

## Gavi Alliance Board Meeting

6-7 June 2018

Crowne Plaza Hotel, Geneva, Switzerland

### 1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 09.09 local time on 6 June 2018. Dr Ngozi Okonjo-Iweala, Board Chair, chaired the meeting.
- 1.2 The Chair welcomed new Board members and Alternate Board members, as well as Rob Moodie, Chair of the Evaluation Advisory Committee, Cyrus Ardan, Chair of the International Finance Facility for Immunisation (IFFIm) and other directors of the IFFIm Board. She noted that departing members would be recognised for their service at the dinner that evening.
- 1.3 The Board met in closed session during the afternoon of 5 June to discuss a number of items including the process for the CEO's 2018 annual performance review, changes to the Secretariat and a feedback process to be instituted for the Board Chair this year.
- 1.4 Standing declarations of interest were tabled to the Board (Doc 01a in the Board pack). The Chair noted that in the context of the items for decision on the agenda, there were a number of Board members who would have conflicts of interest and that these would be raised at the appropriate time and recorded in the applicable parts of the minutes. Minister Bahar Idriss Abugarda asked that it be noted that he had recently been appointed to the WHO Executive Board.
- 1.5 The Board noted its minutes from 29-30 November 2017 (Doc 01b) which were approved by no objection on 3 April 2018. The Board also noted decisions approved by them by no-objection consent since the last meeting (Doc 01c), namely appointments to the Board and Board Committees.
- 1.6 The Board also noted its action sheet (Doc 01d) and workplan (Doc 01e) and the Chair encouraged Board members to contribute to the forward plan by raising issues which they may wish to add either with her directly or with the Secretariat.
- 1.7 The Chair noted that while there had been an improvement in the quality and volume of the papers that are being shared with the Board, she feels that there is still room to further reduce the volume and she encouraged the Secretariat to continue to work on this and look at how the Board papers can be refined further.
- 1.8 She also noted that the agenda has been redesigned into thematic topics, with routine reporting placed towards the end of the second day. This aims to create a more organised flow in Board discussions.

- 1.9 The Chair informed Board members that the All Chairs Group had met twice since the last Board meeting, and that she was personally finding this to be a helpful mechanism that remains intentionally informal. She has started inviting different Board members to join from time to time and plans to do this routinely going forward with all constituencies represented on the Board.

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## **2. Consent agenda**

- 2.1 The consent agenda included the recommendations of the Governance Committee for the Vice Chair appointment (Doc 02a), Board and Committee member appointments (Doc 02b), Independent Review Committee appointments (Doc 02c), Changes to the Governance Committee Charter (Doc 02e), Changes to the Independent Review Committee Terms of Reference (Doc 02f) and a Review of the Conflicts of Interest Policy (Doc 02g).
- 2.2 It also included the appointment of the Independent Auditor (Doc 02d), Changes in 2016-2020 Strategic Indicators (Doc 02h), changes to Gavi's Eligibility and Transition Policy (Doc 02i); modifications to Gavi's Health System and Immunisation Strengthening (HSIS) Support Framework and Gavi's Fragility, Emergency, Refugees Policy (Doc 02j), approval of an Extension of support for use of Gavi's global cholera stockpile in endemic settings for 2019 (Doc 02k), Expansion of PCV support to include catch-up during new introductions (Doc 02l) and approval of a Mid-term approach to replace reactive approvals of continuation of support in South Sudan (Doc 02m).

### *Discussion*

- Referring to the nomination of the new Board Vice Chair, the Chair commended the process, expressed her thanks to the candidates and her gratitude to Mr Roedy for accepting the nomination.
- Mr Roedy in turn thanked the Board for providing him with the opportunity to serve as Vice Chair.
- The Board member representing the CSO constituency was given the opportunity to express the constituency's views relating to the decision to modify Gavi's HSIS Support Framework and Fragility, Emergencies, Refugees Policy. While they understood the rationale behind the decision proposed and did not wish to remove the item from the consent agenda, they emphasised the importance of reviewing learnings emanating out of the existing flexibilities before making further major changes to Gavi's policies.
- The constituency also raised a concern that countries may not have the ability to absorb additional funds, as many have not been able to fully utilise their existing health systems strengthening (HSS) grants. Some Board members requested that an analysis be done of the bottlenecks to countries utilising HSS funds, and to ensure that additional HSS funding is not only used by countries with absorptive capacity, but also those who are most fragile and have the greatest needs.

- The constituency's third and final concern related to the discussions at the Programme and Policy Committee (PPC) on this item as they felt that it would be appropriate for the Board to be kept apprised of all concerns raised there, even if the majority of PPC members were in favour of the recommendation being proposed.
- Board members noted that a review of the Fragility, Emergencies, Refugees Policy is on the workplan for the October 2018 and November 2018 PPC and Board meetings respectively.

### **Decision 1**

The Gavi Alliance Board:

- a) **Reappointed** William (Bill) Roedy as an Unaffiliated Board member through to 31 July 2021; and
- b) **Appointed** William (Bill) Roedy as Vice Chair of the Board with individual signatory authority effective 1 July 2018 through 31 December 2019.

*William (Bill) Roedy recused himself and did not vote on Decision One above.*

### **Decision 2**

The Gavi Alliance Board:

- a) **Appointed** the following Board Member:
  - **Amir Aman Hagos** of Ethiopia as Board Member representing the developing country constituency in the seat currently held by Yifru Berhan Mitke of Ethiopia effective immediately and until 31 December 2020.
- b) **Appointed** the following to the Governance Committee effective immediately:
  - **Amir Aman Hagos** (Board Member) until 31 December 2019.

### **Decision 3**

The Gavi Alliance Board:

**Appointed** as new IRC members the individuals listed in Annex A to Doc 02c for terms effective immediately until 31 March 2021.

#### **Decision 4**

The Gavi Alliance Board:

- a) **Appointed** Deloitte SA as the Independent Auditor of Gavi for the 5-year term from 2018 to 2022.
- b) **Appointed** Deloitte SA as the external tax consultant of Gavi for the 5-year term from 2018 to 2022.

#### **Decision 5**

The Gavi Alliance Board:

**Approved** the revised and updated Governance Committee Charter as set out in Annex A to Doc 02e, effective from 1 July 2018.

#### **Decision 6**

The Gavi Alliance Board:

**Approved** the amended Terms of Reference of the Independent Review Committee attached as Annex A to Doc 02f.

#### **Decision 7**

The Gavi Alliance Board:

- a) **Approved** the draft Conflicts of Interest Policy for Governance Bodies set out in Annex A to Doc 02g, effective from 1 January 2019; and
- b) **Amended** Article 28 of the Statutes to read as follows:

*“To preserve transparency in financial arrangements, the Board shall adopt a conflicts of interest policy for all organs of the Gavi Alliance, with the exception of the Secretariat conflicts of interest policy which will be approved by the Governance Committee.”*

#### **Decision 8**

The Gavi Alliance Board:

- a) **Approved** the changes to the definitions and targets of the Strategy Indicators as set out in Annex A to Doc 02h; and
- b) **Requested** the Secretariat to also continue tracking the original definitions and targets of these Strategic Indicators for monitoring purposes.

## Decision 9

The Gavi Alliance Board:

- **Approved** the following modifications to Gavi’s Eligibility and Transition Policy:
  - 7.6 Countries are eligible to apply for new vaccine support during the five years of Phase 2, provided that vaccine introductions during this phase effectively contribute to strengthening routine immunisation and increasing coverage and equity.*
  - ~~7.6.~~ *7.7 Countries that surpass the Eligibility Threshold have one year to apply for new HSS (i.e. for a country that has not received any HSS support from Gavi yet) and vaccine support, from January 1 of the year after surpassing the Eligibility Threshold (a grace year). However, new HSS support is restricted to those countries with Penta3 coverage below 90%.*
  - ~~7.7.~~ *From the second year in Phase 2, countries cannot submit new applications or resubmit previously rejected applications for any of Gavi’s funding windows.*

## Decision 10

The Gavi Alliance Board:

- a) **Reaffirmed** its decision from June 2016, “that an amount of at least US\$ 1.3 billion is available for HSS disbursements (including performance payments) for grant programme years in the 2016-2020 strategic period, with additional funding being subject to future Board decisions”;
- b) **Approved** the following wording to be included as an annex to Gavi’s HSIS Support Framework (the “**Annex**”), noting that any increases to allocation ceilings for HSS support under the Annex will be subject to existing Board-approved review and approval processes:

### **“Annex – for Strategic Period 2016-2020**

*Notwithstanding Section VII (Funding levels and use of grants) of this Framework, the flexibility set out in this annex will apply as follows.*

*In order to advance Gavi’s strategic goal of increasing immunisation coverage and equity, for the remainder of the strategic period through 2020, Gavi has the flexibility to increase an individual country’s allocation ceiling for HSS support by up to 25% beyond the total amount of the ceiling calculated based on the HSS Resource Allocation Formula (in section VII Funding levels and use of grants). This flexibility applies to all countries except:*

