period of time. Conditions apply: the vaccine must be in demand by developing countries and the manufacturer may apply only once the vaccine has been developed and has met strict criteria.

As such, the AMC is a market-driven incentive to accelerate development and investment in life-saving vaccines, and reduce the lag time from introduction in developed countries to the developing world. The prospect of secure

funding gives suppliers the assurance they need to invest in vaccine development and production. The pilot AMC, funded by Canada, Italy, Norway, Russian Federation, the United Kingdom and the Bill & Melinda Gates Foundation, is to accelerate the development and availability of a new vaccine for pneumococcal disease.

AMC commitments	US\$ millions
Italy	635
United Kingdom	485
Canada	200
Russian Federation	80
Bill & Melinda Gates Foundation	50
Norway	50
Total	1,500

Source: 13

Sharing the challenge: co-financing vaccines

GAVI is committed to achieving financial sustainability and increasing access to vaccines through country co-financing of vaccines. Co-financing supports GAVI's efforts to have a positive influence on pricing and market dynamics.

Fifteen countries are now co-financing their vaccine costs. That number will increase to 28 in 2008, including a number of countries which have chosen to co-pay beyond the required minimum. From 2008, all countries applying for vaccine support will share the cost per dose of vaccine, according to their ability to pay and the number of different vaccines deployed. The only exception is the measles second dose as introduced into routine immunisation.

GAVI will review the co-financing experience, payment levels and country groupings. As a result, eligibility criteria may be revised in 2010.

Balancing accountability and flexibility

As direct financial support to countries for health system strengthening and to civil society organisations expands, the challenge is to strike the right balance. On the one hand, ensuring robust accountability for how funds are spent, and on the other, using and developing countries' own capacities, keeping their burden of reporting balanced, maximising spending flexibility, and harmonising aid effectiveness through the Paris Declaration principles.

With increased funds come increased requirements for ensuring they are properly

accounted for and audited. It is clear that the current approach cannot continue to provide a sufficiently robust level of fiduciary oversight. Furthermore, the approach is not tailored to different country environments.

A number of possible methodologies are being explored that build on the strengths of the existing arrangements, while bolstering the necessary fiduciary accountability and reducing risk. Work is ongoing to finalise and implement this strengthened approach in 2008.



“Immunisation is central to basic health care, and basic health care is a building block for healthy and solid communities.”

HRH La Infanta Princess Cristina of Spain, speaking at the launch of the Immunize Every Child Campaign

Add value

Increasing aid effectiveness: a core GAVI value

Aid effectiveness of GAVI's work is achieved through: country ownership of immunisation programmes; co-financing as a compulsory component of funding; multi-year support aligned with countries' national health and immunisation plans; and secure long-term affordability of vaccines achieved by shaping markets and assuring supply. Additionally, contributions are increasingly reported transparently on national budgets and accounts.

GAVI's programmes are focused squarely on results. Board reporting and programme planning are guided by WHO annual coverage data, which provide immunisation rates in GAVI countries for new and underused vaccines. One way GAVI manages for results is with incentives for achievement such as the immunisation services support programme.

GAVI in the changing global health landscape

The International Health Partnership aims to improve how all those involved work together to help developing countries plan and implement ways to address their health system needs. GAVI is working with WHO and the World Bank in the IHP's pilot countries.

Harmonisation with other organisations is ongoing through the Alliance and external bodies. For example, GAVI has worked with the OECD/DAC, the Global Campaign for the Health MDGs, the Global Fund to Fight AIDS, Tuberculosis and Malaria, and other global programmes, to better harmonise efforts and further improve the system of monitoring aid effectiveness.

The Paris Declaration on Aid Effectiveness is grounded on five mutually reinforcing principles:

- **Ownership:** Partner countries exercise effective leadership over their development policies and strategies.
- **Alignment:** Donors base their overall support on partner countries' national development strategies, institutions, and procedures.
- **Harmonisation:** Donors coordinate their activities and minimise the cost of delivering aid.
- **Managing for results:** Partner countries and donors orient their activities to achieve the desired results.
- **Mutual accountability:** Donors and partners are accountable to each other for development results.

“As development partners, we must now mobilise behind this important new initiative to strengthen health systems, and build on the existing political will and coordination at the country level to help communities and their governments achieve long-term, sustained good health.”

Joy Phumaphi, Vice President and Network Head, Human Development, World Bank, at the launch of the International Health Partnership, 2007

Developing policy

Important policy development is underway in four areas: a vaccine investment strategy, gender equality, transparency and accountability, and evaluation.

Choosing future vaccine investments

As the landscape of vaccine development changes, the Vaccine Investment Strategy will determine which vaccines GAVI will support for countries in the years to come. Based on a disease priority list developed by WHO, and with input from a broad range of stakeholders and an independent review committee, it will define a strategic portfolio of priority investments with a timeframe and associated activities and financial obligations.



Focusing on gender

Many women and girls are still denied adequate access to healthcare. More needs to be known about the gender impact so it can be factored into programme planning and delivery, and equity in health and the MDGs are advanced.

In 2007 the GAVI Secretariat initiated work to develop a comprehensive gender policy and implementation strategy to incorporate the gender perspective in all policies and programmes, as well as in the Secretariat's work practices.

Increasing transparency and accountability

The transparency and accountability task team is working to develop guidelines for policy to ensure funds are spent in accordance with programme goals. A range of possible options are being explored and discussed which will ensure consistency with the principles of aid effectiveness.

