

## Implementing the GAVI Board's long-term strategy: Investment Cases

The GAVI Board is now defining the strategic priorities of the alliance for the longer term (2005-2015). To ensure maximum impact, these priorities will also be translated into Vaccine Fund investment decisions. The GAVI Executive Committee has proposed that Vaccine Fund resources support selected activities in six priority areas or “**windows**”.

- system strengthening,
- scaling up existing vaccines,
- support for underutilized vaccines,
- accelerated introduction of new technologies or vaccines,
- immunization safety,
- support for value –added activities in the agreed GAVI workplan

Once the Board discusses the EC recommendations and decides upon the windows – whether it is the above list or an adaptation – it will need to decide notionally how much should be allocated to each window, based on the amount of funds raised. In making notional allocations to windows, the Board might consider such factors as the expected health impact, equity, relative risk, long-term impact on delivery, technology or access, and fund raising/public relations. The decisions will also need to be consistent with globally-accepted goals, which would serve as a marker to evaluate progress. The Board will then need to make decisions about specific options – i.e., which vaccines or strategies it wants to support within the agreed windows.

To help ensure the Board is presented with comparable and innovative options, the World Bank, in close collaboration with other partners, has developed guidelines for investment cases. The guidelines sets out the information required by the Board to make evidence-based and informed decisions. The intention is that people or institutions who would like the GAVI Board to consider using Vaccine Fund resources for a specific vaccine or strategy will use these guidelines to develop their investment cases. In most instances, it is envisioned that once the Board approves an investment case, a new area of funding will become available to countries. Countries will then be invited to apply for these funds through their national applications to GAVI.

The guiding principles used to develop the investment case framework and a possible process and timetable for rolling it out are the following:

- Develop a tool that is based on the Board's list of principles governing use of the Vaccine Fund;
- Keep the investment case preparation and process as straightforward as possible while ensuring sufficient and consistent information is made available to evaluate requests that target tens or hundreds of millions of dollars at specific strategies and products;
- Structure a process that engages a broad range of immunization partners (e.g. NGOs, academia, governments, bilaterals, multilaterals) to develop innovative options for Board consideration;

- Structure a process and timetable which ensures that once new funding windows are opened, countries can submit a single national application to request support from one or more windows.

The measles investment case piloted the draft guidelines but followed a unique “fast-track” process. The resulting case provides a valuable synopsis of the measles proposal, its costs, potential benefits, risks and implications for sustainability. The measles experience also highlighted the value of clear investment case guidelines to inform partners of the principles and criteria on which the GAVI Board will make decisions.

Based on initial review by the GAVI Board during the 30 March teleconference and further consultation with partners, the investment case guidelines are now in final draft. Pending Board approval, these guidelines would become the basis on which future investment cases are prepared.

Investment cases will be broadly divided into three sections to answer the following basic questions:

1. Does the proposal “fit” with the GAVI / Vaccine Fund principles? (see below) Assuming the proposal does “fit”, then:
2. How does this proposal measure up against other investment opportunities?
3. How will the proposal be monitored?

In addition to six possible funding windows, the GAVI EC has suggested a set of **principles** to determine whether investments are appropriate for Vaccine Fund support (versus support from other donors in the immunization community) and, if so, **criteria** to determine the relative priority of using limited dollars to support one option over another.

To be considered for Vaccine Fund support the EC suggests an investment case must meet the following **principles**:

- time-limited;
- additional: new activities funded by new money;
- information available: adequate information to assess the activities with respect to criteria below;
- unique: there is no one else positioned to undertake the activities more effectively than GAVI;
- catalytic step function: activities lead to step-up functional change in a current situation through innovative processes by fulfilling at least one of the following – (a) add substantial impact beyond the specific activities that are funded, (b) have an impact that lasts longer than the funding, (c) develop innovative models that could be applied more broadly, (d) are capital investments or one-time expenses that lead to a new level of performance

If an investment case is consistent with the above principles, it would be evaluated based on the following suggested **criteria**, all of which are captured in the proposed investment case guidelines:

- sustainability,
- fit with national priorities,
- effective/implementable,
- cost-effective,
- equitable,
- consistent with partner commitments/mandates,

- high impact on MDGs,
- country focused (e.g. funds directed to governments except in exceptional circumstances)

Based on discussions with several partners, following is a suggested process and timetable for soliciting, evaluating and monitoring investment cases.

**Soliciting investment cases:** Following the July 2004 Board meeting, the Board might invite innovative ideas from partners throughout the broad immunization community (e.g. consortia or individual institutions from countries, regional groups, NGOs, academia, bilaterals, multilaterals) for uses of the Vaccine Fund that support governments in meeting the agreed objectives and milestones.

Partners would be asked to submit a short Letter of Intent (LOI) outlining the broad objectives of the investment case, and specifying how the proposal is consistent with the GAVI /VF principles. It is suggested that the LOIs be evaluated by a single independent evaluation panel who would make recommendations to the Board for consideration at the December 2004 Board meeting. If their LOIs are accepted, the Board might consider supporting proposers with \$50,000 to help cover the costs of preparing a full investment case.

**Evaluating investment cases:** The July 2005 Board meeting would be the opportunity for the Board to make investment decisions within each window based on review of the first round of full investment cases. The Board may wish to consider have periodic request for proposals and reviews every 2-3 years. To support the Board, it would be valuable to establish a small independent evaluation panel. Ideally, this panel would be comprised of neutral colleagues able to assess and make recommendations on each investment case based on its technical merit and fit with GAVI priorities and criteria. The proposed evaluation panel would (a) provide consistent review and feedback to both proposers and the Board members, (b) assist Board members who may not have adequate staffing to review all proposals, and (c) ensure impartial analysis independent of benefits or costs to any single institution. Given that most of the proposals will be for tens if not hundreds of millions of dollars, providing the Board with an independent evaluation seems highly cost-effective and appropriate.

**Disbursing Funds to Countries:** Following the global investment decisions of the July 2005 Board meeting, governments would be invited to prepare national applications in which each government highlights its national priorities and specifies requests from the range of approved global investment options.

**Monitoring Vaccine Fund investments and impact:** Working closely with partners, particularly the Vaccine Fund and WHO, the Bank is exploring a monitoring tool to provide the Board with easy access to information on the overall strategic investment portfolio (see illustrative graphic). This tool will provide the Board with timely snap-shots of both the financial status of the Vaccine Fund (e.g. the expected income to the Vaccine Fund, the existing commitments, the impact of new commitments) and the likely programmatic impact of the investment strategies adopted by GAVI (e.g. change in coverage, impact on disease burden, or whatever milestones are decided on by the Board).

### GAVI Investment Priorities (Illustrative)

