



GAVI Alliance Board Meeting

4-5 December 2012

Dar es Salaam, Tanzania

FINAL MINUTES

1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 9.15 local time on 4 December 2011. Dagfinn Høybråten, Board Chair, chaired the meeting.
- 1.2 The Chair welcomed the Board members to Tanzania, stating it was an opportunity to celebrate the Alliance. It was also an opportunity to celebrate the achievements of Tanzania, a country which WHO and UNICEF estimate has a DTP coverage rate of greater than 90%. The Chair thanked Hussein Ali Mwinyi, Minister of Health and Social Welfare of Tanzania for hosting the Board meeting and the forthcoming Partners' Forum.
- 1.3 The Chair reported he had visited a health clinic in Arusha the day before and had been able to see GAVI and its implementing partners at work. He reminded the Board that GAVI's major partners are the mothers (and fathers too) and that he had talked to them about the launch of vaccines in Tanzania to prevent pneumonia and diarrheal diseases. Their expressions were a reminder that these are diseases that are part of their experience and that the introduction of these life-saving vaccines offered new hope. He also reported on his recent visit to Myanmar with colleagues from the Secretariat and Australian and New Zealand parliamentarians.
- 1.4 He welcomed several new Board members and noted that there will be an opportunity for an appreciation of departing Board members during the "family dinner" that evening. He also welcomed René Karsenti, Chair of the IFFIm Board, and thanked the IFFIm Board for its leadership in a particularly challenging environment.
- 1.5 He reported that over 500 global health and government leaders will join the Board later in the week for the Partners' Forum. He noted that he particularly looked forward to seeing former GAVI Fund Chair Graça Machel. He remarked that it is an important point in GAVI's history. The Alliance has promised to deliver, deliver, deliver and the Partners' Forum is really the first major opportunity since the June 2011 pledging meeting to demonstrate what GAVI has accomplished and for stakeholders to hold GAVI accountable. He

thanked the Secretariat, WHO, UNICEF, the Tanzanian government, and others for their work to plan and implement this week's activities.

- 1.6 Standing declarations of interest were tabled to the Board (Doc 1a in the Board pack).
- 1.7 The Board noted the minutes of its meetings on 12-13 June 2012 (Doc 1b), which had been approved by no-objection on 27 August 2012.
- 1.8 In addition, the Board noted the action sheet (Doc 1c).
- 1.9 The Board noted its forward workplan (Doc 1d). The Board also took note of the schedule of meetings for 2013. The Secretariat will work to propose an alternate date for the November 2013 Board meeting so as to avoid holidays.

2. Consent agenda

- 2.1 The consent agenda included Board and Committee member appointments recommended by the Governance Committee (Doc 2a), the Board Chair appointment recommended by the Governance Committee (Doc 2b), Committee Chair appointments recommended by the Governance Committee (Doc 2c), Independent Auditor selection and Evaluation Policy recommended by the Audit and Finance Committee (Doc 2d), and By-Law and Committee Charter amendments recommended by the Governance Committee, Investment Committee, and Audit and Finance Committee (Doc 2e).
- 2.2 Geeta Rao Gupta chaired the meeting for the appointment of Board members, Alternate Board members, committee members, and the Board Chair. Dagfinn Høybråten left the room during the appointment of the Board Chair.
- 2.3 There were small amendments to the decisions proposed: Anders Nordström and Paul Fife were to be appointed effective immediately. Ashutosh Garg was proposed to join the Investment Committee and Gustavo Gonzalez-Canali noted that the donor community may propose an Investment Committee member in the future.
- 2.4 The Vice Chair reminded Board members that the Guidelines on the Board Gender Balance, which the Board approved in 2010, state that the Governance Committee "should establish and maintain a ratio of 60/40 male/female Board Members and Alternate Members." The ratio was attained earlier in 2012, however, the nominations submitted would result in the Board falling slightly out of the 60/40 range, with a 63/37 ratio on the Board and 66/33 ratio among the alternates. While the Committee recognised that individual constituencies are unable to see the overall gender balance when making their nominations, submitting one man and one woman helps to ensure the balance is safeguarded. However, many nominations were submitted late and the Committee considered that turning away nominations would be impractical. Therefore, the Committee recommended the nominees

as proposed. However, she said the Committee would not hesitate in the future turning away nominations if two persons of the overrepresented gender were submitted.

- 2.5 The Chair commented that he was disappointed that the Board had slipped on the gender balance but that he would not stand in the way of these nominations given the Governance Committee's determination to push back in the future.
- 2.6 After the appointment of the Board Chair had taken place, the Chair pledged his time and energy to the success of GAVI's mission.

Decision One

The GAVI Alliance Board:

- **Appointed** the following Board members:
 - **Orin Levine** as Board Member representing the Bill & Melinda Gates Foundation in the seat currently held by Christopher J. Elias effective 1 January 2013 until his successor is appointed and qualified.
 - **Zulfiqar A. Bhutta** as Board Member representing research and technical health institutes in the seat currently held by Anne Schuchat effective 1 January 2013 until 31 December 2015.
 - **Awa Marie Coll-Seck** of Senegal as Board Member representing developing country governments in the seat formerly held by Toupta Boguena (Chad) effective immediately until 31 December 2015.
 - **Andrei Usatii** of Moldova as Board Member representing developing country governments in the seat currently held by Guillermo González González (Nicaragua) effective 1 January 2013 until 31 December 2015.
 - **Anders Nordström** as Board Member representing the new Denmark, the Netherlands, Norway, and Sweden donor constituency effective immediately until 31 December 2014.
 - **Simon Bland** as Board Member representing the new Canada, Ireland, and United Kingdom donor constituency effective immediately until 31 December 2013.
 - **Robert Clay** as Board Member representing the new Australia, Japan, Korea, and the United States of America donor constituency effective 1 January 2013 until 30 June 2013.
 - **Richard Sezibera** as an Unaffiliated Board Member effective immediately until 31 December 2015.

- **Reappointed** the following Board member:
 - **Dagfinn Høybråten** as an Unaffiliated Board Member effective immediately until 31 December 2014.
- **Appointed** the following the Alternate Board members:
 - **Hussein Ali Mwinyi** of Tanzania as Alternate Board Member to Christine J. D. Ondo (Uganda) representing developing country governments effective immediately until 31 December 2014.
 - **Dorothee Kinde Gazard** of Benin as Alternate Board Member to Awa Marie Coll-Seck (Senegal) representing developing country governments in the seat formerly held by Fatchou Gakaitangou (Chad) effective immediately until 31 December 2015.
 - **Pe Thet Khin** of Myanmar as Alternate Board Member to A.F.M. Ruhul Haque (Bangladesh) representing developing country governments effective immediately until 31 December 2014.
 - **Walter Seidel** as Alternate Board Member to Gustavo Gonzalez-Canali representing the European Commission, France, Germany, Luxembourg donor constituency effective immediately until 31 December 2013.
 - **Paul Richard Fife** as Alternate Board Member to Anders Nordström representing the new Denmark, the Netherlands, Norway, and Sweden donor constituency effective immediately until 31 December 2014.
 - **Micheline Gilbert** as Alternate Board Member to Simon Bland representing the new Canada, Ireland and United Kingdom donor constituency effective immediately until 31 December 2013.
 - **Jenny Da Rin** as Alternate Board Member to Robert Clay representing the new Australia, Japan, Korea, and the United States of America donor constituency effective 1 January 2013 until 30 June 2013.
 - **Samba O. Sow** as Alternate Board Member to Zulfiqar A. Bhutta representing research and technical health institutes in the seat currently held by Stefan Kaufmann effective 1 January 2013 until 31 December 2015.
- **Reappointed** the following Alternate Board members:
 - **Suresh Jadhav** as Alternate Board Member to Mahima Datla representing the developing country vaccine industry effective immediately until 30 June 2013.

