

# Country immunisation financing and graduation

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*Pre-Board Meeting  
Geneva, Switzerland  
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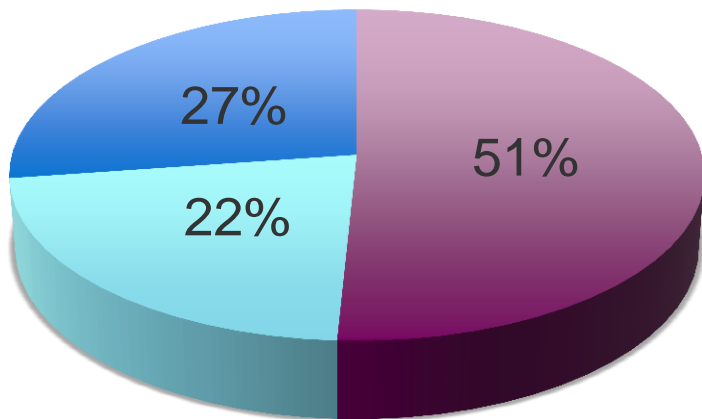
# Overview

1. Immunisation financing overview
2. GAVI co-financing policy, performance & projections
3. Fiscal space analysis
4. Tailored approach to graduating countries
5. Policy review of eligibility, graduation and co-financing

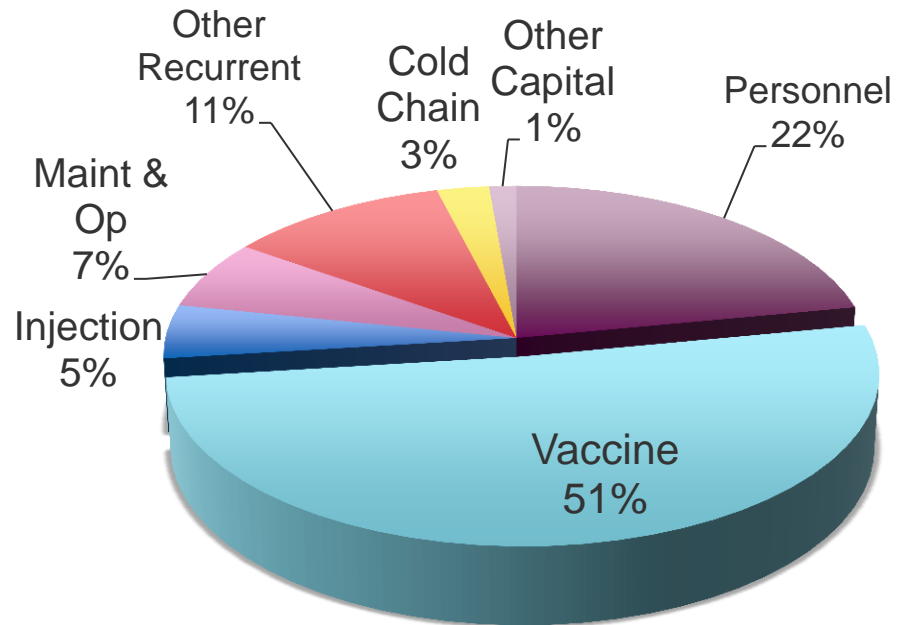
# Cost Breakdown of Immunisation Delivery

Total Immunisation Program

■ Routine ■ Campaign ■ Shared



Total Routine Immunisation



**Vaccine is the key cost driver in the delivery of routine immunisation services accounting for more than half of total routine immunization costs**

# Source of Financing for Routine Immunisation

Study	Date of Study	% Govt	% GAVI	% Other	Govt Fin/Infant
Lydon P*	2008	<b>42.0%</b>	37.0%	21.0%	<b>\$3.40</b>
Brenzel, Politi*	2011	<b>56.0%</b>	26.0%	18.0%	<b>\$10.73</b>
Brenzel, L (forthcoming)*	2014	<b>67.0%</b>	22.0%	11.0%	<b>\$21.00</b>

