

Gavi Alliance Governance Committee Meeting

4 April 2017

Hotel Royal, Evian, France

1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 13.44 local time on 4 April 2017. In the absence of Dr Flavia Bustreo, Board Vice Chair and Committee Chair, Governance Committee members agreed that Gunilla Carlsson chair the meeting.
- 1.2 Standing declarations of interest were tabled to the Committee (Doc 01a in the Committee pack).
- 1.3 The Committee noted the minutes of its meeting on 2 March 2017 (Doc 01b), which had been approved by no-objection on 31 March 2017.
- 1.4 The Committee reviewed its action sheet (Doc 01c) and forward workplan (Doc 01d).

2. Update on Vice Chair nomination

- 2.1 Ms Carlsson informed Governance Committee members that she would step out of the meeting for this agenda item as she had expressed her interest in being considered for the position of Vice Chair. It was agreed that Danny Graymore would chair the meeting in her absence.
- 2.2 Dr Okonjo-Iweala referred to the Vice Chair nomination process which had been approved by the Governance Committee and which was led by a subcommittee comprising herself, Reina Buijs and Danny Graymore. One of the aims was to ensure transparency and in this context it had been decided to invite all Board Members to submit nominations, which could include self-nominations, and which would then be considered in the light of a clear set of criteria which had been defined, including qualifications and time commitment. Only one nomination had been received.
- 2.3 Dr Okonjo-Iweala referred to the fact that, while not prescribed in the Statutes or By-Laws, the Vice Chair seat had traditionally been held by one of the four founding members of the Alliance and that she had therefore had a discussion with the World Bank, who had not yet held the position, and confirmed with them that they were comfortable with the transparent process which was to be implemented.

- 2.4 Governance Committee members were informed that the next step in the process would be for the subcommittee to have a meeting with Ms Carlsson, as the only nominee, to discuss expectations in relation to the position and, if appropriate, the nomination would be brought to the Governance Committee and to the Board for formal approval in June 2017.

Discussion

- In response to a query from a Governance Committee member, the Secretariat noted that as candidates for the Vice Chair position were being sought from amongst Board members it had not been foreseen that it would be necessary to do further due diligence in relation to the candidates, unless the subcommittee felt that this required further consideration.
- Governance Committee members noted that the subcommittee had decided against approaching individual Board Members to ascertain their potential interest in the position to avoid any perceptions of targeted bias and preferred the approach whereby there was an open and transparent nomination process.
- Governance Committee members also noted that the subcommittee would be meeting with the candidate later in the day and that there would be a robust discussion with her taking into account the criteria which had been agreed on for the position, as well as a discussion to ensure that expectations on both sides were aligned, as well as an understanding of the time commitment needed, to fulfil not only the role of Vice Chair, but also that of Chair of the Governance Committee.
- Governance Committee members confirmed that they were comfortable with the process as a whole and agreed that the process continue as outlined.

3. Board and Committee nominations

- 3.1 Philip Armstrong, Director, Governance and Secretary to the Board, reviewed the recommendations received for Board and Committee membership (Doc 03).

Discussion

- Governance Committee members noted a change in relation to the information shared in Doc 03 concerning the donor group anchored by the United States, and that the constituency wished Blair Exell to occupy the Board Member seat from 1 July 2017, with Irene Koek occupying the Alternate Board member seat also from 1 July 2017, and both for a two-year period through 30 June 2019.
- Governance Committee members also noted that the donor constituency had agreed that the second seat reserved for them on the Executive Committee pending completion of the governance review had been assigned to Irene Koek.
- Governance Committee members also noted that two nominations from the *Francophone/Lusophone AFRO* developing country constituency were not being

presented to them at this time for reasons outlined in the paper and that the Secretariat remains engaged with the constituency to ensure that they fully understand the process.

- Governance Committee members discussed the gender balance on the Board and Committees, noting in particular that the balance of Alternate Board members is non-compliant with the Board-approved gender policy. It was agreed that going forward the Governance Committee should play a more prominent role in ensuring that the policy is adhered to, and that this might be managed in the first instance through discussions with the constituencies before nominations are submitted. Governance Committee members agreed that as they will be playing a greater role in relation to considering nominations in general going forward, with the implementation of competency matrices etc., they will be in a position to play a more active role in considering the consequences and potential actions relating to non-compliance with the policy.
- It was proposed that it could be useful to do an analysis of the nomination process, including aspects relating to the gender policy, with the aim of looking at the outcomes later. This would already be a signal to the Board that it is an area of focus which the Governance Committee is looking at and which may require action at a later stage as appropriate but without diminishing the emphasis on skills and competencies required to fill vacant positions.

