Gavi Alliance Audit and Finance Committee Meeting
4 June 2026
Virtual Meeting

1. Chair's report

1.1 Noting that the meeting had been duly convened and finding a quorum of members present, the meeting commenced at 14.01 Geneva time on 4 June. Mr David Sidwell, AFC Chair, chaired the meeting.

1.2 Standing declarations of interest were tabled to the Committee (Doc 01a in the Committee pack).

1.3 The Committee noted its action sheet (Doc 01b), forward workplan (Doc 01c) and list of priorities.

1.4 The Chair noted that the technical briefing on forecasting held on 2 June was well attended and provided AFC members with a valuable opportunity to raise questions.

2. Audit and Investigation report

2.1 Lucy Elliott, Managing Director, Audit & Investigations (A&I), presented an overview of A&I activities to April 2026, including the audits of SAP (Gavi's financial management system) and Gavi's first Artificial Intelligence (AI) policy; the publication of 10 country programme audit reports; and the regular reporting on misconduct and misuse reimbursement. She also addressed A&I staff resourcing and forthcoming leadership changes within the A&I team.

2.2 Ms Elliott invited the Committee to provide input on key risks to inform the 2027 A&I Workplan.

2.3 François Note, Chief Financial Officer (CFO), and Niamh Lawless, Chief Operating Officer (COO), discussed the SAP audit and steps taken since the audit work was completed to address the findings. They reported that a substantial number of findings had already been addressed.

Discussion

- Regarding the audit of SAP:
  - The Chair emphasised the importance of receiving updates on implementation of agreed audit actions following the SAP audit and requested that consideration be given to the format of the audit report, in light of the time elapsed between the audit work and finalisation of

management's responses. He suggested the inclusion of an addendum to provide context and reflect recent developments.
    - In response to a request from the Chair, the Secretariat explained SAP's implementation and maturation phases and reported that many recommendations have been implemented, and their implementation would be validated by A&I in early 2027.
    - One Committee Member requested more information regarding lessons learnt from the SAP audit and how the Secretariat could anticipate technology-related governance issues rather than being reactive to audit findings. In response, the Secretariat noted that there has been strengthened governance, including monthly reform and prioritisation group meetings, Information Technology (IT) steering committees, and plans for a platform forum to share user experiences and further improve technology governance.

- In response to a Committee Member's request regarding the 10 country programme audit reports, the Secretariat agreed to provide, bilaterally, a regional breakdown and insights on differences between Initial Self-Financing, Preparatory Transition, and Accelerated Transition countries once further analysis has been undertaken.

- The Secretariat acknowledged concerns raised by a Committee Member regarding gaps in vaccine-preventable disease (VPD) surveillance, and the need for increased upstream investment and stronger linkages with polio initiatives.

- In response to a Committee Member's query on the management of A&I resourcing constraints, the Secretariat noted that the team is utilising expert consultants to address staffing gaps, has flexibility within its budget to support hiring, and is monitoring the situation closely.

- Committee Members expressed concern about the delay in report issuance once audit work is completed and reiterated their expectation that reports are issued as soon as possible after completion.

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3. 2025 Annual Financial Report

3.1 François Note, Chief Financial Officer (CFO), reported one change since the Annual Financial Report was presented in May 2026 which was the recognition of an additional liability for a refundable contribution of US$ 37 million (previously flagged as under review at the May meeting). He stated this change arose from updated donor information, bringing the total provision to US$ 64 million.

Discussion

- In response to a query from a Committee Member regarding the change in pledges from US$ 9 billion to US$ 5.2 billion, the Secretariat noted that this was a correction and clarified that the US$ 5.2 billion refers to new pledges, while the US$ 9 billion was the total number. The Secretariat agreed to review whether to note the repurposed funding explicitly within the annual financial report.

- The Secretariat noted the Chair's request to provide greater detail on the figure relating to the African Vaccine Manufacturing Accelerator (AVMA) in the annual financial report.

Decision One

The Gavi Alliance Audit and Finance Committee **recommended** to the Gavi Alliance Board that it:

Approve the 2025 Annual Financial Report and the 2025 Gavi Statutory Financial Statements as set out in Annexes B and C of Doc 03.

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4. Deloitte Audit Presentation

4.1 Annik Jaton Hüni, Partner, Deloitte SA, noted that the 2025 audit is complete with no misstatements identified to date, and that Deloitte expects to issue a clean audit opinion on both standalone and consolidated financial statements, pending Board approval and the signing of the representation letter.

4.2 She highlighted that the narrative of the annual report has been reviewed for consistency and noted that Deloitte agrees with management proposition to increase the provision by US$ 37 million, as noted in item 3.

