



GAVI Alliance Executive Committee Meeting

12 April 2011

Oslo, Norway

FINAL MINUTES

1. Chair's report

Finding a quorum of members present, the meeting commenced at 10.05 Oslo time on 12 April 2011. Jaime Sepulveda, Executive Committee Chair chaired the meeting.

In accordance with the Conflict of Interest Policy, Suresh Jadhav declared by virtue of his position as a senior official of the Serum Institute of India, his interest in the matters to be discussed as part of the agenda item, "Programme funding plan/Meningitis A." Other standing declarations of interest were tabled to the Committee (Doc #1a in the Committee pack).

The Committee reviewed the minutes of its meeting on 9 February 2011 (Doc #1b). The Committee took as read the action sheet of matters arising from previous meetings (Doc #1d) and the Committee's forward workplan (Doc #01f).

Resolution One

The GAVI Alliance Executive Committee resolved to:

- **Approve** the minutes of its meeting held on 9 February 2011 (Doc 01b).

The Committee temporarily adjourned the meeting to consider an agenda item concerning "Programme funding plan/Meningitis A" in closed session due to the conflict of interest.

2. Programme funding plan

Barry Greene, MD, Finance and Operations provided an updated financial overview and requested reductions to endorsed programme budgets within the period from 2009 to 2015 and near-term programme liabilities within the period from 2009 to 2011 (Doc #2a).

Barry Greene reported that whilst some modest decreases resulted from the recommendations of the Monitoring Independent Review Committee (Monitoring

IRC), a large decrease was requested due to lower than expected prices for Pentavalent vaccine and lower than expected supply of Pneumococcal vaccine during 2011. There were also small changes resulting from adjustments in the programme variance budget. The following information was also noted:

- The Audit and Finance Committee had reviewed the financial implications of the programme funding plan and had recommended that it could be endorsed and approved by the Executive Committee in accordance with the Programme Funding Policy (Decision Three from the 24 March 2011 Audit and Finance Committee minutes).
- The February 2011 session of the Monitoring IRC had reviewed the Country Annual Progress Reports and had recommended funding for the programmes that resulted in a modest decrease in the funding requirement. It was further noted that a subset comprised of four experienced public health and development specialists and coordinated by the IRC Chair was selected to constitute a special IRC to review the accelerated application for Meningitis A vaccine submitted by three countries. After a discussion concerning the governance of the IRC (including selection and appointment processes) and the way in which conflicts of interest are screened, the Committee suggested that another method for allocating IRC members to IRC panels may be warranted in order to assure appropriate checks and balances in the carrying out and review of the Annual Progress Reports. Committee members' attention was drawn to the independent review of the GAVI IRC that was carried out in 2010 and which is available on the GAVI website.
- Although the decrease in programme budgets was largely attributable to Pneumococcal vaccine supply constraints, in some cases, countries requested that Pneumococcal vaccine introduction be pushed back to allow more time for them to prepare. The Committee requested a short report on the relative impact of these factors as well as an outlook on supply in future years.

Resolution Two

The GAVI Alliance Executive Committee resolved to:

- **Reduce** the endorsed programme budgets within the period from 2009 to 2015 by US\$ (243,289,500); and
- **Reduce** the near-term programme liabilities within the period from 2009 to 2011 by US\$ (197,055,125).

3. Approval timing for the 2011 applications

In February 2011, the Committee requested the Secretariat to review the possibility of accelerating the timetable for approval of the 15 May vaccine funding applications and to hold the September Committee meeting earlier than scheduled (Item One from the Minutes of 9 February 2011).

Following the review carried out by Mercy Ahun, MD, Programme Delivery and Barry Greene, the Secretariat recommended that the Committee maintain the current timeline for approval of these applications for the following reasons: (1) the Secretariat expects to receive significantly more applications during this round than previous rounds, (2) the full resource situation will not be known until the outcome of the June pledging conference, (3) additional staff capacity would be required to complete a review in an accelerated time scale, and (4) there was concern that the accelerated time scale would impact adversely on the ability to carry out proper due diligence on the applications. (Doc #3).

