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DOCUMENT ADMINISTRATION

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1.0	MD: Nina Schwalbe, Policy and Performance	
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## Graduation Policy

### 1. Purpose

- 1.1. This policy sets out the process and procedures for “graduation”; ie the transition from the time a country is no longer eligible to apply for GAVI support to the point that existing GAVI support ends.

### 2. Scope

- 2.1. This policy covers GAVI’s procedures vis-à-vis communication with countries, existing multi-year commitments, new applications and applications in the review process and whether countries can become eligible again if they have previously graduated.
- 2.2. This policy does not cover co-financing arrangements for graduating countries and it does not cover access to GAVI prices for graduated countries once existing multi-year commitments have ended.

### 3. Definitions

- 3.1. **“GNI per capita atlas method”**: Gross national income (GNI) is the sum of value added by all resident producers plus any product taxes (less subsidies) not included in the valuation of output plus net receipts of primary income (compensation of employees and property income) from abroad. GNI per capita is GNI divided by mid-year population. GNI per capita in US dollars is converted using the World Bank Atlas method which smoothes exchange rate fluctuations by using a three year moving average, price-adjusted conversion factor.
- 3.2. **“Eligibility threshold”**: Criteria set to determine which low and lower middle income countries are considered ‘GAVI eligible’, and which are either ‘Graduating’, ‘Graduated’ and/or ‘Ineligible’ (see Section 4 of this policy).
- 3.3. **“GAVI eligible country”**: A country whose GNI per capita is at least equal to or below the ‘eligibility threshold’.
- 3.4. **“Graduating country”**: A country whose GNI per capita has crossed the applicable eligibility threshold and that can no longer apply for new vaccine or cash-based programme support, but continues to receive support for existing vaccines and/or cash-based programmes from GAVI.
- 3.5. **“Graduated country”**: A country whose GNI per capita has crossed the eligibility threshold and that can no longer apply for new vaccine or cash-based programme support from GAVI, and whose GAVI multi-year commitments for vaccines and/or cash-based programmes have ended.
- 3.6. **“Ineligible country”**: A country that has never been eligible or a graduated country that cannot apply for new vaccine or cash-based programme support from GAVI.
- 3.7. **“Multi-year commitments”**: GAVI funding commitment covering the length of a country’s comprehensive Multi-Year Plan (cMYP) or health sector plan – and extending up until 2015.

		
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#### **4. Eligibility threshold**

- 4.1. Countries with GNI per capita data of  $\leq$  \$1,500 are eligible for vaccine and/or cash-based programme support. Thereafter the GNI per capita threshold will be adjusted annually for inflation.
- 4.2. Eligibility will not be considered for poorer states/provinces within higher income countries (i.e. no sub-national support for countries with GNI per capita above threshold).

#### **5. Graduation procedures**

- 5.1. When a country's per capita income exceeds the eligibility threshold, GAVI will inform the country that it has entered the graduation process and spell out in detail what this entails.
- 5.2. Subject to availability of funding, GAVI will honour all existing Board-approved multi-year commitments to countries in the graduation process for the duration of current multi-year plans, and at a minimum up to 2015 for New Vaccine Support ("NVS").
- 5.3. Countries that enter the graduation process will not be able to submit new applications or resubmit previously rejected applications for any of GAVI's funding windows.
- 5.4. Countries that enter the graduation process will have one year from the Independent Review Committee ("IRC") decision to finalise applications that received a conditional recommendation from the IRC prior to the country graduating.
- 5.5. If subsequent to graduation a country's GNI per capita falls below the eligibility threshold, the country would regain its GAVI eligible status.

#### **6. Primary data sources**

- GNI per capita (Atlas method) from World Bank classifications
- Eligibility threshold adjustment for annual inflation using World Bank deflators

#### **7. Effective date and review of policy**

- 7.1. This policy comes into effect as of 1 January 2011.
- 7.2. This policy will be reviewed and updated as and when required. Any amendments to this policy are subject to GAVI Alliance Board approval.