- **Nila Heredia Miranda** of Bolivia as Alternate Board Member to Andrei Usatii (Moldova) representing developing country governments effective 1 January 2013 until 30 June 2013.
- **Appointed** the following members of the Executive Committee effective 1 January 2013 until the committees are refreshed for the 2014 year:
 - Dagfinn Høybråten (Chair)
 - Geeta Rao Gupta (Vice Chair)
 - Wayne Berson (unaffiliated)
 - Ashutosh Garg (unaffiliated)
 - George W. Wellde, Jr (unaffiliated)
 - Orin Levine (Gates Foundation)
 - Flavia Bustreo (WHO)
 - Jenny Da Rin (Australia)
 - Christine J. D. Ondo (Uganda)
 - [World Bank]¹
 - Seth Berkley (non-voting)
- **Appointed** the following members of the Audit and Finance Committee effective 1 January 2013 until the committees are refreshed for the 2014 year:
 - Board members
 - Wayne Berson (unaffiliated) (Chair)
 - Dwight Bush (unaffiliated)
 - Yifei Li (unaffiliated)
 - Board alternates
 - Micheline Gilbert (Canada)
 - Committee delegates
 - Derek Strocher (World Bank)
 - Dirk Gehl (Germany)
 - Tom Hunstad (Norway)
 - Ludovica Soderini (Italy)
- **Appointed** the following members of the Governance Committee effective 1 January 2013 until the committees are refreshed for the 2014 year:
 - Board members
 - Geeta Rao Gupta (Chair)
 - Simon Bland (UK)
 - Dwight Bush (unaffiliated)
 - George W. Wellde, Jr (unaffiliated)
 - Maria C. Freire (unaffiliated)
 - Seth Berkley (non-voting)
 - Board alternates
 - Nicholas Alipui (UNICEF)
 - José Luis Solano (Spain)
 - Olga Popova (industrialised vaccine industry)
 - Samba O. Sow (research and technical health institutes)

¹ The World Bank will submit its nominee once it has chosen a new Board member. For the time being, Armin Fidler, the alternate Board member, has been invited to attend Executive Committee meetings as Alternate Board member in accordance with the Statutes and By-Laws.

- **Appointed** the following member of the Governance Committee effective 1 January 2013 until 30 June 2013:
 - Board member
 - Alan Hinman (CSOs)
- **Appointed** the following members of the Investment Committee effective 1 January 2013 until the committees are refreshed for the 2014 year:
 - Board members
 - George W. Welde, Jr (unaffiliated) (Chair)
 - Dwight Bush (unaffiliated)
 - Ashutosh Garg (unaffiliated)
- **Appointed** the following members of the Programme and Policy Committee effective 1 January 2013 until the committees are refreshed for the 2014 year:
 - Board members
 - Gustavo Gonzalez-Canali (France) (Chair)
 - Zulfiqar A. Bhutta (research and technical health institutes)
 - Seth Berkley (non-voting)
 - Board alternates
 - Steve Landry (Gates Foundation)
 - Jean-Marie Okwo-Bele (WHO)
 - Committee delegates
 - Clarisse Loe Loumou (CSOs)
 - Tedros Adhanom Gebreyesus (Ethiopia)
 - A Jan Naeem (Afghanistan)
 - Salif Samake (Mali)
 - Abigail Robinson (UK)
 - Susan McKinney (USA)
 - Lene Lothe (Norway)
 - Jos Vandelaer (UNICEF)
 - Robert Oelrichs (World Bank)
 - Klaus Stohr (industrialised vaccine industry)
- **Appointed** the following member of the Programme and Policy Committee effective 1 January 2013 until 30 June 2013:
 - Board alternate:
 - Suresh Jadhav (developing country vaccine industry)
- **Appointed** the following members of the Evaluation Advisory Committee:
 - Independent expert
 - Fred Binka effective 1 January 2013 until 31 December 2015
 - Board members
 - Alan Hinman (CSOs) effective immediately until 30 June 2013
 - Angela Santoni (Italy) effective immediately until the committees are refreshed for the 2014 year
 - Alternate Board member
 - Samba O. Sow (research and technical health institutes) effective immediately until the committees are refreshed for the 2014 year

Board members who were candidates for these positions, or whose organisations or constituencies provided candidates for these positions, did not participate in discussion or voting on those appointments.

Decision Two

The GAVI Alliance Board:

- **Appointed** Dagfinn Høybråten as Chair of the Board with individual signatory authority effective 1 January 2013 and until 31 December 2014.

Dagfinn Høybråten did not participate in discussion or voting on his appointment.

Decision Three

The GAVI Alliance Board:

- **Appointed** the following chairs of the committees until the committees are refreshed for the 2014 year:
 - Wayne Berson as Chair of the Audit and Finance Committee
 - George W. Wellde, Jr as Chair of the Investment Committee
 - Gustavo Gonzalez-Canali as Chair of the Programme and Policy Committee
 - Sania Nishtar as Chair of the Evaluation Advisory Committee

Candidates for these positions did not participate in discussion and voting on their appointments.

Dagfinn Høybråten (Executive Committee) and Geeta Rao Gupta (Governance Committee) are statutorily appointed to chair their respective committees. Geeta Rao Gupta is also statutorily appointed as Vice Chair of the Executive Committee.

Decision Four

The GAVI Alliance Board:

- a) **Approved** the GAVI Alliance Independent Auditor Selection and Evaluation Policy attached as Annex 1 to Doc 2d.
- b) **Appointed** KPMG SA/AG as the independent auditor of the GAVI Alliance for the financial year ending 31 December 2012.
- c) **Appointed** KPMG SA/AG to provide Swiss tax services for the GAVI Alliance for the financial year ending 31 December 2012.
- d) **Appointed** KPMG LLP to provide United States tax services for the GAVI Alliance for the financial year ending 31 December 2012.

Decision Five

The GAVI Alliance Board:

- a) **Amended** the By-Laws and committee charters as follows to implement the Board-approved business planning process:

- **By-Laws Article 7.1 (Functions of the Secretariat):** The bullet point that states “prepare the strategic plan and related work plans and budgets that demonstrate the value for money and efficiency of the GAVI Alliance” is deleted and replaced with:

Prepare the strategic plan for review and approval by the Board.

To implement the strategic plan, prepare draft business plans and budgets in consultation with Alliance partners in accordance with these By-Laws, the committee charters, and any additional instructions from the Board.

- **Executive Committee Charter:** The sentence in Section 3 that states “Based on approved priorities, guide and oversee the process of strategic planning and the development of the GAVI annual work plan and budget and make recommendations to the Board on the adoption thereof” is deleted and replaced with:

Based on approved priorities, guide and oversee the process of strategic planning and the development of the business plan, and make a final recommendation to the Board on the business plan and budget, normally upon the recommendation of the Programme and Policy Committee and the Audit and Finance Committee.

- **Audit and Finance Committee Charter:** The sentence in Section 5 that states “Review the GAVI Alliance work plan budget, and the GAVI Secretariat administrative budget, and make a recommendation to the Board whether to approve them” is deleted and replaced with:

Review together with the Programme and Policy Committee the programmatic and financial aspects of the draft business plan and budget and make a joint recommendation to the Executive Committee.

- **Programme and Policy Committee Charter:** The sentence in Section 4 that states “Oversee the development of the GAVI Work Plan by the Secretariat and partners for the consideration of the Board” is deleted and replaced with:

Review the programmatic aspects of the business plan and make suggestions to the Secretariat.

Review together with the Audit and Finance Committee the programmatic and financial aspects of the draft business plan and budget and make a joint recommendation to the Executive Committee.

- b) **Amended** the Investment Committee Charter as follows to align it with the Board decision to merge the Investment Policy and Cash Investment Policy:

- **References to Cash Investment Policy:**

Section 1 language stating “Supervision and management of cash assets consistent with the objectives stated in the Cash Investment Policy” is deleted.

All other references to “Cash Investment Policy” are deleted.

