



## **GAVI Alliance Board Meeting**

11-12 June 2013

Starling Hotel, Geneva, Switzerland

Monday 10 June: Pre-Board meetings

Tuesday 11 June: 08.30-18.15 (Board meeting Day One)

Wednesday 12 June: 08.30-17.30 (Board meeting Day Two)

### **Annex: Committee minutes**

<b>Annex Pages</b>	<b>MINUTES</b>
<b>1-5</b>	- <b>Executive Committee – 15 February 2013</b>
<b>6-14</b>	- <b>Executive Committee – 20-22 March 2013 (Decision slides)</b>
<b>15-17</b>	- <b>Executive Committee – 1 May 2013 (Decision slides)</b>
<b>18-22</b>	- <b>Audit and Finance Committee – 5 February 2013</b>
<b>23-27</b>	- <b>Audit and Finance Committee – 22 April 2013 (Decision slides)</b>
<b>28-33</b>	- <b>Programme and Policy Cte – 29-30 April 2013 (Decision slides)</b>
<b>34-39</b>	- <b>Governance Committee – 20-22 March 2013</b>
<b>40-49</b>	- <b>Governance Committee – 7 May 2013 (Decision slides)</b>
<b>50-53</b>	- <b>Investment Committee – 19 February 2013</b>
<b>54-56</b>	- <b>Investment Committee – 26 April 2013 (Decision slides)</b>

Note: Minutes of committee meetings held since the Dar es Salaam Board meeting are included in this annex for ease of reference. Decision slides are included instead of meeting minutes that are not yet approved.



## **GAVI Alliance Executive Committee Meeting**

15 February 2013

Teleconference

### **FINAL MINUTES**

#### **1. Chair's report**

- 1.1 Finding a quorum of members present, the meeting commenced at 16.00 Geneva time on 15 February 2013. Dagfinn Høybråten, Executive Committee Chair, chaired the meeting.
- 1.2 Standing declarations of interest were tabled to the Committee (Doc 01 in the Committee pack).

-----

#### **2. Introductory Remarks from CEO**

- 2.1 Seth Berkley referred briefly to the three items for decision on the agenda for this meeting. He commented that the IRC had indicated that country applications are getting stronger and he welcomed this progress. He referred to the time pressure around the proposed decision on measles and that some of the countries have asked for vaccines to cover broader age ranges than the 9 months – 5 years projections provided by WHO when the Board decided on Measles SIAs in June 2012. In this context he has asked WHO to provide epidemiological evidence to assist GAVI in making such decisions in the future. Until such time as that information is available the current Board approved target population will be adhered to.
- 2.2 He apologised that the paper in relation to the item on Pneumococcal Vaccine Procurement had been circulated to the Executive Committee only on the previous day but some of the information had become available to the Secretariat at a very late stage and following consultations with the Chair it had been decided to move forward with a paper for the Executive Committee.

#### *Discussion*

- The Executive Committee welcomed confirmation from WHO that they are fully engaged in the discussion on measles, that they have initiated work with SAGE on this issue and that they hope to have relevant data available in April.

-----

### **3. Programme Funding Approval plan/IRC Recommendations**

- 3.1 Tony Dutson briefly presented the financial implications of the IRC recommendations and confirmed that the decisions presented can be taken in accordance with the GAVI Programme Funding Policy.
- 3.2 Helen Evans highlighted that 18 proposals have been recommended by the IRC and that a further 8 have been recommended for approval with conditions. An Executive Committee decision to approve funding for the latter would be conditional on the IRC confirming at their meeting in early March that all conditions have been met.
- 3.2 Wayne Berson, Chair of the Audit and Finance Committee (AFC), confirmed that the AFC had reviewed the financial numbers and information as outlined in the paper and endorsed them.

#### *Discussion*

- At the request of an Executive Committee member the Secretariat confirmed that the budget endorsement would be for the total programme budgets over the programme years whilst the financial commitment would only be for 2013 and 2014.
- In response to a question from an Executive Committee member the Secretariat confirmed that an approval at this meeting would not require further resource mobilisation in 2013 and indeed that the financial forecast indicates that GAVI has sufficient resources to support its existing Board endorsed programme commitments through 2015.
- It was noted that some of the IRC conditions are quite significant and that the Secretariat is working with partners in the relevant countries to ensure that countries can respond to the IRC as soon as possible. The Secretariat welcomed the strong coordination with WHO and UNICEF both in country and at the headquarters level.
- Whilst recognising the urgency to take a decision in relation to the Measles SIA proposals the representative from the donor constituency expressed concern that an approval by the Executive Committee conditional on IRC recommendation but prior to IRC review might start to undermine the robust IRC process. This would put the Executive Committee in the position of approving exceptions. It was suggested that if the processes are not enabling decisions to be taken in a timely manner then they should perhaps be reviewed and streamlined.
- Following discussion the Executive Committee agreed to take a decision on the Measles SIA proposals electronically in early March after the proposals have been considered by the IRC.

## **Decision One**

### **The GAVI Alliance Executive Committee:**

- a) **Approved** the recommendations of the October 2012 New Proposals IRC for new vaccine support to commence in 2013 and 2014 for 18 requests for support (as detailed country by country in Figure 5 of Doc 02).
- b) **Endorsed** a net increase in programme budgets by US\$ 392,179,000 for the period 2013-2017.

