

SUBJECT:	2016-2020 STRATEGY: PROGRESS, CHALLENGES AND RISKS
Agenda item:	03
Category:	For Information

Section A: Introduction

- This report presents a holistic view of Alliance-wide progress, challenges and potential risks in implementing Gavi’s 2016-2020 strategy.

Section B: 2016-2020 Strategy: Implementation and Progress

1. Progress against Gavi’s mission aspirations: the Alliance is on track to reach all Mission Progress indicator targets by 2020

2016–2020 INDICATORS MISSION PROGRESS

Gavi Board
UPDATED: 1 October 2018

- 5 ON TRACK
- 0 MODERATE DELAYS / CHALLENGES
- 0 SIGNIFICANT DELAYS / CHALLENGES
- 0 AWAITING DATA

The Vaccine Alliance tracks five key targets to help achieve our mission: to save children's lives and protect people's health by increasing equitable use of vaccines in lower-income countries.



1

- 1 UNDER-5 MORTALITY**

57 PER 1,000

2015 BASELINE	2020 TARGET
62 per 1,000	56 per 1,000
- 2 FUTURE DEATHS AVERTED**

2.5m

2015 BASELINE [†]	2020 TARGET
0	5-6 million
- 3 FUTURE DISABILITY-ADJUSTED LIFE YEARS (DALYS) AVERTED**

105m

2015 BASELINE [†]	2020 TARGET
0	250 million
- 4 CHILDREN IMMUNISED WITH GAVI SUPPORT**

127m

2015 BASELINE [†]	2020 TARGET
0	300 million
- 5 VACCINES SUSTAINED AFTER GAVI SUPPORT ENDS**

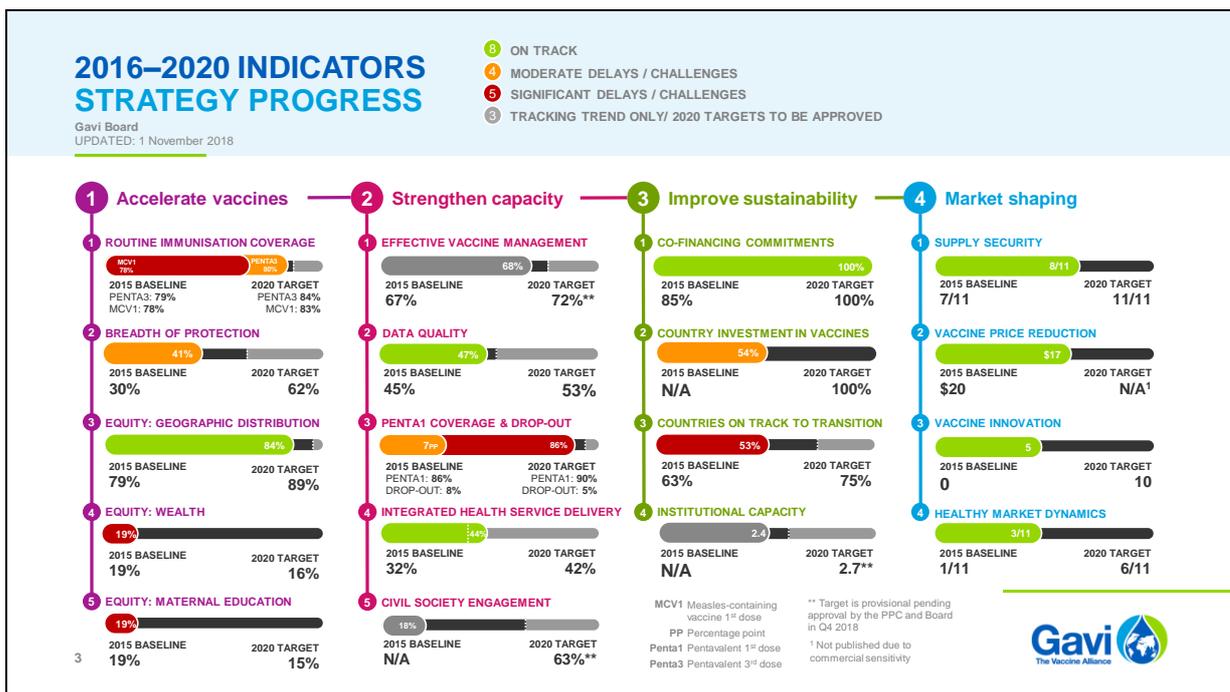
100%

2015 BASELINE	2020 TARGET
n/a	100%

[†] Baseline value reset to "0" at the start of the strategy period. Targets for 2020 represent anticipated cumulative achievement over the duration of the strategy period.



