

GAVI Alliance Board Meeting

16-17 June 2010
Geneva, Switzerland

FINAL MINUTES¹

Finding a quorum of members present², the meeting commenced at 9.51 on 16 June 2010. Mary Robinson, Chair of the GAVI Alliance Board, chaired the meeting.

The Chair noted that on the “Day of the African Child” there are achievements to celebrate, and referred to that day’s media release accompanying the launch of the GAVI Annual Progress Report. She welcomed the new board members and alternates who were attending their first Board Meeting, and invited Rajeev Venkayya, the Governance Committee’s nominee to serve as alternate for the Bill & Melinda Gates Foundation, to participate at the Chair’s invitation until his formal appointment was approved. The Chair recognised this would be the final meeting for Gloria Steele and Julian Schweitzer and thanked them for their leadership and service.

Next the Chair welcomed Debbie Adams, the shortly to be appointed Head of Governance and thanked Assistant Secretary Kevin Klock and the Secretariat governance team for their stewardship. Finally, the Chair advised the Board that Cyrus S. Poonawalla, Chairman & Managing Director of the Serum Institute of India was unable to deliver his planned address due to a family bereavement but he was invited to make a presentation at a future meeting.

The Board considered approval of outstanding minutes (Doc #1 in the board pack).

DECISION

The GAVI Alliance Board:

- Approved the minutes of its meetings on:
 - 17-18 November 2009
 - 19 March 2010
 - 20 April 2010

1 CEO Report

Julian Lob-Levyt, Chief Executive Officer, delivered a presentation on the state of the GAVI Alliance (Doc #2). He contextualised GAVI’s achievements to date: in the last 10 years, GAVI has accelerated new vaccine introduction in over 70 of the poorest countries, immunised 257 million children, improved vaccination safety, and prevented 5.4 million future deaths.

¹ Binding Resolutions approved by the GAVI Alliance Board are listed in Attachment A. Decisions within the text of the minutes are non-binding, “plain English” actions agreed by the Board.

² Board member participants are listed in Attachment B.

The Board will be asked to approve a new strategy as well as consider a number of decisions that, taken together, will form the foundation of GAVI's programme funding architecture and allow the Board to consider the programmes recommended by the Independent Review Committee (IRC) in October 2009.

Whilst the fundraising challenge would be discussed in detail in subsequent presentations, Dr. Lob-Levyt reminded the Board of the gap that would need to be filled if GAVI was to realise its ambition to roll out pneumonia and rotavirus vaccines among all GAVI-eligible countries.

He also noted that we would need to review risk management at the country level, and although financial management assessments carried out under the Transparency and Accountability Policy (TAP) had significantly reduced risk, it would be important for the Board to agree on risk oversight procedures in the future. The Secretariat, in collaboration with the Director of Internal Audit, intends to present a paper to the Board in November 2010 on how this may be accomplished.

The CEO then reviewed the key decisions asked of the Board as these would determine how GAVI manages its finances, and sets the context for the resource mobilisation meeting to be held 6 October 2010 in New York.

Discussion followed:

- Board members welcomed the CEO report, remarking that GAVI is firmly established in the global health community and vaccines are at the centre of achieving the health Millennium Development Goals (MDGs).³
- The Board endorsed the CEO's highlighting risk management and will be interested to receive the paper in November.
- Mobilising funds is another very high priority. There must be a sense of urgency as GAVI has made moral commitments to countries and the requisite financing needs to be in place to meet them since for every US\$ 10 million of funding that could be raised for pneumococcal and rotavirus vaccine, 5,000 future deaths could be prevented.
- Developing country governments also suffered during the economic crisis. Whilst the situation has improved, vaccines often compete with other priorities and GAVI should ensure immunisation remains a priority for governments.

2 Report of the Executive Committee – Chair's Report

Jaime Sepulveda, Vice Chair of the Board and Chair of the Executive Committee, reviewed the Executive Committee's activity since the board meeting in Hanoi. In addition to overseeing the development of GAVI's new strategy, he stressed every investment should be focused on the most effective uses of GAVI's resources. The

³ <http://www.un.org/millenniumgoals> - retrieved June 2010

Executive Committee, together with the Audit and Finance Committee, will continue to provide financial and programmatic oversight between meetings of the Board.

