



GAVI Alliance Governance Committee Meeting

14 May 2012

Washington, DC USA

FINAL MINUTES

1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 11.04 Washington time on 14 May 2012. Geeta Rao Gupta, Governance Committee Chair, chaired the meeting.
- 1.2 Standing declarations of interest were tabled to the Committee (Doc 1a in the Committee pack). Alan Hinman noted his institution had received a grant from Novartis to research Measles vaccine, but did not anticipate that would cause a conflict at this meeting. Nicholas Alipui noted that he had no personal/ financial interests that needed to be declared.
- 1.3 The Committee noted the minutes of its meeting on 15 November 2011 (Doc 1b), which were approved by no-objection on 25 March 2012, and reviewed the minutes of its meeting on 10 April 2012 (Doc 1c).
- 1.4 Next the Committee reviewed its action sheet (Doc 1d) and its forward workplan (Doc 1e).

Decision One

The GAVI Alliance Governance Committee:

- **Approved** the minutes of its meeting on 10 April 2012.

2. Follow-up to the Oslo retreat on governance matters

- 2.1 The Chair led a discussion on a number of governance-related matters stemming from the Board's retreat in Oslo on 16-17 April 2012 (Doc 2).

Role of alternate Board members

- 2.2 The By-Laws allow for each representative Board member to have a single alternate Board member to act for the Board member as required.
- 2.3 The Committee confirmed that the Board is composed of the twenty-eight Board members and that the alternates step in for the Board members in their absence. It was noted that Board members have used their alternates to substitute for them at Board meetings, serve on committees, and represent their constituencies at Board meetings when they possess specific expertise. The Committee also noted that in previous years, only Board members attended the Board's annual retreat (unless the Board member was going to be absent). However, this year alternate Board members were invited to attend the retreat alongside their Board members.
- 2.4 The Committee noted that Board members are expected to attend Board meetings. However, an alternate may represent a Board member if the Board member is unable to attend. Also, it was agreed that if the Board member believes the alternate has special expertise on a discrete topic, the alternate should be able to address the meeting on behalf of the constituency as had been done in the past.
- 2.5 The Governance Committee engaged in a discussion on communication between Board members and their alternates (and committee delegates, see 2.8 below). It was commented that it is useful for the alternate to have expertise that complements the Board member, and that it was critical that Board members and alternates speak with a "consistent voice" when they substitute for one another. However, it was noted that the Board member is ultimately accountable for any position advocated by his/her alternate. Accordingly, the Committee agreed that alternates are accountable for maintaining communication with their Board members and for representing their Board members' positions.

Committee composition

- 2.6 The Governance Committee considered the extent to which Board members should be required to sit on committees themselves or allow their alternates or other delegates to represent them. According to the By-Laws, each Board member taken together with his or her alternate or any committee delegate shall normally be a member of between one and three committees. The Governance Committee noted that some Board members were not represented on any committee.
- 2.7 All else being equal, the Governance Committee felt that only Board members and their alternates should sit on the committees. It was noted that the fiduciary responsibilities of the committees are lessened because they are advisory, but that committee service is part of the responsibility of holding a Board seat. Some remarked that unaffiliated Board members, like representative Board members, have busy schedules and do not have the

option for alternates or delegates. Nevertheless, they believe committee service is a necessary responsibility.

- 2.8 The Committee discussed communication between Board members and their committee delegates, noting that in some instances, different positions had been advocated at committee-level than were voiced at the Board from the same constituency. It noted that this resulted in rehashing issues at the Board meeting after they had been reviewed by a committee. Governance Committee members agreed this was unsatisfactory as it was clear that Board members represented by committee delegates were not being briefed either on what their committee delegates had been advocating or the committee's final consensus position. The Committee concluded that it is critical that there is consistency in a constituency between its positions at a committee meeting and at the Board, with the Board member ultimately accountable for advocating a position. Accordingly, the Committee agreed that committee delegates are accountable for maintaining communication with their Board members and for representing their Board members' positions. In turn, the Board members should not use the Board meeting as a second chance to rehash a position that was not endorsed by a committee.
- 2.9 It was noted that the ability to appoint committee delegates allowed broader participation in the governance structure by members of the constituencies. Further, this allowed committees to benefit from specific technical expertise. However, there were concerns raised that some committee delegates were not sufficiently senior representatives of their constituencies and hence unable to represent their Board member's positions. Though the Committee recognised the value of subject matter expertise in certain circumstances, it was noted that these were Board committees and not technical groups.
- 2.10 It was noted that developing country constituency Board members may have commitments that require some flexibility as attendance at committee meetings in addition to Board meetings would likely be difficult.
- 2.11 It was also noted there needed to be better balance between donor and developing country representation, particularly on the Programme and Policy Committee (PPC). Attendance by telephone was an option however, technology issues in-country can pose a challenge. On this issue, it was suggested that perhaps UNICEF and WHO Country Office infrastructure could be used to help facilitate the participation of developing country Board members in telephone conference calls.
- 2.12 Consequently, the Governance Committee recommended as a principle, that after the conclusion of 2012, Board Committees shall be composed of Board members or alternate Board members. However, Board members may submit for nomination and appointment someone to serve as the Board member's delegate on any Board Committee, except the Executive Committee, Governance Committee, Investment Committee, and Audit and Finance Committee.

