Report to the
GAVI Alliance Board
4-5 December 2012

Subject:	**2013-2014 Business plan and budget**
Report of:	Helen Evans, Deputy CEO
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Agenda item:	06
Category:	For Decision
Strategic goal:	Affects all strategic goals

Section A Overview

1 Purpose of the report

1.1 This report provides the Board with an overview of the key programmatic and budget aspects of the 2013-14 Business Plan, the operating model to implement it and the allocation of resources across priority areas.

1.2 A summary of the Business Plan programme objectives, deliverables, costs, and main activities are included in Annex 1 of this document. Annex 2 provides the background information for the changes in baseline and corresponding targets for some of GAVI's Business Plan indicators. More details are included in two Appendix documents available on the myGAVI site[1], including a narrative describing key work areas in details, and an excel document providing details on deliverables, activities and budget.

1.3 The Business Plan takes into account the outcomes from the workshops held in May 2012 which informed high level guidance on the priorities for the next two year business plan provided by the Board on 12 June 2012, and reviews by the Executive Committee (EC) on 20 September 2012, the Programme and Policy Committee (PPC) on 17 October 2012, the joint Audit and Finance Committee (AFC)/PPC meeting on 9 November 2012 and the EC meeting on 15 November 2012.

1.4 At their joint meeting on 9 November, the PPC and AFC recommended to the Executive Committee that it, in turn, recommend the 2013-2014 business plan and budget to the Board, subject to UNICEF Supply Division submitting the clarifications requested by the committees. In addition, the AFC recommended the Board to approve the carry-forward mechanism, described in Annex 8.

[1] Page available on http://mygavi/display/boardgroup/Board+additional+documents

1.5 The EC then recommended to the Board that it approves the 2013-2014 Business Plan and budget taking into account comments received during the EC meeting and subject to the CEO, with the Internal Auditor, finalising the discussion with UNICEF on the Supply Division budget. The comments during the EC focused GAVI's efforts on greater understanding of how the business plan will address bottlenecks to immunisation through health systems strengthening, more detail on the Secretariat budget, and on the accountability mechanism between partners and at country level.

1.6 The clarifications requested are provided in Annexes 3, 4 and 5 to this paper. At the time of the writing of this paper, discussions with UNICEF Supply Division were ongoing. The Board will receive an update at its meeting in December.

2 Recommendations

2.1 The Board is requested to:

a) **Approve** the Business Plan structure, including programme objectives, deliverables, activities and their allocation to partners and the Secretariat.

b) **Approve** US$ 51,035,000 for WHO to implement its part of the 2013 Business Plan and US$ 51,280,000 for the WHO part of the 2014 Business Plan as outlined in Figure 3 of Doc 06.

c) **Approve** US$ 30,850,000 for UNICEF for activities and procurement fees under the 2013 Business Plan and US$ 34,400,000 for activities and procurement fees under the 2014 Business Plan as outlined in Figure 3 of Doc 06.

d) **Approve** US$ 1,710,000 for civil society organisations for actitivites under the 2013 Business Plan and US$ 1,752,000 for activities under the 2014 Business Plan as outlined in Figure 3 of Doc 06.

e) **Approve** US$ 76,996,000 for the Secretariat operating expenses and US$ 3,414,000 for a capital expenditure budget for the 2013 Business Plan and US$ 79,163,000 for the operating expenses for the 2014 Business Plan as outlined in Figure 3 of Doc 06.

f) **Approve** US$ 21,672,000 for the implementation of the remainder of the 2013 Business Plan, including AVI TAC, implementation activities and impact assessments and US$ 22,265,000 for the implementation of the remainder of the 2014 Business Plan, including AVI TAC, implementation activities and impact assessments, as outlined in Figure 3 of Doc 06.

g) **Approve** the budget carry-forward mechanism described in Annex 8 of Doc 06.

h) **Approve** the inclusion of language on gender in Programme objectives 2.1.2 and 2.2.1 as described in Section D, paragraph 6[2].

3 Executive Summary

3.1 The GAVI Alliance Business Plan 2013-14 summarised in Annex 1 maps out how to deliver on GAVI's mission and four strategic goals by achieving clearly defined critical deliverables, targets and resource allocations.

3.2 As of mid-2012, GAVI is behind schedule in three key areas: country introductions[3], increasing coverage, and increasing equity. As such, the Business Plan 2013-14 gives particular attention to these areas as well as to the five following priorities endorsed by the Board in June 2012:

(a) Increased in-country implementation and follow-through i.e. increasing direct technical support to ensure country readiness to introduce vaccines, successful implementation of roll out and sustained levels of post-introduction coverage;

(b) Accelerating progress on equity and coverage i.e. more rapid progress in achieving coverage and equity levels targeting key under-performing countries (e.g. Nigeria, Chad, Liberia, Central African Republic);

(c) Sustaining immunisation programmes post-graduation i.e. increasing emphasis on supporting countries that are underperforming on immunisation financing; supporting graduating countries successfully transition from GAVI support; and seeking stronger engagement of the World Bank in this area;

(d) Increasing the availability and use of operational data i.e. improving coverage data quality; and generation and use of more operational performance data (e.g. vaccine stock levels); and

(e) Strengthening of the HSS mechanism i.e. more streamlined and effective HSS grant mechanism to ensure link with immunisation outcomes, faster disbursements and, strengthened implementation, tracking and monitoring of GAVI HSS grants.

3.3 In addition to ensuring a focus on the priorities, the plan also improves on a number of points related to how the GAVI Secretariat and partners work through the Business Plan, with some important changes to the operating model, as follows:

(a) Increased focus on targeted countries for specific activities and deliverables and emphasis on providing countries with greater levels of in-country tailored support[4].

[2] This addition was suggested by a donor constituency after the review of the Business Plan structure by the PPC in October 2012.

[3] Delays on vaccine introductions are linked with vaccine supply constraints which should be resolved in 2013-14. GAVI should then be able to catch up, conditional on adequate country readiness to introduce the vaccines.

[4] The business plan includes details on what activity will be conducted in which country.

(b) Specific budget to leverage skills and expertise of additional in-country partners and technical assistance.

(c) Increased funding for regional (WHO) and in-country staff (UNICEF) to support GAVI programmes and activities.

(d) Greater clarification of roles, responsibilities and accountabilities of in-country partners and the Secretariat across specific areas in the plan.

3.4 The Secretariat and partners' roles and responsibilities across the Business Plan have been clarified across the various strategic goals. They can be summarised as follows:

Key roles across strategic goals

Main responsibilities

	SG1	SG2	SG3	SG4	ACPP	M&E	Policy
WHO	▪ NRAs/ NITAGs ▪ Applications ▪ Introduction support	▪ Coverage improvements ▪ HSS applications/re programming	▪ Support to defaulter and graduating countries	▪ Support market shaping		▪ Coverage data ▪ Surveillance ▪ Vaccine safety ▪ Cost and impact assessments	
UNICEF	▪ Cold chain & logistics ▪ Social mobilisation ▪ MR applications	▪ Equity	▪ Immunisation expenditure tracking	▪ Vaccine procurement		▪ Coverage data	
AVI TAC	▪ In-country advocacy				▪ Global communica-tions	▪ Scientific studies	
CRS		▪ CSO involve. in policy dialogue					
GAVI Sec	▪ Managing introduction activities ▪ Coordinate on supply chain	▪ Lead HSS mechanism ▪ Manage specific HSS TA	▪ Support to graduating/ defaulters ▪ Lead resource mobilis./innov. finance	▪ Strategic forecasts ▪ Lead market shaping	▪ Lead global advocacy communica-tion activities, value of vaccines	▪ Grant review/monitor. (incl. IRC) ▪ Manage eval./studies ▪ DQA	▪ Lead policy develop. (e.g., Vaccine invest. strategy)

3.5 As detailed in the 2012 enhanced business plan and budget submission, a significantly strengthened Country Programmes department is key to moving to a much more pro-active management of GAVI deliverables in-country. The team of Country Responsible Officers in the Secretariat is now fully staffed and is beginning to take an active stewardship role of GAVI programmes and activities in-country. This will enhance linkages between each of the strategic goals at the country level.

4 Risk implication and mitigation

4.1 A risk management process was put in place at the start of the 2011-2015 strategy, whereby key risks and mitigation actions are discussed on a quarterly basis by GAVI's management and recently has also included the major implementing partners. The Business Plan 2013-14 specifically addresses the

key risks for GAVI and the steps that have been taken are described in the Doc 11 of the Board pack.

4.2 In addition, there are two main risks associated with the current plan for 2013-14, namely:

(a) Inability to catch-up on introductions and coverage targets. Several factors could lead to this, particularly: the supply constraints, country readiness, inadequate technical assistance, inability to move from assessment to implementation; and, lack of political will in-country. The Business Plan is attempting to mitigate this risk through an explicit focus on implementation, diversification of partners involved, and political-will strengthening activities in a set of critical countries[5].

(b) Inability to measure and demonstrate impact: This risk has been discussed in detail by the PPC, which recommended to increase funding allocated to studies on the measurement of GAVI's impact and effectiveness of GAVI vaccines. In addition to the studies conducted by AVI TAC and approved by the Board in June, the Business Plan includes US$ 5 million in 2013, and $7.7 in 2014 for areas reviewed by the PPC and additional assessments to be determined in early 2013. Funding will be allocated in accordance with GAVI's procurement procedures. This would keep GAVI's investments in assessment impacts, including ongoing and new studies, consistent over the two year business plan period (see Section C 2.1, figure 3)[6].

(c) Interruption of activities whose responsibility for funding is transitioning back to their 'home agencies' (e.g. waste management, injection safety, Yellow Fever support, data collection and reporting). This will require continuous attention from GAVI Alliance partners and engagement of donors to ensure that recurrent activities have the necessary funding[4].