- c) **Amended** the Audit and Finance Committee Charter as follows to align it to the Delegation of Authority Policy adopted by the Board:

- The sentence in Section 5 of the Audit and Finance Committee Charter that states “Review changes to GAVI’s banking structure and make a recommendation to the Board whether to approve them” is deleted and replaced with:

Review changes to GAVI’s banking structure and keep the Board informed of any significant changes.

- 2.7 Finally, the Board watched two films on the impact of GAVI in Myanmar and Korea DPR.

3. CEO report

- 3.1 Seth Berkley delivered his report to the Board on the activities, achievements, and challenges of the Alliance (Doc 3). He thanked the government of Tanzania for hosting the Board meeting and Partners’ Forum, and highlighted the achievement that Tanzania was on track to meet the Millennium Development Goal on child mortality and that it will introduce pneumococcal and rotavirus vaccines during the week to protect its children against the two biggest killers of children.
- 3.2 The Partners’ Forum will give GAVI the opportunity to mark a new phase in the Decade of Vaccines following the approval earlier in the year by the World Health Assembly of the Global Vaccine Action Plan.
- 3.3 He noted that the pace of the Alliance’s work continues to accelerate in that by the end of 2012 GAVI will have seen a record total of almost 30 vaccine introductions into countries’ routine schedules and six campaigns supported by GAVI over the course of the year, including introductions in the most

challenging country situations. He noted that GAVI estimated that over twenty countries could be running HPV vaccine demonstration projects by 2015, with one million girls projected to receive this vaccine by then. GAVI is supporting the introduction of second dose measles vaccines into the routine schedule and has become a partner of the Measles Rubella Initiative. Meningitis A vaccine continues to be successfully introduced in Africa's meningitis belt and by the end of the year 100 million people will have been immunised since the start of the programme two years ago. The number of polio cases is the lowest ever recorded and an important element of the new Polio Endgame Plan is the strong emphasis on the importance of routine immunisation to achieve the eradication and containment of all polioviruses. The Board will consider whether the Alliance has a role to play in this within GAVI's strategy and mission and using existing structures, processes, and procedures. He also updated the Board on potential vaccine interventions for malaria, dengue, cholera, IPV, and others that will be considered as part of the 2013 Vaccine Investment Strategy review.

- 3.4 The CEO flagged some changes to GAVI's targets. Last year, in light of the annual update of coverage estimates from WHO and UNICEF, the Secretariat increased the estimates of GAVI's impact, and reflecting the new baselines, the targets were adjusted to be more ambitious. He had also informed the Executive Committee that GAVI would need to once again adjust baselines and targets in light of the retrospective decrease in coverage estimates issue by WHO/UNICEF.
- 3.5 The CEO called for a data summit in January to ensure that all are focused on the critical goal of improving coverage data quality.
- 3.6 He updated the Board on the implication for the use of thimerosal, of the UNEP meeting that is considering a global ban on the use of mercury. He also referred to SAGE's position on the topic that reiterates the importance of this preservative for vaccine access.
- 3.7 The CEO reported that new applications for health systems strengthening (HSS) have been more focused on immunisation outcomes, and that reprogramming work with countries has also stepped up. In the process of streamlining GAVI HSS support modes the role of the Technical Advisory Group for HSS as an independent advisory group to the CEO was acknowledged. The HSS was proposed as one of the key topics for the GAVI Board retreat in March 2013.
- 3.8 He also highlighted GAVI's financial position, commented on the proposed business plan and budget, updated the Board on introductions and activities in India, Nigeria, Pakistan, Democratic Republic of Congo, Madagascar, and Sierra Leone. He also provided an update on the Secretariat and change process. He provided a look ahead, including anticipated discussion on the supply chain and the long term funding strategy.

- 3.9 Finally, he invited the Board to consider and support a new ambitious indicator – one that embraces the ambition of “fully immunised children”, and brings its measurement into the 21st century.

Discussion

- In response to the CEO’s comments on changes to GAVI’s targets, the Board requested the Secretariat to provide an explanation of adjustments to the coverage baselines and resulting adjustments to targets.
- Board members continue to be concerned that GAVI might not achieve its ambition with regard to its health systems strategic goal, especially if GAVI seeks attribution of health system strengthening results to its financial support. They acknowledged that HSS is complicated because it involves many components beyond the areas of GAVI’s direct influence. There are multiple actors involved from government to civil society and country implementation of health system strengthening to GAVI could also impact replenishment efforts. The Board will include Strategic Goal 2 (health systems) as a standing and discrete item on its forward agendas until further notice.
- The Board appreciated the initiative to ensure health is part of the post-2015 global development agenda, and the suggestion of a “fully immunised child” being part of that discussion and recommended it be considered as part of the current consultations on the post-2015 process. The Board supported the idea of conceptualising success with concrete, measureable targets that focus on the child, rather than on particular antigens.
- The Board shares the CEO’s concern on data quality. It cautioned that GAVI needs to apply a country lens and avoid creating perverse incentives. If improved data quality leads to lower coverage estimates, countries need to be applauded for the improved data and not penalised for lower coverage.
- The Board welcomed the new data on broader health and economic impact which is an important success measurement and encouraged GAVI to also communicate on epidemics that are being prevented through its support.
- The CEO noted that innovative thinking will be essential to address the myriad issues and complexities related to the supply chain. This will require an Alliance-wide strategy which brings in new partners. UNICEF noted its support of this work. Also, it was noted that GAVI should continue to work on quantifying cost per dose delivered and not just vaccine price as well as continue to work to ensure access to affordable pricing for countries graduating from GAVI support. Vaccine manufacturers noted the importance of sustainability of quality supply and innovation, as well as long-term reliable funding strategies.

4. Committee chair reports

- 4.1 The Chair invited each of the committee chairs to deliver reports on committee activity since the Washington Board meeting on 12-13 June 2012.

Executive Committee

- 4.2 The Chair delivered the report of the Executive Committee, noting that it had met four times since the Washington Board meeting to look at time-critical issues requiring decisions or guidance on behalf of the Board.
- 4.3 At two of these meetings, the EC took action on the recommendations of the independent review committees (IRCs), endorsing new programmes and approving near-term financing. These programmes represent the core activity of the Alliance.
- 4.4 He reported that the 20 September meeting hosted by UNICEF in New York was important because it allowed the Committee to discuss in length several issues of strategic importance, provide some guidance to the Secretariat and partners on their work particularly in relation to the draft business plan, and to perform its fiduciary duty in overseeing this work.
- 4.5 Finally, he referenced the committee's most recent meeting on 15 November. He noted that the business planning process was much improved but further work needs to be done to avoid discussions being reopened whilst giving comfort that the issues have been addressed.

Governance Committee

- 4.6 Geeta Rao Gupta, Board Vice Chair and Chair of the Governance Committee delivered the report of the Governance Committee, noting that it had met twice since the Washington Board meeting. The second of these meetings was planned as a full-day meeting but a number of factors resulted in having a lengthy telephone meeting instead, with some agenda items moved to 2013.
- 4.7 The Governance Committee Chair reported to the Board in June that the committee charter review had been completed and that all the chairs had met over lunch to discuss what to do moving forward. The chairs agreed, and then the Board also agreed, to put in place a business plan process with clear role definition. That process was followed this year. However, the Committee thought it prudent to update the By-Laws and charters to align them with the Board-approved process, which was done during the consent agenda. The Committee had planned to discuss the remit of the Evaluation Advisory Committee, but that item was deferred to 2013.
- 4.8 She noted that each constituency is responsible for its own nominations process and receives support from the Secretariat as requested. Many of these processes hadn't been transparent and others were in a formative stage. Constituencies are doing a better job in becoming more transparent,

which is helpful because they can benefit from learning from each other and the Committee can be confident in the recommendations.

