ENGAGEMENT FRAMEWORK AND BUDGET FOR PARTNERS & SECRETARIAT FOR 2016 & 2017

BOARD MEETING
Anuradha Gupta & Barry Greene
2-3 December 2015, Geneva
Timeline – Board decisions to date

June 2014:
• 2016-2020 strategy

December 2014:
• New approach to business planning and key principles

June 2015:
• A new way to capture a holistic view of Gavi engagement and investments
• A new structure for Partners’ Engagement Framework (PEF)
• A new governance approval process and Accountability Framework
• Approval of Foundational Support component of PEF

December 2015:
• Board is requested to approve budget for the remaining PEF components and Secretariat
• Reviewed and recommended by PPC and AFC
Three pillars of the new paradigm, endorsed by Board in December 2014

<table>
<thead>
<tr>
<th>Country focus</th>
<th>Risk management/Grant oversight</th>
<th>Purposeful partnerships</th>
</tr>
</thead>
</table>
| • Country-centric planning | • Comprehensive risk approach  
- New risk policy  
- 3 lines of defence  
- Beefing up primary prevention | • Strengthening and coordination of existing partnerships |
| • Harmonisation of technical assistance & grants | • Strengthening programmatic/fiduciary oversight (incl. ‘GAMR’) | • Leveraging comparative advantage |
| • Prioritisation of countries for concerted action | | • Extending partnerships, e.g. regional/country institutions |
| | | • Enhancing accountability for outcomes |

Zero basing of budgets – and Secretariat capacity review
Gavi support package to countries (2016)

Three key instrumentalities

Direct Financial Support

- Vaccine support: $1,121 m
- Technical Assistance (TA) via PEF: $422 m
- Direct Financial Support: $127 m

Resources for TA via PEF

- Global/Regional level: $65 m
  - Targeted Country Assistance: $26 m
  - Foundational Support: $36 m

Country level: $65 m
- Special investments in Strategic Focus Areas

Targeted Country Assistance
Foundational Support
Special investments in Strategic Focus Areas
Country focus: A bottom-up approach

1. Understanding country needs
   - 72 in-country Joint Appraisals (JAs) in 2015
   - Articulation of key barriers and needs

2. Responding to country needs
   - Proposals from UNICEF/WHO seek to respond to JAs
   - Initial submissions include ~200 ‘boots on the ground’

3. Countries at the design table
   - Improved harmonisation
   - Greater transparency
   - Enhanced accountability
Countries at the design table: An illustration

Pakistan

Initial Targeted Country Assistance Submission

• Total: US$ 2.7 million
• 20 staff
• Some duplicative activities/consultancies
• Roles / responsibilities of staff unclear
• Lack of innovation for coverage and equity

Further engagement by SCM with Government, country partners, WHO & UNICEF regional & HQ offices

After Revision

• Total: $2.1 million (21% reduction)
• 18 staff, at sub-national level for the first time
• Removed duplication
• Refocused on coverage and equity
• Aligned with Joint Appraisal discussion and prioritisation
Growing business

2011-15

$7 billion
(Gavi investments)

+$40%

$0.4 billion
(co-financing)

+$125%

2016-2020

$9.8 billion
(Gavi investments)

+$40%

$1 billion
(co-financing)
Growing business: Higher expectations on accountability and risk management

1. Vaccines
   - Number of vaccines supported
   - 6 to 12 (2x)

2. Grants
   - Number of doses per year (USD millions)
   - 247 to 590 (2x)

3. Sustainability

4. PEF

Board meeting
2-3 December 2015
Growing business: Higher expectations on accountability and risk management

1. Vaccines
   - Cash grants disbursement per year (USD millions)
     - 2011: 68
     - 2015: 372
     - Increase: 5x

2. Grants
   - Number of active grants (vaccines and cash)
     - 2011: 150
     - 2015: 470
     - Increase: 3x

3. Sustainability

4. PEF

*Board meeting
2-3 December 2015*
Growing business: Higher expectations on accountability and risk management

1. Vaccines
2. Grants
3. Sustainability
4. PEF

Co-financing per year (USD millions)
- 2011: 36
- 2015: 139

Number of co-financing programmes
- 2011: 92
- 2015: 180

3x
2x
Growing business: Higher expectations on accountability and risk management

1. Vaccines

2. Grants

3. Sustainability

4. PEF

Number of partners:
- Potential new partners
- Evaluations and assessments
- Traditional partners
- Business plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Potential new partners</th>
<th>Evaluations and assessments</th>
<th>Traditional partners</th>
<th>Business plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td>20</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td>27</td>
<td>11</td>
<td>11</td>
</tr>
</tbody>
</table>