4.3 Lisa Watson, Director, Deloitte SA, discussed forward looking recommendations, shared information technology (IT) audit findings, and explained the results of the segregation of duties analysis in SAP.

Discussion

- The Chair expressed appreciation for the auditor's work, noting the importance of the external independent review, especially given recent changes in the Secretariat. He suggested that the Secretariat should follow-up later in the year to ensure recommendations are addressed and reminded the committee about the upcoming closed session with Deloitte for confidential questions.

- The Secretariat confirmed that recruitment within the CFO's office would conclude shortly, with handovers underway, and that it will retain its current external advisor for a further year to ensure continuity during the transition.

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5. CFO update

5.1 François Note, Chief Financial Officer (CFO), highlighted key updates including the treatment of COVAX AMC balances, revision of the financial forecast following the May 2026 Programme and Policy Committee (PPC) meeting, and the finalisation of the 2027 budget. He noted that a final review of the 2027 budget will be presented at the October 2026 meeting.

5.2 Mr Note presented a decision to the Committee on the European Commission audit fee.

Discussion

- In response to a request from the Chair, the Secretariat confirmed that the proposed European Commission audit fee is reasonable and within historical norms. The Secretariat further noted that any scope escalation would require further committee approval.

- Responding to a query from a Committee Member on the impact of budget reductions on technology investments, the Secretariat assured the Committee that no further cuts to necessary technology investments are expected to achieve the 2027 target budget.

- In response to a query from a Committee Member, the Secretariat clarified that the US$ 15 million foreign exchange (FX) estimate was for 2026 due to dollar weakening, and that the 2027 budget projections do not include a negative FX effect.

- The AFC Chair recalled the Committee's support for the operational expenses (OpEx) envelope of US$ 700 million and emphasised the expectation that the non-recurring transformation budget should not be reduced to address the remaining 2027/6.0 funding gap.

Decision Two

The Gavi Alliance Audit and Finance Committee:

Approved the engagement of Deloitte to provide an independent verification of expenditure on the Grant Agreement NDICI CHALLENGE/2022/438-020 for an estimated fee of EUR 85,000.

Should the scope of work escalate requiring a revision of fee, an additional request will be made to the Committee.

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6. Financial Forecast for Gavi 6.0 (2026-2030) update

6.1 François Note, Chief Financial Officer (CFO), provided a summary of updates to the financial forecast.

6.2 Ian MacTavish, Director of Finance and Chief Accounting Officer, discussed financial forecasts, resource allocations, expenditure tracking, and risk/opportunity analysis for the Gavi 6.0 strategic period.

Discussion

- The Chair acknowledged the usefulness of the recent technical briefing for understanding the financial forecasting process and its complexity.

- In response to a Committee Member's query regarding differences between the Secretariat's and UNICEF's forecasts, the Secretariat explained that variations reflect differing methodologies and demand assumptions. The Secretariat further noted that the budget includes contingency flexibility and that any remaining funding gaps would be addressed through a holistic Board review of Gavi funding envelopes.
- The Secretariat acknowledged a Committee Member's comment regarding the need for a more structured approach to forecasting to support decision making and stated that the recalibration process and new prioritisation policy will support these efforts.

- In response to a Committee Member's query, the Secretariat confirmed that First Response Fund (FRF) OpEx are separate from Secretariat OpEx and that prioritisation mechanisms are in place.

- One Committee Member queried unresolved funding gaps in the financial forecast and the Secretariat explained that these are included in the forecast for transparency and will be addressed by the Board through prioritisation or resource mobilisation, in accordance with relevant policies.

- In response to a Committee Member's request for clarity on contingency measures to manage potential vaccine supply shortfalls, the Secretariat confirmed that contingency resources are available and that sufficient flexibility exists to respond to critical needs.

- The Committee amended the decision language to clearly acknowledge funding gaps, specify mechanisms for prioritisation using board-approved policies, and align with PPC recommendations.