- 4.9 A lot of work has been done on strengthening the voice of developing countries throughout the governance system. She thanked the developing country Board members for their engagement in ensuring that all developing country seats have been filled and committee participation increased. Supporting the developing country constituencies to develop their nominating processes will be a priority over the next year.
- 4.10 The donor country government constituencies reported the results of its realignment process which they undertook to achieve improved financial balances after the pledging conference in 2011, ensure better equality in the number of members across constituencies, and maintain like-mindedness.
- 4.11 Finally, she reported that the Governance Committee established a recruitment subcommittee comprising the Board Chair, Vice Chair, an unaffiliated Board member to be determined, and the CEO as a non-voting member to identify unaffiliated Board member candidates to replace those members whose terms end in December 2013.

Discussion

- The Board recognised that the recruitment of new unaffiliated members would be a challenging exercise given the qualifications and accomplishments of the Board members whose terms would be ending at the end of 2013 (Wayne Berson, George W. Welde, Jr and Dwight Bush). Some ability to renew their terms if needed would be helpful. At the same time, transparent rotation is important to ensure fresh ideas and avoid the perception that only certain Board members could be chairs. Therefore, the Governance Committee should consider, exceptionally, the extension of the terms of key unaffiliated Board members who would normally not be eligible for reappointment, using the existing flexibilities built into the By-Laws.
- The CEO noted that the Executive Committee had also discussed how to ensure top calibre unaffiliated membership. It agreed particularly for the Audit and Finance Committee and the Investment Committee that having a committee membership category for independent experts would attract these persons, and serve as a possible stepping stone to Board membership.
- It was confirmed that the recruitment subcommittee was a subcommittee of the Governance Committee. As such, once the subcommittee has identified new unaffiliated Board members, it will recommend them to the Governance Committee and, if thought fit, the Governance Committee will recommend them to the Board for appointment.

Programme and Policy Committee

- 4.12 Gustavo Gonzalez-Canali delivered the report of the Programme and Policy Committee. He noted that the Committee had met twice since the Washington

Board meeting: once in Geneva in mid-October and later in session with the Audit and Finance Committee.

- 4.13 The October meeting featured presentations from the CEO, on country programmes, market shaping, and monitoring and evaluation. The PPC agreed on the urgency of ensuring that technical assistance and cash support help countries address immunisation bottlenecks. Also, the Secretariat shared its initial thinking on implementation plans for the performance based financing component of HSS. The PPC also reviewed GAVI's potential role in relation to lower-middle income countries.
- 4.14 The October meeting also featured an updated from John Grundy, chair of the Monitoring IRC, whose key recommendations included improving linkages between new vaccines and HSS support, and funding independent coverage surveys as part of HSS grants. The PPC will receive regular reports from the IRC chairs.
- 4.15 The PPC had an in-depth discussion on the business plan, and highlighted that the process had greatly improved in relation to previous years through active engagement of multiple stakeholders. The PPC shared the Board's concern over progress on the health systems strategic goal. It also noted the need to engage civil society and the World Bank more actively at country-level.
- 4.16 The PPC also provided a recommendation on fragile countries (see Section 12 of these minutes) and discussed the upcoming vaccine investment strategy review. Dr Gonzalez-Canali deferred commenting on the joint session with the Audit and Finance Committee to Wayne Berson.

Discussion

- The Board took note that the Programme and Policy Committee will include the supply situation on its forward workplan.
- Dr. Gonzalez-Canali confirmed that the PPC had clarified the application of the policy on self-procurement of vaccines and had recommended that the current procedures remain in place, while manufacturers underlined the importance of WHO prequalification for assuring vaccine quality.

Audit and Finance Committee

- 4.17 Wayne Berson delivered the report of the Audit and Finance Committee, noting that it had met three times since the Washington Board meeting, including once in joint session with the PPC.
- 4.18 In terms of audit and finance reporting, the committee had met in executive session with the independent auditor; recommended to the Board approval of the 2011 Annual Financial Report, reviewed the US IRS Form 990, and had received a report from the internal auditor. He reported that the 2011 audits of the GAVI Alliance, IFFIm Company, GAVI Fund Affiliate (GFA), and GAVI

Campaign had each been completed and each received unqualified audit opinions. All tax and regulatory filings had been submitted or were on track, and the Independent Auditor Selection and Evaluation Policy had been recommended for Board approval (see Section 2).

- 4.19 He also reported that the committee had twice reviewed updated financial forecasts, and had recommended to the Board approval of the 2013 programme funding envelope (see Section 5). In joint session, the Audit and Finance Committee and PPC together recommended to the Executive Committee that it in turn recommend to the Board approval of the 2013-2014 business plan and budget contingent upon receiving additional information from UNICEF Supply Division (see Section 6).
- 4.20 The Committee also received updates on banking arrangements and currency hedging activity. It was briefed on the plan to remove the GFA from the IFFIm structure. It is also looking to add technical expertise to the committee.
- 4.21 Finally, he reported the Audit and Finance Committee's continued confidence in the quality and robustness of GAVI's forecasting and financial reporting processes and congratulated the Secretariat's finance team for its work in this regard.

Discussion

- Nicholas Alipui confirmed UNICEF's on-going commitment to resolve any outstanding issues regarding information supporting Supply Division's budget request.

Investment Committee

- 4.22 George W. Welde, Jr delivered the report of the Investment Committee, which had met twice since the Washington Board meeting.
- 4.23 He provided some market observations, looking at the weakening economic prospects and increasing debt levels of developed markets and the improving prospects and stable debt levels of growth markets such as the BRICs countries and Turkey.
- 4.24 He also reviewed the composition of GAVI's portfolio, noting that the Committee had been implementing the new Investment Policy in a prudent and deliberate manner. He reviewed the portfolio's size, asset allocation, credit quality, net performance returns, and contribution to GAVI's mission.

Discussion

- The Board congratulated the Investment Committee and the Secretariat's investments team for their stewardship of the portfolio, noting with gratitude that since GAVI's inception, the investment portfolio had generated US\$ 318 million that could be used for GAVI programmes.

- To secure optimal prices for vaccines through long-term supply agreements, GAVI has agreed to allow UNICEF to place a lien on a portion of the investment portfolio as an alternative to transferring funds to UNICEF. The portion subject to this lien currently stands at approximately 20% of the portfolio and can be invested only in specific asset classes. It was asked whether there was an upper limit to the percentage of the portfolio on which a lien could be placed. Mr Welde replied that there was no set limit. Nevertheless, the Investment Committee believes that it was not optimal fiduciary oversight to have a restriction given its opinion on the quality of GAVI's balance sheet.

Evaluation Advisory Committee

- 4.25 Alan Hinman delivered the report of the Evaluation Advisory Committee (EAC) on behalf of Sania Nishtar who had not been able to attend the Board meeting. The committee has met once since the Washington Board meeting.
- 4.26 The EAC discussed and made decisions related to several important items, most notably the selection of a consortium for the full country evaluations. The EAC will review the progress of the consortium at its next meeting, planned for July 2013, and will provide regular updates to the Board.
- 4.27 Members also provided guidance on a new workstream related to the monitoring and evaluation of graduating and graduated countries and approved GAVI's evaluation workplan for the 2013-2014 period.
- 4.28 GAVI has three evaluations currently underway: the Advanced Market Commitment for Pneumococcal Vaccine process and design evaluation, the final evaluation of GAVI's support to China and the evaluation of GAVI's gender policy. The evaluations should contribute to GAVI's learning agenda as well as to the broader learning agenda for development. All three of these evaluations are scheduled for completion in the coming months - and the EAC will review each of these finalised reports and provide an assessment to the Board of their quality and usefulness.

5. Financial forecast and programme funding envelope approval

- 5.1 The Chair informed EC members that this item included decisions in relation to Cuba, Sudan and Myanmar which are restricted countries under OFAC (Office of Foreign Assets Control) rules and that US citizens and residents will therefore not participate in the related discussions or decisions.
- 5.2 Barry Greene, Managing Director of Finance and Operations and Treasurer, presented the updated financial forecast for 2011-2020 to the Board and information on the programme funding envelope required for 2013 (Doc 5).