5 Business plan budget

5.1 In response to country demand, overall programme expenditure for GAVI is expected to grow by 269% between 2010 and 2014, from an annual level of US$ 0.5 billion in 2010 to US$ 1.9 billion by 2014 – almost four times the 2010 level. The major step-change has already commenced in 2012, with programme expenditure expected to reach US$ 1.1 billion – almost twice the 2010 level. In comparison, the Business Plan budget proposed for 2013-14 shows a growth of 76% on the 2010 level by 2014 (see Figure 1).

[5] In the GAVI risk register, this risk is broken down into several risks: Lack of supply; Country readiness to introduce vaccines, and insufficient technical assistance.

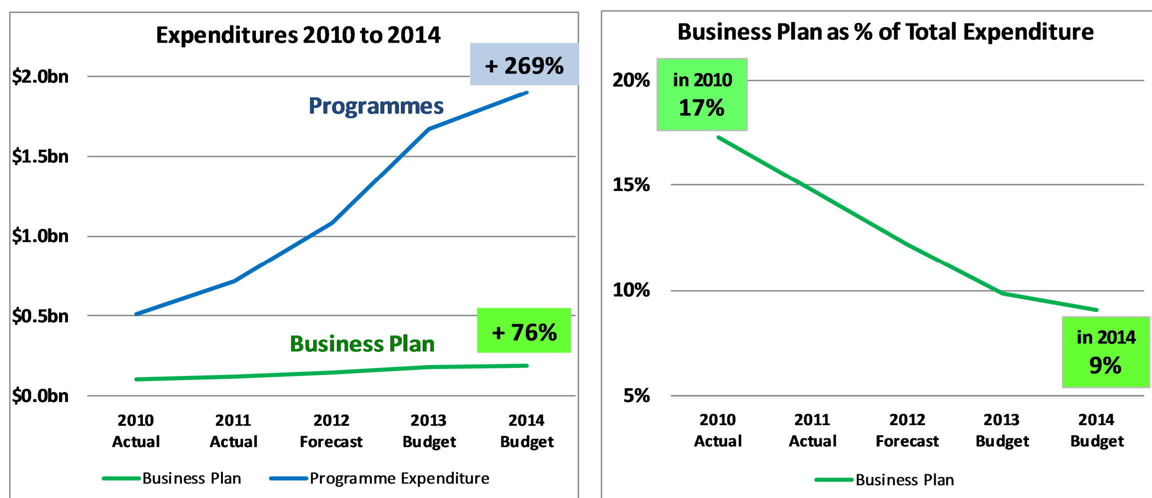
[6] This risk is new and additional to the risk register. It will be added starting in Q4 2012.

Figure 1: Evolution of expenditures from 2010 through 2014

US$ million	2010 Actual	2011 Actual	2012 Budget	2013 Budget	2014 Budget	2010 to 2014 Change
Business Plan						
- Secretariat	49	54	79	77	79	60%
- Partners	56	69	76	94	99	78%
- Impact assessments	2	3	8	11	11	339%
Business Plan	**107**	**125**	**162**	**182**	**189**	**76%**
			+ 30%	*+ 12%*	*+ 4%*	
Programme Expenditure	**516**	**721**	**1,372**	**1,670**	**1,902**	**269%**
Total Expenditure	**623**	**845**	**1,534**	**1,852**	**2,090**	**235%**
Business Plan % of Total	***17%***	***15%***	***11%***	***10%***	***9%***	

5.2 Although the recommended GAVI Alliance Business Plan budget is increasing by 12% in 2013 and 4% in 2014 – it should be noted that Business Plan costs represent a declining percentage of total expenditure, reducing from 17% in 2010 to 10% in 2013 and to 9% in 2014 (see Figure 1a).

Figure 1a: Business Plan represents a declining share of total expenditure



5.3 The budgetary implications are outlined in Section C. The relationship between budget and deliverables are outlined in Annex 1 and the budget for the Secretariat is detailed in Annex 5 and the budgets for WHO and UNICEF in Annex 6. All budgets were subject to peer review by implementing partners to ensure efficiency, and where appropriate, identify synergies, overlaps and redundancies.

5.4 Of note, the budget for UNICEF Supply Division is based on a service fee approach rather than directly related to activity costs. Clarification of some

aspects is on-going and an update will be provided to the Board at the December meeting.

5.5 The AFC has recommended that the Board approve a budget carry-forward mechanism to streamline the budget process, as described in Annex 8.

Section B Programmatic content

1 Integrated plan

1.1 The 2013/14 business supports GAVI's strategic goals through implementation of 26 programme objectives. These programme objectives have defined deliverables for each year. The deliverables for 2013 can be found in Annex 1.

1.2 Five main priorities, defined by the Board in June 2012, cut across the strategic goals. They are addressed in the Business Plan as follows:

2 Increased in-country implementation and follow-through

2.1 Focus countries have been defined for most of the activities as well as roles and responsibilities where more than one partner is present at country level. This will allow better coordination of partners across various activities, accountability on outcome at country level, and the implementation of comprehensive and country-specific approaches building on the various activities conducted by the partners.

2.2 The Business Plan 2013-14 includes increased resourcing of implementation activities as opposed to assessment and planning activities. There are specific activities and resources allocated to ensuring full implementation of the various improvement plans such as effective vaccine management (EVM) improvement plans, Post Introduction Evaluation (PIE's) recommendations, comprehensive multi-year plans (cMYPs) and data quality improvement plans.

2.3 There is an increasing investment in regional and country personnel as well as country-level technical assistance. UNICEF will recruit and deploy ten Country Officers in the ten most inequitable GAVI countries during the course of 2013 to act as focal points of GAVI activities in-country with priority focus on equity issues. WHO will also hire consultants at regional level to monitor and support implementation of HSS grants, and recruit an additional staff member in the AFRO region to work on financial sustainability.

2.4 The Business Plan 2013-14 includes additional investment in in-country training and capacity building, specifically on supply chain issues and training of health care workers. UNICEF is planning significant activities on cold chain and logistics, which will be part of an Alliance-wide new approach to supply chain management. There will also be a capital fund (US$ 0.5 m in 2013 and US$ 0.2million in 2014) managed by UNICEF to respond to in-country priority capital purchasing needs on an urgent basis when no other funds can be mobilised.

2.5 Specific funding has been set aside to engage with in-country partners to support specific aspects of GAVI programmes (e.g. support vaccine introductions).

2.6 Following intense recruiting and on-boarding activities in 2012, the team of Country Responsible Officers (CROs), at the Secretariat, will support the coordination of the activities mentioned above and act as stewards of GAVI programmes in country. In particular they will help coordinate and support the introduction of new vaccines, HSS grants and other country-specific improvement actions. They will be assisted by the strengthened capacity in product management in the Vaccines Implementation team now co-located in the country Programmes department

3 Accelerated progress on equity and coverage

3.1 The Business Plan proposes a focus on coverage improvements in 17 priority countries that were below 70% coverage in 2010 or at risk of falling below 70%, and on equity improvement in 10 countries (including four countries in both categories).

3.2 Although all partners will be involved in the support to these countries, UNICEF will take the lead on the countries with equity issues, while WHO and other institutions will take the lead for the countries below 70% coverage. The agencies will lead rapid coverage assessments and action planning across these countries and focus on re-programming HSS grants and supporting implementation. Reporting and accountability requirements will be streamlined to focus on deliverables that are outcome focused and country specific.

4 Sustainability of immunisation programmes post-graduation

4.1 The GAVI Secretariat, WHO and UNICEF will provide broader support to countries underperforming on routine immunisation, as opposed to a narrower focus on countries which fail to co-finance GAVI-supported vaccines.

4.2 The Secretariat and WHO will also provide increased attention and support to graduating countries in developing and implementing transition plans. The work will focus on supporting the implementation of the transition plans, and providing regular operational support and feedback. The Secretariat and Alliance partners will also review the experience so far of graduating countries in order to build more comprehensive strategy for engaging with graduating countries which focuses on the systems rather than financing only.

4.3 GAVI will seek to strengthen the engagement of other financing institutions (World Bank, regional banks) to leverage their expertise on financial sustainability of immunisation on country levels.

5 Increased availability and use of operational data

5.1 This area is comprised of two elements: quality improvement of coverage data and improved generation and use of operational data. The Secretariat and partners are addressing these as follows:

5.2 The Secretariat has scaled-up its investment in Monitoring and Evaluation, including significant focus on revamping the grant review and monitoring process and improving the quality of immunisation coverage data through the Immunisation Data Quality Assessments. The Secretariat will also explore options to invest in verification surveys when there is high uncertainty on coverage estimates.

5.3 WHO will lead in supporting countries with data quality self-assessments (DQS), refining their estimates of the target population and conducting coverage surveys.

5.4 UNICEF will be funded to roll out vaccine stock monitoring systems. The institution will develop a web interface to improve the collection of quality data for a range of programmatic immunisation indicators, using edit and logic checks in real time.

6 Strengthening of the HSS mechanism

6.1 In 2013, WHO and the Secretariat will place significant focus on re-programming the existing HSS grants to ensure that they contribute more directly to improving immunisation outcomes.

6.2 The Secretariat has also set up a Technical Advisory Group for Health System Strengthening (TAG-HSS) to advise the GAVI CEO on potential improvements to the HSS mechanism. In 2012, this group provided guidance on the future engagement in the Health Systems Funding Platform (HSFP); technical support to countries; performance based financing; and country-tailored approach in health systems strengthening.

6.3 The Secretariat in close collaboration with WHO will revamp the process to monitor and support the implementation of HSS grants. WHO will employ consultants in their regional offices to support the gathering of intelligence on the implementation of the HSS grants. WHO and the Secretariat will put a process in place to gather this information more regularly and better support the implementation of these grants.

