Annex B: Consolidation: Partners' Engagement Framework (PEF) Targeted Country Assistance (TCA) and simplification opportunities

Part A: Consolidation of PEF TCA

1. Introduction

1.1 Partners' Engagement Framework (PEF)[1] Targeted Country Assistance (TCA) provides tailored country-level technical assistance to strengthen local capacities and address unique challenges at national level. Technical assistance needs identified by countries are intended to align with the comparative strengths of partners in-country to help address immunisation challenges and strengthen capacities in-country towards sustainability or an exist strategy where possible.

1.2 TCA is currently contracted by the Secretariat and implemented by core Alliance,[2] and non-core partner organisations.[3] In 5.1 an average of 37% of TCA funding across Gavi-eligible countries was allocated to long-term, core Alliance partner staff support; with the remaining 63% allocated to short term support in addition to other TCA catalytic activities.[4] These ratios may shift, depending on country context (e.g. more long-term support in fragile vs core) and transition status (e.g. more short-term activities in countries in accelerated transition vs other transition phases).

1.3 The Funding Policy Review (FPR) identified several problem statements with the current approach to PEF TCA: (a) separating TCA undermines country ownership and flexibility in how to optimise use of Gavi resources based on their needs, and (b) the current system means technical assistance is implemented through multiple levers which leads to fragmentation, potential duplication and inefficiency in both processes and programming. These issues result in complex processes with high transaction costs for countries, partners and Secretariat, partner competition for funds and varying accountability requirements.

1.4 Thus, as part of the FPR's simplification agenda and the recommendation by the PPC to consolidate seven Gavi funding levers into one cash grant for countries in 6.0, **it was necessary to consider whether PEF TCA should be consolidated too and if so, what options were available to facilitate this**

[1] PEF also includes two other funding levers: **Foundational Support (FS)** to support longer term functions of core Alliance partners at global and regional levels, and **Strategic Focus Areas (SFA)** to address emerging global health challenges and opportunities while enhancing learning and capacity building at global, regional and country level.
[2] WHO, UNICEF, World Bank, CDC/F
[3] TCA aims to leverage the comparative advantage of more than 60 different partner organisations across Gavi countries who provide technical assistance (TA) to countries, they can be local and global civil society organisations (CSOs), private and other partners.
[4] Including activity specific technical assistance such for HPV, malaria, etc.

consolidation. This Annex summarises the analysis and options that were reviewed by the PPC at their meeting on 20 November 2024.

2. Analysis of options

2.1 The consolidation of funding levers proposed as part of the FPR (Doc 06bi) was guided by the following principles:

- **Strategic focus:** ensure Gavi's ability to achieve impact in its strategic goals in line with country priorities
- **Country ownership:** increase country ownership by providing greater flexibility to use funds in support of nationally developed priorities in line with Gavi's objectives
- **Simplicity:** Simplify Gavi's grant structure, improve process efficiencies by reducing administrative burden and transaction costs for countries, partners and the Gavi Secretariat
- **Transparency:** Improve visibility and country understanding of Gavi's investments, including total funding available and rules and regulations
- **Agility:** Enhance agility to respond to changing country contexts and needs, enabling adjustments and reallocation of funds to pressing priorities
- **Holistic perspective:** reduce siloed approaches and encourage integrated planning

2.2 Given the nature of PEF TCA, this analysis has considered Alliance health as an additional principle. It has also included implementation considerations such as operationalisation and an initial high-level assessment of resourcing implications. In the first instance, the options outlined below assume that PEF TCA contracting remains with the Gavi Secretariat where relevant (e.g. when UN partners cannot be contracted by host governments) and that for Gavi 6.0 there will be no increase in resources available compared to Gavi 5.0/5.1.

2.3 Table 1 below outlines key risks and trade-offs, some of which are related to the timeline rather than to the scope of consolidation itself. It should be noted that implementation of any of these options for start of 6.0 will require intensive work on change management in 2025, particularly for the options necessitating the most extensive changes (Options 1, 2 and 2a).

Table 1: Overview of proposed PEF TCA consolidation options

Options	Benefits, risks and trade- offs
1. Full consolidation in 6.0 Funding is added to the consolidated cash grant to countries and allocated to them based on the new cash grant allocation formula	**Overall consideration:** This option favours the country ownership principle but constitutes a fundamental shift in how the Alliance works at country-level & implications for 6.0 operationalisation. **Pros:** (+) Would fully embrace the country ownership principle.