1. *Countries that have a separate Board-defined HSS ceiling,*
2. *Countries that are eligible for increased HSS support of up to 50% as per the amended Fragility, Emergencies, Refugees Policy.*

*This flexibility would be implemented country-by-country based on a careful assessment of both needs and absorptive capacity.”*

- c) **Noted** that increases to allocation ceilings for HSS support under the Annex will not in aggregate exceed US\$ 1.5 billion for the 2016-2020 strategic period and that HSS disbursements will not exceed US\$ 1.3 billion in accordance with the June 2016 Board decision; and
- d) **Approved** the following addition to Section 5.7 of Gavi's Fragility, Emergencies, Refugees Policy as a potential flexibility for countries facing fragility challenges:
  - "e) Additional HSS support of up to 50% beyond the country allocation"

### **Decision 11**

The Gavi Alliance Board:

- a) **Approved** an extension of Gavi support for use of the global cholera stockpile in endemic settings through 2019;
- b) **Authorised** the Secretariat, under the Programme Funding Policy, to (i) allot funding to the global cholera stockpile based on a financial forecast endorsed by the Board, (ii) allot funding to extend budgets to future years and/or (iii) adjust annual budget amounts as authorised by the CEO/DCEO taking into account updated timing of implementation and budget utilisation; and
- c) **Noted** that the additional funding associated with the above approval is expected to be approximately US\$ 52 million to meet the 2019 needs.

*Susan Silberman (IPFMA) and Sai Prasad (DCVMN) recused themselves and did not vote on Decision Eleven above.*

### **Decision 12**

The Gavi Alliance Board:

- a) **Approved** that Gavi supported countries introducing routine PCV are eligible to receive support for the vaccination of children between 1 and 5 years of age within the year following introduction as follows:
  - (i) For these additional cohorts, Gavi would provide 100% of vaccine support and cash support of up to US\$ 0.65 per targeted child (depending on the transition phase in accordance with the HSIS Support Framework);
  - (ii) This support will be subject to countries demonstrating how they will use the cash support for long-term strengthening of vaccine delivery through the routine immunisation programme;
  - (iii) For countries planning to run campaigns for other vaccines in the same year, the level of support will take into account budget efficiencies and implementation synergies; and

- b) **Noted** that additional funding associated with the above approval is expected to be up to approximately US\$ 18.7 million for the 2018-2020 period.

*Susan Silberman (IPFMA) and Sai Prasad (DCVMN) recused themselves and did not vote on Decision Twelve above.*

### **Decision 13**

The Gavi Alliance Board:

- a) **Approved** that South Sudan is exempted from its obligations to co-finance from 2017 to 2020 given its exceptional context and socio-political and economic prospects; and
- b) **Noted** that the additional funding associated with the above approval is expected to be up to approximately US\$ 650,000.

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### **3. CEO's Report and 2016-2020 Strategy Implementation and Progress**

- 3.1 The Chair introduced this session, highlighting that there is a new formulation for the strategic and operational review. It would start with a presentation by Dr Seth Berkley presenting his *CEO Report and Strategy Implementation and Progress update*, followed by a discussion session and finally a presentation from Ms Anuradha Gupta, Deputy CEO, on *Key Performance Highlights*.

#### **CEO Report and Strategy Implementation and Progress**

- 3.2 Seth Berkley, CEO, started his presentation by presenting an overview of key developments in the global landscape.
- 3.3 He referred to the recent re-emergence of Ebola in the Democratic Republic of Congo (DRC) highlighting Gavi's role in ensuring availability of the Ebola vaccine. He addressed the issue of continued threats of epidemic diseases for which there are not yet vaccines, and in this context provided information on the work of the Coalition for Epidemic Preparedness Innovations (CEPI), indicating that Norway has shown interest in exploring the use of IFFIm to frontload their support for CEPI. He also referred to ongoing discussions in relation to the development of a universal influenza vaccine.
- 3.4 The CEO referred to the attention being given to safeguarding in the development sector and provided information on policies and other tools that are in place in the Gavi Secretariat to address such issues, as well as further work that is being planned, including training of employees.
- 3.5 He highlighted the improved Sustainable Development Goal (SDG) immunisation indicators, which have been adopted, stressing that one of them is a life course indicator.



- 3.6 He also referred to the ever-increasing number of initiatives which are being put in place to simplify the health architecture and which are putting increasing demands on the Secretariat as it is being asked to engage in all of these. He referred in particular to a recent letter from Germany, Ghana and Norway to WHO on streamlining and coordinating efforts in relation to SDG3. He also referred to a letter recently addressed by nine donors to the leadership of Gavi, the Global Fund (GF) and the Global Financing Facility (GFF) to encourage collaboration and coherent approaches going forward.
- 3.7 The CEO provided information in relation to Gavi's upcoming Mid-Term Review (MTR) and ongoing work to support gender equity.
- 3.8 He then provided an update on the implementation of Gavi's 2016-2020 Strategy, providing an overview of progress on the strategy and alliance indicators. He referred to some issues that had been identified through experience in tracking some of the strategy indicators and the subsequent changes to these, which had been proposed as per Doc 02h.
- 3.9 He demonstrated examples of how Gavi's health systems strengthening (HSS) support is being targeted and tailored to address country-specific bottlenecks in Afghanistan and the Democratic Republic of the Congo (DRC).
- 3.10 The CEO described Gavi's theory of change in relation to transition and engagement with countries post-transition. He highlighted that there have been no substantial changes to Gavi's overall risk profile since the last Risk and Assurance report, apart from the inclusion of polio transition as a high risk.
- 3.11 In relation to previous Board decisions, the CEO referred to adverse effects following immunization (AEFI) reports, implementation of the Fragility, Emergency, Refugees Policy, ongoing work with partners to support immunisation in Syria and the increasing burden of cholera and yellow fever outbreaks over the past months. In relation to the latter, he indicated that work is being done in relation to considering new investments in strengthening yellow fever surveillance and laboratory capacity and that an investment case will be brought to the Programme and Policy Committee (PPC) at its meeting in October 2018 for consideration.
- 3.12 The CEO referred to Africa's meningitis belt, which has seen changes in serogroup prevalence over the past years. He highlighted that measles outbreaks continue to be a problem worldwide despite record low mortality. He referred to the fact that three countries are still polio-endemic and that extensive levels of drug resistance to Typhoid have been seen in recent months.
- 3.13 He recalled discussions at the Board retreat in March 2018, where the focus had been on coverage and equity (C&E) and preliminary discussions relating to Gavi's 2021-2025 Strategy (Gavi 5.0). He also referred to a recent analysis that had been carried out, by the Secretariat, UNICEF and WHO, in relation to immunisation in middle-income countries and that this is no doubt something that will be included as part of the Gavi 5.0 discussions.
- 3.14 Finally, he referred to the items which were being presented to the Board at this meeting for consideration, provided a brief Alliance update and referred to the



upcoming move of the Gavi Secretariat in Geneva to the Global Health Campus (GHC).

### *Discussion*

- The Board member representative from the United States/Australia/Japan/Republic of Korea constituency opened the discussion by making a statement on behalf of Gavi's donors relating to sexual exploitation and abuse and sexual harassment. The full text of the statement, which was welcomed and indeed supported by a number of Board members, is attached to these minutes as Annex A. Board members also highlighted the importance in this context of creating a culture of safety for all.
- A number of Board members referred to Gavi's important contribution to the recent Ebola outbreak in DRC. Board members also commended the leadership of DRC in their handling of the outbreak. It was noted that a critical part of any outbreak response relies on social mobilisation, which itself requires community trust.
- Board members expressed their appreciation for the initial discussions on Gavi 5.0 at the Board retreat and on seeing that the ideas discussed and identified as important are being carried forward. The CEO clarified that the Board will continue to discuss the future strategy, with a particular focus on this at the Board retreat in April 2019. The aim is to approve the strategy during 2019 and then develop the investment case for the 2020 replenishment.
- Board members commented on the importance of country level and in particular subnational data, which helps to identify priorities in terms of country support. One of the Board members representing the Developing Country constituency indicated that it would be beneficial for many countries to have access to better software and training to ensure accuracy and consistency of data going forward.
- A number of Board members looked forward to the further work that is going to be done on looking at potentially investing in yellow fever diagnostic capacity, noting concerns about the increasing outbreaks of the disease. The important role that the Africa Center for Disease Controls and Prevention (CDC) might play in this field was highlighted.
- In relation to ongoing work on new vaccine development, a number of Board members raised the importance of not only focussing on the work of CEPI but also at other vaccine development initiatives. It was suggested that it could be useful to do a mapping of these initiatives to have a better understanding of the overall landscape.
- In relation to vaccine development, it was noted that there is a lack of clarity about who takes responsibility for the vaccine development after Phases 1 and 2 and that this would therefore warrant attention.
- Board members noted concerns about the channelling of funds away from government systems and looked forward to discussing this further at the next Board meeting. In this context, Board members requested that the Secretariat,

working with partners and other relevant stakeholders, update the Board in November 2018 on funds being channelled away and back through government systems in countries, and future options for managing fiduciary risks. The Board member representing UNICEF proposed that it would be useful to do a deep dive in select countries to understand the consequences of this approach.

