



GAVI Alliance Board Meeting

11-12 June 2013

Geneva, Switzerland

FINAL MINUTES

1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 08.30 local time on 11 June 2013. Dagfinn Høybråten, Board Chair, chaired the meeting.
- 1.2 The Chair welcomed the Board members to Geneva and extended a special welcome to several new Board members and alternate Board members attending a Board meeting for the first time. He also welcomed René Karsenti and his colleagues from the IFFIm Board.
- 1.3 On behalf of the Board he extended congratulations to Olga Popova who had recently given birth to GAVI's first Board baby, and wished a speedy recovery to Paul Fife who had recently suffered a stroke.
- 1.4 The Chair reminded the Board that Nelson Mandela had been the first Chair of the GAVI Vaccine Fund Board, one of the organisations founding fathers who had brought some key donors to GAVI and who continues to be an inspiration to all. He would be sending, also on behalf of the Board, greetings from this meeting and wishes for a speedy recovery.
- 1.5 The Chair noted that a number of departing Board members would be recognised at the dinner that evening but extended a special word of thanks to Gustavo Gonzalez-Canali, who had recently informed the Chair and the Vice Chair of his intention to step down as PPC Chair as his current role at the French Ministry of Foreign Affairs would end in August. The Chair expressed, also on behalf of the Board, his appreciation for Dr Gonzalez-Canali's dedication to GAVI over the years and his leadership of the PPC, a role which was no doubt challenging but one which he had fulfilled with great success.
- 1.6 Standing declarations of interest were tabled to the Board (Doc 01a in the Board pack). Alan Hinman declared grants received from the Bill & Melinda Gates Foundation (BMGF) for cholera and inactivated polio vaccine, and Zulfiqar Bhutta declared a grant received, also from BMGF, to support polio eradication in Pakistan.

- 1.7 The Board noted the minutes of its meeting on 4-5 December 2012 (Doc 01b), which had been approved by no-objection on 21 March 2013.
- 1.8 In addition, the Board noted the list of actions agreed at the last meeting (Doc 01c) and the Board workplan (Doc 01d). The Chair actively encouraged Board members to contribute to the forward plan by raising issues which they may wish to add with either himself or the Secretariat.
- 1.9 Finally, the Board watched a film on the introduction of HPV in Rwanda.

2. Consent agenda

- 2.1 The consent agenda included Board and Committee member appointments recommended by the Governance Committee (Doc 02a), Committee Chairs and member terms: Changes to By-Laws and Committee Charters recommended by the Governance Committee (Doc 02b), Revision to the Investment Committee Charter recommended by the Investment Committee and Governance Committee (Doc 02c), the Board Travel Policy recommended by the Governance Committee (Doc 02d), Amendment to the Programme Funding Policy recommended by the Audit and Finance Committee (Doc 02e), the Internal Audit reporting lines and terms of reference recommended by the Audit and Finance Committee and the Governance Committee (Doc 02f) and the Review of GAVI's pilot prioritisation mechanism recommended by the Programme and Policy Committee (Doc 02g).
- 2.2 The Chair invited the Vice Chair to say a few words in relation to Doc 02a, in particular as the Governance Committee had met on the previous day to consider additional nominations.
- 2.3 The Vice Chair reported that the Governance Committee, at its meeting on 10 June, had considered nominations as outlined in Doc 02a to the Board, as well as an additional nomination which is not in the paper which went to the Board, namely a nomination from the UK/Canada/Ireland constituency to replace Simon Bland who will be stepping down from the Board at the end of June 2013.
- 2.4 The Vice Chair also briefly outlined the rationale for the proposed changes to Committee Chair and member terms (Doc 02b).
- 2.5 At the request of a Board member the Revision to the Investment Committee Charter (Doc 02c) was removed from the consent agenda and discussed during the report from the Governance Committee Chair under Agenda Item 4.
- 2.6 At the request of two Board members the Board Travel Policy (Doc 02d) was removed from the consent agenda and discussed during the report from the Governance Committee Chair under Agenda Item 4.

Decision One

The GAVI Alliance Board:

a) **Appointed** the following Board members:

- **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.
- **Jenny Da Rin** as Board Member representing the Australia, Japan, Korea and the United States of America donor constituency in the seat currently held by Robert Clay effective 1 July 2013 until 30 June 2015.
- **Donal Brown** as Board Member representing the United Kingdom, Canada and Ireland donor constituency in the seat currently held by Simon Bland effective 1 July 2013 until 1 July 2016.

b) **Appointed** the following the Alternate Board members:

- **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.
- **Robert Clay** as Alternate Board Member to Jenny Da Rin representing the Australia, Japan, Korea and the United States of America donor constituency in the seat currently held by Jenny Da Rin effective 1 July 2013 until 30 June 2015.
- **María del Socorro Interiano Portillo** of Honduras as Alternate Board Member to Andrei Usatii of Moldova representing the developing country constituency in the seat currently held by Nila Heredia effective 1 July 2013 until 31 December 2015.
- **Fuad Juliman** as Alternate Board Member to Mahima Datla representing the developing country vaccine industry in the seat currently held by Suresh Jadhav effective 1 July 2013 until 31 July 2014.

c) **Reappointed** the following person as an Independent expert to the Evaluation Advisory Committee:

- **Gonzalo Hernandez** effective immediately until 31 December 2015.

d) **Appointed** the following person as a Committee delegate of the Programme and Policy Committee until the Committee is refreshed:

- **Raj Baisya** in the seat currently held by Abigail Robinson (UK).

- e) **Appointed** the following person as a member of the Governance Committee:
- **Donal Brown** in the seat currently held by Simon Bland effective 1 July 2013 until the Committee is refreshed.
- **Appointed** the following person as Chair of the Programme and Policy Committee:
- **Richard Sezibera** in the seat currently held by Gustavo Gonzalez-Canali effective 1 July 2013 until the Committee is refreshed.

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

Decision Two

The GAVI Alliance Board:

- a) **Amended** 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) **Amended** 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 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) **Amended** 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.*
- d) **Amended** the first paragraph of Section 2 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) **Amended** 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 Three

The GAVI Alliance Board:

- **Amended** 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 any changes in the Investment Policy prior to implementation of the Policy, and on the Committee's activities and actions, as appropriate.
- **Bullet 3 of Section 4** is deleted in its entirety.

Decision Four

The GAVI Alliance Board:

- **Approved** the amended GAVI Programme Funding Policy attached as Annex 1 to Doc 02e.

Decision Five

The GAVI Alliance Board:

- **Approved** the reporting lines of the Internal Auditor, attached as Annex 1 to Doc 02f, and the revised Internal Audit Terms of Reference, attached as Annex 2 to Doc 02f.

Decision Six

The GAVI Alliance Board:

- **Approved** the revised prioritisation mechanism as attached to Doc 02g.