Countries have full decision over allocation Contracting remains with Gavi Secretariat as and if needed No earmarking/guardrails for TCA	(+) Would streamline application planning processes and improve alignment with other Gavi funding and could increase efficacy of technical assistance to drive strategic priorities and focus on achieving desired results. (+) Would support the strategic and grant holistic perspective, ensuring technical assistance is targeted directly to the needs of country. (+) Would address Secretariat inefficiencies and challenges with a fragmented portfolio with multiple funding levers and parallel processes **Cons:** (-) Risk that core partners may have reduced allocated support to provide long-term technical assistance at country-level. (-) Would require review and revision of application and funding guidelines and risks being rushed if mandated immediately. (-) Would require substantial change management for countries, all partners and Secretariat to adapt processes in a limited time frame. **Resource implication:** change management and transition considerations needed to prepare for execution in 5.1, with effects on countries, partners and Secretariat. Efficiency gains in 6.0 once systems are established. Secretariat resource needs will also depend on role in contracting and performance management of partners.
2. Consolidation in 6.0 with a guardrail for TCA Funding is added to the consolidated cash grant to countries with an additional guardrail for TCA Countries have full decision over allocation but there is a minimum floor assigned to TCA Contracting remains with Gavi Secretariat as and if needed	**Overall consideration:** This option aims to introduce a guardrail for TCA provided by core and non-core partners in-country. The definition of the guardrail would need to be developed in consultation with countries and partners. **Pros:** (+) Would enhance country ownership and visibility over TCA, streamline application planning processes and improve alignment with other Gavi funding (+) Would ensure some level of support for core and non-core partners at country level to support quality and timely implementation of activities. (+) Would ensure long-term predictability of funding to partners. (+) Would address some of the Secretariat inefficiencies and challenges with a fragmented portfolio with multiple funding levers and parallel processes. **Cons:** (-) Introduces another guardrail into the consolidated cash grant, adding complexity and limiting fungibility of funds and country flexibility to use them (-) Would require review and revision of application and funding guidelines. (-) Would require change management for all partners and Secretariat to adapt processes in a limited time frame **Resource implication:** Change management and transition considerations in 5.1 to prepare for this change, with effects on countries, partners and Secretariat. Efficiency gains in 6.0 once systems are established.

Sub-option 2a. Portion of TCA (and potentially SFA) funds allocated to core partners before defining country ceilings for long-term country functions and consolidation of TCA into cash grant for country needs Support for core partners is carved out (from TCA and potentially SFA) and allocated before the definition of country ceilings Funding for TCA is added to the consolidated cash grant to countries Contracting remains with Gavi Secretariat as and if needed Non-core partners would continue to access support for these funds according to current practices.	**Overall consideration:** This sub-option would allocate funds to core partners before country ceilings are calculated, modifying the remit of Foundational Support beyond global and regional functions, in light of the United Nations's agency responsibilities and formal technical cooperation with country governments. Other TCA funds would then be allocated to country ceilings and would be integrated into the consolidated cash grant, allowing countries to seek technical assistance for other activities from any relevant partner, including core partners. **Pros:** (+) Would enhance country ownership and visibility over TCA, streamline application planning processes and improve alignment with other Gavi funding (+) Would ensure predictability for core partners of support for critical long-term functions, easing discussions at country level around staffing and resource allocation (+) Would result in enhanced performance of core partners in country as stability will help attract and retain top talent (+) Would allow the establishment of a Board-approved accountability framework for monitoring and tracking performance of core partners during 6.0 (+) Would address Secretariat inefficiencies and challenges with a fragmented portfolio with multiple funding levers and parallel processes. (+) Would be time-bound to 6.0 ensuring there is a clear deadline for assessing progress, enabling review and adjustments if needed in 7.0. **Cons:** (-) Could result in implementation delays due to time needed to negotiate a clear and transparent mechanism to determine the exact portion to be allocated to core partners once replenishment funding is confirmed and to establish the accountability framework. (-) Long-term core positions in country could limit the transfer of skills and hinder capacity strengthening in country if not deliberate in partners' remit. (-) Would require review and revision of application and funding guidelines (-) Would require change management for all partners and Secretariat to adapt processes in a limited time frame **Resource implications:** Change management and transition considerations in 5.1 to prepare for this change, with effects on countries, partners and Secretariat, specifically pertaining to allocation methodology and accountability framework. Efficiency gains in 6.0 once systems are established.
3. Gradual approach to consolidation informed by pilots Build on ongoing pilots (section 3.3) to ensure that consolidation is based on lessons learned: a) Ongoing FS at country level pilot: review lessons and either	**Overall consideration:** This option incorporates evidence from ongoing pilots, allowing for assessment of pros and cons of including FS at country level and of consolidation of the non-core/short term TCA support, or piloting full consolidation with no guardrails, while giving time for the 6.0 operationalisation process reforms that will enhance country ownership, visibility and flexibility through EVOLVE to be implemented. **Pros:**