3 Report of the Executive Committee – Strategy 2011-2015

Dr Sepulveda and Helen Evans, Deputy CEO, tabled the final GAVI Strategy 2011-2015 as recommended by the Executive Committee (Doc #3). The strategy reflects the Board's input from its retreat on 11-12 May and the Committee's meeting on 20 May as well as extensive consultation, including individual consultations with board members. The key performance indicators (KPIs) for this strategy were a major focus, driven by the need to make decisions based on sound information to effectively use GAVI's resources and to communicate that use. Subsequently, the Board examined the process to create the business plan for 2011. Discussion ensued:

- The strategy was considered complete, clear and comprehensive. The process fully engaged GAVI's stakeholders but did not result in reversion to the "lowest common denominator."
- The new strategic goal, "shape vaccine markets," is strong and comprehensive. Industry representatives stressed that sustainable demand will inevitably affect price. Additionally, several board members stressed that vaccine quality must always be assured.
- Developing country government representatives welcomed the principle of focusing on innovation, efficiency, equity, performance and results highlighting that it was important to examine outputs rather than inputs.
- Communication among developing countries can be challenging. GAVI should craft a plan and a budget to further strengthen work within the developing country constituency.
- It is very difficult to sustain immunisation in a dysfunctional health system so how GAVI contributes to Strategic Goal #2⁴ may need more insight.
- The Executive Committee decided not to recommend adding a specific objective on building capacity in Strategic Goal #1⁵ since it was captured within Strategic Goal #2 and as a cross-cutting issue.
- The business plan should not fund core activities of implementing partners. These activities should be clearly defined along with risk areas.
- KPIs should have associated targets and milestones so the Board is able to monitor progress through a high level results framework or a streamlined dashboard instrument. The Secretariat is responsible to the Board for the implementation of the business plan and should report regularly to the Board, using the aforementioned framework.

⁴ Strengthening the capacity of integrated health systems to deliver immunisation

⁵ Accelerate the uptake and use of underused and new vaccines

DECISION

The GAVI Alliance Board:

- 3.1. Approved the GAVI Alliance Strategy 2011-2015 as detailed in the strategy matrix⁶.

4 Report on the 2009 Workplan

Nina Schwalbe, Managing Director, Policy and Performance provided a consolidated report on the implementation of the 2009 workplan (Doc #4). She explained that the report was based on self-assessment by the Secretariat and funded partners. Of the 17 outputs that were followed, ten were satisfactorily on track, five had progress in some areas and two were significantly delayed. Discussion ensued:

- Organisations often expend substantial effort on future planning, but not on evaluating past work. To this end, the business plan should have good, smart indicators to track.
- The Secretariat's financial spend rate was lower in relation to other implementing agencies. The Secretariat explained one of the main areas of underspend was health systems strengthening (HSS) as it had held off certain activities related to GAVI's existing HSS window in favour of the Health Systems Funding Platform (HSFP). Further, funds allocated for implementation of the TAP were not fully used due to delays in recruitment of the TAP team, and fundraising in the Middle East had been postponed.
- Conflict of interest management should be reviewed to ensure it is robust and applicable to all board members. Contractual relationships with implementing partners should be transparent.

5 Report of the Investment Committee

George W. Welde, Jr., Chair of the Investment Committee, reviewed committee activity since the Hanoi board meeting, updated on GAVI's investment portfolio, and provided an overview of the capital markets environment. Discussion followed:

- The Alliance cannot afford to be complacent with its resource mobilisation efforts and that the solution to the challenge lies with board members becoming individually and collectively engaged and accountable.
- GAVI should investigate methods to guarantee its balance sheet. The Secretariat innovative finance team is working on this and similar initiatives.

6 Report of the Programme and Policy Committee – Chair's Report

Gustavo Gonzalez-Canali, Chair of the Programme and Policy Committee (PPC) Chair, updated the Board on the activities of the Committee (Doc #5). In addition, he thanked former chair Sissel Hodne Steen for her exemplary service to the Committee.

