

SUBJECT: NIGERIA ACCOUNTABILITY FRAMEWORK

Agenda item: 15

Category: For Guidance

Section A: Introduction

- The purpose of this document is to update the Board on progress in developing an Accountability Framework for the exceptional support for Nigeria agreed to by the Board in June 2018.
- We are seeking feedback and guidance on the key elements of the Accountability Framework including the overall approach and proposed indicators.

Section B: Facts and Data

1. Background and Process

- 1.1 In June 2018, the Board requested the Secretariat and Alliance partners, in consultation with the government, to develop an Accountability Framework (AF) by November 2018. The Board emphasised that Gavi support to the National Strategy for Immunisation and Primary Health Care System Strengthening (NSIPSS) will be contingent on Nigeria meeting the conditions set forth in the Accountability Framework.
- 1.2 Consultation on the AF only began in early September, after the final reimbursement was made on 20 August. A working group was established to conduct an analysis of existing accountability frameworks and a Taskforce, chaired by WHO, was set-up to develop the NSIPSS Accountability Framework outline. This has been a highly consultative and collaborative process, with strong participation from all key stakeholders.
- 1.3 Additionally to the continuous in-country work, joint missions on vaccines and health financing were conducted in September by the World Bank, the Bill & Melinda Gates Foundation and Gavi. Two intensive in-country retreats with the participation of all stakeholders including Gavi Alliance senior management led to a draft Accountability Framework, which was shared with the Programme and Policy Committee (PPC).
- 1.4 In its deliberations¹, they emphasised the importance of clearly defining which indicators were absolutely non-negotiable requirements

¹ Other comments were made, which can be found in the minutes of the PPC discussions

(‘showstoppers’) for continuous Gavi support and, if not complied with, would lead to a suspension of Gavi cash and new vaccine support. PPC members advised not to use programmatic indicators as ‘showstoppers’, but focus more on financial-related ones. PPC members noted the importance of ensuring strong national ownership of the AF as well as alignment with other ongoing primary health care strengthening initiatives. The importance of a strong alignment among donors and stakeholders in country, including between the Global Fund, Global Financing Facility, World Bank, Bill & Melinda Gates Foundation and Gavi was noted, including considering a joint accountability framework on health financing for the health sector.

2. The Accountability Framework (AF)

- 2.1 The AF aims to ensure that commitments made by all stakeholders including the Federal, States, donors and partners, are in line with the “Principles of Engagement”, which the Gavi Board laid out to guide its engagement with Nigeria².
- 2.2 The AF encompasses five clusters of indicators: mandatory requirements or ‘Show-stoppers’; Programmatic indicators; Health Financing indicators; Financial management and institutional capacity building and Governance-related indicators. These are detailed in Annex A and summarised below.
- 2.3 **Cluster 1: Mandatory requirements or “Show-stoppers”.** These two indicators are essential and a failure to comply with them would lead to Gavi cash and new vaccine support from Gavi being suspended or even entirely stopped.
- a) ***Fiduciary Accountability – use of Gavi support for the intended purpose.*** This indicator will drive a robust annual review of assurance attained through a variety of sources against the Country Assurance Plan. The Country Assurance Plan is proposed to be a two-to-three year assurance plan (extendable) be drawn up following the assessment of funding channels through the PCA, which will be presented to the Gavi Audit and Finance Committee for their review. Assurance will be drawn from Gavi’s periodic Programme Audits and Monitoring Reviews as well as audit coverage provided by the annual external audit conducted by an independent and credible provider (approved by Gavi), with additional coverage as appropriate by Ministry of Health and/or other Federal audit agencies. The factors which will drive a possible suspension or cessation of support would include: an unsatisfactory Country Programme Audit with evidence of systemic misuse and/or fraud, other grant audits with qualifications and evidence of serious lapses in control which indicate significant risk of misuse.
- b) ***Vaccine Financing.*** This indicator brings together both the co-financing element of Gavi policy as well as the financing of traditional vaccines.