6.4 GAVI will also attempt to re-engage with the World Bank and the Global Fund on the Health System Funding Platform once the new leadership of these institutions have defined an agenda and plan for their work in HSS.

6.5 A dedicated budget for health systems bottlenecks analysis and specific HSS technical assistance to countries has been included in the Business Plan. It will be managed by the Secretariat and will strive to engage with a wide range of partners in this area.

6.6 Lastly, in line with its gender policy, GAVI will ensure that its HSS grants adequately tackle the gender-related barriers to health services and immunisation.

7 Changes in the operating model

7.1 In addition to ensuring a focus on the priorities, the 2013-14 Business Plan also improves on a number of points related to how the Alliance works with some important changes to the operating model.

7.2 First, in response to the June 2012 Board recommendation to *build the Business Plan on the basis of country needs,* the 2013-14 plan has an increased focus on specific countries in terms of activities and deliverables resulting in greater levels of in-country tailored support. Wherever possible, the Secretariat and partners have prioritised to increase focus and concentrate resources where the need is the greatest and impact most significant. New approaches will be implemented to enhance GAVI Alliance presence in-country, specifically with the funding of UNICEF country staff and additional resources for WHO's regional offices and with more regualr engagement of Secretariat CRO's.

7.3 Second, in order to respond to the recommendation to *increase flexibility to respond to emerging priorities in countries,* the plan includes some flexibility in the budget for GAVI to begin to leverage the skills and expertise of additional in-country partners. A preliminary set of strategic projects/activities have been identified (in-country support to vaccine introductions, coverage improvement in a number of countries, targeted HSS technical assistance). In addition, as aforementioned in paragraph 2.4, to respond to priority needs related to cold chain, a capital fund of US$ 0.5 million in 2013 will be managed by UNICEF to rapidly respond to cold chain and logistics equipment needs in countries that would require urgent funding and where country HSS funds could not be mobilised in a timely manner.

7.4 Third, recognising the increasing need for more specialised and concentrated support in certain areas, and with a view to *strengthen partnerships at country and regional levels* - the 2013-14 Business Plan clarifies the roles, responsibilities and accountabilities of in-country partners across specific areas in the plan. For example, UNICEF will be taking the lead on overall cold chain and logistics issues, improving equity in 10 priority countries and social mobilisation and be accountable for defined deliverables; AVI TAC's role will be evolving to be more focused on specific in-country advocacy.

<u>Section C Budget details</u>

1 Strengthening priority areas

1.1 The GAVI Alliance Business plan maps out how to deliver on GAVI's mission and strategic goals by achieving clearly defined critical costed deliverables and targets (refer to Annex 1 for further details on the costed deliverables).

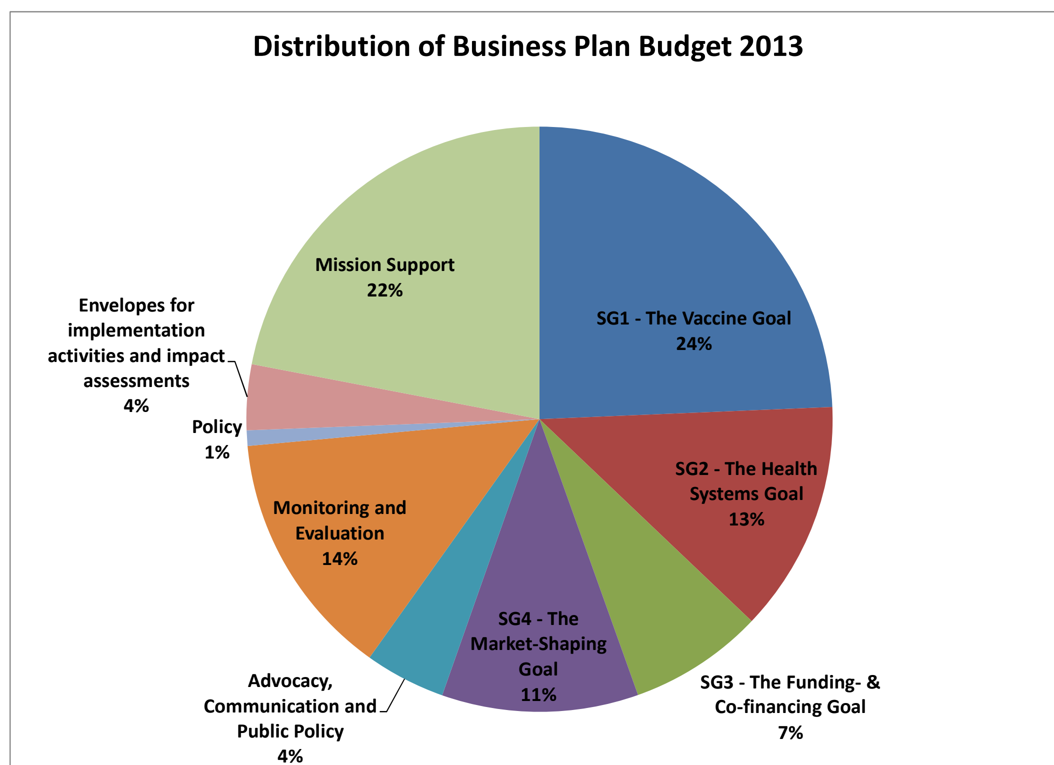
1.2 Figures 2 and 2a illustrate the distribution of the budget, by strategic goal. Programme implementation activities account for 78% of the budget in 2013 and 79% in 2014. The distribution by strategic goals is broadly similar in each year.

1.3 Annex 7 provides a breakdown of the budget by implementing agency for each of the strategic goals.

Figure 2: Distribution of budget by Strategic Goal

US$ 000	Budget 2013		Change 2013 to 2014		Budget 2014	
SG1 - Vaccine Goal	44,352	24%	(2,677)	(6%)	41,675	22%
SG2 - Health Systems Goal	23,297	13%	608	3%	23,905	13%
SG3 - Funding-/Co-financing Goal	13,552	7%	367	3%	13,919	7%
SG4 - Market-shaping Goal	3,759	2%	(141)	(4%)	3,617	2%
SG4 - Procurement Fees	16,000	9%	2,500	16%	18,500	10%
Advocacy, Communications & Public Policy	8,127	4%	300	4%	8,427	4%
Monitoring and Evaluation	22,530	12%	2,792	12%	25,322	13%
Policy	1,563	1%	(444)	(28%)	1,120	1%
CEO Reserve	0	0%	-		0	0%
Envelope for Implementation Activities	4,000	2%	300	8%	4,300	2%
Envelope for Impact Assessments	5,026	3%	2,682	53%	7,707	4%
Programme Implementation	**142,206**	**78%**	**6,287**	**4%**	**148,493**	**79%**
Mission Support	**40,006**	22%	**360**	**1%**	**40,366**	21%
Partners' Forum 2012	51	0%	(51)	(100%)	0	0%
Management adjustment	0	0%	-		0	0%
TOTAL	**182,263**	100%	**6,596**	**4%**	**188,859**	100%

Figure 2a



Note: The distribution for 2014 is broadly similar to 2013

2 Budget distribution by implementer

2.1 Figure 3 illustrates the distribution of the budgets by implementer.

Figure 3: Distribution of budget by Implementer

Row	US$ 000	Budget 2012			Change 2012 to 2013		Budget 2013		Change 2013 to 2014		Budget 2014	
1	**Secretariat**	**78,808**	**49%**		**(1,811)**	**(2%)**	**76,996**	**42%**	**2,166**	**3%**	**79,163**	**42%**
	Partners:											
2	WHO	50,319	31%		716	1%	51,035	28%	245	0%	51,280	27%
3	UNICEF - Supply Division	10,200	6%		5,800	57%	16,000	9%	2,500	16%	18,500	10%
4	UNICEF - Programme Division	6,406	4%		8,444	132%	14,850	8%	1,050	7%	15,900	8%
5	AVI TAC	7,855	5%		(1,008)	(13%)	6,846	4%	293	4%	7,139	4%
6	Catholic Relief Services	783	0%		927	118%	1,710	1%	42	2%	1,752	1%
7	Envelope for Implementation Activities	0	0%		4,000		4,000	2%	300	8%	4,300	2%
	Sub-Total : Partners	***75,562***	***47%***		***18,879***	***25%***	***94,441***	***52%***	***4,430***	***5%***	***98,870***	***52%***
	Impact Assessments:											
	Already Committed											
	PATH	1,600	1%	*	2,515	157%	4,115	2%	(1,146)	(28%)	2,969	2%
	AVI TAC (**)	1,604	1%		(918)	(57%)	686	0%	(686)	(100%)	0	0%
	ADIPs (**)	4,508	3%		(3,508)	(78%)	1,000	1%	(850)	(85%)	150	0%
	Envelope for Impact Assessments (***)	0	0%		5,026		5,026	3%	2,682	53%	7,707	4%
8	***Sub-Total : Impact Assessments***	***7,712***	***5%***		***3,115***	***40%***	***10,826***	***6%***	***(0)***	***(0%)***	***10,826***	***6%***
	Total	**162,081**	**100%**		**20,182**	**12%**	**182,263**	**100%**	**6,596**	**4%**	**188,859**	**100%**

(*) US$ 1.6 million approved as part of US$ 9.3 million incremental Special Studies approved by the Board in June 2012
(**) Extension of time to complete activities included in budgets prior to 2011
(***) Reflects recommendations from PPC meeting on 16-17 October 2012

Summary of amounts for Board approval		**2013**	**2014**
WHO	(Row 2 above)	**51,035**	**51,280**
UNICEF	(Rows 3 & 4 above)	**30,850**	**34,400**
Civil Society Organisations	(Row 6 above)	**1,710**	**1,752**
Secretariat	(Row 1 above)	**76,996**	**79,163**
Remainder of Business Plan	(Rows 5, 7 & 8 above)	**21,673**	**22,265**
Total		182,263	188,859

2.2 The key drivers of the budget changes include:

(a) UNICEF Programme Division (PD) has increased its engagement and is focusing its deliverables mainly on cold chain and logistics, communication/ social mobilisation, and equity. There is consequently a significant increase in the number of UNICEF staff and activities funded through the Business Plan. The additional staff are at the country and regional level to support the GAVI goals on implementation and improving equity (specifically in 10 countries). In the past two years, GAVI funding for UNICEF PD has been limited (at about 4% of Business Plan cost) and therefore the 2013 budget represents a significant increase (+132%) but starting from a low base. For 2014, UNICEF PD is currently planning for a slight increase in its budget driven mostly by additional activities related to vaccine management.

