

Health System Strengthening (HSS) Policies and Major Decisions at GAVI
Timeline and Overview
12 September, 2012
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Summary

The GAVI Alliance was launched in 1999 to increase immunization coverage and reduce global disparities in access to vaccines. In 2005, GAVI decided to invest resources in health systems in recognition that immunisation coverage is dependent on strong health systems. The initial HSS proposal recommended a maximum funding level of \$1.8 billion for eligible countries for the 2006 – 2015 period. In December 2005, the GAVI Alliance and GAVI Fund Boards agreed to invest \$500 million in the HSS window for 2006 – 2010 for all eligible countries, and called for evaluations of the window in 2009 and 2012. In February 2008, the GAVI Board approved an additional \$300 million for the HSS window.

In the Health Systems Strengthening Support Evaluation released in October 2009, GAVI HSS was positively assessed for its speed of implementation; committing \$524 million to 44 countries in less than 3 years, and disbursing \$255 million to 36 countries. However, three main weaknesses were identified: (1) Insufficient technical support was provided to HSS grants, (2) Proposal assessment was not identifying resulting problems, and (3) Weak annual review and reporting hindered the results-oriented ambitions of the GAVI HSS model. It was recommended that these issues be addressed before approval of the next round of HSS submissions.

In November 2009, the GAVI Board supported the development of a joint HSS funding and programming platform by harmonising HSS strategies between GAVI, the Global Fund, and the World Bank. In April 2010, a pilot Health Systems Funding Platform (HSFP) was approved for Nepal in the amount of \$14.5million over three years.

At the June 2010 Board Meeting, HSS was identified as a main area of under-spending. The Secretariat explained that it had held off certain activities related to GAVI's existing HSS window in favour of the HSFP, and that there had been delays in disbursing funds to HSS approved countries. There was also a "funding pause" for new HSS applications while the 2009 HSS Evaluation was conducted, and its recommendations were studied. In response to the Board's concern regarding this under-spending and the shortfall in the vaccine portfolio, the Secretariat proposed re-allocation of the \$179 million remaining under the original HSS window to go toward vaccine programmes. However, the Board decided to retain the \$179 million within the HSS window, and further endorsed that the maximum share of funding for cash-based programmes in a given proposal round be 15 – 25%. The Board also endorsed a new HSS resource allocation method whereby the funding ceiling for each country would be based on the country's total population and weighted against a graded gross national income (GNI) scale, and the funding would not be less than \$3 million per country application.

In November 2010, the Board decided that all GAVI eligible countries would be eligible for HSFP and requested that the Secretariat design cash based programmes to have a demonstrable link to immunisation outcomes, measurable through immunisation coverage. The original HSS window was closed and the unallocated \$179 million was made available for any programme funding. In addition, a new performance-based funding pilot was approved: Incentives for Routine Immunisation Strengthening (IRIS). In 2011, the Board reconfirmed that all of GAVI's cash based support would be streamlined through one health system strengthening programme (HSFP) instead of having separate IRIS, ISS and HSS funding windows. The Board also approved the proposed design for performance-based funding (PBF) and requested rolling out PBF in 2012.

In June 2012, the Board decided that funding for CSO activities can be requested as part of a country HSFP application. The Board also approved an amendment to the programme funding policy, in that the Board or EC would each year approve a funding envelope from which the Secretariat would allot amounts to new and existing HSFP programs, as recommended by the IRC, throughout the course of the year.

Moving forward, GAVI will streamline all cash based support for health systems strengthening through HSFP, pending the completion of all current ISS and HSS grants. GAVI uses country GNI and population data to calculate grant ceilings to allocate resources to countries in a transparent and equitable manner. The GAVI Secretariat is developing operational guidelines to implement the recently approved CSO support and PBF mechanism and will update the HSS application materials to reflect these changes. In December 2012, the GAVI Board will be requested to approve a programme funding envelope covering decisions in 2013 – this arrangement would shorten the lead time from IRC recommendation to country notification of those funding decisions implemented through the envelope and accelerate the provision of GAVI support to countries.

HSS Policy Timeline

Note: This table includes only major Board decisions related to HSS and related cash-based support - please see next section for complete set of Board decisions in this area.