Decision One

The Gavi Alliance Governance Committee **recommended** to the Gavi Board:

a) That it **appoint** the following Board Members:

- **Amy Baker** as Board Member representing Canada on the donor constituency anchored by Canada in the seat currently held by Susan Tolton of Canada effective immediately and until 31 December 2018.
- **Blair Exell** as Board Member representing Australia on the donor constituency anchored by the United States in the seat currently held by Irene Koek of the United States effective 1 July 2017 and until 30 June 2019.
- **Clarisse Loe Loumou** as Board Member representing the civil society organisations constituency in the seat currently held by Naveen Thacker effective 1 July 2017 and until 30 June 2019.
- **Sai Prasad** as Board Member representing the vaccine industry developing countries in the seat currently held by Adar Poonawalla effective 1 July 2017 and until 30 June 2020.
- **Susan Silberman** as Board Member representing the vaccine industry industrialised countries in the seat currently held by David Loew effective 1 August 2017 and until 31 July 2020.

- b) That it **reappoint** the following Board Members:
- **Stephen Zinser** as an Unaffiliated Board Member effective 1 July 2017 and until 30 June 2020.
- c) That it **appoint** the following Alternate Board Members:
- **Irene Koek** as Alternate Board Member representing the United States on the donor constituency anchored by the United States in the seat currently held by Blair Exell of Australia effective 1 July 2017 and until 30 June 2019.
 - **Craig Burgess** as Alternate Board member to Clarisse Loe Loumou representing the civil society organisations constituency in the seat currently held by Clarisse Loe Loumou effective 1 July 2017 and until 30 June 2019.
 - **John Roberts** as Alternate Board member to Susan Silberman representing the vaccine industry industrialised countries in the seat currently held by Lyn Morgan effective 1 August 2017 and until 31 July 2020.
- d) That it **appoint** the following to the Governance Committee:
- **Amy Baker** (Board Member) in the seat currently held by Susan Tolton effective immediately and until 31 December 2017.
 - **Clarisse Loe Loumou** (Board Member) in the seat currently held by Naveen Thacker effective 1 July 2017 and until 31 December 2017.
 - **John Roberts** (Alternate Board Member) in the seat currently held by Lyn Morgan effective 1 August 2017 and until 31 December 2017.
- e) That it **reappoint** the following to the Governance Committee:
- **Blair Exell** (Board Member) effective 1 July 2017 and until 31 December 2017.
- f) That it **appoint** the following to the Programme and Policy Committee:
- **Abdul Wali Ghauri** (Committee Delegate) in the seat currently held by Ahmed Jan Naeem effective immediately and until 31 December 2017.
 - **Adar Poonawalla** (Committee Delegate) in the seat currently held by Rajinder Suri effective 1 July 2017 and until 31 December 2017.
- g) That it **reappoint** the following as Chair of the Investment Committee:
- **Stephen Zinser** until 31 December 2017.

4. 2016 Board and Committee self-evaluation – Preparation for Board Retreat

- 4.1 The Meeting Chair highlighted that the discussions at this meeting should be about process and that formal recommendations will be considered by the Governance Committee at its meeting in June 2017.
- 4.2 Dr Okonjo-Iweala while mentioning that she felt a little underwhelmed by the proposed recommendations, thanked Governance Committee members for their dedication in leading this work which had taken somewhat longer than she had expected but which has some specific outcomes which she welcomes.
- 4.3 She referred in particular to the desire to explore ways to increase the voice of the developing country constituency on the Board and Board Committees, the wish to find mechanisms to strengthen the role of the Board Chair and to ensure that the CEO has a sounding board for discussing issues before they are brought to the attention of the Board as a whole.
- 4.4 Philip Armstrong, Director, Governance and Secretary to the Board, reviewed the presentation shared with the Committee (Doc 04).