3. CEO report

- 3.1 Seth Berkley delivered his report to the Board (Doc 03), highlighting information on results, accelerated vaccine support, presenting some hot topics, giving a high level view of expenditure and resources, outlining some of the current opportunities and challenges, and finally referring to the key decisions and discussions which would be addressed during this meeting.
- 3.2 He referred to the recently launched 2012 Progress Report, presented results in relation to the impact of GAVI in the meningitis belt, on the work being done with manufacturers which has led to a 35% reduction in cost to fully immunise a child with pentavalent, pneumococcal and rotavirus vaccines from 2011 to 2012, and also in reducing the price of HPV vaccine. He informed the Board that by 2014 the pentavalent vaccine will have been rolled out in all 73 GAVI countries.
- 3.3 He reported briefly on the Multilateral Performance Assessment Network (MOPAN) review in which donors had ranked GAVI in the top two, and also on the work being carried out to ensure that immunisation remains a priority in the post-2015 agenda.
- 3.4 The CEO reminded the Board that GAVI, during its first 12 years, had provided over 1 billion doses of vaccines through 152 launches and for 6 different product antigens. In 2013 alone GAVI will provide over 600 million doses, there will be 54 plus launches and the introduction of 3 new antigen products. This demonstrates a massive acceleration in what the Alliance is doing and the extraordinary effect that GAVI will be having on the health of people in GAVI-eligible countries.
- 3.5 He referred to recent measles outbreaks. He informed the Board that the Executive Committee, at its meeting the previous day, had approved funding for a Measles Supplementary Immunisation Activity (SIA) in Pakistan to support a carefully-planned and partner-supported preventative campaign later in the year in the country.
- 3.6 He reported on a recent Global Enteric Multicenter Study (GEMS) which had confirmed rotavirus as a leading cause of childhood diarrhoeal disease, and referred to the WHO and UNICEF integrated Global Action Plan for Pneumonia and Diarrhoea, core to which is vaccines.

- 3.7 The CEO referred to the Polio Eradication and Endgame Strategic Plan for the period 2013-2018 recently released by the Global Polio Eradication Initiative (GPEI). There is immense interest in partners and countries on the complementary role of GAVI to GPEI in eradicating polio, whether or not GAVI will be involved in inactivated polio vaccine (IPV) and also concerns on ensuring that the introduction of IPV will strengthen routine immunisation.
- 3.8 The CEO provided the Board with information from the Cervical Cancer Global Crisis Card, noting that the list of countries with the top ten mortality rates are GAVI-eligible countries. Current data indicates that deaths from cervical cancer will soon be higher than maternal deaths, which highlights the importance of working to prevent the disease. In this context he referred to the ten countries which have been approved for HPV vaccine demonstrations.
- 3.9 The CEO gave a high level overview of GAVI's resources and expenditures. He drew the Board's attention to the fact that between now and 2015 the Alliance will require an additional 431 million US\$ for future programmes. This is due, in part to recent changes in relation to IFFIm whereby some of the IFFIm funds will not be available until post 2015.
- 3.10 The CEO highlighted some of the future opportunities and challenges. A supply chain strategy will be presented to the Board for discussion and decision in November 2013. The Alliance is on target to deliver on its promise of preventing 4 million future deaths. There will be a scale-up of the roll out of pentavalent in India, and the Secretariat continues to work closely with manufacturers in relation to supply constraints for pneumococcal and rotavirus vaccines.
- 3.11 WHO and UNICEF, through the GAVI business plan, continue to lead on improving coverage and equity in priority countries.
- 3.12 Health systems strengthening (HSS) support remains a priority. Efforts to streamline GAVI's HSS support start to give positive signs of being on the right track. Focus on immunisation outcomes is increasing, which is reinforced by roll-out of performance-based funding in 2012. HSS support is more results driven and linked to immunisation and there is stronger grant management and accountability. There is renewed interest in the International health partnership (IHP+) and we continue to be engaged. GAVI is broadening its partner base for providing technical support to countries in the area of SG2.
- 3.13 Co-financing continues to be an increasing source of funding of country immunisation programmes. Despite the rising overall levels of co-financing contributions, co-financing still remains a challenge for a number of countries, six of which are still in arrears for 2012.
- 3.14 Broadening the scope of engagement with graduating countries is becoming a pressing priority for the Alliance. The Secretariat, together with the Alliance partners, is working on developing a more comprehensive work programme with graduating countries which will be presented to the Board at its next meeting.

- 3.15 Obtaining rigorous data remains a challenge.
- 3.16 The CEO welcomed the recommitment of the President of the World Bank to health during the recent World Health Assembly (WHA).
- 3.17 He highlighted that there are many potential synergies and shared learnings in the global immunisation landscape and that there is a need to think about how the immunisation system is turned into a comprehensive immunisation system that sits within the health systems.
- 3.18 In the context of looking ahead the CEO referred to the road to replenishment, an important step being the GAVI mid-term review in October 2013. It is important that the Alliance delivers on its promise and that all partners together demonstrate value for money, sustainability and innovation, and that long-term, predictable funding is critical to the work of saving lives and protecting people's health.
- 3.19 The CEO concluded with information on the GAVI Alliance Strategy 2016-2020 development process and on the importance of expanding GAVI's donor and partner base for the future.

Discussion

- The Chair thanked the CEO for his report and expanded on one of the issues raised by informing participants that at the Executive Session of the Board the previous evening the CEO had provided an update on India's plans to fast track the scale up of pentavalent vaccine. The Secretariat is working with the Government of India to provide catalytic funding from the Board-approved financing envelope for national scale up. The Board was very supportive and looks forward to receiving regular reports on progress. This is an opportunity to make a big impact. India has not just the largest number of babies born each year of any country in the world (27 million). It is also where the largest number of unimmunised children is living.
- One Board member commented on the introduction of HPV which has demonstrated how important partnerships are, in particular with industry.
- Board members recognised that the vaccine portfolio has to reflect local realities and appreciated the regional approach which is already taken in relation to some vaccines.
- It was suggested that additional work could be done in ensuring the involvement of scientific communities within countries. If they are not on board decisions in country can become very difficult, in particular in cases where there might be a disconnect between global knowledge and the local knowledge base.
- The Board noted that the business plan and budget had been approved in December 2012 for a two-year period (2013-2014) but that there would be a

light touch review with partners to identify potential exceptional changes which would then be discussed by both the AFC and PPC before being brought back to the Board in November for approval. Any anticipated changes should relate to critical areas that are behind and are at risk of not reaching the deliverables. Some changes are anticipated based on health systems needs, due to some delays in introducing vaccines and in relation to more focused work on graduating countries.

- The Board acknowledged that there are a large number of francophone countries within the Alliance and in this context the Secretariat confirmed that efforts were being increased to provide key information on the Alliance and its activities in French, both as printed materials and on the GAVI web site.
- Board members expressed their appreciation for the work of the CEO in relation to ensuring that immunisation is included in the post-2015 agenda.
- One Board member suggested that we are now stepping out of the decade of vaccines into the decade of sustainable immunisation and that in this context it will be a challenge for GAVI not only to reach children but to ensure better country engagement so that the graduation process will not jeopardise the work that has been done over the last decade.
- In relation to graduation the Board noted that the cross alliance task team is working with partners and countries to identify a range of issues and that this will be brought back to the Board through the PPC.
- One Board member asked what the dramatic scale-up in 2013 means in terms of the capacity of the Secretariat and the workings of the Alliance and whether there are any related risks. The CEO referred to the results of the recently completed GAVI staff survey in which issues related to staff workload will be analysed and brought back to the Board for discussion, if appropriate.
- The Board noted that the issue of resources and the price of vaccines for middle income countries is still critical and that the good work of the Alliance has almost led to inequities for some of these countries. This was discussed during the Board closed session on the previous evening and the Secretariat was asked to come back to the Board with further information on options for how GAVI might be able to help with market shaping and potential procurement.
- The Board member representing the civil society organisations asked whether GAVI might consider a strategy to respond to emergency situations. This might be something for the Board to reflect on in discussions related to the next strategic period. GAVI is currently not set up to react to such situations and if the Alliance were to move in this direction some parts of the Alliance would have to be redesigned to be fit for purpose.