| Date/Location | Decision/Resolution |
|--------------------------------|---|
| April 2005 Geneva | <ul style="list-style-type: none"> • Endorsed the ongoing work on linking GAVI support to health systems support to other global health initiatives and specifically requested the Secretariat to engage with other initiatives to ensure complementarity, effectiveness and efficiency when investing in capacity building. • Supported in general the idea of a window for GAVI funding to strengthen health systems but expressed concern that a balance needs to be struck between focus on immunization, country-driven demand, and innovation. |
| July 2005 Paris | <ul style="list-style-type: none"> • Endorsed the principles for health systems support in phase 2. • Approved the continuation of immunization services support (ISS), including extension of support to all GAVI-eligible countries, and the opening of a new funding stream for Health Systems Support (HSS). |
| December 2005 New Delhi | <ul style="list-style-type: none"> • Approved the HSS investment case, including provision for an evaluation in 2009, and agreed to set aside \$500m for this support from 2006 to 2010. • Approved that the poorest countries (less than \$365 GNI per capita) should be allocated twice as much funding as the less poor countries (between \$366 and \$1000 GNI per capita) |
| May 2007 Geneva | <ul style="list-style-type: none"> • Approved the recommendations of the IRC for New Vaccines, Immunisations Services Support, and Health Systems Strengthening, and endorsed corresponding budgets for: <ul style="list-style-type: none"> - Multi-year programmes for New Vaccines Support: US\$ \$43,214,500; - Multi-year programmes for Immunisation Services Support: US\$ \$3,588,500; - Multi-year programmes for Health Systems Strengthening: US\$ 77,625,000. |
| February 2008 Washington DC | <ul style="list-style-type: none"> • Approved an increase in the GAVI Health Systems Strengthening window by US\$300 million, allowing all countries to apply for one round, and three countries (Pakistan, Rwanda and Sierra Leone) with planning cycles ending in December 2009, to reapply for one additional round of funding. |
| June 2008 Geneva | <ul style="list-style-type: none"> • Approved an envelope of up to \$1.6 million for the expanded GAVI Health Systems Strengthening (HSS) tracking study. • Endorsed budgets for multi-year programmes for Health Systems Strengthening (HSS) totalling US\$ 94,619,500 and for Civil Society Organisation (CSO) support totalling US\$ 6,326,000. |
| November 2009 Hanoi | <ul style="list-style-type: none"> • Decided to take forward work with the World Bank, Global Fund to fight AIDS, TB and Malaria (GFATM), and WHO to develop a joint platform for health systems strengthening (HSS), in order to support the delivery of vaccines, in consultation with partner countries, civil society, development and funding agencies. |
| April 2010 Teleconference | <ul style="list-style-type: none"> • Requested the Secretariat continue work with the Global Fund, the World Bank, WHO and others partners on Track 1 - harmonisation of existing investments to ensure better health outcomes (including immunisation-related), and better value for money. • Requested the Secretariat continue to work on the implementation of Track 2 Option 1 through the development of a joint proposal form with the Global Fund. • Requested continued work on Track 2 Option 2 - funding based on national plans, such that 4-5 countries could be approved by the Board, and start implementation in 2010. • Endorsed a new three-year HSS budget for Nepal in the amount of US\$ 14,540,690 as within the scope of the GAVI Alliance's charitable mission. |
| June 2010 Geneva | <ul style="list-style-type: none"> • Endorsed a new HSS resource allocation method whereby the maximum potential amount of funding would be: <ul style="list-style-type: none"> - Based on an eligible country's total population and weighted against a graded gross national income (GNI) scale; - Never less than US\$ 3 million; - Never greater than the largest possible allocation for Platform-eligible countries, for non-low income countries. • Endorsed that the maximum share of funding for cash-based programmes in a given proposal round will be 15-25%. |

| Date/Location | GAVI Board Decision/Resolution |
|----------------------------|--|
| November 2010 Kigali | <ul style="list-style-type: none"> • Decided that all GAVI eligible countries should be eligible for the health system funding platform; • Decided that the projected three-year rolling average share of expenditure on cash-based programmes within GAVI’s overall programmatic expenditure should be within the range of 15-25% of the total; • Requested the Secretariat to establish mechanisms to ensure that GAVI funding through the cash-based programmes are designed to have a reasonable and demonstrable impact on immunisation programmes in the context of integrated service delivery, and that immunisation coverage is a credible outcome indicator for these activities; • Decided to pilot Incentives for Routine Immunisation Strengthening (IRIS). |
| July 2011 Geneva | <ul style="list-style-type: none"> • Requested the Secretariat to continue working with partners to rollout the Health Systems Funding Platform (the “Platform”) in a manner which ensures that the immunisation outcomes are clearly articulated in accordance with country demand, including assessing and addressing associated risks; • Requested the Secretariat to develop options for performance incentives for GAVI’s cash based support through the Platform in coordination with the design of the IRIS pilot; • Requested countries and their partners to carry out an analysis to establish the main reasons why countries have DTP3 coverage rates below 70 percent; why some countries have coverage rates stagnating at low level; and why some countries have seen declines in coverage over time. The aim of this analysis is to inform the design of targeted and enhanced support, including investment options, to this group of countries to improve coverage; • Requested the Secretariat to work with the Programme and Policy Committee (PPC) to develop a mechanism for ongoing technical input from partners on the design and implementation of cash based programmes; • Endorsed the bridging mechanism for Immunisation Services Support (ISS) set out in Annex 2 to the report to the Board on Cash Based Support; • Approved an amount of US\$ 7,214,100 for extensions for countries already receiving “Type B” support for civil society organisations (the “Type B Support Amount”); • Endorsed the transitioning arrangements from existing GAVI Health Systems Strengthening (HSS) support to the Platform as set out in Annex 4 to the report to the Board on Cash Based Support, Doc 08. |
| November 2011 Dhaka | <ul style="list-style-type: none"> • Decided not to proceed with IRIS as a standalone window of support; • Requested the Secretariat to roll out the performance based health systems funding in accordance with the design summarised in Annex 1 of the report (Doc 13) starting in 2012 for countries to use as their existing cash support elapses; • Requested the Secretariat to: <ul style="list-style-type: none"> - Continue to engage with partners in developing the assessment tools and to encourage them when needed to provide technical support; - Time the standard GAVI financial management assessment so that it can be taken into account when the Board or the Executive Committee makes its initial decision on approving cash support in a country and, subsequently, to conduct any further financial management assessments in accordance with the GAVI Transparency and Accountability Policy; - Create a standing mechanism to engage partners and technical experts to proactively steer and coordinate work and share lessons on health systems strengthening and other cash based support going forward; and - Propose to the Board a plan to monitor and evaluate GAVI’s cash support to countries. |
| June 2012 Washington DC | <ul style="list-style-type: none"> • Approved the revised GAVI Programme Funding Policy attached as Appendix A to the report on the Amendment to the Programme Funding Policy, Doc 06, with the following amendment to the first sentence of Annex 2, 4(d): <ul style="list-style-type: none"> - The Secretariat shall report back to the Board at each meeting on utilisation of the funding envelope. • Decided that Government remains the default approach but direct funding for CSO activities can be requested as part of a country Health Systems Funding Platform (HSFP) application. |

HSS Policy Overview

Section headings below represent GAVI Board meeting dates and locations. Board decisions and resolutions are taken directly from final meeting minutes (note that from 2010 – 2011 the term “*resolution*” was used instead of “*decision*”). Each section below includes the update or presentation made to the Board on HSS-related issues, followed by the related Board decision or resolution.