2. Progress against Strategic Goals



Strategic Goal 1: Accelerate Vaccines

- 2.1 Coverage with three doses of DTP-containing vaccine across Gavi-supported countries is showing moderate improvements year on year. New WUENIC estimates show that in 2014 and 2015 coverage rates were 78% and 79% respectively, rising to 80% in 2017. **This means coverage has improved by one percentage point in this strategic period.** Although we see continuous increase in number of children vaccinated, due to population growth, we need to further accelerate to reach the 2020 goal of 84% DTP3 coverage.
- 2.2 Consistent with the discussion at the Board retreat at the beginning of the year, **coverage in fragile countries continues to stagnate at a significantly lower level than in non-fragile countries** (coverage has remained at 72% for fragile countries since 2012). Maintaining coverage in these countries itself is an achievement given the acute systemic problems they face including rapid population growth. In fact, three million more children were immunised in these fragile countries in 2017 than in 2012, representing an increase of 6% in five years.
- 2.3 In accordance with the Fragility, Emergencies and Refugees (FER) Policy, the list of fragile countries was updated in July 2018, leading to **Nigeria and Ethiopia no longer being classified as fragile**¹. The analysis above uses

¹ In accordance with Gavi’s Fragility, Emergencies, Refugees (FER) Policy the list of fragile countries is reviewed and updated annually in line with the publication of the OECD States of Fragility report, Fund for Peace Fragile States Index and World Bank Harmonised List of Fragile

this updated classification, and based on this, 18% of the under-immunised children were in fragile countries in 2017 (compared to 48% under the old classification including Nigeria and Ethiopia). This highlights the need to understand where the under-immunised children are, not only between countries but within countries, and supports the need to adopt differentiated, tailored approaches at both national and sub-national levels, as stressed by the Board at its last retreat. More thinking about how to tailor our support to different country contexts is being considered as part of ongoing Gavi 5.0 discussions (refer to document 11 for a more detailed update on initial thinking on Gavi 5.0).

- 2.4 **Changes in coverage can also be seen in the priority countries classified as Tier 1**, under the Partners' Engagement Framework (PEF)². India continues to be an example of high coverage (DTP3 88%), and Pakistan shows a significant upward trend (DTP3 has increased by 3 percentage points since 2015, and 10 percentage points in the last four years). However, there are worrying signs in Kenya with coverage significantly decreasing (DTP3 and MCV1 coverage decreased by 7 percentage points from 2016 to 2017) highlighting the impact of broader contextual factors such as devolution, elections and workforce unrest.
- 2.5 We continue to see challenges on the quality of WUENIC estimates with **significant revisions to historical estimates for five out of the ten PEF Tier 1 countries**: DTP3 coverage has been revised upwards in Uganda and Pakistan, and revised downwards in Chad, Ethiopia and Nigeria. This highlights the importance of having alternative methods to measure progress, and continuing investments in data quality at country level. In fact, Pakistan's revised estimates are a result of new official estimates produced by the country last year with Gavi support.
- 2.6 **Coverage of MCV1 has remained constant at 78% across Gavi-supported countries for the past 3 years** although there has been significant variability in coverage at country level (46% of countries had a change of more than five percentage points 2011-2017). The continuing increase in number of applications for campaigns confirms a growing concern that countries increasingly rely on campaigns, potentially undermining routine immunisation. In fact, the proportion of applications for campaigns increased over the past 3 years: from 15% in 2016 up to 31% in 2017 and 55% in 2018. The IRC and HLRP continue to raise concerns on the lack of adequate prioritisation at the country level and insufficient tailoring and targeting of campaigns to reach zero-dose children. In addition, countries' responses to the 2018 PEF function survey³ indicated that only 70% of countries undertook adequate campaign planning and preparation. This is an issue across several antigens (particularly measles and yellow

States. Further information on the implementation of the FER Policy is included in the Alliance Update paper to the Board.

