



GAVI Alliance Executive Committee Meeting

9 March 2012

GAVI Alliance Offices, Geneva, Switzerland

FINAL MINUTES

1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 9.05 Geneva time on 9 March 2012. Dagfinn Høybråten, Executive Committee Chair, chaired the meeting for Agenda Items 1 to 5. Geeta Rao Gupta, Executive Committee Vice Chair, chaired the meeting for Agenda Items 6 to 8 as the Chair had to absent himself from the meeting.
- 1.2 As this was his first time as Chair of the EC, the Chair shared his thoughts with the Committee on the work plan for 2012. He expressed his wish to have two in person full day EC meetings a year to be held in the quarter where there is not a Board meeting, which would give an opportunity for more considered and in depth discussions and enable the EC to take on a more strategic role.
- 1.3 The Chair recalled that the roles and responsibilities of the EC will be discussed at the Board retreat in Oslo in the broader context of a governance discussion. He indicated his personal view that the EC would be the place to discuss market sensitive issues, risk assessment for the organisation also beyond financial risks, performance indicators and relationships, resource mobilisation, programme funding, oversight of the business plan and the budget process, and oversight of the roadmaps under the supply and procurement strategy.
- 1.4 Standing declarations of interest were tabled to the Committee (Doc 01a in the Committee pack). Christopher Elias reported that as he had been President of PATH for 12 years before joining the Bill and Melinda Gates Foundation, in line with the Conflict of Interest Policy of the Foundation he would recuse himself, during a one year period, from discussions and/or decisions relating to grants that would influence PATH. He informed the EC that he would therefore do likewise in relation to PATH decisions at GAVI.

Discussion

- The EC welcomed the idea of having in person meetings as outlined by the Chair and looked forward to further discussing the roles of the EC at the Board retreat.

- The EC highlighted the role of the representatives of GAVI-eligible countries on the Board and the importance of ensuring their active engagement. In this context they were pleased to note that the Chair and CEO will attend a meeting of the Board members and alternates from GAVI-eligible countries which will take place in Oslo prior to the Board retreat.

Decision One

The GAVI Alliance Executive Committee:

- **Approved** the minutes of its meetings on
 - 26 September 2011
 - 15 November 2011

Olga Popova (Industrialised Country Vaccine Industry) recused herself and did not vote on approval of the commercially sensitive minutes of the 26 September 2011 meeting.

Executive Session

- The Chair informed the EC of the personal performance goals for 2012 that had been agreed between the CEO and the Chair. It was agreed that this will be followed up at the end of the year.
- The EC complemented the Chair on the process.

2. CEO Report

- 2.1 Seth Berkley gave his report to the EC highlighting that after seven months as CEO he had a better understanding of the organisation and the Alliance and its complexities. He had a clearer view of what is working well but also that there are a number of weaknesses and vulnerabilities which he will address with staff and partners in a sequential, prioritised way.
- 2.2 In his report the CEO addressed some of the changes being made in how GAVI works with countries. A cross-cutting team was being established, supported by experts in change management. This team would involve the partners. He referred to ongoing work with WHO and UNICEF to address the issue of improving coverage in countries with less than 70%. He provided information on his recent trip to India, and information on GAVI-related risks in DRC and Pakistan, where the federal health ministry has been abolished. The CEO reported that data quality is a key issue for GAVI and will therefore remain a key focus for the Secretariat. Work is also continuing on issues such as HSS, sustainability and market shaping. In relation to GAVI's long-term funding strategy the CEO highlighted that work on this is ongoing and will be presented to the Board in due course. Current thinking is that a replenishment event would be timely in late 2014 or early 2015. The CEO referred to the issue of GAVI funding for applied research directly relevant to

GAVI activities which will be discussed by the PPC before being presented to the Board in June. He concluded his report by informing the EC that René Karsenti had recently been appointed as Chair of IFFIm and that issues currently being discussed by IFFIm are the downgrading from AAA to AA+ by Standard & Poors, as well as the potential removal of GFA from the IFFIm structure.

- 2.3 The CEO addressed the issue of the action sheet arising from the Dhaka Board meeting and apologised that it had accidentally been circulated to the Board leading to a number of requests for revisions which in some cases would need to be decided by the Board. He indicated that it would be useful to have the EC's view on how this should be taken forward.

Discussion

- The Chair thanked the CEO for his report. He indicated that there had been a request to have a written report from the CEO and proposed that this should be for Board meetings only with oral reports to the EC. EC members agreed.
- The Chair referred to the circulation of the Dhaka action sheet for which the Board should also take responsibility. He had welcomed the idea of having an action sheet where the EC would be responsible for follow-up and as Chair he would like to see this implemented. It was agreed that for future Board meetings the actions would be presented for approval at the end of the meetings and that the EC should then be responsible for prioritising them. It was also agreed that the Secretariat should prioritise the actions on the revised tabled document.
- A request was made for information on the new internal organigramme and for information on how members of staff are being repurposed.
- With reference to the CEO's comments on his recent trip to India it was noted that in the context of the current political uncertainty in the country efforts should be made to ensure that the traction which has been achieved on vaccines should not be lost.
- In relation to the downgrading of IFFIm the CEO reassured the Executive Committee that should IFFIm be downgraded by another agency GAVI would not impact on GAVI's financial situation for 2012. There was therefore a number of months in which to amend the legal agreement with donors if necessary. An adviser is also being brought in to talk to the rating agencies.
- It was questioned whether applied research studies are within the GAVI mission and that WHO is mandated to set the research priorities.
- In response to a question on the status of the Ethics and Conflicts of Interest Policy the EC was reminded that there had been a request from the CSO constituency at the Dhaka Board meeting to put the policy out for public consultation. This request had however not been supported by a majority of the Board. Limited comments have been received from Board members to