- Board members noted that the letter recently addressed to the leadership of Gavi, GF and GFF by nine donors strives to ensure coherency of the work of the three organisations through their respective governance mechanisms with a common narrative and an agreed set of priorities going forward. In this context, it was noted that it will of course be essential to understand first and foremost what the developing countries need from each of the organisations.
- Board members expressed appreciation for the gender lens that is now being applied in countries. They noted the upcoming review of the gender policy and looked forward to how that might be taken on board in the discussions on Gavi 5.0 to look for continued engagement.
- One of the Board members from the Developing Country constituency expressed concerns about the potential impact for countries if the numbers of in-country partner staff is reduced following transition and the importance of mitigating potential risks was noted.
- In terms of market shaping, Board members noted the importance not only of ensuring appropriate pricing but also of working towards ensuring that there is an increase in suppliers coming into the market. Board members noted the request from the Board member representing the developing country vaccine manufacturers that the Alliance look at balancing sustainable pricing for vaccines with sustainability of the industry to ensure the sustainability of vaccine innovations.
- In response to comments from some Board members, the CEO clarified that there is a robust process around the engagement with the private sector, which is described in an annex to one of the May 2018 PPC papers.
- One Board member noted that in terms of the indicators, there are those that are important to measure progress to achieving the strategy and that there are also secondary uses such as an assessment of the performance of the Secretariat itself. He noted that there are Alliance-side indicators over which the Secretariat does not of course have any control. He suggested that as Gavi goes towards the MTR and Gavi 5.0, it could be useful to have a robust discussion around which indicators are important for assessing the Secretariat.
- In response to a query from the Board member representing the CSO constituency, the CEO confirmed that it has been challenging to get the right metric for the CSO indicator, which has not yet been set.
- Board members noted that work is ongoing with partners around the issue of campaigns and the importance of strengthening routine immunisation, in line with a previous Board decision.

- Finally, a number of Board members commended the hard work of the staff of the Secretariat and partners. Some Board members commented on the ever-increasing burden being put on the Secretariat and that this should be closely monitored.

### Key Performance Highlights

- 3.15 Anuradha Gupta, Deputy CEO, presented Gavi's key performance highlights to the Board. She started by presenting information in relation to the breakdown of Gavi's total spend in 2017, as well as data relating to the number of children immunised by antigen by year from 2013 to 2016.
- 3.16 She highlighted that new evidence and learnings are being used to refocus and synergise Gavi support for coverage & equity (C&E), focusing on geographies with large numbers of under-immunised children and pulling together HSS and targeted country assistance (TCA) funding. She also brought to the Board's attention new insights into patterns of inequality in Partners' Engagement Framework (PEF) Tier 1 countries, including gender dimensions.
- 3.17 Ms Gupta noted that rural coverage currently remains a much bigger challenge than urban, but that this picture is changing and that Gavi is therefore intensifying its focus on urban immunisation strategies.
- 3.18 She highlighted the key role played by partners and that 55% of partner funding under the PEF was at the country level in 2017, for TCA. She referred to Yemen as an example of a country where the challenging context requires an unconventional approach and subnational focus.
- 3.19 Ms Gupta recalled that the lack of progress in the most fragile countries had emerged as a key concern at the Board retreat in March 2018 and that in this context partner support under the PEF is being intensified in fragile countries.
- 3.20 Finally, she highlighted ongoing concerns that immunisation campaigns are detracting from routine immunisation and that this continues to be a key risk for the Alliance. In this context, she demonstrated through examples from Nepal and the DRC some of the country-tailored approaches that are being implemented to mitigate this risk

### *Discussion*

- Board members welcomed the focus on fragile countries and the flexible approaches being implemented on a country-by-country basis.
- They acknowledged that the cost of reaching children in fragile countries is going to be higher noting in this context that due to weaker capacity in countries, partners are not always able to recruit national staff. One Board member also noted the importance of ensuring that funding is used only in countries who have absorptive capacity.

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#### **4. Gavi-Global Fund Collaboration**

- 4.1 Seth Berkley, CEO, Gavi, and Peter Sands, Executive Director, Global Fund, presented an outline of both organisations' missions, comparing the funding models, governance arrangements and operational models.
- 4.2 They noted their strong commitment to purposeful collaboration between the organisations while noting the importance of not reducing the focus of each organisation on their respective missions.
- 4.3 They provided an overview of the countries in which routine collaboration and aligned investments have occurred, as well as those in which only limited collaboration is possible.
- 4.4 They also outlined that, following analysis, there are four potential programmatic areas of collaboration including monitoring and evaluation/data; risk and audit; health systems and sustainability/health financing; alongside one further area relating to Health Campus operations.
- 4.5 Finally, they highlighted that work will continue on country-focused collaboration. Synergies in Global Health Campus (GHC) operations will continue to be explored, as well as a systematised review of collaboration opportunities in priority areas.

#### *Discussion*

- Board members stated their strong support for the collaboration agenda. They recognised that collaboration will not always work in every area of the business but noted the high expectations on Gavi and the Global Fund. They encouraged the organisations to look at an ambitious action plan whilst taking learnings from previous attempts at cooperation.
- Board members proposed suggestions for further collaborative efforts across a number of areas such as transitioning countries, fragile countries, market shaping, resource mobilisation within countries and education. There was also general encouragement from the Board on innovation. Board members also noted the importance of greater collaboration in terms of Health Systems Strengthening (HSS), which contribute to the achievement of Universal Health Coverage.
- Some Board members, noting the challenging donor climate, encouraged the organisations to focus on efficiency savings and make use of existing governance structures. Other members requested that the Secretariat be mindful of wider benefits of collaboration, not just cost savings, and raised the importance of engaging with wider partners including governments and CSOs.
- Both leaders provided examples to the Board of where there may be limited scope for collaboration such as audit and investigations and health systems strengthening (HSS), where different target populations or mandates can cause difficulties. They noted the desire to focus on areas that can be pragmatically changed to deliver meaningful benefits.

- In relation to the Health Campus, it was noted that co-operation on shared services is already underway. There was also an acknowledgement of the potential benefits of looking at opportunities for sharing culture building and change management exercises. It was noted that both organisations have different HR policies and that this is an area that might present more challenges in terms of potential alignment. Finally, in the context of all of these issues it was agreed that it would be important that both organisations have complementary communications strategies.
- The opportunities were highlighted for both leaders in working together to use their combined voices on a global scale. There was recognition from both leaders that the leadership role is very important and that it requires trust, respect and understanding of each other's missions.
- The Chair noted that collaboration is a process and this is just the beginning. Dr Berkley committed to update the Board on progress at future meetings.

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## **5. Successfully transitioning Nigeria from Gavi support**

- 5.1 The Chair introduced the item by noting that the Board had discussed the issue of Nigeria transition at its meeting in November 2017.
- 5.2 Richard Sezibera, Programme and Policy Committee (PPC) Chair, reiterated that the Board had given the go ahead for the Secretariat to work with the government of Nigeria and Alliance partners to develop a transition plan and that all parties, most notably the Government of Nigeria, have delivered a robust plan for the Board to consider at this meeting.
- 5.3 He noted that PPC members had strongly agreed that there should be no discussion on further Gavi support to Nigeria at this Board meeting without repayment of the outstanding monies owed, and that the CEO would update the Board on the current situation.
- 5.4 He highlighted that Gavi is facing an exceptional situation and that the potential next phase of engagement with Nigeria will not be easy, will be risky, and will require major efforts from all of the Alliance, but that the rewards could be significant.
- 5.5 Seth Berkley, CEO, noted that a first tranche of the remaining monies had been paid into Gavi's bank account during the previous week. Two further tranches were being processed, the third corresponding to an amount of US\$ 245 000 which appeared to have been deducted from the first tranche as fees. While the remaining two tranches had not yet arrived in Gavi's bank account, letters showing that the money transfers had taken place had been received
- 5.6 The CEO also confirmed that letters of commitment had been received from the Minister of Health and the Minister of Budget and Planning, following consultations with the President and Vice President and that a further letter from the Minister of Finance is expected.

- 5.7 In light of this information, the Board agreed to proceed with the discussion on the proposed transition plan for Nigeria.
- 5.8 Pascal Bijleveld, Director, Country Support, reflected on the strong Alliance engagement, particularly at the country level, under the clear leadership of the Nigeria Primary Health Care Development Agency (NPHCDA).
- 5.9 Nadia Lasri, Senior Country Manager, outlined the key developments since the last Board meeting including how the Government of Nigeria had responded (Doc 05). She noted that the NPHCDA had introduced several urgent responses to improve routine immunisation and outlined the ambitious plan to achieve 84% Penta coverage by 2028 and the proposed funding levels requested.
- 5.10 Ms Lasri explained the proposed targeted ways in which Gavi could engage with Nigerian institutions at the state and federal level. Ms Lasri also highlighted the potential risks in the Nigeria programme and outlined the proposed mitigating actions. She noted that initially there would be no cash going directly through the Government due to the issues previously discovered.
- 5.11 Finally, Ms Lasri outlined the core and additional conditions to be imposed on the Nigerian Government to enable continuation of Gavi support on an annual basis. This included full reimbursement of outstanding funds, continued co-financing of vaccines, increased funding for domestic health expenditure and progress on routine immunisation indicators, including improved coverage over time.

