Gavi, the Vaccine Alliance Co-financing Policy

DOCUMENT ADMINISTRATION

VERSION NUMBER	APPROVAL PROCESS	DATE
2.0	Prepared by: Robert Newman, Policy and Performance	
	Reviewed by: Gavi Programme and Policy Committee	4 May 2015
	Approved by: Gavi Alliance Board	June 2015 Effective from: 1 January 2016
3.0	Prepared by: Marta Tufet, Head, Policy	
	Reviewed by: PPC	1 November 2022
	Approved by: Board	8 December 2022 Effective from: 1 January 2023
	Next review:	At the request of the Board
Updated Section 6 and 7.3	Reviewed by: Gavi Programme and Policy Committee	12 May 2016
	Approved by: Gavi Alliance Board	23 June 2016
4.0	Prepared by: Marta Tufet, Head, Policy	
	Reviewed by: PPC	16 May 2025
	Approved by: Board	[Full date] Effective from: [Full date]
	Next review:	At the request of the Board

1. Purpose and Objective

1.1. The **objective** of this policy is to set out the requirements and procedures for country co-financing of vaccines introduced with Gavi support for use in routine programmes. Further information on the vaccines for which co-financing applies can be found in Gavi's operational guidelines. The **purpose** of this policy is to facilitate the mobilisation and sustaining of domestic financing for vaccines introduced with Gavi support.

1.2. This policy covers:

1.3. Vaccine co-financing levels for Gavi-eligible countries as defined in the eligibility and transition policy. [For countries in the catalytic phase, there are no country co-financing requirements for vaccine support as these countries are expected to fully finance the vaccines they introduce while in this phase (except for potential vaccine catalytic financing equivalent to 50% of a first, single age cohort)]. Vaccine support for countries in each transition phase is outlined in the Framework for Gavi Funding to Countries[1], and the Gavi's operational guidelines[2].

1.3.1. Compliance requirements, and

1.3.2. Exceptions

1.4. This policy only covers co-financing for vaccine procurement. The **Framework for Gavi Funding to Countries** outlines the overall structure of Gavi's support to countries and the **Health Systems and Immunisation Strengthening (HSIS) Policy** defines Gavi's HSIS support as well as support available for countries the Catalytic phase.

2. Definitions

- **Co-financing share:** The share of total cost of co-financed vaccines - including the cost of devices and freight – that are covered by countries.
- **Grace year:** first year of preparatory or accelerated transition phase. During this year, the co-financing rules of the previous transition phase apply.
- **Price fraction:** The proportion of a vaccine's price that is used to calculate the amount a country must co-finance for that vaccine.

3. Key Principles [and Commitments]

3.1. The following principles guide the application of the co-financing policy:

- **Country led, sustainable:** Gavi support is country-led, meaning that it bolsters country leadership to sustainably prioritise, deliver and finance immunisation. It is directly linked to a country's ability to pay and is intended to be catalytic and time-limited and to incentivise domestic investments in health.

[1] https://www.gavi.org/programmes-impact/programmatic-policies
[2] https://www.gavi.org/our-support/guidelines

- **Equity:** Gavi support is designed to increase equity in immunisation delivery by supporting the introduction of new vaccines and by helping countries sustainably reach zero dose children[3] and missed communities[4]

- **Differentiated, transparent and predictable:** Transparency and predictability are ensured through clear and consistent communication enabling countries to plan effectively.

4. Procedures and Funding Levels for Routine Vaccines

4.1. A country's requirement to co-finance vaccines is based on its transition phase, as outlined in the Eligibility and Transition policy.

4.2. **Initial self-financing**

4.2.1. Countries in the initial self-financing phase are generally required to contribute $0.20 per dose, with no annual increase. However, for specific vaccines that meet specific conditions and are approved by the Board, a price fraction applies. Further details on specific conditions at vaccine level can be found in the Gavi's operational guidelines.

4.3. **Preparatory Transition**

4.3.1. Countries in the preparatory transition phase are required to contribute a share of the cost for each vaccine, calculated using a price fraction.