These endorsements would constitute acknowledgement of such budget amounts but would not constitute a funding approval, decision, obligation or commitment of the GAVI Alliance or its contributors.

- c) **Approved** a net increase of near-term programme liabilities (a sub-component of endorsed programme budgets) by US\$ 226,675,000 for the period 2013-2014.

## **Decision Two**

### **The GAVI Alliance Executive Committee:**

- a) **Approved**, subject to confirmation by the IRC to the Secretariat that its conditions have been fulfilled with regard to each individual programme, the recommendations of the October 2012 NVS IRC for support to commence in 2013 and 2014 for those requests of new vaccine support the NVS IRC recommended for approval with conditions.
- b) **Endorsed** a net increase in programme budgets by up to US\$ 288,924,000 for the period 2013-2016, in respect of the programmes so approved.

These endorsements would constitute acknowledgement of such budget amounts but would not constitute a funding approval, decision, obligation, or commitment of the GAVI Alliance or its contributors.

- c) **Approved** a net increase of near-term programme liabilities (a sub-component of endorsed programme budgets) by up to US\$ 199,310,000 for the period 2013-2014, in respect of the programmes so approved.

-----

Discussions and decisions in relation to Agenda Item 4 *AMC Firm Order Commitment* and Agenda Item 4a *Pneumococcal Vaccine Procurement* are recorded separately due to commercial sensitivities.

-----

**5. Review of decisions**

- 5.1 Debbie Adams, Managing Director, Law and Governance, reviewed the decision language with the Committee which was approved by them.

-----

**6. Any other business**

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

---

Ms Debbie Adams  
Secretary to the Board

## **Attachment A**

### **Participants**

#### **Committee Members**

- Dagfinn Høybråten, Chair
- Geeta Rao Gupta, Vice Chair
- Wayne Berson
- Flavia Bustreo
- Jenny Da Rin
- Ashutosh Garg
- Orin Levine
- Christine J.D. Ondo
- George W. Wellde Jr.
- Seth Berkley (non-voting)

#### **Regrets**

- Armin Fidler (Alternate)

#### **GAVI**

- Debbie Adams
- Helen Evans
- Harpal Dhillon
- Tony Dutson
- Joanne Goetz
- Hind Khatib-Othman (Item 3)
- Patricia Kuo (Item 3)
- Aurélia Nguyen

#### **Observers**

- Aksel Jakobsen, Special Adviser to the Board Chair (Item 3)
- Gian Gandhi, Special Adviser to the Board Vice Chair (Item 3)
- Chris Sturrock (Item 3)

## Review of decisions

***Debbie Adams***

*Executive Committee meetings  
20 & 22 March 2013*

*Barcelona, Spain*



# Decision 1: Programme Funding Plan approval / IRC Recommendations – Nigeria (1/2)

The GAVI Alliance Executive Committee:

- **Approved** the Nigeria measles SIA proposal for 2013 subject to the Secretariat being satisfied that any outstanding clarifications have been met in time for the SIA campaign to be conducted.
- **Endorsed** a net increase in programme budgets by US\$ 11,354,000 for 2013 as a contingency if Nigeria is unable to fully meet its voluntary commitment to pay measles vaccine costs due to budget constraints.

This endorsement would constitute acknowledgement of such budget amounts but would not constitute a funding approval, decision, obligation or commitment of the GAVI Alliance or its contributors.



# Decision 1: Programme Funding Plan approval / IRC Recommendations – Nigeria (2/2)

Annex - page 8

- **Approved** a net increase in near-term liabilities by up to US\$ 11,354,000 for 2013 as a contingency if Nigeria is unable to fully meet its voluntary commitment to pay measles vaccine costs due to budget constraints.

# Decision 2: Programme Funding Plan approval / IRC Recommendations – DRC (1/3)

The GAVI Alliance Executive Committee:

- **Approved** the DRC Measles SIA proposal for the period 2013 – 2014 for a target age group of children up to 5 years of age subject to the Secretariat being satisfied that any outstanding clarifications have been met in time for the SIA campaign to be conducted.

## Decision 2: Programme Funding Plan approval / IRC Recommendations– DRC (2/3)

- **Endorsed** a net increase in programme budgets of US\$ 5,450,000 for the period 2013-2014, in respect of the DRC Measles SIA. The EC endorses this increase on the basis of the exceptional circumstance that due to ongoing outbreaks waiting for DRC to address its co-financing default would result in increased and more serious measles infections and increased deaths.

This endorsement would constitute acknowledgement of such budget amounts but would not constitute a funding approval, decision, obligation or commitment of the GAVI Alliance or its contributors.

## Decision 2: Programme Funding Plan approval / IRC Recommendations– DRC (3/3)

- **Approved** a net increase in near-term liabilities of US\$ 5,450,000 for the period 2013-2014, in respect of the DRC Measles SIA. The EC approves this increase on the basis of the exceptional circumstance that due to ongoing outbreaks waiting for DRC to address its co-financing default would result in increased and more serious measles infections and increased deaths.

