

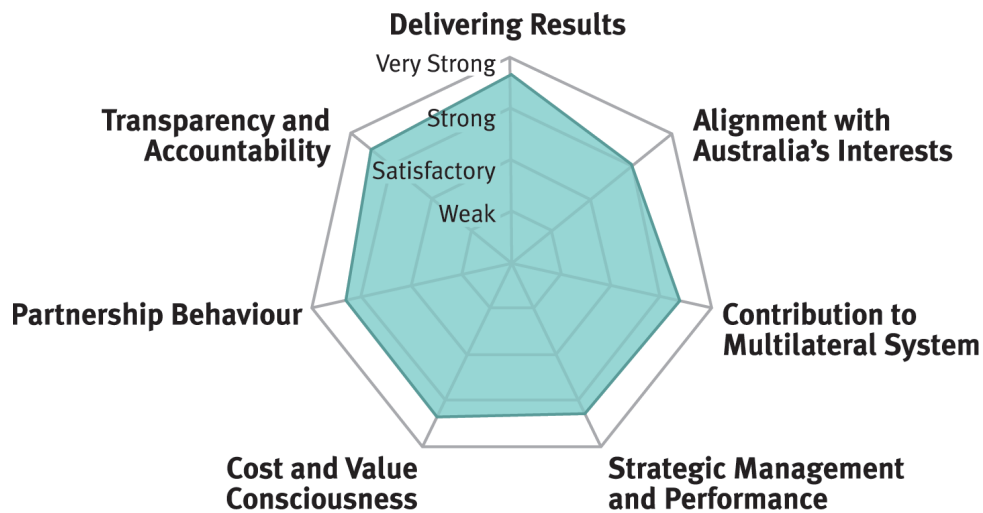


Australian Multilateral Assessment March 2012

GAVI Alliance (GAVI)



OVERVIEW OF ORGANISATION RATINGS



ORGANISATION OVERVIEW

The GAVI Alliance (GAVI) is a global health partnership between private and public sector entities committed to saving children’s lives and protecting people’s health by increasing access to immunisation in low income countries.

GAVI was formally launched at the World Economic Forum in January 2000, with a mission ‘to save children’s lives and protect people’s health by increasing access to immunisation in poor countries.’ It was established as a funding mechanism for supporting immunisation and health systems, and for introducing new vaccines in developing countries. GAVI directly helps to reduce child mortality (MDG 4) but also indirectly contributes to the achievement of all the Millennium Development Goals.

In its Strategy and Business Plan (2011–15), GAVI has identified these four strategic goals to guide its actions:

1. accelerate the uptake and use of underused and new vaccines by strengthening country decision making and introduction (vaccine goal)
2. contribute to strengthening the capacity of integrated health systems to deliver immunisation by resolving health systems constraints, increasing the level of equity in access to services and strengthening civil society engagement in the health sector (health systems goal)
3. increase the predictability of global financing and improve the sustainability of national financing by accessing new and predictable resources (funding goal); and focus on the successful implementation of GAVI's co-financing policy (co-financing goal)
4. shape vaccine markets with regard to pricing and supply security and make catalytic investments to facilitate introduction of appropriate vaccines (market shaping goal)

GAVI works through partners (for example, United Nations Children's Fund and the World Health Organization) to deliver its mission and objectives. Partners include multilateral and bilateral organisations, developing country governments, public health and research institutes, civil society and vaccine manufacturers from industrialised and developing countries. Partners may be involved in: (i) developing GAVI's policies and programs; (ii) supporting delivery; and (iii) governance of GAVI. Between 2011 and 2015 GAVI aims to fully immunise more than 250 million children and avert another four million additional deaths during the first decade.

In-country, GAVI targets its work on:

- > low income countries under stress and those in the poorest and fragile financing groups—these countries receive a significant proportion of GAVI funding, and
- > the balance between health system-related support and vaccine support, which varies by country group.

GAVI's cash-based programs represent about 15 per cent of its disbursements, which totalled approximately US\$64 million a year in 2009 and 2010, and consisted of programs to support immunisation services, health systems strengthening and civil society organisations.

Australia is one of 18 bilateral donors to GAVI and sits on its Board in a joint constituency with Canada, Japan, the Republic of Korea and the United States. Since 2006, Australia has provided \$79 million to GAVI Alliance in direct contributions, with another \$155 million to be provided by 2013. Australia is also contributing \$250 million over 20 years (2010–30) to GAVI's International Finance Facility for Immunisation. In 2010–11, Australia provided \$42.9 million to GAVI, all of which was provided as voluntary core contributions.

RESULTS AND RELEVANCE

1. Delivering results on poverty and sustainable development in line with mandate

VERY STRONG

GAVI has established a strong track record in delivering against its mandate. It has demonstrated impressive results against all its strategic objectives and in helping progress towards Millennium Development Goal (MDG) 4 targets. Its contribution and impact has been confirmed by independent evaluations and peer reviews.

The approach to implementing and monitoring health and immunisation systems and strengthening programs to improve the sustainability of interventions could be strengthened.

GAVI specifically targets the poorest countries and within these countries those who are most vulnerable to diseases that are preventable by vaccination. The poorest and most fragile states receive the highest total disbursements per surviving child. GAVI programs address the specific health needs of vulnerable and disadvantaged groups, particularly those in the poorest communities.