4.3.2. When a country progresses from initial self-financing to preparatory transition phase, its co-financing requirement follows the rules of the initial self- financing phase in the first year of preparatory transition, known as the grace year. In this first year a price fraction is calculated based on the country's portfolio of vaccines.

4.3.3. Thereafter, the price fraction, which is applied equally across all vaccines, increases by 15% each year up to a maximum of 80% until the country enters the accelerated transition phase.

4.3.4. For any new vaccine introduction, the same price fraction as that applied to other vaccines in the portfolio for that year will be used, with a maximum limit of 35%.

4.4. **Accelerated Transition**

4.4.1. Countries in the accelerated transition phase are required to contribute a share of the cost for each vaccine, calculated using a price fraction.

4.4.2. When a country progresses from preparatory transition to the accelerated transition phase, its co-financing requirement in the first year—known as the grace year—will be determined according to preparatory transition rules, with a 15% increase in the country price fraction. Should the

[3] Zero-dose children are those who have not received any routine vaccine. For operational purposes, Gavi measures zero-dose children as those who have not received their first dose of diphtheria-tetanus-pertussis containing vaccine (DTP1).
[4] Clusters of zero-dose and under-immunised children. These communities often face multiple deprivations and vulnerabilities, including lack of services, socio-economic inequities and often gender-related barriers.

application of accelerated transition rules result in a lower co-financing requirement for a country, those rules shall take precedence in the grace year.

4.4.3. Starting from the second year of the accelerated transition phase, the price fraction for each vaccine increase linearly to reach 100% of the projected price in the first year without Gavi support.

4.4.4. For any new vaccine introduction, the same price fraction as that applied to other vaccines in the portfolio for that year will be used, with a maximum limit of 35%. Countries will receive eight years of vaccine procurement support from the year of introduction, regardless of whether transition occurs during the eight years, following the same price fraction increase described in 4.4.3. Such Gavi support during any years after AT only applies to products procured at the same prices as applicable to Gavi-eligible countries during these years, otherwise Gavi support is limited to the duration of AT.

4.5. For countries in preparatory and accelerated transition phases, a minimum co-financing threshold of US$ 0.20 per dose applies to vaccine introductions. When a lower co-financing requirement applies to countries in the initial self-financing phase for specific vaccine programmes, this lower requirement will apply as the minimum cofinancing threshold for new vaccine introductions in preparatory and accelerated transition countries.

4.6. If a countries' preferred vaccine presentation is not available in the short-term, their co-financing requirement may be adjusted based on their preferred vaccine presentation.

4.7. Countries moving to earlier phases of eligibility

4.7.1. If a country in the accelerated or preparatory transition phase moves back to the initial self-financing phase, it is expected to continue contributing to the co-financing of vaccines at the same price fraction as in its last year in the accelerated or preparatory transition phase, with no annual increase in the price fraction.

4.7.2. If a country regains Gavi eligibility into either the initial self-financing or preparatory transition phase and has introduced Gavi-supported vaccine programs that have become fully self-financed or have a price fraction above 80%, it will have the price fraction for each of these programs reduced to 80%.

5. Procedures and Funding Levels for Vaccination Campaigns

5.1. Countries are not required to co-finance Gavi-supported vaccines for use in "**One Time Immunisation Campaigns**" (i.e. those campaigns that, for epidemiological reasons, are conducted once, such as Japanese encephalitis catch-up campaigns, meningococcal A preventive mass campaigns, measles-rubella catch-up campaigns, HPV multi-age cohort (MAC) campaigns, PCV catch-up and yellow fever and cholera preventive campaigns). Such vaccines are fully financed by Gavi.

5.2. Countries are not required to co-finance Gavi-supported vaccines for use in "**Outbreak Response Campaigns**". Such vaccines are fully financed by Gavi.

5.3. Countries are required to co-finance Gavi-supported vaccines for use in "**Periodic Follow-up Campaigns**" (i.e. those campaigns that are conducted periodically, such as measles or measles-rubella [MR] follow-up campaigns to reach children that have missed routine vaccination and decrease the risk of outbreak occurrence) as specified below:

5.3.1. The co-financing requirement for initial self-financing countries is 2% of the total price of vaccine doses for the Gavi-supported periodic follow-up campaign.