Decision Three

The Gavi Alliance Audit and Finance Committee **recommended** to the Gavi Alliance Board that it:

a) **Note** that the Audit and Finance Committee reviewed the financial implications of the recommendations made by the Programme and Policy Committee (PPC) and concluded that the recommendations could be approved by the Gavi Alliance Board in accordance with the Programme Funding Policy;

b) **Note** the recommendation from the Programme and Policy Committee that:

   i. Additional resources in the financial forecast v23.2 (approximately US$ 222 million) will be allocated following the revised prioritisation logic. This would likely cover most of the additional 2026 and 2027 needs from the draft v23.2 financial forecast.
   ii. If a funding gap in guaranteed budgets and the Initial Self Financing (ISF) floor persists, the Secretariat will conduct a holistic review of all Gavi funding envelopes to fill that gap and bring it to the Board for decision.
   iii. The Secretariat will conduct a review of the Vaccine Budget policy in 2028 and update it as needed.

c) **Approve** the Gavi 6.0 Financial Forecast (2026-2030) of Qualifying Resources of US$ 9.3 billion (including US$ 0.2 billion of AVMA+ resources which, subject to Board approval, could support Gavi 6.0 programmes) and Forecast Expenditure of US$ 10.2 billion, noting that the Gavi 6.0 Financial Forecast (2026-2030) Resources are US$ 10.2 billion and the Secretariat will only commit funds aligned with available Qualifying Resources and cash flow forecasts;

d) **Approve** the 2026–2030 forecast for other Board-approved funded programmes of Forecast Resources of US$ 2.0 billion and Forecast Expenditure of US$ 0.5 billion (the African Vaccine Manufacturing Accelerator (AVMA), the Pandemic Prevention Preparedness and Response (PPPR) coalition, the First Response Fund (FRF) and legacy COVAX AMC funded programmes) noting that this includes (i) US$ 50 million drawdown from the FRF to support the Alliance's response to the Ebola Bundibugyo Virus (BVD) outbreak and (ii) up to US$ 0.2 billion which, subject to Board approval, could support Gavi 6.0 through AVMA+ programming.

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7. Ethics, Risk and Compliance update

7.1 Kelly Pendergrass, Senior Specialist, Strategic Risk, Governance and Reporting, presented version 4.0 of the Gavi Alliance Risk Appetite Statement, outlined the annual process for reporting risk appetite and tolerance breaches to the Board, and highlighted the escalation mechanisms in place for urgent risks.

Discussion

- The Committee requested greater clarity on how risk tolerance changes and breaches are communicated to the Board and committees.

- One Committee Member expressed concern about the narrow definition of Civil Society Organisation (CSO) engagement risk. In response, the Secretariat clarified that the risk appetite statement is intentionally broad to allow flexibility in capturing emerging risks, noting that CSO-related risks fall within the wider “collaboration” risk theme, and that any specific issues would be assessed individually within this framework and in line with the overall risk appetite.

- The Chair proposed a broader review of the risk framework and its link to risk appetite, identification, and escalation to be scheduled for October 2026.

Decision Four

The Gavi Alliance Audit and Finance Committee **recommend** to the Gavi Alliance Board that it:

Approve the Gavi Alliance Risk Appetite Statement version 4.0 as set out in Annex A to Doc 07.

The Gavi Alliance Audit and Finance Committee

Delegated to the Audit and Finance Committee Chair the authority to review and approve any further amendments necessary to finalise the Gavi Alliance Risk Appetite Statement version 4.0 before submission to the Gavi Alliance Board for approval.

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8. Any other business

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

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9. *Closed Session with external auditors* - CONFIDENTIAL

9.1 Members of the Secretariat were recused from the meeting and the Committee proceeded with a closed session with the external auditors (see separate minutes).

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10. *Closed Session for members only* - CONFIDENTIAL

10.1 Members of the Secretariat were recused from the meeting and the Committee proceeded with a closed session (see separate minutes).

Ms Melissa Wolfe
Secretary to the Meeting

Attachment A: Participants

Committee Members
- David Sidwell (Chair)
- Lauren Franzel
- Gisela Henrique
- Kelly Jarrett
- Ashish Makkar
- Anna McNicol
- Ana de Pro Gonzalo
- Karen Sørensen
- Onei Uetela

Regrets
- Deena Shiff
- Leone Gianturco
- Kwaku Agyeman-Manu

Observers/Guests

- Annik Jaton Hüni, Deloitte (CH)
- Lisa Watson, Deloitte (CH)
- Linda Martinsen, Governments – Industrialised (NO)
- Rob Whitby, Governments - Industrialised (UK)
- Kyungsoo Woo, Governments – Industrialised (KR)
- Sudhvir Singh, Special Adviser to the Chair of the Gavi Board

Secretariat
- Johannes Ahrendts
- Pauline Caywood
- Adriana Jimenez Cuen
- Lucy Elliott
- Augustin Flory
- Adviya Khan
- Brenda Killen
- Amy LaTrielle
- Niamh Lawless
- Ian MacTavish
- Sania Nishtar
- François Note
- Beryl Orario
- Kelly Pendergrass
- Marie Rochat
- Gavin Wilson
- Melissa Wolfe

**All participants joined the meeting virtually via Zoom*