GAVI has a clearly articulated focus on the MDGs and on the most vulnerable groups. Through its approach GAVI has garnered a high level of international support and cooperation to address MDG targets and priorities.

a) Demonstrates development or humanitarian results consistent with mandate

VERY STRONG

GAVI has consistently been able to demonstrate significant achievements against its strategic goals and overall mandate. According to the Phase 2 evaluation (September 2010), this has been confirmed by a WHO assessment of its contribution to high vaccination rates across all its target countries and groups at risk. GAVI's aim to reduce the burden of vaccination cost to countries is also having an impact and health systems are supported to improve capacity and strengthen support for ongoing programs for vaccination. The evaluation also confirmed the importance of the contribution GAVI has made to addressing issues associated with improving access to vaccines and medicines in these critical areas, resulting in saving lives and improved health outcomes.

By the end of 2011, it is estimated that GAVI-funded vaccines had prevented over five and a half million future deaths caused by hepatitis B, haemophilus influenzae type b (Hib), measles, pertussis, pneumococcal disease, polio, rotavirus diarrhoea and yellow fever. Since its launch in 2000, GAVI has directly supported the immunisation of an estimated 326 million children. Whilst there is considerable uncertainty about these estimates, according to the Phase 2 evaluation WHO considers that even taking account of a substantial margin of error, they point to a very significant achievement by GAVI and its partners. The WHO report attributes the majority of additional children immunised in supported countries (relative to a baseline year of 1999) to GAVI support.

The 2010 progress report identified the impressive achievements against all the four strategic objectives of GAVI. It also noted that the business model of working through partners has made a significant contribution to effectiveness. GAVI contributes experience

and learning to international aid effectiveness efforts, for example through the Health Systems Funding Platform, which will allow GAVI to deliver better coordinated and harmonised support for health systems and reduce the burden of transaction costs on countries.

b) Plays critical role in improving aid effectiveness through results monitoring

STRONG

GAVI has developed a strong results framework that establishes targets and results to be achieved against its strategic goals. It provides detailed analysis of its coverage, uptake and impact and shows clearly the increase in levels of finance for vaccination, market production of vaccines and reduction in the price of key vaccines.

Measuring results at the outcome-level has been identified as difficult for GAVI as attributing reductions in mortality and morbidity to a single preventative intervention is challenging. GAVI acknowledges that while the Immunisation Services Support program has been innovative, there have been issues with its implementation and there is room for improvement. GAVI’s reports and publications, available on its website, provide clear strategy and program-level achievements and country-level results, although these are principally at whole of country outcome-level rather than specifically attributed to GAVI. GAVI documentation also provides clear detail on proposals and disbursement broken down by vaccine, immunisation services support and health systems strengthening.

The *UK Multilateral Aid Review* noted that country-level effectiveness was considered as mixed, with comment on slowness in delivery and the difficulty in anticipating results where upstream activities are not within the scope of GAVI to control or influence. Capacity issues, of systems as well as skills, were reported as factors which affect the achievement of strategic results at the country-level. GAVI’s ongoing support to health systems strengthening, through the Health Systems Funding Platform, will help addressing the issues identified in GAVI’s delivery model such as improved country-level processes and coordination, as well as stronger monitoring and evaluation systems. GAVI needs to remain vigilant that its vertical funding streams do not distort country-level aid effectiveness.

c) Where relevant, targets the poorest people and in areas where progress against the MDGs is lagging

VERY STRONG

GAVI specifically targets the poorest countries and the poorest groups within these countries, those most vulnerable to diseases preventable by vaccination. Its focus has been to target children in Low Income Countries Under Stress (LICUS) and those in the ‘poorest’ and ‘fragile’ financing groups. These countries have received high total disbursements per surviving child. GAVI’s suite of vaccines targets diseases that disproportionately affect the most vulnerable children. However, there are residual concerns around inequity in access to vaccines, with major differentials in coverage rates between lowest and highest socio-economic quintiles in some countries. The new strategy recognises this—one of the key performance indicators is ‘Equity in immunisation coverage—proportion of GAVI supported countries where DTP3 coverage in the lowest wealth quintile is +/- 20 percentage points of coverage in the highest wealth quintile’.

GAVI provides a strong rationale for its focus on low income countries, identifying the burden of disease as a stark barrier to poverty reduction and long-term economic growth. Three of the eight MDGs are related to health and GAVI directly addresses the commitment to improve the health of the poor as a cost effective way to improve global welfare and a robust driver of economic growth. GAVI has identified the disparity in the burden of disease, life expectancy and child mortality between low income countries and higher income countries. GAVI’s eligibility criteria focus directly on the poorest countries where the Gross National Income (GNI) per capita is less than US\$1500. This is reviewed annually for inflation adjustment and for the newly released GNI per capita data. Its co-financing policy is adapted to promote sustainability and country ownership for the poorest countries.

GAVI is part of the Reach Every District (RED) Strategy to achieve the goal of 80 per cent immunisation coverage in all districts and 90 per cent nationally in the World Health Organization member states—evidence that GAVI is trying to reach those hardest to reach. GAVI should provide more information on how it specifically targets and supports the poorest quintile of the population in GAVI-supported countries.

2. Alignment with Australia’s aid priorities and national interests	STRONG
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GAVI’s mission of saving children’s lives and protecting health through immunisation is closely aligned with the Australian aid program’s strategic goal of saving lives. GAVI and the Australian aid program also share common overarching goals of strengthening health systems and building partnerships for better health outcomes.

GAVI has strong and effective gender policies. As vaccines can prevent disability in some instances (for example, polio), GAVI should look at how it could use a similar approach to measure its impact on people with disability.