(b) UNICEF Supply Division budget is calculated on a fee for service basis and it has requested to increase its budget by 57% in 2013, and a further

16% in 2014 due to the increased workload on an increasing volume of vaccine procurement.

(c) Additional investments are proposed in the 2013-14 Business Plan for:

- New capacity to engage with additional partners on activities including in-country support to vaccine introductions, coverage improvement, and targeted HSS technical assistance at a level of US$ 4 million in 2013 and US$ 4.3 million in 2014. These 'envelope' amounts will be allocated to new implementers through a transparent process in accordance with GAVI's procurement procedures.

- Greater capacity for impact assessments as recommended by the PPC (an increase of US$ 3.1 million in 2013 to reach a level of US$ 10.8 million, with that level maintained in 2014). These amounts include assessments already commissioned and an envelope for future assessments and will also be allocated in accordance with GAVI's procurement procedures.

(d) WHO is planning for a number of new activities for 2013-14 (e.g. work on Rubella, support to implementation of EVMs and PIEs improvement plans etc). The additional funding for these areas has been offset by the decrease or termination of funding in other activities, either because they were not on GAVI's critical path or they had concluded their catalytic impact (e.g. waste management, injection safety, some Yellow Fever and MenA activities, etc). Of note, the budget for WHO is increasing by US$ 716,000 in 2013, which corresponds in most part to the cost of some Yellow Fever and MenA personnel that were supposed to transition back to WHO in 2013. However, given the absence of other sources of funding currently available for these posts, WHO has requested that GAVI continue to support the cost of these personnel for 2013 with the intent that WHO would fully fund these activities by 2014. For 2014, WHO is currently planning for a minor net increase in its budget, as the full transfer of these activities is counterbalanced by increases in other areas (e.g. operational planning and follow through for introductions, support to MR campaigns, HPV).

(e) The budget of the GAVI Secretariat shows a net decrease of US$ 1.8 million (-2%) in 2013. This is due mainly to the removal of budgets for the Partners Forum and CEO reserve and other items unique to 2012 that reduce the 2012 budget level by 5%. Additional activity across the Secretariat, partly related to change management in key strategic areas and the fact that there is the Mid Term Review in 2013, accounts for an increase of 3%, giving a net -2% overall reduction in 2013. See Annex 5 for further details. In 2014, the budget will increase by US$ 2.2 million (+3% from 2013) for potential increases in investments in data quality, vaccine introduction activities and Health Systems Strengthening.

Section D Implications

1 Impact on countries

1.1 Overall, the Ministries of Health in GAVI countries are in the lead and have the primary responsibility for delivering on the GAVI programmes that they have applied for. The Business Plan deliverables and associated activities are intended to support this implementation. However there is also a recognition that some countries have differing capacities to do this and the Business Plan has a strong emphasis on a tailored approach to implementation support in countries. The partners have defined roles and responsibilities with regards to their in-country work.

2 Impact on GAVI stakeholders

2.1 As mentioned in Section A, a key shift proposed in this year's process is to increase capacity in some areas of technical support through contracting new partners to bring additional expertise into the Alliance. The new partners would be engaged to support countries to implement the "vaccine goal" (SG1) and the "health systems goal" (SG2). The Secretariat would manage the call for proposals. Approximately US$ 4 million has been set aside for this purpose.

2.2 Both the PPC and the EC noted the importance of working with the World Bank in the implementation of the business plan, as their contribution could significantly contribute to helping GAVI achieve its mission and goals, particularly in the areas of Health Systems Strengthening, co-financing, programme funding, and demonstrating the value of vaccines. The Secretariat recognises the value of the Bank's potential contribution and will continue to explore options on how to engage further with them, recognizing that the Bank would unlikely be able to report to GAVI Alliance Board on activities undertaken with GAVI funding through the Business planning process. The Bank was invited to participate in the business planning process but declined to the working groups on the grounds of the limited resources at their disposal.

3 Impact on Secretariat

3.1 Refer to details on programmatic content and budget details as described above.

4 Legal and governance implications

4.1 Once approved by the Board, the Business Plan will form the basis of Memoranda of Understanding with WHO and UNICEF, and contractual arrangements with AVI-TAC, Catholic Relief Services on behalf of Civil Society and any other implementing partner.

5 Consultation

5.1 The 2013/14 Business Plan was developed in close consultation with stakeholders as follows:

5.2 In May 2012 a series of workshops were coordinated by the Secretariat involving representatives from Board constituencies to discuss the priorities

and necessary shifts to ensure delivery on the strategy and associated targets and deliverables for the 2013-14 Business Plan.

5.3 These recommendations formed the basis of the Business Plan priorities paper submitted and endorsed by the Board in June 2012.

5.4 The Secretariat and implementing institutions reviewed the 2013 and 2014 interim deliverables in light of the Board priorities and made adjustments as needed.

5.5 Following agreement on the deliverables in July, the implementing institutions proposed activities and budgets, which went through a peer review process whereby all technical institutions (WHO, UNICEF, BMGF, Secretariat, AVI TAC) were able to review and comments the detailed budgets proposed by all implementing partners (WHO, UNICEF, Secretariat and AVI TAC). The detailed assumptions of the budgets were posted on MyGAVI for consultation.

5.6 Implementing partners proposed second submissions at the end of August. The CEO and Deputy CEO reviewed these submissions in light of clear directions from the EC on budgeting. The review resulted in a flat lined budget for AVI-TAC and the Secretariat, a slight increase for WHO due to the gradual transition of funding of some of their staff, and substantial increase for UNICEF.

5.7 The resulting plan was reviewed by the PPC on 17 October and the budget was reviewed by a joint meeting of the PPC/AFC on 9 November.

6 Gender implications

6.1 Following the PPC in October, a donor requested that the Secretariat include revise the health systems programme objective to include specific reference to gender. The language below is proposed for for consideration by the Board and has also been included in Annex 1.

(a) Programme Objective 2.1.2: Improve immunisation systems in GAVI countries through implementation of national health strategies supported by well aligned and function GAVI HSS grants that address key bottlenecks, <u>including gender related barriers.</u>

(b) Programme Objective 2.2.1: Increase equity (geographic, social strata, <u>gender</u>) of routine immunisation.

Annex 1: Programme objectives, 2013 deliverables, cost and main activities[7]

PO	Programme objective	Interim deliverable (2013)	Budget 2013 (US$000 000)	% of Strategic Goal	Main activities
1.1.1	Improve country **decision-making structures, systems and processes**	By end of 2013: i) 30 GAVI supported countries have functional NITAGs ii) 13 GAVI supported countries have functional NRAs iii) NITAGs and ICCs have the relevant evidence prior to deciding national introduction of vaccines (e.g. HPV)	5.2	12%	NRA and NITAG strengthening (WHO) Generate vaccine specific data & information (WHO, UNICEF, AVI TAC, Sec) Assessments, lessons learned & improvement actions (WHO) In-country A&C (AVI TAC)
1.2.1	Improve the **quality of country planning, GAVI applications and performance reporting**	75% of applications submitted to GAVI are approved by the IRC by end of 2013	9.5	22%	Communication on GAVI policies & procedures (AVI TAC) Support to application development (WHO, UNICEF) Coordinate the review of applications & progress reports (Sec) Data sharing across partners (WHO) Operational planning (WHO)
1.2.2	Prepare countries for **successful introductions** of new and underused vaccines	i) 70% of countries that introduced new vaccines reached their coverage targets in the first year after introduction by end of 2013 ii) 50 GAVI supported countries have undertaken Effective Vaccine Management (EVM) assessments resulting in improvement initiatives	25.1	59%	Global management of introduction activities (Sec) Support in-country GAVI activities (Sec) Vaccine specific introduction & roll-out support (WHO, UNICEF, Other) Healthworker training (WHO) In-country A&C (AVI TAC) Vaccine management/Cold chain & logistics (UNICEF, WHO) Assessments, lessons learnt and improvement actions (WHO)
1.2.4	Strengthen national capacity for planning of **behaviour change communication for new and underused vaccines within a country's disease control framework**	15 priority countries have implemented coordinated communication plans and demonstrated impact on 1-3 priority targeted behaviours	2.6	6%	Global communication tools (UNICEF) In-country communication plans (UNICEF)

[7] The amounts in the "Budget 2013" column comprise the 2013 budget for Programme Implementation amounting to US$ 142.2 million, as summarised in the financial section of this paper.

