



Financial Sustainability Planning for National Immunisation Programmes

**Strengthening Immunisation Systems and Introduction of
Hepatitis B Vaccine in CEE and NIS**

3rd meeting, Kyiv, Ukraine, May 25-28, 2004



Financial Sustainability

Although self-sufficiency is the ultimate goal, in the nearer term, sustainable financing is **the ability of a country to mobilize and efficiently use domestic and supplementary external resources on a reliable basis to achieve target levels of immunisation**

GAVI Board, London, June 2001



Is FSP a unique approach?

Thinking about financial resources is an essential part of program planning, regardless of GAVI's or any other agency's presence

- How much does it cost to achieve program goals?
- How much funding is available?
- How do the funds flow?
- How are the funds used?

Why Financial Sustainability Planning?

- Limited donor funds vs. in fact unlimited demand
- Donors' legitimate wish to see better 'returns on investment'
- Better returns tend to result from better planning
- GAVI not a donor but donors' fund manager in charge of achieving better 'returns on investment' of aid funds

What is a Financial Sustainability Plan?

- FSP is a government's statement; how to **match financing with program objectives** over the medium- to long-term
- **Assessment of the financing challenges**
- Strategy for **dealing with those challenges**
- Developed in **consultation and negotiation** within stakeholders

FSP Objectives

Assessing:

- **Costs** to achieve national programme goals
- **Sources** of financing
- **Financing gap** (timing and magnitude)

Presenting:

- **Work plan with indicators** to:
 - Mobilize resources
 - Improve reliability of resources
 - Improve programme efficiency
 - Integrate FSP into national plans and budgets

FS Planning in European Region

When to be developed?

At the end of the **second support year**

- **2002: KGZ**
- **2003: ALB, ARM, AZE, TJK, TKM, UZB**
- **2004: B&H, GEO, MDA, UKR**

Who develops FSP?

National Team:

- MOH, budget/finance department (lead)
- MOH, NIP (coordination)
- MOH, policy and planning department
- MOF, health department
- Key ICC members

RISK to be avoided !!!

- Isolating FSP within the immunization team

GAVI assistance in developing FSP

Tools and manuals for:

- Estimating programme costs in pre-GAVI years
- Projecting programme resource needs in the forthcoming years
- Analysing programme development scenarios and options for covering the financing gap
- Developing strategy for achieving financial sustainability of the programme

Assistance by consultants

Challenges for FSP in GAVI-Euro region

Current system of planning in the HC sector of GAVI-Euro-eligible countries – line item budgeting as opposed to program budgeting:

- does not encourage cost-effectiveness analysis
- leaves few incentives for improving quality of services
- encourages overlapping services and, therefore, inefficient resource use
- few currently used performance indicators are able to serve the purpose of service quality improvement

Challenges for FSP in GAVI-Euro region

Immunization programs are integral part of health care delivery system

- Immunization supply and immunization delivery services are managed by different authorities – need to carefully plan interaction; complications and conflicts inevitable.

Data collection and reporting units (HC statistics departments) are not independent from the HC delivery units

- data quality may be compromised
- no operational data audit system in place

Challenges for FSP in GAVI-Euro region

Data collection process is not standardized between various services

- different HC units may operate by different values of the same indicator

Poorly established quality assurance procedures

- Insufficient (poor) cold chain maintenance procedures
- Immunization safety
- Perverse incentives for immunization personnel
 - exclusive focus on minimal wastage rates may negatively impact immunization safety

Challenges for FSP in GAVI-Euro region

**Interagency communication –
no established processes to discuss
or negotiate operational policy issues**

- MOH people may not know how to present the case to the MOF; whereas MOF does not step forward in attempt to explain the process

Benefits of FSP for countries

- Provides a clear picture of financing needs based on data and analyses
- Describes realistic and specific actions that will increase likelihood of the FS
- Identifies process and indicators for monitoring
- Can be used as an advocacy tool
- Also provides a clear picture of planned actions for partners

Conclusions from FSP Process

- Immunisation Programmes can improve the health of children **only when they have adequate and reliable funding**
- Secure financing is needed **to ensure continuity in services and continuous increases in coverage, quality and access to vaccines**
- Understanding of a programme's **current financial status and future needs, and identifying a financing strategy** that allows the programme to achieve its goals **are fundamental tasks**

Relevance of FSP for non-GAVI countries

Essential steps in any program planning process:

- Estimating costs,
- Identifying financing sources,
- Analysing financing gap,
- Search of sources to cover the gap
- Adopting the program goals to actually available resources
- Developing detailed work plan