## Decision 3: Support for measles SIAs in measles high risk countries (1/2)

The GAVI Alliance Executive Committee:

- **Noted** that in June 2012 the Board, on an exceptional basis, decided to provide support for measles vaccines and operational costs (“SIAs”) for six large countries at high risk of measles outbreaks (Afghanistan, Chad, DR Congo, Ethiopia, Nigeria, and Pakistan) (measles high risk countries) as a bridge until the implementation of a measles-rubella campaign, or by no later than 2017. This decision was taken in the context of insufficient available resources to countries for SIAs, such as through the Measles & Rubella Initiative.

## Decision 3: Support for measles SIAs in measles high risk countries (2/2)

- **Clarified** that GAVI's support for SIAs in measles high risk countries shall be limited to a target population of below 5 years of age. The Executive Committee noted that WHO SAGE is expected to make recommendations on age targets for SIAs later in 2013. The Committee also noted the implications of the different assumptions for SIAs in the measles high risk countries.
- **Recognised** the difficult and changing environment of measles epidemiology and called on donors and partners to assist the measles high risk countries to respond to the evolving measles situation including by identifying resources to support the costs for target populations of 5 years and above where appropriate. The Executive Committee noted that while the need for SIAs remains, it is critical for partners and countries to also invest in and strengthen routine immunisation services to prevent measles deaths sustainably.



[www.gavialliance.org](http://www.gavialliance.org)

## Review of decisions

***Debbie Adams***

*Executive Committee meeting  
Teleconference, 1 May 2013*





# Decision 1: Programme Funding Plan approvals / IRC Recommendations

The GAVI Alliance Executive Committee:

- a) **Discussed** the Pakistan measles SIA proposal for 2013 as set out in Doc 02; and
- b) **Requested** the Secretariat, together with the partners, to continue the planning and technical assistance required to satisfy the IRC request for clarifications and then come back (by no later than 10 June 2013) to the Executive Committee to seek approval for the Measles SIA campaign to be implemented and for an increase in programme budgets and approve an increase in near-term programme liabilities; and
- c) **Noted** that the Secretariat had flexibility to fund necessary planning and technical assistance work from the resources within the already approved funding envelope and is encouraged to do so.



[www.gavialliance.org](http://www.gavialliance.org)



## **GAVI Alliance Audit and Finance Committee Meeting**

5 February 2013

Teleconference

### **FINAL MINUTES**

#### **1. Chair's report**

- 1.1 Finding a quorum of members present, the meeting commenced at 16.00 Geneva time on 5 February 2013. Wayne Berson, Audit and Finance Committee Chair, chaired the meeting.
- 1.2 Standing declarations of interest were tabled to the Committee (Doc 1a in the Committee pack). The Committee also reviewed its action sheet (Doc 1b) and its forward workplan (Doc 1c).
- 1.3 Tony Dutson, Senior Director Finance & Chief Accounting Officer noted that the Secretariat was setting up a process to implement the Board-approved Carry Forward Policy and would report on it at the Committee's April 2013 meeting. In addition, he noted that the World Bank was assessing its external audit arrangements and that the outcome would be reported to the Committee during the April meeting. He also reported an early indication of the firm likely to receive the appointment.

-----

#### **2. Programme Funding Plan approval / IRC Recommendations**

- 2.1 Tony Dutson reported that the Secretariat would request that the Executive Committee endorse a net increase in programme budgets by US\$ 392,179,000 for 2013-2017 and approve a net increase of near-term programme liabilities (a sub-component of endorsed programme budgets) by \$226,675,000 for 2013-2014 (Doc 2).
- 2.2 In addition, he noted that the EC would be asked to consider conditionally endorsing a further net increase in programme budgets of \$288,924,000 for 2013-2016 and a further approval of near-term programme liabilities of up to \$199,310,000 for 2013-2014. Funding for these programmes had been recommended by the Independent Review Committee with conditions, necessitating a further IRC review in March 2013. However, the EC was being asked to endorse those programmes now, subject to the IRC reporting that its own conditions had been met.

- 2.3 Finally, he reported that the EC would be asked to consider conditionally endorsing \$30 million to support Measles SIA proposals in the Democratic Republic of Congo and Nigeria. It was noted that the IRC's first look at these programmes would occur in March 2013, and so the EC's potential approval would also be subject to a positive IRC review.

#### *Discussion*

- The Audit and Finance Committee noted that the remaining questions to be addressed by the IRC concerned programmatic issues rather than GAVI's capacity to fund the programmes. As such, the Committee reviewed the highest expenditure scenario, which was to assume all of the programmes would be funded.
- The Secretariat reported that, in the past, IRC conditionally approved programmes would not be submitted for Board/EC approval until after the conditions had been met. In this instance, however, waiting until the next regularly scheduled meetings would delay the programmes by at least one procurement cycle. In an effort to be responsive to countries, and because it was likely many of these countries would meet the IRC conditions, it was thought that an EC approval, conditioned on a satisfactory evaluation by the IRC, would timely move the programmes forward. In any event, if the IRC does not eventually approve a programme, the EC decision will not go into effect for that country.
- The Committee discussed projected expenditures through 2015 and noted that while there was still flexibility to endorse additional programme budgets, GAVI was closer now to its limit for making further endorsements. The Secretariat noted its comfort with the amounts remaining and the additional country demand expected.