April 28 – 29, 2005, Geneva

Update on the Health System Support (HSS) investment case

- Much of the increase in resources for international health is going to global health partnerships. It is therefore important for these partnerships to look at systems issues. However, the work has to be aligned and this will take some time.
- In the country settings, programmes that are vertical at a global level are often integrated out of necessity. Solutions can often be found at the district level.
- Immunization provides a good entry point for looking at systems issues because it is concrete. Furthermore, if immunization does not work in a country it is unlikely that other basic health services are working well.
- The amount of funds that GAVI will give to health system is actually quite small, which is why it is so important to ensure that funding is complementary, and reflects national priorities.
- One of the greatest problems with health systems is turnover of staff; a common approach to this problem could be valuable.

BOARD DECISIONS

- Endorsed the ongoing work on linking GAVI support to health systems support to other global health initiatives and specifically requested the Secretariat to engage with other initiatives to ensure complementarity, effectiveness and efficiency when investing in capacity building.
- Supported in general the idea of a window for GAVI funding to strengthen health systems but expressed concern that a balance needs to be struck between focus on immunization, country-driven demand, and innovation. Clear mechanisms will need to be identified to ensure accountable use of resources while preserving maximum flexibility.
- Agreed that the timeline for submission to the GAVI Board for decision on this funding window should be delayed until December to give sufficient time for full consideration.

July 19 – 20, 2005, Paris

Immunization services support and health system strengthening

- Immunization services support (ISS) and health system strengthening (HSS) funding should be framed within the broader context of global initiatives. Complementary processes throughout health systems reduce burdens placed on countries.
- Both funding streams must remain clearly focused on immunization, especially considering that the funding needs in health systems are tremendous. The ratio of funding between HSS and ISS should be carefully monitored.
- It will be especially important to build monitoring processes into HSS funding from the start to ensure the most effective use of resources, and make adjustments to the process as needed.

BOARD DECISIONS

- Endorsed the principles for health systems support in phase 2, with the proviso that support should be time-limited.
- Approved the continuation of immunization services support (ISS), including extension of support to all GAVI-eligible countries, and the opening of a new funding stream for Health Systems Support (HSS) that would be focused on themed areas such as district-level support and human resources.

- Requested a detailed proposal for ISS and HSS support, including guidelines for countries and resource implications, be submitted to the December 2005 Board for implementation in 2006. It may be worth exploring whether ISS and HSS could be considered two 'panes' in one window.

December 6 – 7, 2005, New Delhi

Health systems investment case

- At its meeting in July 2005 the Alliance Board approved the continuation of immunization services support (ISS), including extension of support to all GAVI-eligible countries, and the opening of a new funding stream for Health Systems Strengthening (HSS) that would be focused on themed areas such as district-level support and human resources. All GAVI-eligible countries would be eligible for HSS, including those receiving ISS.
- Using GAVI resources to strengthen health systems represents a significant risk for the Alliance. However, the risk of not providing this support is far greater than the risk of entering into a considered strategy which includes active evaluation and flexibility to incorporate lessons learned from each successive year of support.
- The first countries that receive HSS will provide important experience to aid in the implementation of this support for all countries. Therefore criteria for selection of these first countries should be designed to provide a range of scenarios – from high performing countries with active sector wide approaches to countries which are facing the greatest challenges in increasing access to health services.

BOARD DECISIONS

- Approved the health system strengthening investment case, including provision for an evaluation in 2009, and agreed to set aside \$500m for this support from 2006 to 2010.
- Agreed to open the support to all eligible countries whose applications would be reviewed according to criteria to be developed.
- Requested the Secretariat to:
 - clarify how the funding will flow to countries;
 - work with partners to develop criteria for country applications for review and approval by the Alliance EC;
 - design the support in consultation with other global health partnerships.
- Approved that the poorest countries (less than \$365 GNI per capita) should be allocated twice as much funding as the less poor countries (between \$366 and \$1000 GNI per capita)

May 11 – 12, 2007, Geneva

Country programmes – recommendations of the IRC teams for new proposals and health systems: Dr. Frank Nyonator and Dr Maureen Law of the Independent Review Committees for New Vaccines / ISS and HSS respectively provided IRC recommendations for new support to countries. Discussion followed:

- Alliance partners have put a great deal of effort into supporting countries in the development of strong financial analysis, yet this is the area where most proposals remain lacking. It would be valuable if the Independent Review Committee and Secretariat could suggest practical solutions to improve this in future reviews.
- The Board commended the Independent Review Committee for its strong commitment to accountability and rigorous review methods.
- Despite overall improvements in the quality of submissions, a majority of country proposals still require revision or clarification. It is critical that Alliance partners strengthen their support to countries in the proposal development process in order to improve this. This will be critically important in the area of technical assistance for Health Systems Strengthening proposal development.
- GAVI must continue to stress the importance of civil society partners in the proposal development and implementation process.

- The Boards commended the Government of Liberia for the high quality and comprehensiveness of both its proposals for New Vaccines Support and Health Systems Strengthening. These proposals should be circulated as “best practice examples” to other countries.

BOARD DECISION

- Approved the recommendations of the IRC for New Vaccines, Immunisations Services Support, and Health Systems Strengthening, and endorsed corresponding budgets for:
 - Multi-year programmes for New Vaccines Support: US\$ \$43,214,500
 - Multi-year programmes for Immunisation Services Support: US\$ \$3,588,500
 - Multi-year programmes for Health Systems Strengthening: US\$ \$77,625,000.

Health Systems Strengthening update

Craig Burgess of the GAVI Secretariat provided an update on activities within the Health Systems Strengthening window. Discussion followed:

- Although the Alliance Board approved a total of \$500 million to support health systems through 2010, it is important that countries are not encouraged to rush their proposals because money will run out. The Board will reconsider HSS funding once this cap is reached.
- As the Alliance supports operational research for health systems, it must recognise the potential contribution of academic institutions within developing countries.
- It is important that GAVI’s funding for health systems support reach rural and remote areas, where systems are likely to be at their weakest.
- As global partners work to establish an overall framework for health systems, GAVI must ensure that its contribution fits with this strategy in a value-added manner. The Alliance should avoid setting up its own unique framework.

