



GAVI Alliance Governance Committee Meeting

6 July 2011

Geneva, Switzerland

FINAL MINUTES

1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 17.38 Geneva time on 6 July 2011. Dagfinn Høybråten, Board Chair, chaired the meeting.
- 1.2 Standing declarations of interest were tabled to the Committee (Doc #1a in the Board pack). No further conflicts of interest were declared.
- 1.3 The Committee reviewed the minutes of its meetings on 8 March 2011 (Doc #1b) and 23 March 2011 (Doc #1c). These minutes were approved by no objection on 30 May 2011 under section 2.7.3.3 of the By-Laws. The Committee noted the record of actions (Doc #1d), and its forward workplan (Doc #1e). The Chair stated that ethics guidelines are slated for the Committee's review in October so that all partners could be comfortable participating in the Alliance business plan.

2. Board and committee member nominations

- 2.1 Debbie Adams, Managing Director, Law and Governance reported various constituencies' recommendations for Board and committee membership (Docs #2 and #2b). She also reviewed succession planning for various constituencies.

Discussion

- No Committee members were asked to leave the room during discussion of candidates to represent their constituencies. However, it was noted that pertinent Governance Committee members would not vote for their own constituencies' nominations.
- If the entire slate of candidates is approved, the Board will achieve gender balance with regard to its alternate membership.

- Jaime Sepulveda, Vice Chair, will be leaving the Bill & Melinda Gates Foundation in September. To ensure a good transition, the Chair invited the Vice Chair to serve in his current role until the conclusion of his term in November 2011; the Vice Chair accepted the invitation. The Chair will also inform the Board of this development.
- Alan Hinman noted that his potential term as Board member, and Joan Awunyo-Akaba's potential term as his alternate, would last until 31 July 2013 rather than 31 July 2014. Also, Pascal Villeneuve noted that, in accordance with the agreement between WHO and UNICEF to rotate representation on the Executive Committee, Geeta Rao Gupta would serve on the EC until 31 December 2011. The Committee acknowledged these clarifications.
- The Committee discussed two late nominations, noting that it would be preferable to receive nominations sooner.
- The USA/Canada/Australia/Japan/Korea constituency requested a seat on a fourth committee even though the By-Laws state that constituencies shall "normally" sit on three committees at most. Amie Batson explained the reasons behind the request and the Committee concluded that the constituency's request should be granted given the strong support of the entire donor community.
- After 8 July 2011, there will be no Board members on the Evaluation Advisory Committee ("EAC"). Alan Hinman is considering the Chair's request that he join the EAC. The Committee also discussed Sania Nishtar's nomination as the EAC's Chair.

Decision One

The GAVI Alliance Governance Committee:

- **Nominated** the following persons to the Board:
 - **Geeta Rao Gupta** as Board Member representing UNICEF in the seat currently occupied by Saad Houry effective immediately and until her successor is appointed and qualified (Pascal Villeneuve recused himself from voting on this recommendation);
 - **José Luis Solano** as Board Member representing donor governments Spain and Italy effective immediately and until 31 December 2011;
 - **Alan Hinman** as Board Member representing civil society organisations in the seat currently occupied by Faruque Ahmed effective immediately and until 31 July 2013 (Alan Hinman recused himself from voting on this recommendation);
 - **Amie Batson** as Board Member representing donor governments USA, Canada, Australia, Japan, and Korea reappointed until 31

December 2013 (Amie Batson recused herself from voting on this recommendation);

- **Jenny Da Rin** as Alternate Board Member to Amie Batson representing donor governments USA, Canada, Australia, Japan, and Korea in the seat currently occupied by Murray Proctor effective immediately and until 31 December 2013 (Amie Batson recused herself from voting on this recommendation);
 - **Fatchou Gakaitangou** as Alternate Board Member to Toupta Boguena representing developing country governments effective immediately and until 31 July 2012;
 - **Suresh Jadhav** as Alternate Board Member to Mahima Datla representing the developing country vaccine industry effective immediately and until 31 July 2012;
 - **Joan Awunyo-Akaba** as Alternate Board Member to Alan Hinman representing civil society organisations in the seat currently occupied by Alan Hinman effective immediately and until 31 July 2013 (Alan Hinman recused himself from voting on this recommendation); and
 - **Nila Heredia Miranda** as Alternate Board Member to Guillermo José González representing developing country governments effective immediately and until 31 December 2012.
- **Nominated** the following persons to committees:
 - **Ronald Brus** as a member of the Executive Committee in the seat currently occupied by Suresh Jadhav effective immediately and until 31 December 2012;
 - **Cristian Baeza** as a member of the Executive Committee in the seat currently occupied by Armin Fidler effective immediately and until 31 July 2014;
 - **Geeta Rao Gupta** as a member of the Executive Committee in the seat currently occupied by Saad Houry effective immediately and until 31 December 2011 (Pascal Villeneuve recused himself from voting on this recommendation);
 - **Derek Strocher** in place of Natalia Antsilevich as Committee Delegate of the World Bank to the Audit and Finance Committee effective immediately and until the committees are refreshed for the 2012 year;
 - **Micheline Gilbert** as Committee Delegate of donor governments USA, Canada, Australia, Japan, and Korea to the Audit and Finance Committee effective immediately and until the committees are refreshed for the 2012 year (Amie Batson recused herself from voting on this recommendation);

