GAVI Alliance Programme and Policy Committee Meeting

5-6 May 2014
GAVI Alliance Offices, Geneva, Switzerland

FINAL MINUTES

1. Chair's report

1.1 Finding a quorum of members present, the meeting commenced at 09.00 Geneva time on 5 May 2014. Richard Sezibera, Programme and Policy Committee Chair, chaired the meeting.

1.2 The Chair welcomed Rajinder Suri who was attending a PPC meeting for the first time and welcomed Robert Newman who had taken up the position as Managing Director, Policy & Performance, in February 2014.

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

1.4 The minutes of the October & November 2013 PPC meetings were tabled to the Committee (Docs 01b and 01d in the Committee pack) and the minutes of the joint meeting with the AFC, also held in October 2013 (Doc 01c in the Committee pack). They had already been circulated and approved by no-objection on 19 December 2013, 10 February 2014 and 4 April 2014 respectively.

1.5 The Chair referred to the PPC workplan for 2014 and early 2015 (Doc 01e) and reminded Committee members that they may contribute to the workplan by raising issues with either himself or the Secretariat.

1.6 The Chair informed PPC members that Minister Andrei Usatii, Moldova, was unfortunately unable to attend this meeting but had submitted written comments which were tabled for Committee members.

1.7 The Chair informed Committee members that he would like to take time at the beginning of this meeting to have a discussion and get their views on how the PPC is working. In this context he invited Debbie Adams, Managing Director, Law and Governance, to review the PPC Charter to highlight the purpose of the PPC, as defined in the Charter, and its duties and responsibilities.

1.8 Seth Berkley, CEO, added that in the recently conducted Board and Committee Self-Evaluation there was a good understanding of what the PPC did and its role. One of the concerns highlighted in the self-evaluation is that a large part of the agenda for Board meetings is taken up with information

items, some of which have been put on the agenda at the request of individual Board members or constituencies, and that there is a wish for the discussions at Board meetings to be more strategic. In this context there will be a move towards having the more technical discussions at pre-Board technical briefing sessions.

Discussion

- PPC members agreed that the Committee fulfils the duties outlined in the Charter, apart from advising on the criteria for and recruitment of IRC members.

- PPC members noted that the degree of perceived trust in the PPC by the Board has gone through changes over time and has improved. Some members felt that there would however still not appear to be complete trust as there are still often quite intense discussions at the Board on items which have already been robustly reviewed and discussed by the PPC and put forward to the Board for approval. Whilst acknowledging that this might be additional work for the Secretariat it was suggested that the information presented to the Board could more clearly outline what the PPC discussions had been in the cover note to the PPC paper. The importance of Committee members consulting with their organisations and constituencies before PPC meetings and reporting back to their organisations and constituencies after the PPC meetings was also emphasised. It was noted that there are constituencies who want just a high level summary from Committees for the Board meetings and others who want more detail. It was noted that finding a balance between the expectations of the different constituencies is a challenge.

- Committee members agreed that when compared to programmatic committees in other organisations the PPC works very well, in particular in that the discussions remain apolitical and focus on expertise, shared understanding and consensus.

- PPC members agreed that the way in which Committee meetings are chaired is very important. They commended Richard Sezibera for creating a context in which all Committee members felt that their technical expertise and the experience of all members is heard and considered.

- PPC members noted that many of their discussions and recommendations have a direct impact on countries and agreed in this context that it would be useful to look at ways of further strengthening the voice of countries on the PPC.

- Some PPC members highlighted the challenge of representing their constituency rather than providing personal input.

- PPC members agreed on the importance of input for their meetings being sent through the correct channels, noting that one PPC member in particular

often receives unsolicited input from individuals who have their own representation on the PPC.

- PPC members acknowledged that the preparation of the papers for Committee meetings, whilst led by the Secretariat, is a complex consultative process and noted that it would be extremely challenging to circulate the papers more than two weeks in advance of the meetings as is currently the case.

- PPC members noted that there are often items for information on their meeting agendas and sought clarification on their role in relation to these items. It was suggested that if such items are being considered by the PPC before they are reported on to the Board then they should be for review rather than for information. It was also suggested that for such items the PPC could be asked to focus its discussion on two or three key areas. Committee members noted the importance of ensuring that they are regularly updated on items of particular interest so that if it comes to a time when they are being asked to make a related recommendation they are already familiar with the context and background.

- One member of the PPC suggested that the implementing partners of the Alliance would have to do more preparatory work if the Committee was to play a greater role in monitoring the Alliance response to the IRC policy recommendations and implementation of these actions.

- In relation to the composition of the PPC one Committee member pointed out that more could be done to ensure a better gender balance on the committee.

- Committee members noted that the agenda for the PPC meeting is driven by the workplan which gives an overview of items which will be covered over the next 12-month period.