Discussion

- The Chair welcomed the presentation on the financial forecast which gave a clear picture of the current situation and of the resource mobilisation challenge for the period through 2020.
- Members of the Board also welcomed the presentation and requested that future presentations of the forecast include a comparison of the actual expenditure with the previously forecasted spend.
- The Secretariat indicated that with regard to forecast cash inflows, some of the amount expected to be received from IFFIm during 2013-2015 might be deferred to the 2013-2020 period if the gearing ratio limit was lowered, potentially up to US\$ 300 million. This would create a resource mobilisation need in the 2013-2015 period.
- It was emphasised that whilst the forecast through 2015 is reassuring it deals with currently approved or supported vaccines. If, in the context of the vaccine investment strategy, GAVI considers opening new vaccine windows the resourcing implications would need to be considered, especially for 2016-2020.
- The Board congratulated Sweden on its decision to increase its contribution to GAVI by 60%. In this context it was noted that GAVI is a good investment case in a competitive environment. The Board will need to be prudent when managing resources and will need to be clear on the priorities.
- The Board agreed on the importance of taking domestic financing of immunisation into consideration particularly in the context of the current economic climate.
- The CEO noted that vaccine wastage and cash management are issues that could have a profound effect over time if not managed and that it will be essential to watch this closely.
- In relation to the forecast, the Board noted that there is a decline in cash-based programme expenditure from 2016. The Secretariat clarified that while the forecast takes account of experience to date, it does not act as a constraint on demand. It is hoped that cash-based support will increase as a result of the prioritisation of work on HSS and this will inform updates of the forecast. The Chair indicated that the Board would have an opportunity to discuss this issue in more detail at the 2013 Board Retreat.
- The Chair reminded the Board that this new way of approving programme funding through the envelope mechanism will enable the Board to be more strategic and should enable GAVI to be even more responsive to country demand and make the system less rigid.

Decision Six

The GAVI Alliance Board:

- **Approved** a Programme Funding Envelope for unrestricted countries from which the Secretariat, under the Programme Funding Policy, shall allot funding to programmes until 31 December 2013, to:
 - Endorse or adjust previously endorsed amounts of programme multi-year budgets for existing programmes and new cash programmes for an aggregate amount not exceeding US\$ 600 million. (These endorsements would constitute acknowledgement of such budget amounts at the time of allotment but would not constitute a funding approval, decision, obligation or commitment of the GAVI Alliance or its contributors.)
 - Establish or adjust near-term liabilities of the GAVI Alliance in respect of endorsed programme budgets for periods ending no later than 31 December 2014 for an aggregate amount not exceeding US\$ 1,482 million. (These amounts are a sub-component of endorsed programme budgets.)

Decision Seven

The GAVI Alliance Board in session without the participation of American citizens and residents:

- d) **Approved** a Programme Funding Envelope for restricted countries from which the Secretariat, under the Programme Funding Policy, shall allot funding to programmes until 31 December 2013, to:
 - Endorse or adjust previously endorsed amounts of programme multi-year budgets for existing programmes and new cash programmes for an aggregate amount not exceeding US\$ 15 million. (These endorsements would constitute acknowledgement of such budget amounts at the time of allotment but would not constitute a funding approval, decision, obligation or commitment of the GAVI Alliance or its contributors.)
 - Establish or adjust near-term liabilities of the GAVI Alliance in respect of endorsed programme budgets for periods ending no later than 31 December 2014 for an aggregate amount not exceeding US\$ 20 million. (These amounts are a sub-component of endorsed programme budgets.)

Amie Batson; Wayne Berson; Dwight Bush; Christopher Elias; Armin Fidler; Geeta Rao Gupta; Alan Hinman; Anne Schuchat; George W. Wellde, Jr; Seth Berkley (and their alternate Board members) did not participate in discussion and voting on this decision. Maria C. Freire was not present.

6. 2013-2014 Business plan and budget

- 6.1 Helen Evans, Deputy CEO, and Barry Greene provided an overview of the key programmatic and budget aspects of the 2013-14 Business Plan, the operating model to implement it, and the allocation of resources across priority areas (Doc 6). They reviewed the process to develop the business plan and budget, which was in line with the process the Board approved during its meeting in June 2012.
- 6.2 Helen Evans noted that GAVI's vaccine spend and cash grants would be significant during the two year period. She also reported on areas in which GAVI is behind on its targets. She confirmed the 2013-2014 Business Plan focused on Board agreed priorities, and also reported on enhancements to the operating model. She made special note of UNICEF Programme Division's increase in direct in-country support to identified priority countries, the changing role of the Advanced Vaccine Introduction – Technical Advisory Committee, and the key activities to be undertaken for the redesign of GAVI's health systems strengthening work.
- 6.3 Barry Greene reviewed anticipated expenditures, noting that the business plan costs as a percentage of total expenditure were anticipated to decrease from 17% in 2010 to 9% in 2014. He outlined the distribution of the 2013 budget by strategic goal and by implementer, and reported the drivers of overall growth in business plan expenditure. Finally, he reviewed the Secretariat budget, explaining the changes for 2013 versus 2012.

Discussion

- The Board affirmed that the process to develop the business plan and budget was one of the best processes GAVI has conducted in terms of consultation and output. The Board very much welcomed the focus on results and the clarification of roles and responsibilities amongst partners.
- Board members reiterated their concern with progress towards achieving the strategic goal on health systems, noting it was a good topic for the 2013 retreat agenda.
- Alan Hinman noted that civil society organisations can play an important role in reaching the hard to reach and providing health services. He believes CSOs can do more. As such, the Board will add to the June 2013 agenda an item for civil society to make a presentation on its activities in GAVI countries where it is active. Also, the Programme and Policy Committee will add to its forward workplan a discussion on the possibility of expanding the number of countries civil society is funded for in the business plan.
- The Chair noted that the Board needs to calibrate its requests of the Secretariat with regard to the size of the Board packs. He noted that some Board members ask for more detail while others ask for smaller Board packs.

- The Board took note that the Audit and Finance Committee (AFC), Programme and Policy Committee (PPC), and Executive Committee (EC) had requested clarifications from UNICEF Supply Division on its budget request for procurement fees. While understanding the likelihood that a commercial provider of procurement services would likely charge more than UNICEF, there was a 57% increase in 2013 over 2012 and these committees did not have sufficient clarity on the structure of UNICEF's fees for procurement services. It was noted that a memo from UNICEF had been provided to the Secretariat, the EC and the chairs of the AFC and the PPC, but that the information had not been more widely distributed to committee members.
- UNICEF tabled the memo to all Board members, and commented that procurement fees are determined by Supply Division's finance team, reviewed by a committee, and audited at the end of each year. They stated that there is a rigorous process within UNICEF as it is a UN agency. It was noted that there is an 80% increase in procurement for which the associated fee increases by 57%. The proposed fee increases at a lower rate due to expected economies of scale through purchasing increased volumes. UNICEF also put forward to the Board that GAVI gets the best pricing for procured products by UNICEF as a result of large scale purchasing, the robust nature of the procurement services, and because this effort is part of UNICEF's mission and role as an implementing partner.
- UNICEF offered to share with the GAVI Managing Director, Finance and Operations, additional confidential information to further clarify the details of the structure of the proposed procurement fees and that he communicate (as appropriate) with the Audit and Finance Committee to ensure that they were satisfied with the clarification provided so that the increase from US\$ 10,200,000 to US\$ 16,000,000 for 2013 and to US\$ 18,500,000 for 2014 could be approved. Finally, UNICEF said that it would encourage the GAVI Secretariat to undertake a benchmarking study of fees for procurement services to ensure the Alliance gets the best deal in terms of cost and quality. In the end, UNICEF's top priority is immunising children in the most cost-effective and best way possible.
- The Board thanked UNICEF for its candour. Also, the Board requested that the Secretariat benchmark GAVI's vaccine procurement arrangements.