5.3.2. The co-financing requirement for preparatory and accelerated transition countries is 5% of the total price of vaccine doses for the Gavi-supported periodic follow-up campaign.

5.3.3. Countries are expected to make co-financing contributions in time for the campaign to occur as planned.

6. Compliance

6.1. All Gavi-eligible countries shall contribute to the cost of new vaccines introduced in routine vaccination programmes with Gavi support and vaccines used in periodic follow-up campaigns, unless otherwise decided by the Gavi Board for specific vaccines.

6.2. Countries shall not use other Gavi funds for co-financing of Gavi-supported vaccines.

6.3. Timing of co-financing payments should be made in consideration of when vaccines are needed to minimise risks of vaccines stockout.

6.4. Compliance with the co-financing requirements in accordance with this policy is a condition to receive Gavi vaccine procurement support.

6.5. The required co-financing amount is calculated using the full Gavi price and is converted into a specific number of vaccine doses that the country is required to finance. To meet co-financing requirements, countries must procure these doses through the appropriate procurement agency. For countries using the same procurement agent as Gavi-procured doses, compliance is achieved by procuring the number of doses or the dollar amount specified in the Decision Letter. For countries that self-procure their co-financed doses, compliance is achieved by procuring the number of doses outlined in the Decision Letter.

6.6. A country that has not met its co-financing requirement by 31 December (or by end of country fiscal year if agreed with country) will be considered in default.

6.6.1. A country in default can apply but will not be approved for new vaccine support, and Gavi may also suspend disbursements of funds for Health System and Immunisation Strengthening (HSIS).

6.6.2. A country in default can still apply to receive support for outbreak response, including relevant vaccine procurement and operational cost support to respond to outbreaks.

6.6.3. Gavi will engage with a country in default to identify an appropriate payment plan. To exit default, a country is required to (i) agree on a payment plan, and (ii) pay the co-financing requirements of the current year plus a first tranche of the arrears as per the plan.

6.6.4. If a country is in default for more than one year, support for the relevant vaccine will be suspended until all co-financing arrears for that vaccine are paid in full, unless the Board approves an exception. Gavi may also suspend new vaccine support for vaccine programmes already approved but not yet introduced.

7. Exceptions

7.1. A country may be exempted from the co-financing rules described above in only three rare and exceptional circumstances:

7.1.1. In the case where a country experiences widespread, large-scale conflict or disaster of such magnitude that profoundly hampers the proper functioning of government (**humanitarian crisis**), it may be considered for a co-financing waiver of up to three years or, alternatively, a partial co-financing obligation.

7.1.2. In the case where a country experiences a severe fiscal crisis significantly above and beyond the usual fluctuations of economic cycles (**fiscal distress**), it may be considered for an adjustment whereby the co-financing increases of the previous phase would be applied.

7.1.3. Co-financing obligations do not apply where Gavi channels vaccines and support directly through Alliance and other partners in exceptional emergency situations and humanitarian settings.

7.2. The severity and exceptionality of circumstances, and the impact on the ability to co-finance, will be assessed to determine whether the conditions outlined in sections 7.1.1 and 7.1.2 are met. The assessment will be conducted in consultation with relevant partners with the appropriate expertise. Based on the assessment, the Gavi CEO has the authority to approve these exceptions to co-financing, with timely reporting to the Board.

7.3. Countries are encouraged to integrate the immunisation needs of refugee populations in countries, in their national plans and vaccine allocations requests. When this integration is not possible, verified numbers of vaccine doses for refugee populations can be fully financed by Gavi.

7.4. As and when the Gavi Board decides to modify co-financing requirements for specific vaccine programmes or countries, that decision will supersede this policy. Further details can be found in Gavi's operational guidelines.

8. Implementation and Monitoring

8.1. This policy comes into effect on 1 January 2026 and replaces the co-financing policy approved by the Board in December 2022.

8.2. Monitoring of this policy is outlined in Annex A to the Framework for Gavi Funding to Countries document and describes the relevant indicators that are reported on annually.

8.3. This policy will be reviewed and updated as and when required. Any amendments to this policy are subject to Gavi Board approval.