- Committee members discussed the number of PPC meetings per year and noted that the number of governance meetings in general had been reduced at the request of the Board. It was also noted that the timing of PPC meetings, normally six weeks before a Board meeting, is important to ensure that recommendations made by the PPC are then approved by the Board in a timely manner.

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2. Update from the Secretariat

2.1 Seth Berkley, CEO, gave an update from the Secretariat, in particular on GAVI related activities in India, Nigeria and Pakistan.

2.2 He reported that there is strong commitment to vaccination in India and that there is a focus on taking advantage of mechanisms which are in place for polio immunisation and increasing coverage. He referred to the recently constituted GAVI Advisory Council that connects to partners on the ground

and also comprises some high level Indian personalities. He informed PPC members that India has become GAVI's latest donor with a commitment of US$ 4 million over 4 years. The possibility of a mandatory 2% Corporate Social Responsibility Bill is being discussed in India, and the possibility of channelling private sector funding for immunisation amongst other priorities.

2.3 In the context of the report on India, the CEO referred to the recent announcement that Anuradha Gupta would replace Helen Evans as Deputy CEO. There will be a one month overlap between Anuradha and Helen and the Secretariat very much looks forward to welcoming Anuradha at the beginning of June.

2.4 The CEO reported on concerns in relation to Nigeria, in particular the recent GDP re-basing and subsequent implications for GAVI eligibility. Early graduation, if it were to occur, could further weaken an underperforming system, prevent new vaccine introduction and undermine recent indications that immunisation coverage may be improving. PPC members noted that polio remains a primary focus of activities in Nigeria.

2.5 The situation in Pakistan remains challenging. Questions remain on the commitment of senior political leadership to immunisation. Pakistan is in default on its co-financing obligations and there has been a court decision that the country cannot procure vaccines through UNICEF. Implementation of the Measles Supplementary Immunisation Activity (SIA) approved by GAVI in 2013 also continues to be a challenge.

2.6 The CEO referred to visits by the Deputy CEO to Liberia for the launch of PCV and to Cameroon for the launch of rotavirus vaccine, both of which are examples of countries where there is senior political commitment to immunisation and to the GAVI replenishment.

2.7 The CEO provided information on vaccine introductions in 2014, where more than one per week on average is expected including the first IPV introductions. He highlighted that pentavalent vaccine has been introduced in 72 of the 73 GAVI countries and that it is hoped that it will be launched in South Sudan later this year. He reported that 55 countries have now applied for PCV and more than 39 for rotavirus. Efforts are continuing to mitigate supply constraints.

2.8 The CEO indicated that interest from countries in the HPV demonstration programme remains strong. As the projects are rolled out an analysis will be carried out on lessons learnt and brought back to the PPC for consideration. The PPC noted that the HPV implementation subgroup is evaluating how to best integrate the recent SAGE recommendation to switch from three to two doses of HPV into GAVI guidelines. The PPC also noted that work is being carried out with countries and partners to identify opportunities for integration with on-going adolescent health interventions.

2.9 The CEO informed the PPC that twenty six countries have already applied for support for the introduction of IPV and that early signals suggest this interest will be sustained with many countries actively preparing applications with

partners. Alliance partners will continue to work closely with countries in their planning and in particular to ensure that the introduction of IPV does not result in countries delaying the introduction of other vaccines. The Alliance and the Secretariat continues to work closely with the Global Polio Eradication Initiative (GPEI) through the Immunisation Systems Management Group.

2.10 The CEO confirmed that a window of support for Japanese Encephalitis vaccine was opened and one country application has already been received. Information in relation to potential vaccines for dengue and malaria continues to be monitored.

2.11 The CEO provided an update on the implementation of the Grant Application, Monitoring and Review (GAMR) process. New application guidelines for countries were published in early 2014 and additional changes will be introduced incrementally over 2014 and 2015. The aim of the changes is to enable better alignment of health systems strengthening and new vaccine support, to lower transaction costs for countries, to ensure a more efficient use of GAVI Alliance resources, and a better alignment with country processes.

2.12 PPC members noted that the Evaluation Advisory Committee had recently reviewed the first annual report of the full country evaluations project which it found to be ground-breaking work of great potential value to countries and to the GAVI Alliance.

2.13 The CEO updated the PPC on the GAVI Alliance 2016-2020 strategy development process. Following a Board workshop in February and the Board retreat in April there is broad alignment on the overall strategic framework. The focus will be on “finishing the job” of new vaccine introduction, consolidating progress to date by expanding coverage for the full range of vaccines and strengthening systems, and critically ensuring the sustainability of immunisation programmes especially post-graduation. The strategy will be submitted to the Board for approval in June 2014. Work will then begin on implementing the strategy and it is expected that key elements will be brought to the PPC over the next 18 months.