- Board members reiterated the importance of harmonisation within the HSS context to ensure that different organisations are working together rather than competing at cross purposes.
- The Board noted that one of the strengths of the Alliance is in terms of innovation and its ability to take what works to a grand scale in a manner that has impact.

4. Committee chair reports

- 4.1 The Chair invited each of the committee chairs to deliver reports on committee activity since the Board meeting in Tanzania on 4-5 December 2012.

Executive Committee

- 4.2 The Chair delivered the report of the Executive Committee, noting that it had met four times since the Tanzania Board meeting, including an in-person meeting in Barcelona in March and one in Geneva on the previous day.
- 4.3 The Executive Committee had discussed and taken decisions in relations to some commercially sensitive issues in February.
- 4.4 During this and other meetings the Committee had also take action on the recommendations of the Independent Review Committees (IRCs), some of which had been in relation to Measles SIAs in the six priority countries agreed on by the Board in June 2012.
- 4.5 Finally he reminded the Board that all members have access to the agenda and papers for the Executive Committee meetings and therefore have an opportunity to provide input, should they so wish, in advance of the meetings.

Governance Committee

- 4.6 Geeta Rao Gupta, Board Vice Chair and Chair of the Governance Committee delivered the report of the Governance Committee, noting that it had met three times since the Tanzania Board meeting, including on the previous day.
- 4.7 The Governance Committee has discussed a number of issues which had subsequently been discussed by the Board during its retreat in March. It has also considered a number of nominations and in this context she welcomed Richard Sezibera as Chair of the PPC and thanked Gustavo Gonzalez-Canali for his role in this position.
- 4.8 The Governance Committee had considered a Board Travel Policy, formalising the existing current practices.

- 4.9 In terms of streamlining and making governance more efficient the Committee aimed at increasing the number of items being put on the consent agenda for the Board meetings. It was in this spirit of streamlining and efficiency that some changes were proposed to the Investment Committee Charter to enable this Committee to make asset allocation changes within the portfolio without requiring prior Board approval, but reporting back to the Board when such shifts are substantial.
- 4.10 The Vice Chair expressed her satisfaction with the enormous progress that is being made by the Governance Committee and looks forward to the upcoming Board and Committee self-evaluation, the results of which will be discussed in detail at the Board Retreat in 2014. The results of the 2011-2012 self-evaluation will be used as the baseline and additional questions will be included in the evaluation survey to inform the development of the GAVI Alliance 2016-2020 Strategy as it will be important to ensure that the governance structure is fit for purpose in this context. Further information on the methodology for the self-evaluation will be provided at the next Board meeting.

Discussion

- The Board had an initial discussion on the Board Travel Policy which had been removed from the consent agenda. Some Board members raised questions about the criteria for the use of business class tickets. It was decided to refer the matter to a renewed discussion and recommendation in the Governance Committee before the Board makes a final decision on the matter.
- Some members of the Board expressed concern that the wording of the proposed new bullet to the Investment Committee Charter was somewhat ambiguous as it was not clear when the Investment Committee might be able to take decisions without having to consult the Board. Following additional consultation with Board members and with the Governance Committee the Board agreed to new wording as approved in Decision Three.

Programme and Policy Committee

- 4.11 Gustavo Gonzalez-Canali delivered the report of the Programme and Policy Committee. He noted that the Committee had met once in April since the Tanzania Board meeting.
- 4.12 The PPC Chair had, during that meeting, also informed the Committee that he would be stepping down as Chair of the PPC as he would be leaving his current position at the French Ministry of Foreign Affairs in 2013.
- 4.13 The PPC had received a report from the CEO on progress and challenges and a report from Mark Kane, who had chaired the New Vaccine Support Independent Review Committee (IRC) in Autumn 2012. Mark Kane had highlighted some of the issues noted by the IRC including disruption of planned introductions due to vaccine supply issues, disruption of routine

immunisation in some countries due to increasingly frequent campaigns, and that some countries are still donor dependent for their basic EPI vaccines and delivery programmes. He had also noted the importance of the work currently underway by the Secretariat and partners on strengthening cold chain and logistics systems.

- 4.14 The PPC had also received an update from the Secretariat on Country Programmes. In this context the PPC had been concerned about Pakistan and the challenges faced by GAVI and its partners in engaging with the government to strengthen coordination and support. The PPC had also been concerned about the work in Nigeria including logistical challenges due to the size of the country and insufficient accountability by government and partners in the past. The PPC had noted that GAVI does not yet have a way to track where countries are decentralising their health systems e.g. Kenya, and this is an issue which may merit further reflection by the Alliance.
- 4.15 The Secretariat had briefed the PPC on market shaping and the PPC Chair encouraged Board members to review the public summaries of the new roadmaps to be made available on the GAVI web site.
- 4.16 The PPC had expressed its support for GAVI's proposed approach to a complementary role to the Global Polio Eradication Initiative (GPEI) in the eradication effort as outlined in the Secretariat's report.
- 4.17 With regard to the Grant application, monitoring and review (GAMR) system redesign, the PPC recommended the approach proposed by the Secretariat and asked the Secretariat to look at options for providing countries with multi-year commitments for vaccine support in high performing countries and endorsed a shift from a monitoring IRC to a review panel.
- 4.18 The PPC had also discussed Phase 1 of the Vaccine Investment Strategy (VIS) and with regard to a potential GAVI investment in IPV decided to recommend to the Board an earlier decision than for the other vaccines in the VIS.
- 4.19 The final topic on the agenda for the PPC meeting was a review of the prioritisation mechanism, which had been approved by the Board under the consent agenda.
- 4.20 The PPC Chair informed the Board that under any other business Clarisse Loe Loumou, on behalf of the CSO constituency, had made a presentation to the PPC on how non-state actors could access GAVI prices. The PPC had noted this had been discussed by the Board in Dar es Salaam and that the Board had recommended that GAVI work with CSOs on this issue as part of the country by country approach. The PPC had also agreed that should a country wish to increase the volume of its order of 'GAVI' vaccines in order to partner with CSOs to implement programmes such as catch up campaigns, that there is nothing to prevent them from doing so, and funding for the additional vaccines could come from CSOs. GAVI could act as a facilitator in countries where CSOs may face difficulties in interacting with the government.

During the discussion, the PPC had cautioned that CSOs should ensure the same quality control measures as GAVI policy, target age groups as recommended by WHO, and ensure that the work is being carried at the request of, and in collaboration with, governments, and had also cautioned strongly against setting up parallel systems. The PPC had noted that in cases where GAVI is not active, UNICEF offered to help procure on behalf of CSOs, in particular in humanitarian emergencies.