### *Discussion*

- Board members thanked the Secretariat for the immense amount of work that has gone into this process and recognised the consultative approach with country partners as best practice. Both the Board and Secretariat recognised the huge challenges in Nigeria where significant funds have already been spent with limited outcomes. Several members agreed on the importance of engaging in demand generation.
- All members noted that the motivation behind the decision should be related to the huge numbers of under-immunised children. They also accepted that if the immunisation programme fails in Nigeria then all of the nearby African countries would be impacted with increased likelihood of further disease outbreaks.
- There was some discussion around the potential consequences of delaying the decision until the next Board meeting due to the fact that the outstanding funds had not yet been received. In the course of the discussions, Dr Berkley was able to confirm to Board members that he had just been informed that the second tranche had arrived in Gavi's bank account and that only the US\$ 245,000 was outstanding. It was noted that implementation of the Board decision would be conditional on full repayment of the remaining balance.
- Several Board members noted with concern that Nigeria was not able to fulfil its commitments to repay funds prior to the Board decision and the Board acknowledged this was a high-risk investment.



- One Board member indicated that one of the countries in her constituency had indicated their reluctance to support the proposed decision due to the high risks involved as well as that Nigeria is now a middle-income country.
- Some Board members noted with concern that polio transition had not been given greater consideration.
- In response to comments from Board members, the Secretariat confirmed that they would seek to work with appropriate partners and within existing mechanisms at the state level. They also noted the desire to seek opportunities for co-financing with other partners in specific, targeted states.
- It was suggested that it could be useful to engage more with the World Bank and the International Monetary Fund (IMF) on domestic resource mobilisation, with acknowledgement that it would be important to ensure that any such engagement should not lead to structural delays in implementation of the transition plan.
- Board members raised many concerns relating to the long period of sustained work that would be required from Nigeria and associated risks of failure. Several members supported the idea to ensure that an exit strategy is created for transition from Gavi support. The importance of monitoring domestic health expenditure and improving data monitoring was also underlined by Board members.
- The Secretariat committed to ensuring that a robust, detailed accountability framework is developed with annual reviews. There was discussion about what the contingencies would be if conditions were not met and it was agreed that these should be detailed as part of the accountability framework. A proposal was raised to look at non-vaccine funding streams as a first course of action.
- Board members noted the importance of ensuring that the Alliance partners, including Civil Society Organisations (CSOs) are closely involved in working with the government to develop the accountability framework.
- In response to questions raised about funding, the Secretariat confirmed that funds in support of a defined transition plan would initially be channelled through partners due to the previous identified issues but there will be an investment on strengthening these systems and the aim of transferring control back to the Nigerian Government once confidence is gained.
- Board members agreed that a letter should be sent from Gavi to the Government of Nigeria outlining clear expectations on future cooperation.

## **Decision 14**

The Gavi Alliance Board:

- a) **Approved** that Nigeria be exceptionally granted an extension of the country's "Accelerated Transition" period (Phase 2) from 2021 to 2028 to align with its "National Strategy for Immunization and PHC System Strategy 2018-2028" (NSIPSS) and that its health systems strengthening (HSS) ceiling be increased to US\$ 260 million for the 2018-2028 period;
- b) **Noted** that the indicative total cost of Gavi support to the NSIPSS is estimated to be an amount of up to US\$ 1,033 million, including an indicative allocation of vaccines (US\$ 773 million) and cash support (US\$ 260 million), of which US\$ 575 million is incremental to amounts previously forecasted for Nigeria;
- c) **Requested** the Secretariat and Alliance partners, in consultation with the government, to develop an accountability framework by November 2018, based on section 2.7 of Doc 05 which takes into account the input from the Programme and Policy Committee (PPC); and to organise annually a high level review with Alliance leadership and senior government officials that assesses progress against the accountability framework and which will inform Gavi's decision on support during the following year;
- d) **Emphasised** that Gavi support to the NSIPSS is contingent on Nigeria fulfilling its financial and programmatic commitments under the NSIPSS and meeting the conditions set forth in the aforementioned accountability framework;
- e) **Requested** the Secretariat to provide annual updates to the PPC and Board, and conduct a comprehensive mid-term review in 2022-2023 on the progress of Gavi's support to Nigeria to be presented to the PPC and Board.

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## **6. Engagement with countries post-transition**

- 6.1 Richard Sezibera, Programme and Policy Committee (PPC) Chair, introduced this item, noting that Angola, Congo Republic and Timor Leste are part of the group of five countries identified by the Board as being at higher risk for successful transition (the other two being Papua New Guinea and Nigeria). The PPC recognised that these three countries remain vulnerable to setbacks in programmatic performance particularly due to weak institutions, inadequate service delivery, and high dependency on technical partners and donors.
- 6.2 Dr Sezibera noted that the PPC had reviewed the proposed actions and recommended that the Board approve them as an initial approach with an additional allocation of US\$ 20 million. The PPC had also acknowledged that some of the proposed actions might not be ambitious enough and requested the Secretariat to present robust individual country plans for these three countries to the PPC at its next meeting in October 2018.

- 6.3 Santiago Cornejo, Director, Immunisation, Financing & Sustainability, outlined the reason why these three countries were at a high risk of successful transition (Doc 06). He noted that all three countries are post-conflict with recent rapid economic growth, and had transitioned too early to feel the benefit of the more recent country-centric Gavi health systems support. Whilst financial sustainability risks are low, Mr Cornejo highlighted that the risks relate to performance of vaccine programmes.
- 6.4 He outlined the proposed targeted Gavi Alliance interventions in each of the three countries, noting that Angola is one of the countries with the highest number of under-immunised children in the world. Proposed interventions include human capacity building, strengthening service delivery, strengthening cold chain, strengthening governance/institutions and exploring co-financing with the World Bank.
- 6.5 Finally, Mr Cornejo outlined the risks to successful intervention, noting that some of the mitigating actions such as building institutions and capacity building will take many years.

#### *Discussion*

- Board members were keen to see detailed action plans forthcoming and recognised that these would be useful to help other organisations consolidate their plans. Board members noted the plans should inform the contributions of all Alliance partners and should not be limited to the current Strategic Period. The Board also requested that the work focus on sustainability and link into wider Partners' Engagement Framework (PEF) activities.
- In response to a request from Board members, the Secretariat stated that a comprehensive exercise had already been undertaken to look at all of the transitioning countries and recalled that an additional US\$ 30 million had been approved by the Board in November 2017 for targeted assistance under the PEF.
- Board members noted the importance of ensuring strong, sustained political will in these and other transitioning countries. The Chair further highlighted the value of engaging with finance ministers and parliamentarians to ensure increasing domestic expenditure on health systems.
- The Board confirmed their agreement that the Secretariat can pursue support in relation to exceptions on new vaccinations, co-financing, health systems strengthening (HSS) building ceiling and technical support.
- Some Board members noted their understanding that the initial programme of work had already been costed at US\$ 30 million, so the detailed country plans may require consideration of additional funding. Some Board members preferred to cap the support to the three countries up front at US\$ 30 million, while others asked that the final budget for supporting these three countries not be predetermined, but rather based on the analysis and detailed country plans (and the Board's consideration of those plans). This was reflected in decision language that included "an indicative amount of up to US\$ 30 million". The Chair stated in reading through the final agreed decision language that the US\$ 30 million should not be

taken by the Secretariat as a cap, but that ultimately the Board would need to consider the detailed plans and be comfortable with an overall budget.

- Some Board members noted their view that overall the Eligibility, Transition and Co-financing Policy is working well and is a key part of the Gavi model. Many Board members noted the importance of learning lessons from countries that require exceptional support, and getting better at supporting countries build capacity well before they transition – particularly those experiencing fragility or crisis.

### **Decision 15**

The Gavi Alliance Board:

- a) **Approved** the initial approach to post-transition engagement for an indicative amount of up to US\$ 30 million in Angola, Congo Republic and Timor-Leste set out in Annex A to Doc 06;
- b) **Approved** within the overall Partners Engagement Framework an additional amount of US\$ 20 million for the engagement of post-transition support for Angola, Congo Republic and Timor-Leste for the period of 2018-2020; and
- c) **Requested** the Secretariat to present robust individual country plans for those three countries to the Programme and Policy Committee (PPC) at its next meeting.

