



Independent observer
of the Global Fund

Possible scope for aligning Gavi and Global Fund Co-financing, Transition, and Sustainability Policies

The Global Fund

The Global Fund, an international financing institution, has developed a comprehensive Strategy (2023-2028) to strengthen the sustainability of health systems in the fight against HIV, tuberculosis (TB), and malaria. At the core of the Strategy is the intent to raise resources, promote the efficient use of existing resources, and foster sustainable national responses.

Sustainability and transition preparedness are positioned as crucial elements in the Strategy. These involve efforts to address sustainability challenges during national planning, program design, and Global Fund grant implementation, striking a balance between short- and long-term results. Among the sustainability considerations, the Global Fund Strategy emphasizes strengthening national health sector planning, optimizing health response financing, investing in robust and resilient health systems, enhancing alignment with existing systems, ensuring consistent access to quality health products, addressing human rights and gender-related barriers, and fortifying national governance structures.

The transition from Global Fund financing to domestically funded and managed national responses is a

significant challenge. It requires meticulous planning and ample time. A nation's ability to sustain the fight against these three diseases must be factored into strategies long before the full transition takes place.

To facilitate this transition, the Global Fund may offer transition funding for countries deemed ineligible for continued support. This funding is contingent upon a detailed transition work plan. Countries are encouraged to improve domestic financing for health services and the three targeted diseases, thereby augmenting the sustainability of these efforts and facilitating successful transitions.

Gavi

Gavi's approach to co-financing, transition, and sustainability is distinctly tailored to support its mission of saving lives and protecting health by increasing access to immunization in poor countries. The Gavi co-financing and transition policy facilitates the mobilization and sustaining of domestic financing for vaccines introduced with Gavi support.

Co-financing, in this case, denotes the share of the total costs of co-financed vaccines borne by the recipient countries. The policy outlines the co-financing levels required at different phases of the transition pathway, compliance requirements, and the conditions under which exceptions might be made. This policy applies specifically to vaccine procurement.

One of the primary tools used in this policy is the 'grace year.' This refers to the first year of the preparatory or accelerated transition phase, during which the co-financing rules from the previous transition phase apply. This mechanism allows countries to adjust to the new financing requirements gradually, minimizing the risk of financial shock and promoting sustainable financing for vaccination programs.

The policy includes specific measures, such as a price fraction that applies to countries in the preparatory transition and the first year of accelerated transition. This fraction is calculated annually by increasing the previous year's fraction by 15%. The policy is guided by principles like being country-driven, predictable, sustainable beyond Gavi support, equitable, and context-tailored.

Gavi and the Global Fund, both significant global health actors, have plans in place that focus on how countries transitioning from donor funding can ensure coverage and sustainability. However, there are significant differences between their approaches.

Differences in co-financing approaches

The Global Fund's co-financing requirements are differentiated based on countries' income classification and disease burden, ensuring an equitable and efficient allocation of resources. This approach seeks to increase countries' domestic investments in their health responses, moving towards a more sustainable model.

On the other hand, as we note above, Gavi's co-financing policy aims to gradually increase the financial contributions of recipient countries towards vaccines introduced with Gavi support. Its goal is to facilitate the mobilization and sustaining of domestic financing for vaccines.

Transition policies

Both entities stress the importance of early and proactive planning in transitioning from Global Fund or Gavi support to domestically funded and managed health responses. They also encourage countries to prioritize interventions and health systems strengthening in their national plans to ensure a successful transition.

However, there are notable differences in how each organization approaches transition funding. The Global Fund provides transition funding for ineligible countries based on a detailed transition work plan, while Gavi bases its transition funding on the acceleration of a country's co-financing requirements and transition phase.

Sustainability policies

Both organizations have implemented sustainability policies that focus on strengthening national health systems, improving domestic financing, and ensuring long-term impact.

The Global Fund's approach is based on integrating HIV, TB, and malaria services into health benefits packages, strengthening health financing systems, improving resource efficiency, and promoting human rights and gender-related issues. It also focuses on the co-financing model to ensure sustainability, with an emphasis on financial gap analysis to determine domestic investments required for programs.

Gavi, meanwhile, aims to facilitate the sustainability of domestic financing for vaccines. Its approach to sustainability involves strengthening health systems, increasing access to vaccines, and supporting countries in developing their own vaccine manufacturing capabilities. It also prioritizes the use of innovative financing mechanisms, such as the International Finance Facility for Immunization (IFFIm), to

ensure a predictable and sustainable funding stream for immunization programs. In addition, Gavi works closely with partners to address gender and equity issues in vaccine delivery and supports research and development efforts to improve the effectiveness of existing vaccines and develop new ones. By focusing on sustainability and collaboration with local partners, both organizations are making significant strides towards improving global health outcomes and reducing health disparities around the world.

Comparison and analysis

While both entities have the common goal of improving health outcomes, their policies on co-financing, transition, and sustainability are tailored to their respective focuses. Both organizations emphasize the importance of domestic financing for health services and achieving sustainability before transitioning from external support.

