

GAVI's Transparency & Accountability Policy (TAP)

Q&A for GAVI-eligible countries

1. **Question:** Why has GAVI introduced this new policy?
Answer: GAVI has significantly increased the amount of direct support to developing country governments in the form of cash. GAVI intends for this support to be used flexibly, to address countries' own unique priorities, but this approach has created a risk that funds could be misused or mismanaged. The Transparency & Accountability Policy was designed to reduce this risk.
2. **Question:** What will the policy apply to?
Answer: The policy applies to all of GAVI's cash-based programmes: Health Systems Strengthening (HSS); Immunisation Services Support (ISS); Civil Society Organisation Support (CSO).
3. **Question:** Does the policy apply to GAVI's New Vaccines Support (NVS) or Injection Safety Supply (INS) programmes?
Answer: Normally it does not. Your government's vaccine and injection safety programmes will not be impacted by this policy unless it opts to independently procure vaccines or supplies using GAVI support (referred to as "NVS cash in lieu of supply").
4. **Question:** What components of the policy will directly affect GAVI-eligible countries?
Answer: Only two components impact countries directly: 1) the strengthened financial management section, which is now required in all proposals and annual progress reports (APRs); and, 2) the financial management assessment (FMA) – a requirement for all new cash-based programs. The other components of the policy relate to the GAVI's own internal procedures and capacity to reduce financial risk.
5. **Question:** When can my government expect to receive the revised guidelines and forms for new proposals and annual progress reports, including additional questions and requirements for financial management of GAVI cash-based support?
Answer: The revised guidelines and forms were circulated to all countries in English on 19 February 2009. French and English versions will be available on the GAVI Alliance website as of 15 March at:
<http://www.gavialliance.org/support/how/guidelines/index.php>

6. **Question:** What are the objectives of the financial management assessment (FMA)?

Answer: There are two overall objectives to the FMA:

1) Allow GAVI to better understand how the public financial management system works in a country's health sector. The FMA will also provide information on the mechanisms available that could be used to manage GAVI cash-based support, and their relative strengths and weaknesses;

2) Help each country and GAVI to jointly agree upon the best financing channel for GAVI cash support and any additional steps that may be needed to reduce risk. This agreement will be reflected in an Aide Memoire between the government and GAVI.

7. **Question:** Who needs to undertake an FMA?

Answer: there are two broad groups:

- a. Countries introducing new HSS or ISS programmes (who will receive their funds after 1 January 2009). In the majority of these cases, GAVI will not be able to disburse funding for these new programmes until the FMA is complete, unless a waiver is obtained.
- b. Countries implementing existing HSS or ISS programmes (who received disbursements prior to 1 January 2009). These countries will not immediately be required to conduct an FMA. GAVI will gradually introduce FMAs for countries with existing cash-based programmes, starting with those receiving very substantial cash grants.

8. **Question:** My government started implementing its ISS or HSS prior to 1 January 2009. Will all remaining disbursements for HSS/ISS be halted until my government conducts an FMA?

Answer: No. GAVI will gradually introduce FMAs for countries with existing cash programmes in the second half of 2009. When your country needs to conduct an FMA, you will be contacted well in advance and asked to suggest a suitable time for the in-country review.

9. **Question:** Is the temporary suspension of Immunisation Services Support (ISS) disbursements related to the Transparency & Accountability Policy or the financial management assessment?

Answer: No. The temporary suspension of ISS was the result of concerns about the reliability of administrative reporting.

10. **Question:** In most cases, when will the financial management assessment occur?

Answer: For new programmes, the FMA can be conducted either before or after the proposal is submitted to GAVI. The specific timing is up to the country. For existing programmes, GAVI will inform the country that it needs to conduct an FMA, but the specific timing will be decided by the government. In both cases, it is important to note that GAVI will not be able to disburse funds until the FMA is complete.

11. **Question:** What will the financial management assessment (FMA) focus on?

Answer: The financial management assessment will remain narrow in scope, focusing on the health sector, with specific emphasis on those financing mechanisms that could be used to manage GAVI Support. The FMA is not intended to provide an overall “risk rating” of financial management the health sector; it will merely allow GAVI to better understand how the Government will manage its HSS or ISS funds. The FMA framework is described in a separate briefing note (attached with this document).

12. **Question:** Will GAVI harmonise and align with already existing joint financing mechanisms?

Answer: If an eligible country already uses a joint financing mechanism to channel funds for its health sector, it is assumed that the government will select this joint financing mechanism as its preferred modality for GAVI support. If a country prefers not to use an existing joint financing mechanism, it must present a compelling case for doing so, and receive the endorsement of its Health Sector Coordinating Committee.

13. **Question:** What is the outcome of the FMA?

Answer: Once the FMA is completed, GAVI and the government will agree upon the terms for management of GAVI cash support, including the financing mechanism that will be used, and any additional “assurance measures” (e.g. external audits) that may be needed to reduce risk. This agreement will be reflected in an Aide Memoire to be signed by both GAVI and the government.

14. **Question:** How long will the FMA take? Is there any way that my government can reduce the time needed to conduct it?

Answer: The scope and breadth of the FMA and time needed to conduct it will vary, depending on how much information is already readily available about each government’s system for public financial management in the health sector. For some countries, an in-country review may not even be necessary. Your government can speed the process by providing GAVI with legislation and regulations that are relevant to

financial management of GAVI support, as well as any recent assessments (conducted by the World Bank, PEFA, UNDG and others) that may provide insights into the strengths and weaknesses of public financial management systems in the health sector.

15. **Question:** Will GAVI conduct separate FMAs for ISS and HSS?

Answer: No. There will be only one FMA for both types of support. The FMA will take into account any new cash-based programmes the country may wish to introduce in the future.

16. **Question:** Who will be responsible for completing the technical/diagnostic work on the FMA?

Answer: The GAVI Secretariat will be responsible, and will ensure that the appropriate technical expertise is available for each FMA. GAVI will finance all costs related to the FMA.

17. **Question:** My government has recently undertaken a diagnostic assessment of public financial management in the health sector. Does GAVI plan to duplicate this work?

Answer: Absolutely not. If your government and its development partners are able to share the reports from other public financial management assessments (at both the national and health sector levels), these reports can be used in lieu of a standalone diagnostic review as part of GAVI's FMA.

18. **Question:** My government will receive less than USD\$ 100,000 in total ISS/HSS funding. Will we still need to undertake an FMA?

Answer: No. The FMA will be waived for those countries receiving less than \$100,000 in total, multi-year cash support.

19. **Question:** If my government is requested to undertake an independent, external audit, or any other type of external assurance activity, how will it be financed?

Answer: GAVI will finance the full cost of any audits or other measures introduced based on the findings of the FMA. For example, any external audits agreed upon in the Aide Memoire will be paid for by GAVI.