10 – ANNEX C – ANALYSIS OF DIFFERENT OPTIONS TO ALLOCATE HSIS SUPPORT

BOARD MEETING
1-2 July 2026, Geneva, Switzerland

Two approaches to allocate vaccine implementation support

Option 1: A fully consolidated allocation approach

Remaining available funding for guaranteed and discretionary vaccine implementation support **run through HSIS formula** and allocated unconditionally to countries

Option 2 (recommended): Differentiated allocation aligned with Vaccine Budget policy

Guaranteed budget vaccine implementation support

Firmly allocated based on Gavi vaccine forecast

- 2A. Unconditional allocation based on forecast

OR

- 2B (recommended). Conditional allocation finalised per single application

Deep-dive 1

Discretionary budget vaccine implementation support

Firmly allocated proportionally to a country's uncommitted discretionary vaccine budget[1]

- 2C. Vaccine budget discretionary formula

OR

- 2D. (recommended). Proportional based on country's uncommitted discretionary vaccine budget

Deep-dive 2

1. The proportional approach reflects each country's expected scope for future activities. This is defined as each country's share of uncommitted discretionary vaccine budget—after accounting for existing routine programmes—relative to the total across countries

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Deep-Dive 1 | If Option 2 is selected, a second design choice is required on how guaranteed cash allocation should be treated

Funds allocated upfront through Gavi forecast for guaranteed programmes

	Option 2A: Unconditional	**Option 2B: Conditional (Recommended)**
Description	Funds allocated firmly based on forecast. Countries retain funds regardless of whether the introduction, campaign or switch proceed.	Funds allocated firmly based on forecast, but conditional on new activity from the guaranteed Vaccine Budget being included in a country's application and the activity taking place. Once confirmed, funding is fully fungible.
Principles		
1. Country sovereignty & planning certainty	✓ Maximises simplicity and planning certainty	✕ Limits planning certainty
2. Activity based allocation	✕ Weaker alignment if forecasted introduction, campaign or switch does not take place	✓ Strong alignment
3. Equity across countries	✕ Countries not forecasted to do a specific introduction or campaign do not get funds despite need	✓ Funds flow to countries with actual programme need
4. Alignment with Gavi's funding structure	✓ Consolidated cash budget ✕ Vaccine Budget policy- countries keep guaranteed cash but lose doses	✓ Vaccine Budget policy ✕ Consolidated cash
5. Efficiency & simplicity	✓ Simple to implement and communicate	✕ Harder than option 2A to implement and communicate

Key trade off is between predictability of funding at the beginning of the strategic period (Option 2A) with ensuring funds are utilized for their intended purpose (Option 2B).

Deep-Dive 1 | Conditional allocation allows for reallocation of resources to shifting demand for new introduction or campaigns

Country A is forecasted to introduce HPV and Measles Rubella, Country B is forecasted to introduce Measles Rubella - both vaccines under guaranteed budget.

Total additional guaranteed allocation

Country A

Vaccine intro	Amount (US$ million)	Total retained
Measles Rubella	VIG: 1.1 OPS: 4.6	US$ 5.7 million
HPV	VIG: 1.4 OPS: 1.7	US$ 3.1 million
Total		**US$ 8.8 million**

Country B

Vaccine Intro	Amount (US$ million)	Total retained
Measles Rubella	VIG: 5.3 OPS: 13.1	US$ 18.5 million
Total		**US$ 18.5 million**

	Country A	Country B
Option 2A	Retains US$ 8.8 million additional funds, regardless of whether it proceeds with introduction of MR or HPV	Retains US$ 18.5 million regardless of whether it proceeds with introduction of MR
Option 2B	If Country A chooses **not to introduce** Measles Rubella or HPV, US$ 8.8 million will be reallocated to support activities that were not part of the demand forecast at the beginning of the strategic period	If Country B chooses **not to introduce** Measles Rubella, US$ 18.5 million will be reallocated to support introduction, campaigns & switches in other countries

Deep-Dive 2 | Overview of options considered for discretionary allocation under Option 2

	Option 2C – Vaccine-budget (VB) discretionary allocation Formula	Option 2D – Proportional based on country's uncommitted discretionary vaccine budget (Recommended)
Description	Focus on **burden of disease** by prioritising funding for lowest-income countries with highest under-5 mortality	Focus on **countries with greater ability to introduce new discretionary programmes** within their vaccine budget get more money
Key indicators	• GNI per capita • U5 mortality	• Country share of uncommitted discretionary vaccine total allocation[1]
Alignment to principles	Equity Efficiency and simplicity	Proxy of activity-based allocation to improve quality introductions and campaigns

Considerations

- In option 2C **all countries would get additional cash** regardless of whether they had space in discretionary vaccine budget allocations for new introductions or campaigns
- In option 2, **only countries with space in discretionary vaccine budgets** would receive additional cash

Note: The Secretariat also considered using the Health and Immunisation Systems Strengthening (HSIS) allocation formula in addition to the vaccine budget allocation formula. Formula outputs by country were similar.