Audit and Finance Committee

- 4.21 Wayne Berson delivered the report of the Audit and Finance Committee, noting that it had met twice since the Tanzania Board meeting.
- 4.22 During the April meeting the independent auditors, KPMG, had outlined their plan for the audit of the 2012 financial statements, highlighting the key dates and deliverables, the key audit areas and the key risks inside the financial statements. They had also reviewed independence and materiality thresholds and confirmed that they will be working with the internal audit and TAP teams in addition to the finance team.
- 4.23 The Secretariat had laid out the 2012 audit calendar as well as indicating that the winding up of the GAVI Fund Affiliate (GFA) and the discussions between IFFIm and the World Bank regarding IFFIm's swaps exposures would be concurrent with the audit.
- 4.24 The AFC Chair informed the Board that the completion of audits, tax filings and other filings across the four legal entities is on track.
- 4.25 The Secretariat had presented information to the AFC on updates to GAVI's accounting politics to reflect changes such as the winding up of GFA and the implementation of the Programme Funding Envelope.
- 4.26 During its meeting in February the AFC had reviewed GAVI's long-term financial forecasts, a programme approval request and a programme expenditure report. The Committee has continued confidence in the quality and robustness of the forecasting processes.
- 4.27 The AFC had also received an update on the business plan expenditures for 2012 and an update on the procedures developed for managing the envelopes for implementation activities and future assessments.
- 4.28 The AFC had noted that whilst the Board, in December 2012, had approved the business plan and budget for 2013 and 2014 there may need to be some adjustments to reflect programmatic development. This would require a request to the Board in November 2013 and the relevant process will start already towards the end of June 2013.
- 4.29 The AFC had also received updates on IFFIm, GFA and insurance coverage, as well as a report from the Internal Auditor.

Investment Committee

- 4.30 In the absence of George W. Wellde, Jr, Dwight Bush introduced this item and Jeanne Shen, Chief Investment Officer, delivered the report of the Investment Committee, noting the Committee had met twice since the Tanzania Board meeting.
- 4.31 She provided some market observations, informing the Board that there is slow improvement in unemployment levels capping economic growth. She highlighted that the United States and Euro-zone countries count for about a third of global GDP growth which under the current economic conditions make it harder to have strong economic growth.
- 4.32 She showed where central banks have been active they have helped to propel their equity markets, and reported that bond yields are currently at historic lows and that the whole risk-reward framework has changed considerably.
- 4.33 Finally she presented a review of the GAVI investment portfolio, the diversification and long-term objectives to contribute to GAVI's mission.

Discussion

- The Board noted that the portfolio is managed according to the Investment Policy which has targets and ranges which cannot be exceeded. In this context there is a modest allocation for global equities and opportunistic strategies. Some Board members suggested that the Investment Committee may wish to consider proposing changes to the Investment Policy to create greater flexibility.
- One Board member wondered whether it might be interesting to look at projections in terms of a broader framework of resources, e.g. looking at countries taking on more in terms of co-financing and what countries would be able to do going towards graduation. In the context of this discussion the Board was informed that the Investment Committee does look at emerging and frontier markets and is looking to increase exposure to such markets slightly.

Evaluation Advisory Committee

- 4.34 Alan Hinman read the report of the Evaluation Advisory Committee (EAC) on behalf of Sania Nishtar.
- 4.35 The EAC has reviewed three completed evaluation reports: the evaluation of GAVI's gender policy, the evaluation of GAVI's support to China and the Advance Market Commitment process and design evaluation. The EAC found all three reports to be of acceptable quality and usefulness. As requested by the Board, the EAC had also reviewed the proposed definition of the measles indicator which has now been finalised.

- 4.36 In March the EAC held a teleconference to receive an informal update from the Secretariat on the work on the Full Country Evaluations, which is progressing well. Four countries - Bangladesh, Mozambique, Uganda and Zambia - are now in the core phase, while discussions with India continue. This is a novel, concurrent evaluation, with a number of innovative components. Firstly it tracks the flow of resources into country immunisation programmes from different governmental departments and levels, GAVI and other development partners, as well as immunisation programme expenditures. It also examines decision making, programme implementation and partnership dynamics. The evaluators will assess changes in outcome and impact measures through a mixed methods approach that involves triangulation across multiple sources, including health facility surveys, household surveys, verbal autopsies, epidemiological studies and biomarkers. The consortium conducting the work is led by the Institute of Health Metrics and Evaluation (IHME), based at the University of Washington, Seattle, in collaboration with PATH, and research institutes from the five selected countries.
- 4.37 In addition to the Full Country Evaluations, the agenda for the next EAC in-person meeting will address three evaluation activities in the pipeline: the AMC impact evaluation, which is scheduled for 2014, evaluations of countries that have graduated from GAVI support, and evaluations of GAVI HSS grants to countries.
- 4.38 He concluded by informing the Board that the Committee believes that a strong, timely and useful evaluation function with a strong linkage to the Board is critical to the success of the GAVI Alliance in delivering on its mission and thus far, believes the model is working well.

5. Financial forecast

- 5.1 Barry Greene, Managing Director of Finance and Operations and Treasurer, presented the updated financial forecast for 2011-2020 to the Board (Doc 05).

Discussion

- One Board member requested clarification on the projections for cash based programmes beyond 2015 and was referred to Annex 1, Figure 1, in which it can be seen for both the current and future strategy periods the level of related funding is at approximately the same level. All assumptions presented for 2016-2020 are of course tentative.
- Board members appreciated the figures for disbursement in 2012 and 2013 as outlined in the paper. It was suggested that it would be useful to have similar figures for 2010 and 2011 in particular in order to enable the Board to look at the capacity to disburse and, if necessary, adjust projections accordingly.

- One Board member asked how robust the projections for HPV are taking into consideration that many countries may wish to go straight to vaccine introduction rather than applying for demonstration projects. The Secretariat clarified that the projections are based on engagement with countries and will continue to be updated as new information becomes available.
- One Board member stated that it would be useful to have the information presented in Annex 1, Figure 1, for each year over the full strategy period.
- The Board also recalled that the figures forecast do not take into account any additional funding which might be required should the Board decide that GAVI should play a role in the implementation of IPV nor for any further vaccines which might be included in the portfolio in the context of the vaccine investment strategy.
- The Board noted that there are a number of countries who had been unable to pledge funding for the full strategy period and recognised that in the current economic climate donors may not be in a position to maintain their current levels of funding going forward.
- The Board noted that the forecasts are conservative and there have been no assumptions on individual donors.
- In reply to a question from a Board member the Secretariat clarified that there is a high level of pledge delivery to date and non-payment of pledges is not a concern for the Alliance.

6. Vaccine Investment Strategy

- 6.1 Aurélia Nguyen, Director, Policy and Market Shaping, presented information on the Vaccine Investment Strategy development process, the vaccine evaluation criteria and prioritisation approach and the recommendation by the PPC to narrow the list of vaccines under consideration for further analysis for a Board investment decision in November 2013 (Doc 06).

Discussion

- Board members expressed their appreciation for the transparent process, welcomed the criteria used and highlighted the importance of having an evidence based strategy.
- Board members acknowledged the importance for graduating countries being able to access GAVI prices and in this context one Board member highlighted the importance for a number of countries in his constituency of more proactive collaboration with PAHO's revolving fund.

