

## GAVI FTF Status Report on Financial Sustainability

In June 2000, the GAVI Board charged the Financing Task Force (FTF) to develop guidelines for Fund-eligible countries as to how improved immunization programs can be sustained once catalytic support from the Global Fund for Children's Vaccines ends. The challenge is significant and growing, particularly given the commitment of GAVI, countries and their partners to move beyond maintaining today's immunization programs. GAVI partners must plan now to sustain the improved immunization programs of tomorrow.

There is an emerging consensus that while responsibility for immunization rests fundamentally with the national government, for many countries the sustainability of improved immunization programs will be a shared responsibility of countries and partners for some time to come.

### Efforts to date

Using a wide consultative process involving hundreds of individuals and organizations in both developing and developed countries, the FTF has:

- Established a 20-member FTF Financial Sustainability Group comprised of international health and financing experts to support the core FTF;
- Commissioned Dr. Ruth Levine et al., at The World Bank to write *Sustaining Immunization Programs: Issues and Options*<sup>1</sup> to clarify the issues surrounding financial sustainability and provide a framework for subsequent discussion and debate (in final draft form).
- Convened a WHO-CVP-USAID Workshop on Financial Sustainability June 4-6, 2001 with country teams that included representatives of the MOH, MOF, and in-country partners from Bangladesh, Benin, Ukraine, and Zimbabwe;
- Developed a financing 'briefcase' exploring the range of financing options available to countries for immunization financing (in final draft form).

### Financial sustainability—an updated definition

Traditionally, financial sustainability has been synonymous with "self-sufficiency," often applied to situations where external donors sought to induce developing country governments to mobilize domestic resources for activities that had previously been externally funded. The FTF considers that interpreting financial sustainability as "self-sufficiency" is inconsistent with—and for many countries in direct opposition to—established GAVI milestones and objectives of increasing coverage and introducing new vaccines.

The 'new' emphasis currently being explored by the FTF is to move away from the single-minded attention to phasing-out external funding, and toward the question of how to structure the immunization financing package—and equally importantly, how to use available resources more efficiently—so that sufficient funding is available on a reliable basis.

Based on consensus at the recent WHO-CVP-USAID Workshop on Financial Sustainability, the current working definition of financial sustainability reads,

**Although self-sufficiency is the ultimate goal, in the nearer term sustainable financing is the ability of a country to mobilize and efficiently use domestic and**

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<sup>1</sup> The draft paper, which was circulated widely for input and comment, is available in English, French, and Russian and is posted on the GAVI website, [www.vaccinealliance.org](http://www.vaccinealliance.org).

**supplementary external resources on a reliable basis to achieve target levels of immunization performance.<sup>2</sup>**

This definition seeks to capture the following elements:

- Fundamental importance of national commitment and funding for immunization with self-sufficiency being the ultimate goal;
- Varying ability of countries to support their respective immunization programs;
- Focus on program performance, rather than on inputs;
- Importance of adequate and reliable resources to ensure that countries are able to meet immunization performance goals into the future;
- Focus on the increasing resource requirements necessary to achieve GAVI goals;
- Importance of using resources more efficiently.

Next steps

Recent work of the FTF has highlighted the need to recognize the multiple dimensions of financial sustainability<sup>3</sup> and for financial sustainability to become an integral part of future multi-year planning, with progress monitored as part of annual program and financial reviews.

Over the coming months, the FTF will:

- refine key financial indicators (indicators will be few in number, easily interpretable, readily collected and will likely span several dimensions of financial sustainability);
- define global financing targets (FTF will likely be proposing two global financing targets—for countries and for donors—for consideration by the Board at a future meeting);
- draft guidelines for country sustainability plans using a wide consultative process.

The FTF will also identify GAVI partners that will commit to supporting countries in the preparation and implementation of financial sustainability plans.

At the recent WHO-CVP-USAID Workshop, there was consensus that financial sustainability guidelines should require governments to demonstrate their national commitment to immunization. In some countries, this may be a plan to establish (if not already in place) a line item in the national budget with enacting legislation authorizing a minimum level of funding. For countries engaged in health sector reform and Sector Wide Approaches (SWAs) suggestions may be made as to how countries can ensure that immunization programs are protected, likely through program performance requirements.

The FTF will submit draft financial sustainability guidelines for consideration at the next GAVI Board meeting.

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<sup>2</sup> Immunization performance includes achieving current and future goals of access, utilization, quality, safety, and equity.

<sup>3</sup> Dimensions include sustained high demand for immunization services, efficient vaccine procurement and service provision, steady and sufficient funding for all program elements, effective mobilization and management of supplementary, external resources and long-term financing.