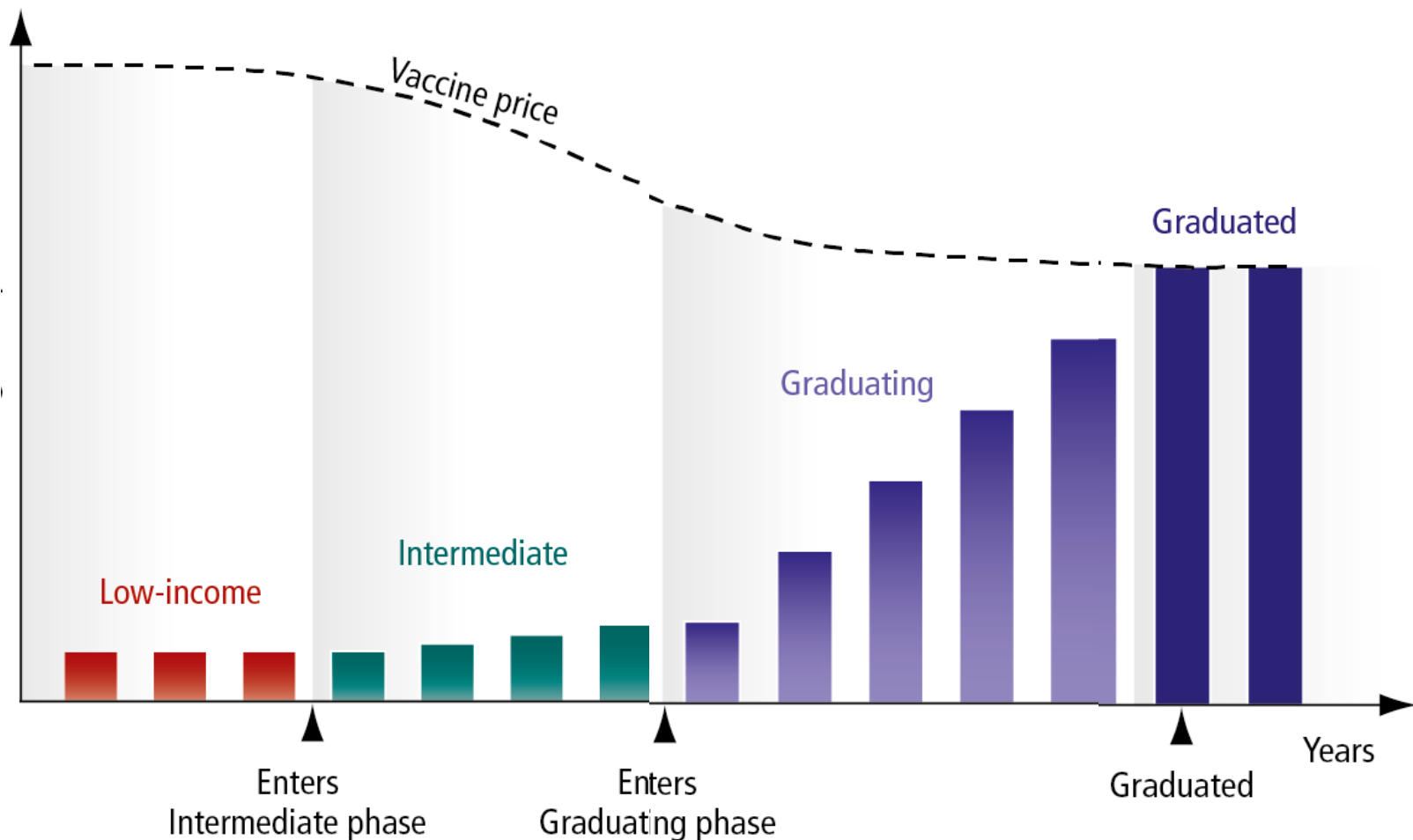
**Government Financing for Routine Immunisation has been increasing as share of total cost and in absolute terms**

\*Note: This is based in three different analysis of Comprehensive Multi-year Immunisation Plans