Discussion

- In response to a concern raised by the Board Chair in relation to the formalisation of closed sessions of the Board, Governance Committee members clarified that the idea of setting an agenda for those sessions related more to their preference for establishing clear criteria to define the issues which would be discussed in closed session rather than in open session.
- The Board Chair indicated that it was necessary to have some measure of informality to the process and some discretionary judgement on her part. She envisaged topics coming before a closed session being of a sensitive nature including issues relating to Board leadership, succession planning, CEO performance review and matters which she might deem too sensitive to discuss in an open forum at least in the initial instance.
- One member of the Governance Committee raised the issue of more Board involvement in setting the meeting agendas and the Secretariat noted that one way of encouraging this might be to revert to the Board workplan at the end of Board meetings to get input directly from the Board in the light of the discussions that had just taken place.
- Governance Committee members briefly discussed whether or not the idea of delegating decision-making to the Board Committees should be further explored. While it was felt that this could be a way to empower the Board Committees and open up space in the Board agenda by reducing operational items in creating space for more strategic discussion, it was felt that the Board needs to be cautious about retaining its fiduciary responsibilities and that rather than delegating to the committees, it might be more appropriate to explore other mechanisms to speed up the decision-making processes such as electronic voting by the Board on Committee recommendations.

- There was a brief discussion in relation to the composition of Board Committees with consensus that the Committees should remain comprised primarily of Board Members and Alternate Board members recognising that in some of the undersubscribed Committees this remains a challenge.
- In relation to strengthening the voice of the developing country constituency, Governance Committee members agreed that there is a need to think differently about how this constituency is represented on the Board and Committees compared to other constituencies as it is clearly something which is not working optimally. It was suggested that one way of better engaging Developing Country Board Members between meetings might be a structure whereby the Board Chair has a call with them every two months. It was suggested that it might be useful to have flexibilities for this constituency in relation to Committee representation. It was also proposed that some new ideas could be explored, such as putting in place 'twin' constituencies.
- Governance Committee members agreed that the presentation for the Board Retreat should be focussed around the information presented in slide four of Mr Armstrong's presentation (taken from the consultant's presentation to the Board in December 2016 depicting a diagram illustrating the *proposed recommendations to achieve a better balance of governance system*), and the proposals being considered to respond to the different recommendations. It should include information on the roles and responsibilities which are currently in the Executive Committee Charter and how it is being proposed that these be redistributed.
- Governance Committee members noted that while statement reading is not necessarily optimal at Board meetings, this is important for some constituencies who due to their nature need to ensure that there is a balanced language on record that reflects the careful deliberation that had taken place within the constituencies ahead of meetings.
- While the Governance Committee was comfortable with the proposed composition and role of the Board Chair's Advisory Group, it was suggested that considerations should be given to giving it a more 'modest' name as the name currently proposed may create a misunderstanding on the exact role of the forum.
- Governance Committee members discussed the proposed role of the Emergency Decisions Committee and agreed that decisions on time-sensitive issues should remain the responsibility of the Board, and that this could be managed through the implementation of an electronic voting mechanism. They subsequently agreed that the only remaining role relates to commercially-sensitive issues and that further consideration should be given to making this solely a Committee which would take decisions on market-sensitive issues.
- Governance Committee members briefly touched on the issue of the restricting constituency representation to three seats on Board Committees and it was suggested that this can lead to an imbalance of membership. It was recognised that if the proposals to adopt defined representative compositions for each of the Board Committees, then this requirement would largely become superfluous.

- Governance Committee members noted that a proposed revised PPC Charter will be brought to them in due course and they agreed on importance of ensuring that the PPC Chair is fully engaged in this process, which the Secretariat confirmed to be the case.
- Governance Committee members agreed that it would be useful for them to have clear talking points in relation to the implementation of their recommendations of the Board and Committee self-evaluation so that there is consistent messaging in their role as ambassadors for the process going forward.
- Governance Committee members agreed that it would be appropriate for them to reflect on the work carried out by Egon Zehnder International on the Board and Committee self-evaluation, as well on the need to carry out self-evaluations every two years, in particular taking into account the amount of work and effort which was needed for the 2016 exercise and a preference being expressed that this should be deferred for 2018.

5. Review of decisions

- 5.1 Philip Armstrong reviewed and agreed the language of the decisions with the Committee.

6. Review of decisions and any other business

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

Mr Philip Armstrong
Secretary to the Board

Attachment A: Participants

Committee Members

- Gunilla Carlsson (Meeting Chair)
- Orin Levine
- Reina Buijs
- Daniel Graymore
- Blair Exell
- Lyn Morgan
- Naveen Thacker
- Seth Berkley (non-voting)

Secretariat

- Philip Armstrong
- Joanne Goetz

Guests

- Ngozi Okonjo-Iweala, Board chair
- Amy Baker, Committee member elect

Regrets

- Flavia Bustreo, Chair
- Samba O. Sow
- Susan Tolton