#### **Decision One**

##### **The GAVI Alliance Audit and Finance Committee:**

- **Noted** it reviewed the financial implications of the Programme Funding Envelope amount, and that it could be approved by the Board or Executive Committee in accordance with the Programme Funding Policy.

-----

### **3. AMC firm order commitment**

- 3.1 Tony Dutson informed the Committee on the outcome of the latest call for offers held by UNICEF, in its capacity as procurement agency for the Pneumococcal Advance Market Commitment ("AMC") (Doc 3). Before UNICEF will enter into contracts with manufacturers to procure the vaccine, financing must be in place for any firm order associated with the agreement.

- 3.2 Usually UNICEF requires that the funds be escrowed in a procurement bank account under its control; the GAVI-funded portion would be transferred in this way. However, GAVI has again been able to negotiate a promissory note for the portion to be funded by the AMC donors through the World Bank.
- 3.3 Tony Dutson then disclosed the maximum amount the Secretariat would request from the Executive Committee to close a transaction with the suppliers. As this was a commercial position, he requested the Committee not circulate this commercially-sensitive information. He noted that the maximum amount was smaller than that requested in the paper and that in the Secretariat's opinion, a transaction of this maximum size could be approved in line with the Programme Funding Policy and Cash Reserve Policy.
- 3.3 Consequently, he would request that the EC approve a financial commitment to UNICEF, half of which would be transferred in cash now and half to be secured by a promissory note, which would be paid off through the eventual release of the AMC donor funding through the World Bank.

#### *Discussion*

- The Chair confirmed that he had discussed the mechanics and commercially-sensitive aspects of the deal with the Secretariat and was comfortable moving forward with the negotiation and transaction. He emphasised that the amount requested was a cap within which the Secretariat and UNICEF would have to work to close a deal. Thus it was the worst-case scenario on pricing, and keeping the information to a small group of people would allow the Secretariat and UNICEF negotiators to potentially close a better deal. The Committee agreed that it was comfortable with the Chair acting on the Committee's behalf to receive and comment on commercially-sensitive aspects.
- It was confirmed that the AMC donors are not privy to commercially-sensitive information. The Chair emphasised that the donors should be comfortable with that arrangement given that the amount requested was the outer limit of the Secretariat's bargaining power and that keeping commercially-sensitive information to a small group of people could only improve the deal, not worsen it.
- The Committee discussed the drivers of the smaller request than that listed in the paper. Tony Dutson confirmed that it was not linked to lower demand.

#### **Decision Two**

##### **The GAVI Alliance Audit and Finance Committee:**

- **Noted** that it reviewed the financial implications and structure of the pneumococcal vaccine firm order commitment transaction.
- **Endorsed** the conclusion that GAVI has the financial resources to approve a financial commitment in an overall amount of up to US\$ [x] million to be

provided to UNICEF to allow UNICEF to enter into the supply agreements for the purchase of pneumococcal vaccine during 2017-2019.

- **Noted** that further time and commercially-sensitive negotiations in the context of the AMC are taking place and requested that the Chair of the Audit and Finance Committee review the financial implications and structure of that transaction and make any appropriate recommendations to the Executive Committee on the consistency of the transaction with GAVI's Programme Funding Policy.

-----

#### **4. Any other business**

- 4.1 It was confirmed that the process for appointing the internal auditor would be discussed at the April Committee meeting and that any changes to process would then be discussed with the Governance Committee.
- 4.2 It was also noted that stemming from the Board's discussion in December 2012 on procurement arrangements, the Secretariat was looking at alternative procurement regimes to determine what services and pricing was available and then discuss findings with UNICEF.
- 4.3 After determining there was no further business, the meeting was brought to a close.

---

Mr Kevin A. Klock  
Assistant Secretary

## **Attachment A**

### **Participants**

#### **Committee Members**

- Wayne Berson, Chair
- Dwight Bush
- Micheline Gilbert
- Dirk Gehl
- Ludovica Soderini
- Derek Strocher

#### **Other Board members present**

- Seth Berkley (non-voting)

#### **Regrets**

- Tom Hunstad
- Yifei Li

#### **Secretariat**

- Debbie Adams
- Tony Dutson
- Helen Evans
- Kevin A. Klock

#### **Guests**

- Kelly Jarrett, Bill & Melinda Gates Foundation

## Review of decisions

*Audit and Finance Committee Meeting  
22 April 2013*





# Decision 1: Business Plan Budget Update

The GAVI Alliance Audit and Finance Committee:

- **Noted** that while some 2012 activities (representing approximately US\$ 4.9 million within the 2012 approved budget) will now be completed in 2013, no budget carry-forward request is being sought at this time as GAVI will seek to absorb these activities within the existing 2013 Board approved business plan budget, with the intention to revert to the AFC later in 2013 should that not be feasible.

## Decision 2: Amendment to the Programme Funding Policy

The GAVI Alliance Audit and Finance Committee:

- **Recommended** to the Board that it approve the revised GAVI Programme Funding Policy as attached to Doc 5, Appendix A.

## Decision 3: Report of the internal auditor

The GAVI Alliance Audit and Finance Committee:

- **Recommended** to the Board that it approve the revised Internal Audit Terms of Reference as attached to Doc 7, Annex 2 and the reporting lines as detailed in Doc 7, Annex 1.