PO	Programme objective	Interim deliverable (2013)	Budget 2013 (US$000 000)	% of Strategic Goal	Main activities
2.1.1	**Identify and address constraints to safe immunisation and service delivery in countries under 70% DTP3 coverage**	For at least 7 out of the 12 countries that were below 70% coverage in 2010: i) countries, supported by partners, have identified major contraints to immunisation; ii) countries, supported by partners, have developed action plans to address all these constraints; iii) countries, supported by partners, have tailored their GAVI HSS grants to these action plans	7.7	29%	Technical assessments & action planning Coverage Implementation support (WHO, Other) Adapt the HSS mechanism (Sec) HSS monitoring (WHO)
2.1.2	**Improve immunisation systems in GAVI countries through implementation of national health strategies supported by well aligned and functioning GAVI HSS grants that address key bottlenecks including gender related barriers**	i) Reprogramming completed in all countries where GAVI HSS grant is experiencing implementation challenges and the likelyhood of improving the performance of immunisation programmes is limited. ii) All recipient countries, supported by partners, have put in place satisfatory mechanisms for ongoing monitoring of implementation of GAVI HSS grants iii) GAVI HSS funding instruments and procedures for grant award and monitoring are simpler and more accomodating to diverse country contexts iv) 60% of GAVI HSS grants awarded since 2011 are fully aligned with the national health system development plans, which incorporates cMYPs	9.8	37%	HSS mechanism redesign (Sec, other) HSS grant application & reprogramming (WHO) HSS implementation support (WHO, Sec, Other) HSS grant monitoring (WHO, Sec, Other) HSS fiduciary control (Sec) Improve HSS M&E frameworks (WHO)
2.2.1	**Increase equity** (geographic, social strata, gender) **of routine immunisation**	4 out of the 10 countries with the highest inequity in vaccination coverage, supported by partners, have identified the main drivers of inequity, are able to monitor inequitues, have implemented equity action plans, and GAVI HSS grants contribute to the funding of these plans.	6.1	23%	Equity assessments & action plans (UNICEF, WHO) Equity implementation support (UNICEF, WHO) Develop global equity strategy (AVI TAC, WHO)
2.3.1	Promote **active engagement of Civil Society Organisations** (CSOs)	At least 50% of countries, supported by partners, have actively engaged with CSO in the development, the implementation and the monitoring & evaluation of their GAVI HSS Grants, cMYPs and national health plans	2.7	10%	Development & support of GAVI CSO policy (Sec) Support to in-country CSOs to engage in policy dialogue (CRS)

PO	Programme objective	Interim deliverable (2013)	Budget 2013 (US$000 000)	% of Strategic Goal	Main activities
3.1.1	Countries successfully mobilise resources required in their annual plans and budgets.	Countries finance 20% more of the routine immunisation costs (or reach 95% government financing)	1.9	15%	cMYP development & implementation (UNICEF, WHO, Sec) Co-financing advocacy (WHO) Immunisation expenditure tracking (UNICEF, WHO)
3.1.2	**Implement the co-financing policy and secure domestic funding for all other routine vaccines**	100% of countries fulfill their co-financing requirement and at least 70% of countries finance all other routine vaccines from domestic sources	1.4	10%	Support to improve sustainability of national financing for immunisation (WHO, UNICEF, Sec) Co-financing advocacy (AVI TAC) Immunisation expenditure tracking (UNICEF, WHO)
3.1.3	**Support graduating countries** in sustaining investment in immunisation	100% of graduating countries have their vaccine requirements reflected in the 2014 national budget	2.6	20%	Support to graduating countries (WHO, Sec)
3.2.1	Expand and extend donor commitments	Raise 100% of the funds needed for the period 2011-2013, including through contributions from new donors	2.8	21%	Strategy development of donor engagement (Sec) Key replenishment meetings (Sec) Donor engagement (Sec) Strengthen GAVI support networks (Sec)
3.2.2	**Broaden the public and private sector donor base**	3 additional new donors secured by end of 2013	2.2	16%	IFFIm & AMC donor engagement (Sec) Broaden donor base (Sec) Support new instruments for LMICS & market shaping (Sec)
3.3.1	**Grow and develop GAVI's innovative finance product portfoli**o (including scaling of IFFIm)	i) Secure agreement from the GAVI Board and key IFFIm donors on the future role of IFFIm in GAVI's long-term funding strategy ii) $60 million commitments secured for the GAVI Matching Fund iii) Agree new third "+1" transaction for the GAVI Matching Fund	2.3	17%	Manage IFFIm (Sec) Expand Matching Fund initiative (Sec) Develop new Innovative Finance products (Sec)

PO	Programme objective	Interim deliverable (2013)	Budget 2013 (US$000 000)	% of Strategic Goal	Main activities
4.1.1	**Strategically forecast the demand and supply** for all vaccines in the GAVI portfolio	Bi-annual strategic demand forecast delivered to Board and annual strategic supply forecast completed	1.3	6%	Generate Supply & Demand Forecast (Sec) Expand Supply & Demand Forecast (Sec) Supplier landscape analysis (Sec)
4.1.2	Ensure **efficient and effective vaccine procurement and supply chain management**	Procurement implemented for all GAVI-supported vaccines	16.1	81%	Vaccine procurement (UNICEF SD) Develop supply risk mitigation solutions to minimize interruption of supply (WHO)
4.2.1	Develop **instruments for lowering price to GAVI and countries and/or encouraging development of appropriate products**	One initiative or instrument to decrease cost and/or to accelerate product development to GAVI and countries.	2.5	12%	Support acceleration of vaccine development (WHO) Design & implement vaccine procurement strategies (Sec) Prices for LMICs & graduating countries (Sec)
AC.1.1.1	The value of immunisation, new vaccines, and GAVI is understood amongst **key influencers and stakeholders**	Increased stakeholders awareness, through increased visibility in media overall, higher presence in top-tier media and increased diversity of media coverage from 2012 to 2013 as measured by media monitoring and market research indicators	5.2	60%	Communication of results (Sec) Develop scientific communication (Sec) Media stories (Sec) Redevelop GAVI brand (Sec) Reputational risk management (Sec)
AC.1.1.2	**Mobilised and empowered advocates** to inform GAVI's policies, support fundraising and help achieve its strategic goals	Annual growth in number of advocates engaged in key processes	2.3	26%	Partnership with advocate networks (Sec)
AC.1.1.3	Increased **influence in development aid policy settings**	Annual growth in number of key global and regional events with positive references to GAVI, immunisation and health	1.2	14%	Stakeholder support at high level policy & political for (Sec)

PO	Programme objective	Interim deliverable (2013)	Budget 2013 (US$000 000)	% of Strategic Goal	Main activities
ME.1.1.1	Ensure effective **routine programme monitoring that links decision making to performance**	Systematic routine grant monitoring system designed and deployed for all forms of GAVI support	2.6	9%	Grant monitoring (Sec) Data management (Sec) M&E frameworks for policies & grants (Sec) Develop and track business plan (Sec)
ME.1.1.2	Coordinate and conduct **targeted studies** to address key questions and meet critical information needs	Studies and evaluations for future years identified and past/ current year(s) completed (eg, HSS evaluation, graduated countries, scientific studies)	6.5	22%	Complete scientific targeted studies (TBD) Evaluation of GAVI policies & programmes (Sec)
ME.1.1.3	Evaluate the impact and cost-effectiveness of GAVI support to countries	Estimates of future deaths averted by new and underused vaccines updated and disseminated annually for all GAVI-supported countries Baseline data captured for comprehensive effectiveness and impact evaluations in 5 countries	3.6	12%	Full country evaluations (Sec) Project impact of future GAVI support (WHO)
ME.1.1.4	Ensure availability and use of high quality **programmatic and epidemiological data**	8 countries are on track with the implementation of their corrective action plans for data qualilty	3.5	12%	Coverage data collation, reporting & analysis (WHO, UNICEF) Coverage data improvement (WHO, UNICEF)
ME.1.1.5	Meet established quality indicators for **surveillance** of diseases preventable by new and underused vaccines	50% of supported laboratories meet external quality assurance standards; 12 GAVI countries with functioning AEFI review committees.	13.8	46%	Vaccine specific surveillance (WHO) Vaccine safety (WHO) NUVI cost effectiveness and impact assessments (WHO)
Pol.1.1	Adapt and develop GAVI policies to respond to evolving environment	Policies to be revised for future years identified; and past/ current year(s) policy revisions completed (e.g. Vaccine investment strategy)	1.6	100%	Vaccine Investment Strategy (Sec) New policy development (Sec)
		Total	142		

Annex 2: Revision of the Business Plan Indicators

WHO has revised the 2010 coverage rates which were used as baselines for the GAVI targets. The overall coverage decrease was mainly driven by significant coverage drops in four large countries (Cote D'Ivoire, Chad, Nigeria and Pakistan) as these represent a large proportion of the birth cohort.

Similar to the adjustments made in 2011 (i.e. at the time the targets had been adjusted upward), the target has been revised to keep the same level of ambition for GAVI. The table below shows the original and revised targets for the various indicators.

Indicator	Antigen		Baseline (2010)	2011 target	2012 target	2013 target	2014 target	2015 target
Under five mortality rate		Original	97	95	93	91	89	87
		New	91	89	87	85	83	81
Coverage of underused and new vaccines	Penta	Original	40	47	52	66	77	78
		New	38	45	50	64	75	76
	Rota	Original	1	1	5	14	24	31
		New	1	1	5	14	24	31
	Pneumo	Original	1	5	17	29	35	40
		New	1	5	17	29	35	40
DTP1-DTP3 drop out rate	DTP	Original	8	8	7	7	6	6
		New	10	10	9	9	8	8
DTP3 coverage	DTP	Original	78	80	81	82	83	84
		New	76	78	79	80	81	82

Annex 3: Details on the Health Systems Goal

The "health system": goal (strategic goal 2), aims to identify and address health systems bottlenecks to improve coverage and equity. The interim deliverables of this goal were substantially refined as part of this year's business planning process to better address Board priorities (see table 3.1, below).