Board meeting
2-3 December 2015
Accountability framework approved by the Board in June 2015

<table>
<thead>
<tr>
<th>1. Strategy indicators</th>
<th>• To monitor the outcome and impact of Gavi support to countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Alliance KPIs</td>
<td>• To reflect the effectiveness and efficiency of the Alliance</td>
</tr>
<tr>
<td>3. Quarterly/Annual Deliverables</td>
<td>• To measure progress on a set of qualitative milestones for each country</td>
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</tbody>
</table>

Every 2 years: Independent evaluation of the architecture and effectiveness of assistance
Accountability Framework – further refined

**Alliance accountability framework**
Enables Board to track performance of the Alliance

<table>
<thead>
<tr>
<th>Strategy indicators and targets</th>
<th>Alliance KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PEF performance management</strong></td>
<td><strong>Secretariat performance management</strong></td>
</tr>
<tr>
<td>Foundational support</td>
<td>Team Performance (TPM)</td>
</tr>
<tr>
<td>Targeted country assistance</td>
<td>Individual Performance (PMP)</td>
</tr>
<tr>
<td>Strategic focus areas</td>
<td></td>
</tr>
</tbody>
</table>
# Gavi engagement - Overall

<table>
<thead>
<tr>
<th>US$ millions</th>
<th>Actual</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Programme Expenditure</strong></td>
<td>768</td>
<td>1,069</td>
</tr>
<tr>
<td><strong>Partners Engagement Framework</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foundational Support</td>
<td>36.4</td>
<td>36.4</td>
</tr>
<tr>
<td>Targeted Country Assistance</td>
<td>64.5</td>
<td>69.5</td>
</tr>
<tr>
<td>Procurement &amp; AMC Fees</td>
<td>23.5</td>
<td>23.4</td>
</tr>
<tr>
<td>Special Investments in Strategic Focus Areas</td>
<td>26.0</td>
<td>29.0</td>
</tr>
<tr>
<td>Evaluations and Assessments</td>
<td>18.9</td>
<td>20.4</td>
</tr>
<tr>
<td><strong>Partners Engagement Framework</strong></td>
<td>71.0</td>
<td>82.0</td>
</tr>
<tr>
<td><strong>Growth on prior year</strong></td>
<td>15%</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Secretariat</strong></td>
<td>54.0</td>
<td>62.0</td>
</tr>
<tr>
<td><strong>Growth on prior year</strong></td>
<td>15%</td>
<td>24%</td>
</tr>
<tr>
<td><strong>Partners and Secretariat</strong></td>
<td>125</td>
<td>144</td>
</tr>
<tr>
<td><strong>Growth on prior year</strong></td>
<td>15%</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Total GAVI Engagement Framework</strong></td>
<td>893</td>
<td>1,213</td>
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</table>
Cost per vaccine programme is reducing, for Partners and Secretariat

<table>
<thead>
<tr>
<th>US$ millions</th>
<th>Actual</th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of active vaccine programmes</td>
<td>98</td>
<td>124</td>
<td>149</td>
<td>184</td>
<td>282</td>
<td>320</td>
<td>350</td>
<td></td>
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<tr>
<td>Partners Engagement Framework</td>
<td>71.0</td>
<td>82.0</td>
<td>97.0</td>
<td>132.0</td>
<td>154.9</td>
<td>169.3</td>
<td>178.6</td>
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<tr>
<td>Cost per vaccine programme</td>
<td>0.72</td>
<td>0.66</td>
<td>0.65</td>
<td>0.72</td>
<td>0.55</td>
<td>0.53</td>
<td>0.51</td>
<td></td>
</tr>
<tr>
<td>Secretariat</td>
<td>54.0</td>
<td>62.0</td>
<td>77.0</td>
<td>83.6</td>
<td>95.8</td>
<td>102.6</td>
<td>108.6</td>
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<tr>
<td>Cost per vaccine programme</td>
<td>0.55</td>
<td>0.50</td>
<td>0.52</td>
<td>0.45</td>
<td>0.34</td>
<td>0.32</td>
<td>0.31</td>
<td></td>
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<tr>
<td>Ratio - Secretariat : Partners</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
<td></td>
</tr>
</tbody>
</table>

- Both Secretariat and Partners costs per vaccine programme are reducing
THANK YOU