⁶ The latest version of the Strategy Matrix is found as Attachment C

7 Report of the PPC – Accelerated Vaccine Introduction

Jon Pearman, Head, Accelerated Vaccine Introduction (AVI) gave the Board an update on the AVI initiative (Doc #6). He reviewed its management structure and activities as well as set out its current priorities. Discussion followed:

- AVI is a core alliance activity. As such, AVI should remain a standing item on the Board's agenda.
- Tracking and raising vaccine demand is a comparative strength of GAVI as demonstrated by the introduction of Haemophilus Influenzae Type B (Hib) vaccine. AVI is the proper place to house and monitor this function. The Secretariat should be properly resourced to support the initiative.

8 Report of the PPC – Co-Financing

Santiago Cornejo, Senior Programme Manager, Country Finance outlined revised co-financing objectives and principles (Doc #7). Pending the Board's approval, a second stage of work will define policy options for country groupings; co-financing levels and trajectories over time; a default mechanism; and risk management. Discussion followed:

- The aim of the co-financing programme is to drive national ownership and promote informed decision-making by countries. However, it is not expected to make a meaningful impact on addressing the finances needed to fund GAVI's full ambition over the next five years.
- The new co-financing policy will commence in 2012 and will retain the current definition of "financial sustainability." Each country, no matter the income level, should be prepared to participate.
- New co-financing levels for graduating countries need to be increased in order to allow their national immunisation programmes to sustainably access vaccines at reasonable cost after GAVI support ends- An important point underlined several times in the discussion. In that vein, there should be clarity as to the co-financing levels expected of the poorest countries so that GAVI does not inadvertently increase countries' budgeting risk or cause the perception that a country's inability to co-finance indicated a lack of commitment.

DECISION

The GAVI Alliance Board:

- 8.1. Approved the co-financing objectives and principles.⁷

⁷ The objectives and principles can be found in Resolution 2

9 Report of the PPC – Advance Market Commitment

Tania Cernuschi, Senior Manager, Advance Market Commitments (AMC), advised that the Board's new eligibility/graduation policies coupled with the decision to undergo the prioritisation exercise impacted the Strategic Demand Forecast for pneumococcal vaccines (Doc #8). Whilst UNICEF has signed long-term supply agreements with providers with a target demand of 200 million doses, these actions would result in a lower peak demand and demand drop over time, thus decreasing the likelihood of the AMC to reach its full potential. Discussion followed:

- There was consensus to “grandfather” graduated countries into the AMC to maximise its potential and making the vaccine accessible and affordable to them. However, creating exceptions must be considered carefully and transparently. Further, the Secretariat must ensure that communication about implementing this element into the AMC is clear and unambiguous.
- Several board members requested clarification on the formulation of the Strategic Demand Forecast.
- The AMC is a forward commitment requiring procurement arrangements to be in place years before the vaccine is delivered; so decisions on eligibility need to be taken now. Allowing graduated countries access would not result in a new GAVI financing commitment because financing the non-AMC portion would be the responsibility of the graduated countries not GAVI.
- Individual manufacturers support the AMC on the basis of a robust demand forecast. Consequently, each manufacturer may need to be consulted and those who have signed supply agreements will need to agree to allow graduated countries access.
- Manufacturers in developing economies noted concern that by the time they are ready to enter the pneumococcal vaccine market around 2014-2015, prices are projected to have dropped. Therefore, steps must be taken so emerging economy manufacturers feel they can participate. Realising full market demand is one way.

DECISION

The GAVI Alliance Board:

- 9.1. Approved grandfathering of the AMC deal to include all currently GAVI-eligible countries (2003 definition). However, graduated countries will need to completely self finance the vaccine price (tail price) once GAVI support has ended. Also, all countries must have achieved DTP3 coverage above 70% in order to purchase under the AMC agreements
- 9.2. Approved channelling through the GAVI Alliance from the World Bank the AMC funding for purchase of pneumococcal vaccines for India without counting it against the established funding cap for India

10 GAVI Support for India

Dr Lob-Levyt explained that the pentavalent vaccine programme approved in July 2009 for India had yet to be implemented (Doc #23). However, the Indian Government had in the last week written to him and indicated that a scaled down programme in five states may commence in the coming months. This programme would then be evaluated before extending it to other states. As a result, the Board considered whether to rescind some or all of the funding for redeployment to other countries. Discussion ensued:

- India is an important country given that it has the largest population of unimmunised children in GAVI's portfolio. Ultimately, responsibility lies with the Indian Government to begin introduction.
- The Board agreed that the Secretariat should determine the amount of finance that would be required for a scaled down programme and rescind excess funds.
- The Secretariat would make clear to the Indian Government it remained open for them to submit proposals to expand the programme or to other vaccines in the future.