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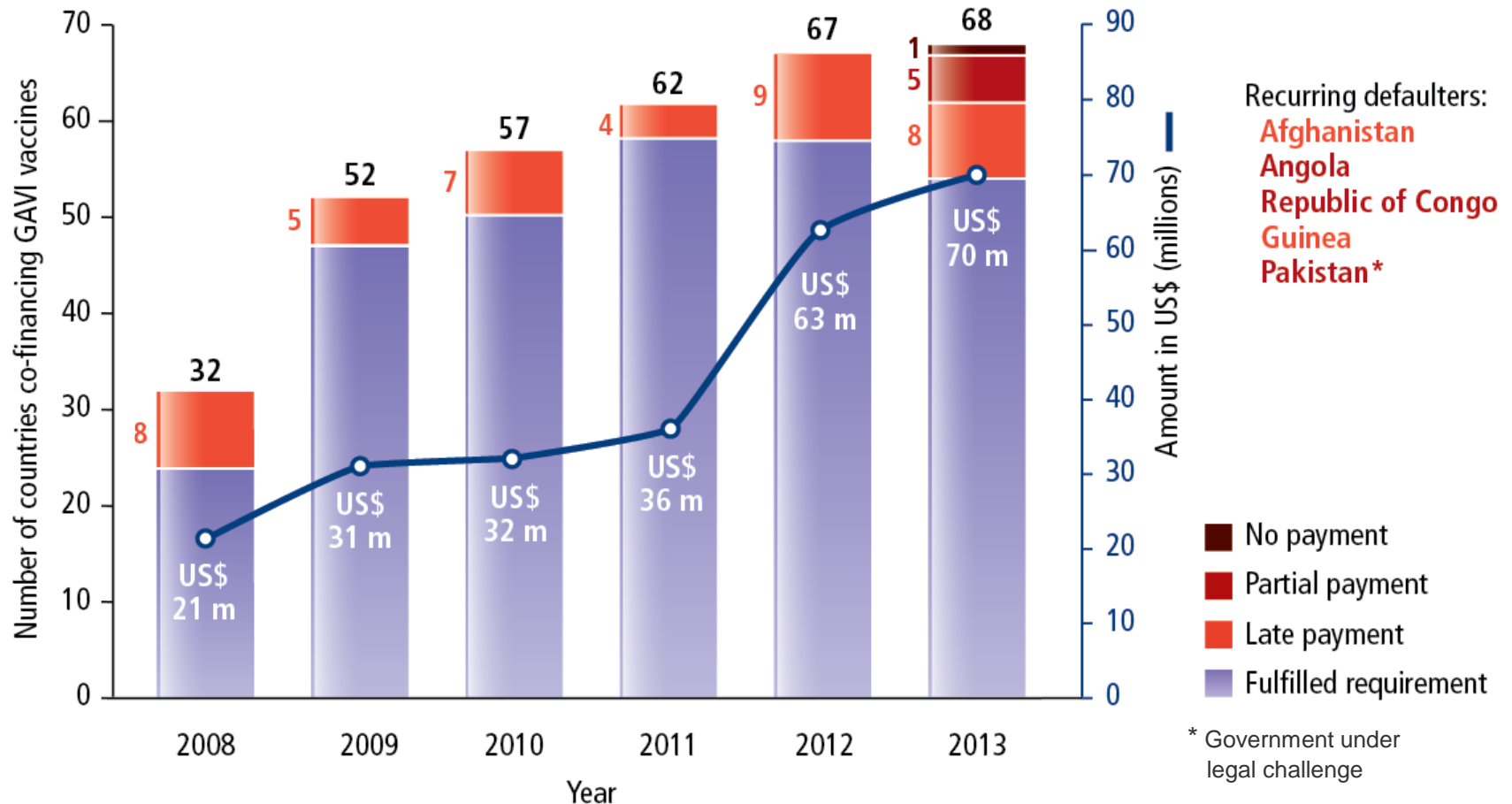
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# The Co-financing Policy Model



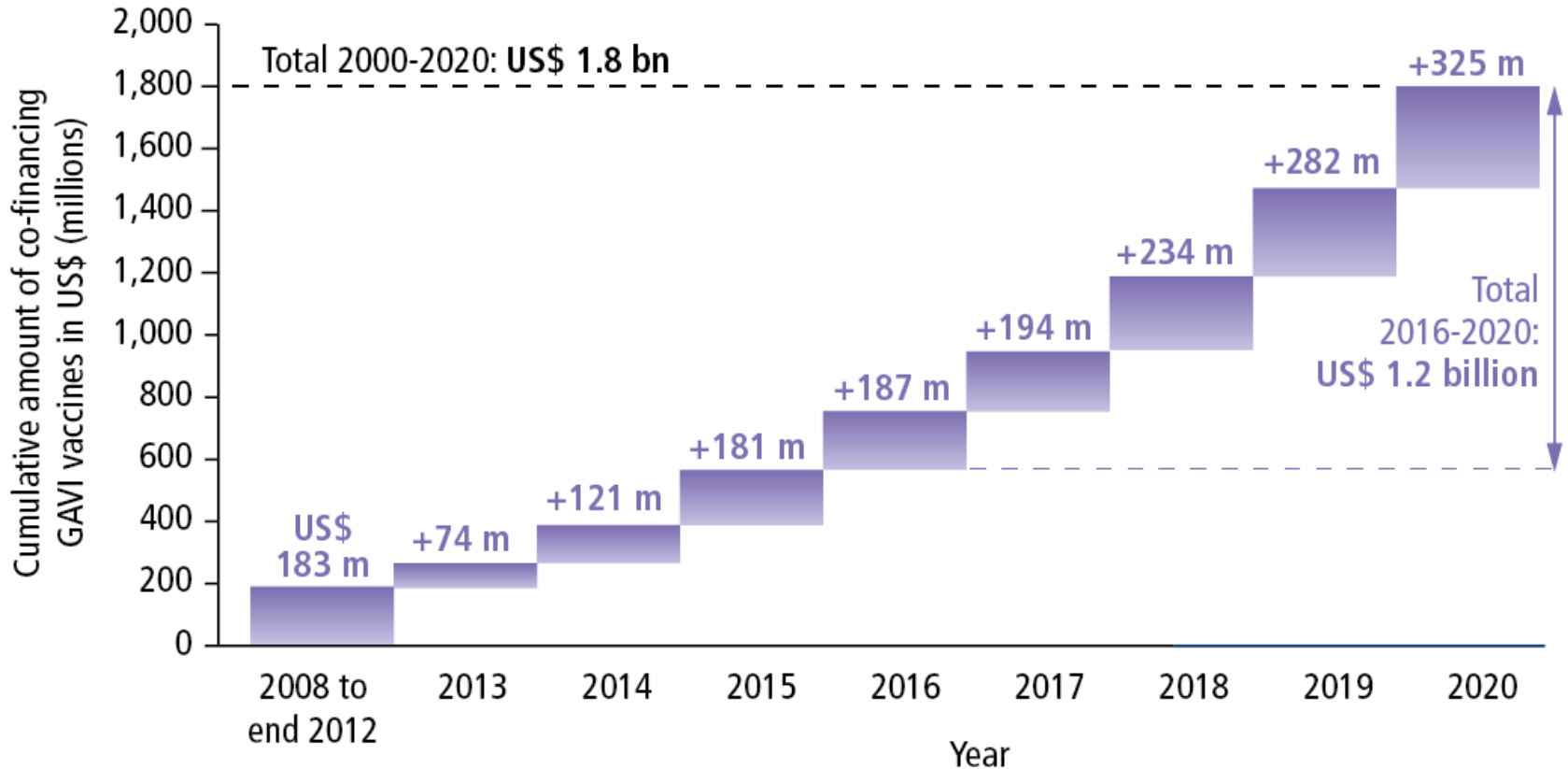
**The overall objective is to put countries on a trajectory towards financial sustainability. The intermediate objective is to enhance country ownership**