February 26, 2008, Washington DC

Health systems strengthening

Julia Watson from the UK Department for International Development (DfID) and a member of the HSS task team delivered a report and request to increase the budget window for GAVI’s Health Systems Strengthening (HSS) support. The presentation followed a previous request to the boards in November 2007, at which time the boards requested comprehensive HSS disbursement profile and further information on risk assessment. Discussion followed:

- The Boards noted that the process followed since November had been robust, resulting in a thorough analysis and risk profile and three well-considered options. In the future, however, it would be helpful if the experts providing the analysis to the boards present a clear recommended option, along with an explanation of the pros and cons of each option.
- The Boards acknowledged that GAVI is in the business of taking acceptable, well-conceived risks. While there are risks involved with HSS, there is also a significant risk of not achieving GAVI’s mission because of insufficient support to health systems.
- In considering the options, the boards stressed the principles of equity and predictability. Too many children are denied access to basic vaccines not only because of insufficient investment in health systems but because these investments can be unpredictable. Countries must be able to do forward-planning.
- A decision to increase the HSS budget window to allow all countries to apply for a first round of HSS funding, and three countries (Pakistan, Rwanda and Sierra Leone) to apply for a second round of HSS funding, does not commit GAVI to fund all requests, nor does it commit GAVI to any future funding requests for HSS.
- The GAVI boards will need further information on how round one funds are spent and obtain evidence that HSS is working through a clear, well devised assessment which is scheduled to take place 2009-2010. As yet, we have no results assessment against which to make the determination as funds only just began to flow to countries fairly recently.
- Clear guidelines for round two applications are essential; guidelines should include requirements for information on how countries are incorporating HSS funds into their own budgets, how funds are being audited.

- In future analyses of HSS disbursements, it will be important to distinguish the amounts GAVI disburses to countries from the amounts actually disbursed and spent within countries.
- Rigorous monitoring and evaluation mechanisms must be in place to ensure accountability. The HSS task team should submit a proposal at a future meeting to increase the board's confidence that the monitoring process will be sufficient to assess the impact of HSS.

BOARD DECISION

- Approved an increase in the GAVI Health Systems Strengthening window by US\$300 million, allowing all countries to apply for one round, and three countries (Pakistan, Rwanda and Sierra Leone) with planning cycles ending in December 2009, to reapply for one additional round of funding. This decision is taken with the understanding that the above considerations will be addressed.

June 25 – 26, 2008, Geneva

HSS monitoring update, including decision on tracking study

Craig Burgess, Programme Officer, GAVI Secretariat provided an update on HSS monitoring, and introduced the request for a tracking study. Discussion followed:

- The outcomes of the tracking study will be fully reflected in the full evaluation of the HSS window, to be conducted in end-2009/early 2010. Selection of countries for the study will reflect a wide range of circumstances, to ensure the results provide a balanced assessment of the issues.

BOARD DECISION

- Approved an envelope of up to \$1.6 million for the expanded GAVI Health Systems Strengthening (HSS) tracking study.

Country programmes – IRC recommendations on HSS proposals

Clifford Kamara of the IRC team for HSS presented the outcomes and recommendations of the HSS proposal review. Discussion followed:

- The GAVI boards commended the HSS IRC team for its thorough work and commitment to high standards when reviewing country proposals.
- GAVI's support for civil society organisations is challenging "business as usual" at the country level; it is to be expected that countries will face some challenges and delays as they work to build relationships with CSOs and design their proposals.
- For HSS proposals, representatives from WHO and UNICEF provide a great deal of support in the development process at country level; GAVI should explore how the partnership can offer this same high level of support in developing CSO proposals.
- The IRC recommended, in view of the relatively short time frame of existence of the CSO proposal process and the time required to generate sound proposals to this new initiative, that the CSO window be extended for at least one year and initial evaluations postponed by at least one year. This recommendation met with general approval in Board discussion.

BOARD DECISIONS

- Endorsed budgets for multi-year programmes for Health Systems Strengthening (HSS) totalling US\$ 94,619,500 and for Civil Society Organisation (CSO) support totalling US\$ 6,326,000.

October 29 – 30, 2008, Geneva

CEO report, including financial forecast

- Board raises concerns on data reliability and potential perverse incentives in relation to performance based funding such as ISS.

Audit and Finance Committee report

- JSI Research and Training Institute chosen as Health Systems Strengthening ("HSS") tracking study vendor.

June 2 – 3, 2009, Washington DC

Harmonised health systems funding

- GAVI decided to invest its resources in health systems in recognition that it is not vaccines but immunisation that saves lives; routine immunisation can only be delivered in functioning health systems.
- The move to better harmonise health systems funding has received wide support - notably from WHO member states - as a way to improve aid effectiveness, sustainability, and reduce duplication. It is clear that development aid creates significant transaction costs for developing countries. For example, Rwanda now reports annually to donors on 689 indicators; this is after negotiations to reduce reporting requirements.
- The High Level Task Force on Innovative Financing for Health Systems is timely, given the current financial climate. In particular, examination of cutting edge financing ideas such as online travel booking levies, or royalty streams from oil and gas extraction, could prove promising.
- GAVI's future investment in health systems and any decision about harmonisation must take into account the HSS mid-term evaluation and HSS tracking study currently in progress. Board members requested that reports from the on-going HSS evaluation and tracking study be made available to the PPC at the earliest possible time, in order to allow for the results from these pieces of work to inform the Secretariat's and the PPC's work in preparation of the GAVI's November Board meeting.
- Considering the uniqueness of each developing country setting and wide range of potential strategies, the Board will need to review a number of options for potential GAVI involvement in health system funding and for harmonising health system funding at the November Board meeting.

BOARD DECISION

- Endorsed continued exploration of a joint mechanism for investment in health systems to improve efficiency and effectiveness of health systems funding.
- Endorsed the proposed timeline and set of activities outlined.
- Endorsed that the Secretariat continues to work closely with the Programme & Policy Committee, the Board and Executive Committee through the chair and vice chair as the work develops to return to the Board with decision options at the November Board meeting.