- Board members agreed that at its November meeting it would be important to ensure that the final recommendation will be based on a comparison with the existing vaccines in the GAVI portfolio.
- One Board member highlighted that an important issue for many of the GAVI-eligible countries is the economic impact of vaccines, in particular when trying to convince Ministries of Finance to invest further in immunisation. It was acknowledged however that this is something which can be difficult to quantify in a way that is comparable for different vaccines but will be done where possible.
- One Board member suggested that it might be useful to have further discussion on the epidemic potential of some of the diseases as epidemics can undercut and undermine a lot of work which is being carried out through the routine immunisation programmes.
- The Board noted that the timing of the work on the VIS comes before the Board will be taking a decision on the GAVI Strategy 2016-2020. At its meeting in November 2013 the Board will however already be discussing a first set of directions for the next strategic period and will therefore have an opportunity to view this together with the VIS. It was also noted that a decision on the VIS is essential before the next replenishment period as the entire portfolio must be taken into consideration when calculating the new resource needs.
- The Secretariat clarified that during Phase II work will be done to understand from countries what their appetite is for the different vaccines as well as their capacity to take on new vaccines, in particular should these be outside the EPI programme.
- In response to a question from the Board member representing the Research and Technical Health Institutes the Secretariat clarified that there had been a number of discussions on the possibility of looking at Disability-Adjusted Life Year (DALYs) in the context of the VIS and that while it may not be feasible within the current project scope, further opportunities to discuss this with representatives of the constituency would be welcomed.

Decision Seven

The GAVI Alliance Board:

- **Endorsed** the evaluation criteria set out in Table 1 in Doc 07 for consideration in the Vaccine Investment Strategy (VIS) process.
- **Decided** 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.

HRH Infanta Cristina of Spain (Unaffiliated Board member), Maria Freire (Unaffiliated Board member), Suresh Jadhav (Vaccine Industry Developing Countries) and Johan van Hoof (Vaccine Industry Industrialised Countries) recused themselves and did not vote on this item.

7. Polio and routine immunisation

- 7.1 Alan Brooks, Special Adviser for Immunisation, presented the Board with information on GAVI's progress since the Board's approval in December 2012 for GAVI to play a complementary role to the Global Polio Eradication Initiative (GPEI) in the polio eradication effort and the related recommendation of the PPC (Doc 07).
- 7.2 The CEO added that one of the important issues is that the engagement of GAVI can help to increase the likelihood of strengthening routine immunisation while eradication is being achieved. GAVI also has a strong and proven track record in supporting countries implementing multiple vaccines through routine immunisation. He pointed out that there is a need to recognise that as the process will be country driven countries may choose not to implement IPV within the ambitious timeframe that is laid out in the Endgame Strategy and further discussion on this will be necessary. Should the Board approve the involvement of GAVI in the initiative that are many issues and questions which need to be further analysed and considered.

Discussion

- The Chair reminded the Board that the primary responsibility of the Alliance is to the GAVI strategic plan and business plan. Current resources are stretched and the priority, in particular in view of the MTR, is to be able to confirm to donors and partners that GAVI is delivering on its promise. Eradicating polio is a huge opportunity for the world and as GAVI has delivered in the past and shown strategic strengths in its mechanisms and ways of working with countries to introduce new vaccines we are being called upon to be a partner in this huge global effort. This is a vote of confidence in GAVI and the Alliance should remain open to taking part in the initiative, while ensuring that GAVI is not distracted from fulfilling its own objectives. GAVI is not ready to compromise its basic identity. It is also quite clear from the presentation of the financial forecast to this meeting that there are no resources for GAVI to be able to take on work related to this initiative within the framework of the

current plan and budget, so it must be clear that additional resources would be required for GAVI to play a role.

- The Chair indicated that proposals for different wordings of a potential decision on the role of GAVI in the polio eradication initiative were circulating and he suggested that the Board first have an open discussion and should there be a need for a drafting process he would ask the Vice Chair to lead that process, with the participation of any interested Board members.
- Board members fully agreed that additional resources would be required for GAVI to play a role in the polio eradication initiative and did not see any reason why some of the funding pledged at the Global Vaccine Summit in April 2013 could not be given to GAVI for this purpose. Indeed donors wish to ensure that the resources are put where they will have the most impact. Should GAVI be involved in the procurement of IPV, funds would also be required for management and oversight costs and it would also be important to consider the additional human resource requirements.
- Board members agreed that the Secretariat should not be expected to mobilise resources for polio eradication and that this should be the responsibility of the donors. It was suggested that there should be a meeting between GAVI, GPEI and the donors that fund both to initiate discussions on this issue.
- Board members agreed on the importance of the Secretariat, together with the GPEI, of entering into dialogue with countries as soon as possible, particularly in relation to IPV plans. One Board member suggested that discussions with countries on IPV could already be initiated in the form of non-binding arrangements to speed up the process, whereby countries understand that there is not yet any approval in terms of the allocation of funds. It was acknowledged that countries will have many questions in particular in relation to the phasing out of oral polio vaccine (OPV), called for by GPEI in the endgame strategy, and the introduction of IPV and it was suggested that it would be useful to have a communication strategy around this, perhaps including a Q&A.
- Concerns were raised in relation to the financial implications of introducing IPV in particular for countries which have eliminated polio successfully using OPV and where it will therefore be difficult to convince governments to provide additional funding for this. Funding will not only be required for IPV but there will also be costs related to the withdrawal of OPV, in addition to potential additional logistical and human resource costs.
- There are also a number of countries with strong anti-vaccination movements and it is important that this is also taken into consideration.
- The proposed introduction of IPV will be an additional challenge for graduating countries, in particular those with non-recognised territories

- Board members agreed that whilst there are potential risks and challenges GAVI should be involved in the initiative as long as it does not prevent GAVI from delivering on its own promises.
- Board members agreed on the importance of ensuring clarity on the roles, responsibilities and accountability of the different actors involved in the initiative, both at the global and at the country levels.
- Board members agreed that this initiative should be a win-win situation not only for GPEI and GAVI but in particular for countries and children.
- Representatives from the vaccine industry highlighted that IPV is a vaccine which has one of the longest lead times in terms of production which is 12 months. It is important that this is taken into consideration and it would also be useful for industry to have an indication, as soon as possible, as to the volumes which will be required. In this context it was suggested that it would be beneficial to have a roadmap based on country consultations, including information on country preferences in terms of a standalone vaccine or a hexavalent vaccine. The Secretariat confirmed that a comprehensive workplan is being put together by a group led by WHO and that UNICEF and the GAVI Secretariat are a part of this.
- Board members indicated that it will also be important for clarifications in relation to countries which are not GAVI-eligible. It was pointed out that all currently polio endemic countries and their neighbouring countries are GAVI countries and in this context coordination and engagement in these countries will be the most important.

