

Supporting government human resources capacity through funding salaries, top ups, incentives, and related cost recovery mechanisms - Information for countries eligible for Gavi support -

1. Scope and objectives

This document provides **guidance to countries eligible for Gavi support on the criteria and requirements for use of Gavi financial support for human resources (HR) costs** including, funding of salaries, top-ups or incentives. The guideline also covers the use of related cost recovery mechanisms (per diems and allowances). Note that this document focuses on **financial support** that individuals receive and **not** on the use of technical or managerial assistance to strengthen capabilities and competencies of human resources.

*The guidance should be used in conjunction with the **Application Guidelines: Gavi's support to countries** (available at: www.gavi.org/support/process/apply/).*

2. Background

The human resources capacity in the EPI, related health sector programmes and critical supporting functions (e.g. Ministry of Finance) in many Gavi-eligible countries is often limited and a major bottleneck for the delivery of health services and the implementation of Gavi's grants. Gavi categorises human resources costs into two main groups:

- **HR costs (incl. related cost recovery mechanisms) linked to programme management and administration:** This applies in particular to the central government where a number of units (or 'teams'/departments) in Ministries - in particular the EPI, Planning, Finance, and other teams in the Ministry of Health (MoH) - have a direct impact on the effective management of Gavi grants and a catalytic effect on delivery throughout the EPI programme. In some targeted cases, this may also apply to state/provincial/regional and district administrations (e.g. in countries with devolved structures or in administrative areas with specific coverage and equity challenges).
- **HR costs (incl. related cost recovery mechanisms) linked to service delivery:** This applies to situations where health workers, nurses, doctors and volunteers are directly providing health services to the population for example in areas with specific coverage and equity challenges. In these areas HR support can be an enabler for countries to address challenges through better service delivery. HR related costs funded as part of campaign operational costs would almost always fall under service delivery.

To complement staffing at both levels, some countries include a request to fund staff in their grant application (e.g. through salaries, top ups and incentives), for engaging external human resources in the administration (e.g. independent individuals or consultants from another institution), as well as for a budget to be used for related cost recovery mechanisms (e.g. linked to the need for staff to be compensated for out-of-station travel and subsistence). Using Gavi grants to support these interventions may help to ensure adequate HR capacity in the health sector in the short to mid-term. However, this may

not be sustainable in the long-term and is associated with **risks**. For example, providing salary top-ups has the potential to reduce productivity of other staff members who do not receive them; recruiting external staff can result in staff migration (or “leakage”) from the public health sector; and excessive reliance on per diems can incentivize an excess of uncoordinated trainings or limited-value supervisory visits.

Gavi also recognises that, despite often being a core bottleneck to coverage and equity, **HR resourcing issues at country level are much greater in scale than Gavi can fully support**. Gavi resources should therefore only play a catalytic role in HR resourcing issues at country level, recognising that broader HR reforms might be required at the level of the Ministry of Health or across the public service. As such, when developing a proposal for Gavi support, Gavi encourages countries to explore the HR-related bottlenecks to coverage and equity.

3. Approach for supporting HR capacity

Gavi funds are designed to support countries over a period of time but ultimately countries should transition away from Gavi funding. In this context, countries receiving Gavi support should gradually take over HR-related costs, especially those which are recurrent by nature. Countries should have plans in place to show how they will cover and sustain HR-related costs (refer to the table in section 3.1) as they move towards transition. For example, countries moving towards the accelerated transition phase should demonstrate how any HR operational costs for immunisation-related activities, including campaigns will be fully taken over by domestic funding.

Gavi’s approach to eligibility of HR-related costs is differentiated around three factors: (a) HR category, differentiating between programme management / administration activities and service delivery activities, (b) countries’ transition status, and (c) type of intervention supported, with greater restrictions over interventions which engage higher recurrent costs and are seen as less sustainable. For example, programme management / administration costs are anticipated to be time-limited, targeted at a limited number of positions and therefore result in lower recurrent costs than the service delivery category, which will apply to a wider cadre of staff with larger implications on programmatic and financial sustainability.

When HR-related costs are eligible for funding they should overall remain at a reasonable share of the total Gavi financial support. Based on historical average this share is estimated at 20-30% of the total grant which is therefore an indicative maximum. This is applicable to all situations as described in sections 3.1 below.