GAVI is developing a better understanding of how to tailor its program for fragile and conflict-affected contexts. GAVI’s plan to adopt a formal policy on its approach towards fragile states, as discussed at its November 2011 board meeting, is positive. It demonstrates GAVI’s willingness to adjust its financing mechanism and country delivery modes to ensure more effective impact in fragile or vulnerable countries.

a) Allocates resources and delivers results in support of, and responsive to, Australia’s development objectives	STRONG
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GAVI’s support for the Millennium Development Goals (MDGs) on child and maternal health directly aligns with the Australian Government’s commitment to achieving the MDGs by 2015. Australia’s support for GAVI is part of the Government’s plan to spend \$1.6 billion on maternal and child health by 2015 to help developing countries meet MDG 4 to reduce child mortality.

b) Effectively targets development concerns and promotes issues consistent with Australian priorities	VERY STRONG
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GAVI’s mandate and work is directly consistent with two of the five strategic goals of the Australian aid program—saving lives and promoting opportunities for all.

Through its role of delivering vaccines to the poorest and strengthening the health systems of poor countries GAVI has been able to make significant contribution to reducing deaths in children under five, and averting future deaths through its efforts to increase finance for vaccines and expand vaccination coverage. Its effectiveness in this area has been confirmed by the WHO assessment of its impact on vaccination rates among the most vulnerable.

The Australian aid program’s health strategy, *Improving the Health of the World’s Poor*, outlines six pillars for investment against which GAVI makes a significant contribution, in particular the pillars relating to supporting partner countries deliver health services to the poor and closing the funding gap. Australia’s \$250 million commitment to GAVI’s International Finance Facility for Immunisation demonstrates Australia’s high level of confidence in GAVI’s ability to meet longer-term objectives and sustain itself into the future.

There has been significant investment by GAVI across eligible countries in the Asia-Pacific region (Bangladesh, Cambodia, DPR Korea, India, Indonesia, Kiribati, Laos, Burma, Nepal, Pakistan, Papua New Guinea, Solomon Islands, Sri Lanka and Vietnam). While Indonesia, Kiribati and Sri Lanka are no longer eligible, East Timor was recently added to the list of eligible countries and in September 2011 GAVI approved the countries’ first proposal for new vaccine support.

c) Focuses on crosscutting issues, particularly gender, environment and people with disabilities	SATISFACTORY
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GAVI gives careful attention to gender and other crosscutting issues. It has a strong gender strategy and associated gender action plan, approved in 2008. The policy clearly states the outcomes GAVI has committed to in the gender policy, incorporating data collection and reporting, gender sensitive funding, advocacy, and introduction of gender sensitive approaches across its partnership.

One of the six operating principles of GAVI’s Strategy for 2011–2015 is to ensure ‘gender equity in all areas of engagement’ and the focus on MDGs and on equity also provides a reference point for implementation of the gender policy. This is an issue GAVI should examine more carefully in the external review of the gender policy and its implementation which is to be conducted in 2012. Depending on the result of the review a revision of the policy and its referencing within the strategic and business plans may be required.

One change GAVI has introduced is that it now measures the impact of gender on access to immunisation. This should provide better data on gender in the future and form a stronger basis to inform the policy review. How this is addressed at country-level will be somewhat dependant on the effectiveness of GAVI partners, and its ability to report more specifically at country-level will also rely on gender-disaggregated data being

documented. Seeing as vaccines can prevent disability in some instances (for example, polio), GAVI could also look at how it could use a similar approach to measure its impact on people with disabilities.

d) Performs effectively in fragile states	STRONG
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GAVI has a flexible approach and has taken steps to work creatively in fragile states in terms of implementation and financial management. Civil society organisations are used to deliver immunisation where governments have difficulty working and this has resulted in increased success and coverage and some of GAVI partners have performed well in attaining immunisation targets. There is evidence from Afghanistan that basic health indicators have been improving, mainly because of the work of NGOs who provide basic health services to the population, including delivering the immunisation program. Afghanistan introduced pentavalent vaccine in 2009 and coverage rates increased to 83 per cent by the end of 2009.

GAVI's support to health systems strengthening in fragile states is central to the issue of sustainability: by providing support to health systems as a whole, and not only for immunisation purposes, GAVI is able to equip recipient countries with skills, resources and functioning health systems essential to sustainable economic development.

Through its support to health system strengthening programs, GAVI can assist countries affected by disaster or conflict, such as Sri Lanka where the program is helping to rebuild clinics in the island's north-east regions as entire communities return to their villages following the end of the civil war.

GAVI is in the process of developing a better understanding of how its program needs to be tailored to work in such contexts and is willing to adjust its financing mechanism and country delivery modes to achieve greater impact in fragile or vulnerable countries.

3. Contribution to the wider multilateral development system	STRONG
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GAVI plays a critical role in enhancing international efforts by providing a common platform for donors, the private sector, research agencies and the UN to support global immunisation. It plays a lead role in coordinating often fragmented and overlapping efforts and reducing duplications in the global health architecture.

GAVI has been highly successful in securing a significant increase in the level of international funding for vaccinations through innovative financing mechanisms. This is making vaccines more affordable and strengthening the capacity of the poorest countries to implement vaccination programs. GAVI has not shied away from difficult issues and has been bold and innovative in addressing the cost and supply of vaccines, previously a major impediment to broader vaccine coverage.

