RISK MANAGEMENT UPDATE

BOARD MEETING
Jacob van der Blij
4-5 December 2019, Delhi, India
Progress made on Risk Management

- Instilling a risk-aware culture
- Active top risk management
- Embedding risk management
- Engaging partners on risk
- Experience sharing
Risk profile remains relatively stable
2019 residual risk exposure, taking into account existing mitigation

Programmatic risk
Corporate risk
Recent evolution

Very high risks
a) Country management capacity
b) Data quality
c) Ability to reach the under-immunised

d) Sustainable transition ▼

e) Insufficient demand
f) Outbreaks disrupt immunisation
g) Misuse by countries
h) Polio disrupting immunisation ▲
i) Donor support
j) IT disruption
k) Sub-optimally planned campaigns
l) Partner capacity
m) Global supply shortages
n) HSIS value for money
o) Forecasting variability
p) Secretariat disruption

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Medium risks
g) External programme disruption
h) Strategic relevance ▼
i) Secretariat capacity ▲
j) Closed vial wastage
k) Expanding partnership complexity
l) Unresolved co-financing default
m) Board confidence
n) Misuse by partner
o) Market distortion
p) Misuse by Secretariat
q) Changing or conflicting Board priorities
r) Leadership succession
s) Donor grant fulfilment

d) Sustainable transition ▼
h) Polio disrupting immunisation ▲
r) Strategic relevance ▼
s) Secretariat capacity ▲

Potential impact on the ability of the Alliance to achieve the Gavi mission, given reactive mitigation in place to address the potential consequences once the risk materialises.

Board meeting
4-5 December 2019
Actual exposures versus risk appetite
Willingness to accept the current top risk exposures

4 risks outside of risk appetite
Requiring intensive mitigation efforts
- Country management capacity
- Data quality
- Ability to reach the under-immunised
- Sub-optimally planned campaigns

7 risks somewhat outside
Requiring attention

5 risks broadly within appetite
To be monitored

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Board meeting
4-5 December 2019
Risks and risk appetite under Gavi 5.0
Overall risk profile inherently increasing

Strategic shifts with risk implications

- Reaching zero-dose
- Working sub-nationally
- Conflict/emergency environments

- New immunisation touchpoints
- Prioritising vaccines
- Outbreak response

- Programmatic sustainability
- Post-transition support

- Differentiated, tailored support
- Innovation / new approaches
- Collaboration with health actors

Increasing and new risks
Some decreasing
Trade-offs and risk appetite implications

- Mitigation developed and risk appetite articulated as part of strategy operationalisation

- 2020 Risk & Assurance Report with updated top risks for Gavi 5.0

- Review of Risk Appetite Statement
Recommendation

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

Approve the Risk & Assurance Report 2019 attached as Annex A to Doc 06a

The Gavi Alliance Board is furthermore requested to provide guidance on the following questions:

a) Does the Board agree with the top risks identified this year and their ranking against likelihood and impact?

b) Are there concerns on risk exposures clearly outside of Gavi’s risk appetite and, if so, are further investments or different approaches to mitigation required?

c) Does the Board have any preliminary views on key risks for Gavi 5.0 as well as preliminary thoughts on their appetite for being exposed to these risks and how to appropriately balance potential trade-offs (see also Section 3 of the Risk & Assurance Report)?
THANK YOU