² The three principles include: a). demonstrated commitment from the government, b). adherence to strict principles of governance and accountability; and c). a realistic transition plan that will focus on increasing sustainable coverage & equity. See Board paper 15a from November 2017.

Nigeria, in its Letter of Commitment shared with the Board in June 2018, committed to finance its traditional vaccines as well as its share of co-financing for Gavi-supported vaccines. This is estimated at US\$ 1.9 billion over the ten year transition period. The determination of fulfilment will be assessed based on whether all required vaccines have been funded.

2.4 Cluster 2. Programmatic indicators. These relate to the performance related to vaccine coverage, vaccine accountability, and data accuracy. For each indicator below, targets are set at national level, as well as by state grouping based on the NSIPSS-adopted classification of states.

- a) **Coverage.** Penta 3, IPV and MCV1 coverage will be measured annually. An overall national target will need to be met within an acceptable range to be defined, as well as specific targets for state groupings. These will be measured every year using the SMART survey after harmonisation of its methodology with NICS/MICS survey and every three-four years through nation-wide NICS/MICS surveys. Other coverage indicators, such as PCV coverage, will be reflected in the Gavi Grant Performance framework. It was agreed to use projections based on the NICS/MICS 2016 as a baseline; once the NICS/MICS 2019 results will be available, the baseline and projected coverage targets will be revised.
- b) **Wastage rates.** Given the significant volume of vaccines managed by Nigeria, their proper use is of great importance. This indicator will assess the result of triangulating the wastage rate of Penta, IPV, MCV and PCV against recommended WHO values. The aim is to reduce progressively the non justifiable wastage (not related to application of Open Vial Policy). A wastage study is planned in 2019 and the findings will be used to inform the baseline. Triangulation of consumption, stock and number of children receiving the vaccine per antigen will be used to monitor the wastage rate
- c) **Data accuracy.** Data accuracy has been an on-going challenge in Nigeria and deeply affects vaccines management as well as the country's ability to use data for decision making to better target appropriate interventions. This indicator will measure the variance between DHIS2 and Penta 3 survey-based coverage (revised SMART or NICS/MICS). This indicator will be used to measure the variance at national level and by state.
- d) In addition to these nation-wide indicators, there are discussions on having an Accountability Framework for each state given their responsibility in implementing the programmes. The roadmap on engagement with the states will be further discussed. In any case, specific requirements will be negotiated with each focus state, such as: payment of salaries for Health Workers; implementation of PHC Under one Roof reform (PHCUOR); increased transparency on state health budget allocations and expenditures (publish health expenditure reports); activity execution rates; and in the states where we might fund

a tailored community engagement strategy/programme, the state will be required to optimise and harmonise with existing community structures and institutions, and provide progressive funding to eventually absorb the required cost under their budget. In addition, a Grant Performance Framework will be developed for each focus state.

2.5 **Cluster 3: Health financing indicators.** These indicators relate to broader financing for the health sector and more specifically funding to Primary Health Care, which is critical for the success of Nigeria's NSIPSS and longer-term sustainability. World Bank support to tracks these indicators is key.