- The Committee questioned whether the current process was cumbersome and excessively time-consuming, and perhaps served as a barrier to introduction and delivery of vaccine.
- After discussion, the Committee suggested this process would benefit from review. In the short term, Internal Audit's participation could occur through engagement in the Transparency and Accountability team's review. The Secretariat might also make use of multilateral partners' in-country assessments.
- In the longer term, a consultant could review and make recommendations on the 'end to end' process for a more streamlined review of applications but ensuring proper due diligence. GAVI could also consider risk-weighting countries so that those GAVI has greater confidence in could receive an expedited review.
- The Committee noted the Secretariat's concerns about changing the process for 2011 and in particular that introducing prioritisation processes at short notice with limited due diligence could lead to unintended inequities. The total cost of the recommended applications will not be known until mid-July after the IRC meeting has been held to consider the applications. If the Board approves some of the applications at its meeting in July 2011, it could end up prioritising the fast tracked applications above others. If there is not sufficient funding raised at the June pledging conference, it may be necessary to apply the pilot prioritisation mechanism to the remaining applications. Nevertheless, the Committee believed GAVI should proceed on the assumption of full funding after a successful pledging conference and should consider what further streamlining could be introduced in 2011.

Resolution Three

The GAVI Alliance Executive Committee resolved to:

- **Request** the Secretariat to develop options to reduce the timeline for approving the 2011 applications and propose them to the Executive Committee shortly and to review the end to end process in time for next year's application.

4. Performance management process

Helen Evans, Interim CEO updated the Committee on the new process put in place with the new Strategy and Business Plan to track and review GAVI's performance (Doc #4). This process will include regular reporting to the Board on the progress of the various partners against the business plan, the risks faced by GAVI and corresponding mitigation plans, and the efficiency and effectiveness of the Secretariat.

- The Secretariat reported that the multilateral partners had been very responsive to the process. One component of the process includes a "partner meeting" with senior management from GAVI, WHO, and UNICEF to review deliverables committed by each of the partners. .
- Progress against Corporate Key Performance Indicators (Corporate KPIs) measuring the efficiency and effectiveness of the Secretariat will be shared with the Board.

5. Pledging process

Helen Evans and Joelle Tanguy, Managing Director, External Relations delivered an update on the 13 June 2011 pledging event in London (Doc #5). They reviewed key messages, the funding challenge to date, highlights of activity in recent weeks, outreach activities to come, and donors consulted. They reviewed the schedule of events, donor feedback in support of the pledging process, and the magnitude of media coverage and political engagement leading up to the event.

- The Committee discussed the engagement of particular donors and strategies for their participation in GAVI.
- It was noted that certain innovative finance and private sector-oriented programmes are gaining traction, including a backstop facility underwritten by the Bill & Melinda Gates Foundation.

6. Cash programme risk management

Helen Evans reported on cash programme risk management following the Secretariat's decision to suspend funding to three cash-based programmes in Niger, Cote d'Ivoire, and Cameroon after oversight processes raised credible concerns about the use of programme funds (Doc #6). Investigations have recently commenced in Niger and Cameroon, and will follow in Cote d'Ivoire once the political situation in the country improves.

- The Committee appreciated the good, proactive transparency on cash programme risk management and reporting.

- Additional information on risk management of cash programmes will be presented to the full Board in an executive session on 13 April 2011 by Cees Klumper, Director of Internal Audit.

There being no further business, the meeting was brought to a close.

Ms Debbie Adams
Secretary to the Board

Attachment A

Participants

Committee Members

- Jaime Sepulveda, Chair
- Amie Batson
- Wayne Berson
- Armin Fidler
- Ashutosh Garg
- Guillermo González González
- Suresh Jadhav
- George W. Wellde, Jr
- Helen Evans (non-voting)

Secretariat

- Debbie Adams
- Mercy Ahun
- David Ferreira
- Barry Greene
- Kevin Klock
- Juan Martin
- Nina Schwalbe
- Joelle Tanguy
- Daniel Thornton

Regrets

- Saad Houry

Other Board Members Present

- Rajeev Venkayya (Alternate)*

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