

SUBJECT: PROGRAMME AND POLICY COMMITTEE CHAIR REPORT

Category: For Information

Section A: Introduction

- This report provides the Board with an overview of the activities of the Programme and Policy Committee (PPC) since the Board last met in November 2017.
- The PPC met in Geneva on 2-3 May 2018. During the two-day PPC meeting, the Committee discussed a number of important topics for the Alliance and agreed on recommendations which are being put forward to the Board at its June meeting for consideration.
- The PPC Chair report is attached in the form of a presentation as Annex A and the PPC recommendations to the Board are attached as Annex B.

Annexes

Annex A: PPC Chair report

Annex B: PPC recommendations to Gavi Alliance Board

PROGRAMME AND POLICY COMMITTEE CHAIR REPORT

BOARD MEETING

Richard Sezibera

6-7 June 2018, Geneva, Switzerland



PPC Meeting, 2-3 May 2018

- **Discussion, Information and Guidance Items**
 - CEO Update and Update on Implementation and measurement of Gavi's Strategy
 - Market Shaping Update
 - Partners' Engagement Framework
 - Alliance Update on Country Programmes
 - Middle Income Countries: Situational Analysis
 - Gavi support for Yellow Fever diagnostic capacity
 - IFFIm and CEPI (*included at the request of Norway*)

PPC Meeting, 2-3 May 2018

- **Recommendations to the Board (1/2)**
 - Successfully transitioning Nigeria from Gavi support (*Agenda Item 5*)
 - Engagement with countries post-transition (*Agenda Item 6*)
 - Vaccine investment strategy: short list (*Agenda Item 7*)
 - Gavi's engagement in Polio Eradication (*Agenda Item 8*)

PPC Meeting, 2-3 May 2018

- **Recommendations to the Board (2/2)**
 - Changes in 2016-2020 Strategic Indicators (*Consent Agenda*)
 - Reflecting Board-approved changes to Eligibility and Transition Policy (*Consent Agenda*)
 - Modifications to Gavi's HSIS Support Framework and Gavi's Fragility, Emergency, Refugees Policy (*Consent Agenda*)
 - Extension of support for use of Gavi's global cholera stockpile in endemic settings for 2019 (*Consent Agenda*)
 - Expansion of PCV support to include catch-up during new introductions (*Consent Agenda*)
 - Mid-term approach to replace reactive approvals of continuation of support in Yemen and South Sudan (*Consent Agenda*)

PPC Meeting, 2-3 May 2018

CEO Update & Strategy Update

- Discussion focused on proposed changes to strategic indicators
- PPC members generally supportive – some concerns around changing in the middle of the strategy period and/or on proposal to track two sets of indicators
- Agreement to propose to Board to use new strategic indicators for performance and accountability while continuing to track original indicators

PPC Meeting, 2-3 May 2018

Market Shaping Update

- Concerns from PPC members representing vaccine manufacturers on increasing burden relating to regulatory requirements
- PPC members noted demand in developing countries to create own manufacturing facilities – stressed the importance of ensuring strong regulatory systems
- Questions to be further explored in the context of Gavi 5.0 on impact of transition on market shaping as well as impact of market shaping on non-Gavi countries
- PPC members noted ongoing work relating to Vaccine Innovation Prioritisation Strategy (VIPS)

PPC Meeting, 2-3 May 2018

Partners' Engagement Framework (PEF)

- PPC members commended increasing accountability and transparency, as well as increasing focus on subnational TA
- Discussion on the importance of ensuring inclusion of all relevant stakeholders in Joint Appraisals
- Request for sharing information with PEF MT on oversight mechanisms for PEF components
- Highlighted the criticality of countries taking ownership of the TCA Plans and exercising effective oversight of the technical assistance provided by partners

PPC Meeting, 2-3 May 2018

Alliance Update on Country Programmes

- Appreciation for work being done in relation to strengthening in-country political will and agreement on importance of carrying work down through to sub-national levels
- Reiteration of strong concerns around the increasing trend of channeling of funds away from government systems
- Reiterated importance of support through government systems, and noted the challenge of balancing this with the Board's appetite for fiduciary risk
- PPC members supported a number of proposed decisions, all of which are on the consent agenda for the Board meeting

PPC Meeting, 2-3 May 2018

Middle Income Countries: Situational Analysis

- Joint presentation to PPC from Secretariat, WHO and UNICEF
- PPC members noted positive impact of Gavi support in eligible MICs
- Recognition of challenges around pooled procurement for MICs
- PPC members noted that reasons for low coverage in MICs include issues related to political will, fragility, governance and capacity
- PPC members also noted strong interest from transitioning countries in opportunities for sharing knowledge and best practices

PPC Meeting, 2-3 May 2018

Gavi support for yellow fever diagnostic capacity

- PPC members noted that more work needed to be done on the proposal
- Requested for a more detailed analysis demonstrating how the proposal would fit within the Eliminating Yellow Fever epidemics (EYE) strategy
- Provided mandate to the Secretariat to gauge interest from potential manufacturers and revert to the PPC at its next meeting