Through its research and analysis of the international context and market situation, GAVI has created new models for vaccine supply and market development.

a) Plays a critical role at global or national-level in coordinating development or humanitarian efforts	STRONG
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GAVI has played a critical role in enhancing international efforts by providing a common platform for donors, the private sector, research agencies and the UN to support global immunisation. Its model helps build recipient country ownership and sustainability through its governance structure and co-financing policy. It has played a lead role in coordinating often fragmented and overlapping efforts and reducing duplications in the global health architecture, for example, through the Health Systems Funding Platform (with the Global Fund, World Bank and World Health Organization) and the International Health Partnership and related initiatives (IHP+). It constitutes a unique public-private partnership model, with a governing Board composed of representatives of recipient countries, public and private donors, pharmaceutical companies, civil society and implementing organisations, research institutions and technical experts.

Rather than duplicating the services of the many players in the field of health and vaccines, the GAVI Alliance channels its partners' specific skill sets into a single, cohesive agenda. Members contribute to GAVI through participation in strategy and policy setting, advocacy, fundraising, vaccine development and procurement, country support and immunisation delivery. The Phase 2 evaluation (Sep 2010) highlighted the contribution GAVI has made to increasing awareness of, interest in and commitment to immunisation at global and country-levels. GAVI's approach has contributed to its success in harnessing global efforts on immunisation and there is strong consensus that the GAVI model of working through multi-stakeholder partners has been critical to its success. The example of Nepal where GAVI has agreed a common approach and joint financing agreement with other partners is an illustration of how it can contribute to harmonisation in the health sector.

b) Plays a leading role in developing norms and standards or in providing large-scale finance or specialist expertise	VERY STRONG
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GAVI has been highly effective in stimulating the production of affordable vaccines and has secured vaccine supply in critical areas for the near term. An essential component of its value-add has been the ability of GAVI to securing longer-term and predictable commitments from donors to support immunisation. GAVI has introduced new policy frameworks for program funding and has been effective in developing innovative financing mechanisms and gained agreement and the financial commitment of the donor community to these mechanisms. There is good evidence that GAVI has been able to attract additional funding and stimulated donors to contribute on a larger scale than perhaps would have been provided without it. By the end of 2010 GAVI had mobilised US\$3.2 billion in direct contributions from traditional and new donor sources. A successful pledging conference in June 2011 saw donors pledge an additional US\$4.3 billion through to 2015.

GAVI's strength against this criterion has also been in the area of developing innovative and effective funding mechanisms to support immunisation. Over the last decade, GAVI has pioneered two innovative finance instruments: the International Finance Facility for Immunisation and the Advance Market Commitment. These funding modalities have

helped GAVI accelerate the introduction of vaccines in some of the poorest countries in the world. Through its innovative financing instruments an additional US\$5 billion will be generated.

The 2010 Progress Report noted efforts by GAVI to further harness the potential of innovative finance by allocating more resources to the research, development and implementation of such mechanisms. The aim is to raise additional funds from new and existing donors including the private sector and individuals, increase the predictability of financing, generate more flexible funding, and boost the impact of GAVI support. In line with this aim, GAVI adopted a program funding policy and a pilot prioritisation mechanism to ensure transparency and fairness in the allocation of resources. The program funding policy, approved in June 2010, aims to strike a balance between guaranteeing long-term funding to countries and avoiding keeping a large financial reserve. GAVI is currently working with partners to develop the next generation of innovative finance mechanisms.

c) Fills a policy or knowledge gap or develops innovative approaches	STRONG
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GAVI is essentially a delivery-oriented funding organisation but its strength is in taking existing knowledge and methods and developing flexible and creative approaches to address difficult and long-standing problems of expanding immunisation coverage and supporting the production of affordable vaccines. GAVI expands the core work undertaken by UNICEF and WHO and delivers according to WHO standards. GAVI has enabled new vaccines, more appropriate to developing country needs, to come on to the market more quickly and at more affordable prices. It developed a good business case approach with clear return of investment.

GAVI continues to explore new ways to lower the cost of vaccines and secure long term supply of critical vaccines for its portfolio. In 2011, it reviewed its vaccine supply and procurement strategy for 2011–15 and identified adjustments to incorporate a pro-active market shaping approach with an expanded set of supply and procurement mechanisms. The revised strategy was made available for public comment by stakeholders and other interested parties. Through the procurement strategy, GAVI aims to influence the market by employing a wide set of procurements tools and practices, such as direct negotiation, multi-round tenders or volume concentration, manage product portfolios and mitigate risks associated with the approach employed.

ORGANISATIONAL BEHAVIOUR

4. Strategic management and performance

STRONG

GAVI's strategic and operational plan is coherent and clear. It has a set of targets and indicators that effectively support management requirements for performance information and data collection, which inform program decisions.

Its governing structures engage effectively with its Secretariat and external stakeholders and provide active, regular inputs to the organisation's policies and management. GAVI's Board and its committees play an essential role in guiding its work.

The Board structure is sufficiently representative to ensure GAVI benefits from competent, robust dialogue on the technical and operational aspects of its portfolio.

GAVI's monitoring and evaluation framework is robust and establishes a solid framework for program review and analysis. Some weaknesses in data collection and reporting have been identified. GAVI has shown commitment to addressing these, particularly at country-level. GAVI could better monitor and develop indicators for health system strengthening.

Improvements in GAVI's monitoring and evaluation system may be necessary in light of plans to roll out new vaccines. A more comprehensive system based on solid baseline data and accurate forward estimates would allow more sophisticated modelling and better allow donors to track contributions by region and country.