November 17 – 18, 2009, Hanoi

Health systems strengthening joint platform

Sissel Hodne Steen, Chair of the Programme and Policy Committee (PPC) and Carole Presern, Managing Director, Special Projects presented to the Board a proposal to create a joint health system strengthening (HSS) funding and programming platform by harmonising HSS strategies between GAVI, the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), and the World Bank a (Doc #7). The proposal is to move forward with a small number of countries in 2010 to explore practical elements of a joint platform. Discussion followed:

- The Programme and Policy Committee has worked intensely since April 2009 to oversee GAVI's work on the joint platform, appointing a team of expert advisers to explore the potential for and risks of embarking on a path of harmonisation. The process has been highly inclusive, transparent and collaborative.
- The need for better harmonisation was clear. Representatives of the developing country constituency endorsed the work on a joint platform, citing the massive reporting requirements posed by multiple donors.
- It is critical to develop a more expressive and unambiguous description of health systems, and GAVI's potential contributions to strengthening them; GAVI's focus on immunisation must be preserved.

- There is a feeling amongst some in the board and the larger development community that there has been a lot of discussion and consultation and not enough sense of urgency in the work to date. Given the complexities and variations in country context it is not viable to design a perfect HSS strategy without testing the vision through practical application.
- However, some other board members felt that more details need to be worked on before launching pilot efforts. For example, the HSS evaluation was just released at the end of October; its findings need to be integrated into the design of any new effort. There were questions about how the joint platform would be operationalised at country level, what the overall funding envelope required for GAVI and the GFATM would be and how those costs would be allocated to the two. GAVI and the GFATM have different funding mechanisms, and the World Bank's mechanisms are different again; it is not clear how harmonisation could work. There were concerns that some of the existing HSS programs in country (ex. PEPFAR) would be incorporated in this exercise to enhance a comprehensive approach.
- The majority view was that GAVI should go forward with pilot efforts in 4-5 countries based on country demand. Countries must take the lead in refining the design of the platform and developing implementation strategies. However, there were concerns that the two 'alternatives' proposed to both the GAVI and GFATM boards were too restrictive and there should be opportunity to consider other options.
- With a few exceptions, civil society organisations have not played a significant role in most countries' GAVI HSS programmes. Going forward, it will be important for GAVI's efforts to ensure that CSOs are adequately included in the planning, financing and implementation activities.
- In relation to the Secretariat's proposal to stop accepting new country applications under existing GAVI HSS guidelines, board members were concerned that decisions about GAVI's current HSS programme should not be made in haste and suggested that the issue is best included as part of the same review under decision 6.2.
- Other Documents: GAVI Health Systems Strengthening Support Evaluation 2009.

BOARD DECISION

- Decided to take forward work with the World Bank, Global Fund to fight AIDS, TB and Malaria (GFATM), and WHO to develop a joint platform for health systems strengthening (HSS), in order to support the delivery of vaccines, in consultation with partner countries, civil society, development and funding agencies.
- Agreed that as part of this, GAVI should start work with 4-5 developing countries to implement the joint platform during 2010, taking into account the two alternatives proposed by the Programme and Policy Committee (PPC) but also considering other variations according to what best suits implementing countries.¹
- Requested the PPC to work with the Secretariat to determine how GAVI should act on recommendations of the GAVI HSS programme mid-term evaluation and tracking study and integrate these into work on the joint platform. The PPC should liaise directly with the GFATM Policy and Strategy Committee (PSC) and appropriate organs of the other joint platform partners.
- Requested the PPC to report by April 2010, at the latest, to the GAVI Executive Committee on:
 - How GAVI, the World Bank, GFATM and WHO propose to operationalise the joint platform;
 - How the joint platform will be implemented in 4-5 countries in 2010, including provision of adequate technical assistance;

¹ Alternative 1: Single HSS Funding Proposal. This harmonises the processes between GAVI and GFATM (and indirectly the World Bank). Countries would apply against one form, with one set of guidelines for HSS. There would be one HSS review panel drawing its membership from both GAVI IRC and GFATM TRP. WB has different processes and does not need a proposal, or a separate review process, but any application would be fully integrated with WB country financing. Alternative 2: Country based. Fully harmonised and aligned, based on a jointly assessed single National Health Plan, using an annual review process and, agreed monitoring and evaluation framework. Independent appraisal would take place in country, with participation from members of the joint HSS panel members.

- How GAVI and other joint platform partners will monitor and learn lessons from implementation in these 4-5 countries;
- How the joint platform will better enable the GAVI Alliance to achieve its objectives, including in relation to vaccines and immunisation;
- Transition arrangements from existing GAVI health systems strengthening support to the joint platform.
- Decided that it will consider the new country HSS proposals recommended by the October 2009 IRC after reviewing agreed prioritisation principles, available financial resources, potential supply constraints and ongoing work on the joint platform.²
- Agreed that on the basis of this, GAVI will decide how best to request new proposals for support to HSS.

April 20, 2010, Teleconference

Health Systems Funding Platform and Programme Funding Plan – Nepal HSS

Gustavo Gonzalez-Canali, Programme and Policy Committee (PPC) Chair noted the Board requested the PPC to report on plans to operationalise, pilot, and monitor a potential Health Systems Funding Platform (HSFP) and so described the collaborative work performed with the World Bank and the Global Fund to fight AIDS, TB, and Malaria (Global Fund) along with WHO on the platform (Doc #5 in the board pack).

- The Board noted that implementing the platform would demonstrate the harmonisation principles of the Paris and Accra accords. Still, there is a need to eventually assess vaccine-related results and the platform's impact on the MDGs.