It is also noted that certain **requirements** of receiving support are put in place to **mitigate risk** of misuse (see section 4).

3.1 Approach for supporting HR costs related to programme management / administration and service delivery

Gavi works with countries to ensure that key positions in programme management / administration that are critical for programme delivery are filled with appropriate profiles. This includes, in particular, positions in the EPI, Planning, Finance, and other teams involved in strengthening health systems at the Ministry of Health. Gavi may also support positions related to fiduciary risk management beyond the Ministry of Health.

In some targeted cases, this may also apply to state/ provincial/ regional and district administrations (e.g. in countries with devolved structures or in administrative areas with specific coverage and equity challenges). Programme Capacity Assessments (PCAs), a Programme Support Rationale (PSR), Joint Appraisals and other Gavi processes will serve to identify HR capacity gaps for specific areas or functions and provide justification if Gavi HR support is needed.

The table below provides guidance on the eligibility of HR-related costs dependent on type of funding and transition status:

Type of support	Initial self-financing/low income countries	Phase 1 countries (preparatory transition phase)	Phase 2 countries (accelerated transition phase)
HSS and performance payments ¹	Programme management / administration		
	Gavi to engage in a dialogue with governments to ensure that critical managerial positions in particular in the central government are staffed with appropriate profiles		
	Can be used for time-limited HR remuneration (salaries, top-ups, incentives) for critical and specific new positions or for staff funded under a previous grant (in particular in the central government):		In exceptional circumstances only ³ (in particular to focus on addressing inequities in coverage)
	<ul style="list-style-type: none"> For additional administrative staff For external staff (individual consultants) that the government contracts directly or through local intermediaries² (if embedded in the respective team and reporting to senior team member) Can also be used for cost recovery mechanisms.		

¹ Performance payments refer to Gavi's PBF Component of its HSS Support: yearly instalments for which eligibility and amount would be based on improvements in immunisation outcomes.

² Gavi Alliance partners based in country.

³ May include situations where, for example: (i) Marginal cost to reach next child is exceptionally high due to specific country context -e.g. where geographic or security factors have an impact on delivery cost, and relevant costs are specifically targeted to marginalized or low coverage areas; (ii) HR related input is significantly higher than in other countries (e.g. high labour market costs, high cost of living); (iii) Temporary shortage of other available domestic funding (e.g. due to short term emergencies).

Type of support	Initial self-financing/low income countries	Phase 1 countries (preparatory transition phase)	Phase 2 countries (accelerated transition phase)
	Service delivery		
	Can be used for HR remuneration (i.e. salaries, top-ups, incentives) and cost recovery mechanisms with a strong priority for areas of low coverage	Can be used for HR remuneration and cost recovery mechanisms in exceptional circumstances only ³	
Programme management-administration and Service delivery			
VIGs	Can be used for HR remuneration and cost recovery mechanisms associated with introduction of a vaccine with a strong priority for areas of low coverage		
Ops	<ul style="list-style-type: none"> • Can be used for HR remuneration and cost recovery mechanisms with a strong priority for areas of low coverage • Indicative maximum: 20-30%, i.e. estimated historical average share of HR costs in total Gavi financial support 	With a strong priority for areas of low coverage, <ul style="list-style-type: none"> • Can be used for cost recovery mechanisms or incentives only (as defined in section 5 below) • In all cases, salaries will not be supported, and salary top-ups would only be acceptable when linked to a performance-based incentive scheme • Indicative maximum: 20-30%, i.e. estimated historical average share of HR costs in total Gavi financial support 	May not be used
Product Switch grants	Can be used for health worker remuneration and per diems/allowances associated with product or presentation switch		

Table 1. Use and restrictions for HR support at the Programme management and administration level, and at the Service delivery level

Where the exceptional circumstances are justified and are satisfactorily documented, Gavi support may be used to fund the associated HR costs on the reasonable determination that other sources of funding are not available.