- 2.13 Also, the Committee confirmed that committees could appoint or retain expert advisors when they require expert advice on specific topics.

Committee size

- 2.14 The Governance Committee considered whether committees ought to have size limits because the Board's second self-assessment (conducted prior to the Board's retreat) had unearthed a concern among Board members over the size of the PPC – which was felt to impair this committee's functioning.
- 2.15 Committee members were hesitant to set a maximum size for committees, believing that the Governance Committee ought to retain discretion for composing committee membership to make them fit for purpose. It was acknowledged that without the disciplining mechanism of an upper limit, there is a risk that a committee (and particularly the PPC, which is often considered to be where the mission-critical work is shaped) could be as large as the Board. A committee that is too large may have more difficulty in having in-depth or free flowing dialogue.
- 2.16 As a general matter, the Governance Committee agreed that setting hard limits on committee sizes without meaningful criteria would be arbitrary. However, mindful of the self-assessment report and the insights of Committee members who sit on the Audit and Finance Committee and Investment Committee, the Governance Committee concluded that it would be unlikely to recommend to the Board past 2012 an Audit and Finance Committee larger than seven members or an Investment Committee larger than five members.

Committee charters

- 2.17 In Oslo, the Board requested that the Governance Committee undertake a light touch review of committee charters and, in particular, overlapping responsibilities contained in the charters. In the context of this discussion, Committee members noted that participation of the committee chairs would be essential in the light touch review of the charters
- 2.18 The Committee thought that the committee chairs should formally meet together at least once per year to share information and ensure aligned priorities.
- 2.19 Accordingly, the Governance Committee requested the Secretariat to look into the possibility of convening a meeting of all the committee chairs around the June Board meeting at which it could prepare a proposal for a consultative review of the charters. In addition, the Committee requested the Secretariat to organise an additional Governance Committee meeting so that recommended revisions could be presented in time for the Governance Committee's November 2012 meeting.

Role of developing country Board members

- 2.20 The Governance Committee discussed how to ensure developing country Board members were more active participants in the governance system given GAVI's commitment to a country-driven approach.
- 2.21 It was noted that developing country Board members need not be ministers of health. They can be other senior government officials including deputy ministers and permanent secretaries. However, it is important that they are senior enough to be able to credibly represent their constituency's position and must be able to effectively communicate with their constituency members and Board colleagues.

Reopening decisions

- 2.22 The Governance Committee considered whether to recommend implementing a one year moratorium for reopening Board decisions in order to focus the Board on its forward agenda rather than re-visiting matters that have been discussed and decided.
- 2.23 The Committee decided that as a principle, the Board and committees should not be reopening decisions from meeting to meeting, and that chairs should express discretion and oversight of agendas to ensure their members are discussing the most pertinent issues. The Committee decided not to formally enshrine the principle in the By-Laws.

Dedicated seat on the Executive Committee for the PPC Chair

- 2.24 The Governance Committee considered a suggestion as to whether the Board should reserve a seat on the Executive Committee for the Chair of the Programme and Policy Committee. The primary reasons for taking this action would be to strengthen the relationship between these committees and ensure input from the PPC during Executive Committee deliberations.
- 2.25 The Governance Committee noted that the By-Laws state that every Board member has the right to attend EC meetings as an observer. It also noted that the EC Chair can ask any Board member to participate at EC meetings. Therefore, the Committee determined that the EC Chair should invite Board members, including committee chairs, to attend EC meetings when their views would help enhance discussion.

Taking decisions by no-objection outside of meetings

- 2.26 In Oslo, it was discussed whether to expand the no-objection capability further. The Governance Committee considered whether to recommend a provision allowing the Board and committees to take decisions outside of meetings through a no-objection process.

- 2.27 The Committee chose not to enlarge the scope of this procedure but would consider doing so in the future should discrete categories be proposed in which this method would be useful and appropriate.

Working language

- 2.28 The Governance Committee considered whether to recommend formally making English the working language of the Board and committees. It recalled that the Board established minimum criteria for Board membership, which included the ability to converse in English. However, the Governance Committee and Board had not always been disciplined in applying the criterion.
- 2.29 The Committee chose not to recommend formal establishment of a working language, given the global nature of the Alliance and its work. Nevertheless, many members believed it would be desirable for Board members to be able to work in English since the Board conducts its business in that language, and to communicate effectively across their constituencies. The Committee agreed that it will continue to address Board and committee appointments in a practical way, noting the criteria established by the Board, and the skills and qualities needed in the governance structure.