The Global Fund, with its broad focus on HIV, TB, and malaria, emphasizes integrating these services into national health systems, fostering government ownership, and promoting sustainability in the long term. It has a more complex strategy that requires countries to conduct comprehensive financial gap analyses, prioritize interventions, and strengthen health financing systems. The Global Fund's focus is not just on treating the diseases but on building robust health systems that can withstand future health threats.

On the other hand, Gavi's approach is centred on vaccine procurement and aims at mobilizing domestic financing for vaccines. Its co-financing policy is relatively straightforward, with a price fraction system gradually increasing countries' financial commitments during the transition phase. Its approach emphasizes predictability and equitability, allowing countries to progressively increase their contributions to vaccine procurement.

Challenges and recommendations focusing on coordination, collaboration, and alignment

There are several challenges faced by national governments, the Global Fund and Gavi, including work overlap, competition for limited resources, lack of alignment in goals, and weak coordination. Both the Global Fund and Gavi work in the same countries, usually targeting the same health systems and fiscal space. This can result in a duplication of work and competition for the limited resources available. Despite working in the same health sector these organizations sometimes have different goals, plans, and timelines. This can make it hard for countries to effectively plan and carry out health programs, leading to the inefficient use of resources and less than ideal results. In many countries, there's often weak coordination between various groups involved in the health sector, including Gavi, the Global Fund, and other local, national, and international entities. This can also result in disconnected efforts and missed chances to work together effectively. This highlights the need for better cooperation and alignment of goals to improve health outcomes.

The complexities of transitioning from international to domestic funding can be enormous. One of the challenges is ensuring that health services do not suffer during this transition. Therefore, both organizations must provide clear guidance and ample support to countries' governments throughout the transition period.

Also, the reliance on domestic resources once transition occurs could prove challenging, especially for lower-income countries with constrained fiscal capacity. Hence, it is necessary to enhance domestic resource mobilization efforts and assist countries in fiscal planning which should include the risks assessments and guide the country in developing a comprehensive medium-term expenditure framework (MTEF) including macroeconomic projections and a health sector expenditure plan .

Finally, the issue of inequity must be addressed. Not all countries have equal capacity to finance their health responses. Therefore, differentiated co-financing requirements and transition strategies are necessary to ensure that countries are treated fairly based on their abilities to pay.

Recommendations

1. Strengthened coordination for Global Health Initiatives: Both Gavi and the Global Fund should aim to strengthen their coordination efforts at global and country level. This could involve creating or enhancing coordination platforms or committees where all key stakeholders can come together to plan, implement, monitor, and review health interventions. Such mechanisms would allow for regular information exchange, harmonization of efforts, and joint problem-solving, thereby reducing duplication and optimizing resource use.
2. Alignment of priorities, strategies, and timelines: Both organizations need to work closely with each other and with national governments to align their priorities, strategies, and timelines. This might involve conducting joint planning sessions, aligning funding cycles, harmonizing strategic objectives, and synchronizing implementation schedules. Alignment could also extend to other aspects like monitoring and evaluation frameworks, reporting requirements, and operational procedures.
3. Collaborative planning and implementation: Both organizations should actively engage in joint planning and implementation of health interventions. This could involve jointly supporting the development of national health strategies, co-funding projects, and pooling technical resources and expertise. Such collaborative efforts can promote synergies, increase efficiencies, and enhance the effectiveness of health interventions.
4. Advocate for increased fiscal space for health: Gavi and the Global Fund, leveraging their influence and credibility, could jointly strengthen their calls for increased fiscal space for health at the national level. This could involve more forceful engagement with governments and key stakeholders to raise awareness about the importance of investing in health, providing technical assistance to enhance domestic resource mobilization efforts, and lobbying for more equitable and efficient health financing policies.

Conclusion

Improved coordination, collaboration, and alignment between Gavi, the Global Fund, and national governments are essential for optimizing the use of limited resources, improving health outcomes, and enhancing the sustainability of health interventions.

The efforts of both organizations should be complementary rather than competitive, thereby ensuring a more efficient and effective response to the health challenges faced by the countries. However, it is equally important for international organizations to work hand in hand with national governments towards these goals. National governments play a crucial role in ensuring that limited resources are used optimally, health outcomes are improved, and health interventions are sustainable. This is especially important in the face of the numerous health challenges facing countries throughout the world. This collaborative approach can help to maximize the impact of interventions and improve health outcomes.

Ultimately, it is only through such partnerships that we can hope to achieve our shared goal of creating a healthier world for all. Therefore, it is imperative that all stakeholders work together towards a common goal of improving health outcomes and ensuring sustainability of health interventions. This includes providing technical assistance, training, and resources to enhance planning, management, coordination, and monitoring capabilities at the national and sub-national levels. Through such collaborative efforts, we can achieve a more efficient and effective response to the health challenges faced by the countries we serve and create a healthier world for all.

In conclusion, while both organizations aim at improving health outcomes and ensuring sustainability, their approaches reflect their unique focuses. Continued collaboration between Gavi, the Global Fund, and recipient countries will undoubtedly be vital in the coming years to face the challenges of transitioning from international to domestic funding while maintaining and improving health outcomes.

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