[www.gavialliance.org](http://www.gavialliance.org)

## Review of decisions

***Debbie Adams***

*Programme and Policy Committee Meeting  
Geneva, 29-30 April 2013*



# Decision 1: Grant application, monitoring and review

The GAVI Alliance Programme and Policy Committee:

**Recommended** to the GAVI Alliance Board that it:

- (a) Approve the principles and key elements of the proposed redesign of GAVI's grant application, monitoring and review systems, as described in section B.3 of Doc. 06, with the first evaluation of the system taking place after one year of implementation; and
- (b) Approve a High Level Review Panel consisting of senior level staff of the Secretariat, WHO and UNICEF, the IRC Chair and two other IRC members. Senior staff of other Alliance partners may be invited to the Review Panel, as participants or observers, as appropriate; and
- (c) Request the Secretariat to work with affiliated entities and partners to ensure launch of the new systems starting 1 January 2014, with all existing and new grants shifting to the new system following this date.

# Decision 2: Vaccine investment strategy (1/2)

Annex - page 30

The GAVI Alliance Programme and Policy Committee:

**Recommended** to the GAVI Alliance Board that it:

- a) Endorse the evaluation criteria set out in Table 1 in Doc. 07 for consideration in the Vaccine Investment Strategy (VIS) process;
- b) Decide to narrow the choice of possible vaccine investment options (in addition to GAVI's current portfolio) for further analysis in Phase II by prioritising vaccines based on health impact (mortality and morbidity), epidemic potential, and value for money (procurement cost per death averted). The Phase II analysis outcomes shall be benchmarked against the vaccines in GAVI's current portfolio. As modelled in Phase I of the VIS and subject to further analysis in Phase II, influenza (for maternal immunisation), malaria and rabies vaccines are in the top tier of health impact outcomes; cholera and yellow fever vaccines are included on the basis of epidemic potential and value for money outcomes. Dengue, meningitis (serogroups CYW135) and measles (expanded investment), while diseases with epidemic potential, are excluded from further analysis because of a relatively high cost per death averted of the modelled strategy;

*Programme and Policy Committee Meeting  
29-30 April 2013*

## Decision 2: Vaccine investment strategy (2/2)

Annex - page 31

- c) Request the Secretariat – recognising the urgency of timing in the polio eradication effort and that considerations for Inactivated Polio Vaccine (IPV) are not consistent with the VIS criteria or timing – to prepare for procurement and implementation of GAVI support for the introduction of IPV in the routine immunisation programmes of GAVI countries as recommended by WHO as a contribution to polio eradication. These preparations and implementation shall take into account forthcoming recommendations from SAGE and be in consultation with Alliance partners. Approval will be subject to sufficient additional funding being available and Board endorsement of moving this forward outside the timing of the VIS process and the Board will note that there may need to be changes to GAVI policies which would need to be approved by the Board or the Executive Committee.

*Suresh Jadhav (Vaccine Industry Developing Countries ) and Klaus Stohr (Vaccine Industry Industrialised Countries) recused themselves and did not vote on this item.*



# Decision 3: Review of prioritisation mechanism

The GAVI Alliance Programme and Policy Committee:

**Recommended** to the GAVI Alliance Board that it:

- Approve the revised prioritisation mechanism attached as Annex 1 to Doc 09.



[www.gavialliance.org](http://www.gavialliance.org)



## **GAVI Alliance Governance Committee Meeting**

20 March 2013  
Barcelona, Spain

### **FINAL MINUTES**

#### **1. Chair's report**

- 1.1 Finding a quorum of members present, the meeting commenced at approximately 15.30 Barcelona time on 20 March 2013. Geeta Rao Gupta, Governance Committee Chair, chaired the meeting.
- 1.2 The Chair noted that this additional meeting had been called due to the fact that the previous face to face meeting had been restricted to a teleconference as sever members had been unable to travel due to bad weather. In addition, give the plans to discuss the governance issues at the Board retreat the following day the Chair felt it would be useful to get initial input from the Committee.
- 1.3 Standing declarations of interest were tabled to the Committee (Doc 01a in the Committee pack). The Committee reviewed the minutes of its meeting on 8 November 2012 (Doc 01b), its action sheet (Doc 01c) and its forward workplan (Doc 01d).

#### **Decision One**

##### **The GAVI Alliance Governance Committee:**

- **Approved** the minutes of its meeting on 8 November 2012.

-----

#### **2. Report of the Recruitment Subcommittee**

- 2.1 In November 2012, the Governance Committee approved the establishment of a recruitment subcommittee comprising the Board Chair, the Governance Committee Chair, an unaffiliated Board Member, and the CEO (as a non-voting member) to recruit unaffiliated Board members to replace those members whose terms end in December 2013.
- 2.2 The Chair introduced the minutes from the recruitment Subcommittee meeting on 12 February 2013 (Doc 02) and provided an update on the process. Egon

Zehnder International (EZI) has been hired to assist in the recruitment of high calibre individuals with expertise in finance and/or investment.

