



GAVI Alliance Governance Committee Meeting

24 March 2014

Teleconference

FINAL MINUTES

1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 10.00 Washington time on 24 March 2014. Geeta Rao Gupta, Governance Committee Chair, chaired the meeting.
- 1.2 Standing declarations of interest were tabled to the Committee (Doc 1a in the Committee pack); Joan Awunyo-Akaba noted that she had a GAVI Alliance-supported special advisor. The Committee noted the minutes of its meeting on 26 September 2013 (Doc 1b) and reviewed its action sheet (Doc 1c) and forward workplan (Doc 1d).

Decision One

The GAVI Alliance Governance Committee:

- **Approved** the minutes of its meeting on 26 September 2013.

2. GAVI Alliance governance self-assessment

- 2.1 The Chair invited Naina Dhingra from McKinsey & Co., the Board's consultant on the self-assessment, to summarise the outcomes of the self-assessment and its proposed recommendations (Doc 2). Ms Dhingra reported that there had been significant progress since the last self-assessment in understanding how committees interact with each other as well as with the Board, having a clear governance calendar and forward plan, and developing good processes for Board member and leadership succession. Most Board members reported that the Secretariat provides the Board with the right amount of support to enable the Board to govern effectively.
- 2.2 Regarding opportunities for improvement, Ms Dhingra reported that Board members were not aligned with each other on their individual roles and responsibilities, which was compounded by high turnover of Board members. The McKinsey consultants noted that while alignment among Board members

on the Secretariat's role seemed to have increased, there was still further work to be done in this realm. In addition, Board members requested more clarity and alignment on the Executive Committee's role.

- 2.3 In consultation with the Governance Committee Chair, the McKinsey consultants recommended to the Governance Committee a staged approach to optimizing the governance structure:
- a) During the next year, the Board should consider re-committing to the spirit of the Alliance by aligning members on roles and responsibilities and creating a shared understanding of these different roles; enabling more free-flowing discussion, debate, and board member interaction; and engaging in better corporate process planning.
 - b) Over the next 24 months, the Board should consider clarifying the role and composition of the Executive Committee, delegating more decision-making authority to committees, and revisiting the Board's approach to constituency support.
 - c) Over a longer term and once the post-2016 strategy has commenced, the Board should reconsider its approach to constituency grouping and revisit the Board structure to consider options for streamlining.
- 2.4 The Chair proposed that the Committee ask the McKinsey consultants clarifying questions and then determine what themes to highlight to the Board so that the Board could engage in a fruitful and more focused discussion at its April 2014 retreat in Berlin, Germany.

Discussion

- In the report, 45% of Board members stated that the Board did not have the right number of members to fulfil its role. It was clarified by the consultants that in follow-up interviews, they had found that many of the Board perceived that the Board was too large.
- It was noted that there are many standing agenda items at Board meetings and that one way to optimise the Board's time would be to reconsider which standing items were really needed for presentation at the main Board meeting. For example, to the extent that a single Board member asks for a topic to be recurring, the best way to address this request would be to conduct one-to-one briefings outside of the meeting rather than adding the item to an agenda. It was also thought that an improved on-boarding process for Board members might help get new members better up to speed.
- The Committee agreed that clarifying the role and composition of the Executive Committee (EC) should be conducted over the next year rather than in the longer term, given the EC's importance in the governance structure. In particular, the Governance Committee wanted to ensure that the EC's role is agreed so that changes to its composition are made to best fulfil that role.

- The Governance Committee also agreed that the Board should review the support it provides to constituencies and ask whether the current modalities of support are the optimal way to support constituency engagement.
- Part of the self-assessment process and improving the governance structure is ensuring that all Board members are invested in the success of the GAVI Alliance. It was acknowledged that the donor community bears a good deal of financial risk associated with alliance operations, yet all Board members must accept that they as individuals play a fiduciary oversight role and that the GAVI Alliance's performance is a shared responsibility.
- Several members stated that the Board should allocate more time to discussing the outcomes of the Board and committee self-assessment at the Board's upcoming retreat than is currently scheduled. However, it was acknowledged that the Board needed to ensure sufficient time to discuss GAVI's next strategy for the period 2016-2020 and the plans for GAVI's replenishment. The Committee Chair agreed to confer with the Board Chair on the possibility of allocating more time, and potentially conducting break-out sessions focused on the self-assessment results and recommendations to enable more interactive discussion among the Board at the retreat. However, the Committee Chair noted that this might be dependent on how quickly the critical strategic discussion progresses at the retreat.
- The Committee agreed that the role of Board members, the EC's role, constituency support (especially for the developing country constituencies), and Board meeting agenda setting were areas to highlight at the Board's retreat.

