

Terms of Reference – Immunization Financing Database

A – Background

Why create a IF database now?

The GAVI Push

GAVI and the Vaccine Fund have “rejuvenated” immunization efforts and recognizes that financing information is essential for medium and long-term programme planning and sustainability— But often hard to come by.

Increasing Data Availability

More data is now available to monitor expenditure and financial flows and the recent proliferation of in-depth country costing studies and financial assessments has awakened an appetites for similar levels of detail on a global and regional levels.

Recent Trends in Health Policy

Tracking expenditure and financial flows is increasingly informing policy in the health sector (National Health Accounts). Monitoring this information for immunization services can help guide policy in the context of overall health policy and health systems goals.

The level and pattern of immunization varies tremendously from country to country. Some governments finance all of their national needs and give very high priority in their budgets to vaccine and immunization requirements. Other countries rely heavily on donors even when there is no promise of long-term support. The importance of external financing varies widely, depending on the countries' relative and absolute capacity to finance their needs, particularly the introduction of new vaccines.

The GAVI Task Force on Financing is responsible for increasing the understanding of the reasons behind inadequate funding for vaccines and immunization in the poorest countries and to identify strategies which will improve the capacity of governments, donors and development banks to finance these needs.

To increase this understanding, GAVI partners and the GAVI Board have strongly articulated the importance of developing a comprehensive, up-to-date database of information about spending and financing of immunization programs in middle and low-income countries. Such a database would yield new insights about strategies for long-term financial sustainability of high-coverage, high-quality immunization services.

At the country level, this information is needed to help strengthen the planning of immunization services and their improvements, and to better mobilize the needed resources. Strategic planning requires believable information about how much is being spent, on what and from what source, and how much will be needed in the future.

At the global level, donors need this information to assist them in prioritizing and planning for current and future support for immunization services in middle and low-income countries. Donor behaviour is strongly influenced when the variation in spending and the different financing patterns are brought to light. Monitoring this information can help leverage more donor funding for immunization activities.

In addition, the immunization financing database will provide essential data for the analysis of donor financing patterns. By providing baseline and trend data, it will permit the evaluation of the impact of Vaccine Fund resource flow patterns on the financing of immunization programs.¹

Finally, an immunization financing database will be helpful when trying to answer policy related questions such as estimating the gap between current spending and a theoretical “ideal,” and assessing the correlation between funding patterns and mechanisms and programme performance and efficiency measures.

B – Objectives of the IF Database

The objectives of the immunization financing database are narrowed down to the following. The aim of the database will be to:

Relevance with the work of the FTF?

- (1) Countries receiving funding from the Vaccine Fund are required to prepare detailed financial sustainability plans (FSP) at the midpoint of funding and at the end of the second year. Expenditure and financial data on immunization services can help countries prepare these financial sustainability plans.
- (2) Progress towards financial sustainability will be monitored with global financial sustainability indicators and such a database can help compute these indicators and monitor their trend.
- (3) Tracking expenditure and financial flows can be used to provide rough estimates of the magnitude of current and future financing requirements for immunization.

¹ It is important to note that the evaluation of the impact of GAVI/Vaccine Fund initiatives and resources represents a complex task, in which analysts will try to separate the effects of GAVI/Vaccine Fund from a range of other influences on the immunization program in diverse country settings. Information in the database will contribute to this effort, but the evaluation itself must be seen as a separate exercise, requiring an evaluation methodology and approach that will be developed independently.

1. *Monitor trends in expenditures and financial flows at the country, region and global levels*
2. *Examine Vaccine Fund financial flows for immunization and evaluate financial sustainability*
3. *Serve as a tool for strategic planning and resource mobilization for immunization*
4. *Serve as a reference tool to answer specific policy relevant question related to expenditures and financing for immunization*

1. Monitor trends in expenditure and financial flows at the country, region and global levels

To date, global estimates of vaccine and immunization financing and expenditures have been “back of the envelope” and historical data are incomplete or non-existent thereby thwarting efforts to evaluate trends or programme strategies. While in-depth studies have yielded useful information that is country-specific, it is unclear to what extent the information can be applied to all countries.

One of the key questions that the immunization financing database will try to answer is how much are countries, regions and the international community spending on immunization services, on what and from what source.

Meeting this first objective will yield useful indicators such as:

- ⌘ Total expenditure on immunization services at the country, regional and global level
- ⌘ Total expenditure on traditional and new vaccines at the country, regional and global level
- ⌘ Total government versus donor funding for vaccines at the country, regional and global level
- ⌘ Total government versus donor funding of non-vaccine program-specific expenditures at the country, regional and global level
- ⌘ Recurrent versus capital program-specific expenditures at the country, regional and global level

For purposes of the database, immunization services will be defined as expenditures on both routine immunization services and expenditures for supplemental immunization activities. Expenditure and financial flows will be defined as follows:

Expenditure flows – “What is being spent on what?”