² PEF Tier 1 countries: Afghanistan, DRC, Ethiopia, Indonesia, India, Kenya, Nigeria, Pakistan, Chad and Uganda

³ Responses to survey for PEF function vaccine implementation indicator: "Did your country undertake a Measles SIA with adequate planning and preparation in the past 2 years?"

- fever) and **the related top risk that frequent or unplanned campaigns may undermine capacity of governments to manage routine immunisation services has increased and is now been determined as being outside of appetite.** The Alliance is increasing efforts to improve the quality of campaigns through more careful planning and systematic readiness assessments, but further action is required to address this risk.
- 2.7 Despite these concerns, **children are being reached with a wider range of vaccines than ever before.** Average coverage across all Gavi-supported vaccines (breadth of protection) grew from 37% to 41% between 2016 and 2017 with countries delivering 240 million vaccination courses in 2017 up from 214 million in 2016. Progress has been driven by the scale up of pentavalent vaccine in 2017, mainly in India, with pentavalent coverage increasing by three percentage points to 80% in 2017 (up from 66% in 2015). However, the rate of increase in breadth of protection has slowed in 2017 primarily due to slower coverage increases than predicted for IPV and rubella vaccine. For IPV, the predicted rapid growth has been impacted by supply challenges, whereas for the rubella vaccine, the original predictions for India and Indonesia have not been met. Going forward, there is a risk that increases in breadth of protection may be further impacted by supply constraints for rotavirus as well as IPV.
- 2.8 **Continued vaccine introductions will support further increases in breadth of protection.** At the time of the writing 38 introductions had taken place in 2018 including 26 routine introductions and 12 campaigns. A few large targeted introductions have been deferred to 2019 including rotavirus introduction in DRC, meningococcal (campaign and introduction) in Nigeria and a meningococcal introduction in Kenya. Key causes of delayed introductions include country readiness issues as well as global supply constraints. For the remainder of 2018, there are 8 projected introductions. **This means that at the time of writing, Gavi expects to have supported 46 introductions against the 52 anticipated for 2018.**
- 2.9 **We are seeing progress in the geographic equity indicator.** Across all Gavi countries, the average proportion of districts with DTP3 coverage above 80% increased from 80% to 84% between 2016 and 2017. However, the wealth and maternal education equity indicators have not changed in 2017. This is largely due the scarcity of new data as the indicator is calculated using coverage surveys (only three new surveys were published in 2017, of which only two were in countries with previous surveys).
- 2.10 We are continuing to work with countries to **focus on addressing inequities in immunisation**, and particularly ensuring that both health system strengthening (HSS) grants and targeted country assistance (TCA) under PEF are aligned and targeted to address key coverage and equity (C&E) barriers. Gavi has included pro-equity and gender-based interventions into our application and programming guidance, as well as the joint appraisal templates, and are increasingly seeing **grants being targeted to address the specific equity-related barriers.** All 10 HSS proposals that have been recommended for support under the country

engagement framework since 2016 included support targeted at specific geographical areas or at-risk populations with low coverage and/or large numbers of under-immunised children. For example, Malawi's HSS grant focuses on seven low performing districts that have DTP3 coverage below 80%, and five districts with the highest number of under-immunised children. The grant is designed to target populations missed due to geographical, socio-economic and cultural barriers.

- 2.11 **PEF continues to drive focus on C&E through increased country-level and sub-national support by Alliance partners**, in particular WHO and UNICEF who receive 75% of PEF funding. PEF's country centric approach has led to a progressive increase in country-level funding under PEF TCA. WHO and UNICEF now have nearly 240 national and subnational staff engaged under PEF TCA. This represents a significant shift, for example the proportion of WHO staff at country level has increased from 44% in 2016 to 55% in 2018, with 34 subnational staff. In addition, 76% of UNICEF staff funded under PEF are at the country level, including 32 subnational staff. PEF is bringing on board new partners to complement core partners, bolster leadership and management within EPI, and enhance programme management and accountability.