Decision Eight

The GAVI Alliance Board:

- a) **Recognises** the importance of a strong partnership and complementarity between the GAVI Alliance and the Global Polio Eradication Initiative (GPEI) in eradicating polio based on a mutually agreed understanding of roles, responsibilities and results in countries;
- b) **Notes** the comparative advantage of the GAVI Alliance in new vaccine introductions, the importance of routine immunisation programmes and the integration of IPV into those programmes;
- c) **Recognises** the urgency of defining GAVI's role in the Polio Eradication Endgame Strategy and Plan;
- d) **Supports** the GAVI Alliance playing a lead role in the introduction of IPV into routine immunisation services in 73 GAVI countries (See Annex 1) as part of the Polio Eradication Endgame Strategy and Plan in collaboration with GPEI. Consistent with previous Board decisions, the GAVI Alliance should work with countries using GAVI's structures, policies and processes where possible;

- e) **Emphasises** that the financial and human resource implications of GAVI's role in the introduction of IPV must be clearly identified. Funding for IPV introduction should not be taken from GAVI's current resources;
- f) **Requests** the Secretariat, as a matter of urgency, in collaboration with GPEI to:
 - i. Initiate country dialogue on the introduction of IPV through national routine immunisation in accordance with recommendations by WHO and SAGE, prioritising countries most at risk for polio outbreaks; and
 - ii. Initiate preparations with relevant partners, including countries, for IPV procurement and implementation support.
- g) **Requests** the Secretariat to report to the Board and appropriate committees on the Alliance's specific role and activities in the introduction of IPV in line with the Polio Eradication Endgame Strategy. This should consider the long-term implications to GAVI in terms of human/financial resources as well as potential risks to the implementation of existing programmes. The report should also include consideration of what role the GAVI Alliance could play in the longer-term in the following areas:
 - i. demand and supply forecasting;
 - ii. procurement;
 - iii. market shaping;
 - iv. risk implications and mitigation strategy;
 - v. routine immunisation system strengthening, health systems strengthening and vaccine introduction support;
 - vi. country introduction of IPV via routine immunisation.
- h) Based on the above, **requests** the Secretariat to present a longer term strategy on introduction of IPV to the Board as soon as possible but no later than November 2013.
- i) **Delegates** to the Executive Committee the responsibility to take time sensitive decisions, in the short-term if necessary.
- j) **Calls upon donors to** urgently clarify the use of the Polio Eradication Endgame funds to ensure that the costs to GAVI of implementing IPV in GAVI eligible and graduating countries (73) is fully funded without negatively impacting GAVI's current strategic objectives.

Decision Eight – Annex 1 (GAVI eligible countries)

• Afghanistan	• Cote d'Ivoire	• Korea, DPR	• Nepal	• Somalia
• Bangladesh	• Djibouti	• Kyrgyz Republic	• Nicaragua	• Republic of Sudan
• Benin	• Eritrea	• Lao PDR	• Niger	• South Sudan
• Burkina Faso	• Ethiopia	• Lesotho	• Nigeria	• Tajikistan
• Burundi	• Gambia	• Liberia	• Pakistan	• Tanzania
• Cambodia	• Ghana	• Madagascar	• Papua New Guinea	• Togo
• Cameroon	• Guinea	• Malawi	• Rwanda	• Uganda
• Central African Republic	• Guinea Bissau	• Mali	• São Tomé e Príncipe	• Uzbekistan
• Chad	• Haiti	• Mauritania	• Senegal	• Vietnam
• Comoros	• India	• Mozambique	• Sierra Leone	• Yemen
• Congo, Dem Republic of	• Kenya	• Myanmar	• Solomon Islands	• Zambia
				• Zimbabwe

Decision Eight – Annex 1 (GAVI graduating countries)

• Angola	• Bolivia	• Guyana	• Moldova	• Ukraine
• Armenia	• Congo Rep.	• Honduras	• Mongolia	
• Azerbaijan	• Cuba	• Indonesia	• Sri Lanka	
• Bhutan	• Georgia	• Kiribati	• Timor Leste	

Suresh Jadhav (Vaccine Industry Developing Countries) and Johan van Hoof (Vaccine Industry Industrialised Countries) recused themselves and did not vote on this item.

8. Chair's reflections on day one

- 8.1 The Chair provided some reflections on the Board's deliberations thus far which had included approval of items on the consent agenda and of the PPC recommendation in relation to GAVI's vaccine investment strategy. The Board had also heard a comprehensive report from the CEO and from committee chairs.

9. Chair's overview of day two

- 9.1 The Chair referred briefly to the discussions held on the previous day and introduced a short film on immunisation in Pakistan.

10. Presentation from CSOs activities in GAVI-eligible countries

- 10.1 Jennifer Overton, Deputy Regional Director for Programme Quality in Catholic Relief Services (CRS) East Africa Regional Office, gave a presentation on behalf of the CSO constituency on CSOs activities in GAVI-eligible countries.
- 10.2 She highlighted that the GAVI CSO project is active in 14 countries, in each of which there is one lead local organisation. Activities include advocacy, project management and communication. Governments now value the role of GAVI CSO platforms which operate health facilities, provide immunisation services and carry out community mobilisation.

Discussion

- The Chair thanked Ms Overton for her presentation. He stated that CSOs are critical to reaching every child and that the presentation showed the impressive scope of the work CSOs are carrying out.
- The Board member representing the CSO constituency indicated that the Alliance should be proud of the work which the CSOs have been able to accomplish with a modest budget. He informed the Board that the level of support necessary to provide timely technical assistance had been underestimated and that the constituency will therefore be asking for a modest increase for 2014. He also indicated that there is a wish to extend this project to all GAVI eligible countries and in this context the constituency will be submitting a proposal to the next meeting of the PPC.
- Board members recognised the importance of the work of CSOs in many countries whilst acknowledging also that experiences in countries differ. The importance of CSOs working closely with governments was highlighted.
- One Board member asked if it would be possible for GAVI to map the CSOs working in different countries in particular to facilitate their engagement with GAVI and governments. This is being done within the 14 countries currently supported by GAVI and it was agreed that such an exercise could be a powerful resource in the future. It was however acknowledged that the relationships differ from country to country and it would be difficult to carry out such an exercise currently for all GAVI countries.

11. Country programme update

- 11.1 Hind Khatib-Othman, Managing Director, Country Programmes, presented information to the Board on GAVI's work with countries in terms of country support, vaccine implementation, health systems and policy implementation and co-financing and graduating countries (Doc 11).

- 11.2 The CEO referred to the restructuring of the country programmes team which has led to a better level of engagement and discussion not only with countries but also with partners and that work is continuing on having customised approaches for countries.

Discussion

- The Board acknowledged many positive developments taking place in order to make the HSS support more streamlined and effective. A member expressed concern though that all objectives for cash based support has not yet been reached and the current metrics for measuring the impact of HSS cannot demonstrate the real impact of HSS grants without additional intermediate indicators.
- The Secretariat indicated that there are still some concerns in relation to the volume of disbursements but the issues are often country related. Increasing levels of disbursements need to be balanced with the diligent fiduciary risk management. While the disbursement for cash grants as a share of the total GAVI grants is still below the target, the share of approved cash support in relation to the total programme funding envelope is close to 20%.
- There was a request for a brief update on each of the 11 countries identified for a tailored approach to be included as part of the materials for Board meetings going forward, including information on government involvement and ownership. The Secretariat clarified that this will be reported on through the PPC.
- Board members expressed an interest in having a better understanding of country performance at sub national level with regard to immunisation coverage and equity.
- Following a request from a Board member the Secretariat confirmed that the next report to the Board will include a matrix of the key programme statistics for each vaccine.
- Board members expressed appreciation for the increased dialogue between the GAVI Secretariat and countries which is not only in relation to problems encountered but also constructive in terms of looking at potential improvements. Countries appreciate GAVI's flexibility in terms of reprogramming. It was suggested that it would be useful for each country to have a scorecard to enable them to better address their specific challenges. The Secretariat indicated that there are already such scorecards which are used within the Secretariat. It is planned that these will be adapted and used more widely through the grant application process.
- Countries also appreciate the leadership role which GAVI can play in improving relations between partners in country.