DECISION

The GAVI Alliance Board:

10.1. Delegated to the Secretariat the authority to partially rescind the financial commitment for India's pentavalent programme, and fully rescind it should the Government of India:

- 10.1.1. Not submit a satisfactory plan to introduce DTP-HepB-Hib in five states by the September 2010 IRC meeting, or
- 10.1.2. Not begin implementation of the plan by 1 December 2010

11 Report of the Evaluation Advisory Committee

Bernard Schwartlander, Evaluation Advisory Committee Chair, reviewed committee activity including its work on the second GAVI evaluation. Discussion ensued:

- The Committee is providing valuable insight by assisting the Alliance in ensuring its completed work is evaluated and its ongoing work evaluable. GAVI is at the forefront of aid agencies promoting organisational learning.
- The Alliance may wish to re-examine the questions that arose from its first evaluation prior to completing the second evaluation; particularly with regard to the incremental value of GAVI to countries.
- Monitoring and evaluation remain key elements of GAVI's partnership model. As such, they should be used for informed decision-making and risk-taking as opposed to assigning blame.

12 Civil Society and the GAVI Alliance

Faruque Ahmed and Alan Hinman, Board Member and Alternate Board Member representing the Civil Society Organisations Constituency, along with a panel comprising of Leon Kintaudi, Joan Awunyo Akaba and Daniel Berman delivered a presentation on civil society's contributions to GAVI's mission. They noted as partners with ministries of health at country-level, civil society organisations (CSOs) often deliver a substantial percentage of vaccines to children. CSOs also have particular strengths in policy development, advocacy and resource mobilisation. The panel also reviewed the ways in which the constituency is engaged in GAVI's committees and task teams.

- The Board acknowledged the positive contributions of CSOs within the Alliance. The Chair also highlighted the important "watchdog" role that CSOs perform and their ability to hold aid agencies to account for performance.
- The panel noted that GAVI had delayed approved funding to a CSO health service delivery programme in the Democratic Republic of Congo. GAVI provides cash support through Ministries of Health and those disbursements had been suspended in this case while a Financial Management Assessment was undertaken. The CEO agreed this situation should be resolved as expeditiously as possible so that the well-performing CSO can be funded and he assured the Board that the process was nearing completion.

13 Report of the PPC – Pilot Prioritisation Mechanism

Gian Gandhi, Head of Policy Development, presented a draft pilot prioritisation mechanism to help inform funding decisions (Doc #9). Some Board members expressed concerns about overall vaccine market predictability given that the reliability of the long-term demand forecast is impacted by prioritization. That said, the PPC reached consensus on its principles, objectives and criteria/indicators to govern the pilot phase as well as several rules and procedures necessary to implement it. Discussion followed:

- The PPC recommended that GAVI continue preparatory activities for HPV, Japanese Encephalitis, Rubella, and Typhoid vaccines and only open new applications windows for these vaccines following the pilot period of the prioritisation mechanism. The Board noted that that while placing "epidemic" vaccines, such as Yellow Fever and Meningitis A under prioritization "makes financial sense", it does not make "practical or epidemiological sense".
- The Board noted that HPV vaccine is a critical new and effective technology for women and GAVI has a unique role to help save the lives of hundreds of thousands of women who die each year from cervical cancer. The Chair reminded Board Members of the previous communications that the Board had received from Ministers of Health in developing countries requesting assistance from GAVI with the introduction of HPV vaccine. Many countries are anxious to begin introducing the vaccine and the Board supported a call to accelerate the development of this window, continuing preparatory activities including negotiation with manufacturers and perhaps piloting introduction in selected countries, so that when financing is available, GAVI is ready support and accelerate introduction in all GAVI-eligible countries.