# Co-financing: Countries Taking Ownership



**By 2013, co-financing will have tripled in comparison to 2008**

# Co-financing Projections up to 2020



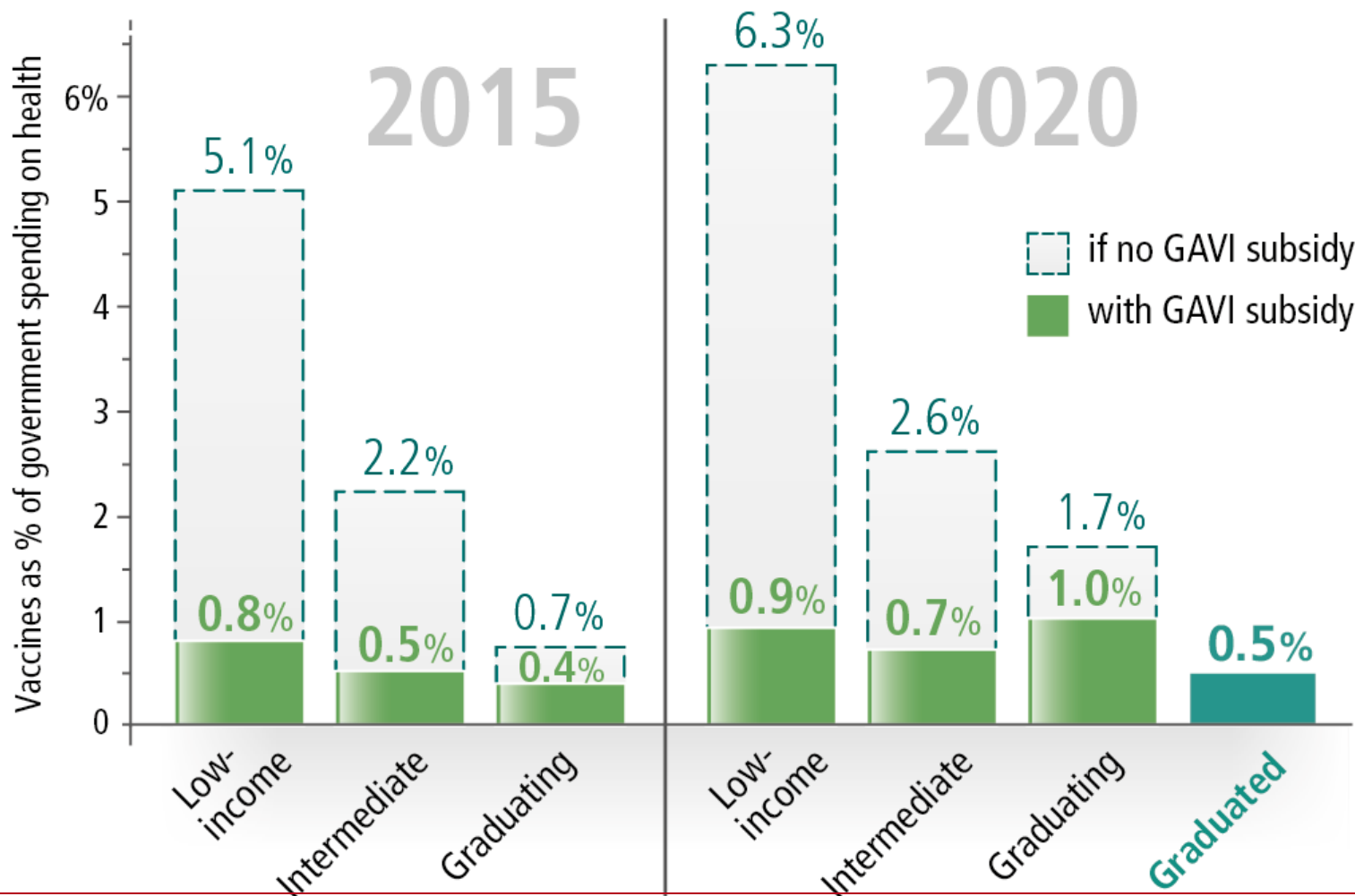
**In the period 2016-2020, co-financing will raise by 25% of the vaccine investment**