2.14 The CEO referred briefly to two important items for the Alliance which were to be discussed by the PPC at this meeting, namely the GAVI Alliance immunisation supply chain strategy and GAVI support for access to appropriate pricing for GAVI graduates and other lower middle income countries.

2.15 The CEO updated PPC members on ongoing discussions with PAHO in relation to its resolution reaffirming the least price clause contained in its revolving fund for vaccine procurement.

2.16 PPC members noted that it is hoped that the host and timing of GAVI’s pledging event will be announced at the meeting being held on 20 May in Brussels to launch the replenishment. Discussions with current and potential new donors are ongoing. The replenishment ask will be announced at the Brussels meeting where it is expected that there will be high-level attendance

from Presidents of implementing countries, Development Ministers from donor countries and representatives of partners, CSOs and vaccine manufacturers.

2.17 At the World Economic Forum (WEF) Africa meeting in Abuja this week there will be a pledge from African Presidents reaffirming their commitment to investing in children's health and immunisation and calling for GAVI to do more. There are a number of other meetings and events throughout the year where work will be done to raise GAVI's profile.

2.18 The CEO provided a brief update on some recruitment and staff moves, in particular the appointment of Robert Newman as Managing Director, Policy and Performance. He referred to the appointment of a new Director of Country Support and indicated that the appointment of a Chief Knowledge Officer is imminent. Finally he referred to the Board's recent decision to extend his own term as CEO, which he has accepted, and the Governance Committee recommendation to extend the term of Dagfinn Høybråten as Chair of the GAVI Alliance Board through to the end of 2015 to ensure continuity for replenishment.

Discussion

- PPC members reiterated the importance of the engagement of high level political leadership in countries in particular to ensure the sustainability of routine immunisation programmes.

- PPC members welcomed the new GAMR process which highlights that it is a country-led process and aims to ensure better alignment with existing in-country mechanisms.

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3 Country Programme update

3.1 Hind Khatib-Othman, Managing Director, Country Programmes, introduced this item and Ranjana Kumar, Acting Director, Country Support, Stefano Malvolti, Director, Vaccine Implementation, and Mursaleena Islam, Senior Specialist, Health Systems, presented updates on their respective areas of responsibility.

3.2 Hind Khatib-Othman highlighted that there is an emphasis this year on stronger coordination between the Vaccine Implementation Management Team (VIMT), the management team for strategic goal 2 and the Immunisation Financing and Sustainability (IF&S) Task Team. More effort is being put into working closer with countries through participation at regional meetings of EPI managers and other regional meetings. Time is also being invested to ensure that the stewardship role of Country Responsible Officers (CROs) in the context of the new GAMR process is clearly understood across the Alliance.

Discussion

- One PPC member pointed out that it may be necessary to rethink the way that business is done as an Alliance in support of countries to ensure that immunisation coverage continues to increase. Currently in many countries, including some with very low coverage, the routine immunisation system is considered as one of the best run health programmes.

- Committee members agreed that there is sometimes a tendency to consider country ownership of immunisation programmes only in terms of the technical aspects of the programmes. More attention should be paid to ensure country ownership so that all aspects of the programmes are considered at the senior leadership level, including immunisation financing. PPC members noted that a lot of effort is being put into strengthening governance in countries and in-country relationships. Discussions with Alliance partners are ongoing to explore ways of working together in this context.

- PPC members agreed on the importance of ensuring that programmes are country led and that providing support to country governments is the primary focus. It was acknowledged however that this is becoming more difficult in countries where powers are being devolved to the subnational level.

- One member of the PPC highlighted the importance of Communication for Development (C4D) and the fact that it is often absent from both papers and discussions. The PPC noted that there is an ongoing discussion on C4D with the VIMT and HSS guidelines clearly spell out that countries need to invest in this.

- PPC members noted that the Country Tailored Approach is clearly getting more attention and seen as a way forward. The importance of ensuring that the approach remains light touch was highlighted. In this context it was suggested that a light touch approach for a country such as Nigeria would not be sufficient.

- PPC members discussed a number of concerns in relation to the immunisation programme in Nigeria which faces many challenges. The PPC noted that the Secretariat will reach out to partners in Nigeria to discuss whether Nigeria should be invited to a discussion with the PPC or whether it would be more appropriate to have a mission to Nigeria on behalf of the PPC.

- PPC members noted that they will be given access to the coverage and equity improvement plans for specific countries on request.

- Concern was expressed in relation to the countries in default of their co-financing obligations in particular taking into account that many of these countries plan to introduce further new vaccines into their routine immunisation programmes. This will have increasing financial consequences in relation to their co-financing obligations.

- PPC members discussed the importance of trying to integrate HPV immunisation with other adolescent health initiatives.

- One member of the PPC asked whether we could be sure that the third dose of HPV is being administered. It was noted that learning to date indicates that these are being administered. It was acknowledged however that these are still demonstration programmes and national scale up is a different story.