Strategic Goal 2: Health System Strengthening

- 2.12 As noted above, we are seeing countries progressively **align and focus HSS and PEF TCA funding on Strategic Focus Areas (SFAs) and specific coverage and equity challenges**. Out of 21 HSS proposals recommended for approval from 2016 to date, 60% of proposed budgeted activities are aligned to SFAs relating to supply chain, data and demand. Focusing HSS in this manner, and aligning PEF TCA with HSS objectives, is helping to mitigate the risks relating to HSIS investments not materially improving programmatic outcomes, and our ability to reach the under-immunised.
- 2.13 Between 2016 and 2017, **countries have shown one percentage point improvement in effective vaccine management (EVM) scores, achieving an average EVM score of 68%**. The limited movement in this indicator is largely due to the fact that only six countries had a new EVM in this reporting period. All six countries showed an improvement in their EVM score – from a 2% improvement in Nigeria to a 25% improvement in Eritrea. All six countries have received significant PEF and HSS support to strengthen their supply chains which suggests that Alliance support is helping countries to strengthen their supply chain performance. Therefore we hope to see the indicator output continue to improve as more EVMs are conducted (10 more EVMs are planned in 2018). However, despite an overall positive trend, progress will need to accelerate to achieve the **proposed 2020 target of 72%** (please refer to document 10g on the consent agenda for further details on the proposed target).
- 2.14 **Engagement with civil society remains a priority for Gavi**. Civil Society Organisations (CSOs) have a critical role to play in boosting access to

immunisation among hard-to-reach communities. The percentage of all Gavi-supported countries that met the three criteria for CSO engagement (CSO owning activities in national plans, having an allocated budget, and documenting implementation of planned activities) has reached 18% in 2017. Options for a new 2020 target for the CSO engagement indicator are presented in Document 09. A CSO evaluation is currently being completed and will further inform our approach to CSO engagement going forward.

- 2.15 **Data quality remains a top risk and focus area for the Alliance**, with country demand for data-related PEF TCA under PEF increasing significantly from US\$ 7.9 million to US\$ 11.7 million between 2017 and 2018. In 2017, 47% of countries reported administrative coverage data within 10 percentage points of survey coverage. This is an improvement over 2015, but a drop from 49% in 2016. Despite the slight decrease in the indicator, we are seeing encouraging signs of progress across several initiatives under the Data SFA aimed at improving country data. In particular, Gavi supports countries to transition to electronic district health information systems (DHIS2) and expand their use of digital health tools. More than 50 Gavi-supported countries now use DHIS2, with five of these using it as their primary source of EPI data, reflecting successful coordination and collaboration across the Alliance as well as across other health programmes. The University of Oslo has recently been contracted under PEF to support 25 countries in the development of DHIS2, as well as strengthening national health information systems, and building capacity on the effective use of data. Moreover, Gavi has developed Target Software Standards for Logistics Management Information Systems (LMIS) to ensure that all future Gavi investments in this space meet a minimum standard including interoperability with DHIS2. For both DHIS2 and LMIS, Gavi is collaborating closely with the Global Fund to ensure there is strong coordination and alignment of support.
- 2.16 **Insufficient demand due to vaccine hesitancy or a lack of awareness and prioritisation is a top risk for the Alliance**. Recent data from India, Nigeria and Pakistan⁴ indicate that in some areas up to two thirds or more of missed children are due to demand, rather than supply side barriers. In the past six months, a dedicated cross-Alliance working group has developed a **new framework on demand generation, providing a menu of interventions to help guide country work and Gavi's investments through HSS grants and PEF TCA**. With support from the Gates Foundation, Alliance partners are building a dedicated 'Hub for Vaccination Acceptance and Demand' to coordinate technical assistance, develop tools and guidance, and build a community of practitioners at global, regional and country levels. The menu of interventions emphasises innovation, accelerating uptake of digital technology, and the possibility of working with new, non-traditional partners. For example in Uttar Pradesh, India, an

⁴ Sources:

- Nigeria: 2016/2017 MICS/NICS surveys
- India: WHO's Concurrent Routine Immunisation monitoring data (2015)
- Pakistan: "Reasons for non-vaccination and incomplete vaccinations among children in Pakistan" Elsevier (March 2018)

innovative partnership between Gavi and Unilever is using experiential marketing of ‘successful parenting’ as a driver to improve uptake of immunisation and handwashing with soap. In Pakistan, the roll-out of a digital immunisation registry makes it possible for frontline workers to send individualised SMS reminders to parents and track uptake in real time. Gavi will continue to work more intensely and deliberately on demand generation in the countries with the highest numbers of under-immunised children – Nigeria, India and Pakistan – with plans to accelerate efforts in as many as 10 additional countries in the coming year.