1. A country's share of uncommitted discretionary funds reflects the proportion of its remaining discretionary allocation—after accounting for existing routine programmes—relative to the total uncommitted discretionary funds across all countries.

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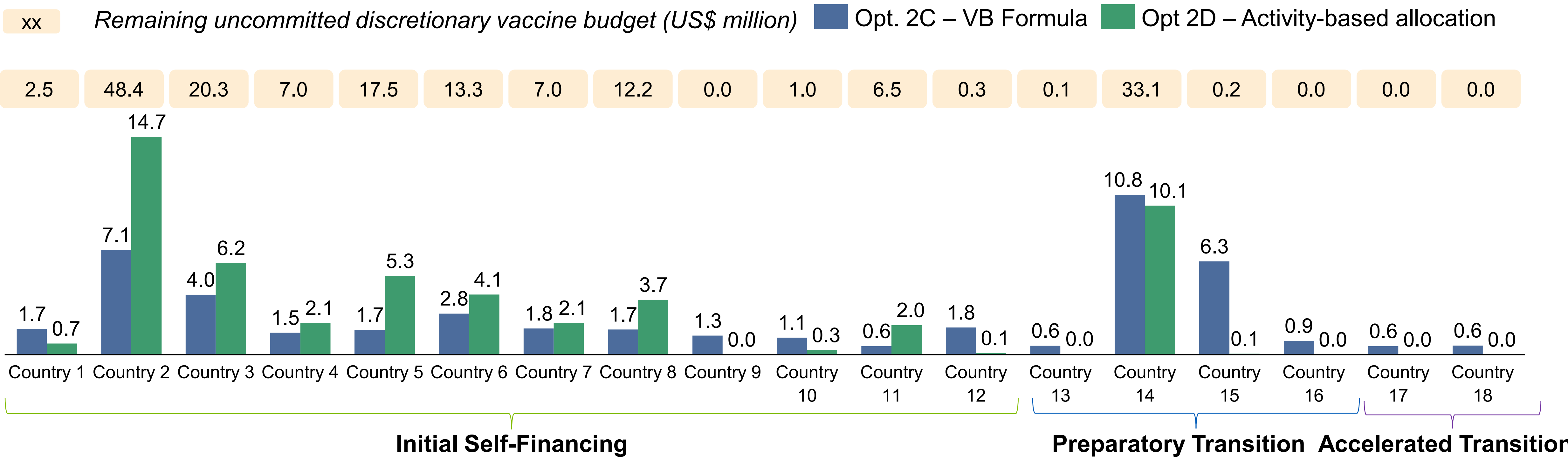
Deep-dive 2 | The critical differentiator between Options 2C and Option 2D is alignment to vaccine doses

Discretionary cash allocation (US$ million) against country share of uncommitted discretionary vaccine budget[1]



Observation 1: Proportional activity-based allocation (Option 2D) aligns to available discretionary vaccine budgets, but results in several countries receiving no additional cash where no discretionary space exists **(Countries 9, 16, 17, 18)**

Observation 2: Some countries have significant room in discretionary vaccine budgets for new programmes & campaigns, but in Option 2C would receive limited cash. **(Countries 2, 5, and 8)**

Observation 3: Some countries have little / no discretionary vaccine budget available for new programmes & campaigns, but in option 2C would receive cash **(Countries 9, 12, 15)**

1. Using v23.1 forecast – allocations subject to change based on v23.2. Sample of countries with deltas between outputs from Option 2C and Option 2D over US$ 600,000

Summary | Each option prioritises different principles and objectives

Funds align to purpose of supporting new intro/campaign

Options	Principle prioritised	Allocation logic	Risk
Option 2C – Vaccine Budget discretionary formula	Equity and simplicity	**Fairness / simplicity across countries** - based on disease burden need, independent of vaccine demand	Funding may not align with vaccine demand, exacerbating insufficient resources for introductions and campaigns, or under-utilised funds. Likely no large campaign in Gavi 6.0
Option 2D **(recommended)** – Activity-based allocation	Activity based allocation to improve quality introductions and campaigns	**Feasibility of delivery of new vaccine activities** - countries with available uncommitted discretionary vaccine budgets get cash, ensuring introductions and campaigns funds are directed where feasible within Vaccine Budgets	Limited discretionary space may underfund some countries and concentrate support in fewer countries. Reprogramming may enable countries to access additional discretionary vaccine funding, without corresponding increase in cash allocations mid-period.

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