- PPC members noted that the design of the demonstration programmes requires countries to submit plans to integrate HPV into routine immunisation. The Alliance therefore can only ensure that this is planned for but does not have a mandate to ensure that it is implemented.

- The PPC noted that discussions are being held on extending support for Meningococcal A vaccines from campaigns to routine immunisation and that this will potentially be brought to the PPC for discussion at a later date.

- Committee members noted that countries are often under external pressure to submit applications for different funding streams and that very often the applications are coordinated at the national level without the involvement of sub national actors who are responsible for implementing the programmes.

- Committee members noted that there are often different committees in country responsible for HSS and immunisation and that where these are integrated there is better coordination.

- Committee members noted the progress in disbursement of funds for health systems strengthening (HSS) and that information will be available on the use of the resources in the annual reports which are due on 15 May. It is planned that there will be more frequent reporting on the use of resources as the implementation of the new GAMR process is rolled out.

- PPC members noted that before 2012 countries were not asked to demonstrate improvements in coverage or equity in the context of HSS grants. Since then efforts are underway to focus on demonstrating results. It will take some time to have data on coverage and equity. Performance based funding is another tool which should encourage improvements in coverage and equity.

- PPC members noted that HSS end of grant evaluations will be carried out in several countries applying for new support from 2014 onwards. At present, several end of grant evaluations are underway. Some of these evaluations are being supported by the evaluation team at the Secretariat. In other cases countries have commissioned the work themselves. These evaluations will assess the relevance, implementation and results of HSS grants and identify key lessons learned. These evaluations will not give an overall portfolio analysis so additional work is being done on this in parallel.

- Committee members discussed the ongoing challenge of ensuring the accuracy of coverage data. They noted that work is being done through IHP+

on results measurement and data quality, as well as directly with GAVI Alliance partners, and it is expected that through this there will be improved reporting of coverage data.

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4. GAVI Alliance support for pertussis approach

4.1 Robert Newman, Managing Director, Policy and Performance, introduced this item by highlighting that it had been added to the agenda at a late stage following a country-specific issues which had brought the issue to the fore.

4.2 Judith Kallenberg, Head of Policy, presented the item and requested guidance from the PPC on whether the GAVI Alliance should provide financial support to countries for self-procurement of acellular pertussis (aP) containing vaccines, in lieu of whole-cell pertussis (wP) containing pentavalent.

4.3 The CEO added that he had spoken to both the Minister of Health, Deputy Minister of Health and EPI Manager of the country which had submitted the request.

Discussion

- PPC members noted that their guidance was being sought on the interpretation of GAVI's approach to self-procurement.

- Jon Abramson confirmed that SAGE recommended that countries who had already introduced wP containing vaccines should not switch to aP containing vaccines and noted that the use of aP containing vaccines requires additional booster shots.

- Committee members noted that SAGE has for the first time indicated that aP vaccines have lower initial efficacy, faster waning of immunity, and possibly a reduced impact on disease transmission relative to currently internationally available wP vaccines.

- PPC members noted the cost implications for the country of introducing an AP containing vaccine and expressed concern that the increased costs, including increased operational costs associated with booster doses, could negatively impact the broader immunisation portfolio of the country concerned.

- PPC members discussed the importance of the GAVI Alliance ensuring the most efficient use of its resources and felt that this would not be the case if countries were authorised to use GAVI funding to procure less cost effective vaccines.

- PPC members agreed that while there are no scientific reasons to argue against the use of an aP containing vaccine, the Committee advised against the use of GAVI funds to procure such vaccines for both programmatic and financial reasons.

5. Management response to IRC recommendations

5.1 Peter Hansen, Director, Monitoring & Evaluation, presented the management actions undertaken by the GAVI Alliance to address the key policy and programmatic recommendations made by the IRC in 2013.

Discussion

- One member of the PPC highlighted that the IRC recommendations are critical for the implementing partners to understand where additional efforts should be focused. It was noted that the implementing partners need to have a clear common understanding of the recommendations in their communications with countries so as to avoid contradictions.

- PPC members agreed on the importance of taking into consideration the timing of the implementation of changes for countries; stability and continuity for countries is important.

- PPC members noted that there are issues in relation to the recommendation on the use of Immunisation Data Quality Assessments and the need to be mindful of existing country processes.

- One member of the PPC confirmed that the IRC recommendations are very useful and are passed on by the implementing partners to their regional and country offices. Tracking of the implementation of the recommendations in countries however could be improved. Currently there is only an overview on issues which come back through the business planning process as requests for additional support.

- PPC members agreed on the importance of improving not only data quality but also data use.

- PPC members acknowledged the work being carried out, in particular within the framework of the implementation of the new GAMR process, to improve mechanisms to ensure that the feedback received from the IRC and the High Level Review Panel is used by countries to make improvements in their systems and which will then be reflected in subsequent reports or applications.