GAVI has good leadership and human resource policies in place and the organisation functions very efficiently. GAVI will need to ensure its ratio of country program staff is appropriate to implement its programs and manage risks efficiently.

a) Has clear mandate, strategy and plans effectively implemented

VERY STRONG

In mid-2010 the Board approved GAVI's second five-year strategy and the associated revisions of the Business Plan 2011–15. The 2011–15 strategy has four goals which clearly address each of the four strategic priorities of GAVI's program, directly supporting the overall mission. The strategy is strong and well defined, with direct links from the mission to the strategic objectives and targets. It documents a set of operating principles and incorporates goal-level indicators and targets. The 2011–2015 Strategy brings a clear focus to the urgent task of closing three critical gaps in the provision of vaccines identified by GAVI within its portfolio rationale.

The strategy and plans draw on lessons from the previous ten years and establish a roadmap to focus on completing the introduction of pentavalent vaccines and accelerating the delivery of a new generation of lifesaving vaccines, in particular rotavirus and pneumococcal, to developing countries. In this way GAVI is able to show the continuity in its strategic thrust but has been able to analyse experience and modify plans to address emerging gaps. The plans also lay the groundwork for the achievement of GAVI's objectives beyond 2015.

The performance framework is well documented, clear and the logical links are evident for ongoing tracking and high level reporting on progress. However, it has only recently been developed and while the links are clearly articulated, data collection and analysis of results and performance will need to be managed systematically. GAVI should also look at improving the way it measures its impact on health systems strengthening—this would help Australia measure the impact of its investment in the International Finance Facility for Immunisation in particular. Weaknesses in country-level data collection may affect reporting. Improving performance management of partners, including data collation and reporting, has been identified as an area that will require an increased emphasis if donor expectations for accountability are to be met, particularly where delivery of cash-based programs is concerned. GAVI can contribute to this through its health systems strengthening programs and through increased reporting requirements from partners (including WHO and UNICEF).

b) Governing body is effective in guiding management	STRONG
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There is strong and regular dialogue between the secretariat and the board and within the Board itself, on all key issues affecting strategic directions and programming priorities, and active consultation and direct input is sought by GAVI into its operations and performance. The unique composition of its board, which brings together all key stakeholders involved in vaccines and immunisation constitutes one of GAVI’s key strengths.

While the board has been an effective governing body overall, it needs to ensure appropriate representation of donors’ perspectives and the donor bloc needs to reflect the respective role of each donor.

GAVI’s structure of committees, such as the investment and evaluation advisory committees, has been effective is contributing timely input to revisions and adjustments to the broad strategic and policy settings as well as providing careful oversight of GAVI operations and program delivery. Records of the committees indicate they are supportive of the organisation but play an active role in directing analysis and review of further details on issues. Consultation extends beyond the board to partners who also play an important role in contributing to strategy and program development.

c) Has a sound framework for monitoring and evaluation, and acts promptly to realign or amend programs not delivering results	STRONG
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GAVI’s Strategic Plan 2011–15 sets out a set of high level performance indicators through a number of levels, including at country-level. GAVI has responded to criticism of its approach to evaluation made in the second evaluation report (Supporting Paper 8, September 2010) that its strategies and objectives lacked definition and has developed a more systematic approach to performance monitoring. GAVI has been responsive to the findings of the evaluation, and has taken account of the emerging evaluation findings in developing its current five-year strategy, the business plan that will implement it, and in new policies.

Another concern raised in the evaluation was the relative absence of baseline data and or targets and lack of clarity around the agency responsible for monitoring or reporting on progress at the country-level. GAVI has responded by developing a monitoring and evaluation plan resourced under the business plan which will develop further the new data warehouse, targeted studies, and a prospective evaluation system to inform decision making and measure impact. An innovation in its monitoring framework is the development of an online platform for countries to complete the annual progress report and transmit it to the GAVI Secretariat. This platform will be linked to an operational database, which will facilitate the proactive use of the data to support learning and decision making, both areas of concern for small countries facing large data collection requirements for donor supported activities.

GAVI has commissioned a number of evaluation studies to inform its performance reporting, which are discussed by the board and a management response posted on the website. Policies and strategies are revised through the secretariat, board and committees to take into account the findings of these evaluations.

The country summary sheets are reliable but there is a slight lag in reporting as these are prepared by WHO and UNICEF and only available in August for the previous year. It tends to be qualitative and efficiency related. With the inclusion in the current strategic plan of 12 mission and goal-level indicators and improved data collection systems it is anticipated that more reliable and comprehensive data will be generated.

Improvements in GAVI’s monitoring and evaluation system may be necessary in light of plans to roll out new vaccines. A more comprehensive system based on solid baseline data and accurate forward estimates would allow more sophisticated modelling and better allow donors to track contributions by region and country.

d) Leadership is effective and human resources are well managed	STRONG
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The GAVI Secretariat remains a lean organisation, with 124 permanent staff positions in Geneva and Washington DC as at the end of 2010. There is a relatively even gender distribution with 56 per cent women and 44 per cent men with women strongly represented at senior management level. GAVI should ensure that its ratio of country program staff is appropriate to implement its programs and manage risks efficiently.

In 2011, the transition process between the interim Chief Executive Officer (CEO) and the incoming CEO was credible and transparent. The senior leadership structure across seven management teams is strong and highly qualified and maintained its effectiveness during the transition period. GAVI has good human resources policies in place and the organisation functions efficiently.