- The Secretariat realises that there could be still many questions regarding performance based financing which is relatively new for countries. Efforts are being made to explain to countries how the model works, targeting both Anglophone and francophone communities. A new information brochure on performance based funding has recently been issued in both languages and distributed to countries.
- The Board noted that work on benchmarking GAVI's vaccine procurement arrangements is ongoing and the outcome will be reported to the relevant Committee and to the Board. UNICEF has welcomed this initiative and the Terms of Reference were developed with UNICEF Supply Division.
- In terms of supply constraints the Board noted that the Secretariat continues to work closely with manufacturers and also with countries to encourage them to take alternate presentations where possible. The Board, at its meeting in November 2013, will also be looking at a proposed supply chain strategy which will include information on both sides of the supply chain including data and accuracy and how that might be improved.
- The Board member representing the vaccine industry from industrialised countries confirmed his constituencies' commitment to working with graduating countries to support the sustainability of GAVI prices. There are steps towards tiered pricing. Affordability of vaccines is not just related to price but also to countries possibilities to create the necessary fiscal space and have the relevant technical assistance to continue the work.
- The Board noted that there are plans to develop a document outlining GAVI's HSS approach and it was suggested that it might be useful to share this with the Board for endorsement.
- One Board member expressed a wish to see more emphasis on measurement in terms of HSS, indicating that it would be useful to include more coverage surveys to enable a better understanding of what is working in order to work towards improving outcomes. It was also suggested that it would be useful from HSS to have some more clear indicators in a more simplistic way.

12. Grant application, monitoring and review

- 12.1 Peter Hansen, Director, Monitoring and Evaluation, and Daniel Thornton, Director, Strategic Initiatives, presented to the Board the proposed redesign of GAVI's grant application, monitoring and review systems, as discussed and recommended by the PPC at its meeting in April 2013 (Doc 12).

Discussion

- The Chair commended the Secretariat for their work on this issue, the aim of which is to simplify procedures, to achieve lower transaction costs for countries, make more efficient use of GAVI resources, to ensure better country ownership and more fiduciary oversight.
- The Board noted that the system will be launched for all new and existing grants as of 1 January 2014.
- The CSO constituency appreciated their inclusion in the redesign process and requested that an indicator of civil society involvement be included in the scorecard. The constituency also requested that their participation be reflected in all M&E activities, including for new vaccine support.
- The Board appreciated the emphasis on national plans, understanding the importance of sometimes requiring more detail specific for GAVI programmes, as long as this does not lead to duplication.
- The Board noted that countries have been involved in the consultation process on the proposed redesign and have indicated support for it. It is recognised that implementation will be different from country to country and this will be monitored closely.
- Board members expressed the importance of ensuring that in-country partners are included in all steps of the process, and it was suggested that it might be useful to have a document outlining what the country-led processes are.
- The Secretariat clarified that while Performance Based Funding is not specifically mentioned in the paper it is certainly built in and part and parcel of the approach.

Decision Nine

The GAVI Alliance Board:

- **Approved** 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 to the PPC as attached to Doc 12, with the first evaluation of the system taking place after one year of implementation;
- **Approved** 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

- **Requested** 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.

13. Mid-term review and fundraising update

- 13.1 Marie-Ange Saraka-Yao, Director, Programme Funding, presented the Board with information on the status of GAVI's fundraising efforts and with an update on preparations for the Mid-term review (Doc 13).
- 13.2 The CEO recalled the importance of all donors and partners helping to engage with others to ensure the continued success of the Alliance going forward. He referred to the fact that a high number of donors will be holding elections during the replenishment period and that in addition to the challenge of ensuring continued political engagement this will also need to be taken into consideration when deciding on the date for the replenishment event.

Discussion

- The Board agreed that there are funding challenges but that the Alliance is about partnerships and there is an opportunity to engage with new partners.
- It was suggested that a specific strategy for the private sector should be considered and perhaps also for emerging economies. It was also pointed out that there are a number of philanthropists who are looking to engage in the health sector and that this should be explored further.
- Board members agreed on the importance of showing that replenishment to GAVI is not just for immunisation but for global health.
- In terms of the MTR it was agreed that clarity in the message will be crucial and that it will be important to demonstrate impact and accountability.
- Board members also agreed that the MTR is an opportunity to showcase the strength of the Alliance and to demonstrate the effectiveness of the business model.

14. IFFIm report

- 14.1 René Karsenti, Chair, IFFI, Board, delivered a report on the International Finance Facility for Immunisation (IFFIm). He was joined by David Ferreira, Managing Director, Innovative Finance.
- 14.2 He reported on IFFIm's strategic priorities which are to manage risk and credit rating challenges, conduct donor outreach and to enhance funding sources.

- 14.3 He highlighted significant events for IFFIm in 2013 such as bond issuances, GFA retirement, swap management and the IFFIm Board strategy retreat.

Discussion

- In response to a question from a Board member Mr. Karsenti explained that the rating perception of agencies is based on a number of aspects, including the quality and rating of donors and an analysis of risk management policies, liquidity policies and funding strategies. Currently the agencies place emphasis on donor rating and it is in this context that IFFIm has been downgraded.
- One Board member asked whether IFFIm has considered investments from the Islamic world or the Middle East and was informed that in the past IFFIm had looked at the possibility of issuing sukuk bonds but previous bond terms were not seen to be cost effective. IFFIM remains interested in attracting Middle East investors and continues to look at issuance opportunities in the Gulf region and to Islamic Investors. The Board was also informed that a Memorandum of Understanding was recently signed between GAVI and the Islamic Development Bank.
- In the context of the MTR and replenishment Board members agreed on the importance of developing the IFFIm story and refining how IFFIm can help GAVI going forward, also in terms of new product development.

15. Risk management update

- 15.1 Helen Evans, Deputy CEO, provided a risk management update. She highlighted the four highest risks and five new risks that were identified by the Secretariat in quarter 1 2013 as outlined in Doc 15. She added that in the light of the results of the GAVI staff survey which had recently become available she would also propose that staff retention be added to the risk register.

Discussion

- The Chair informed the Board that the Internal Auditor is currently conducting an audit of the risk management process and will report to the Board on this at its meeting in November 2013. Board members welcomed this, also as an opportunity to potentially benchmark with comparable organisations in terms of best practice.
- Board members agreed on the importance of demonstrating good risk management in particular as the Alliance goes towards replenishment as there will be increased scrutiny on how funds are managed.