- There was concern that the prioritisation mechanism might make some countries permanent priorities at the expense of others. Further, developing country ministers and the World Bank were concerned with the indicator “health share of government expenditure as a proportion of total government expenditure” given limited flexibility in some country budgets. The Secretariat was asked to revisit this indicator with the PPC.
- The aforementioned criterion could not be omitted without disrupting the modelling that backed the mechanism. Thus the Board was content to approve the mechanism while asking the PPC to consider another indicator.

DECISION

The GAVI Alliance Board:

- 13.1. Approved in general terms the GAVI Alliance Pilot Prioritisation Mechanism
- 13.2. Requested the PPC to reconsider the indicator: *health share of government expenditure as a proportion of total government expenditure* and report the result to the Board in due course

14 Report of the PPC – HSS Resource Allocation

Carole Presern, Managing Director, Special Projects presented the PPC-recommended method for allocating the maximum grant an eligible country could receive through the HSS programme (Doc #11). The new method is compatible with the principles the Prioritisation Task Team identified⁸ and better allocates funds to the countries with the greatest need. Discussion ensued:

- The formula of the PPC-recommended method is such that half of the maximum potential award would be based on total population and the other half on a sliding GNI scale to the benefit of the poorest countries.
- Strengthening the capacity of integrated health systems to deliver immunisation is an important “niche” area. Increasing complexity for the health systems window could make communication more challenging as well as possibly create more bureaucracy.
- Some countries are GAVI-eligible but not Platform-eligible. If a future decision is made to make HSS funding available to these countries, the same formula with a ceiling would be applied.

DECISION

The GAVI Alliance Board:

- 14.1. Endorsed a new HSS resource allocation method whereby the maximum potential amount of funding would be:

⁸ Supporting nationally-defined priorities, objectivity, transparency and feasibility

- 14.1.1. Based on an eligible country's total population and weighted against a graded gross national income (GNI) scale
- 14.1.2. Never less than US\$ 3 million
- 14.1.3. Never greater than the largest possible allocation for Platform-eligible countries, for non low income countries

15 Report of the Audit and Finance Committee – Chair's Report

Wayne Berson, Chair of the Audit and Finance Committee (AFC) reported on committee activity since the Hanoi board meeting. He reviewed the Committee's recommendations and GAVI's key transactions impacting the 2009 accounts. A clean audit is expected.

16 Report of the AFC – Financial Outlook & Programme Funding System

Barry Greene, Managing Director, Finance and Operations presented an overview of GAVI's financing needs from 2010-2020 and a summary of the 2009 draft consolidated financial statements (Doc #12). Subsequently, he presented a programme funding policy (or system) for consideration (Doc #13). The policy defines those "Qualifying Resources" that must be in place to finance existing programmes before funding new programmes. Discussion followed:

- In the past, GAVI endorsed full programmes as within the scope of its mission but only approved an initial tranche of funding, normally for the first 12-18 months. Subsequent tranches of funding were subject to satisfactory progress as evaluated by the Monitoring IRC and approved by the Board, and availability of funding. This new policy would give countries increased security by signalling that new programmes would not be approved unless Qualifying Resources are available for existing programmes for the following two calendar years.
- Further, Mr Greene reiterated that GAVI would have sufficient finances to fund all previously endorsed programmes provided direct contributions were maintained at an average of US\$ 350 million per year. The programme funding system seeks to ensure that GAVI does not inadvertently overextend itself.
- The system will facilitate predictable decision-making with a sufficient degree of fiscal discipline. A financial forecast for five future years should always accompany a recommendation to the Board or Executive Committee to consider the approval of new programmes.
- The Secretariat requested that it be able to reduce programme budgets for pre-approved reasons but the Board determined that an Executive Committee (or Board) resolution would still be required.
- Communication with countries on this new policy is critical to minimise misunderstandings.

DECISION

The GAVI Alliance Board:

16.1. Approved the Programme Funding System⁹

17 Report of the AFC – Internal Auditor’s Report & Risk Management

Cess Klumper, Director of Internal Audit, delivered the first report on the newly created internal audit function which looks at all areas that are important to GAVI in achieving its objectives, evaluates them against a generally accepted framework for internal control to come to an independent conclusion as to whether they are well-controlled in order to benefit GAVI and its mission. Mr Klumper reviewed substantive areas already assessed and delivered some comments on enhancing risk management activities (Doc #14). Discussion followed:

- The Board was pleased that steps are being taken to improve risk management through the internal audit function and the Secretariat transparency and accountability team. The Board requested Mr Klumper to monitor, on an ongoing basis, whether he had sufficient resources in place to evaluate and manage risk.
- The Audit and Finance Committee believes it is appropriate for the Director of Internal Audit to report to the Board (generally via the Committee) but have a reporting relationship to the CEO as well in order to maintain healthy working relationships between the Secretariat and him. The Committee would review these reporting relationships as required.