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# Vaccines as Percentage of Government Spending on Health



**Fiscal space analysis shows that many GAVI countries will need long-term GAVI subsidy while graduated countries could afford their vaccine portfolios if they have access to appropriate pricing**

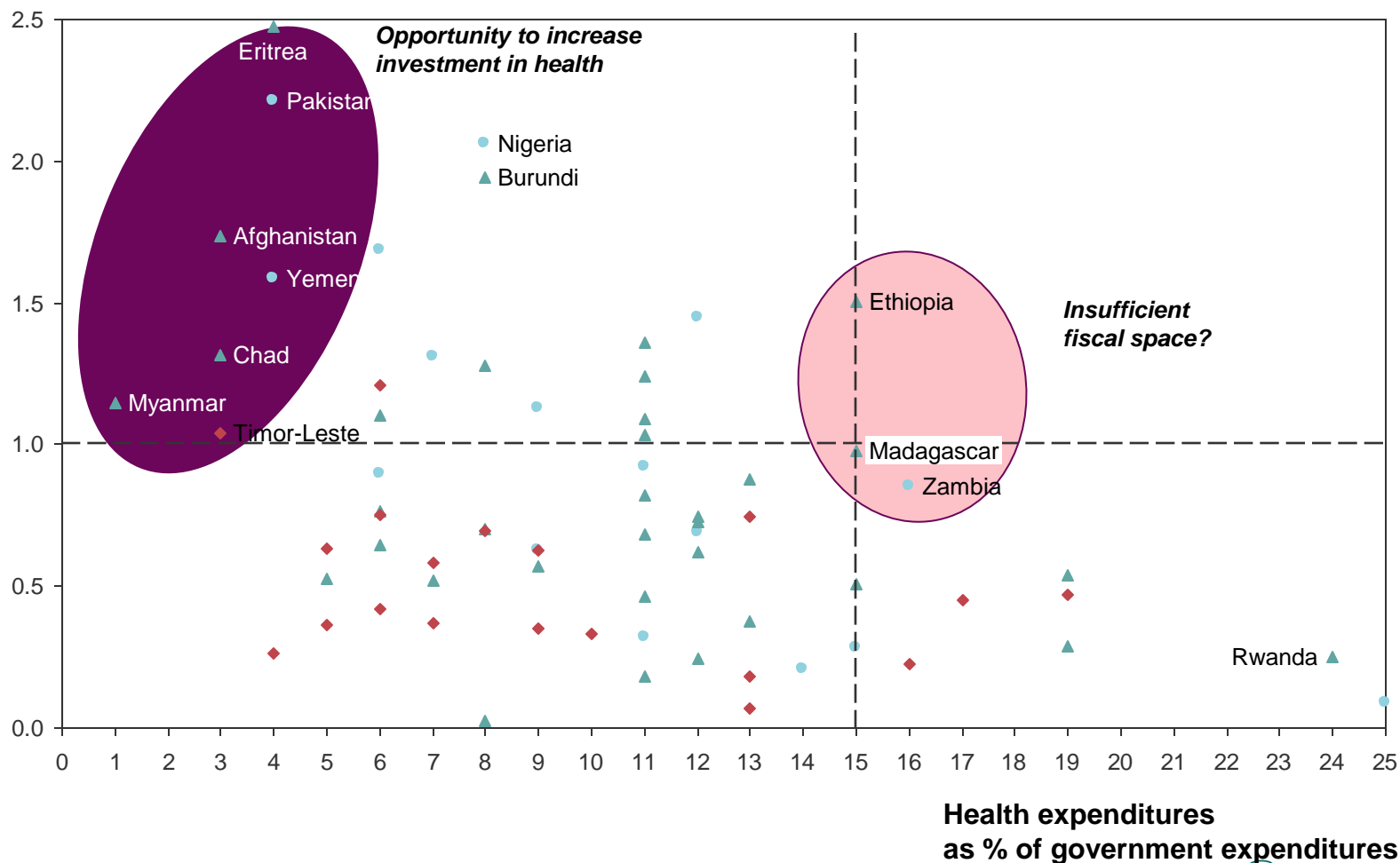
GAVI Alliance Board Technical Briefing Session