Decision Eight

The GAVI Alliance Board:

- **Approved** the Business Plan structure, including programme objectives, deliverables, activities and their allocation to partners and the Secretariat.
- **Approved** US\$ 51,035,000 for WHO to implement its part of the 2013 Business Plan and US\$ 51,280,000 for the WHO part of the 2014 Business Plan as outlined in Figure 3 of Doc 06.

- **Approved** US\$ 14,850,000 for UNICEF for activities under the 2013 Business Plan and US\$ 15,900,000 for activities under the 2014 Business Plan as outlined in Figure 3 of Doc 06.
- **Approved** US\$ 10,200,000 for UNICEF for activities as a provisional allocation for the procurement fees for 2013 per the 2012 budget allocation and subject to UNICEF Supply Division clarifying details on the structure of the proposed procurement fees for the 2013-2014 Business Plan to the satisfaction of the Audit and Finance Committee an increase from \$10,200,000 to a total of \$16,000,000 for 2013 and \$18,500,000 for activities under the 2014 business plan as outlined in Figure 3 of Doc 06.

Post Meeting Note: on 21 December 2012 the Audit and Finance Committee accepted that the clarification requested had occurred.

- **Approved** US\$ 1,710,000 for civil society organisations for activities under the 2013 Business Plan and US\$ 1,752,000 for activities under the 2014 Business Plan as outlined in Figure 3 of Doc 06.
- **Approved** US\$ 76,996,000 for the Secretariat operating expenses and US\$ 3,414,000 for a capital expenditure budget for the 2013 Business Plan and US\$ 79,163,000 for the operating expenses for the 2014 Business Plan as outlined in Figure 3 of Doc 06.
- **Approved** US\$ 21,672,000 for the implementation of the remainder of the 2013 Business Plan, including AVI TAC, implementation activities and impact assessments and US\$ 22,265,000 for the implementation of the remainder of the 2014 Business Plan, including AVI TAC, implementation activities and impact assessments, as outlined in Figure 3 of Doc 06.
- **Approved** the budget carry-forward mechanism described in Annex 8 of Doc 06.
- **Approved** the inclusion of language on gender in Programme objectives 2.1.2 and 2.2.1 as described in Section D, paragraph 6.
Board members representing WHO, UNICEF, and Civil Society Organisations did not vote on their own budgets.

7. Long-term funding strategy

- 7.1 Marie-Ange Saraka-Yao, Director, Programme Funding and David Ferreira, Managing Director, Innovative Finance, presented the Board with information on GAVI's proposed long-term funding strategy (Doc 7).

Discussion

- The Board generally supported the long-term funding strategy and welcomed in particular the idea of widening the donor base. In this context it was

suggested that some new donors may be in a position to provide in-kind contributions rather than financial contributions and that this should be explored.

- A number of Board members expressed reservations in relation to earmarked funding, except in some clear exceptional cases.
- It was agreed that all current donors and Alliance partners have and should play a role in advocacy for resource mobilisation.
- The Board supported the idea of diversifying funding instruments. It was noted that the GAVI Matching Fund is labour intensive and it was argued that this was the cost of attracting private sector funding, champions, and business skills to make a meaningful contribution to GAVI's mission.
- It was stated that GAVI probably has the single best product to attract funding from high net worth individuals. It was acknowledged that some form of earmarking was often required to attract such funding.
- The Board agreed that it will be important to take into account the discussions in relation to post MDGs and to ensure that health is considered the backbone of sustainable development.
- It was suggested that at a time when a number of different organisations will be looking to mobilise resources anything that GAVI can do with organisations such as the Global Fund to show that we are working together rather than in competition would be a strong message.
- The importance of long-term strategies for vaccine manufacturers was highlighted in particular in order to ensure that the quality of vaccines and market attractiveness are not compromised.
- It was proposed that the long-term funding strategy should contain an element on sustainable co-financing. It was also suggested that the strategy should include the contributions that countries make to immunisation beyond co-financing. The Secretariat clarified that there is ongoing work on co-financing with the African Development Bank as well as discussions with Ministers of Finance and other relevant partners.
- The Board welcomed Sweden's willingness to host the Mid Term Review (MTR), which they will be organising back to back with a high level meeting on investing in health. It was agreed that moving towards the MTR and post MDGs it would be useful to have a clear roadmap of high level events that have been planned or that it might be useful to organise.
- It was pointed out that funding is often provided to countries bilaterally by both public and private donors on an *ad hoc* basis. In this context it was suggested that it might be useful to look at individual countries to see where this might be

happening and to investigate whether these sources of funding might be channelled in a different way.

- It was agreed that the Board will add the long-term funding strategy as a standing item to its forward workplan until the end of 2015.

Decision Nine

The GAVI Alliance Board:

- **Approved** GAVI's long-term funding strategy priorities as presented in paragraph 3.4 of the Executive Summary in Doc 07.

8. Chair's reflections on day one

- 8.1 The Chair provided some reflections on the Board's deliberations thus far which had included approval of all items on the consent agenda and GAVI's long-term funding strategy priorities. The Board had also heard a comprehensive report from the CSO and from committee chairs.

9. Chair's overview of day two

- 9.1 The Chair referred briefly to the discussions held on the previous day and to discussions he had had with the CSO constituency and faith-based organisations and how they might become more involved in GAVI.
- 9.2 The Chair invited the Board to consider topics for discussion at the Board Retreat which will take place in Barcelona on 21-22 March 2013. The Board agreed that the topics for discussion should be the mid-term review, health systems strengthening, governance (half day), graduation and related issues and the post-2015 health agenda. It was agreed that the CEO would provide an update on the vaccine investment strategy process.
- 9.3 The Chair informed the Board that at the retreat dinner there would be an opportunity to interact with the government of Spain and some of the business partners.

10. Country presentation – United Republic of Tanzania

- 10.1 Dr Hussein Ali Mwinyi, Minister of Health and Social Welfare of Tanzania, expressed his thanks to GAVI for having given Tanzania an opportunity to host the GAVI Alliance Board meeting and Partners' Forum and he extended a very warm welcome to all participants. Before giving a presentation on the

health system in Tanzania he introduced a short film on immunisation in the country. In his presentation he provided information on immunisation, on support received from GAVI, and highlighted the challenges in particular in relation to shortage of transportation and human resources limitations.

Discussion

- The Chair thanked Dr Ali Mwinyi for his presentation and indicated how inspiring it had been for him on his field visit to meet health workers on the regional, district and village level and see their commitment to immunisation, in particular in the context of limited resources. He had witnessed the enthusiasm from the mothers for the two new vaccines being introduced and complimented Dr Ali Mwinyi on choosing to launch them simultaneously. He commended Dr Dafrossa Lyimo, EPI Manager, for her work and her support to the Secretariat in the preparation of the field visits and meetings.
- Board members who had participated in field visits had been impressed by the health workers. They noted that there is a high coverage rate for immunisation despite the human resources limitations due to the fact that the health workers are motivated by the results they witness on the ground. Recruitment has been prioritised by the government and there has been a seven fold increase in enrolment in healthcare colleges since 2007. Dr Ali Mwinyi also indicated that one of the reasons for the success of immunisation in the country is the political will. Advocacy has been done very well from the President all the way down. He also acknowledged the help of international organisations and development partners.
- The issue of child mortality was discussed and while the complexity of introducing two vaccines at the same time was acknowledged it was suggested that the additional provision of oral rehydration salts and antibiotics for pneumonia would reduce the mortality rates even further. It was also pointed out that one of the contributory factors to infant mortality is pre-term death and that this should also be worked on. The government looks forward to working with the UN Commission on Life Saving Commodities on such important issues. The importance of converging interventions in relation to water, sanitation and hygiene was also highlighted.

11. Risk management

- 11.1 Helen Evans provided an update on how the risks of the Alliance are identified and mitigated. She highlighted what are currently the top five risks for the Alliance, and the risks highlighted in quarter 3.

