Annex A: Risks and Risk Mitigations

This annex summarises the key risks and mitigations associated with the updates to the Health Systems and Immunisation Strengthening (HSIS) Policy: a) the allocation of vaccine implementation support that is aligned with the Vaccine Budget Policy (Doc 09), and b) updates to outstanding placeholders from the policy approval in July 2025.

The following risks reflect the Secretariat's recommended approach of allocating vaccine implementation support for programmes in the guaranteed budget based firmly on Gavi's financial forecast (Option 2 in Doc 10), with funds allocated upfront but conditional on the corresponding new activity taking place, in line with the Vaccine Budget Policy (Option 2b). For programmes in the discretionary budget, vaccine implementation support would also be allocated firmly upfront using a proportional approach based on each country's expected scope for future activities.

While this approach supports predictability and portfolio level prioritisation in a constrained funding environment, it also introduces risks related to country centricity, planning certainty, equity across countries and operational simplicity. The risks and mitigation measures outlined below reflect these trade offs and build on existing Gavi 6.0 mechanisms and processes

Risk	Mitigation Measures
Allocation of Vaccine implementation Support: Options 2 and 2b: Differentiated Allocation Aligned with Vaccine Budget Policy	
<u>Country flexibility, fungibility, and planning certainty risk</u> Allocating vaccine implementation support for guaranteed Vaccine Budgets on upfront but not disbursing until the activity takes place, could limit planning and flexibility in use of funds.	The Secretariat will communicate the allocated amount in July 2026 pending Board approval of the approach such that countries have full visibility for their five-year planning. This approach also aligns with the Vaccine Budget Policy and therefore reduces complexity by maintaining one approach for guaranteed Vaccine Budgets across both support types. Additionally, countries can budget their cash support holistically and are not required to spend a specific amount on any programme with the exception of guard-railed funds.
<u>Operational adjustment and administrative burden</u> Applying conditionality to vaccine implementation support for guaranteed Vaccine Budgets may lead to funds not being disbursed if the activity is not included in the single application or does not proceed. These changes could prompt potentially burdensome operational/administrative adjustments for the Secretariat, countries, and partners.	Gavi 6.0 Funding Guidelines and country engagement through Senior Country Managers provide structured communication on planning expectations. Early communication of cash budgets, and ongoing country dialogue supports shared understanding of the conditionalities and its intended use. Fund reallocation will be fully integrated in period reviews of countries' overall cash absorption.

Other HSIS Policy updates	
<u>Use of Measles Guardrail Funds for Periodic Intensification of Routine Immunization (PIRIs)</u> Allowing countries to use measles guard-railed funds for approaches that co-deliver measles containing vaccines (e.g. PIRI) creates a risk that countries may exhaust the guardrail allocation on these activities. This could leave insufficient resources available for the scheduled measles/measles rubella follow-up campaigns and potentially result in gaps in population immunity if the campaign cannot be implemented as planned.	The Alliance will continue supporting countries with their multiyear campaign planning, including adherence to the recommended five year inter campaign interval and strengthened campaign efficiency planning across the full strategic period. Through routine programmatic planning, countries will be encouraged to assess the timing and sequencing of PIRIs relative to follow up campaigns to ensure that guardrail funds remain available when required. These measures will help maintain the integrity of the follow up campaign schedule while enabling countries to leverage PIRIs appropriately for measles dose delivery.
<u>Annualised Country Joint Investment Repayment</u> Annualised Cold Chain Equipment (CCE) Country joint investment (CJI) payments create compliance and portfolio-level risks, especially for countries that apply later in the strategic period. Countries applying in 2027 have less time to plan and repay their CJI obligations. Shorter repayment windows make smoothing mechanisms less effective and raise the risk of repayment defaults.	The existing CJI framework includes two repayment modalities that help manage the risk of compressed repayment windows. Under the lump-sum approach, procurement does not proceed until the country has fully met its CJI requirement, eliminating repayment risk. Annualised payments provide predictability earlier in the period, and routine financial monitoring and portfolio reviews by Gavi Secretariat and Alliance partners allow for early detection of repayment delays and timely engagement to prevent end-period accumulation of unpaid contributions. In addition, the policy's proportional reduction mechanism for missed instalments delivers a clear and immediate consequence that reinforces compliance and helps minimise repayment clustering late in the 6.0 period, hence reducing risks to absorption and reprogramming flexibility.