- 2.3 The Chair noted that should potential candidates with significant technical expertise not be ready for the Board, they might be considered as Committee members to add strength and depth to certain Committees.
- 2.4 The Chair also noted that the Board will be invited to suggest candidates, preferably with finance and/or investment profiles. However names of other potential unaffiliated candidates would be welcome as it would be useful to have a short list or pool of potential candidates for other/future Board and Committee positions which may become vacant in the longer term.
- 2.5 Given prior discussions at the Executive Committee in September 2012, and a desire to ensure that the Board does not lose the institutional memory of long-standing unaffiliated members, as well as a desire to ensure overlap of existing unaffiliated Board Members and new appointments, the Chair asked the Governance Committee to consider approving and taking forward the subcommittee's recommendation that the terms of Wayne Berson and George W. Welde Jr to the GAVI Alliance Board be extended, if necessary in a staggered fashion.

## **Decision Two**

### **The GAVI Alliance Governance Committee:**

- **Recommended** to the Board that it appoint Wayne Berson and George W. Welde Jr to serve on the GAVI Alliance Board until the end of 2014 with the understanding that at least one of them may be asked to serve until the end of 2015 should circumstances warrant.

*George W. Welde Jr did not participate in discussion or voting on this recommendation.*

-----

### **3. Retreat discussion: governance issues**

- 3.1 The Chair led a discussion on a number of governance-related matters pertaining to Committee composition and functioning as well as Board agenda setting that were to be discussed at the Board's retreat in Barcelona on 21-22 March 2013. At her request the Secretariat had prepared a background paper (Doc 03) on these governance issues, most of which had been brought to light following last year's Board and Committee self-assessment and which were discussed at the 2012 Board Retreat. This paper was shared with the Board in preparation for the upcoming Board Retreat. The Chair explained that she had requested that the issues first to be discussed within the Committee to get input in advance of the Retreat, and to (re-)familiarise the Committee members with the issues such that they can engage the Board member

colleagues over the coming two days, and help ensure the Retreat discussions are productive.

### *Discussion*

- The Governance Committee agreed that it is difficult to separate the issues of the composition of committees from what their function is and whether or not they are decision-making. It was also suggested that decision-making should not be delegated to a Committee where the majority of members are not Board members. The Governance Committee agreed that should decision-making be delegated to Board Committees, more Board members might be motivated to become members of the Committees. The Governance Committee also felt that the delegation of decision-making to the Committees would enable the Board to spend more time on strategic discussions.
- The Governance Committee suggested that it should be compulsory for all Board members to be a member of at least one Board Committee, and that this is indeed already something which is the case for a majority of Unaffiliated Board Members.
- Another suggestion was that Board Members, Alternates and Committee Delegates on Committees should have voting rights and should expert Committee members be appointed, for example to add bench strength, these should be non-voting members.
- The Governance Committee agreed that Board Members need to be held responsible for the work being carried out by their Committee Delegates, in particular in order to ensure that there is a common view when issues are being discussed at the Committee level and at the Board level.
- The Governance Committee agreed that there should be a move towards increasing the use of the consent agenda at Board meetings.
- In relation to the analysis of the agenda for Board meetings the Governance Committee noted that there are a number of papers which are presented for information only. It was suggested that these information papers should not be presented at the meetings. Alternatively, as the Board meets twice a year it was suggested that such items could be presented as part of the CEO report, which would then it itself become longer and more detailed. Another option would be to present such items during pre-Board meetings. The Secretariat has run such pre-Board meeting informational sessions from time to time and particularly for complex issues, but such meetings have not always been well attended.
- The Governance Committee briefly discussed the difference between a Board retreat and a Board meeting. It was pointed out that some Board members, even for a Board retreat, are uncomfortable about not having information in advance on the issues to be discussed. Some members of the Governance Committee suggested that a facilitator could be used for Board retreats in

order to ensure that the hierarchy of retreats is different from that of regular Board meetings.

- Governance Committee members noted that discussion of Board and Committee composition, functioning and agenda-setting, may give rise to issues that have come up before such as the role of the Secretariat versus partners. The Chair noted that this and other governance issues could be discussed as necessary, and that the Board and Governance Committee would continue to learn and adapt given that over time the GAVI Alliance has itself grown into a new type of entity with some members simultaneously balancing working within the Alliance as a non-profit partnership, and representing organisations or constituencies in a new kind of multilateral paradigm.

-----

#### **4. Board Travel Policy**

- 4.1 The Governance Committee was asked to review the Board Travel policy on the Board's behalf and provide its recommendations to the Board. This item had been on the agenda for the November 2012 meeting of the Governance Committee but discussion had been postponed due to time constraints.
- 4.2 Debbie Adams, Managing Director of Law & Governance, and Secretary to the Board, informed the Governance Committee that there has to date not been a formal policy and that what is set out in the proposed policy is based on custom and practice, with the exception that the policy does not foresee reimbursement of expenses for representatives from the vaccine industry developing countries, which is currently the case.

#### **Decision Three**

##### **The GAVI Alliance Governance Committee:**

- **Recommended** to the Board that it approve the Board Travel Policy as attached to Doc 4, Annex 1.

-----

#### **5. EAC Charter review**

- 5.1 The Committee Chairs had requested guidance on the EAC Committee Charter to ensure that it reflects accurately the activity the Board wishes the EAC to conduct. This item had also been on the agenda for the November 2012 meeting but discussion had been postponed due to time constraints.

##### *Discussion*

- Alan Hinman, who is a member of the EAC, informed the Committee that he had been concerned about the possibly broad range of evaluations described

by the EAC Chair at the Board meeting in November 2011. In practice, this concern had not been borne out. In his view the Charter adequately describes the role of the EAC.

