Private Sector Engagement 2016-2020

TECHNICAL BRIEFING
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Innovative Finance & Private Sector Partnerships
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CONTENTS

1. Private sector has been a significant contributor to Gavi to date
2. Gavi 2016-2020 Strategy – Doing more with the private sector
3. Role of the Gavi Matching Fund
4. Timeline of next steps
Gavi has worked with the private sector (PS) to mobilise resources, develop skills-based partnerships, and advocate for immunisation

- To date, more than US$ 112m in cash and in-kind raised (w/o the GMF)
- Collectively, PS contributors are the 12th top donor to Gavi

Gavi’s PS operation is cost effective¹

![Cost per US dollar raised](chart)

- Gavi: 5¢
- WFP: 10¢
- UNICEF: 8¢
- UNHCR: 12¢

![US million raised per staff per year](chart)

- Gavi: $6.7
- WFP: $1.5
- UNICEF: $4.9
- UNHCR: $3.7

¹ Boston Consulting Group, June 2014
THROUGH THE GAVI MATCHING FUND, PS PARTNERS HAVE INVESTED MORE THAN US$ 112 MILLION

Amounting to US$ 224 million total including match from DFID and BMGF

Note: Gavi Matching Fund contributions are counted in the year pledged. Source: Gavi Finance
PSP IN GAVI 2016-2020
STRATEGY: VISION

Leverage the private sector’s* comparative advantage to help optimise the Alliance’s performance and to reach more children with life-saving vaccines

* The private sector is defined as for-profit companies, business associations and coalitions, industry groups, philanthropic foundations, social enterprises and the like.
PSP IN GAVI 2016-2020 STRATEGY

Two areas of focus

I. Secretariat engagement with the private sector

1. Raise significant financial contributions
   • Multi-year partners, each with financial contributions of at least US$ 3-5 m/year

2. Create operational partnerships
   • Develop individual partnerships aimed at improving operational challenges and creating value for countries, Alliance members and the Secretariat

3. Foster innovation and new models
   • Catalyse partnerships and cooperation models with countries, Alliance partners and new players

II. Private sector integration into the Gavi model

1. Investigate and propose ways to further engage the private sector into Gavi policy, governance, funding and programmes

*PS is integrated into the Gavi Strategic Framework*
EXPECTED RESULTS 2020

If successful, the private sector will have contributed to the new strategic vision, with a primary focus on improving coverage & equity:

(1) **Increased efficiency and effectiveness** of immunisation supply chains and improved in-country and global data quality and management (SG2);

(2) **Increased support for immunisation** in priority donor markets and awareness and demand in Gavi-eligible countries (SG3);

(3) **Increased financial support** for countries (SG4)
FOCUS 1: SECRETARIAT ENGAGEMENT WITH THE PRIVATE SECTOR
I. SECRETARIAT ENGAGEMENT WITH THE PRIVATE SECTOR

1. Raise significant financial contributions

- Efforts will remain focused on large multi-year cash contributions
- At least US$ 3-5 million per year/per partner
- Secretariat will also accept smaller contributions if relationship is “light-touch,” cost-effective and with opportunity for growth
I. SECRETARIAT ENGAGEMENT WITH THE PRIVATE SECTOR

2. Create operational partnerships

**Vaccine supply chain**
Executive-level training and mentorship to enhance the development of immunisation supply chain managers in Gavi-eligible countries

**Coverage & equity**
Social mobilisation activities in Gavi-eligible countries and political advocacy in donor countries

**Data quality**
Phased introduction of new data quality mHealth solution with MoH in Mozambique

*Develop partnerships aimed at improving operational challenges and creating value for countries, Alliance members and the Secretariat*
I. SECRETARIAT ENGAGEMENT WITH THE PRIVATE SECTOR

3. Foster innovation and new models

- Explore suitable and quality non-vaccine immunisation innovations
- Convene partners and new players to catalyse new relationships and solutions
- Collaborate with others and leverage platforms to reach common goals, create new opportunities
  - The Global Fund to Fight AIDS, Tuberculosis and Malaria
  - DFID’s Business Engagement Hub
  - USAID Office for Innovation and Development Alliances
- Use high-profile platforms to promote promising practices, increase dialogue, create new relationships
- Participate in or align with select competitions to instigate innovation
THE SECRETARIAT’S ROLE

Catalyse and help scale private sector partnerships that help countries address their immunisation needs more effectively and efficiently.