*Tim Evans (World Bank), Soumya Swaminathan (WHO), Susan Silberman (IPFMA) and Sai Prasad (DCVMN) recused themselves and did not vote on Decision Fifteen above.*

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## **7. Vaccine investment strategy: short list**

- 7.1 Richard Sezibera, Programme and Policy Committee (PPC) Chair, introduced this item, recalling that this would be the second of three Board discussions regarding the Vaccine Investment Strategy (VIS) and that the Board, at its last meeting, had already approved the criteria for evaluating vaccines for endemic diseases.
- 7.2 He noted that at this meeting the focus would be on shortlisting a subset of the candidate vaccines for endemic disease prevention based on those criteria, as well as the approach for evaluating investments in vaccines for epidemic preparedness and response, including evaluation criteria. The PPC, at its meeting in May 2018, had reviewed both of these issues and was recommending that the Board approve the proposed approach.
- 7.3 Wilson Mok, Acting Head, Policy, presented this item to the Board (Doc 07), giving an overview of the timeline and process. He presented the evaluation criteria and indicators for vaccines for endemic disease prevention and highlighted that the evaluations had been conducted consultatively with technical partners and in-country stakeholders.

- 7.4 He informed Board members that the Board consultations had informed the prioritisation methodology and that the ranking had been based on Board member criteria weighting.
- 7.5 In relation to vaccines for epidemic preparedness and response he outlined the four questions that guide the assessment of potential investments and described the process whereby ‘living assessments’ would be developed for relevant vaccines until an investment case is needed.
- 7.6 Finally, Dr Mok presented information on what might be the focus areas for the assessment of potential Gavi investment in pandemic influenza preparedness.

*Discussion*

- Board members commended the overall robust and thoughtful process and expressed appreciation in particular for the extensive stakeholder consultations.
- In relation to respiratory syncytial virus (RSV), Board members noted that in country consultations this disease had not been considered as a high priority and it was recalled that this had also been the case for pneumococcal conjugate vaccine (PCV) in the past. It was noted that both a maternal RSV vaccine and RSV monoclonal antibody for infants are under development, and it was suggested that both should be considered as part of the further analysis in view of the fact that it is not yet clear what the results of the clinical trials will be.
- In relation to diphtheria, tetanus, pertussis-containing (DTP) boosters and hepatitis B birth dose, Board members noted that both products have been longstanding recommended products and yet countries have not been prioritising their use. Although relatively inexpensive, it was suggested that Gavi engagement might help get these vaccines working at scale.
- In relation to the proposed criteria to assess potential investments in epidemic preparedness and response, it was noted that it would be important to look at how this would fit in with additional efforts in relation to global health security and how this would fit in with existing WHO mechanisms. It was also noted that Gavi is potentially going to engage more in adult immunisation and that it would be useful in the context of the Gavi 5.0 discussions to ascertain whether this is a space that Gavi wishes to move into going forward.
- Board members noted the importance for vaccine manufacturers of having clarity on the timelines for introducing vaccines to be able to increase production capacity appropriately to ensure adequate supply. In this context, it was also noted that it would be important to ensure strong communications with countries at the appropriate time to stimulate demand.
- Noting that the Ebola vaccine is not part of this process, the Board member representing the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) constituency wished to commend the collaboration within the Alliance, including on the ground, which has enabled a vaccine which did not exist four years ago to be used as a response to the recent outbreak in DRC.

- Board members noted that a number of the vaccines being considered in the VIS provide an opportunity to integrate with the delivery of other interventions and that it could be useful to already consider the feasibility and cost of related delivery strategies.
- Following discussion Board members agreed it would be useful for them firstly to have an extensive briefing on pandemic influenza and that an investment case could be, but does not necessarily need to be, brought to the Board depending on whether there is a role for Gavi.

## **Decision 16**

The Gavi Alliance Board:

- a) **Approved** narrowing the choice of possible vaccine investment options for further analysis within the endemic disease prevention category of the Vaccine Investment Strategy 2018 to meningitis (multivalent conjugate), hepatitis B birth dose, cholera, DTP boosters, RSV, rabies;
- b) **Approved** the evaluation criteria for potential new investments in vaccines for epidemic preparedness and response and the approach for applying the criteria towards living assessments and investment cases as further described in Figures 2 and 3 of Doc 07;
- c) **Requested** the Secretariat, in consultation with WHO and other experts, to prepare an extensive briefing for the Board and as appropriate bring an investment case for Gavi to support pandemic influenza preparedness for Programme and Policy Committee (PPC) and Board review.

*Susan Silberman (IPFMA) and Sai Prasad (DCVMN) recused themselves and did not vote on Decision Sixteen above.*

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## **8. Gavi's Engagement in Polio Eradication**

- 8.1 Seth Berkley, CEO, introduced this item, sharing his view on the importance of Gavi remaining engaged with the polio eradication initiative. He highlighted the implications of using Gavi core resources to support inactivated poliovirus vaccine (IPV) for the period 2019-2020 by recalling that funding for Gavi's engagement in polio eradication was not included as part of the Board-approved financial forecast and that the Audit and Finance Committee (AFC) had been able to confirm that such funding would be available. This also means that polio was not included in Gavi's long-range forecast for 2020 and beyond, and that any such investments need to be considered on top of the predicted resource needs for the next strategic period. He informed Board members that assuming all contributions pledged by donors are paid, the funding being requested is available and that there would not be any direct opportunity cost against an existing programme, but it could of course have been used for health system and immunisation strengthening (HSIS).



- 8.2 He outlined some of the bigger issues, one of which might be that in Gavi support IPV for 2019-2020, expectations of Gavi's commitment to support IPV post 2020 are likely to be raised. He shared that there are increased concerns from countries related to the increased price of IPV and their ability to absorb those increases. He also indicated that there a number of questions to address going forward such as the role that Gavi might play in Global Polio Eradication Initiative (GPEI) governance as well as once GPEI ceases to exist.
- 8.3 Richard Sezibera, PPC Chair, informed Board members that the PPC had considered and recommended that core Gavi funding should be used to support IPV until the end of this strategic period. He reiterated the CEO's comments that this is an important decision with strategic and financial implications that extend to Gavi 5.0 and beyond as it would likely send a strong signal of Gavi's intentions to support IPV in the future.
- 8.4 Stephen Sosler, Technical Adviser, Vaccine Implementation, presented this item to the Board (Doc 08), providing information in relation to Gavi's involvement in polio eradication to date and on the current polio situation and recent developments.
- 8.5 In addition to the recommendation being put to the board at this meeting for consideration, he requested guidance on Gavi's potential role in IPV support post 2020, providing some information in relation to the trade-off between risks and cost. He presented three illustrative scenarios to indicate what estimates costs to Gavi post 2020 might be.
- 8.6 Finally, he requested guidance in relation to what role Gavi might play, if any, in polio transition and in related post certification activities.

### *Discussion*

- Board members generally agreed that Gavi needs to play a continued role in the global polio eradication initiative and noted that Gavi's engagement in IPV post-2020 is part of the Vaccine Investment Strategy (VIS) process and will be brought back to the PPC and Board for final decision at the end of the year. It was noted that it would be important to have deeper analysis at that time on what the costs, opportunities and trade-offs might be across the three illustrative scenarios presented, and to ensure that any future Gavi involvement will not detract from Gavi's work on coverage and equity (C&E) and health systems strengthening (HSS). Some Board members expressed support for further exploring tailored support options.
- Board members discussed the proposal that one of the principles whereby Gavi would engage in IPV post-2020 would relate to polio eradication being seen as a global public good with IPV being seen as an essential tool to achieve this goal and to maintain the achievement once attained. The Board was generally supportive that this principle should be retained in the work going forward, though a few board members expressed some reluctance.
- Some Board members suggested that it would be important to clarify going forward whether any Gavi engagement post 2020 would be as part of Gavi's core

business, and therefore included in the investment case for the next replenishment, or whether polio-related funding might be ring-fenced so as not to impact other Gavi activities.

- One of the important roles that Gavi might play going forward could relate to Gavi's market shaping activities, including if pre-qualified IPV-containing hexavalent vaccines come onto the market.
- Board members agreed that strong partnership between Gavi and the Global Polio Eradication Initiative (GPEI) is essential. It would be important to ensure that there is a clear definition of the roles and responsibilities, in particular as GPEI sunsets, and that Gavi should already play a more proactive role in looking at this.
- Board members noted the importance of communicating with countries to ensure that they understand fully the implications for them in continuing to support IPV post certification. It was acknowledged that for many countries, given the multiple priorities and limited budget, it could be difficult to ensure continued domestic funding for IPV once eradication has been declared, which has implications for the parameters of potential IPV support to be considered by the Gavi Board.
- There was overall support for any potential future engagement for Gavi in polio eradication to be in areas where Gavi has clear comparative advantage such as IPV introduction and support for vaccine stockpiles.
- Board members noted the proposal from the World Bank to update the economic benefit assessment for eliminating polio, which was last updated in 2010, so as to provide continued rationale and momentum for eradication.
- In relation to polio transition, it was also noted that Gavi could play a role in fragile countries considered high-risk for polio transition.
- Board members noted the difficulties that are arising due to recent increases in the prices for IPV and agreed on the importance of maintaining dialogue with manufacturers as well as ensuring working together to ensure accurate demand forecasting and supply. Board members also noted that manufacturers are likely to have some challenges as the endgame approaches to ensure sustained supply to meet decreasing demand. The Board member representing the IFPMA constituency raised the question of sustainability emphasising that private investments are being made in infrastructures to increase volume to meet the world's demand for standalone product. On the topic of the price increases for IPV, the Board member reminded that the starting price was below a dollar a dose for the concerned IFPMA manufacturer and she recalled that WHO had at the time called it out as artificially low to get the IPV work started.