- The Governance Committee agreed that the composition of the EAC should remain a majority of independent experts and that the role of Board Members on the EAC should be clarified through Terms of Reference for different categories of EAC members. In this context it was agreed that the Board members on the EAC should act as liaison to the Board and should not be required to carry out the technical work attributed to the independent EAC members.

-----

## **6. Any Other Business**

The Governance Committee briefly discussed the idea of GAVI becoming a paper smart organisation for all Board and Committee meetings and agreed that if this were to be the case meeting papers would have to be formatted to ensure their compatibility with all systems.

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

---

Ms Debbie Adams  
Secretary to the Board

## **Attachment A**

### **Participants**

#### **Committee Members**

- Geeta Rao Gupta, Chair
- Nicholas Alipui
- Alan Hinman
- Olga Popova
- José Luis Solano
- George W. Wellde, Jr.
- Seth Berkley (non-voting)

#### **Regrets**

- Dwight Bush
- Maria C. Freire
- Samba O. Saw

#### **Secretariat**

- Debbie Adams
- Joanne Goetz

#### **Guest**

- Gian Gandhi, Special Adviser to the Board Vice Chair



## Review of decisions

***Debbie Adams***

*Governance Committee Meeting  
Washington, D.C., USA, 7 May 2013*



# Decision 1: Minutes

The GAVI Alliance Governance Committee:

(a) **Approved** the minutes of its meeting on 20 March 2013.

# Decision 2: Internal audit reporting lines proposal

The GAVI Alliance Governance Committee:

- (a) **Recommended** to the Board that it approve the reporting lines of the Internal Auditor as detailed in Doc 3, Annex 1.

# Decision 3: Revision to the Investment Committee Charter

The GAVI Alliance Governance Committee:

(a) **Recommended** to the Board that it amend Section 4 of the Investment Committee Charter as follows:

- *~~Review and make recommendations to the Board on set GAVI's Investment Policy, asset allocation, investment goals and objectives from time to time.~~*
- ...
- *~~Set and review the strategic asset allocation of GAVI's investment portfolio from time to time and report such activity to the Board.~~*
- ...
- *Report regularly to the Board on the Committee's activities and actions, as appropriate.*

# Decision 4: Committee chairs and member terms (1/3)

The GAVI Alliance Governance Committee:

- (a) **Recommended** to the Board that it amend the second sentence of Article 4.2 of the By-Laws as follows:
- *Each of the Board Committees shall have a presiding chair who shall be one of the Board Members and shall be appointed annually once every two years by the Board unless otherwise provided in the Statutes, By-Laws or Charter of the relevant Committee.*
- (b) **Recommended** to the Board that it amend the first sentence of Section 2 of the Charter of Executive Committee as follows:
- *Executive Committee members shall normally sit on the Executive Committee for ~~three~~ two years and may be reappointed for a single term, provided that an Eligible Organisation (or group of Eligible Organisations) or Eligible*

## Decision 4: Committee chairs and member terms (2/3)

*Constituency shall be entitled, in accordance with Article 10 of the Statutes, to have the same person(s) serve as its Executive Member(s) for such additional time as it shall desire and shall be entitled to replace its member(s) as it shall desire.*

- (c) **Recommended** to the Board that it amend the first paragraph of Section 2 of the Charters of the Audit and Finance Committee, Investment Committee, and Programme and Policy Committee as follows:
- The Committee shall be a Standing Committee of the Board and Article 4 of the By-Laws shall govern Committee member appointment, removal and resignation; all members shall be appointed on an annual basis once every two years, with renewable terms. Further the Committee shall consist of at least three Board Members/Alternates.*

## Decision 4: Committee chairs and member terms (3/3)

(d) **Recommended** to the Board that it amend the first paragraph of Section of the Charter of the Governance Committee as follows:

- *The Committee shall be a Standing Committee of the Board and Article 4 of the GAVI By-Laws shall govern Committee member appointment, removal and resignation; all members shall be appointed ~~on an annual basis~~ once every two years, with renewable terms. The Committee shall consist of at least three members. The Board Vice Chair shall also serve as Governance Committee Chair and a voting member of the Governance Committee (subject to the restrictions imposed by Article 4.2 of the By-Laws).*

(e) **Recommended** to the Board that it amend the second sentence of Section 2 of the Charter of the Evaluation Advisory Committee as follows:

- *The Board shall select the Committee Chair (“Chair”) and ~~members who shall serve at the pleasure of the Board~~ appoint all members once every two years, both with renewable terms.*

# Decision 5: Board and committee nominations (1/2)

The GAVI Alliance Governance Committee:

- (a) **Recommended** to the Board that it appoint the following Board members:
  - i. **Joan Awunyo-Akaba** as Board Member representing civil society organisations in the seat currently held by Alan Hinman effective 1 July 2013 until 30 June 2015.
- (b) **Recommended** to the Board that it appoint the following Alternate Board members:
  - i. **Naveen Thacker** as Alternate Board Member to Joan Awunyo-Akaba representing civil society organisations in the seat currently held by Joan Awunyo-Akaba effective 1 July 2013 until 30 June 2015.