- 2.17 **The Cold Chain Equipment Optimisation Platform (CCEOP) continues to accelerate its progress.** To date, out of the 72,200 units of high-performing Cold Chain Equipment (CCE) approved through 2021, a total of 11,312 have been delivered across 11 countries and over 12,000 CCE are expected to have been delivered by the end of 2018. To ensure effective deployment, the Alliance is working towards shortening CCEOP timelines from approval to deployment to seven months by 2020 (from a current baseline of 21 months). CCE deployment also contributes to helping countries increase immunisation access in underserved communities: as of September 2018, 26% of the sites that have received the CCE are facilities which previously did not have CCE.
- 2.18 There has been a significant increase in the number of CCE products meeting both WHO pre-qualification (96) and CCEOP additional eligibility criteria (62). However, **there remains a number of challenges in the CCE market including a limited number of suppliers and lack of price reduction.** Going forward, the Alliance will be working on a number of interventions to address these challenges, including: (1) a mandated diversification of CCE procurement; (2) investigating alternative models of service bundle provision; and (3) strengthening post-market monitoring systems for CCE.

Strategic Goal 3: Improve Sustainability

- 2.19 **Country co-financing performance remains strong,** with all countries meeting their 2016 co-financing commitments or cleared their defaults in 2017. With respect to 2017 co-financing, as of November 2018, 100% of countries have met their 2017 co-financing obligations, totalling US\$ 136 million. The last country that cleared its 2017 co-financing obligations was DRC in early November 2018. The payment followed a high-level Secretariat and Alliance mission in October 2018 and is another testament of the importance of sustained high-level engagement with countries.
- 2.20 **The proportion of countries with growing government expenditures on routine immunisation has increased from 49%⁵ in 2016 to 54% in 2017.**

⁵ There have been a number of revisions to past reported data. This has implications for the value reported in 2016, which now moves to 49% from the previously reported 51%.

This means that in 2017, 34 of 63⁶ of Gavi-supported countries demonstrated an increased expenditure per child compared to 2015. These values include all transitioned countries as per the revised indicator definition (excluding Ukraine). Gavi countries invested on average US\$ 9.59 per child in 2017 compared to US\$ 8.77 in 2015.

- 2.21 Successful transition remains a top risk for Gavi, which is being actively managed by the Alliance.** We are continuing to see strong performance in terms of the financial sustainability of countries' immunisation programmes, with co-financing amounts and domestic resources for immunisation continuing to increase. All 15 countries in the accelerated transition phase in 2017 met their co-financing obligations on time. However, for some countries, programmatic sustainability remains a challenge. Out of the 15 countries in accelerated transition, seven countries – namely, Nigeria, Congo Republic, Angola, Timor Leste, Papua New Guinea, Bolivia and Lao PDR - failed to maintain steady improvement in immunisation coverage for three consecutive years (thereby showing insufficient programmatic performance to be considered on-track for successful transition). This result is consistent with the transition risk assessment agreed by the Board in 2017, where five of these seven countries were specifically identified by the Board as being at high risk of successful transition. Since then, **the Board has approved tailored transition strategies for Nigeria and PNG, and has approved initial post-transition support approaches for Angola, Congo Republic and Timor-Leste...** With respect to the remaining two countries, Bolivia is experiencing a data challenge due to uncertainties in the recently revised denominator, and while Lao PDR is not meeting the programmatic criteria of three consecutive years of increased DTP3 coverage, the trend is encouraging as coverage increased by three percentage points between 2016 and 2017⁷.
- 2.22 Political will is one of the key mitigating factors** to manage the risk of sustainable transition and a key driver in helping ensure immunisation is prioritised by countries. Gavi is continuing its work to increase political will and has identified a sub set of countries for intensified engagement. High level Alliance missions to two of these countries, PNG and Chad, have recently been led by the CEO and DCEO, with planning for a mission to Congo Republic currently underway. In addition, an Alliance working group has been established to develop a more holistic strategy to support Chad and the Central African Republic, to see how the Alliance partners can work differently in these countries to address persistent challenges.

Strategic Goal 4: Market Shaping

- 2.23** Global supply shortages continue to represent a top risk for Gavi.

⁶ Of the 72 Gavi-supported countries, 9 countries had missing data, these include, Angola, Haiti, Kenya, Kiribati, Myanmar, Somalia, Sri-Lanka, Tanzania, and Yemen

⁷ Lao PDR transition plan has also recently been approved and conversations on support to service delivery are ongoing with the World Bank.