Discussion

- Wayne Berson, Chair of the Audit and Finance Committee, commended the Secretariat for a comprehensive risk management approach, including a risk

register which he considered best practice amongst both the NGO and commercial worlds.

- Board members supported the AFC Chair's comments, agreed that GAVI's risk register is an excellent tool for understanding risks and welcomed the inclusion of programmatic risks such as vaccine wastage and country readiness.
- The Board appreciated being given time to discuss risk management, agreed that risk oversight should be added as a standing item on its forward workplan until further notice and that at least once per year this discussion should be in further depth.
- The Board agreed on the importance of partners in country signalling programmatic and fiduciary risks and that further thought should be given to how this can be implemented. The Chair stressed the importance of implementing partners being accountable to the Alliance and suggested that this should be reflected in the contractual documentation.
- The Board also requested the Secretariat to regularly integrate the comments of the Independent Review Committees into the risk register.
- The Board noted a request from the CSO constituency to be involved in the support for training for graduating countries. It was suggested that there needs to be further discussion on risks related to sustainability after graduation.
- Some of the issues which are of particular concern for some of the implementing countries are risks related to expiry dates, flexibility to reschedule funds, co-financing, data quality and an increasing administrative burden for countries dealing with different organisations.
- It was suggested that it would be useful to include estimates on delivery costs as part of the supply chain process.
- Cees Klumper, Internal Auditor, reported that a lot of work has been done on engaging partners in the development of the risk register which is now weighted towards programmatic risks and reflects what are really the core issues for GAVI. He opined that further work is necessary on the quantification of the risks. He also reported in relation to cash programmes that 95% in dollar terms have been assessed, programmes are now regularly audited and particular attention is given when problems are identified. The Chair, recognising that this would be Mr. Klumper's last time reporting to the Board, thanked him for his work at GAVI and wished him well in his new position with the Global Fund to fight Aids, Tuberculosis and Malaria.

12. GAVI and fragile states: a country by country approach

- 12.1 Gustavo Gonzalez-Canali informed the Board that the PPC, at its meeting in October 2012, had unanimously supported the proposed policy for GAVI and fragile states: a country by country approach.
- 12.2 Aurélia Nguyen, Director, Policy and Market Shaping, and Paul Kelly, Director, Country Support, presented the proposed policy to the Board, including information on the policy consultation and review process (Doc 12).

Discussion

- Whilst the Chair expressed his support for the proposed policy he suggested that allowing tailored solutions for some countries may open GAVI to pressure to do this for a lot more countries. He also expressed concerns that this approach might lead to increased transactional costs.
- Board members expressed support for the policy and thanked the Secretariat for having ensured that it was developed through a consultative process. It was agreed that there cannot be a one size fits all approach. The importance of recognising exceptions was noted but it was also pointed out that there should not be too many exceptions.
- The Board recognised that GAVI is not an emergency relief organisation and in this context requested that the Secretariat engage with partners that work in humanitarian emergencies in the elaboration of the country tailored approaches. In this context the World Bank in Nairobi and the SAGE working group on Vaccination in Humanitarian Emergencies were also mentioned.
- The Board noted that should the costs associated with the implementation of this policy go outside the approved funding envelope a funding proposal would have to be submitted to the Executive Committee for approval.
- The Secretariat suggested that the implementation framework will test the policy and in this context the Board requested that initial country tailored plans be shared with the PPC and that regular reports be brought to the PPC to highlight lessons learnt during implementation.
- It was acknowledged that CSO's are major providers of immunisation services in many of the fragile states and the Board responded to civil societies' request that the Secretariat explore the possibility of civil society organisations providing immunisation services in countries having access to GAVI prices in countries selected for a country tailored approach.
- It was suggested that GAVI should think about working with the development partners to integrate the GAVI approach in the relevant countries so that it is not just specific to immunisation action.

- The Secretariat clarified that it will look to review the list of countries for whom this policy is eligible on an annual basis.
- The Board noted that there will be a monitoring and evaluation framework with an annual review of country progress and the policy overall.

Decision Ten

The GAVI Alliance Board:

- **Approved** GAVI's policy on fragility and immunisation in Annex 1 to Doc 12.

13. New strategy for polio eradication: possible GAVI and IFFIm participation

- 13.1 David Ferreira and Paul Kelly presented information on a possible plan for closer collaboration with the Global Polio Eradication Initiative (GPEI) and potentially expanding IFFIm to support GAVI's role in polio eradication (Doc 13).
- 13.2 René Karsenti, Chair of the IFFIm Board, reported that the IFFIm Board has had a preliminary discussion on this issue. It is pleased to have been involved in the analysis and should the GAVI Alliance Board wish to move forward on this would be supportive.

Discussion

- The Board supported the proposal that GAVI should work with the GPEI in the polio eradication effort as outlined in the paper and in particular in the context of strengthening routine immunisation.
- The Board noted that not all donors would wish to use IFFIm as a mechanism for financing the initiative but agreed that it would be useful to propose it as an option. The importance of IFFIm continuing to do its normal business for GAVI was highlighted.
- The Board highlighted the importance of representatives from GAVI and GPEI working together to clearly identify the synergies between the two organisations.
- Chris Elias provided information on the role of the BMGF and informed the Board that Bill Gates and the Crown Prince of Abu Dhabi will host a vaccine summit in April 2013 at which they will aim to mobilise resources for the polio eradication initiative. There will be a programmatic workshop of the GPEI donors in Geneva in mid-December to discuss this further. Potential new donors will also be approached.

- Dr Elias also provided the BMGF perspective on the estimated sizing of potential donor flows through IFFIm. Some donors seeking to support polio eradication may be interested in IFFIm as a preferred mechanism. It is estimated that such interest is likely to be under US\$ 400 million. He suggested that it might be appropriate to use this funding for IPV support, estimated at US\$ 200 million, assuming IPV becomes part of GAVI programmes as an outcome of the forthcoming VIS exercise. Should donors wish to provide funding for the polio eradication effort in great amounts through IFFIm, then further through and analysis would need to be devoted to identifying those areas of synergy between GAVI and GPEI that could potentially be funded via this mechanism.

Decision Eleven

The GAVI Alliance Board:

- **Approved** GAVI playing a complementary role to the Global Polio Eradication Initiative (GPEI) in the polio eradication effort, specifically through routine immunisation within GAVI's strategy and mission using existing structures, processes and procedures. Any change to GAVI's vaccine portfolio should be decided within the framework of the new vaccine investment strategy.
- **Approved** GAVI exploring the suitability and possible use of IFFIm as one potential financing mechanism, to support this activity within GAVI's strategy and mission using existing structures, processes, and procedures.

Olga Popova (Vaccine Industry Industrialised Countries) and Anne Schuchat (Research and Technical Institutes) recused themselves and did not vote on this item.

14. Country programme update

- 14.1 In the absence of the Board Chair, Geeta Rao Gupta, Vice Chair, chaired the meeting for this item.
- 14.2 Hind Khatib Othman, Managing Director, Country Programmes, presented information to the Board on GAVI's work with countries in terms of country support, technical support and vaccine implementation (Doc 14).

Discussion

- The Board welcomed and supported the focus on country implementation.
- The Board also welcomed the continued collaboration between the Secretariat and vaccine manufacturers to increase supply of pneumococcal vaccines. Supply constraints in relation to the rotavirus vaccine remain an issue of concern.

