

Does Conditional Aid Promote Performance? A Regression Discontinuity Analysis of the Impact of GAVI Alliance on Immunisation in Developing Countries

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The GAVI Alliance (Global Alliance for Vaccines and Immunisation) is an aid programme that supplies large quantities of free and highly subsidised vaccines to developing countries on an income eligibility criterion since 2001 to improve the vaccination coverage rates. This paper estimates the impact of six different GAVI funded vaccines (DPT, Hep B, Hib, Rota, Pneumo and Measles) on the immunisation rates in developing countries using parametric and non-parametric econometric methods for the years 2005 and 2013. The regression discontinuity design estimates for the older and cheaper vaccines show a statistically significant impact on vaccination rates in 2005, whereas by 2013, the coverage rates of these vaccines show no significant impact. For the newer and more expensive vaccines, the empirical results show significant impact estimates in 2013. The GAVI Alliance aid programme has consciously increased the immunisation rates among children in almost all the developing countries.

I Introduction

International and national development programmes, especially aid and public programmes, are designed to attain certain goals among targeted beneficiaries. Yet the programmes that appear to be potentially promising before implementation may fail to generate expected benefits. Identifying the intended effects of a programme or a policy is a complex and challenging task. The issue is particularly important in an uncertain economic climate where governments are under pressure to promote programmes that can induce growth and reduce poverty. This emphasises the need for impact evaluation which helps policy makers to decide whether the programmes are generating intended effects, to promote accountability in the allocation of resources across various public programmes and to understand what works, what does not, and how measured changes in well-being are attributable to a specific project or policy intervention. Few examples are analysing the impact of merit awards on future academic outcomes of students, employment rates after a revised pension scheme, federal expenditures after an election with respect to new control of seats by political

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