5. Cost and value consciousness	STRONG
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There is good evidence that GAVI’s approach is cost effective. Embedded in its operating model is the high value it places on efficiency gains and on reducing costs for partner governments.

GAVI works to drive down costs by bundling demand, which gives them the ability to get better prices and security in the marketplace. This is important however GAVI recognises that sustainability requires that there are multiple manufacturers and competition in the market.

GAVI’s Board regularly reviews program budgets and forward plans and expects to see careful, rigorous justification on all new proposals against cost efficiency standards. Its Secretariat has developed an innovative approach to managing costs and reducing the burden placed on partners, particularly for vaccine purchases.

GAVI’s co-financing model is effective and successful in strengthening ownership by countries. At the same time it helps countries embed value and cost efficiency criteria into their health decisions

a) Governing body and management regularly scrutinise costs and assess value for money	VERY STRONG
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GAVI is internationally regarded as delivering one of the most cost effective health interventions—immunisations—and placing high importance on value for money. It has been good in ensuring best value and cost control in its vaccine portfolio (as demonstrated through its vaccine investment strategy and prioritisation criteria). It works with partners to improve value for money and ensure cost effectiveness (pro-actively seeking a reduction in administrative costs of all partners).

GAVI has actively looked at value for money in its prioritisation process for vaccine choice. The Vaccine Investment Strategy has been extended to encompass all ten vaccines within the current portfolio. In recommending new vaccines for use, GAVI undertakes a detailed analysis of market conditions, the potential impact on prices and availability of vaccines, the costs to the countries and to GAVI, the burden of disease and the appropriateness of the vaccine. The supply and procurement strategy contributes to the market shaping goal by balancing supply and demand and ensuring security of supply and minimising the cost of vaccines to GAVI and the countries. It spends significant effort in market analysis and developing market insight capabilities, which underpin its assessment of the costs and value of adopting new vaccines.

GAVI also takes into consideration the public health impact of its programs (for example, deaths averted of children under five years, or all deaths averted), its return on its vaccine investments (for example, cost per life saved, cost per death averted, public health impact per dollar of GAVI support) as well as dimensions such as gender impact, the proportion of country co-financing and potential health costs offset through averting morbidity. This is a reasonable approach to bring consistency in assessing cost effectiveness and is integral to ensuring value for money and maximum impact at country-level. New programs are only approved after thorough scrutiny of the investment case.

GAVI works to drive down costs by bundling demand, which gives them the ability to get better prices and security in the marketplace. This is important however GAVI recognises that sustainability requires that there are multiple manufacturers and competition in the market. Quality assurance is critical. A country's own commitment to co-finance vaccines is an indicator of how well it is engaged: currently 95 per cent of countries are co-financing.

b) Rates of return and cost effectiveness are important factors in decision making	STRONG
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There is good evidence that GAVI's approach is highly cost effective. GAVI points to the finding of the Phase 2 evaluation (September 2011) that the flagship program, New and underused Vaccine Support (NVS), has accelerated countries introduction of life saving vaccines and immunisation outcomes, which may not have occurred in the absence of the program. The evaluation noted that, based on total NVS disbursements to 2009 of US\$1.5 billion, the notional, undiscounted cost per death averted is US\$382.50. Analysis of the studies on the cost effectiveness of immunisation suggest that these estimates are at the lower end of the range and are consistent with a level of cost per discounted Disability Adjusted Life Year (DALY) that is deemed to be cost effective when compared with other health interventions. However, given the orders of magnitude, the evaluation concluded that GAVI's support has been a cost effective intervention.

In responding to the Phase 2 evaluation (September 2011), which noted that vaccine prices had not fallen far or fast enough, the Board and the Secretariat have elevated market shaping to the level of a strategic goal, with specific program objectives and activities. GAVI recognises that some of the new vaccines now in the portfolio are complicated to manufacture, and will not fall to the price of older vaccines in the near future. Some of these issues are addressed in the Vaccine and Supply Procurement strategy for the 2011–15 period, which include analysis of markets and vaccine production costs to ensure a long-term affordable price that can be sustainably co-financed by developing countries.

c) Challenges and supports partners to think about value for money	STRONG
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To date GAVI has helped shape the production and supply base, accelerated price decreases in some vaccines and supported the application of tiered pricing so poor countries pay significantly less than higher income countries for the same vaccine. Australia values GAVI's capacity to procure lifesaving vaccines as soon as they become available, without having to wait for them to be produced at a lower price. The recent decision by pharmaceuticals companies to allow UNICEF to publish the price of vaccines purchased on behalf of GAVI is a positive step towards greater transparency.

As an innovative financing mechanism, GAVI's Advance Market Commitment provides an ongoing opportunity to learn better ways of doing things. New vaccines would not usually be produced specifically for developing countries because of the lack of clear market demand. GAVI has pragmatically addressed this issue through this innovative model.

The pneumococcal Advance Market Commitment in particular has helped speed up the development and availability of low cost, country-appropriate vaccines for developing countries.

GAVI introduced the concept of co-financing in 2006 and partner countries are required to prepare financial sustainability plans as part of the application for GAVI funding. These plans are to be signed by both Ministry of Health and Finance as a guarantee the funds are available and reflected in the national budget. The objective is to encourage countries on a trajectory towards financial sustainability with regard to vaccine purchases and to enhance country ownership of the program. If countries default on the agreement penalties come into play.

The business plan notes that the GAVI model has brought added value by providing new solutions to six obstacles that have always stood in the way of ensuring life saving vaccines, which would otherwise take many years to become available in the developing world, reach children in the world’s poorest countries.