BOARD DECISION

- Affirmed the critical importance of strong health systems to achieve GAVI's mandate and endorsed health systems support which focuses on service delivery bottlenecks, and which seeks to achieve outcomes for MDGs 4 (particularly immunisation-related outcomes), 5 and 6.
- Requested the Secretariat continue work with the Global Fund, the World Bank, WHO and others partners (bilateral agencies, other UN agencies, civil society organisations, private sector, etc.) on Track 1 - harmonisation of existing investments to ensure better health outcomes (including immunisation-related), and better value for money.
- Requested the Secretariat continue, based on consultations at country level, to work on the implementation of Track 2 Option 1 through the development of a joint proposal form with the Global Fund. The joint proposal form would be approved by the Programme and Policy Committee, for use as soon as possible. Any funding proposals using this new joint proposal form would be subject to IRC review and Board-approval processes.
- Requested continued work on Track 2 Option 2 - funding based on national plans, such that 4-5 countries could be approved by the Board, and start implementation in 2010. There will be a focus on lesson learning, partner engagement, results, and mechanisms for building health systems capacity at country level as part of the implementation (taking account of evaluation findings).
- Requested the Secretariat increase dialogue with partners, and develop a communications strategy with the Global Fund, the World Bank and others.
- Requested GAVI work with the Global Fund and other partners in the lead-up to the 2012 evaluation of the Health Systems Strengthening programme, to ensure there is an independent evaluation of the Health Systems Funding Platform.
- Endorsed a new three-year HSS budget for Nepal in the amount of US\$ 14,540,690 as within the scope of the GAVI Alliance's charitable mission.
- Approved a near-term financial commitment for Nepal HSS in the amount of US\$ 4,656,945.

² In October 2009, the IRC approved five HSS proposals (Benin, Gambia, Lao PDR, Nepal and Somalia) and four were approved with clarifications (Guinea, Mauritania, Niger, Togo) totalling \$42.8 million over the 2010 – 2015 period.

Report on the 2009 Workplan

- The Secretariat's financial spend rate was lower in relation to other implementing agencies. The Secretariat explained one of the main areas of underspending was health systems strengthening (HSS) as it had held off certain activities related to GAVI's existing HSS window in favour of the Health Systems Funding Platform (HSFP). Further, funds allocated for implementation of the TAP were not fully used due to delays in recruitment of the TAP team, and fundraising in the Middle East had been postponed.³

Report of the PPC – HSS Resource Allocation

Carole Presern, Managing Director, Special Projects presented the PPC-recommended method for allocating the maximum grant an eligible country could receive through the HSS programme (Doc #11). The new method is compatible with the principles the Prioritisation Task Team identified and better allocates funds to the countries with the greatest need. Discussion ensued:

- The formula of the PPC-recommended method is such that half of the maximum potential award would be based on total population and the other half on a sliding GNI scale to the benefit of the poorest countries.
- Strengthening the capacity of integrated health systems to deliver immunisation is an important "niche" area. Increasing complexity for the health systems window could make communication more challenging as well as possibly create more bureaucracy.
- Some countries are GAVI-eligible but not Platform-eligible. If a future decision is made to make HSS funding available to these countries, the same formula with a ceiling would be applied.

BOARD DECISION

- Endorsed a new HSS resource allocation method whereby the maximum potential amount of funding would be:
 - Based on an eligible country's total population and weighted against a graded gross national income (GNI) scale
 - Never less than US\$ 3 million
 - Never greater than the largest possible allocation for Platform-eligible countries, for non-low income countries.

Resource Envelope for Cash-Based Programmes

- The Secretariat also requested the Board to consider whether the US\$ 179 million remaining under the original HSS window ought to be reallocated to vaccine programmes.⁴

BOARD DECISION

- Endorsed that the maximum share of funding for cash-based programmes in a given proposal round will be 15-25%
- Retained the notional US\$ 179 million not yet expended from the original HSS window subject to availability of funds and in line with maintaining the appropriate balance between vaccine and cash programmes
- Shall revisit this decision at its November 2010 meeting based on further advice from the PPC as to what extent the maximum share of cash-based programmes funding includes HSFP funding.

³ In 2009, 46% of approved GAVI HSS countries were approved for funding (against a target of 65%). However, 22% of approved GAVI HSS countries had not received funding due to various reasons. These range from IFFIm/board timings and decision making, requirements for FMAs, inadequate information on APRs, difficult country negotiations related to either OFAC regulations or negotiations to Partners (e.g. DPRK, Myanmar, Cuba, North Sudan, Somalia and Pakistan) and inadequate information on banking details.

⁴ This was proposed in response to the Board concern regarding HSS underspending and the shortfall in the vaccine portfolio. The 2010 replenishment had not yet been received so there was concern about having sufficient funds for vaccines.

Health System Strengthening (HSS) Window

Carole Presern, Managing Director, Special Projects reported on the Health Systems Funding Platform, (Doc #11a-b) requesting approval on two issues: country eligibility for GAVI HSS programmes and the use of the unallocated notional amount of funds from the original HSS funding envelope for HSS programmes. As part of the report, Dr Presern updated the Board on platform activities and plans for 2011. Discussion followed.

- Different eligibility requirements are confusing to countries and excluding low-middle income countries sends the wrong message. It was agreed that GAVI should rely on the prioritisation mechanism should sufficient funds not be available.
- It would be helpful to develop indicators focusing on how funding for health systems impact immunisation goals.
- GAVI should engage more proactively with civil society in administering the HSFP.
- Given the development of the HSFP, the original window should be closed and the notional amount of US\$ 179 million in that original window should be available for any programme funding.

RESOLUTION:

- Decided that all GAVI eligible countries should be eligible for the health system funding platform;
- Decided to close the original Health Systems Strengthening (HSS) window and release the notional amount of US\$ 179 million that remains unallocated from that original window;
- Decided that the projected three-year rolling average share of expenditure on cash-based programmes within GAVI's overall programmatic expenditure should be within the range of 15-25% of the total;
- Requested the Secretariat to establish mechanisms to ensure that GAVI funding through the cash-based programmes are designed to have a reasonable and demonstrable impact on immunisation programmes in the context of integrated service delivery, and that immunisation coverage is a credible outcome indicator for these activities.

Incentives for Routine Immunisation Strengthening (IRIS)

Peter Hansen, Director, Monitoring & Evaluation presented the PPC recommendations on a proposed new performance-based funding window – Incentives for Routine Immunisation Strengthening (IRIS). IRIS was designed to increase immunisation coverage and equity in countries with DTP3 coverage of less than 70%.

