

Gavi Alliance Governance Committee Meeting

31 October 2014

Teleconference

1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 16.10 Geneva time on 31 October 2014. Geeta Rao Gupta, Governance Committee Chair, chaired the meeting.
- 1.2 Standing declarations of interest were tabled to the Committee (Doc 01a in the Committee pack). Laura Laughlin requested her company affiliation be corrected.
- 1.3 The minutes of the 17 June 2014 Governance Committee meeting were tabled to the Committee for information (Doc 01b). They had been circulated and approved by no-objection on 19 August 2014. The Committee also reviewed its action sheet (Doc 1c) and forward workplan (Doc 1d).

2. Special advisers

- 2.1 The Chair reminded the Committee that in June 2014, the Committee asked the Secretariat to incorporate its comments in the special adviser terms of reference (TOR), by inserting a better set of key performance indicators (KPIs), a standard process for hiring candidates, and qualifications. The Secretariat had incorporated these comments, including information on compensation and performance measurement (Doc 2).
- 2.2 Having worked with the Secretariat on the amendments and after reviewing the pertinent data, the Chair recommended to the Committee that it approve the terms of reference for special advisers who support the Board Chair, Vice Chair, and Board members representing developing country government constituencies and the CSO constituency, along with the recruitment process and approach for determining remuneration.

Discussion

- Donor and unaffiliated members of the Committee welcomed the revised terms of reference and felt they adequately reflected the Committee's input. Some Committee members had a number of questions, which the Chair addressed as follows in this discussion.

- A Committee member asked for more detail on the Secretariat's US\$ 994,000 special adviser budget for 2015. The Chair noted that the compensation arrangements for individual advisers would not be shared but noted that approximately 90% of the budget was allocated to salaries, 7% was allocated to meetings, and 3% was allocated to travel and equipment. It was also highlighted that the 2014 budget was approximately \$70,000 lower than the proposed 2015 budget because four special advisers had moved from full-time to part-time contracts.
- It was asked how many advisers were underpaid and overpaid vis-à-vis the new benchmarks. The Chair noted that until now, special adviser salaries were based on the recommendation of the Board member in negotiation with the Board Chair and Secretariat. In putting together these guidelines, it was being proposed to benchmark adviser salaries against UN pay scale levels. Accordingly:
 - Four of the ten advisers' historical salaries would be below the relevant pay scale. Because the proposed guidelines and terms of reference are forward-looking, adjustments to bring these advisers' salaries would only be adjusted going forward. Overall, the cost to make the adjustment would be \$2,000 during 2015.
 - Five of the ten advisers' historical salaries would be above the relevant benchmark. Gavi would honour these contracts until the relevant Board member rotated off the Gavi Board.
- It was asked why the Chair and Vice Chair advisers had fewer duties listed in their TORs but their compensation benchmark was higher than other special advisers. The Chair noted that the types of activities required by the Chair and Vice Chair advisers and the frequency with which they are performed justified the proposed pay scales.
- It was asked who determined the benchmark and step on the UN pay scale. The Chair noted that relevance of experience, and not just years of experience, is an important determinant. In addition, the guidelines build flexibility into the approach, with the particular level of compensation determined through discussion between the Board member and the Secretariat based on the benchmark. If agreement cannot be reached, the matter can be referred to the Governance Committee.
- It was asked why salaries are based on basic pay and not inclusive of UN benefits. The Chair noted that UN consultants are not routinely paid top-ups to match in-kind benefits of full-time staff members so the method envisioned by the guidelines is consistent with the UN approach.
- It was asked why local transportation to an adviser's daily place of work or to attend meetings with the Board member at a location near the daily place of work is not covered as a matter of course. The Chair noted that travel to an adviser's daily place of work is the adviser's responsibility. Travel to a specific meeting – such as a regional constituency meeting to coordinate a

constituency position – may be reimburseable but the guidelines require advance approval from the Secretariat.