- Following a query from a PPC member it was noted that the IRC does take a keen interest in fiduciary oversight and has seen strengthening of this in countries in particular in the context of the implementation of the transparency and accountability policy.

- PPC members noted that additional costs to the Secretariat for the implementation of actions addressing the IRC recommendations are not foreseen.

- PPC members noted that work is being done to bring together immunisation programmes and national statistics offices to identify gaps in country data.

There are also ongoing bilateral discussions with other partners, in particular in countries which have long gaps in their census cycles. PPC members also noted that there may be a discussion in the context of the next GAVI Alliance strategy on potential investments in country civil registration systems.

- PPC members noted that prospective evaluations are being carried out in five countries in the context of the 5-year full country evaluations project. Some countries have also shown interest in doing prospective evaluations in the context of their HSS grants.

- PPC members agreed that there is currently nothing arising from the management response to the IRC recommendations which needs to be flagged to the Executive Committee or to the Board.

- PPC members agreed that going forward it would be useful for them to receive progress reports on the implementation of IRC recommendations, perhaps through a traffic light type document.

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6. GAVI Alliance immunisation supply chain strategy

6.1 Daniel Thornton, Director, Strategic Initiatives, and Benjamin Schreiber, Senior Immunization Specialist, UNICEF, presented this item to the PPC.

Discussion

- PPC members commended the work carried out on the proposed strategy since the October 2013 PPC meeting and agreed that the project is a great demonstration of the power of the Alliance.

- PPC members noted that countries have very different needs in terms of improving their immunisation supply chains and asked how the related work will be prioritised. The Secretariat clarified that in addition to the prioritisation of specific initiatives proposed in the strategy, further prioritisation will be part of the implementation phase once the strategy has been approved.

- It was agreed that country ownership is critical. PPC members noted that in 2014 alone up to 40 Effective Vaccine Management (EVM) assessments will be implemented, each of which should include an improvement plan. For some countries this will be their second EVM assessment and will therefore be the first time a comparison can be done. The importance of ensuring accountability and funding for the implementation of the improvement plan was highlighted.

- PPC members noted that the scope of the immunisation supply chain strategy includes issues such as vaccine presentation and thermal stability. It was agreed that there will be a need to focus on the global elements of the supply chain, and also on factors that are beyond the scope of the strategy, but nonetheless have an impact on supply chains, such as electricity and the

condition of roads but that this will obviously require discussions with the entities responsible for these other elements both at the global and country levels.

- PPC members asked for more analysis and guidance around the opportunities for integration referred to in the paper. In this context it was agreed that there should be guiding principles in the strategy about integration. Establishing synergies with other health commodity supply chains should be encouraged where appropriate. It was suggested that putting in place some incentive mechanisms to support integration, for both governments and partners, could be considered.

- One PPC member suggested that there is a need to differentiate between integration and convergence, where integration would be putting immunisation in the context of primary health care delivery systems while convergence would be bringing two or more systems together where specific synergies can be found by countries. It was acknowledged that convergence would depend on the state of systems in individual countries. It was agreed that it will be important to ensure that work on improving immunisation supply chain management in countries leads to better coordination across programmes with the county health systems and budgeted for within the existing financial management structures.

- It was suggested that supply chain specialists are needed not only at the national level but also at the subnational level to ensure sustainability. PPC members noted that WHO has put together information on the competency framework and profile of a supply chain manager should be and the training requirements. Further work needs to be done on this. PPC members also noted that the way in which the supply chain is managed will differ from country to country but that there is a need to clearly identify who will be in charge for progress to be made.

- One member of the PPC advised against any measures which might lead to the further creation of silos or which might lead to competing projects in supply and cold chain in countries.

- One PPC member noted that it would be good to have greater emphasis on maintenance in the paper and suggested that this should be looked at, not only in terms of spare parts and training of logisticians but also in terms of fostering a maintenance culture in countries.

- One PPC member noted that references in the paper to data for management appeared to be focused on data at the central level and highlighted the importance of ensuring through the strategy the ability to use cold chain and vaccine management data throughout the appropriate points in the system. The importance of ensuring that there is no requirement to increase the data that is already being collected was highlighted.

- PPC members agreed on the need to better define the roles and responsibilities and expertise needed to implement the strategy. It will be

important to ensure that UNICEF, WHO and other Alliance partners have the right expertise and influence in country to help deliver and foster change with governments. Should this not be the case it will be necessary to consider how this expertise is brought in. It will also be important to consider the potential role of the private sector, perhaps looking at lessons that can be drawn from PPPs that have done similar work in the past.

- A PPC member noted that the Board has indicated that it does not favour earmarked funding and therefore asked for further information on the funding received from Canada for the implementation of supply chain activities. The CEO referred to the earmarking policy and confirmed that earmarking is indeed discouraged. This particular funding from Canada however was end of year funding that could only be given for an activity which was not already funded – and was therefore in line with the Board's policy on earmarking - and was accepted in this spirit. It would also enable the implementation of supply chain strategy activities to start in 2014.