PPC Meeting, 2-3 May 2018

IFFIm and CEPI (Coalition for Epidemic Preparedness Innovations)

- Included on the PPC agenda at the request of Norway
- Proposal from Norway to use IFFIm to front-load the funding for its pledge to CEPI
- Certain details (including legal) would have to be explored with IFFIm donors and World Bank before confirming feasibility
- Audit and Finance Committee (AFC) would be consulted before a possible recommendation put to the Board for consideration and approval
- PPC members indicated their support to further explore this option

PPC Meeting, 2-3 May 2018

PPC recommendations to the Board

- Listed in Annex B
- Further details from the PPC discussions contained in the relevant papers to the Board, as listed in Slide 3

Thank you



REVIEW OF DECISIONS

PROGRAMME AND POLICY COMMITTEE
2-3 May 2018, Geneva



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DECISION 1: 2016-2020 STRATEGY – IMPLEMENTATION AND MEASUREMENT

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** the changes to the definitions and targets of the Strategy Indicators as set out in Section 2 of Annex A to Doc 02, as amended by discussions at the PPC; and
- b) **Requests** the Secretariat to also continue tracking the original definitions and targets of these Strategic Indicators.

DECISION 2: SUCCESSFULLY TRANSITIONING NIGERIA FROM GAVI SUPPORT (1/3)

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** that Nigeria be exceptionally granted an extension of the country’s “Accelerated Transition” period (Phase 2) from 2021 to 2028 to align with its “National Strategy for Immunization and PHC System Strategy 2018-2028” (NSIPSS) and that its HSS ceiling be increased to US\$ 260 million for the 2018-2028 period;

- b) **Note** that the indicative total cost of Gavi support to the NSIPSS is estimated to be an amount of up to US\$ 1,033 million, including an indicative allocation of vaccines (US\$ 773 million) and cash support (US\$ 260 million), of which US\$ 575 million is incremental to amounts previously forecasted for Nigeria;

DECISION 2: SUCCESSFULLY TRANSITIONING NIGERIA FROM GAVI SUPPORT (2/3)

- c) **Request** the Secretariat and Alliance partners, in consultation with the government, to develop an accountability framework, based on section 3.7 of Doc 4 and taking into account the input from the Programme and Policy Committee; and to organise annually a high level review with Alliance leadership and senior government officials that assesses progress against the accountability framework and which will inform Gavi's decision on support during the following year;
- d) **Emphasise** that Gavi support to the NSIPSS is contingent on Nigeria fulfilling its financial and programmatic commitments under the NSIPSS and meeting the conditions set forth in the aforementioned accountability framework; and

DECISION 2: SUCCESSFULLY TRANSITIONING NIGERIA FROM GAVI SUPPORT (3/3)

- e) **Request** the Secretariat to provide annual updates to the PPC and Board, and conduct a comprehensive mid-term review in 2022-2023 on the progress of Gavi's support to Nigeria to be presented to the PPC and Board.

DECISION 3: ENGAGEMENT WITH COUNTRIES POST-TRANSITION

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** the initial approach to post-transition engagement in Angola, Congo Republic and Timor-Leste set out in sections 2.6-2.16 of Doc 06;
- b) **Approve** within the overall Partners Engagement Framework an additional amount of US\$ 20 million for the engagement of post transition support for Angola, Congo Republic and Timor-Leste for the period of 2018-2020; and
- c) **Request** the Secretariat to present robust individual country plans for those three countries to the PPC at its next meeting.

DECISION 4: EXTENSION OF SUPPORT FOR USE OF GAVI'S GLOBAL CHOLERA STOCKPILE IN ENDEMIC SETTINGS

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** an extension of Gavi support for use of the global cholera stockpile in endemic settings through 2019;
- b) **Authorise** the Secretariat, under the Programme Funding Policy, to (i) allot funding to the global cholera stockpile based on a financial forecast endorsed by the Board, (ii) allot funding to extend budgets to future years and/or (iii) adjust annual budget amounts as authorised by the CEO / DCEO taking into account updated timing of implementation and budget utilisation; and
- c) **Note** that the additional funding associated with the above approval is expected to be approximately US\$ 52 million to meet the 2019 needs.

DECISION 5: EXPANSION OF PCV SUPPORT TO INCLUDE CATCH-UP DURING NEW INTRODUCTIONS (1/2)

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** that Gavi supported countries introducing routine PCV are eligible to receive support for the vaccination of children between 1 and 5 years of age within the year following introduction as follows:
- (i) For these additional cohorts, Gavi would provide 100% of vaccine support and cash support of up to US\$ 0.65 per targeted child (depending on the transition phase in accordance with the HSIS Support Framework);
 - (ii) This support will be subject to countries demonstrating how they will use the cash support for long-term strengthening of vaccine delivery through the routine immunisation programme;

DECISION 5: EXPANSION OF PCV SUPPORT TO INCLUDE CATCH-UP DURING NEW INTRODUCTIONS (2/2)

(iii) For countries planning to run campaigns for other vaccines in the same year, the level of support will take into account budget efficiencies and implementation synergies; and

b) **Note** that additional funding associated with the above approval is expected to be up to approximately US\$ 18.7 million for the 2018-2020 period.