date and there will be a discussion with the Chair of the Governance Committee to consider submitting the policy to the Governance Committee at their meeting in May, for subsequent submission to the June Board for approval.

3. Decade of Vaccines

- 3.1 The CEO informed the EC that up until recently there had been a number of questions on the role of GAVI in the DoV initiative recognising that some of the key partners are in the Alliance and that some of the elements of the DoV are already part of GAVI's business plan. He would welcome input from the EC in particular in the context of the DoV Global Vaccine Action Plan which will be presented to the WHA in May and the fact that the DoV Secretariat will cease to function at the end of 2012.

Discussion

- Christopher Elias, as former Co-Chair of the DoV Secretariat, and currently BMGF representative on the DoV leadership council, presented an overview to the EC of how the DoV collaboration had been initiated and progressed. Since the beginning the principal focus had been on presenting an action plan to the WHA for endorsement. It is anticipated that the WHA will call for clarity on the role of WHO. GAVI has been represented on the leadership council since the CEO was invited to join in September 2011 and on the steering committee from the beginning. Following the WHA further work will be required on articulating an accountability framework for DoV. A mechanism is needed for assessing progress over time.
- The EC agreed on the importance of ensuring that the DoV collaboration does not lead to the creation of any new entity. They agreed that one of the critical issues is who owns the vaccine plan and in this context the important role of countries and governments was highlighted. GAVI can indeed play an important role and already has the confidence of its partners to do its work. The EC agreed that GAVI should be offering its assistance if there is a need for support for the follow-up to the WHA. It was agreed that one of the challenges for GAVI, UNICEF, WHO and BMGF will be to monitor progress over the next decade by articulating a framework that can be tied to existing entities.
- The EC discussed concerns from donor countries on their lack of input to the process. They would like to see a paper that highlights opportunities from the GAVI perspective and GAVI's role. Immunisation is only one of a number of issues contributing to child survival and creating competition between them should be avoided.
- The EC agreed that the CEO should bring GAVI's view to the DoV leadership council, reporting back to the Board in June, and that the Partners' Forum in December would be an opportunity to do further work on this issue.

4. Alliance performance quarterly update

- 4.1 Helen Evans, Deputy CEO, presented information on the GAVI business plan structure, on the mission indicators and on the strategic goal indicators, and gave an update per strategic goal. She reminded EC that 2011 had been the first year of implementation of the performance management process and that a number of lessons had been learnt. The performance reporting process for the GAVI Strategy 2011-2015 is an improvement on previous reports but requires further refinement. In particular she noted the need to ensure deliverables focused on outcomes not simply processes. She also outlined the proposed business planning process for 2013-2014, noting that there was a need to ensure top guidance from the Board as well as bottom up planning by implementing partners..
- 4.2 Flavia Bustreo, as one of the co-managers of the business plan, expressed WHO's appreciation with the overall process which allows for quarterly discussions focusing on bottlenecks etc. There are still shared concerns in relation to underperforming countries and acknowledgement that in some of these countries there are challenges for development in general. In relation to the decision to open the HPV window one of the challenges for WHO is ensuring that countries introduce the vaccine in the fuller context of adolescent health. WHO would also welcome a stronger signal from the GAVI Board in relation to the relationship between health systems grants and immunisation. Many still focused on GAVI's previous model of broad health systems strengthening and there is a need to make a shift towards a strong focus on immunisation.
- 4.3 Geeta Rao Gupta, also as one of the co-managers of the business plan, welcomed the substantial improvements in the process with regular discussions on the business plan and on identifying gaps and what can be done to improve them. She highlighted that what the GAVI Alliance see as data issues are often symptoms of larger problems on the ground; for example, data problems are often a symptom of a systems failure. It is a challenge to focus HSS funding to ensure that countries strengthen what needs strengthening in the immunization programme. The issue of cold chain logistics is one which still requires improvement. There are improvement plans in place in many countries but some of these do not have the resources to implement the plans. In such circumstances it could be useful to analyse the sources of funding available in those countries and to identify where it is not being used appropriately and where there are gaps.

