

SUBJECT: CONSENT AGENDA: COMMITTEE CHARTERS

Agenda item: 10

Category: For Decision

Section A: Introduction

- Concerns relating to developing country participation and engagement in the governance structures of the Gavi Alliance and the level of support provided to the developing country constituency have been raised consistently in Board and Committee self-evaluations since 2012.
- In the context of the 2016 Board and Committee self-evaluation, concerns were again expressed in relation to the voice of the constituency not being sufficiently heard in critical strategic and programmatic and policy discussions which could impact Gavi-eligible countries.
- Since 2017, the Governance Committee has been considering the various aspects of these challenges.
- At its meeting on 10 October 2108, the Governance Committee considered options relating to (i) the Terms of Reference (ToRs) for developing country representation on the Board and Board Committees and the process of nominations to Gavi's governance structures; (ii) proposed changes to Board Committee Charters to strengthen the voice of the constituency by providing flexibilities in relation to the nomination of Committee Delegates; and (iii) proposed options to strengthen the Special Adviser model and associated arrangements.
- This paper presents the recommendation of the Governance Committee in relation to (ii) above, namely proposed changes to Board Committee Charters to strengthen the voice of the constituency by providing flexibilities in relation to the nomination of Committee Delegates.

Section B: Strengthening Developing Country constituency

1. Background

- 1.1 In the context of the 2016 Board and Committee self-evaluation, concerns were raised in relation to the representation of the developing country constituency on the Board and Board Committees.
- 1.2 The self-evaluation did not fully elaborate with any precision on the specific concerns that were identified in the course of the review, but it was identified as one of the actions that the Governance Committee would further review.

- 1.3 At its meeting in October 2017, the Governance Committee considered the issue as falling into three distinctive categories:
- a) *Board*: While the Statutes and By-laws do not prescribe that Board and Alternate members drawn from developing countries should be Ministers of Health or senior public officials, the default has generally been for the developing country constituency to nominate Ministers of Health to seats on the Board for the most part with the accompanying benefits that they bring not just as Board members but as advocates for their country and region.
 - b) *Board Committees*: The question of whether it was appropriate to require Ministers of Health to simultaneously serve on Board Committees was raised in the 2016 Board and Committee self-evaluation. The By-laws require that all Board members should “normally” sit on at least one Board Committee and the developing country constituency has attempted to respond to this requirement but with some difficulty.
 - c) *Constituency support*: It was also suggested that it might be timely to evaluate the support for the developing country constituency to ascertain if the current arrangements through the use of Special Advisers remains the most appropriate and value-for-money not only for the Board members but for their constituency as a whole and the Gavi Alliance.
- 1.4 At its meeting in October 2018, the Governance Committee endorsed revised and updated *Terms of Reference for Developing Country Constituency Representation on Gavi Alliance Board and Board Committees and Process for Nominations to Gavi Alliance Governance Structures* which aim to simplify the processes around Board and Committee representation for the constituency.
- 1.5 The Governance Committee also considered representation of the constituency on Board committees in the context of the following:
- a) Recognition that Board and Alternate Board members from developing countries, particularly if they are Ministers, may have limited capacity to assume a seat on one or more Board Committees.
 - b) There is also the possibility that the Board and/or Alternate Board member does not have the technical knowledge required for certain committees and this provides an opportunity to broaden the participation of countries in each regional cluster to participate on the Board’s Committees drawing on expertise that is resident within its region.
 - c) This would require, therefore, that potentially Committee Delegates are nominated and appointed to these Committees where regional clusters constituting the developing country constituency might prefer or be encouraged to do so.

- d) While the Audit and Finance Committee (AFC), Investment Committee (IC) and Programme and Policy Committee (PPC) Charters permit the appointment of Committee Delegates, the Governance Committee Charter currently restricts Committee membership to Board members and Alternate Board members only. The Governance Committee therefore agreed to recommend that the Governance Committee Charter be amended to allow for the appointment of Committee Delegates from the developing constituency only on an exceptional basis subject to their bringing subject matter expertise. The proposed amendment is set out in Annex A.
- e) It is not proposed that any changes are made to the composition of the Market-Sensitive Decisions Committee in that it should remain comprised only of Board members and Alternate Board members.

2.2 Majority of Board members on Board Committees

- a) The AFC, IC and PPC Charters require that a majority of the Committee shall comprise Board members and Alternate Board members.
- b) Board members from the developing country constituency would have the right of first refusal to join any of these Committees, though they would be encouraged (if appropriate) to nominate Committee Delegates who bring particular expertise and experience to the AFC, IC and PPC (as well as the Governance Committee).
- c) In order to facilitate developing country constituency representation on the Committees, the Governance Committee also agreed to recommend that the seats allocated to the developing country representatives (independently of whether they are filled by a Board member or a Committee Delegate) be excluded from the "majority rule" provision set out in the Charters governing the AFC, IC and PPC.
- d) In the case of the Governance Committee, it will continue to be constituted of Board and Alternate Board members with the exception of developing country constituency representatives who could be either a Board or Alternate Board member or Committee Delegate.
- e) In practice this would work as follows – the PPC currently comprises 20 members, 11 of whom should be Board members or Alternate Board members to ensure compliance with the PPC Charter. Four seats are allocated to representatives from the developing country constituency. The proposed amendment would require only nine PPC members to be Board members or Alternate Board members, based on a 'majority' of 16, rather than 20.
- f) The proposed amendments to the AFC, IC and PPC Charters to cater for this provision are set out in Annexes B, C and D respectively.

Section C: Actions requested of the Board

The Gavi Alliance Governance Committee recommends to the Gavi Alliance Board that it:

- a) **Approve** the revised and updated Governance Committee Charter as set out in Annex A to Doc 10, effective from 1 January 2019;
- b) **Approve** the revised and updated Audit and Finance Committee Charter as set out in Annex B to Doc 10, effective from 1 January 2019;
- c) **Approve** the revised and updated Investment Committee Charter as set out in Annex C to Doc 10, effective from 1 January 2019; and
- d) **Approve** the revised and updated Programme and Policy Committee Charter as set out in Annex D to Doc 10, effective from 1 January 2019.

Annexes

Annex A: Revised and Updated Governance Committee Charter

Annex B: Revised and Updated Audit and Finance Committee Charter

Annex C: Revised and Updated Investment Committee Charter

Annex D: Revised and Updated Programme and Policy Committee Charter