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
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