expand the pilot or scale to Gavi-eligible countries in 6.0, and b) Pilot consolidation of remaining TCA (non-core functions/short term) in 6.0 to draw lessons and design new system c) Pilot full consolidation of TCA in some countries, without guardrails to draw lessons before full roll-out Gradual approach would be to pilot and implement consolidation in 6.0.	(+) Option with least risk to the Secretariat as it would allow for assessment, adaptation and course correction prior to implementing shifts and align with other 6.0 shifts and operationalisation processes. (+) Opportunity to consult with countries and partners (+) Scope to explore existing country-centred mechanisms, e.g. MICs approach (+) Would allow time for capacity strengthening at country-level to manage the consolidation of short-term TCA and pressure testing the approach. **Cons:** (-) Significant burden on countries, partners and Secretariat to implement potential changes from the pilots in addition to Gavi 6.0 changes to application and grant management processes. (-) Delay in addressing pain points while undertaking the pilots. (-) Risk of frustration at slow pace of change to address challenges. **Resource implications:** Less change management and transition considerations in 5.1 and early 6.0, but with limited scope for efficiency gains in 6.0 and costs of parallel systems affecting Secretariat, partners and pilot countries in particular. Limited current Secretariat capacity and skillset to manage pilots.
4. Status quo Existing processes would continue, although some improvements may be implemented through the operationalisation of Gavi 6.0 workstreams, including EVOLVE and PEF redesign.	**Overall consideration:** This option would maintain status quo with some process improvements as part of Gavi 6.0. **Pros:** (+) Less change management required. **Cons:** (-) Whilst there are ongoing efforts as part of the PEF redesign, this option would only partially address existing pain points, including complex, fragmented and untransparent portfolios, with inefficiencies at Secretariat and country levels. **Resource implications:** would require current resourcing with a dedicated PEF team in parallel to country teams.

3. Harvey Ball analysis of options

		Option 1 Full consolidation in 6.0		Option 2 Consolidation with guardrail for TCA		Sub-option 2a Funds allocated to core partners and consolidation of TCA into cash grant		Option 3 Pilot approach		Option 4 Status quo	
Key Principles	Strategic focus							n/a			
	Country ownership							n/a			
	Simplicity										
	Transparency										
	Agility							n/a			
	Holistic perspective							n/a			
	Alliance Health							n/a			
Implementation considerations for the Secretariat	Short- and Long-term implications	Short term	Long term	Short term	Long term	Short term	Long term	Short term	Long term	Short term	Long term
	Operationalisation									n/a	n/a
	Resourcing requirements									n/a	n/a

Fully addresses · Significantly addresses · Partially addresses · Slightly addresses · Doesn't address

Part B: Simplification opportunities

4. What does consolidation mean in practice?

4.1 The consolidation of funding levers including PEF TCA is expected to reduce the number of grants per country by an average of 70%-80%, leading to a significant simplification of processes, faster disbursement, greater operational efficiency, and less strain on both the Secretariat and in-country staff. Figures 1 & 2 show illustrative examples of this reduction in two countries: Mauritania (Core) and Afghanistan (Fragile & Conflict):

- A reduction of 41 agreements to 11 in Mauritania, and 27 agreements to 9 in Afghanistan.
- A reduction of 8 WHO grants to 1 in Mauritania, and 6 grants to 1 in Afghanistan.
- A reduction of 8 UNICEF grants to 1 in Mauritania, and 5 grants to 1 in Afghanistan.