Components of Secretariat’s PSP role

- Identify needs
- Catalyse collaboration
- Monitor and evaluate
- Provide guidance and evidence base
- Foster sustainability and scale

In collaboration with the Alliance partners

As the Alliance’s primary convening actor, the Secretariat can be instrumental in bringing together all stakeholders to help discover and foster PS innovation to address country demand and accelerate Gavi’s mission.
ENGAGEMENT PHILOSOPHY

“Shared value”

Definition: An approach that addresses both social or public objectives while also potentially providing growth to business

To build and scale long-term PS involvement, Gavi must identify a viable value proposition for both the prospect and Gavi itself through a “shared value” approach

When a company recognises that “doing good” provides value, such as market intelligence, new relationships and product lines, which could lead to future growth, it is more willing to commit its resources and expertise in a long-term relationship
WHAT IS POSSIBLE?: CURRENT EXAMPLES

The Secretariat is already well into implementing this new approach

- **Supply Chain:** Convening KfW, AMP, Academia and MoH with private sector to cooperate in a SC centre

- **Data quality:** Engaging with private sector firms and potential partners GFTAM, AMREF, MoHs, GSK, to create a health information platform

- **Coverage & equity:** Bringing new players and funders to launch a new social mobilisation model @ HPV

- **New funding:** Partnering with BMGF and UNICEF to raise multi-million $ contribution for a Gavi-eligible country
FOCUS 2: INCREASED PRIVATE SECTOR INTEGRATION INTO GAVI
II. PRIVATE SECTOR INTEGRATION INTO THE GAVI MODEL

Investigate and propose ways to further engage the private sector into Gavi policy, governance, funding and programmes

<table>
<thead>
<tr>
<th>Area</th>
<th>Questions to consider</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>• How best to integrate corporate partners into Gavi governance?</td>
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<tr>
<td>Policy</td>
<td>• Should the Alliance set a policy to better integrate the PS into the model?</td>
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<tr>
<td></td>
<td>• Highlight in HSS guidelines importance of engaging the PS and encourage countries to experiment with PS engagement?</td>
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<td></td>
<td>• Review and monitor PS engagement in IRC/HRP as part of the GAMR process?</td>
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<td>Gavi-eligible Countries</td>
<td>• How best to foster dialogue between MoHs and PS</td>
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<tr>
<td></td>
<td>• Include PS in ICCs?</td>
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<tr>
<td>Country Programmes</td>
<td>• Have SCMs collect info about PS engagement?</td>
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<tr>
<td></td>
<td>• Review PS involvement as part of GAMR processes?</td>
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<tr>
<td>Financing</td>
<td>• Maintain the GMF to stimulate PS engagement</td>
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<tr>
<td></td>
<td>• Support countries to engage with PS via HSS window?</td>
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<tr>
<td>Staffing</td>
<td>• Consider concentrated focus on specialised PS skills in hiring practices?</td>
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<tr>
<td></td>
<td>• Partner with PS organisations that can provide secondees?</td>
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<td></td>
<td>• What HR is needed to ensure successful PS integration?</td>
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ROLE OF THE GAVI MATCHING FUND

The GMF should remain a key tool to engage new partners and double impact

GMF 2.0: Objectives

1. **Achieve commitments of US$ 160m**
   - Raise significant funds from existing partners
   - Attract at least 2-3 new large financial partners (> $5 m/year)
   - Seek a select group of partners to accelerate in key areas of work