- In terms of long term funding of the implementation of the supply chain strategy PPC members noted that it is not proposed that GAVI should fund major supply chain costs through the business plan going forward. There is an opportunity for countries to fund some supply chain activities through health systems strengthening grants. There are no plans to propose the opening of a new funding window, although it may be necessary to adapt existing windows. There will also be requests for funding for global interventions which will go through the normal business planning process.

- PPC members agreed that the wording of the vision which is been developed by the Supply Chain Inter-agency group should be incorporated into GAVI's immunisation supply chain strategy.

- PPC members noted that the figures presented in the presentation on immunisation supply chain costs to 2020 were projections. PPC members also noted that potential innovations have been factored in. Such innovations include better designed supply chains as well as better technology. In this context it was suggested that it might be useful to look at the work being carried out by the UN Commission on Life-Saving Commodities.

Decision One

The GAVI Alliance Programme and Policy Committee:

a) **Recommended** to the GAVI Alliance Board that it approve the GAVI Alliance immunisation supply chain strategy as attached as Annex A to Doc 05, as amended by discussions of the PPC.

b) **Recommended** to the Executive Committee that it, in turn, recommend to the GAVI Alliance Board that it approve US$ 3 million to be added to the 2014 Business Plan for implementation activities of the immunisation supply chain strategy.

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7. GAVI support for access to appropriate pricing for GAVI graduates & other lower middle income countries

7.1 Seth Berkley introduced this item highlighting that it is work in progress. He stated that one of the most frequent questions he gets from GAVI-eligible countries relates to pricing after graduation and that non-GAVI eligible countries also often ask how they could access more affordable prices. He also indicated that there is support from the leadership at UNICEF and WHO for this work.

7.2 Robert Newman, Managing Director, Policy and Performance, presented information on the analyses carried out, reminding PPC members that this had been done at the request of the Board. He highlighted that this is Phase One of the work, the objective of which is to set a direction, and that it does not include information on how the work would be operationalised as this would come in Phase Two.

7.3 Before inviting discussion the Chair drew PPC member's attention to the comments on this item which had been submitted in writing by Minister Andrei Usatii, Moldova, Board member and PPC member.

Discussion

- A PPC member enquired about the robustness of analyses to project country income status and graduation timeline and the Secretariat clarified that this is based on International Monetary Fund (IMF) forecasts. PPC members noted that the Board has recently asked that a potential "glide path" be looked at for countries whereby the graduation times might differ from country to country.

- PPC members agreed that it is critical for the Alliance to find a solution to facilitate access to appropriate pricing for graduated countries, and that we need to facilitate reaching the unreached. It was agreed however that further analyses need to be carried out before the Committee would be in a position to submit a recommendation to the Board for approval.

- In this context PPC members noted that pricing is not the only issue to be considered. Programmatic sustainability is an issue for many countries. Other issues such as evidence based decision making, supply availability, procurement and national regulations need to be addressed. It was suggested that existing initiatives need to be looked at more closely to better understand some of the difficulties. Such initiatives include UNICEF's recent tender for HPV, PCV and rotavirus for middle income countries and work being carried out by WHO on vaccine pricing and transparency.

- PPC members expressed concern that the approach recommended in the PPC paper, in particular in relation to upper middle income countries, might undermine country ownership.

- PPC members agreed that there needs to be further analysis on cost implications and risk, not only for the Alliance and for countries but also for industry.

- There also needs to be further analysis on demand guarantees and who should provide them, on pooled procurement and on tiered pricing.

- PPC members agreed that consultations should be broadened to further include countries.

- It was suggested that countries should be encouraged to have individual discussions with manufacturers, in particular large countries who would have more buying power.

- PPC members noted that the technical consultation group (TCG) had not been fully part of the process in Phase One and it was agreed that an Alliance consultative group would be fully involved going forward. PPC members also noted the World Bank's interest in participating in the work, in particular in relation to demand guarantees.

- It was noted that a broader consultation might also lead to the identification of options which had not been considered so far.

- Some PPC members felt that the paper proposed a long term solution to what for some countries may be a short term problem. PPC members noted also that in the short term there are challenges in relation to PAHO's least price clause which need to be addressed and analyses should consider what could be done if this issue is not solved.

- PPC members agreed that the priority is to address the needs of current GAVI countries, to ensure that they have access to the lowest prices possible and that the best possible price is available for graduated countries. PPC members therefore agreed that upper middle income countries should not be included in future analyses for the time being. However, one PPC member noted that the principle of equity demands that we look at the issue of UMIC countries, and that no other entity is in a position to do so.

- PPC members noted that in the next strategic period sustainability would be critical, and that work on access to appropriate prices was on key path to achieve this strategic goal.