2.24 **Gavi-supported rotavirus vaccine programmes are facing global supply constraints** from two main suppliers resulting in insufficient supply to meet country demand in 2018 and 2019. One manufacturer allocated one-third less supply to Gavi countries for 2018 and 2019 and will no longer be supplying Gavi countries after 2019. This interrupts on-going supply to four countries, and could result in more than half a million children missing out on rotavirus vaccination in 2018-2019. Supply issues from the other manufacturer will impact the availability of product for new introductions from Q3 2018 through to the end of 2019. This will impact 8 out of the 11 introductions planned for 2018-2019. In the absence of introduction with one of the newly prequalified vaccines during this period, more than 3.5 million children (representing ~20% of initially targeted children⁸) could miss out on rotavirus vaccination. Mitigation actions taken by the Alliance together with core and extended partners include immediate decision-making support for rapid switch to the newly available rotavirus vaccines, increased shipment frequency and acceleration of 2019 shipments into 2018, constant stock monitoring and re-allocation of available supply to countries with most urgent demand, and high level discussions with suppliers to secure reliable availability of vaccine under existing UNICEF Long Term Agreements, in addition to securing availability of alternative products that have been WHO pre-qualified. The rapid mitigation work by the Alliance is delivering initial encouraging results with three countries avoiding central stock-out thanks to increased shipment frequency, and three already confirmed to switch to new vaccines by Q1 2019.

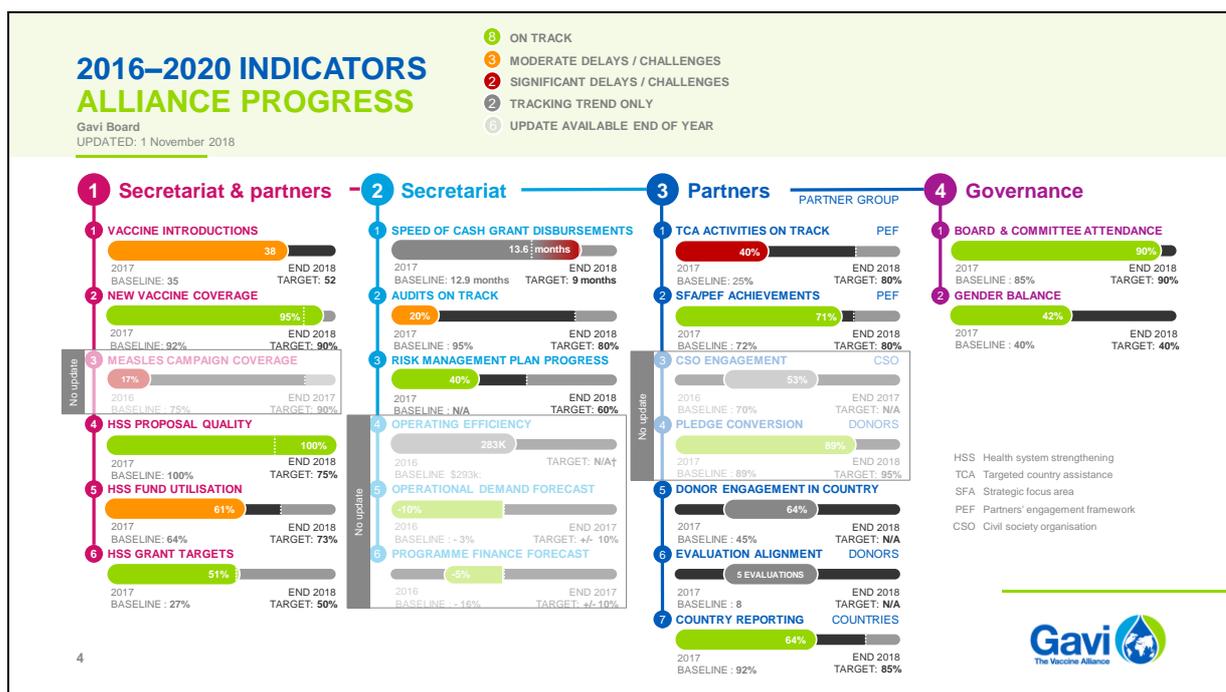
2.25 **In the case of HPV, continued advocacy resulted in a rapid increase in demand for the vaccine⁹.** As previously described, this increase has led to significant supply shortages. With 5 million doses available in 2018, and taking a flexible introduction approach targeting only a single age groups (until supply becomes sufficient to vaccinate all eligible cohorts), three additional countries (Tanzania, Ethiopia and Senegal) will have introduced by the end of 2018¹⁰. The supplier has indicated it should be able supply 20 million doses in 2019, allowing 11 new countries to be prioritised for introduction. Despite a growing demand from countries, achievement of Gavi's target to protect 40 million girls from cervical cancer and avert 900,000 deaths by 2020 remains highly dependent on the supplier's capacity to meet a total demand of ~90 million doses. If supply is maintained at 20 million doses annually, similar to 2019, then only ~25 million girls will be protected and ~500,000 deaths will be averted by 2020.