- It was asked whether special advisers should be given a lump sum for administrative costs. The Chair noted that administrative and equipment needs differ from country to country and those needs can be addressed in discussion with the Board member at the outset of the consultancy agreement. It was also noted that developing country and CSO constituency advisers are offered the use of a Gavi laptop. On the other hand, while a lump-sum arrangement may be administratively easier to disburse, given the recent discussions at meetings of the PPC, Executive Committee and the Board to ensure a robust approach to fiduciary risk management, reimbursement of actual costs and reliance on actual invoices appeared to be a more prudent approach.
- It was asked why “levels of effort” (LOE) benchmarking was removed from the current iteration of the TORs. The Chair noted that explicitly defining the LOE would not be appropriate, as the actual effort needed to perform the consultancy contract can be discussed between the Board member and the Secretariat when hiring a new adviser.
- It was noted that two unaffiliated Board members have advisers but that the guidelines do not contemplate this as a general matter. Instead, the guidelines note that Board members who are not normally entitled to an adviser may make a request to the Board Chair. The Board Chair could then seek the advice of the Governance Committee as to whether he or she should exceptionally grant the request.
- The Governance Committee requested the Secretariat to provide an annual update on the performance of special advisers.
- The Governance Committee requested that the contracted terms of the special advisers be two or three years so that they aligned with the term of the applicable Board member, but enable it to be terminable before that time if appropriate.

Decision One

The GAVI Alliance Governance Committee:

- **Approved** the Terms of Reference for Special Advisers to the GAVI Alliance Board Chair and Vice Chair attached as Annex A to Doc 02
- **Approved** the Terms of Reference for Special Advisers to Board Members from Developing Country or CSO Constituencies attached as Annex B to Doc 02.
- **Approved** the proposed recruitment process and approach to remuneration for Special Advisers as set out in Annex C to Doc 02.
- **Confirmed** that each of the approvals above are subject to inclusion of the following:
 - Special Advisers would undergo an annual performance evaluation

- The term of a Special Adviser's contract would be two or three years such that it would align with the term of the Board member
- The Special Adviser's contract would be terminable before the end of the contracted term if appropriate.

3. EC Functions and Composition Subcommittee

- 3.1 Richard Sezibera had been appointed by the Governance Committee Chair to lead the EC Functions and Composition Subcommittee, which consisted of Orin Levine and Beate Stirø. Dr Sezibera was unable to attend the Governance Committee meeting but had briefed the Chair on progress to date.
- 3.2 The Chair reminded the Governance Committee that the self-assessment had recommended that Gavi clarify the role and composition of the Executive Committee. In June 2014, the Committee had engaged in a wide-ranging discussion on the EC's current mandate – both in terms of the overall place of the EC in the governance structure, and its individual duties and responsibilities. The Subcommittee had been formed to recommend how to revise the list of EC functions, propose a composition to optimise how those functions would be carried out, and consult the Governance Committee so that the Governance Committee could draft a revised Charter for eventual recommendation to the Board.
- 3.3 The Subcommittee had a telephone meeting in August 2014 followed by a consultation with the Executive Committee in September (Doc 3). Currently, the Subcommittee is consulting Governance Committee and EC members individually to determine whether there is alignment on the role of the EC.
- 3.4 The Chair and Ms Stirø reported some preliminary findings to the Governance Committee. There had been little appetite for major changes to the EC's composition, and where changes had been suggested, there was little alignment as to what these changes should be.
- 3.5 There had been some consensus around making time-sensitive and commercially-sensitive decision-making a specific duty rather than simply an aspirational goal. There was also some alignment around the EC playing a stronger role in CEO performance management. There was less alignment about the level of EC involvement in strategic planning.
- 3.6 The Chair reported that Dr Sezibera intended to deliver a report and recommendations in time for the next Governance Committee meeting in December. The Chair confirmed she would remain in contact with the Subcommittee and propose a way forward in December if its work was not concluded.

4. Board Chair Recruitment Committee

- 4.1 George W. Welde, Jr had been appointed by the Governance Committee Chair to lead the Board Chair Recruitment Committee, which consisted of Awa-Marie Coll-Seck, Donal Brown, and Jenny Da Rin, with the Governance Committee Chair as an adviser.
- 4.2 Mr Welde noted that the Committee had met to discuss its terms of reference and a timeline of deliverables (Doc 4). A search firm had now been retained and each of the Recruitment Committee members was consulting a number of Board members in order to develop a Board Chair TOR that would be given to the Board in December. The outward-facing part of the search would then commence in January 2015.