# Opportunities to ease the fiscal space for vaccines by investing more in health

Vaccines as a % of government health expenditure

- Intermediate
- ▲ low income
- ◆ graduating



Note: Vaccines for routine immunisation only. India, DPR Korea, Somalia and Zimbabwe excluded from analysis. Sources: World Bank/ WHO National Health Accounts, GAVI Alliance Board, Technical Briefing Session as of November 2013.

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# GAVI's approach to graduation

- Gradual phasing-out of support
- Close monitoring of performance
- Access to GAVI prices after graduation
- Continuous update of fiscal space analysis
- Multi-partner in-country advocacy and development of graduation assessments and plans in priority countries
- Sharing experiences and lessons learned

# Current and projected countries entering graduation

Current graduating countries	Additional countries entering graduation in:					
	2015	2016	2017	2018	2019	2020
Angola	Ghana	Sao Tomé and Príncipe	Lesotho	Lao	Cote d'Ivoire	
Armenia	India	Vietnam	Zambia	<b>Nigeria</b>		
Azerbaijan				Sudan		
Bhutan						
Bolivia						
Congo, Rep.						
Cuba						
Georgia						
Guyana						
Honduras						
Indonesia						
Kiribati						
Moldova						
Mongolia						
Nicaragua						
PNG						
Sri Lanka						
Timor-Leste						
Ukraine						
Uzbekistan						

# Context of countries in the process of graduating from GAVI varies significantly

	2012 GNI p.c.	Size of birth cohort (000)	2012 DPT3 Coverage	2012 Public spending health p.c.	Fiscal Space
Angola	\$ 4,580	1,000	91%	\$118	0.82%
Armenia	\$ 3,720	39	95%	\$63	0.49%
Azerbaijan	\$ 6,050	160	75%	\$91	0.26%
Bhutan	\$ 2,420	15	97%	\$76	0.38%
Bolivia	\$ 2,220	279	80%	\$107	0.80%
Congo, Rep.	\$ 2,550	172	85%	\$74	1.15%
Cuba	N.A.	104	96%	\$526	N.A.
Georgia	\$ 3,280	54	92%	\$60	0.44%
Guyana	\$ 3,410	16	97%	\$155	0.25%
Honduras	\$ 2,070	212	88%	\$98	0.53%
Indonesia	\$ 3,420	4,579	64%	\$43	0.53%
Kiribati	\$ 2,260	2	94%	\$154	0.37%
Moldova	\$ 2,070	40	92%	\$109	0.25%
Mongolia	\$ 3,160	63	99%	\$146	0.49%
Nicaragua	\$ 1,650	136	98%	\$78	0.49%
Papua New Guinea	\$ 1,790	217	63%	\$94	0.65%
Sri Lanka	\$ 2,920	365	99%	\$39	0.24%
Timor-Leste	\$ 3,670	43	67%	\$37	0.71%
Ukraine	\$ 3,500	471	76%	\$161	N.A.
Uzbekistan	\$ 1,720	613	99%	\$56	0.63%