4. Requirements

4.1 General requirements

To mitigate the risk associated with funding HR-related costs the following **requirements** apply:

1. There is clear justification for the support which is demonstrated including a strong link to coverage and equity outcomes and/or programme objectives;
2. For HR support in service delivery there is clear evidence that strong priority is given to areas of low coverage;
3. The requested HR support is not for positions currently funded by the government (i.e. it should be incremental only);
4. The support is aligned to existing country norms/salary/per diem levels (e.g. national plan or policy, directives from public service/health sector service commissions);
5. The support has been discussed with in-country partners and other donors;
6. There is no duplication with funds from other sources;
7. If existing country norms are not clear, then Gavi suggests an alignment of support levels with other donors' practices in the health sector in the country. If no other donors provide that kind of support then salaries should be at maximum 20% higher than for a comparable position funded by the government and top-ups should be not more than 20% of base salary⁴;
8. There is no actual or perceived conflict of interest between the personnel recommending the salaries, tops ups and incentives to be paid and the personnel receiving a benefit;
9. Payments are made directly to the relevant staff (with justification for selection) rather than allocated to a bonus pool;
10. Commitment of the government to increasingly cover and sustain the costs provided in the budget as appropriate for the country context and transition stage;
11. Where applicable, exceptional circumstances as defined in section 3 are to be detailed in writing and attached to the grant application.

Additionally:

- Requirements # 1 and 2 are to be reflected in the **plan of action** in the application form
- The **relevant document outlining the existing country norms (salary/cost recovery mechanisms levels** (e.g. national plan or policy, directives from public service/health sector service commissions) is attached to the application (**see requirement #4**);
- **Requirement # 5** is to be reflected in the **meeting minutes of the national Coordination Forum** (ICC, HSCC or equivalent body);
- **Requirement # 6** is confirmed in **writing** by the Ministry of Health

The information relevant for the **other requirements** is **provided through the budget** using the Gavi budget template (see budget template for details).

For **approval of HSS supports** the relevant information is to be provided as part of the Programme Support Rationale (PSR) and the operational budget.

⁴ An exception to the 20% restriction applies for embedded external staff in the government if the position cannot be filled with an adequate profile otherwise

4.2 Additional requirements for the management level

To minimise risk and ensure a shared understanding with the government the following **conditions** will apply:

- ToR with specific roles and responsibilities of the staff positions to be funded by Gavi are shared and where necessary discussed with Gavi;
- The MoH/administration commits to maintain and fund the position after a defined time period (suggested to be 3 years or less); in case of external staff (individual consultants) the MoH/administration commits to hire a government staff as a replacement ensuring a period of overlap between the replacement and the external staff;
- The staff is embedded in the respective team (e.g. EPI team) and reports to a senior team member (e.g. EPI manager);
- The profile of the hired staff is aligned with the specific position and gaps to fill;
- The profile is selected and approved by the team's head and senior MoH leadership in a transparent and documented recruitment process; in high risk situations Gavi reserves the right to provide oversight of the recruitment process with a 'no objection' requirement at each step.

For **approval of HSS support** the relevant information is to be provided as part of the Programme Support Rationale (PSR) and the operational budget. Details are communicated to countries separately.

4.3 Additional requirements for cost recovery mechanism

In the **budget** detailing the financial support, the following **requirements** will be addressed:

- Justification and documented proof should be provided in the form of government-approved rates (as defined by the Ministry of Finance/public service authority or relevant authority) for per diems, allowances or any other type of cost recovery mechanism (e.g. travel inside and outside of the country);
- Cost recovery mechanism should not include any amount in excess of reasonable cost. E.g. travel related costs must reflect the real cost incurred, by the most economical means, and should not contain additional remuneration. Costs should be consistent with local market practice in the relevant country; and
- Where meals or accommodation are provided the amount of per diem/allowances should be reduced accordingly.

5. Definition of terms

Salaries (and wages): Remuneration for staff recruited for new positions in Gavi funded programmes, or for staff funded under a previous grant. These are either co-funded with the government or fully funded by the Gavi programme budget.

Salary top-ups and supplements: Financial remuneration for staff taking on additional responsibilities, more extensive engagement, or working in difficult, hard-to-reach areas.

Incentives: A form of remuneration for volunteers, CSOs and health workers that are not formally employed. Incentives can be performance-based to incentivise health staff to deliver certain outcomes linked to measurable performance in particular in low coverage areas.

Embedded external staff: Remuneration for external staff (e.g. individual consultants) that the government contracts directly or through local intermediaries, are embedded in the government and report to a member of the team in which they work.

Per diems/allowances: A cost recovery mechanism for daily expenses beyond those inherent in a remunerated position (e.g., costs for attending training sessions, workshops and meetings for health workers).