- The Board requested more information on underperforming and graduating countries as part of future reports to the Board.
- The Secretariat clarified that it will continue to rely on the Alliance partners working in country to ensure technical support for GAVI programmes.
- Concern was expressed as to how readiness is ensured in countries, on the issue of supply chain management and on issues related to HPV and the introduction of new vaccines. Ensuring country readiness is an important component of the 2013-2014 business plan. Issues in relation to supply chain management have also been identified as a priority for the Secretariat.
- In response to a question in relation to vaccine procurement for middle income countries the CEO reminded the Board that UNICEF is developing a strategy for issuing a tender for procurement by middle income countries.
- One member of the Board noted that HSS is focused on immunisation and suggested that within that broad focus there is a need to think differently. Screening and treatment are a critical component of the success of HPV introduction and the investments required for these cannot be ignored. The Board agreed that GAVI has to stay focused on immunisation and noted that availability of screening and treatment in a country is not a prerequisite for vaccine introduction as the introduction itself will prevent cancers and save lives. The CEO noted that in the HPV demonstration projects countries must include a plan to reach out to new partners.
- In relation to graduation it was suggested that whilst GAVI has been ahead of the game on this issue it might be appropriate to now look more thoroughly at the approach as graduation is starting to become a reality for an increasing number of countries.
- In the context of the discussions on support for countries the developing country Board members acknowledged that their participation on the Board had so far not been optimal and that they wished to redress this. They therefore requested that WHO and UNICEF help them to hold regional meetings of their GAVI constituencies, which would also involve civil society. They also requested that the Secretariat arrange for them to hold a full day meeting prior to GAVI Board meetings to prepare for the Board meeting.

15. Health campus option for Geneva office space

- 15.1 Barry Greene presented information to the Board regarding options for office space for the Secretariat in Geneva in the context of the establishment of a Health Campus by the Geneva authorities (Doc 15).

- 15.2 The CEO indicated his interest in hearing the views of the Board on this opportunity where the economic aspects are easy to quantify but where there are perhaps other issues which should also be taken into consideration.

Discussion

- The Chair suggested that if the Board chose to consider this as a strictly economic issue then the choice is easy. He observed however that GAVI moving into what might be perceived as the Global Fund building may or may not raise questions. He reminded the Board that GAVI had deliberately moved out of the UNICEF building a few years previously. He suggested that the Board should take a strategic look at this issue rather than a purely financial one.
- While a few members of the Board thought that it would be preferable that the Secretariat maintain a distinct GAVI office location, a majority agreed that the opportunity of cost savings was important to pursue, especially in the current economic climate. It was suggested that doing so would reinforce confidence in GAVI as a cost effective mechanism in a period where the Alliance is moving towards the next replenishment. It was generally agreed that it would be politically difficult to say no to such an opportunity.
- It was acknowledged that if the Secretariat were to move to the Health Campus there may be a tendency to work more closely with other organisations based there on matters of mutual relevance. Because this association might in some instances be detrimental to the perception of GAVI, it would be important for GAVI to proactively maintain its distinct identity.

Decision Twelve

The GAVI Alliance Board:

- **Approved** the delegation to the CEO of the authority to negotiate and execute, if appropriate, the contractual arrangements necessary to relocate its Geneva office to the Health Campus, in consultation with the Chair of the Board and the Chair of the Audit and Finance Committee.

16. IFFIm report

- 16.1 René Karsenti delivered a report on the International Finance Facility for Immunisation (IFFIm). He was joined by Sean Carney, Chair of the Audit Committee of IFFIm. He reported the IFFIm board's goals which include navigating credit rating challenges, enhancing IFFIm's funding sources, and expanding and diversifying IFFIm's donor base.
- 16.2 In addition, he reported on significant events during the second half of 2012 including Summer 2012 bond issuances, meetings in Japan, the potential role of IFFIm in addressing polio, and the retirement of the GAVI Fund Affiliate

from the IFFIm structure. He reviewed IFFIm's contributions to financing GAVI programmes.

- 16.3 He also reported the appointment of new IFFIm Board members Cyrus Ardalan (vice chairman of Barclays), Christopher Egerton-Warburton (founder of Lion's Head Global Partners), and Marcus Fedder (former treasurer of the European Bank for Reconstruction and Development) who are replacing Arunma Oteh (who stepped down at the end of 2011), John Cummins, and Dayanath Jayasuriya (who are due to step down at the end of 2012). He noted that the board plans to expand by two more members, with a goal of diversifying experience, geography, and gender.

Discussion

- The GAVI Board thanked Dr Karsenti and the IFFIm Board for its management of its credit rating in a difficult environment, and for implementing efficiencies as represented by the retirement of GFA.
- Dr Karsenti acknowledged that "centre of gravity" of the capital markets is moving, particularly in Asia, an area in which IFFIm is looking for a board member. His board is also interested in engaging with the BRICs countries.
- Diversification of the donor base is a clear mandate of GAVI and for IFFIm specifically. IFFIm is a vehicle that can accommodate special needs, and where GAVI has a flexible vehicle such as IFFIm, it can help in reaching additional donors.
- It is true that the IFFIm brand is not well known outside of Japan, where retail investors are able to purchase 'vaccine bonds'. Dr Karsenti commented that the advocacy of its donors is important to this end. Mr Carney noted that the IFFIm board planned to participate more visibly in conferences and roadshows. Dr Karsenti also uses opportunities from his presidency of the International Capital Markets Association to advocate for IFFIm and GAVI.

17. Review of decisions and actions

- 17.1 Debbie Adams reviewed and agreed the language of the decisions and actions with the Board.

18. Closing remarks and any other business

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

Mr Dagfinn Høybråten
Chair of the Board

Ms Debbie Adams
Secretary to the Board

Participants

Board Members

- Dagfinn Høybråten, Chair
- Geeta Rao Gupta, Vice Chair
- HRH the Infanta Cristina of Spain
- Amie Batson
- Wayne Berson
- Simon Bland
- Dwight Bush
- Flavia Bustreo
- Awa Marie Coll Seck
- Suraya Dalil
- Mahima Datla
- Christopher J. Elias
- Armin Fidler (Alternate)
- Ashutosh Garg
- Gustavo Gonzalez-Canali
- A.F.M. Ruhul Haque
- Nila Heredia Miranda (Alternate)
- Alan Hinman
- Dorothee Kinde Gazard
- Yifei Li
- Anders Nordström
- Christine J.D. Ondo
- Olga Popova (Alternate)
- Angela Santoni
- Anne Schuchat
- Richard Sezibera
- George W. Wellde Jr.
- Seth Berkley (non-voting)

Regrets

- Jenny Da Rin (Alternate)
- Paul Fife (Alternate)
- Maria C. Freire
- Micheline Gilbert (Alternate)
- Guillermo González González
- Stefan Kaufmann (Alternate)
- Siv Cathrine Moe (Alternate)
- Johan Van Hoof

Alternates Observing

- Joan Awunyo-Akaba
- Nicholas Alipui*
- Saleh Banoita Tourab
- Suresh Jadhav
- Pe Thet Khin
- Steve Landry
- Hussein Ali Mwinyi
- Jean-Marie Okwo-Bele
- Walter Seidel
- José Luis Solano

* Served as the eligible organisation's voting member per Section 2.6.5 of the By-Laws

Presenters not otherwise referenced

- Debbie Adams
- Helen Evans
- David Ferreira
- Barry Greene
- Paul Kelly
- Hind Khatib-Othman
- Aurélia Nguyen
- Marie-Ange Saraka-Yao

Additional Attendees

EVALUATION ADVISORY COMMITTEE

- Mira Johri, University of Montreal

INTERNATIONAL FINANCE FACILITY FOR IMMUNISATION

- René Karsenti, Board Chair
- Sean Carney, Audit Committee Chair

GAVI FUND AFFILIATE

- André Prost, Board member

WORLD HEALTH ORGANIZATION

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- Karen Lowry Miller, Director, Strategy Lead
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- Tasleem Kachr, Senior Program Officer, New Vaccine Introduction
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- Joan Benson, Executive Director, International Organizations, Merck Vaccines
- John Roberts, Vice President, Vaccines, Pfizer
- Mark Fletcher, Senior Director MDG/Scientific Affairs, Vaccines Group, Pfizer Inc
- Isabelle Deschamps, Director, Vaccination Policy and Advocacy, Sanofi Pasteur, France
- Kathleen Vandendael, Director, Government Affairs & Public Policy, International Relations, GlaxoSmithKline Biologicals, Belgium
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- Daouda Malle, Director, Human Development Department, Islamic Development Bank
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