2. **Reach an add’l 50 million people with immunisation messaging**
   - PS partnerships to enhance coverage & equity in Gavi-eligible countries and raise awareness in donor countries

3. **Expand PS expertise to increase efficiency and effectiveness in vaccine delivery**
TIMELINE OF NEXT STEPS

Q4 2014
• Consultations with GMF sponsors, selected PS partners
• Hold technical briefing at Dec Board for feedback

Q1-Q2 2015
• Renew the Gavi Matching Fund
• Announce expanded partnerships and new partnerships at Replenishment
• Develop “PS integration into Gavi” plan (Focus area 2)
• Bring required topics for decision to Board where necessary

2015-2016
• Measure existing partnerships to determine cost-benefit & feasibility of scale up; Collect the lessons learned to inform next phase
• Further discover ways PS can add unique value

2016-2020
• Scale up successful partnerships, expand into new areas
• Fully integrate PS into Gavi’s business model
THANK YOU
Objectives

1. Deliver PSP announcements by Berlin
2. Announce the renewal of the Gavi Matching Fund in Berlin
3. Highlight role that PS plays in the Alliance

Announcement opportunities

1. WEF-Davos: potential press conference
2. Replenishment dinner
I. SECRETARIAT ENGAGEMENT WITH THE PRIVATE SECTOR

Timing: Two Phases

Phase 1, 2014-2016, 3 components:

1. Implement & measure key existing partnerships to determine cost-benefit, feasibility of scale-up
2. Identify additional operational needs through PS partnerships and suitable entities
3. Collect lessons learned from first operational partnerships to inform phase 2 of the strategy

Phase 2, 2017-2020, depending on Phase 1 outcomes and resources, the Secretariat expects to:

1. Expand successful private sector collaborations
2. Launch new ones based upon successful evaluation

PS is integrated into Gavi’s Strategic Framework
### PSP IN GAVI 2016-2020 STRATEGY

#### 2016-2020 Strategic Framework

<table>
<thead>
<tr>
<th>Goal 2, Strategic Enabler A. Leverage PS expertise to support the objectives of Gavi Alliance and Gavi-eligible country</th>
<th>1. <strong>PS expertise and capabilities aligned with priority Gavi and country needs</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal 3, Strategic Enabler C. Enhance PS advocacy to strengthen global, national, and subnational commitment for immunisation</td>
<td>2. <strong>PS advocacy and social mobilisation aimed at influencing decision makers in donor countries and raising awareness in Gavi-eligible countries</strong></td>
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<tr>
<td>Strategic Enabler B2. Mobilise PS resources, including via innovative finance mechanisms</td>
<td>3. <strong>PS financial and in-kind contributions</strong></td>
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<td>Goal 4C. Incentivise development of suitable and quality non-vaccine immunisation products</td>
<td>4. <strong>PS partnerships and market shaping for non-vaccine products</strong></td>
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# I. SECRETARIAT ENGAGEMENT WITH THE PRIVATE SECTOR

## 2. Operational and innovation partnerships

<table>
<thead>
<tr>
<th>Area of focus</th>
<th>2014-2016 work</th>
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<tbody>
<tr>
<td>Expertise &amp; capabilities</td>
<td>• Implement projects with UPS and Vodafone</td>
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<td></td>
<td>• Measure value and ROI</td>
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<tr>
<td></td>
<td>• Implement and evaluate impact of the ELMA Supply Chain fund</td>
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<tr>
<td>Advocacy &amp; social mobilisation</td>
<td>• Test social mobilisation and behavior change comms with LCIF and LDS</td>
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<tr>
<td>Non-vaccine product innovation</td>
<td>• Identify areas for innovation, such as in cold chain equipment or packaging</td>
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<td></td>
<td>• Assess feasibility and potential impact</td>
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<td>• Formulate one or two action plans to launch</td>
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