- PPC members noted that currently different suppliers have different tiered pricing models and agreed that it would be useful to have information on whether or not there are plans to have an aligned model. PPC members noted that the tiered pricing component of the options appears to be the most sensitive and that it will be interesting to see from further analysis what the value for money would be and for how many years it would remain relevant in terms of market shaping. One PPC member highlighted the need to think beyond GNI in order to identify potential tiers.

- One member of the PPC suggested that there is too much focus on price that there are other possible solutions that should be considered.

- PPC members agreed that it will be important to recognise that the outcome of the analysis and implementation of subsequent related decisions will be operationally intensive and that adequate resources will need to be allocated across the Alliance to ensure that such work does not detract from the priority focus of ensuring coverage and equity.

- In terms of financing of demand guarantees or other risk mitigation structures it is not yet known who would bear the risk in the long term. There is a general feeling that countries should bear most if not all of this, although it was recognised that this may be challenging.

Action

The GAVI Alliance Programme and Policy Committee:

a) **Requested** the Secretariat, working closely with Alliance partners, countries and key stakeholders, to conduct consultations and analyses to develop proposal(s) for a pooled procurement facility. This may include tiered pricing, a revolving fund, demand guarantees or similar risk-mitigating structures in contracting, taking into account comments and issues raised at the Programme and Policy Committee meeting. The pooled procurement facility would apply to GAVI graduated countries and potentially to non-GAVI lower middle income countries (LMICs). The analyses should include the roles, responsibilities, financial and legal requirements, sources of funding, risks and costs. The proposal(s) would take into account a phased approach to solutions for short-term and long-term timeframes.

b) **Requested** that a technical briefing session be held before the June 2014 Board meeting.

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8. GAVI's approach to graduation

8.1 Santiago Cornejo, Senior Specialist, Immunisation Financing, gave an update to the PPC on what is being done to strengthen GAVI's engagement with graduating countries pending review of related GAVI Alliance policies which will commence later this year.

Discussion

- PPC members commended the work done so far and agreed that this should be a partner process which should facilitate stronger interaction and involvement.

- It was agreed that where countries require additional technical support leading up to graduation this should be provided in so far as possible by in country partners. If technical support is to be brought in it is also important to ensure that the provider works closely with the in country partners.

- PPC members agreed that going forward the Alliance needs to focus on the graduation process much earlier than it has been doing so to date and that there needs to be some creative thinking about this for the next strategic period. Countries need to be asked how they are going to turn things around not only from a technical point of view but also in some countries from a political point of view. One PPC member suggested that where appropriate diplomatic networks could be used in countries to help governments identify challenges in advance.

- One member of the PPC indicated that countries often receive catalytic support through different partners and such support is not necessarily being institutionalised which leads to the creation of parallel structures.

- PPC members noted that the proposed monitoring framework is resource intensive. It was agreed that where possible existing processes should be used so as to avoid duplication. PPC members supported the proposal that in country annual reviews should be fully integrated into national monitoring and review processes.

- PPC members agreed on the need to maximise resources for health in countries and noted the important role that the World Bank can play in countries where it is already in discussions in relation to fiscal space, the sustainability of budget increases and long term implications. The World Bank confirmed that they will re-engage in this area of work and that they could assist with analytical work and some detailed in country work in high profile high risk countries to look at their health sector expenditures, to help the country to formulate sustainable health financing in general and to make sure that immunisation is part of it.

- In relation to the proposal to assist countries in setting up National Immunisation Technical Advisory Groups (NITAGs) one member of the PPC highlighted that this is a process which takes time and that it is essential to ensure that the NITAG reports to someone who has access to the Minister of Health.

- PPC members noted that there are challenges in terms of key officials in Ministries of Health not being familiar with GAVI's graduation policy or co-financing requirements. Work is being done, with Alliance partners, now that the country support team in the Secretariat is at full capacity, to address this and to build political commitment in country for immunisation.

- PPC members noted, in particular from the input from Minister Usatii, that the main areas of concern for graduating countries may not always be issues which are related to the core business of the Alliance. In this context the

importance of engagement at the highest level of political leadership in countries was reiterated.

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9. Market shaping update

9.1 Melissa Malhame, Head of Market Shaping, gave an update to the PPC on achievements and challenges against GAVI's strategic goal to shape vaccine markets.

Discussion

- PPC members noted that a lot of work has been done across the Alliance on market shaping and that there are clearer roles and responsibilities in terms of who does what. It was agreed that it could be good to update some of the communications materials around market shaping to enable a broader understanding on how it works.

- PPC members welcomed the fact that the vaccine roadmaps being developed will be made public.

- One member of the PPC highlighted that while the cost of vaccines is important it is only part of the overall vaccine spend. Costs related to vaccine delivery are quite high and this is something which should perhaps be looked at more closely.