## Decision 5: Board and committee nominations (2/2)

- (c) **Recommended** to the Board that it appoint the following member of the Programme and Policy Committee:
  - i. Committee delegate
    - (i) Raj Baisya in the seat currently held by Abigail Robinson (UK)
- (d) **Recommended** to the Board that it reappoint the following member of the Evaluation Advisory Committee:
  - i. Independent expert
    - (i) Gonzalo Hernandez effective immediately until 31 December 2015



[www.gavialliance.org](http://www.gavialliance.org)



## **GAVI Alliance Investment Committee Meeting**

19 February 2013  
New York, NY, USA

### **FINAL MINUTES**

#### **1. Chair's report**

- 1.1 Finding a quorum of members present, the meeting commenced at 8.00 New York time on 19 February 2013. George W. Wellde, Jr, Investment Committee Chair, chaired the meeting.
- 1.2 Standing declarations of interest were tabled to the Committee (Doc 1a in the Committee pack). The Committee reviewed the minutes of its meeting on 2 November 2012 (Doc 1b), its action sheet (Doc 1c) and its forward workplan (Doc 1d).

#### **Decision One**

##### **The GAVI Alliance Investment Committee:**

- **Approved** the minutes of its meeting on 2 November 2012.

-----

#### **2. Manager presentation – Convexity**

- 2.1 Jack Meyer, Mike Pradko, Pete van Amson, and Erica White from Convexity Capital delivered an informational report that provided background on their organisation and its investment approach (Doc 2).

##### *Discussion*

- The Committee discussed with the Convexity representatives its trading strategies, counterparty diversification, counterparty and broker/dealer relationships, financing and repurchase agreements, benchmarking, and management and performance fees.
- After the Convexity representatives left the meeting, the Committee discussed the firm's strategy, fee structure, management team experience and succession planning, net returns, and risk profile.

-----

### **3. Investment portfolio review**

- 3.1 Jeanne Shen, Chief Investment Officer, informed the Committee of the overall investment portfolio performance for the year through December 2012, and reviewed the major asset classes in GAVI's portfolio (Doc 3). She started by providing an overview of the global economic environment. She then reviewed long-term portfolio returns, asset allocation, manager allocation, credit quality, regional allocation, sector allocation, credit quality, and contribution to mission.
- 3.2 She updated the Committee on the transition to the new asset allocation, and proposed a strategy for transitioning between the asset classes and reviewed the potential new investment managers.

#### *Discussion*

- With regard to the portfolio's risk profile, Michael Rosen with Angeles Investment Advisors, the Committee and Secretariat's expert investment advisor, noted that the new asset allocation is still on the highly conservative end of the spectrum. He emphasised that while a highly conservative portfolio helps to drive down short term volatility, in the long-term it ironically increases risk since the portfolio will underperform its benchmarks in higher interest rate environments, or as credit spreads widen. It was noted that both circumstances were inevitable.
- The Committee encouraged the Secretariat to be more aggressive in transitioning to the new asset allocation. It noted that the Board had approved a more diversified portfolio in late 2011 and that in order to condition the Board to consider further diversification, the portfolio needed to be fully transitioned into the new asset allocation. It also suggested that the Secretariat consider making the new investments in larger amounts to fewer managers.
- Given the relatively little experience most Board members have in investments and portfolio management, the Chair suggested and the Committee agreed that he thank the Board during the next Board meeting for allotting the new authority, update it on the transition, and emphasise that the Committee and Secretariat will need the further authority to properly position the portfolio for when rates rise and spreads widen.
- The Committee requested an update on the management of funds under GAVI Campaign control. Jeanne Shen reported that she had designed and the Campaign board approved an investment policy. She then disclosed the asset allocation. The Committee questioned whether those assets could generate greater returns if they were managed under the Alliance strategy.

-----

### **4. Review of decisions**

- 4.1 Kevin A. Klock, Head of Governance and Assistant Secretary, reviewed and agreed the decision language with the Committee.

-----

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

---

Mr Kevin A. Klock  
Assistant Secretary

## **Attachment A**

### **Participants**

#### **Committee Members**

- George W. Wellde, Jr, Chair
- Dwight Bush
- Ashutosh Garg

#### **Secretariat**

- Edmund Fudzie
- Kevin A. Klock
- Alexandra Laheurte Sloyka
- Jeanne Shen

#### **Guests**

- Pete van Amson, Convexity (Item 2 only)
- Jack Meyer, Convexity (Item 2 only)
- Mike Pradko, Convexity (Item 2 only)
- Michael Rosen, Angeles Investment Advisors
- Erica White, Convexity (Item 2 only)

## Review of decisions

*Investment Committee Meeting  
26 April 2013*



# Decision 1: Revision to the Investment Committee Charter

The GAVI Alliance Investment Committee:

- (a) **Recommended** to the Governance Committee and to the Board that they amend the Investment Committee Charter as follows:
- **Bullet 1 of Section 4** is deleted in its entirety and replaced with:  
*Review and set GAVI's Investment Policy, asset allocation, investment goals and objectives from time to time.*
  - **The following bullet is added to Section 4:**  
*Report regularly to the Board on the Committee's activities and actions, as appropriate.*
  - **Bullet 3 of Section 4** is deleted in its entirety.





[www.gavialliance.org](http://www.gavialliance.org)