6. Partnership behaviour	STRONG
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GAVI has adopted the *Paris Declaration on Aid Effectiveness* targets and partnership principles and has acted to improve its alignment with country systems and to coordinate with partners. Its inclusive governance structure involves all stakeholders in decisions.

GAVI prides itself on its public–private partnership model—which translates from the Board composition through its committee structure and to the Inter-Agency Coordinating Committees in-country.

Supporting national priorities and alignment with national health systems forms a key part of GAVI’s 2011–15 Business Plan.

GAVI is perceived by most partners as being flexible and open to feedback on major issues. There is evidence that GAVI considers feedback from partners when revising its policies and programs. GAVI actively looks for ways to collaborate more effectively with civil society organisations, including with a permanent seat on its Board and participation in a number of advisory bodies and task teams.

a) Works effectively in partnership with others	STRONG
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GAVI prides itself on its public–private partnership model—which translates from the Board composition through its committee structure and to the Inter-Agency Coordinating Committees in-country. The Health Systems Funding Platform is an example of how GAVI is working with other donor partners on harmonising support to mitigate duplication and reduce transaction costs and become more flexible in support of country-led approaches

GAVI has accepted the need to do more to improve accountability particularly of its implementing partners and the transparency and timeliness of performance reporting. It has highlighted this issue in the new business plan and has established a new performance management unit. It is expected this unit will focus on country-level relationships to improve monitoring and reporting expectations.

GAVI has responded to the evaluation finding that communication at country-level needed to improve further and the business plan now has a focus on country communications and a dedicated post for country communications has been established at the Secretariat to provide support for regional and country-level UNICEF and WHO staff.

b) Places value on alignment with partner countries' priorities and systems	STRONG
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The 2011–15 Business Plan has as one of the six operating principles to ‘support national priorities, integrated delivery, budget processes and decision making’. A core element in the GAVI model is to align its immunisation programs with developing countries’ national health plans and systems. The national health ministry is responsible for program design, implementation and reporting, and GAVI relies on its established in-country coordinating mechanism and country partners (including the IACC, WHO, UNICEF and civil society organisations) to support national and country driven priorities. There is a risk in this approach as capacity issues can affect design and delivery. GAVI is addressing aspects through the development of simpler data capture processes and the development of the joint proposal template with the Global Fund to Fight Aids, Tuberculosis and Malaria has been identified by governments as a positive change which will streamline the preparation processes. When implementing the Health Systems Funding Platform, GAVI will need to ensure its project cycle fits in with existing programs.

The Phase 2 evaluation (September 2010) noted that co-financing has been important in generating country ownership. Many GAVI countries will not be able to afford the vaccines they have introduced without some combination of substantial economic growth, improvements in the countries’ fiscal position, and decreases in vaccine prices. For other countries, particularly those approaching graduation, GAVI considers that the new co-financing policy will promote national financial sustainability. This is a key area of risk, and for this reason GAVI has confirmed the need to strengthen investment through the business plan to work with graduating countries in the coming years.

c) Provides voice for partners and other stakeholders in decision making	VERY STRONG
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GAVI is perceived by most partners as being flexible and open to feedback on major issues. There is evidence that GAVI considers feedback from partners when revising its policies and programs. GAVI actively looks for ways to collaborate more effectively with civil society organisations and to draw them more into country processes, particularly in difficult or fragile situations.

GAVI has strengthened its partnership with civil society over the past two years. Civil society organisations can access GAVI funding to strengthen the role and representation of civil society in country-level coordination—for accountability and for direct involvement in implementation of the country’s health system strengthening proposal or comprehensive multi-year plan for immunisation. Civil society organisations have a seat on the GAVI Board and are also represented on a number of GAVI task teams and advisory bodies.

GAVI has noted the limitations of its ability to gauge country impact and is looking to strengthening its relations with country partners, particularly civil society organisations. In this area, GAVI should establish principles for partnerships to guide its work. Country partners should participate more in developing the design and evaluation of the national program.

7. Transparency and accountability	VERY STRONG
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GAVI is a signatory to the International Aid Transparency Initiative and places all documentation on its website where it is easily available, providing full transparency across all areas of management and strategic decision making. It also posts detailed information on all country partner programs. This supports a high level of accountability among partners.

GAVI uses country reporting, in conjunction with its own research, to carefully monitor resource allocations and disbursements. There is clear evidence it makes adjustments on feedback and forecasting demands.

Established policies and procedures meet the highest standards of financial and fiduciary controls, both in GAVI's own management operations and in its partners' management operations.

GAVI helps partners comply with their financial requirements by monitoring support and simplifying documentation and data-collection systems. Its co-financing model strengthens ownership and embeds high financial and management standards in country's own systems.

a) Routinely publishes comprehensive operational information, subject to justifiable confidentiality	VERY STRONG
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GAVI is a highly open and transparent organisation. It routinely publishes comprehensive information on its programs, governance, financing and country performance. Its website contains a large volume of documents, policy papers, guidelines, analyses of impact and explanations of programs and detailed country information, including country proposals and progress reports.

Annual audited statements are available; Committee and Board meeting minutes and decisions, progress reports and all independent evaluations. Management responses to external reports and evaluation are also provided, giving a clear statement of intended action and timeframes for delivery on reforms. Beginning in 2011, the Annual Progress Reports from countries will be in electronic format to allow for easier data consolidation, review and analysis.