## **Decision 17**

The Gavi Alliance Board:

**Approved** the use of core resources for Gavi's support for inactivated poliovirus vaccine (IPV) for the period 2019-2020, noting that the financial implications associated with this approval are expected to be approximately US\$ 200 million.

*Soumya Swaminathan (WHO), Susan Silberman (IPFMA) and Sai Prasad (DCVMN) recused themselves and did not vote on Decision Seventeen above.*

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### **9. Committee Chair and IFFIm Board reports**

9.1 The Chair introduced this item, underlining the importance of the work of the Committees and appreciation for the service of Board members, Alternate Board members and their Committee Delegates on these Committees.

#### *Governance Committee*

9.2 William Roedy, Acting Governance Committee Chair, presented information to the Board on the routine work conducted by the Committee including Board and Committee nominations, the recruitment of Unaffiliated Board members, human resources issues and the monitoring of the gender policy for Board and Committee nominations.

9.3 Mr Roedy outlined the recent process which separated the conflicts of interest (Col) policies for the Governance Bodies and the Secretariat, noting that the Col policy for Governance Bodies had been approved by the Board on the consent agenda at this meeting.

9.4 He outlined the initial steps to enable more engagement with the developing country constituencies, which included a desire to allow appropriate flexibilities, review Special Adviser support and make attendance easier for Developing Country Board members.

9.5 Mr Roedy concluded by noting the recommendations to the Board, the majority of which were approved on the consent agenda at this Board meeting.

#### *Audit and Finance Committee*

9.6 David Sidwell, Audit and Finance Committee (AFC) Chair, started by assuring the Board that the AFC reviews the financial forecasts. He updated the Board on the long-term financial forecast noting that US\$ 105 million remains to be allocated, assuming all donor pledges are upheld.

9.7 He noted the approval of Deloitte as external auditor to both Gavi and IFFIm. He highlighted that the 2017 Annual Financial Report (AFR), due to be finalised at the July AFC meeting, should go through a swift approval process to enable a smooth transition between KPMG and Deloitte.

- 9.8 He then provided a summary of recent discussions occurring at the AFC in relation to technology and knowledge management, including the update of the financial systems and links to the grant management system.
- 9.9 Mr Sidwell recalled a recent briefing from the Secretariat on Programme Capacity Assessments that had been useful to understand how they link to grant management decisions and future monitoring processes. Mr Sidwell noted that a deep dive on start-to-finish country processes would be consistent with recent AFC discussions.
- 9.10 To conclude, Mr Sidwell reminded the Board of the projected US\$ 1.5 million savings per year which should materialise from the move into the Global Health Campus (GHC), over a five to six year period.

#### *Investment Committee*

- 9.11 Stephen Zinser, Investment Committee Chair, delivered the report of the Investment Committee. He started by noting that no unscheduled meetings of the Committee had been held since the last Board meeting.
- 9.12 He updated the Board on the macro economic environment and markets. He indicated that market sentiment is currently mixed with some volatility for the first quarter of 2018, highlighting the challenges with the fixed income asset class in the first quarter.
- 9.13 Mr Zinser noted that the short-term portfolio held US\$ 973 million and the long-term portfolio constituted US\$ 934 million. He outlined that the portfolio generated an estimated year-to-date investment income of US\$ 0.8 million and US\$ 550.8 million since its inception but was down by 0.5% for the first quarter of 2018.
- 9.14 He then outlined the proposed amendments to the Investment Policy, stemming from a review of the asset allocation statement. Further to the request of the Board to do an analysis of the need to maintain current levels of liquidity, the Investment Committee had agreed that up to 10% of private debt should be considered for the long-term portfolio. Mr Zinser noted that the amendments would not result in any changes to the investment objectives, management structure or overall portfolio composition of the long-term portfolio.
- 9.15 With regards to the socially responsible investment index, Mr Zinser highlighted to the Board the move away from one fund that was linked to gun sales. He concluded on noting the priorities around maintaining focus on limiting volatility and fostering sustainable investment practices among portfolio vendors.

#### *Discussion*

- In response to a question from a Board member on the ethical framework, Mr Zinser pointed the Board to the consultant that monitors the Socially Responsible Investment (SRI) Policy criteria alongside significant internal analysis by the investments team in this area.

- He reminded the Board that during the previous year one fund manager had consistently breached the 2% threshold on this policy criteria and had therefore been let go.

### *Evaluation Advisory Committee*

- 9.16 Rob Moodie, Evaluation Advisory Committee (EAC) Chair, delivered the report of the EAC. He provided information on the recent peer review of Gavi's evaluation function, noting the ongoing work to revise Gavi's Evaluation Policy and the EAC Terms of Reference. He explained that the peer review discussions had focussed on the themes of independence, credibility and utility as well as understanding the critical importance of evaluation thinking as part of new programme design.
- 9.17 Professor Moodie outlined the evaluations set out in the multi-year workplan. He reported on work being conducted to strengthen the partnership with the Global Fund.
- 9.18 Finally, Professor Moodie noted that one of the findings of the peer review was to have more interaction with the Board. He therefore asked members to consider several questions in order to provide guidance to the Committee on the future priorities for evaluation.

### *Discussion*

- Several members provided feedback that the four examples for future evaluation subjects were generally in line with their own thoughts. Further proposed areas for evaluation included fragile states, emergency response and how funding flows are structured.
- Board members were keen to have more engagement, using a light touch approach, with the proposed future evaluations so that relevant policy questions can be acted upon quickly.
- The Chair appreciated understanding how the evaluation outcomes feed back into the decisions. She requested a presentation at the next Board meeting of examples of how evaluations have been utilised to demonstrate their effectiveness.

### *IFFIm*

- 9.19 Cyrus Ardalan, IFFIm Board Chair, provided an overview of the IFFIm Company mechanism, presenting information on IFFIm's financial position, which is currently strong. He highlighted that IFFIm can raise up to 60% of funding up front based on long-term legally binding commitments from donor countries.
- 9.20 He provided an update on IFFIm funding, highlighting the US\$ 950 million funding available to Gavi for the 2016-2020 period. He noted that, of the projected funding for 2021-2025 of US\$ 1 billion, US\$ 800 million is still to be allocated for any of the future programmes such as polio eradication.

- 9.21 Mr Ardalan noted that IFFIm continues to attract external interest through sharing expertise with the global initiatives such as prevention of blindness, education, landmine clearance and sanitation. He also noted engagement with institutions around the world including the Islamic Development Bank, UK stock market, UK Government and Spanish Ministry of Economic Affairs.
- 9.22 He continued by welcoming a new IFFIm Director Bertrand de Mazières and congratulating Fatimatou Diop for appointment for a second term on both the IFFIm Board and Audit Committee. He also highlighted the search for a new Director by the end of 2018.
- 9.23 Mr Ardalan concluded by noting discussions at the recent donors meeting in relation to how IFFIm could provide further support to Gavi's goals in financial commitment to market shaping, cold chain operations, vaccine scale-up and contingent pledges for outbreak response. He also referred to the discussion on the Coalition for Epidemic Preparedness Innovations (CEPI) at the recent IFFIm Board and confirmed that the frontloading requirements could likely be managed within the IFFIm structure and that the IFFIm Board is supportive of the proposal.

### *Discussion*

- Board members noted the excellent work of IFFIm and need to promote and sustain this resource with further initiatives. They supported the proposal that this could be used to fund the future polio programme so would encourage donors to look at this as a way of front-loading funds without any cost to the tax payer.
- Members were also supportive of further exploring options with CEPI, although they were cautious about stretching of Gavi's mandate or blurring of mandates between CEPI and Gavi.
- In response to questions on low risk funds, the IFFIm Chair clarified the liquidity policy and explained the low risk nature of the funds.
- The Chair also noted her appreciation of the IFFIm instrument and suggested that IFFIm might bring some ideas/examples to the next Board meeting, as part of the IFFIm Chair's report, on how IFFIm could be used more effectively for Gavi 5.0.

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## **10. Update on MTR planning**

- 10.1 The Chair noted the crucial timing of the Mid-Term Review (MTR) in light of so many new political leaders in Gavi donor countries and highlighted it as an opportunity for Gavi to demonstrate its effectiveness. She expressed her gratitude to the United Arab Emirates (UAE), which had offered to host the event in Abu Dhabi on 10-11 December 2018.
- 10.2 She noted that the MTR is not a Board event and that it is targeted to the leadership of donors who pledged in Berlin in 2015 and aims to gather the leadership of implementing countries to voice their progress and challenges, civil society, private sector and Alliance partners.