Assessing impact, monitoring progress

As a learning organisation, evaluation is an ongoing process for GAVI. There are evaluations currently underway of the first five years of GAVI's programmes, and to assess the sustainability of injection safety support.

Evaluation methods for new programmes are being assessed and improved especially for the health system strengthening programme, the advance market commitment pilot and the civil society organisation initiative.

Taking GAVI forward: governance changes

At the joint November 2007 Board meeting, the GAVI Alliance and GAVI Fund Boards decided to create a single public private board, bringing the strengths and best qualities of private and public sectors into one new entity.

A new administrative identity, along with a change-management plan, will be designed

through 2008 and come into effect in January 2009. The goal will be to ensure GAVI's identity and values are carried forward into the new administrative arrangements, with minimal disruption to relations with partners, stakeholders and staff. From 2009 the GAVI Alliance will have a legal identity as a Swiss Foundation.

Sources and references

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5. WHO-UNICEF coverage estimates for 1996–2006 as at August 2007. WHO ICE-T coverage projections for 2007–2008, as at November 2007. Note: Numbers of future deaths averted among children reached during this period through support provided in full or part by the GAVI Alliance.

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11. GAVI Fund, 2008
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13. GAVI Alliance Secretariat, 2008

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NOTE

The 2007 GAVI audited, consolidated accounts will be available on the GAVI website on or before September 30, 2008:

www.gavialliance.org

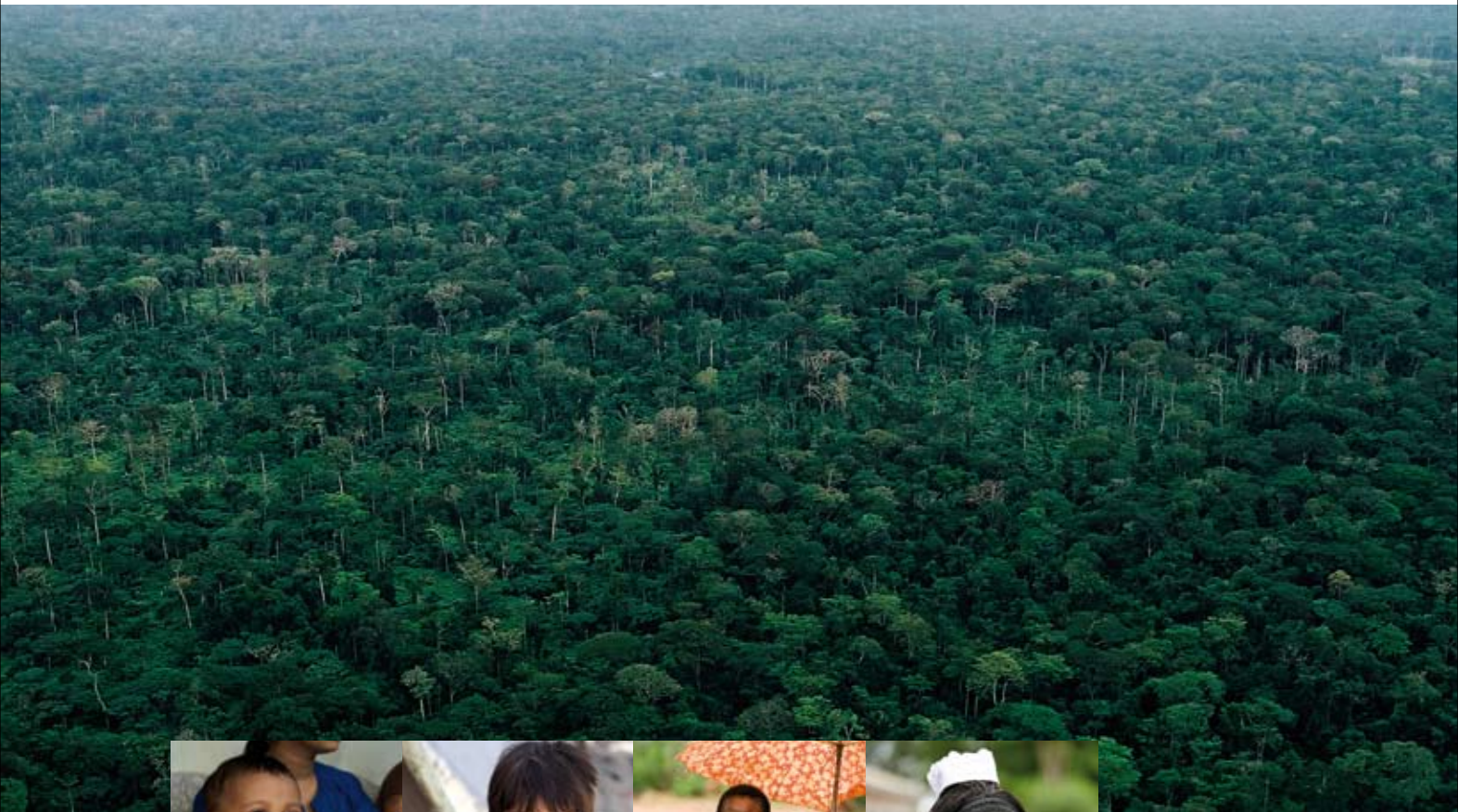
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