Discussion

- The EC appreciated the quarterly review of performance against the business plan and agreed that cold chain logistics and HSS are issues for concern for all GAVI partners. It was suggested that HSS focus should move to the operational from the conceptual and in this context the World Bank would welcome interaction with the Secretariat to discuss the operational design.
- The EC noted that the donor countries considered that the paper presented to the EC should have further highlighted the constraints and challenges and the

processes in place to address them. The constituency would have found it useful to have additional information on the supply constraint issue, how did we get there and what steps are being taken. They were also concerned about the lack of progress in relation to HSFP, that the plan is not coherent to achieve the goal. The constituency would welcome a document from the Secretariat, WHO and the World Bank analysing the <70% coverage. Additional information on the implications of the downgrading of IFFIm would have been welcomed, including information on the financial implications and the view of the World Bank. The constituency also felt strongly that the goals should be translated into deliverables and costed.

- The CEO and DCEO indicated that they would welcome guidance from the EC on the level of detail wished for in the quarterly reporting. It was agreed that reporting to the Board should be at the strategic level and that it may take some time to get the balance right.
- The EC noted that Japan has requested that one of the themes at the annual meetings of the IMF and World Bank, to be held in Japan in October 2012, would be health. The EC noted that a side event with the Ministers of Finance on immunisation was being organised.
- In relation to the business planning process for 2013-2014 some members of the EC wondered if the process should be for 3 years, to the end of 2015 in line with the strategic plan. It was agreed that a two-year cycle was more appropriate and that the process should incorporate a bottom up approach combined with strategic guidance from the Board in June. It was also agreed for the PPC and the AFC to have a joint meeting to look at the workplan and budget rather than considering them separately in each Committee.

Decision Two

The GAVI Alliance Executive Committee:

- **Endorsed** the business planning process described in section 5 of Doc 04 with the addition of holding a joint meeting of the PPC and AFC.

5. Risk management update

- 5.1 The Chair reminded the EC that the Board received an independent annual risk assessment from the internal auditor. The CEO therefore gave an overview to the EC on how the risks are looked at from the management perspective.

Discussion

- The EC was reminded that the risk register is updated quarterly and accessible for all Board members on myGAVI. It includes a ranking of the risks along with the trends and mitigation actions.

- The EC would welcome a vision of future risks in GAVI and would also welcome an analysis on ethics and conflicts of interest-related risks. It was also suggested that it might be useful to indicate what kinds of risk need to be escalated.
- The EC was satisfied overall with the diagnosis of risks but felt that perhaps more needed to be done on mitigation actions.
- In relation to excessive “closed vial” wastage which had been flagged by the internal auditor it was acknowledged that in-country partners do not always have incentives to alert GAVI on this and that CROs will need to be trained to be aware of this issue.

Geeta Rao Gupta, Executive Committee Vice Chair, chaired the meeting from this point forward.

6. Update on progress made in implementing earmarked funding pilots

6.1 Marie-Ange Saraka-Yao, Director, Programme Funding, updated the EC on progress made in implementing earmarked bilateral funding pilots with France and Germany.

Discussion

- The EC discussed the importance of having a mitigation strategy to ensure that other donors refrain from moving towards more earmarked funding. It was agreed that the pilots were implemented in response to exceptional circumstances and should continue to be considered as such. It was however acknowledged that funds from the private sector may have to be earmarked and that this might indeed open up new opportunities for funding.
- The EC requested that the review of progress and lessons learnt from earmarked funding from bilateral sovereign donors from GAVI be submitted to them at their September meeting before it goes to the Board.
- It was agreed that the EC could make recommendations to the Board on the future of earmarked funding, taking into account the contractual design and implications for the Secretariat and countries in terms of staffing, accounting and reporting.
- It was suggested that the EC might consider recommending a cap on how much of the overall funding of the organisation could be earmarked as well as defining a minimum donation for earmarked funding from sovereign donors. If the transaction costs were too prohibitive perhaps they could be charged back to the donor.

- It was agreed that funding should not be earmarked for activities other than those which are already approved through GAVI's annual processes, as was the case for Tanzania.
- It was pointed out that engaging the private sector will also bring advocates on board and that this could be a strategy to help roll out vaccines.

7. Review of decisions

- 7.1 Debbie Adams, Managing Director, Law and Governance, reviewed the decision language with the Committee.

8. Any other business

- 8.1 There was a brief discussion on the composition of the EC. In this context some of the EC members indicated that they would have found it appropriate to discuss the scope and Terms of Reference of the Board and Committee self-evaluation. The CEO reminded the EC that this exercise is being done in the context of the annual self-assessments which are foreseen in the Committee Charters and will provide input into a paper on roles and responsibilities which will be put forward by the Chair for discussion at the Board Retreat in Oslo.
- 8.2 Amie Batson provided the EC with information on the Child Survival Summit which will take place in Washington D.C. on 14-15 June.

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

- Dagfinn Høybråten, Chair
- Geeta Rao Gupta, Vice Chair
- Cristian Baeza
- Amie Batson
- Wayne Berson
- Ashutosh Garg
- George W. Wellde Jr.
- Seth Berkley (non-voting)

Alternates attending

- Olga Popova

Regrets

- Guillermo González González

GAVI

- Debbie Adams
- Helen Evans
- Joanne Goetz
- Ciara Goldstein
- Marie Ange Saraka-Yao
- Daniel Thornton

Guests

- Aksel Jakobsen, Senior Adviser to the Board Chair
- Gian Gandhi, Senior Adviser to the Board Vice Chair