- 10.3 Marie-Ange Saraka-Yao, Managing Director, Resource Mobilisation and Private Sector Partnerships, recalled the donor commitments from the Berlin replenishment for 2016-2020 and stated that 90% of all pledges have now been signed/secured. She noted that private sector engagement has also increased via the Gavi Matching Fund and Innovation for Updates, Scale and Equity in Immunisation (INFUSE) initiatives.
- 10.4 Ms Saraka-Yao outlined the purpose of the MTR, noting the need to update donors on progress towards the original investment promises, as well as its vision for the next strategic period. She also explained that it would highlight Gavi's commitment to collaboration as well as reflecting on 18 years of work.
- 10.5 She highlighted the process of preparation that the Secretariat is undertaking ahead of the MTR, including key meetings with stakeholders, the launch of a microsite and publication of the MTR report.
- 10.6 Ms Saraka-Yao concluded by outlining how the MTR connects to a number of relevant global events and outlined the timeline to the MTR and next replenishment in 2020.

#### *Discussion*

- Board members reiterated the Chair's appreciation to the UAE for offering to host the MTR.
- In response to requests from Board members for more detail on Gavi 5.0 ahead of the MTR, the Secretariat explained that there is a systematic process for 5.0 planning. It was noted that a paper would be brought to the November 2018 Board meeting with high-level proposals and that the Board retreat in 2019 will be the place in which the detailed strategy will be discussed.
- Board members requested that the MTR discussions focus on substance with the aim of ensuring that the outcome for all stakeholders is a true review at the midpoint of the current strategy.
- Several Board members recognised that many of their leaders will be more focussed on the future strategy rather than previous achievements and encouraged tailored messaging to different groups of stakeholders. The Secretariat explained that the aim of the first day is to do a deep dive on progress to date and the second day is aimed more at the political leadership to showcase high level results and look forward to Gavi 5.0.
- Board members encouraged the Secretariat to provide a balanced message between successes as well as demonstrating that Gavi is an innovative, learning organisation not afraid to take some risks.
- In response to comments from a Board member, the Secretariat agreed that developing countries should play an important role in the MTR and noted that it is foreseen that a developing country will co-host the event.

- The Secretariat also noted the desire to bring together wider stakeholders such as industry representatives, and that it would be useful to have CSO support and feedback of progress/challenges on the ground.
- Board members encouraged the Secretariat to underline the importance of Gavi's work with relevant examples, including on coverage and equity, as well as acknowledging lessons learnt. Members further encouraged commentary around Gavi's comparative advantages in the global health sector and the proposed efficiency gains from collaboration.

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## **11. Report from Audit and Investigations**

- 11.1 Simon Lamb, Managing Director, Audit and Investigations (A&I), presented this item (Doc 11). He outlined progress made on developing the audit and investigations function, organisation and processes over the past three years. He provided information on the extent of enhanced risk coverage through internal and programme audits, and investigations, during this time and noted that the audit function will itself be subject to an External Quality Assessment in 2019.
- 11.2 Mr Lamb highlighted the recovery rate to date of 98% of misused funds agreed and scheduled for reimbursement to Gavi.
- 11.3 He explained to the Board that the majority (54%) of audit ratings are 'partially satisfactory' where internal controls and risk management are generally established and functioning but need to be improved. He explained that it is not unexpected to find a low level of 'satisfactory' audits (7%) as the focus of the audit plan is on programmes regarded as high risk. He noted that these are all first-time audits since the creation of the A&I function but the first instance of a second-time audit is to take place in the Democratic Republic of the Congo (DRC) in 2018.
- 11.4 Mr Lamb outlined to the Board the recurring themes from programme audits and the initiatives in response which are in process within the Secretariat and across the Alliance, as appropriate. He explained that it is important to set expectations to recognise the goal of improvement in the identified areas rather than "solve" such issues which, as can be seen from their recurrent nature, are somewhat endemic in many of the programmes subject to audit.
- 11.5 Mr Lamb emphasised to the Board that the role of the A&I function is not just to improve fiduciary oversight but also to generate programmatic improvements. As an illustration, he spoke about campaigns, which are inherently high risk with a lot of cash funding, short term in nature and geographically spread. He noted that monitoring agents are starting to be employed to ensure campaigns are being conducted as expected and that mobile phone technology is being piloted to validate that vaccinations and training have taken place as indicated.
- 11.6 It was noted that, programmes where funds are channelled through partners were audited for the first time last year. Mr Lamb stated that these audits have indicated that issues continue to arise in such situations. The A&I team is working closely with partners and country programme managers with the aim of examining and

enhancing the effectiveness of the current assurance model. In these discussions, there has been significant focus on the need to achieve the right balance between assurance and capacity building.

### *Discussion*

- Board members noted their appreciation of the development of the A&I function and proposed that in future, more time could be spent on proactive counter-fraud activities. The Secretariat further underlined their ambition to convert lessons learnt from audits into programme improvements.
- In response to questions on collaboration, the Secretariat noted that work has started with UNICEF and WHO but that this is challenging due to the limited crossover in their mandates/scopes.
- In response to questions on the three IT audits conducted, the Secretariat noted that there has already been agreement with management to put in place mitigating actions. The Audit and Finance Committee (AFC) Chair noted that the AFC will ensure continued scrutiny on technology systems and processes. He noted that many of the issues around grant management require new systems to be put in place.
- The Secretariat took note of concerns from developing countries about the disconnect between audit expectations and reality in-country, such as asking for signature of documents from interlocutors who may be unable to write and the complexity of cash swaps which may not involve misuse but are difficult to track.
- The Secretariat explained that they try to coordinate with in-country resources where possible. The Chair echoed the Board members proposal requesting A&I to work with the national Auditor General and other investigatory bodies where capacity exists. The Secretariat indicated that this had already happened in a number of cited instances and that they would seek to extend this arrangement where possible.

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## **12. Review of decisions**

- 12.1 Philip Armstrong, Director of Governance and Secretary to the Board, reviewed and agreed the decisions with the Board.

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## **13. Closing remarks and any other business**

- 13.1 The Chair expressed her thanks and appreciation to the Board for a productive meeting.
- 13.2 After determining there was no further business, the meeting was brought to a close.

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Dr Ngozi Okonjo-Iweala  
Chair of the Board

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Mr Philip Armstrong  
Secretary to the Board

## Attachment A

### Participants

#### Board members

- Ngozi Okonjo-Iweala, Chair
- William (Bill) Roedy, Acting Vice Chair
- Bahar Idriss Abugarda
- Edna Yolani Batres
- Reina Buijs
- Megan Cain
- Ted Chaiban (Alternate – Day One)
- Tim Evans
- Blair Exell
- Raymonde Goudou Coffie
- Daniel Graymore
- Margaret (Peggy) Hamburg
- Orin Levine
- Yifei Li
- Clarisse Loe Loumou
- Sai Prasad
- Helen Rees
- Richard Sezibera
- David Sidwell
- Susan Silbermann
- Soumya Swaminathan
- Oyewale Tomori
- Stephen Zinser
- Seth Berkley (non-voting)

#### Alternates Observing

- Craig Burgess
- Anna Hamrell
- David Hering
- Felix Kabange
- Irene Koek
- Harriet Ludwig
- Violaine Mitchell
- Kate O'Brien
- Jean-Francois Pactet
- Michael Kent Ranson
- Angela Santoni
- Princess Nothema (Nono) Simelela

#### Regrets

- Kwaku Agyeman-Manu (Alternate)
- Mahima Datla (Alternate)
- Amir Aman Hagos
- Shanelle Hall
- Myint Htwe
- Sergey Khachatryan (Alternate)
- Jason Lane (Alternate)
- Bounkong Syhavong (Alternate)
- Saira Afzal Tarar (Alternate)

### Additional Attendees

#### EVALUATION ADVISORY COMMITTEE

Dr Rob Moodie, Professor of Public Health, University of Malawi and Chair, Evaluation Advisory Committee

#### IFFIm

Mr Cyrus Ardalan, Chair, IFFIm Board of Directors

Mr Christophe (Edge) Egerton-Warburton, Co-founder, Lion's Head Global Partners

Mr Marcus Fedder, Co-Founder and Managing Partner, Agora Microfinance Partners LLP

Ms Doris Herrera-Pol, former Global head of Capital Markets, The World Bank

Ms Fatimatou Diop, IFFIm Board Member, Dakar

#### BILL AND MELINDA GATES FOUNDATION

Dr Julie Bernstein, Deputy Director, Program, Advocacy and Communications

Mr. Nima Abbaszadeh, Program Officer, Program, Advocacy and Communications

### **WORLD BANK**

Mr Alexandru Valeriu Cebotari, Senior Financial Officer, The World Bank  
Mr Benjamin Carcani, Finance Officer, The World Bank  
Dr Sarah Alkenbrack, Senior Economics (Health), The World Bank

### **WORLD HEALTH ORGANIZATION**

Dr Michel Zaffran, Director, Polio Eradication  
Ms Lidija Kamara, Programme Manager, Department of Immunization, Vaccines and Biologicals (IVB)  
Ms Violaine Messenger, WHO/GPEI  
Ms Ebru Ekeman, Technical Officer, WHO