The main areas of work in the 2013-2014 Business Plan are as follows. Further details can be provided upon request.

1. Identify and address constraints to safe immunisation and service delivery in countries under 70% coverage. This programme objective focuses on countries with immunisation coverage below 70% or around the threshold. By 2015, at least 7 out the 12 countries[8] that were below 70% coverage in 2010 should have improved their immunisation coverage by minimum 10% from the baseline. The approach to support these countries is to understand the main reasons preventing these countries from increasing immunisation coverage and implement HSS programmes which are evidence-based through rigorous country analyses.

   WHO will lead the development and implementation of the country specific strategies and action plans in most countries. However, given the critical nature of this work, the fact that it is behind schedule and will require significant effort, the Secretariat is proposing that additional funding be set aside to engage additional partners to support this effort.

2. Improve immunisation systems in GAVI countries through implementation of national health strategies supported by well aligned and functioning GAVI HSS grants. The main deliverables for 2013 in this area are to ensure that 100% of countries facing HSS implementation issues have reprogrammed their grants and that a satisfactory monitoring mechanism has been put in place for HSS grants. The 2015 deliverable is *"100% of countries receiving GAVI HSS support demonstrate satisfactory implementation progress as assessed by the GAVI IRC, the Joint Assessment of National Strategies (JANS) or an equivalent independent mechanism"*.

   To reach these deliverables, WHO will support countries to develop HSS applications, and reprogramme the existing grants. WHO will also build country capacity through peer-review sub-regional workshops, as well as country specific technical assistance. WHO will also support the Secretariat in the HSS grant review process through organising pre-assessments of HSS proposals prior to the IRC.

   WHO and the Secretariat will establish and institutionalise more robust real time monitoring of the implementation of grants in countries. This includes greater emphasis on monitoring grant performance on programmatic parameters: achievement of intermediate results, implementation of the annual plan, etc. The real time monitoring system should enable the Alliance to detect in a timely manner implementation challenges, delays and risks, and react swiftly to prevent long-term interruption in the grant implementation. WHO will hire local consultants who will be

[8] Afghanistan, CAR , DR Congo, Chad, ,Haiti, Liberia, Mauritania, Nigeria, PNG, Somalia, Uganda and Yemen

responsible along with CROs for systematic monitoring of the grant implementation and development periodic grant implementation status reports (three times a year). They will also develop an online database for "live monitoring".

To strengthen health information systems for immunisation, WHO will lead a cluster of activities aimed at improving the quality of country reporting on immunisation, through implementing data verification, service availability and readiness assessments. Analytical reports for immunisation and health progress reviews will be produced for ten priority countries. GAVI funding will be used to improve cause of death reporting which helps to increase the validity and accuracy of impact evaluation studies aimed at quantifying the impact of childhood immunisations on mortality. Finally, WHO and the Secretariat will support countries in developing more effective monitoring and evaluation frameworks for their HSS grants.

To improve the effectiveness of the HSS support model, the Secretariat will: (a) provide operational support to the Technical Advisory Group for Health System Strengthening (TAG-HSS); (b) simplify and improve HSS application mechanisms; (c) update and improve guidelines for countries and the IRC with regard to development and assessment of HSS programmes; (d) review GAVI's HSS support with the aim to make it more country tailored and relevant, effective, result oriented, and country focused.

The Secretariat, in collaboration with the World Bank Institute, will contract an academic partner to develop a one week training course on health system strengthening for immunisation. The aim of the training is to improve the capacity of countries and Alliance staff to analyse health system bottlenecks of immunisation programmes; develop log-frames, result chains, and M&E frameworks; understand and implement performance based financing; plan and budget for immunisation services and integration of services with the national health plans and budgets; and prepare proposals, including budgets, implementation workplans, etc. Following training, countries should be able to improve planning and implementation of HSS programmes. The training should also equip Alliance staff (including CROs) with the technical knowledge needed to more actively engage in health system work with countries.

3. <u>Increase equity of routine immunisation.</u> By 2015, four of the ten countries[9] with the highest inequity in coverage should have identified the main drivers of inequity, should be able to monitor inequities, and should have implemented equity action plans, using GAVI HSS grants to contribute to the funding of these plans. The countries have been identified on the basis of the analysis conducted by WHO in 2010 on the vaccine coverage by wealth quintile.

   UNICEF will take the lead in this area, and place country staff in the ten most inequitable countries. Country staff will assess the key determinants of inequities and support the country to develop and implement strategies for reducing inequalities. Analytical/research activities will be complemented by policy dialogue, strategy development, implementation of innovative approaches and evaluation of effectiveness. Of note, out of the ten countries, four are also in the list of countries

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[9] Nigeria, Yemen, Congo Rep (Brazzaville), India, Pakistan. Mozambique, Liberia, Vietnam, CAR, Madagascar

specifically supported for coverage improvement (see paragraph 3.2) and will require upfront coordination between UNICEF, WHO, the Secretariat and potential other partners.

In addition, WHO and AVI-TAC will work on global activities related to equity. WHO will study the determinants of low coverage in addition to geography and wealth, while AVI-TAC will support the Secretariat to develop and disseminate a global communication plan to promote GAVI Alliance efforts to achieve greater equity in vaccine implementation.

4. Promote active engagement of Civil Society Organisations (CSOs): Catholic Relief Services (on behalf of the GAVI CSO Constituency) will continue its work to support CSOs to be more involved in the Health Systems Funding Platform (HSFP) and the related policy dialogue. The work will focus on 14 countries in 2013. By 2015, at least 70% of countries will have actively engaged with CSO's in the development, implementation and the monitoring & evaluation of their GAVI HSFP grants, cMYPs and national health plans.

In addition the Secretariat is coordinating the implementation of the CSO policy, which explores how to engage CSOs, where appropriate, in service delivery(focus on hard to reach, post conflict, etc.)

Table 3.1: Yearly deliverables in the Health Systems Goal

Strategic objective	PO	Programme objective	Interim deliverable (2013)	Interim deliverable (2014)	Programme deliverables (2015)
2.1. Contribute to the resolving of the major constraints to delivering immunisation	2.1.1	**Identify and address constraints to safe immunisation and service delivery in countries under 70% DTP3 coverage**	For at least 7 out of the 12* countries that were below 70% coverage in 2010: i) countries, supported by partners, have identified major contraints to immunisation; ii) countries, supported by partners, have developed action plans to address all these constraints; iii) countries, supported by partners, have tailored their GAVI HSS grants to these action plans * Afghanistan, CAR , DR Congo, Chad, ,Haiti, Liberia, Mauritania, Nigeria, PNG, Somalia, Uganda and Yemen	1. For all 12 countries that were below 70% coverage in 2010: i) countries, supported by partners, have identified major contraints to immunisation; ii) countries, by partners, have identified safety issues linked to injection safety and waste management; iii) countries, supported by partners, have developed action plans to address all these constraints; 2. At least 7 countries that were below 70% coverage in 2010 have increased their coverage by minimum 5% from the	At least 7 out the 12 countries* that were below 70% coverage in 2010 have improved their immunization coverage by minimum 10% from the baseline. * Afghanistan, CAR , DR Congo, Chad, ,Haiti, Liberia, Mauritania, Nigeria, PNG, Somalia, Uganda and Yemen
	2.1.2	**Improve immunisation systems in GAVI countries through implementation of national health strategies supported by well aligned and functioning GAVI HSS grants that address key bottlenecks, including gender-related barriers**	i) Reprogramming completed in all countries where GAVI HSS grant is experiencing implementation challenges and the likelyhood of improving the performance of immunisation programmes is limited. ii) All recipient countries, supported by partners, have put in place satisfatory mechanisms for ongoing monitoring of implementation of GAVI HSS grants iii) GAVI HSS funding instruments and procedures for grant award and monitoring are simpler and more accomodating to diverse country contexts iv) 60% of GAVI HSS grants awarded since 2011 are fully aligned with the national health system development plans, which incorporates cMYPs	i) 80% of countries receiving GAVI HSS support demonstrate satisfactory implementation progress as asssessed by IRC, JANS or equivalent independent mechanism. ii) 80% of GAVI HSS grants awarded since 2011 are fully aligned with the national health system development plans, which incorporates cMYPs	i) 100% of countries receiving GAVI HSS support demonstrate satisfactory implementation progress as asssessed by IRC, JANS or equivalent independent mechanism. ii) 100% of GAVI HSS grants awarded since 2011 are fully aligned with the national health system development plans/strategies, which incorporate cMYPs* ** ie budgets derived from cMYPs are included in the MoH budget
2.2. Increase equity in access to services	2.2.1	**Increase equity** (geographic, social strata, gender) **of routine immunisation**	4 out of the 10 countries* with the highest inequity in vaccination coverage, supported by partners, have identified the main drivers of inequity, are able to monitor inequities, have implemented equity action plans, and GAVI HSS grants contribute to the funding of these plans. * Nigeria, Yemen, Congo Rep (Brazzaville), India, Pakistan. Mozambique, Liberia, Vietnam, CAR, Madagascar	7 out of the 10 countries with the highest inequity in vaccination coverage, supported by partners, have identified the main drivers of inequity, are able to monitor inequitues, have implemented equity action plans, and GAVI HSS grants contribute to the funding of these plans.	At least 10 countries with the highest inequity in vaccination coverage*, have identified the main drivers of inequity, are able to monitor inequitues, have implemented equity action plans, and GAVI HSS grants contribute to the funding of these plans. * Nigeria, Yemen, Congo Rep (Brazzaville), India, Pakistan. Mozambique, Liberia, Vietnam, CAR, Madagascar
2.3. Strengthen civil society engagement in the health sector	2.3.1	Promote **active engagement of Civil Society Organisations** (CSOs)	At least 50% of countries, supported by partners, have actively engaged with CSO in the development, the implementation and the monitoring & evaluation of their GAVI HSS Grants, cMYPs and national health plans	At least 60% of countries, supported by partners, have actively engaged with CSO in the development, the implementation and the monitoring & evaluation of their GAVI HSS Grants, cMYPs and national health plans	At least 70% of countries, supported by partners, have actively engaged with CSO in the development, the implementation and the monitoring & evaluation of their GAVI HSS Grants, cMYPs and national health plans

Annex 4: Accountability mechanisms

In 2013/14, accountability for delivery on the business plan will be reinforced through the improvement of the quarterly deliverables and review process, clarification of roles and responsibilities, particularly at country level, and improved coordination and stewardship through the Country Responsible Officers.