3. Amendments to the governing documents

- 3.1 The Committee noted the industrialised and developing country vaccine industries' offer to step down from the Executive Committee (Doc 3). The proposed amendments to the By-Laws and Executive Committee Charter would implement this change and also allow the Executive Committee to consider commercially-sensitive matters.

Discussion

- Alan Hinman noted that a civil society organisation (CSO) had become a funded implementing partner for GAVI and he requested that the CSO constituency have a seat on the EC, noting that with the withdrawal of the manufacturers this would not affect the ratio of representative Board members to unaffiliated Board members. The Committee agreed to consider the civil society request for a seat at its next scheduled meeting.

Decision Two

The GAVI Alliance Governance Committee:

- **Recommended** to the Board that it amend the By-Laws as follows:
 - Amend By-Laws Article 3.1.1, clause 3 as follows:

Up to eight additional Board Members (or Alternate Board Members), who shall each be a voting member of the Executive Committee

- Amend By-Laws Article 3.1.2 in its entirety as follows:

The composition of the eight additional Board Members shall be as follows:

- *WHO, UNICEF, and the World Bank: Two seats*
- *Bill & Melinda Gates Foundation: One seat*
- *Developing country governments: One seat*
- *Donor country governments: One seat*
- *Unaffiliated Board Members: Three seats*

- **Recommended** to the Board that it amend the Executive Committee Charter as follows:

- Amend Article 3 of the Executive Committee Charter to include the following bullet point:

Approve market and/or commercially-sensitive decisions as part of the implementation of the supply and procurement strategy.

4. Ethics and Conflict of Interest Policies

- 4.1 The Committee recalled the Board's request for additional consultation time to review the Ethics Policy and revised Conflict of Interest Policy (Doc 4). Suggested edits were incorporated and tabled to the Governance Committee for review.

Discussion

- It was confirmed that the Conflict of Interest Policy does not cover members of the civil society steering committee as it is not part of the institutional structure but is instead a coordinating body for a constituency.

Decision Three

The GAVI Alliance Governance Committee:

- **Recommended** that the Board:
 - Approve the GAVI Alliance Ethics Policy
 - Approve the revised GAVI Alliance Conflict of Interest Policy

5. Committee member nominations

- 5.1 Debbie Adams, Managing Director of Law & Governance, and Secretary to the Board, tabled recommendations for Committee membership (Doc 5), noting that several requests had been sent to her office in the last two days.

Discussion

- The Committee noted Guillermo González had volunteered to serve on the PPC alongside Magid Al-Gunaid, and step down from the Executive Committee. The Governance Committee felt it was critical that the developing country voice be represented on the Executive Committee, and would request Minister González to remain on the Executive Committee instead.

Decision Four

The GAVI Alliance Governance Committee:

- **Recommended** that the Board appoint the following persons to the respective committees:
 - **Yifei Li** as a member of the Audit and Finance Committee effective immediately and until the committees are refreshed for the 2013 year.
 - **Clarisse Loe Loumou** as a member of the Programme and Policy Committee in the seat currently occupied by Joan Awunyo-Akaba effective immediately and until the committees are refreshed for the 2013 year.
 - **Magid Al-Gunaid** as a member of the Programme and Policy Committee effective immediately and until the committees are refreshed for the 2013 year.
 - **Jos Vandelaer** as a member of the Programme and Policy Committee in the seat currently occupied by Mickey Chopra effective immediately and until the committees are refreshed for the 2013 year.
 - **Maria C. Freire** as a member of the Governance Committee effective immediately and until the committees are refreshed for the 2013 year.
 - **Angela Santoni** as a member of the Evaluation Advisory Committee effective immediately and until the earlier of the end of her Board term or 31 July 2015.
 - **Bernhard Schwartlander** as a member of the Evaluation Advisory Committee effective immediately and until 31 July 2015.

Governance Committee members whose constituencies were up for committee appointments recused themselves from discussion and voting on those nominations.



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

- Geeta Rao Gupta, Chair
- Nicholas Alipui
- Dwight Bush
- Jenny Da Rin
- Alan Hinman
- Olga Popova
- George W. Wellde, Jr.
- Seth Berkley (non-voting)

Regrets

- Siv Catherine Moe
- José Luis Solano

Other Board members present

- Maria C. Freire

Secretariat

- Debbie Adams
- Helen Evans
- Kevin A. Klock

Guest

- Gian Gandhi, Senior Advisor to the Board Vice Chair