Dr Hansen addressed the need to assess the suitability of IRIS in India and Nigeria. He then discussed the phase out of ISS and the details of the IRIS window, including the fact that IRIS grants would be comprised of both a fixed payment and a performance payment (Doc #11c).⁵

RESOLUTION:

- Decide to pilot IRIS;
- Decide to suspend the November 2009 decision of the Board to raise the filter to 70% thereby re-establishing the filter to 50% for DTP3 coverage for the upcoming round of applications;
- Request the PPC to provide the Board at the retreat in April 2011 with a comprehensive approach on cash-based support to countries including a strategy for countries that are below 70% DTP3 coverage or have stagnating or declining coverage; and
- Request the PPC to define the implementation of the IRIS pilot.

⁵ Due to limitations with the ISS programme and results from the Second GAVI Evaluation in (2007 – 2010), the Secretariat proposed closing the existing ISS window in favour of IRIS, which was designed as a follow-on programme to ISS. Instead, in July 2011, the Board approved a bridging mechanism for ISS until countries could apply for HSFP funds.

July 7 – 8, 2011, Geneva

Review of cash based programmes

Nina Schwalbe, MD, Policy and Performance; Mercy Ahun; Peter Hansen, Director, Monitoring and Evaluation; and Par Eriksson, Senior Programme Officer, Programme Delivery presented the Programme and Policy Committee's ("PPC") recommendations. These included to continue working with Health Systems Funding Platform ("HSFP") partners to ensure immunisation outcomes are clearly articulated, and to implement bridging finance for programmes transitioning from GAVI's HSS, ISS, and CSO support programmes to the Health Systems Funding Platform (Doc #8).

RESOLUTION:

- Requested the Secretariat to continue working with partners to rollout the Health Systems Funding Platform (the "Platform") in a manner which ensures that the immunisation outcomes are clearly articulated in accordance with country demand, including assessing and addressing associated risks;
- Requested the Secretariat to develop options for performance incentives for GAVI's cash based support through the Platform in coordination with the design of the Incentives for Routine Immunisation Strengthening (IRIS) pilot;
- Requested countries and their partners to carry out an analysis to establish the main reasons why countries have DTP3 coverage rates below 70 percent; why some countries have coverage rates stagnating at low level; and why some countries have seen declines in coverage over time. The aim of this analysis is to inform the design of targeted and enhanced support, including investment options, to this group of countries to improve coverage;
- Requested the Secretariat to work with the Programme and Policy Committee (PPC) to develop a mechanism for ongoing technical input from partners on the design and implementation of cash based programmes;
- Endorsed the bridging mechanism for Immunisation Services Support (ISS) set out in Annex 2 to the report to the Board on Cash Based Support, Doc 08;
- Approved an amount of US\$ 7,214,100 for extensions for countries already receiving "Type B" support for civil society organisations (the "Type B Support Amount") and delegate to the Secretariat the authority to approve such extensions up to the Type B Support Amount in accordance with the process set out in Annex 3 to the report to the Board on Cash Based Support, Doc 08. Should there be a need for further extensions beyond this approved amount, a further request for bridge funding for Type B support will be submitted to the Board for consideration;
- Requested the Secretariat, concurrently with the evaluation of CSO support in 2011, to review options for direct support to CSOs for service delivery and advocacy and submit to the PPC for its recommendation to the Board. In the meantime, systematically promote CSO engagement through the Platform in those countries due to receive all forms of GAVI support; and
- Endorsed the transitioning arrangements from existing GAVI Health Systems Strengthening (HSS) support to the Platform as set out in Annex 4 to the report to the Board on Cash Based Support, Doc 08.

November 16 - 17, 2011, Dhaka

Performance based funding support to countries

- Peter Hansen, Director of Monitoring and Evaluation, presented a PPC endorsed approach to link GAVI's cash support to immunisation outcomes. In summary, GAVI's cash support will be split into two different types of payments: fixed and performance. GAVI will classify countries into three categories depending on their immunisation coverage rates to determine the proportion of fixed versus performance based payments.
- With the exception of the new vaccine introduction grants and potentially support to civil society organisations, the PPC had recommended that all of GAVI's cash support to countries should be

included in this approach. However, it is recognised that for some countries (such as fragile states, large population countries and countries with lower coverage rates), GAVI needs to retain flexibility in how its cash support is designed and applied.

- Board members requested clarification on the relationship of performance based funding with cash based programmes and with national strategies. Peter Hansen explained that the recommendation is that all of GAVI's cash based support be provided through one programme; there would be no separate IRIS, Immunisation Services Support (ISS), or Health Systems Strengthening (HSS) funding windows. The Board agreed that the communication on this new approach must be clear for countries.
- The Board noted that data quality is a matter of concern – not only inaccurate data but also the possibility of manipulation of data. The Board discussed the associated reputational risk for GAVI and suggested developing criteria for assessing data quality. It was recognised that more work is needed to assess and improve country data systems and to advance innovation in coverage estimation, such as through the use of biomarkers, and that such work is included in the business plan for 2012.
- Despite these concerns, the Board agreed that it was important to move forward and to make adjustments as needed as the performance based funding is rolled out. Given the complexity of the issue, the Board agreed to create a standing mechanism to engage partners and technical experts to proactively steer and coordinate work and share lessons on health systems strengthening and other cash based support going forward.
- The Board reiterated the need for more work on fragile states and underperforming countries, and tailored approaches.
- Board members suggested the timing of payments should be carefully considered given that part of the payment will only be made following the measurement of results.
- The Board also noted the suggestion by the CSO constituency that a dual track mechanism be introduced to ensure that there is a set-aside for CSOs, considering their key role in delivery and health systems. They welcomed a discussion on this issue as part of the paper on options for direct funding to CSOs that is expected to come to the PPC and Board in spring 2012.
- The Board requested that the Secretariat share the documents behind the Task Team that defined the recommended design.
- The Board recognised the need for a broader discussion around how to best provide support for effective health systems, both in terms of addressing key dimensions and bottlenecks, and also as ways of improving aid effectiveness. This discussion should include partners such as the Global Fund, the World Bank, and WHO. It is not necessary that GAVI lead such a discussion but GAVI should be a part of it.