1- Quarterly deliverables and review process

Similar to 2011 and 2012, the partners involved in the implementation of the business plan will commit to quarterly deliverables. These deliverables form the basis for quarterly progress monitoring by senior management of Secretariat, WHO and UNICEF.

In 2013/14, the process will be improved by streamlining the reporting requirements and by focusing on deliverables that are outcome-focused, country-specific and demonstrate a clear trajectory towards meeting the interim and 2015 deliverables. Payments to UNICEF programme division and WHO are in part dependent on achievement of deliverables.

2- Clearer role and responsibility, particularly at country level

As previously highlighted, the 2013/14 Business Plan clarifies the roles, responsibilities and accountabilities of in-country partners across specific areas in the plan including at country level. During the business planning process, the main areas of work to be carried out by partners were mapped against GAVI countries in order to make use of the comparative advantage of partners, maximise synergies and avoid duplication. The result is a clear division of labour, with the ability to track specific activities at country level (detailed mapping is available upon request).

3- Improved coordination and stewardship

The Country Responsible Officers (CROs) at the Secretariat will support the coordination of the business plan activities at country level. Their improved stewardship of GAVI funds and enhanced oversight of GAVI programmes will contribute to better accountability on business plan implementation. As for all Secretariat staff, at the individual staff level deliverables will be captured in their performance agreements with their managers.

Annex 5: Details of Secretariat budget

This information was provided for review to the AFC and PPC for their joint meeting on 9 November.

1. 2013 Secretariat budget

1.1 The Secretariat budget will decrease by US$ 1.8 million overall, from US$ 78.8 million for 2012 to US$ 77.0 million for 2013. This is due to removal of budget amounts unique to 2012 for the Partners' Forum and the one-time CEO reserve, and the factors outlined in Figure 1.

Figure 1: Secretariat budget – bridge from 2012 to 2013

Secretariat	US$ 000	
Board Approved Budget 2012	**78,808**	**100%**
Items unique to 2012 (removed for 2013)		
CEO Reserve	(2,000)	
Partners' Forum	(2,337)	
Management Adjustment	500	
Transfer of Demand Forecasting budget from PATH	1,029	
Impact in 2013 of phased hiring of positions in 2012	1,636	
2012 level, adjusted for decisions	**77,635**	**99%**
Exchange rate impact (CHF/USD 1.14 > 1.05)	(3,087)	-3.9%
2012 level, adjusted for exchange rates	**74,548**	**95%**
Activity increases	2,448	3.1%
2013 Budget	**76,996**	**98%**
Net Decrease	**(1,811)**	-2.3%

1.2 The US$ 1.8 million net decrease in expenditure is due to a combination of factors:

(a) – US$ 3.8 million for removal of costs unique to 2012 (CEO reserve, Partners Forum and management adjustment)

(b) + US$ 1.03 million upon transfer of demand forecasting activity and budget from AVI-TAC to Secretariat

(c) + US$ 1.64 million increment for whole-year cost in 2013 of new staff positions in 2012 that were hired on a phased basis and budgeted in 2012 for part of that year

(d) – US$ 3.1 million due to a favourable movement in foreign exchange rates. This results from a decline in the value of the Swiss franc relative to the US dollar from the rate budgeted for 2012 to the rate for 2013.

(e) + US$ 2.4 million for Secretariat activity increases comprised of:

i. US$ 1.1 million to strengthen capacity for change management and strategic initiatives and human resources management

ii. US$ 0.5 million for Programme Implementation activities, mainly for country evaluations

iii. US$ 0.3 million for office services to support the 2012 increase in staffing

iv. US$ 0.2 million for an increased number of special advisors for Board members (increasing costs from US$ 0.7 to 0.9 million); and

v. US$ 0.3 million for resource mobilisation and other areas.

2. 2014 Secretariat budget

2.1 The current estimate of Secretariat budgetary needs for 2014 indicate an increase of 3% on the 2013 level of US$ 77 million. This will be reviewed in light of progress in 2013 and the ongoing assessment of risks as activity needs for 2014 in order to reach GAVI's 2015 targets become clearer.

3. Distribution of Secretariat budget

3.1 Figures 2 and 3 present the Secretariat's expenditures by expense type and department, respectively, showing the evolution for each year.

Figure 2: Secretariat budget 2013 and 2014 – distribution by expense type

US$ 000	Budget 2012		Change 2012 to 2013		Budget 2013		Change 2013 to 2014		Budget 2014	
Salaries	**37,980**	48%	1,182	3%	**39,162**	51%	(0)	(0%)	**39,162**	49%
Other Costs:										
Training & Recruitment	1,313	2%	138	11%	1,451	2%	-	0%	1,451	2%
Outsourced Services	15,534	20%	649	4%	16,183	21%	1,642	10%	17,825	23%
Facility & Office Costs	11,388	14%	(546)	(5%)	10,843	14%	91	1%	10,934	14%
Travel	4,550	6%	(516)	(11%)	4,034	5%	175	4%	4,209	5%
Events & Meetings	3,602	5%	1,240	34%	4,842	6%	209	4%	5,050	6%
Media Production, Supplies & Other	552	1%	(122)	(22%)	430	1%	101	24%	531	1%
CEO Reserve	2,000	3%	(2,000)	(100%)		0%	-			0%
Total Other Costs	**38,939**	49%	**(1,157)**	**(3%)**	**37,783**	49%	**2,218**	**6%**	**40,001**	51%
Partners' Forum 2012	2,389	3%	(2,337)	(98%)	51	0%	(51)	(100%)	-	0%
Management adjustment	(500)	-1%	500	(100%)	0	0%	-		-	0%
TOTAL	**78,808**	100%	**(1,811)**	**(2%)**	**76,996**	100%	**2,166**	**3%**	**79,163**	100%
Staff numbers (FTEs)	**187**		**5**		**192**		**0**		**192**	

Figure 3: Secretariat budget 2013 and 2014 – distribution by department

US$ 000	Budget 2012		Change 2012 to 2013		Budget 2013		Change 2013 to 2014		Budget 2014	
Country Programmes	11,825	15%	(582)	(5%)	**11,243**	15%	176	2%	**11,419**	14%
Policy & Performance	11,798	15%	2,030	17%	**13,828**	18%	1,414	10%	**15,242**	19%
External Relations	13,864	18%	(282)	(2%)	**13,581**	18%	549	4%	**14,131**	18%
Innovative Finance & DC Office Services	3,801	5%	612	16%	**4,413**	6%	(25)	(1%)	**4,388**	6%
Internal Audit & TAP	3,142	4%	(267)	(8%)	**2,875**	4%	(6)	(0%)	**2,870**	4%
Executive Office & HR	5,166	7%	788	15%	**5,954**	8%	-	0%	**5,954**	8%
Finance & Operations	19,916	25%	(403)	(2%)	**19,512**	25%	182	1%	**19,694**	25%
Legal & Governance	5,207	7%	231	4%	**5,438**	7%	(74)	(1%)	**5,365**	7%
Corporate Costs	200	0%	(100)	(50%)	**100**	0%	-	0%	**100**	0%
CEO Reserve	2,000	3%	(2,000)	(100%)	**0**	0%	-		**0**	0%
Management adjustment	-500	-1%	500	(100%)	**0**	0%	-		**0**	0%
Partners' Forum 2012	2,389	3%	(2,337)	(98%)	**51**	0%	(51)	(100%)	**0**	0%
TOTAL	**78,808**	100%	**(1,811)**	**(2%)**	**76,996**	100%	**2,166**	**3%**	**79,163**	100%

3.2 Capital expenditure: The additions to capital expenditure in 2013 are budgeted at US$ 3.4 million (see Figure 4). The annual depreciation on this is US$ 1.1 million, of which approximately US$ 0.6 million would arise in 2013, based on estimated timing of expenditure. The total depreciation charge (on existing as well as the additional capitalised assets) for 2013 amounts to US$ 2.6 million, which is included within the budget for Facility and Office Costs (in Figure 2).

3.3 Facility and office costs: These costs include the depreciation charge as well as office rent, telecommunications and other services that provide operational infrastructure to all teams. The 2013 budget amount of US$ 10.8 million (per Figure 2) is held mainly within the departmental budgets of Finance and Operations (US$ 9.1 million), DC Office Services (US$ 1.3 million) and Legal (US$ 0.4 million).

Figure 4: Budget for Capital Expenditure in 2013 (GAVI Secretariat)

Capital Expenditure in 2013	**US$'000**
Knowledge Management	**311**
Contact Relationship Management	120
Sharepoint	191
Online Country Portal	**347**
Further development; functionality for proposal screening, TAP, etc.	
Enterprise Data Warehouse	**460**
Further development	335
Master data management	125
Business Systems (ERP)	**520**
Axapta upgrade to 2012 version	150
Axapta - grant management	250
HR management suite	120
IT Infrastructure	**1,501**
Data centre equipment & licences	1,138
Laptops & docking stations	233
Conference rooms - replacements & build-out	130
Leasehold improvements	**275**
Provision for adjustments to office space	
Total Capital Expenditure in 2013	**3,414**
Depreciation charge:	
Annual depreciation @ 33%	1,138
Depreciation charge in 2013 (6 months)	**569**

Annex 6: Details of Partner budgets

This information was provided for review to the AFC and PPC for their joint meeting on 9 November.

