

International Finance Facility for Immunization (IFFIm) Program Overview

UNICEF/014/Thomas L. Kelly



The International Finance Facility for Immunization (IFFIm) is a new financing mechanism that will use pledges of future aid to leverage money from international capital markets for immediate use. IFFIm financing will accelerate significantly the availability of new development funding. The resources, which will be used to frontload development spending, will be invested in those health interventions most likely to have a quick and profound effect on reducing morbidity and mortality.

An anticipated IFFIm investment of US\$ 4 billion is expected to prevent 5 million child deaths between 2005-2015 and more than 5 million future adult deaths. This is in addition to the estimated 1.5 million lives that will be saved if investments in the GAVI Alliance continue at their current level.

What follows is the planned program using IFFIm funds. Once IFFIm is adopted, the actual program may be adapted slightly based on funding levels and the needs of recipient countries.

IFFIm Program

IFFIm resources will have a substantial and immediate impact in two key areas: **supporting new and underused vaccines and strengthening immunization services.**

The two funding streams are inextricably linked. There is a clear justification for frontloading resources to accelerate vaccine development and availability. But substantial funding to support health systems will be needed to expand access to traditional vaccines and manage and deliver new vaccines.

1. Supporting new vaccines

The vaccine window will focus on under-used and newly licensed vaccines to combat the diseases that cause a significant proportion of child mortality. In the near term, IFFIm funds will be used to stimulate increased manufacturing capacity for the combination DTP-HepB and DTP-HepB-Hib vaccines –



The poorest countries in the world also have the highest incidence rates of vaccine-preventable diseases. In fact, 84% of the world's unimmunized children are born in the 72 poorest countries that are eligible for IFFIm support.

vaccines that GAVI currently supports but are not produced in enough capacity, or at prices, to satisfy demand. New vaccines against rotavirus and meningococcus A could have significant impact on reducing disease burden. In the longer term, vaccines against pneumococcus and Japanese Encephalitis could prove quite valuable.

GAVI's experience demonstrates that co-financing arrangements with countries greatly improve prospects for long-term sustainability. Such arrangements also allow for the extension of IFFIm funding to more countries over a longer period of time. IFFIm will cover incremental product costs during the introductory phase, with co-financing from countries.

II. Strengthening immunization services

Scaling up coverage of immunization in the poorest countries will require substantial investments in the health systems that deliver vaccines. Constraints that affect immunization delivery often affect other essential health interventions as well. By keeping IFFIm resources flexible, countries will be able to use them to alleviate these system-wide barriers and potentially lead to a more comprehensive provision of health services.

Funding will be based on need and absorptive capacity. Countries with lower DTP3 coverage, high numbers of unvaccinated children and large internal disparities (i.e., between states) will receive more resources. Smaller investments will be made in better performing countries, recognizing that lower income countries still need additional resources to maintain achievements and further improve quality of immunization services.

- Measles and tetanus campaigns

To drive mortality down quickly from highly infectious vaccine-preventable diseases such as measles and tetanus, supplemental immunization activities, often referred to as immunization campaigns, will be funded in the countries where the need is greatest. Such mass campaigns will be designed and executed with the additional goal of strengthening routine health and immunization services. By strengthening immunization services, the gains made through these campaigns will be maintained and strengthened in the future.

As expenditures for campaigns are one-time or uneven in nature, and the need for campaigns is reduced over time, campaigns are ideally suited to a front-loaded financing mechanism. In addition, the health benefits derived from campaigns occur within a very short time period and can cover a larger population than routine, on-demand services.

- Polio vaccine stockpile

Once the world is declared to be polio-free, a stockpile of oral polio vaccine (OPV) will be required to protect against any future recurrence. This vaccine must be produced very quickly in the narrow window of opportunity between the interruption of transmission and OPV cessation. This OPV stockpile will serve as an "insurance policy" in the event of a polio outbreak after the eradication of the wild polio virus.