- a) ***Proportion of approved FGoN budget allocated to health (FMoH).*** This will measure the increase in allocation to the Federal Ministry of Health relative to the government's overall budget. The numerator is defined as the FGoN budget allocated to the FMoH, and the denominator is defined as the total FGoN budget. The data source will be the Annual Appropriation Act, as published in the National Gazette.
- b) ***Proportion of approved health sector budget allocated to Primary Health Care (NPHCDA + BHCPF).*** This will assess the increase in allocation to primary health care relative to the overall health sector allocation. The denominator is defined as the sum of the FMoH budget as well as any resources for the Basic Health Care Provision Fund (which is funded separately in the budget); the numerator is defined as the sum of resources allocated to NPHCDA and the BHCPF.
- c) ***Proportion of approved BHCPF funds released.*** This will assess the extent to which funds approved for the BHCPF are actually released (and not only budgeted). The denominator is defined as approved FGoN resources allocated for the BHCPF, and the numerator is defined as the amount of these funds actually released by end of May following year.
- d) ***Proportion of annual vaccine expenditure released from government budgetary resources.*** This will measure the proportion of vaccine expenditures that are coming from resources accounted for and funded through the FGoN's budget (as opposed to ad-hoc or off-budget mechanisms). The denominator is defined as total annual vaccine expenditures, and the numerator is defined as the sum of vaccine expenditures allocated and paid through the FGoN budget.
- e) ***Vaccine financing plan developed and updated each year by end of August.*** Every year, Nigeria will need to articulate its vaccine financing plan for the following year, with a clear indication of resource needs and sources of funding, including for any new introductions. The vaccine financing plan must be agreed upon by all stakeholders, and signed off by Ministry of Budget and Planning.

2.6 **Cluster 4. Financial management and institutional capacity building.** An important indicator, which still needs to be further defined revolves around financial management capacity of national systems. This indicator

will build on the KPMG report and upcoming Program Capacity Assessment recommendations. A 2-3 years capacity building plan will be developed with clear milestones, to be supported by Gavi and other partners to strengthen NPHCDA and selected states' financial management capacity.

- 2.7 **Cluster 5. Governance-related indicators.** This final set of indicators touches upon the programmatic and financial governance of the programme
- a) **National oversight.** This indicator aims to extend the Polio Presidential Task Force to include Routine Immunisation and PHC. This will be measured by updated TORs and agenda effectively geared towards routine immunisation and PHC.
 - b) **ICC expansion to include PHC.** This indicator will measure how the ICC is effectively expanded to oversee NSIPSS (PHC and Immunisation). This will be measured through, for example, the percentage of ICC meetings where PHC is an agenda item.
 - c) **Partner alignment.** Alignment of partners – budgets and activities – will be tracked to ensure alignment with the national plan (NSIPSS).
 - d) **Alliance high-level oversight.** An annual touchpoint at presidential level with senior Alliance members, including the Gavi CEO, will ensure highest level engagement from all parties.
- 2.8 Annually, each of the indicators highlighted above will be reviewed by senior government representatives (Minister of Health, Minister of Finance, Minister of Budget and Planning, ED NPHCDA, Governors from focus states) and Alliance senior leadership (Gavi CEO and Board representatives). This review will take place annually towards the end of the calendar year.
- 2.9 The two 'show-stopper' indicators will be given particular attention. Should either of these be 'red', it would lead, to the suspension of cash support and new vaccine introduction as per Gavi Policy and timelines until issues are rectified, and at worst, to the overall cessation of Gavi's exceptional support to Nigeria. Should the latter situation arise, it would be brought for the Board's consideration.
- 2.10 The other indicators will be presented as an overall heatmap (green, orange, red ratings). The performance ratings will be used to inform discussions and recommendations towards the programme's continuation and/or need for course correction. The outcome of the review will be shared with the Board.
- 2.11 Besides the "show-stoppers", implications of poor performance will be tailored to the implementation stage – for example 2019's targets will factor in the fact that it is the first year of implementation (as well as delays that may occur due to forthcoming elections); to take another example, while we may initially focus more on ensuring vaccines financing is secured, as implementation progresses, we may put increased weight on increased PHC funding. Targets are being set for the initial period of implementation – the first five years. These will be reviewed following a comprehensive mid-

term review in 2022-2023 on the progress of Gavi's support to Nigeria, which will also allow future adjustments to set targets and chosen indicators.

Section C: Actions requested of the Board

The Gavi Alliance Board is requested to provide guidance to the Secretariat on the draft Accountability Framework for the exceptional support for Nigeria, which is expected to be finalised by January 2019.

Annexes

Annex A: Accountability Framework matrix