# Preliminary findings of graduating country assessments

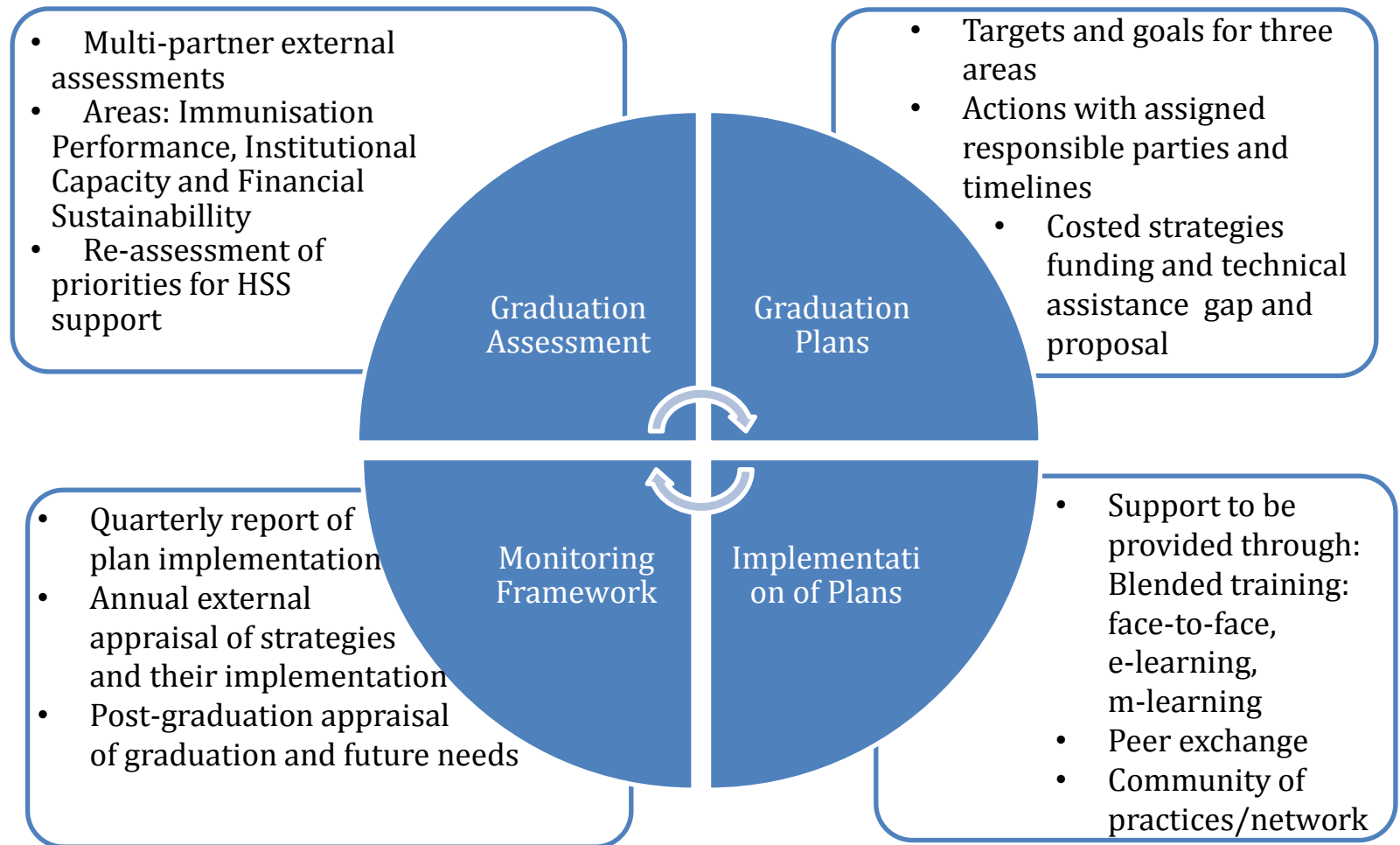
- Fiscal space is not the main bottleneck to sustain vaccines:
  - Other health donors also phasing out, annual increments could be challenging and difficulties to introduce future vaccines
- Weaknesses in institutional capacity:
  - Procurement and misunderstandings of national procurement rules
  - Planning, budgeting and disbursement processes
  - National Regulatory Authorities
- Decision-making on introduction of new vaccines not evidence-based and not aligned with national priorities
  - Strengthening NITAG and limited understanding of vaccine options and pipeline
- Demand issues due to strong anti-vaccination lobby



# Strengthened approach approved by the Board

- Approved the provision of support for time-limited catalytic investments for the implementation of their graduation plans
- Approved that countries entering the graduation process will be eligible to apply for new support
- Approved that, to address issues of low immunisation coverage, countries are eligible to apply for HSS support that may be provided until they graduate

# Framework for Engagement with Graduating Countries



# Next steps

- Criteria to prioritise country selection:
  - *Pilots: Honduras, Moldova and PNG*
  - Countries graduating in 2015: Bhutan, Mongolia and Sri Lanka
  - Defaulting countries: Angola and Congo Rep.
  - Countries with significant implications: Ghana, Indonesia and Nigeria
- Throughout implementation the Alliance will continue its learning agenda and the lessons will feed the policy review process