Discussion

- Mr Welde confirmed that his Committee was interviewing individual Board members and that the Board members would be relied upon to consult their alternates and constituencies as necessary and feed that back to the Committee. However, he had reached out to a number of prominent Gavi champions to obtain their thoughts also.
- One constituency Board member noted that it would be difficult to obtain the entire constituency's feedback by mid-November. Mr Welde confirmed that this was understandable and that the draft TORs would be adjusted as new information came in.
- The Committee conferred on the timeline. Mr Welde noted that while there was much consultation to do, once the outward-facing component of the search began, he expected the process to accelerate and for a preferred candidate to surface quickly.
- Mr Welde confirmed that he would continue to inform the current Board Chair and CEO regarding progress with the recruitment. He noted that one of the key aspects of the search was to ensure that the new Board Chair would be positioned to have a constructive working relationship with the CEO.

5. Updates

- 5.1 The Chair provided updates on several topics (Doc 5).

Self-assessment follow-up

- 5.2 The self-assessment "action sheet" had been updated, particularly to include the stage 2 and stage 3 recommendations as requested in the last meeting. The stage 2 recommendations had been incorporated into the workplan to be addressed during 2015. The stage 1 recommendations were largely in hand.

- 5.3 The Chair noted that the feedback from the 15 October 2014 new Board member induction session had been positive. In addition, Board members had welcomed the increased number of pre-Board technical briefing sessions which they had found to be useful, practical, and interactive.

Unaffiliated Board Member Recruitment Subcommittee

- 5.4 The Chair reported that Stephen Zinser, who joined the Board in June 2014, and David Sidwell and Gunilla Carlsson, who are due to join in December 2014, attended the induction session. Assuming they are appointed, the Board will have filled critical vacancies created as key Board members like George Welde and Ashutosh Garg step down at the end of their terms.
- 5.5 She also noted that the Subcommittee had identified a pipeline of candidates with a variety of skills and diverse experiences that could be tapped as other unaffiliated members rotated off.

Indicative nominations and gender balance

- 5.6 Finally, the Chair reported that, based on early indications, the Board was expected to achieve compliance with the gender balance guidelines among both its Board and alternate members. Nominations are due by 14 November, after which the Committee will have a better sense of whether the balance will actually be achieved.

6. EAC Chair nomination

- 6.1 The Chair reminded the Committee that Sania Nishtar intended to step down as Chair of the Evaluation Advisory Committee (EAC) at the end of 2014. As such, the Board and EAC members were asked to recommend candidates to succeed her. Two current EAC members volunteered to serve.
- 6.2 Both candidates are considered valuable members of the EAC and both are aware that the Governance Committee will need to recommend a single candidate to the Board. In doing so, the Committee invited the CEO to provide some input prior to the Committee's discussion.

Discussion

- It was confirmed that the candidates were committed to serving as members if not chosen as Chair.
- After discussion, the Committee moved forward with a recommendation. It noted that it is particularly challenging for the Committee to guide the Board in this case because the candidates are not Board members and so are only guided by their resumes. Therefore, in the future, the Committee requested additional references of candidates in contested elections to guide their recommendations.

Decision Two

The GAVI Alliance Governance Committee:

- **Recommended** to the Board that it appoint Rob Moodie as Chair of the Evaluation Advisory Committee effective 1 January 2015 until 31 December 2016.

7. Board Vice Chair transition

- 7.1 The Chair reminded the Committee that she will step down as Board Vice Chair at the end of 2014, though would remain on the Board as UNICEF's representative. The Board Chair had invited nominations for her successor and the nominations window was scheduled to close on the date of this meeting.

8. Review of decisions

- 8.1 Debbie Adams, Managing Director of Law and Governance, reviewed and agreed the language of the decisions with the Committee.

After determining there was no further business, the meeting was brought to a close.

Mr Kevin A. Klock
Assistant Secretary to the Board

Attachment A

Participants

Committee Members

- Geeta Rao Gupta, Chair
- Joan Awunyo-Akaba
- Donal Brown
- Maria C. Freire
- Laura Laughlin
- Bheri Ramsaran
- Beate Størø
- George W. Wellde Jr.
- Seth Berkley (non-voting)

Regrets

- Orin Levine
- Ruhakana Rugunda
- Samba O. Sow

GAVI

- Debbie Adams
- Joanne Goetz
- Anuradha Gupta
- Kevin A. Klock

Observers

- Gian Gandhi, Special Adviser to the Board Vice Chair (except item 2)