- **José Luis Solano** as a member of the Governance Committee effective immediately and until the committees are refreshed for the 2012 year;
 - **Olga Popova** as a member of the Governance Committee in the seat currently occupied by Sian Clayden effective immediately and until the committees are refreshed for the 2012 year; and
 - **Sania Nishtar** as Chair of the Evaluation Advisory Committee in place of Bernhard Schwartlander effective 23 September 2011 and until the committees are refreshed for the 2012 year.
- **Recommended** that:
 - The terms of all members of the Evaluation Advisory Committee appointed for the first time at the Board meeting on 7-8 July 2011 would commence effective immediately and last until 31 July 2014. The terms of all existing members of the Evaluation Advisory Committee will expire three years after the date of original appointment.
 - Suresh Jadhav's appointment to the PPC will be as a member, rather than as a Committee Delegate since he is now standing for appointment as an Alternate Board Member.

3. Committee leadership structure

- 3.1 A proposal was tabled to change the committee leadership structure (Doc #3) noting that the Executive Committee is responsible for making critical and time-sensitive decisions in between Board meetings and so it is appropriate that it be led by the Chair of the Board. Also, she noted that the Vice Chair should lead the Governance Committee so as to ensure that the Board Chair does not lead one of the Board's advisory committees.

Discussion

- The proposal will result in a clearer structure whereby the Chair will lead the core decision-making bodies of the Board but not advisory committees. Both the current Chair and Vice Chair agree that the proposal is appropriate. They also highlighted that the implications of the change should be thought through by each member since a By-Law change, while appropriate for the current occupants, may be less so with future chairs and vice chairs.
- There was particular concern that future chairs may not be able to devote sufficient time to also leading the Executive Committee. As such, the Committee requested the inclusion of a provision that would allow the Chair to

delegate leadership of the Executive Committee to the Vice Chair as circumstances warrant.

- It was confirmed that the proposal, if adopted, would increase the statutory size of the EC to ten members.
- The Committee agreed the Board should consider adoption of the proposal at its meeting in November 2011.
- The Governance Committee asked the Secretary to consider the implications of a provision requiring only principal Board members, and not alternates, to be eligible for service on the Executive Committee.
- In addition, there is an opportunity going forward to look at the board structure generally. However, such refinements would be gradual and not wholesale as the structure in place was the result of two years of compromise and should not be haphazardly reopened, particularly when GAVI must focus on delivering the results promised during the pledging meeting. Consequently, Governance Committee members were asked to circulate to the Chair and Secretary specific areas they felt ought to be reviewed.

Decision Two

The GAVI Alliance Governance Committee:

- **Recommended** to the Board that it amend the Statutes as follows:
 - Remove the following sentence from the first paragraph of Article 12:

The Vice Chair shall act as the Chair of the Executive Committee.
- **Recommended** to the Board that it amend the By-Laws as follows:
 - Amend Article 2.6.3 in its entirety to read as follows:

The Chair shall preside at all meetings of the Board and shall act as Chair of and preside at meetings of the Executive Committee. Further, the Chair shall perform such other duties as may be assigned by the Board.
 - Amend Article 2.6.4 in its entirety to read as follows:

The Vice Chair shall preside at meetings of the Board in which the Chair is absent and shall act as Chair of and preside at meetings of the Governance Committee. Further, the Vice Chair shall perform such other duties as may be assigned by the Board.
 - Amend Article 3.1.1 in its entirety to read as follows:

The Executive Committee shall consist of:

- *The Board Chair, who shall also serve as Executive Committee Chair and a voting member of the Executive Committee*
- *Up to nine Board Members (or Alternate Board Members) who shall each be a voting member of the Executive Committee*
- *The CEO, who will serve as an ex-officio, non-voting member of the Executive Committee.*

- **Recommended** to the Board that it amend the Governance Committee Charter as follows:
 - Remove the following sentence from the first paragraph of Article 2:

The Board Chair and the Board Vice Chair shall each be appointed to the Committee.
 - Add the following sentence to the end of the first paragraph of Article 2:

The Board Vice Chair shall also serve as Governance Committee Chair and a voting member of the Governance Committee (subject to restriction imposed by Article 4.2 of the By-Laws).
 - Remove the following sentence to the beginning of the second paragraph of Article 2:

Other than the Board Chair and the Board Vice Chair, membership shall be skill-based and only Board Members/Alternates may be members of the Committee.
 - Add the following sentence to the beginning of the second paragraph of Article 2:

Membership shall be skill-based and only Board Members/Alternates may be members of the Committee.
- **Requested** the Secretary to table a draft amendment to the By-Laws to clarify that the Board Chair (as Chair of the Executive Committee) may delegate his/her duties as Chair of the Executive Committee to the Vice Chair at his/her discretion.

The foregoing recommendations should be considered by the Board for adoption at its meeting in November 2011.

4. Delegation of Authority Policy

- 4.1 Debbie Adams recommended amendments to the Delegation of Authority Policy (Doc #4). In sum, the policy would provide the same powers of delegated authority to the Deputy Chief Executive Officer as those currently

delegated to the other named Officers, more closely align the standing delegations with the current practices of the Secretariat with regard to the new business plan, and clarify delegation of signature authority. The amendment also clarified that the Board delegated fully to the CEO approval of internal corporate policies.

Discussion

- It was reiterated that Helen Evans would return to her original role of Deputy CEO when Seth Berkley's appointment begins on 3 August 2011. The Chair noted that the division of labour between the CEO and the Deputy CEO is for the CEO to determine.

Decision Three

The GAVI Alliance Governance Committee:

- **Recommended** to the Board that it approve the Delegation of Authority Policy as enclosed as Doc #4, Annex 1, and rescind the previously approved version of the Delegation of Authority Policy as enclosed as Doc #4, Annex 2.

5. Remuneration of Evaluation Advisory Committee members

- 5.1 On behalf of the Secretariat, Debbie Adams proposed that the independent experts appointed to the Evaluation Advisory Committee be compensated on a similar basis to that of independent experts appointed to the Independent Review Committee (IRC) (Doc #5). Given the amount of time EAC members are expected to commit to oversight of evaluations, this remuneration would allow independent members to better justify to their institutions the use of their professional time for service on the EAC.

Discussion

- In this context, "independence" means that a member is not formally affiliated with any of the Board members or their constituencies. An "expert" is a person with superior proficiency in evaluation of immunisation and/or health systems programmes.
- The Governance Committee acknowledged there is a distinct difference from serving on the EAC versus other committees. These reasons include (1) the EAC was formed under Section 5 of the By-Laws (concerning "Advisory Bodies") whilst other committees were formed under Section 4 (concerning "Board Committees"), and (2) the EAC includes members not formally affiliated with Board members or their constituencies.
- The Governance Committee confirmed it did not perceive any conflicts of interest with the programme because only independent experts on the EAC would be compensated, and organisations such as GAVI have to pay

evaluators in other contexts. Further, the EAC members oversee evaluation activities and do not perform evaluations themselves.

- All in all, the Governance Committee recognised there is an enormous amount of work that independent members of the EAC perform for GAVI and the modest compensation proposed is appropriate. To supplement the compensation programme, the Governance Committee requested the Secretariat craft clear terms of reference for independent members.
- Consequently, the Governance Committee noted the Secretariat's intention to implement a remuneration programme for independent members (or their professional institutions) in conformance with Doc #05, and to report any significant changes to the programme in the future to the Governance Committee from time to time.

6. Unaffiliated board member recruitment

- 6.1 George W. Wellde, Jr, Chair of the Recruitment Subcommittee announced that the Subcommittee had recommenced work now that the Chair and CEO searches were finished. The Subcommittee had a meeting the previous week where it reviewed candidate profiles gleaned from the initial unaffiliated Board member search, the CEO search, and the Chair search. He stated that he hoped the Subcommittee could propose candidates to the Governance Committee in time for Board appointment in November 2011.

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
- Jaime Sepulveda, Vice Chair
- Amie Batson
- Alan Hinman
- Richard Sezibera
- Pascal Villeneuve
- George W. Wellde, Jr
- Helen Evans (non-voting)

Secretariat

- Debbie Adams
- Kevin A. Klock
- Nina Schwalbe
- Eelco Szabo

CEO Designate

- Seth Berkley

Alternate Participating

- Rajeev Venkayya*

Regrets

- Sian Clayden

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