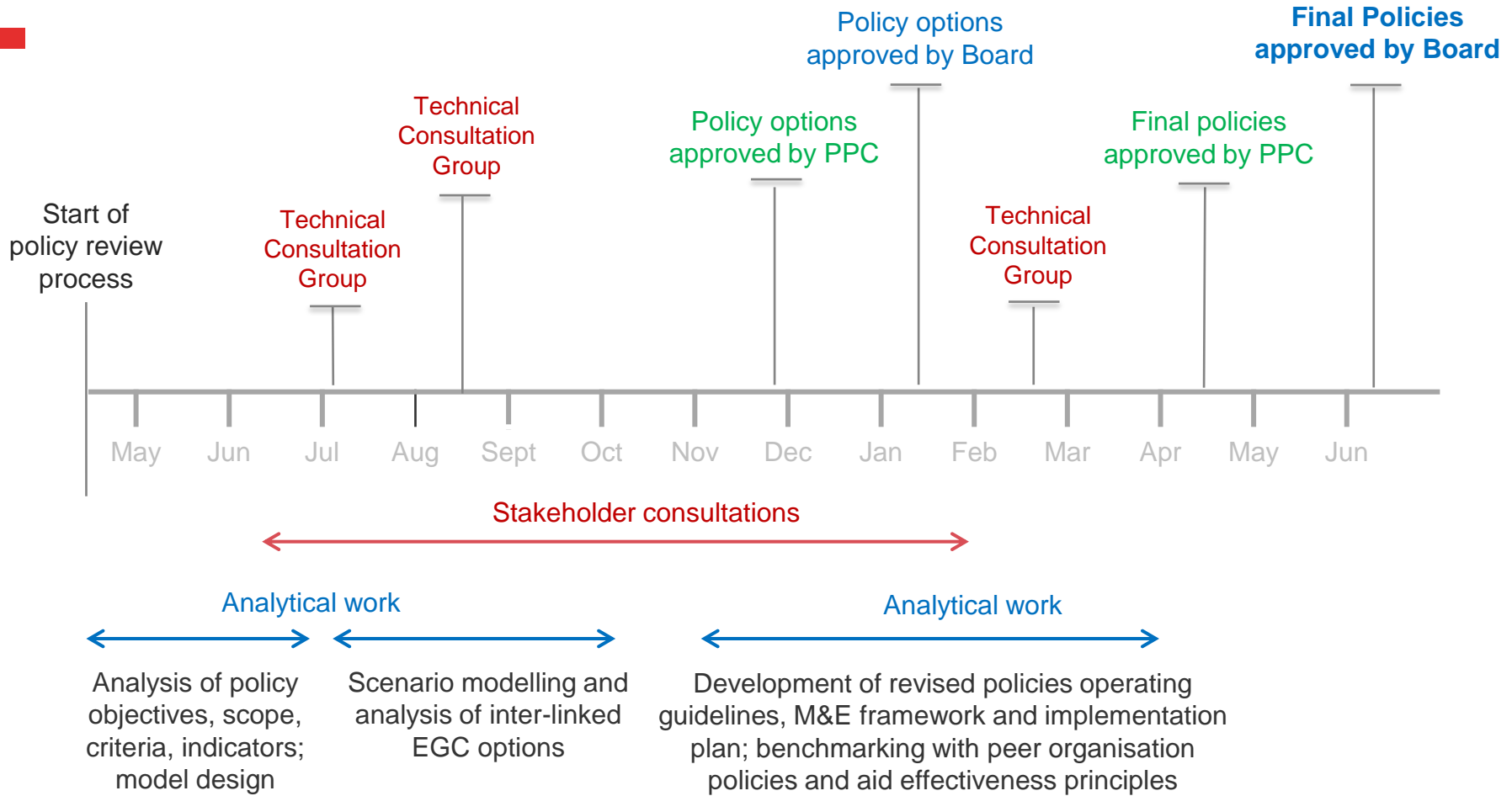
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# Eligibility, graduation, co-financing policy review

- Foundation of GAVI's funding and development model
- Build on new strategic directions in 2016-2020 strategy
  - Increased focus on coverage and equity
  - Ensuring sustainability of GAVI Alliance investments
- Key inputs for policy review
  - Independent evaluation of co-financing
  - Graduating country assessments
  - Fiscal space analysis
  - Immunisation costing studies
  - Scenario modelling
  - Country and stakeholder consultations

# Policy review process 2014-2015



# Consultations

- Eligible and graduating countries
  - WHO workshop on immunisation financing, Tunisia (Jun)
  - PAHO/EURO consultation (Jul)
  - Country missions / regional meetings
- CSO working group (Jun)
- Board side meeting (Jun)
- IF&S (July)
- Industry teleconferences (Jun-Jul)
- Technical Consultation Group (Jul / Aug)

# Key issues for policy review

## Eligibility

- Evaluate indicators to assess “ability to pay” and program filters (70% coverage)

## Graduation

- Define ‘successful graduation’ and evaluate types and duration of support during graduation phase
- Review potential criteria for allocating countries into different “graduation paths”

## Co-financing

- Assess options to link co-financing to vaccine prices, possibility of exiting vaccines and how to tackle the issue of traditional vaccines (e.g. incentives or conditionality)





[www.gavialliance.org](http://www.gavialliance.org)