DECISION 6: MODIFICATIONS TO GAVI'S HSIS SUPPORT FRAMEWORK AND FRAGILITY, EMERGENCIES, REFUGEES POLICY (1/3)

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Reaffirm** its decision from June 2016, “that an amount of at least US\$ 1.3 billion is available for HSS disbursements (including performance payments) for grant programme years in the 2016-2020 strategic period, with additional funding being subject to future Board decisions”;
- b) **Approve** the following wording to be included as an annex to Gavi’s HSIS Support Framework (the “Annex”), noting that any increases to allocation ceilings for HSS support under the Annex will be subject to existing Board-approved review and approval processes:

DECISION 6: MODIFICATIONS TO GAVI'S HSS SUPPORT FRAMEWORK AND FRAGILITY, EMERGENCIES, REFUGEES POLICY (2/3)

“Annex – for Strategic Period 2016-2020

Notwithstanding Section VII (Funding levels and use of grants) of this Framework, the flexibility set out in this annex will apply as follows.

In order to advance Gavi's strategic goal of increasing immunisation coverage and equity, for the remainder of the strategic period through 2020, Gavi has the flexibility to increase an individual country's allocation ceiling for HSS support by up to 25% beyond the total amount of the ceiling calculated based on the HSS Resource Allocation Formula (in section VII Funding levels and use of grants). This flexibility applies to all countries except:

1. Countries that have a separate Board-defined HSS ceiling,
2. Countries that are eligible for increased HSS support of up to 50% as per the amended Fragility, Emergencies, Refugees Policy.

This flexibility would be implemented country-by-country based on a careful assessment of both needs and absorptive capacity.”

DECISION 6: MODIFICATIONS TO GAVI'S HSS SUPPORT FRAMEWORK AND FRAGILITY, EMERGENCIES, REFUGEES POLICY (3/3)

- c) **Note** that increases to allocation ceilings for HSS support under the Annex will not in aggregate exceed US\$ 1.5 billion for the 2016-2020 strategic period and that HSS disbursements will not exceed US\$ 1.3 billion in accordance with the June 2016 Board decision; and
- d) **Approve** the following addition to Section 5.7 of Gavi's Fragility, Emergencies, Refugees Policy as a potential flexibility for countries facing fragility challenges:
- “e) Additional HSS support of up to 50% beyond the country allocation”

DECISION 7: MID-TERM APPROACH TO REPLACE REACTIVE APPROVALS OF CONTINUATION OF SUPPORT IN SOUTH SUDAN

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** that South Sudan is exempted from its obligations to co-finance from 2017 to 2020 given its exceptional context and socio-political and economic prospects; and
- b) **Note** that the additional funding associated with the above approval is expected to be up to approximately US\$ 650,000.

DECISION 8: INCORPORATING THE BOARD DECISION IN THE ELIGIBILITY AND TRANSITION POLICY (1/2)

Further to the decision of the Gavi Alliance Board in November 2017 to extend the grace period, the Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

a) **Approve** the following modifications to Gavi's Eligibility and Transition Policy:

7.6 Countries are eligible to apply for new vaccine support during the five years of Phase 2, provided that vaccine introductions during this phase effectively contribute to strengthening routine immunisation and increasing coverage and equity.

DECISION 8: INCORPORATING THE BOARD DECISION IN THE ELIGIBILITY AND TRANSITION POLICY (2/2)

~~7.6-7.7~~ Countries that surpass the Eligibility Threshold have one year to apply for new HSS (i.e. for a country that has not received any HSS support from Gavi yet) ~~and vaccine support~~, from January 1 of the year after surpassing the Eligibility Threshold (a grace year).

However, new HSS support is restricted to those countries with Penta3 coverage below 90%.

~~7.7. From the second year in Phase 2, countries cannot submit new applications or resubmit previously rejected applications for any of Gavi's funding windows.~~

DECISION 9: VACCINE INVESTMENT STRATEGY – SHORT LIST

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** narrowing the choice of possible vaccine investment options for further analysis within the endemic disease prevention category of the Vaccine Investment Strategy 2018 to meningitis (multivalent conjugate); hepatitis B birth dose; cholera; DTP boosters; RSV; rabies;
- b) **Approve** the evaluation criteria for potential new investments in vaccines for epidemic preparedness and response and the approach for applying the criteria towards living assessments and investment cases as further described in Figures 3 and 4 of Doc 10; and
- c) **Request** the Secretariat, in consultation with WHO and other experts, to develop an investment case for Gavi to support pandemic influenza preparedness for PPC and Board review.

DECISION 10: GAVI'S ENGAGEMENT IN POLIO ERADICATION ^{Annex B}

The Gavi Alliance Programme and Policy Committee recommended to the Gavi Alliance Board that it:

Approve the use of core resources for Gavi's support for inactivated poliovirus vaccine (IPV) for the period 2019-2020, noting that the financial implications associated with this approval are expected to be approximately US\$ 200 million.