RESOLUTION:

- Decided not to proceed with IRIS as a standalone window of support;
- Requested the Secretariat to roll out the performance based health systems funding in accordance with the design summarised in Annex 1 of the report (Doc 13) starting in 2012 for countries to use as their existing cash support elapses;
- Recognised the PPC request to the Secretariat to develop a policy that clearly defines the GAVI Alliance's approach to fragile and under-performing countries; and
- Requested the Secretariat to:
 - Continue to engage with partners in developing the assessment tools and to encourage them when needed to provide technical support;
 - Time the standard GAVI financial management assessment so that it can be taken into account when the Board or the Executive Committee makes its initial decision on approving cash support in a country and, subsequently, to conduct any further financial management assessments in accordance with the GAVI Transparency and Accountability Policy;
 - Create a standing mechanism to engage partners and technical experts to proactively steer and coordinate work and share lessons on health systems strengthening and other cash based support going forward; and
 - Propose to the Board a plan to monitor and evaluate GAVI's cash support to countries.

June 12 – 13, 2012, Washington DC
(Final minutes for no-objection consent)

Amendment to the Programme Funding Policy

Wayne Berson reported that the Audit and Finance Committee recommended to the Board that it approve the revised Programme Funding Policy (Doc 6). He commented that the revised policy provided a sensible delegation to the Secretariat to allot amounts to individual programmes in the course of the year for new cash-based proposals and extensions, renewals, and adjustments of existing vaccine and cash-based programmes within a Board or Executive Committee-approved funding envelope. He noted this arrangement would be more efficient than the current governance-intensive process, while retaining sufficient Board and committee oversight of Secretariat decision-making.

Barry Greene then reviewed the current approach to approving cash programmes and extending vaccine programmes, the proposed new approach, the pros and cons of each approach, and the safeguards in place for Board and committee oversight of Secretariat decision-making.

Discussion:

- The Chair commented that this was the right type of decision-making to delegate and that it would result in fewer ad-hoc committee meetings by reserving the large funding envelope decision to the Board or Executive Committee but delegating decision-making within that envelope to the Secretariat. It is based on proper routines of reporting back to the Board.
- It was asked what would happen if after the funding envelope amount was fully allotted there were further needs to be addressed. It was confirmed that in that event, the Secretariat would have to approach the Board or EC to adjust the envelope. While Secretariat authority was limited to amounts approved for the envelope the Board or EC could approve additions to the envelope at any time. Accordingly, the envelope did not limit the Board's ability to approve additional funding.
- Some Board members expressed concern that the Secretariat's authority to approve new cash programmes would decrease the Board's fiscal ownership over health systems programming and the Health Systems Funding Platform. To ensure this ownership is maintained, it was agreed that health systems strengthening should be a standing item on the Board agenda, and as part of the Secretariat's reporting, the Board should be updated on revisions to programme funding commitments. The conclusions of the Health Systems Funding Platform IRC (HSFP IRC) should be included in this report. In addition, the Chair of the HSFP IRC, or his/her delegate, should report to the Board upon request.
- The Board discussed the frequency of reporting and to what entity such reports should be made. It was agreed that the Secretariat shall report back to the Board at each meeting on utilisation of the funding envelope.
- One Board member advocated a no-objection approval alternative. The Board decided not to follow that approach as that would not be a delegation to the Secretariat, and the Board was generally comfortable with the simplicity the original proposal offered. Armin Fidler, alternate Board member representing the World Bank voiced reservations with regard to the Secretariat's proposal and offered a compromise solution in terms of a no-objection alternative. However, this proposal was not endorsed by the full Board.

BOARD DECISION

- Approved the revised GAVI Programme Funding Policy attached as Appendix A⁶ to the report on the Amendment to the Programme Funding Policy, Doc 06, with the following amendment to the first sentence of Annex 2, 4(d):
 - The Secretariat shall report back to the Board at each meeting on utilisation of the funding envelope.

⁶ The Board or EC may approve a funding envelope which will be allotted by the Secretariat in the upcoming calendar year, or other period as the Board or EC may specify, for the continuation and adjustment of funding for new and existing HSFP programmes (as recommended by the HSFP IRC or Monitoring IRC, respectively).

GAVI support to Civil Society Organisations

- Paul Kelly, Director, Country Support, presented the recommendations of the PPC to the Board on GAVI support to Civil Society Organisations. He highlighted the important role of the Interagency Coordinating Committees (ICC) in ensuring CSO inclusion in country HSFP applications.
- Board members noted that proposals for directly funding CSOs will be considered on a country-by-country basis in particular taking into consideration countries where CSOs play an important role in vaccine delivery and where the relationship between governments and CSOs are not well developed.
- Board members also noted that some countries have on-going GAVI HSS multi-year commitments. CSOs in these countries may not be able to engage until the country prepares a new HSFP application. Some countries may not apply at all. GAVI will work closely with countries to promote the involvement of CSOs in HSS/HSFP discussions and where appropriate, facilitate reprogramming of current grants to integrate CSO participation. A majority of GAVI-eligible countries are expected to have applied for new HSFP support involving CSOs by the end of 2013.

BOARD DECISION

- Decided that Government remains the default approach but direct funding for CSO activities can be requested as part of a country Health Systems Funding Platform (HSFP) application (Option 3).
- While provision of funds to CSOs through the HSFP is the recommended option, it should not limit GAVI's flexibility to engage CSOs directly where rare GAVI Alliance Board Meeting 12-13 June 2012 Board-2012-Mtg-2 25 and exceptional circumstances require different approaches. Approaches should be developed in response to country-specific analysis.
- Requested the Secretariat to prepare an implementation framework recognising an increased risk in procurement and financial management and potential resource implications for the Secretariat and which draws on the findings of the evaluation of GAVI support to CSOs and presents why and how GAVI works with and supports CSOs.