4.1 This simplification will lead to increased accountability and stronger outcomes: reduced grants at country level simplifies oversight and one headquarter agreement for longer term functions facilitates their link with clear expectations, outcomes, and consequences. With fewer contracts, accountability becomes more transparent, and performance can be more effectively monitored and managed, ensuring better alignment and results across the board.

Figure 1a: Mauritania – current agreements/contracts

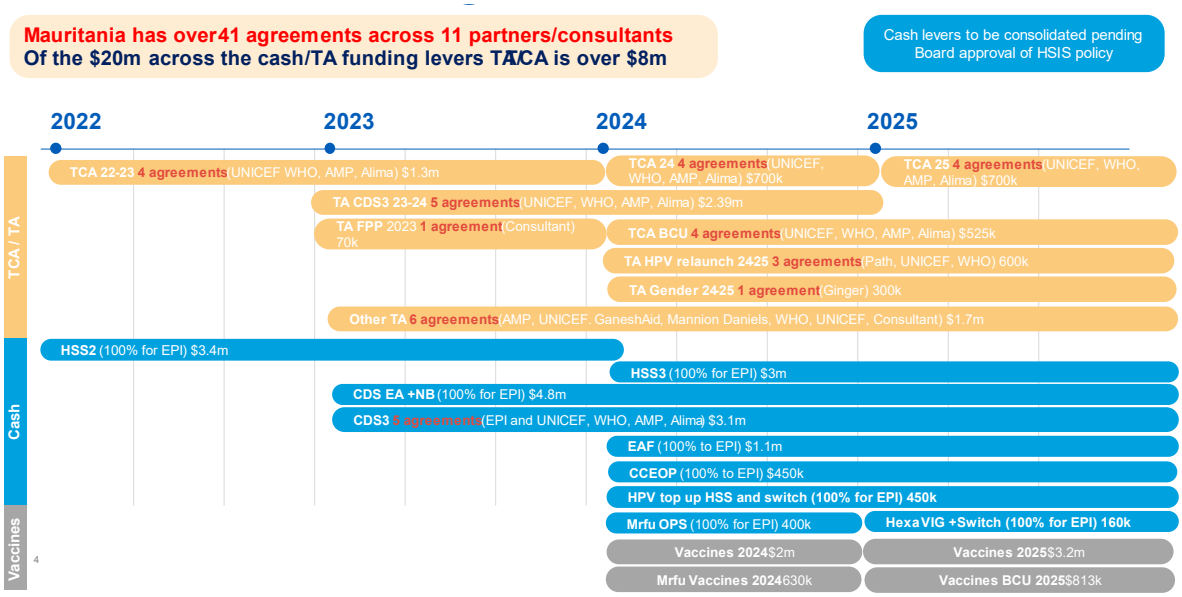

Figure 1b: Mauritania – simplification with consolidation, including PEF TCA

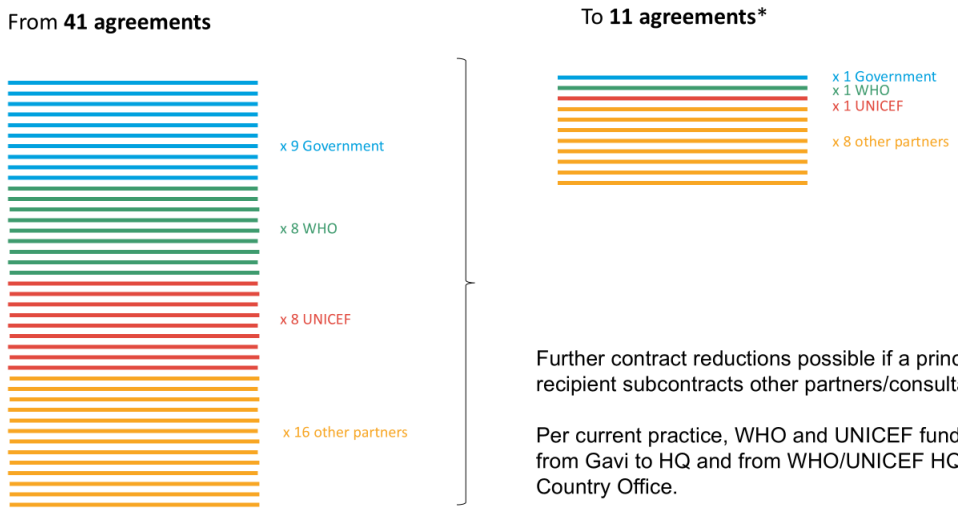

Figure 2a: Afghanistan – current agreements/contracts

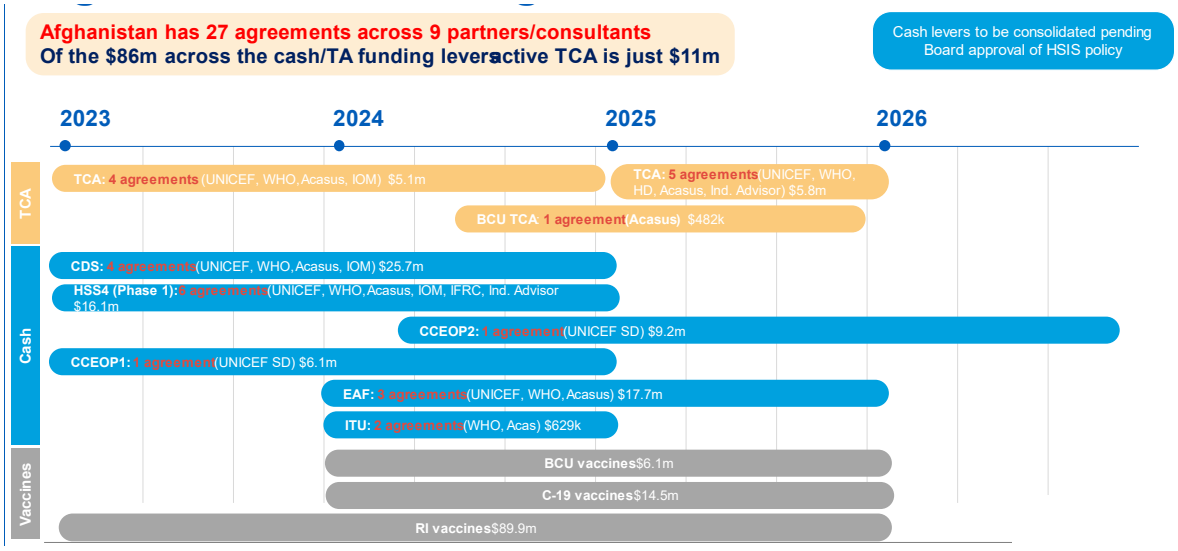
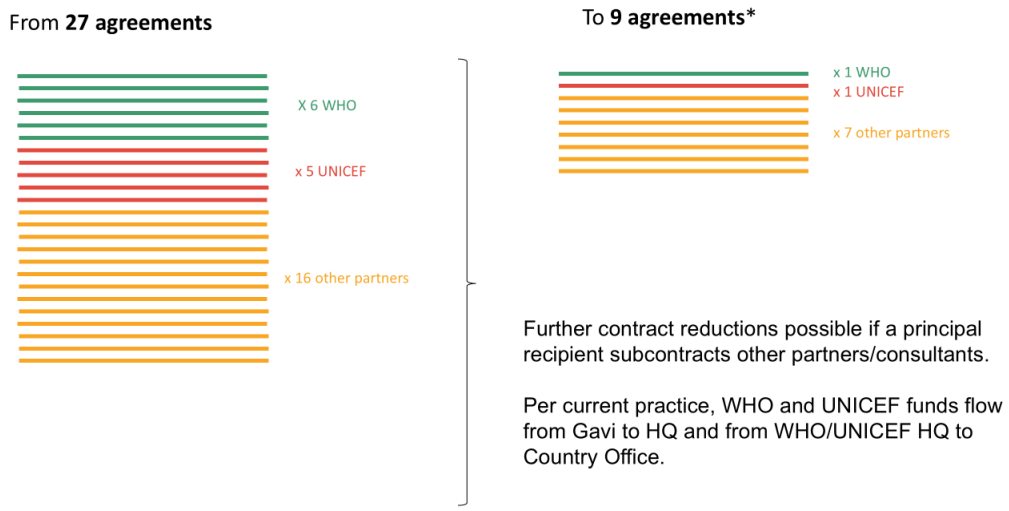
Figure 2b: Afghanistan – simplification with consolidation, including PEF TCA