GAVI is a signatory to the International Aid Transparency Initiative and has committed to implement its principles and standards quickly.

b) Is transparent in resource allocation, budget management and operational planning	STRONG
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GAVI has adopted a program funding policy and a pilot prioritisation mechanism to ensure transparency and fairness in the allocation of resources. The program funding policy, approved in June 2010, aims to strike a balance between guaranteeing long-term funding to countries and avoiding keeping a large financial reserve. GAVI now secures sufficient funding for new programs for the following two years and also provides the Board with a forecast of resources needed to fund the additional two years.

Through its approach to financing and program delivery GAVI reinforces national-level accountability processes by providing predictable levels of funding for the duration of the planning cycle. Disbursement is conditional on attaining country performance targets which are well known and available to the country and partners as set out in its proposal and to others on the website.

The Phase 2 evaluation (September 2010) noted the need for better prioritisation of GAVI and partner's resources due to instances where GAVI had launched programs or committed to activities and had been slow to identify wider implications in terms of funding, delivery model, or availability of resources.

In the current financial climate with funding becoming more constrained, GAVI has reviewed its funding policy—predictability was a key impetus. During 2010 GAVI also adopted a pilot prioritisation mechanism, which will be applied when resources are limited. The mechanism will enable GAVI to rank country proposals recommended for approval by the Independent Review Committee.

GAVI closely monitors demand and uses its strategic demand forecasts to determine resource requirements. In 2011, GAVI reported projected expenditure at an average of approximately US\$1.5 billion per year in 2016–2020 to support national immunisation programs deliver GAVI-supported vaccines including new vaccines to prevent human papillomavirus (cervical cancer), Japanese encephalitis, rubella and typhoid. This estimate does not include costs associated with new vaccines which are expected to be become available in that period, including vaccines against malaria and dengue fever. GAVI also sees countries asking for assistance earlier on in the menu of vaccines. The time lag between different vaccine programs is shortening and is much earlier now than forecast. This will clearly have implications for funding requirements and the delivery model as well as the capacity to introduce new vaccines to the portfolio.

c) Adheres to high standards of financial management, audit, risk management and fraud prevention

VERY STRONG

GAVI's Board has been actively engaged in ensuring GAVI adheres to the highest standards of financial management. In recent months, it has:

- > requested the Secretariat to more actively engage Country Responsible Officers in the area of fiduciary risk, including, through more frequent visits to implementing countries
- > requested the Secretariat to engage in more frequent review and follow-up of program reporting through its Country Responsible Officers and the Transparency and Accountability Policy Team
- > requested the Transparency and Accountability Policy team become more actively involved in the selection of the cash support programs external auditors and in the determination of their Terms of Reference
- > requested the Secretariat to examine the possibility of establishing a central confidential reporting hotline, and
- > requested the Secretariat to work with the Program and Policy Committee to develop a mechanism for ongoing technical input from partners on the design and implementation of cash based programs.

GAVI has in place a sound transparency and accountability policy which covers all cash-based transfers to eligible countries and ensures that all transfers are used according to program objectives as outlined in individual country proposals and in accordance with best practice for financial management. The Secretariat conducts financial management assessments in all countries receiving cash transfers including assessing fiduciary risk and assisting the country to identify the best modality for channelling the funding. The policy also covers risk assessment and mitigation.

GAVI has effective and strong oversight and audit procedures in place. All audited, consolidated financial statements are posted on the website once they are approved by the Board. An enhanced risk register has been developed in collaboration with internal auditor to ensure all major business risks are effectively tracked and mitigated. GAVI should continue to expect recipient countries to commit to put in place the highest standards of financial safeguards.

GAVI has in place financial management measures requiring annual independent audit and using external sources of information to investigate discrepancies. The Financial Management Assessment is considered the best way to assess the likelihood of mismanagement or other problems. Since 2009 GAVI has conducted more than 30 assessments (two auditors over a two-week period) and experience indicates this is sufficient to assess the internal controls measures in place.

d) Promotes transparency and accountability in partners and recipients	STRONG
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GAVI encourages accountability and transparency in its partners and has policies and systems in place to support good financial management. Under its co-financing policy GAVI requires countries to identify in the national budget sufficient funding to meet the agreed country costs of vaccines and delivery costs. This is monitored by partners and progress reviewed by GAVI. If the country defaults GAVI may remove funding.

Approximately 85 per cent of GAVI funding is provided through in-kind supply of vaccines and related commodities, which present a low risk of misuse. Vaccines are lower in value than other medical commodities and their administration requires specialised cold chain systems and trained medical personnel. Also, because vaccines are preventive, rather than curative medicines, there is less incentive for their misuse.

GAVI employs several safeguards on its cash-based programs:

- > prior to providing a grant, GAVI's Transparency and Accountability Unit assesses a country's financial management controls and ensures that any weaknesses are addressed. The, as programmes are carried out, these assessments are repeated periodically to verify whether financial management controls continue to operate effectively
- > each program is also subject to an annual independent external audit. GAVI's internal auditor independently also performs verifications of the robustness of the system, and
- > GAVI also uses external sources of information, including the expertise of partners and other organisations that operate in GAVI-funded countries.

When GAVI suspects misuse of its funds, all cash disbursements to the program are halted and funds in-country are frozen while vaccines support remains uninterrupted to ensure that children do not unnecessarily suffer. When suspicions of misuse are confirmed, GAVI vigorously pursues the repayment of misappropriated funds or unsupported or ineligible spending. Recent cases illustrate GAVI's capacity to recover losses through fraud or ineligible expenditure in its cash-based programs.