### **UNICEF**

Dr Robin Nandy, Principal Advisor & Chief of Immunizations, New York  
Ms Heather Deehan, Chief, Vaccine Centre, Copenhagen  
Dr Benjamin Schreiber, Senior Health Specialist, Strategy and Management, New York  
Ms Nagwa Hasnin, Senior Adviser, UNICEF Supply Division, Copenhagen  
Dr Ken Legins, Chief, Supply Chain Strengthening Centre, UNICEF Supply Division, Copenhagen  
Ms Svetlana Stefanet, Regional Immunization Specialist, UNICEF Europe & Central Asia Regional Office (ECARO)  
Dr Rene Ekpini, Regional Chief of Health, UNICEF West & Central Africa Regional Office (WCARO)

### **DEVELOPING COUNTRY GOVERNMENTS**

#### **Cameroon**

Mr Emmanuel Maina Djoulde, Head, Cooperation Division, Ministry of Health

#### **Côte d'Ivoire**

Mr Filbert K. Gleglaud, Deputy Permanent Representative, Permanent Mission to the UN, Geneva  
Mr Gouekourgo Issa Kone, First Secretary, Permanent Mission to the UN, Geneva

### **DONOR GOVERNMENTS**

#### **Australia**

Ms Lucy Phillips, Acting Director, Health and Education Funds, Australian Department of Foreign Affairs and Trade  
Ms Naomi Dumbrell, Counsellor Development (Health), Permanent Mission to the UN, Geneva

#### **Canada**

Ms Niloofar Zand, Senior Advisor, Health and Nutrition, Global Affairs Canada  
Ms Esther Fox, Chief of Staff for Assistant Deputy Minister of Global Issues and Programs, Global Affairs Canada

#### **European Commission**

Mr Matthias Reinicke, Policy Officer, DG DEVCO, European Commission, Brussels

#### **France**

Mr Benjamin Bechaz, Policy Advisor, Ministry of Foreign Affairs, Paris  
Ms Ariane Lathuille, Health Counsellor, Permanent Mission to the UN, Geneva

#### **Germany**

Dr Wolfgang Bichmann, Global Health Advisor, KfW Development Bank/Advisor to BMZ Germany, Frankfurt  
Dr Daniel Kohls, Global Health Policy Advisor, GIZ, Bonn, Germany  
Ms Judith Soentgen, Senior Policy Officer, BM, Bonn  
Dr Hendrik Schmitz Guinote, Counsellor, Permanent Mission to the UN, Geneva

#### **Ireland**

Ms Emma Warwick, Global Health Advisor, Irish Aid

#### **Italy**

Ms Gisella Berardi, Senior Adviser, Ministry of Economy and Finance, Department of Treasury, International Financial Relations Directorate, Rome  
Dr Pasqualino Procacci, Health Expert, Italian Agency for Cooperation to Development  
Mr Diego Cimino, Secretary of Legation, Ministry of Foreign Affairs and International Cooperation, Rome

#### **Japan**

Ms Hana Shibayama, Official, Ministry of Foreign Affairs  
Dr Naoki Akahane, First Secretary, Permanent Mission to the UN



**Luxembourg**

Mr Philippe Wealer, Attaché, Cooperation et Action Humanitaire, Permanent Mission to the UN, Geneva

**Monaco**

Ms Carole Lanteri, Ambassador Extraordinary and Plenipotentiary Permanent Representative, Permanent Mission to the UN, Geneva

Mr Maxime Trapani, Counsellor, Permanent Mission to the UN, Geneva

**Netherlands**

Ms Hanke Nube, Global Health Advisor, Ministry of Foreign Affairs

Ms Marie-Christine Siemerink, Global Health Advisor, Ministry of Foreign Affairs

Ms Nathalie Olijslager, Ambassador Extraordinary and Plenipotentiary Permanent Representative, Permanent Mission to the UN, Geneva UN

Ms Jennyfer Mopo-Imperator, First Secretary Political Affairs/Health, Permanent Mission to the UN, Geneva

**Norway**

Ms Lene Lothe, Head, Health Section, NORAD

Ms Marte Wensaas, Senior Advisor, NORAD

Mr Andreas Karlberg Pettersen, Adviser, NORAD

**Qatar**

Mr Almuhammad Al-Hammadi, Deputy Permanent Representative, Permanent Mission to the UN, Geneva

Mr Talal Al-Naama, Third Secretary, Permanent Mission to the UN, Geneva

Dr Raga Naseem Hammad, Health Expert, Permanent Mission to the UN, Geneva

**Republic of Korea**

Dr Sang-Gu Yeo, Deputy Scientific Director, Korea Centers for Disease Control and Prevention, Cheongju

Mr Jongkyun Choi, Minister Counsellor, Permanent Mission to the UN, Geneva

**Spain**

Ms Monica Dezcallar Ruspoli, Desk Officer, Deputy Directorate for Multilateral and European Development Policies, Ministry for Foreign Affairs and Cooperation

Mr Martin Ramon Miranzo, Health Counsellor, Permanent Mission to the UN, Geneva

**Sweden**

Mr Andreas Hilmersson, Counsellor, Permanent Mission to the UN, Geneva

**Switzerland**

Ms Anne Hassberger, Conseillère, Section institutions spécialisées, Département fédéral des affaires étrangères, Mission permanente de la Suisse auprès de l'ONUG, Geneva

Ms Carla Koch, Conseillère, Section institutions spécialisées, Département fédéral des affaires étrangères, Mission permanente de la Suisse auprès de l'ONUG, Geneva

**United Arab Emirates**

Mr Rashed Al-Hemeiri, Director, Ministry of Foreign Affairs and International Cooperation

Mr Abdullatif Fakhfakh, Expert in International Organizations, Permanent Mission to the UN, Geneva

**United Kingdom**

Ms Archeeta Pujari, Economic Adviser, DfID

Ms Alice Gilbert, Health Adviser, DfID

Ms Mujina Kaindama, Health Intern, Permanent Mission to the UN, Geneva

Dr Louise Kemp, Deputy Programme Manager for Polio, Department for International Development, Permanent Mission to the UN, Geneva

**United States of America**

Ms Susan McKinney, Senior Advisor for Vaccines and Immunization, USAID

Ms Elizabeth Noonan, Immunization Advisor, USAID

**VACCINE INDUSTRY – INDUSTRIALISED**

Ms Cecilia de Foucaucourt, Vaccines Public Affairs Manager, Sanofi Pasteur, France  
Dr Joan Benson, Executive Director, Merck  
Dr Lindsey Dietschi, Senior Director, Corporate Affairs, Pfizer  
Dr Laetitia Bigger, Director, Vaccines Policy, IFPMA  
Dr An X. Vermeersch, Vice President and Head, Global Health and Corporate Affairs, GSK Vaccines  
Ms Ariane McCabe, Director, Global Health and Public Affairs, GSK  
Dr Julie Hamra, Pfizer, New York  
Dr Lyn Morgan-Marsden, Head of Global Public Affairs for Endemic Vaccines, Institutions & Associations, Sanofi Pasteur  
Dr Andrea Sutherland, Director, Public Health Partnerships, Merck, Maryland

**VACCINE INDUSTRY – DEVELOPING**

Ms Sonia Pagliusi, Executive Secretary, Developing Countries Vaccine Manufacturers Network International, Nyon, Switzerland  
Dr Murali Pakshirajan, Managing Director, GreenSignal Bio Pharma Private Limited, Chennai, India

**CIVIL SOCIETY ORGANISATIONS**

Dr Chizoba Wonodi, Director, IVAC, Nigeria  
Ms Nathalie Ernoult, Access Campaign Coordinator, MSF Access Campaign, Paris  
Mr Frank Mahoney, Senior Immunisation Officer, IFRC, Geneva

**RESEARCH AND TECHNICAL HEALTH INSTITUTES**

Dr W. William Schluter, Director, Global Immunization Division, Centers for Disease Control and Prevention (CDC), Atlanta  
Dr Julie Jenks, Global Immunization Division, Centers for Disease Control and Prevention (CDC), Atlanta

**Special Advisers**

Ms Nicole Mensa, Special Adviser to Gavi Board Chair  
Ms Fabienne Kombo N'Guessan, Special Adviser to Board member from Côte d'Ivoire  
Dr Sara Mohammed Osman Elias, Special Adviser to Board member from Sudan  
Dr Rolando Pinel, Special Adviser to Board member from Honduras  
Dr Khant Soe, Special Adviser to Board member from Myanmar  
Mr Bruno Rivalan, Special Adviser to the CSO Board member  
Dr Stephen Karengera, Special Adviser to the PPC Chair  
Ms Carol Piot, Special Adviser to the Chair of the IFFIm Board

**Other Observers**

Dr David Lorenzo, Managing Director, Policy Access and Introduction, PATH, Seattle  
Dr Yann Le Tallec, Vaccine Delivery Director, Clinton Health Access Initiative, USA