Expenditure flows will be defined as those that are immunization specific² and will be separated into recurrent and capital expenditures as follows:

Recurrent expenses³:

- Vaccines by antigen
- Injection materials and supplies
- Personnel salaries and per diems specific to immunization⁴
- Transport (fuel and maintenance of vehicles)
- Cold chain maintenance
- Social mobilization
- Training and training material
- Surveillance

Capital expenses⁵:

- Vehicles and other transport equipment
- Cold chain equipment

The immunization financing database will further monitor trends in vaccine prices from the main procurement mechanisms: UNICEF Supplies Division and the PAHO Revolving Fund.

The categories presented above represent an idealized list of items to include in the immunization financing database in order to have a consistent definition of expenditure flows that will allow comparability across countries. It is recognized that this level of detail may not always be available for all countries and years

² These are expenditures specific to immunization services and therefore will not include shared and economic costs.

³ These are expenses associated with inputs that will be consumed or replaced in one year or less. It is an annual recurrent expense that are of most interest to the programme in terms of financial planning.

⁴ Shared personnel costs will not be monitored. They relate to the cost of health workers that are paid to provided other health services in addition to immunization. Only health workers and staff working full time for immunization will be monitored.

⁵ Capital expenses refer to the purchase of inputs that have a life of more than a year, i.e. they are not consumed or replaced annually and don't change with changes in the volume of service.

and that a more comprehensive list is possible for others (including shared personnel expenses and capital items such as building, long-term training...). Detailed information from countries is encouraged and when available, will be included in the database. Countries with less detailed information will be dealt with through specific methodologies. These methodologies will be documented and made publicly available.

Financial flows – “Who is paying for it?”

Financial flows will be defined as levels of funding from national and sub national sources, bilateral and multilateral donor agencies, development banks and other sources (NGOs and private sources). All sources of funding for immunization will be made available in the database.

2. Examine Vaccine Fund financial flows for immunization and evaluate financial sustainability

A second key area of interest that the immunization financing database will try to illuminate is the way GAVI and the Vaccine Fund support for immunization will be affecting donor financing patterns and how they will influence country programmes and their sustainability.

To answer these questions will involve examining Vaccine Fund flows in relation to other financial flows for immunization and evaluate whether more resources are being leveraged through the GAVI initiative and whether new and underused vaccines are affordable given the differences in wealth between countries.

Progress towards financial sustainability will be measure using the global financial sustainability indicators endorsed by the GAVI Financing Task Force.

Meeting this second objective will yield useful indicators such as:

- ❏ Financial sustainability indicators (see proposed global indicators)
- ❏ Total annual Vaccine Fund flows versus total annual government and donor flows for immunizations
- ❏ Trends in vaccine prices for traditional and new/under used antigens

3. Serve as a tool for strategic planning and resource mobilization

The third objective of the immunization financing database will be to serve as a tool for strategic planning and resource mobilization.

Sound planning requires believable information about how much is being spent, on what and from what source, and how much will be needed in the future.

-At the country level, this information is needed to help strengthen the planning of immunization services and their improvements, and to better mobilize and secure the needed resources.

-At the global level, donors need this information to assist them in prioritizing and planning for current and future support for immunization services in middle and low-income countries. Donor behaviour is strongly influenced when the variation in spending and the different financing patterns are brought to light and monitoring this information can help leverage more funding for immunization activities.

4. Serve as a reference tool to answer specific policy relevant questions

The fourth and final objective of the immunization financing database is to provide empirical evidence to help answer various policy-relevant questions. These questions include, but are not limited to the following:

- How far is current spending falling short of a defined “ideal” that might be estimated based on norms (e.g., estimates of cost per fully-immunized child)?
- What is the relationship between financing patterns and immunization program performance?
- What can these mechanisms tell us about programme performance and efficiency?

By centralizing and making available all information on expenditures, costing, cost effectiveness and financing of immunization services, the database can provide basic information inputs for in-depth studies that address these questions.

C – Process

Meeting the objectives of the immunization financing database as detailed above, will be the work of a database development team. The objectives of the team are detailed in a separate document - Please refer to the terms of reference of the immunization financing database development team.

D – Final Product

A publicly available database on immunization expenditures and financing data, and accompanying documentation describing the data sources, database methodologies (e.g., for construction of variables), and data quality and comparability.