Figure 1: WHO

US$ 000	Budget 2012		Change 2012 to 2013		Budget 2013		Change 2013 to 2014		Budget 2014	
Staff Costs	19,973	40%	2,835	14%	22,808	45%	(166)	(1%)	22,642	44%
Outsourced services	6,538	13%	599	9%	7,137	14%	376	5%	7,513	15%
Travel	5,795	12%	1,483	26%	7,278	14%	758	10%	8,036	16%
Events & Meetings	7,127	14%	(1,204)	(17%)	5,923	12%	46	1%	5,969	12%
Other	7,594	15%	(3,045)	(40%)	4,549	9%	(784)	(17%)	3,765	7%
Partner Support Costs	3,292	7%	48	1%	3,339	7%	15	0%	3,355	
TOTAL	**50,319**	100%	**716**	**1%**	**51,035**	100%	**245**	**0%**	**51,280**	100%
Staff numbers (FTEs)	**88**		**7**		**95**		**-6**		**89**	

Figure 2: UNICEF Programme Division

US$ 000	Budget 2012		Change 2012 to 2013		Budget 2013		Change 2013 to 2014		Budget 2014	
Staff Costs	2,101	33%	5,424	258%	7,524	51%	(374)	(5%)	7,150	45%
Outsourced services	1,880	29%	559	30%	2,439	16%	470	19%	2,909	18%
Travel	606	9%	239	39%	845	6%	-	0%	845	5%
Events & Meetings	810	13%	(550)	(68%)	260	2%	220	85%	480	3%
Other	590	9%	2,220	376%	2,810	19%	666	24%	3,476	22%
Partner Support Costs	419	7%	553	132%	972	7%	68	7%	1,040	7%
TOTAL	**6,406**	100%	**8,444**	**132%**	**14,850**	100%	**1,050**	**7%**	**15,900**	100%
Staff numbers (FTEs)	**9**		**27**		**35**		**0**		**35**	

Figure 3: UNICEF Supply Division

US$ 000	Budget 2012		Change 2012 to 2013		Budget 2013		Change 2013 to 2014		Budget 2014	
Fee distribution by expense category [(1)]										
Staff Costs					*11,840*	*74%*	*1,850*	*16%*	*13,690*	*74%*
Operations staff (travel etc)					*1,920*	*12%*	*300*	*16%*	*2,220*	*12%*
WHO QSS					*1,440*	*9%*	*225*	*16%*	*1,665*	*9%*
Indirect costs					*800*	*5%*	*125*	*16%*	*925*	*5%*
TOTAL	**10,200**	100%	**5,800**	**57%**	**16,000**	100%	**2,500**	**16%**	**18,500**	100%
Staff numbers (FTEs)										
Fee distribution by area [(2)]										
Procurement					2,500	16%				
Supply Security					2,220	14%				
Financial Management					1,880	12%				
Management & oversight					1,800	11%				
QSS					1,500	9%				
Quality Assurance					290	2%				
Reporting					1,440	9%				
Partnership Engagement					1,330	8%				
Logistics					1,250	8%				
Market Influence					1,130	7%				
Innovative Financing Initiatives					660	4%				
TOTAL	**10,200** [(3)]		**5,800**	**57%**	**16,000**	100%	**2,500**	**16%**	**18,500**	181%
Fee as % of estimated procurement amount	2.29%				1.71%				1.68%	

Note 1: Fee distribution by expense category is based on the percentage distribution provided by UNICEF Supply Division (New York) as an indicative guide.

Note 2: Fee distribution by area is as provided by UNICEF Supply Division (New York), for 2013.

Note 3: The 2012 budget of US$10.2 million is the Board approved amount. Based on signed MOUs plus the additional fee agreed to support Measles, actual expenditure that will be recorded in the GAVI financial statements for 2012 is estimated at US$ 9.33 million.

Annex 7: Budget distribution by Partner and Strategic Goal

2013 Budget distributed by Partner and Strategic Goal

US$ 000	SG1 Vaccine	SG2 Heath Systems	SG3 Funding/Co-financing	SG4 Market Shaping	Cross Cutting - APP	Cross Cutting - M&E	Policy	Env. for Implent. Activities	Env. for Impact Assessments	Mission Support	Partners Forum 2012	Total
GAVI Secretariat	6,705	7,163	9,671	2,523	6,956	8,284	1,563			34,080	51	**76,996**
UNICEF PD	7,548	5,144	532			654				972		**14,850**
UNICEF SD				16,000								**16,000**
WHO	21,118	9,177	3,307	1,187		12,906				3,339		**51,035**
AVI TAC	3,867	103	42	48	1,171					1,615		**6,846**
CRS		1,710										**1,710**
Path - Special Studies	4,115											**4,115**
To be determined								4,000	5,026			**9,026**
Prior Year Contracts granted no cost extensions												
PATH AVI TAC (exhib.A4)						686						**686**
JHU Pneumo ADIP	500											**500**
JHU Hib initiative	500											**500**
Total	**44,352**	**23,297**	**13,552**	**19,759**	**8,127**	**22,530**	**1,563**	**4,000**	**5,026**	**40,007**	**51**	**182,263**

Change 2013 to 2014

US$ 000	SG1 Vaccine	SG2 Heath Systems	SG3 Funding/Co-financing	SG4 Market Shaping	Cross Cutting - APP	Cross Cutting - M&E	Policy	Env. for Implent. Activities	Env. for Impact Assessments	Mission Support	Partners Forum 2012	Total
GAVI Secretariat	291	-98	187	-117	176	1,983	-444			239	-51	**2,167**
UNICEF PD	622	279	127			-46				68		**1,050**
UNICEF SD				2,500								**2,500**
WHO	-1,766	379	52	24		1,541				15		**245**
AVI TAC	173	6	2	-48	124					37		**293**
CRS		42										**42**
Path - Special Studies	-1,146											**-1,146**
To be determined								300	2,681			**2,981**
Prior Year Contracts granted no cost extensions												
PATH AVI TAC (exhib.A4)						-686						**-686**
JHU Pneumo ADIP	-500											**-500**
JHU Hib initiative	-350											**-350**
Total	**-2,677**	**608**	**368**	**2,359**	**300**	**2,793**	**-444**	**300**	**2,681**	**359**	**-51**	**6,596**
%	**-6%**	**3%**	**3%**	**12%**	**4%**	**12%**	**-28%**	**8%**	**53%**	**1%**	**-100%**	**4%**

2014 Budget distributed by Partner and Strategic Goal

US$ 000	SG1 Vaccine	SG2 Heath Systems	SG3 Funding/Co-financing	SG4 Market Shaping	Cross Cutting - APP	Cross Cutting - M&E	Policy	Env. for Implent. Activities	Env. for Impact Assessments	Mission Support	Partners Forum 2012	Total
GAVI Secretariat	6,995	7,065	9,858	2,406	7,132	10,268	1,120			34,319		**79,163**
UNICEF PD	8,170	5,423	659			608				1,040		**15,900**
UNICEF SD				18,500								**18,500**
WHO	19,352	9,556	3,359	1,211		14,447				3,355		**51,280**
AVI TAC	4,039	109	44		1,295					1,652		**7,139**
CRS		1,752										**1,752**
Path - Special Studies	2,969											**2,969**
To be determined								4,300	7,707			**12,007**
Prior Year Contracts granted no cost extensions												
PATH AVI TAC (exhib.A4)												
JHU Pneumo ADIP												
JHU Hib initiative	150											**150**
Total	**41,675**	**23,905**	**13,919**	**22,117**	**8,427**	**25,323**	**1,120**	**4,300**	**7,707**	**40,366**		**188,859**

Annex 8: Budget carry-forward mechanism

Background

Currently, when an activity is not completed within the year for which it had been budgeted and must be continued into a subsequent year, a new budget provision must be established for the subsequent year. This is not feasible in instances where the extent of the delay in completion cannot be assessed at the time of budget compilation for the subsequent year. To cater for such instances[10], it is desirable to have a means of budget adjustment subsequent to approval of the budget for a given year.

Budget carry-forward mechanism

1. This mechanism enables a budget amount for an activity that has not been completed within the year for which the budgeted had been approved to be carried forward to a subsequent year in which the activity will be undertaken.

2. The Audit and Finance Committee (AFC) may, upon the recommendation of the Secretariat, authorise the carry-forward of an approved budget amount for a given year to a subsequent year provided the following criteria are met:

   (a) The unutilised budget amount is for a specific activity that was not completed in a prior year for which the budget had been provided.

   (b) It is in the interest of the GAVI Alliance to enable completion of the particular activity in the subsequent year.

   (c) The appropriate amount of the budget carry-forward is assessed based on updated estimates and after adjustment for any budgetary amount available in the subsequent year for the particular uncompleted activity. (It is not simply a carry-forward of the unspent budget.)

   (d) The recommendation to the AFC to approve the carry-forward is endorsed by the CEO or Deputy CEO, and the Managing Director of Finance and Operations.

3. For each carry-forward approved by the AFC, the Secretariat shall adjust the approved budget for the relevant years.

[10] An example of this is the special evaluation studies for which budget amounts were approved prior to 2011. In the course of 2011 it became clear that additional time (a no-cost extension) was needed for completion of these activities in 2011 and 2012. In the absence of a budget carry-forward mechanism, an additional budget amount had to be approved, even though an unutilised amount already existed from the budget that had been approved for the prior years in respect of these studies.