3. Board Chair's term extension

- 3.1 The Committee Chair noted that the second two-year term of the current Board Chair, Dagfinn Høybråten, will be ending at the end of 2014. Knowing this, she and her Special Adviser consulted each Governance Committee member to understand their perspectives on how to handle the end of the Board's Chair's term without distracting the Board from crafting the new Alliance strategy and completing the replenishment.
- 3.2 The Chair noted that while Article 12 of the Statutes and paragraph 2.6 of the By-Laws suggest that a Board Chair remain in his/her position for two 2-year terms, Article 12 also states that the Board can determine the term length. She reported that Committee members, wanting to ensure good governance but not wanting to divert attention from the strategy and replenishment, indicated support for an exceptional, short-term extension of the Board Chair's current term. In addition, Committee members reported wanting some overlap in the current and future Board Chair's service to ensure a good transition.
- 3.3 Consequently, the Committee Chair proposed that the Governance Committee seek endorsement from the Board for an exceptional, 12-month

extension to the Board Chair's term (i.e. through 31 December 2015), assuming the Board's Chair's willingness and availability to do so. The Chair proposed discussing the new Board Chair recruitment process at the Committee's April 2014 meeting noting that once a process is defined, it need not be commenced immediately. This would allow the Board to have clarity on how it will replace the current Board Chair, but to focus on strategy and replenishment throughout 2014.

Discussion

- The Committee agreed with the outlined proposal and that it would be useful to discuss the Board Chair's recruitment process at the next meeting. The Committee requested that the Secretariat governance team outline options for recruiting the new Board Chair to inform the Committee's next discussion on this issue.
- The Committee wished to convey its enthusiasm and appreciation to the Board Chair and its hope that he might be willing to serve for an additional twelve months over and above his current term.

Decision Two

The GAVI Alliance Governance Committee:

- **Recommended** to the Board that it exceptionally extend the term of Dagfinn Høybråten as an Unaffiliated Board Member and Chair of the Board with individual signatory authority until 31 December 2015.

4. Other business

Unaffiliated Board member recruitment

- 4.1 The Chair reported that recruitment of unaffiliated Board members was now progressing under the oversight of the Recruitment Subcommittee (chaired by Dr Rao Gupta and composing Dagfinn Høybråten, Maria C. Freire, and Seth Berkley (non-voting) with the advice and input of Wayne Berson and George W. Welde, Jr). A short list of potential Board member candidates who could serve on the Audit and Finance Committee and/or Investment Committee had been identified and, in some cases, interviewed in person. The Committee Chair said that she hoped that one or more of these shortlisted candidates could be recommended to the Governance Committee at its June 2014 meeting.

Evaluation Advisory Committee

- 4.2 The Chair reminded the Governance Committee that Sania Nishtar intends to step down as Evaluation Advisory Committee (EAC) Chair once a successor is identified but that Dr Nishtar is willing to remain an EAC member. The

Governance Committee Chair proposed adding to the workplan a discussion on the succession planning for EAC Chair which should take place at the Committee's June 2014 meeting.

- 4.3 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
- Joan Awunyo-Akaba
- Donal Brown
- Maria C. Freire
- Shanelle Hall
- Orin Levine
- Samba O. Sow
- Beate Stirø
- George W. Wellde, Jr.
- Seth Berkley (non-voting)

Regrets

- Olga Popova

Secretariat

- Debbie Adams
- Helen Evans
- Kevin A. Klock

Guests

- Michael Conway, McKinsey & Company (Section 2 only)
- Naina Dhingra, McKinsey & Company (Section 2 only)
- Gian Gandhi, Special Adviser to the Board Vice Chair