- One Board member requested clarification on the risk reporting by WHO and UNICEF and the Secretariat clarified that this is done by the partners through the quarterly reporting process and can include country specific risk analysis.
- Board members agreed that there should be zero tolerance on misuse of funds and that this is an issue which needs to be managed very carefully, in particular where potential cases of misuse are flagged by countries themselves. Indeed such countries should be recognised for their contribution to helping prevent misuse and any actions taken should not be seen as punitive.
- Board members discussed issues related to the quality of data and noted that some countries face challenges in terms of data retention by health workers and that such issues can only be resolved in country.
- One Board member raised the issue of birth registration which is a challenge in many countries. It was acknowledged that such information is indeed critical but is not part of GAVI's core business.
- The Board noted that as countries graduate from GAVI there will be an increasing proportion of fragile countries and there will be a need for explicit recognition from the Board about tolerance to risk in this context.
- Board members agreed that it could be useful to have a regional approach and in particular have a strategy specifically for large countries e.g. more than a quarter of the population of Africa is in Nigeria, DRC and Ethiopia and any risks related to these countries in particular could have a big impact on the Alliance as a whole.
- In relation to supply constraints the Board member representing the vaccine industry from industrialised countries reconfirmed manufacturers commitment to working on this and invited the Secretariat and UNICEF to continue to reach out to individual companies where appropriate. He reminded the Board that accurate planning and long-term forecasting is critical in this context.
- Board members agreed that the implementation of IPV should now be included in the risk register.
- A Board member raised the potential reputational risk associated with the Board travel policy.
- In terms of the results of the staff survey the Secretariat reminded the Board that the results have not yet been analysed but that work will be done to consider issues in relation to rewards and recognition. A benefits and salary survey is already underway and issues in relation to workload will also be considered.

16. Report of the internal auditor

- 16.1 Simon Lamb, Managing Director, Internal Auditor, reported to the Board on his activities to date, and those planned for the remainder of the year (Doc 16).

Discussion

- Board members reiterated their policy on zero tolerance in terms of the misuse of funds.
- Board members looked forward to receiving additional information on the review of the whistleblower policy at their next meeting and agreed on the importance of ensuring that adverse incentives are not created for whistleblowers.
- In response to a question from the Chair on the resource situation for the Internal Audit function the Board was informed that an assessment on Internal Audit and TAP coverage is being carried out and that this will enable further discussions on resourcing in due course.
- In response to questions from Board members it was clarified that, where possible, GAVI links to national audit processes and indeed encourages countries to develop their own independent audit functions.
- The Secretariat also clarified that there are no restrictions on countries applying for GAVI support once cases of misuse have been identified. The disbursement of cash grants is suspended until an official commitment to reimburse the funds has been provided. Work is also done to ensure that recommendations for improvements to the management of programmes have been implemented.

17. Review of decisions and actions

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

18. Closing remarks and any other business

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

Mr Dagfinn Høybråten
Chair of the Board

Ms Debbie Adams
Secretary to the Board

Participants

Board Members

- Dagfinn Høybråten, Chair
- Geeta Rao Gupta, Vice Chair
- HRH the Infanta Cristina of Spain
- Saleh Banoita Tourab (Alternate)
- Wayne Berson
- Zulfiqar A. Bhutta
- Simon Bland
- Dwight Bush
- Flavia Bustreo
- Robert Clay
- Awa Marie Coll Seck
- Armin Fidler (Alternate)
- Maria C. Freire
- Ashutosh Garg
- Gustavo Gonzalez-Canali
- Alan Hinman
- Suresh Jadhav (Alternate)
- Orin Levine
- Yifei Li
- Anders Nordström
- Angela Santoni
- Richard Sezibera
- Andrei Usatii
- Johan Van Hoof
- Seth Berkley (non-voting)

Regrets

- Suraya Dalil
- Mahima Datla
- Paul Fife (Alternate)
- A.F.M. Ruhul Haque
- Nila Heredia Miranda (Alternate)
- Dorothee Kinde Gazard
- Hussein Ali Mwinyi (Alternate)
- Christine J.D. Ondoa
- Olga Popova (Alternate)
- Pe Thet Khin (Alternate)
- George W. Wellde Jr.

Alternates Observing

- Joan Awunyo-Akaba
- Nicholas Alipui*
- Micheline Gilbert (Alternate)
- Jenny Da Rin
- Steve Landry
- Jean-Marie Okwo-Bele
- Walter Seidel
- José Luis Solano
- Samba O. Sow

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

Presenters not otherwise referenced

- Debbie Adams
- Alan Brooks
- Helen Evans
- David Ferreira
- Barry Greene
- Peter Hansen
- Hind Khatib-Othman
- Simon Lamb
- Aurélia Nguyen
- Marie-Ange Saraka-Yao
- Jeanne Shen
- Daniel Thornton

Additional Attendees

INTERNATIONAL FINANCE FACILITY FOR IMMUNISATION

- René Karsenti, Board Chair
- Didier Cherpitel, IFFIm Director
- Christopher Egerton-Warburton, IFFIm Director
- Marcus Fedder, IFFIm Director

WORLD HEALTH ORGANIZATION

- Lidija Namisa Kamara, Programme Manager
- Gina Tambini, Manager, Area of Family and Community Health, PAHO / WHO, USA

UNICEF

- Jonathan Cauldwell, Senior Advisor, Public-sector Alliances & Resource Mobilization Office (PARMO)
- Meredith Shirey, Chief, Vaccine Center, Supply Division
- Jos Vandelaer, Chief, Immunization
- Marilena Vivani Associate Director, Programme Partnerships

THE WORLD BANK

- Francois Lefebvre, Senior Financial Officer
- Robert Oelrichs, Senior Health Specialist

BILL & MELINDA GATES FOUNDATION

- Nicole Bates, Deputy Director, Global Policy & Advocacy
- Karen Lowry Miller, Director, Strategy Lead
- Violaine Mitchell, Director of Country Immunization Programs
- Brad Tytel, Program Officer

DEVELOPING COUNTRY GOVERNMENTS

- Ye Myint Aung, Permanent Mission of the Republic of Myanmar to the UN
- Kyaw Kan Kuang, Assistant Director, EPI, Myanmar
- Win Zeyar Tun, Permanent Mission of the Republic of Myanmar to the UN

DONOR GOVERNMENTS**AUSTRALIA**

- Emily Firth, Policy Manager – Health and Education Funds, AusAID
- Christine Sturrock, Director, Sectorial Funds Section, AusAID
- Tim Poletti, Health Adviser, Australian Permanent Mission to the UN

CANADA

- Catherine Palmier, Counsellor, Permanent Mission of Canada to the UN

FRANCE

- Mathilde Dides, Policy Advisor, Health, Food Security and Human Development, Ministry of Foreign Affairs
- Emmanuel Lebrun-Damiens, Assistant Director, Health, Food Security and Human Development, Ministry of Foreign Affairs
- Cosimo Winckler, French Treasury

GERMANY

- Annette Chammas, Counsellor, Permanent Mission of Germany to the UN
- Dirk Gehl, Senior Project Manager, KfW Development Bank
- Marcus Koll, Federal Ministry for Economic Cooperation and Development (BMZ)

ITALY

- Alberto Bertoni, First Counsellor for Health, Permanent Mission of Italy to the UN
- Antonio Ferraro, Executive Trainee, Permanent Mission of Italy to the UN
- Rosanna De Simone, Depart of Treasury, Ministry of Economy and Finance
- Ludovica Soderini, Director General, Department of Treasury, Ministry of Economy and Finance

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- Veronica Denti, Global Brand Director Influenza, Novartis
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