⁸ The 8 countries where introductions may be affected represent 3.5 million targeted children. The other 3 countries that introduced as planned in 2018 were India, Afghanistan and Uganda and represented 14 million targeted children (~80% of targeted children in this period).

⁹ Since inception of the new HPV programme, 15 countries have been approved (Cameroon, Cote d'Ivoire, Sierra Leone, Liberia, Zambia, Kenya, Uzbekistan, Gambia, Lao, Solomon Islands, Mauritania, Ethiopia, Senegal, Tanzania, Zimbabwe). An additional 2 countries will be applying in September 2018 (Myanmar and Mozambique).

¹⁰ A fourth country, Zimbabwe introduced the other presentation in 2018 without taking a flexible approach.

Update on Alliance KPIs



2.26 The Alliance continues to face challenges in timely disbursement of cash support to countries. **Average time for cash grant disbursements in 2018 has increased to 13.6 months¹¹ (from 12.9 months in 2017¹²) against a target of 9 months.** This increase has been partially driven by two outliers where disbursements have taken more than 24 months¹³. **The Alliance is trying to balance the speed of disbursing funds with ensuring that appropriate risk management measures are implemented.** Since 2015, new risk management approaches are being followed, including Programme Capacity Assessments (PCAs), Grant Management Requirements (GMRs) and Programme Audits. This has resulted in delays in disbursements for some grants, particularly those with higher fiduciary risks where funding modalities and additional mitigating actions have to be agreed prior to disbursement. The Secretariat is currently implementing a new financial management system which would be leveraged to simplify internal Secretariat processes. On fiduciary risk assurance, please refer to the separate paper on Managing Fiduciary Risk in Gavi’s Cash Grants for a more detailed analysis and discussion (refer to document 06b).

2.27 **Core partners are meeting more of their PEF TCA milestones in 2018, with UNICEF and WHO respectively having 80% and 78% of their milestones on track for PEF Tier 1 and 2 countries.** However, in only 8 out of 20 PEF Tier 1 and 2 countries, PEF TCA activities were on track across all partners. This is due to continuing challenges in countries facing

¹¹ Based on 19 disbursements from 1 January 2018 to 31 May 2018

¹² Average of 12.9 months in 2017 was based on 46 disbursements during the entire year.

¹³ Uganda’s rotavirus introduction grant due to global supply shortages and Zambia’s HSS grant due to reform in the Ministry of Health and delay in establishment of new structures

protracted crises, with lower proportions of TCA milestones on track in South Sudan, Somalia, Yemen and Central African Republic. In addition, expanded partners are not yet fully acquainted to PEF reporting processes and therefore specific efforts are ongoing to increase the accuracy of milestone definition, timely achievement and reporting compliance.

- 2.28 In order to ensure that TCA funding is effective and achieving results, we continue to refine the PEF model and identify areas for improvement. In particular, results from the recently completed **independent TCA reviews of six countries**¹⁴ indicate that while there is an increased synergy of TCA and other Gavi grants, approaches to TCA implementation are not sufficiently outcome focused. The recent PEF Management Team meeting recognised the significant progress made under PEF and encouraged partners to further articulate a clear theory of change in each country supported by appropriate metrics.

Additional information available on BoardEffect

Appendix 1: (in October 2018 PPC meeting book): Annex A to Doc 03: 2016-2020 Strategic Indicator Dashboard based on Previous Indicator Definitions

¹⁴ Timor-Leste, Indonesia, Mozambique, South Sudan, Niger, and Mali