Implementing through GAVI

The GAVI Alliance and The GAVI Fund (former Vaccine Fund) will use their existing governance structures to make allocation policies and country disbursement decisions for funds leveraged through the IFFIm financing mechanism. GAVI resource allocation decisions are guided by the following principles:

- Funds are catalytic and promote improvements to the immunization system.
- Funds are additional and should not replace existing national or external resources.
- Funds are allocated through an innovative approach that rewards good performance.

For the past five years, the flexible, action-oriented nature of the GAVI Alliance has allowed it to adapt to new challenges – critical for a start-up venture. Alliance members include a wide range of development partners: developing-country and donor governments, WHO, UNICEF, the World Bank, the vaccine industry (from North and South), research and technical agencies, NGOs, and the Bill & Melinda Gates Foundation. The GAVI Fund, with its own board of prominent individuals, serves primarily as the fundraising and financial management arm of GAVI.

GAVI Alliance partners have developed a process in which countries apply for the resources they need, based on allocation policies approved by the GAVI Alliance Board. In each recipient country, an Independent Review Committee (IRC) of national experts in immunization programmes, health economics, and health systems, reviews proposals and progress reports submitted by countries, offering a peer review. The IRC then makes its recommendations to GAVI Alliance Board, which requests release of funds from The GAVI Fund.

Implementation

The IFFIm funds – which will be disbursed through existing bilateral and multilateral agencies – will provide recipient countries with predictable, stable and coordinated aid flows to finance the investments needed to reduce poverty.

The best measure of need is determined at a national level by countries themselves. Once the allocation policies have been defined, each eligible country will have the opportunity to request funding based on its own analysis of needs. This support will build on countries' existing multi-year plans and complement existing resources. Factors such as immunization coverage levels, vaccine availability and pricing, fiscal constraints and the state of the health system will determine where resources can be best used.



Anya Bandyopadhyay/October 2005

The IFFIm characteristics of predictable, stable and significant resources provide an excellent way to overcome the problems of unpredictable, uncommitted and short-term flows that have constrained immunization financing in the past. In addition, immunization is well suited to use IFF-generated funds because it:

- Is an essential and highly cost-effective intervention that is integral to the public health system.
- Has the potential to save millions of children's lives through a substantial ramp-up in coverage rates.
- Can use frontloaded funds to accelerate vaccine market forces.
- Can be scaled up quickly, even in resource-poor settings.
- Is a key first (and, sometimes, only) point of contact for mothers and children with the health systems, and can be used to deliver other health-related interventions.
- Can channel funds through an effective existing system.

Saving more children's lives faster and achieving the Millennium Development Goals are the central aims of the IFF concept, and immunization represents an excellent way to reach these goals.

Country Eligibility

The GAVI threshold of a GNI below US\$ 1000 per capita will continue to be used. Recent analysis demonstrates that this condition includes countries with high under-5 mortality rates and the greatest number of unimmunized children. From 2006, eligible countries include:

Afghanistan	Comoros	Haiti	Moldova	Somalia
Angola	Congo, Democratic Republic	Honduras	Mongolia	Sri Lanka
Armenia	Congo, Rep	India	Mozambique	Sudan
Azerbaijan	Côte d'Ivoire	Indonesia	Myanmar	Tajikistan
Bangladesh	Cuba	Kenya	Nepal	Tanzania
Benin	Djibouti	Kiribati	Nicaragua	Timor Leste
Bhutan	Eritrea	Korea, DPR	Niger	Togo
Bolivia	Ethiopia	Kyrgyz Republic	Nigeria	Ukraine
Burkina Faso	Gambia	Lao PDR	Pakistan	Uganda
Burundi	Georgia	Lesotho	Papua New Guinea	Uzbekistan
Cambodia	Ghana	Liberia	Rwanda	Viet Nam
Cameroon	Guinea	Madagascar	São Thomé	Yemen
Central African Republic	Guinea-Bissau	Malawi	Senegal	Zambia
Chad	Guyana	Mali	Sierra Leone	Zimbabwe
		Mauritania	Solomon Islands	



UNICEF/0122/Thomas L. Kelly