- The Secretariat clarified that actual country experience is taken into account in the strategic demand forecasting accuracy work. The work takes into account both vaccines delivered to the country and the people who get immunised. Two different sets of numbers are therefore tracked. PPC members noted that the fully vaccinated person's metric uses data published by WHO.

- In response to a question from a member of the PPC on yellow fever the Secretariat clarified that the projections take into account the one dose as recommended by SAGE. The projections do not take into account people who may have been vaccinated through campaigns.

- The Secretariat clarified that the two indicators referenced in the presentation to the PPC are part of the overall Alliance strategy. There are other indicators which are used which are part of GAVI's vaccine supply and procurement strategy. PPC members noted that all indicators will be reviewed as part of the new strategy development process. It is recognised that there are data challenges and that there will be a need to go beyond some of the measures which are currently used.

- PPC members referred to the weighted average price and asked whether continued decreases can be sustained. It was noted that it is unlikely that the decreases will be at the same level as they have been to date. The ambition

is to continue to work with manufacturers to further reduce prices, in particular for some of the more expensive vaccines. It is also hoped that new suppliers will come onto the market and that this will also help to reduce prices. Some manufacturers may also go to multi-dose presentations which should also help to reduce costs.

- PPC members noted that the SAGE recommendation to reduce HPV from three doses to two doses has already been factored into the calculations.

- PPC members agreed on the importance of ensuring that there is good communication across all partners in particular in order to ensure sharing of vaccine specific information with regard to what might be in the pipeline for different manufacturers. In this context the PPC noted that there are extensive consultations with all of the partners when developing the roadmaps.

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10. Review of decisions

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

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11. Any other business

11.1 Klaus Stohr indicated that this would be his last meeting as a member of the PPC and thanked PPC colleagues for their collaboration during his two years as a member of the Committee. He was thanked in turn by the PPC for his contribution as a representative of the IFPMA constituency.

11.2 The Chair invited Helen Evans to say a few words as this would be her last PPC meeting as Deputy CEO. She said that it had been a privilege and pleasure for her to work with the PPC. She highlighted that the PPC is a very key committee for the Board as it works through the programmatic and policy issues which are central to the Alliance's mission. The composition of the PPC is such that there is a mixture of technical and strategic discussions. She noted the comment made earlier in the meeting by a Committee member that the discussion in the PPC remained apolitical and focused on expertise, shared understanding and consensus and said this is an example of the Alliance working at is best. She expressed her hope that efforts will continue to ensure that there is stronger input from GAVI-eligible countries, and concluded by thanking the Chair and PPC members for their friendship and support during her time as Deputy CEO.

11.4 The Chair invited Steve Landry, as one of the longest serving members of the PPC, to say a few words. Steve Landry said that Helen has been a great advocate for GAVI and for the GAVI-eligible countries and that her contributions over the years to the discussions of the PPC have been much appreciated. He thanked her for her leadership and wished her well for the future.

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

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Ms Debbie Adams
Secretary to the Board

Attachment A

Participants

Committee Members
- Richard Sezibera, Chair
- Raj Baisya
- Zulfiqar Bhutta
- Steve Landry
- Emmanuel Lebrun-Damiens
- Clarisse Loe Loumou
- Lene Lothe
- Susan McKinney
- Ahmad Jan Naeem
- Robert Oelrichs
- Jean-Marie Okwo-Bele
- Klaus Stohr
- Rajinder Suri
- Jos Vandelaer
- Seth Berkley (non-voting)
- Jon Abramson (independent expert)

Regrets
Andrei Usatii

Guests
Benjamin Schreiber, Senior Immunization Specialist, UNICEF (Item 6)

Observers
- Stephen Karengera, Special Adviser to the PPC Chair

GAVI
- Debbie Adams
- Helen Evans
- Hind Khatib-Othman
- Robert Newman
- Joanne Goetz
- Alan Brooks (Items 3 and 4)
- Santiago Cornejo (Items 3, 7 and 8)
- Alex de Jonquieres (Items 1, 2, 3, 6 and 7)
- Harpal Dhillon (Item 7)
- Lauren Franzel (Items 6 and 10)
- Dakota Gruener (Items 4,5, 8, 9, 10 and 11)
- Rehan Hafiz (Item 5)
- Peter Hansen (Item 5)
- Mursaleena Islam (Item 3)
- Judith Kallenberg (Items 4, 7 and 8)
- Ranjana Kumar (Item 3)
- Patricia Kuo (Item 5)
- Melissa Malhame (Items 4, 7 and 9)
- Stefano Malvolti (Items 3, 4 and 6)
- Wilson Mok (Item 7)
- Jon Pearman (Items 3 and 4)
- Joanie Robertson (Item 6)
- Paolo Sison (Item 7)
- Eelco Szabo (Items 3, 5 and 8)
- Daniel Thornton (Item 6)