18 Report of the AFC – Document Retention Policy Revision

Mr Klumper proposed to the Audit and Finance Committee several modest revisions to the document retention policy such that he would maintain custody of internal audit records (Doc #15). The Committee recommended the Board accept these changes and that the names of certain archiving teams be changed to reflect the new Secretariat structure. There was no discussion.

DECISION

The GAVI Alliance Board:

18.1. Approved the revised Document Retention Policy

19 Resource Envelope for Cash-Based Programmes

At the request of the PPC, Dr Lob-Levyt and Mr Greene presented to the Board options for the funding balance between vaccine and cash programmes (Doc #10). The Secretariat also requested the Board to consider whether the US\$ 179 million remaining under the original HSS window ought to be reallocated to vaccine programmes. Cash based programmes include vaccine introduction grants to

⁹ See Resolution 7 for details

countries, Immunisation Systems Support (rewards-based), Health Systems Strengthening, and support to civil society. The Secretariat was of the opinion that in financially challenged times, the current HSS balance should be allocated to vaccine programmes. Discussion ensued:

- The majority of board members felt that a funding share allocated to cash-based programmes in any given application round should be from 15-25%. A range was thought to allow flexibility though the Board acknowledged it does not give guidance in terms of proportions for each type of cash programme.
- Most board members felt the \$179 million left in the window should remain reserved for HSS programmes. However, Dr Venkayya on behalf of the Bill & Melinda Gates Foundation explained that while the Gates Foundation fully supports the need to support health systems, there are a range of organisations that fund this work while GAVI is the principal one that supports vaccination. Accordingly, the Gates Foundation disagreed with the decision to continue to reserve the funds for HSS programmes.¹⁰
- GAVI must maintain a presence in health systems work but the question is how to do this within the new strategy. There needs to be more consideration of the extent to which funding available to GAVI for the Health Systems Funding Platform should count toward funding HSS programmes. The Secretariat would revisit this issue and return to the Board with proposals.

DECISION¹¹

The GAVI Alliance Board:

- 19.1. Endorsed that the maximum share of funding for cash-based programmes in a given proposal round will be 15-25%
- 19.2. Retained the notional US\$ 179 million not yet expended from the original HSS window subject to availability of funds and in line with maintaining the appropriate balance between vaccine and cash programmes
- 19.3. Shall revisit this decision at its November 2010 meeting based on further advice from the PPC as to what extent the maximum share of cash-based programmes funding includes HSFP funding

20 Resource Mobilisation

Joelle Tanguy, Managing Director, External Relations and David Ferreira, Managing Director, Innovative Finance, delivered a report on GAVI's resource mobilisation efforts (Doc #16). They discussed whether GAVI should accept earmarked funds or bilateral donations; reviewed and quantified the funding challenge to meet GAVI's full ambition; detailed a proposed replenishment process and explained the potential role of IFFIm and other innovative finance initiatives. In sum, GAVI's ambition from 2010-2015 will require US\$ 7.0 billion of which \$2.7 billion is at hand and \$1.7 billion

¹⁰ The full statement from the Gates Foundation is found as Attachment D

¹¹ The Bill & Melinda Gates Foundation voted against this decision

will be received if, as anticipated, direct contributions are maintained at current levels. As a result, a further \$2.6 billion needs to be raised on top of contributions maintained at current levels, a significant challenge. Discussion followed:

- The *High-level meeting on financing country demand* showcased the evidence base for GAVI. Now countries should be prepared to make pledges by the time of the 6 October 2010 event in New York City. It may be worthwhile to consider these events every two years to keep donors engaged with GAVI's successes and future financing needs.
- Some concern was raised that GAVI was timing this activity too closely with the planned event of the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund).
- An initiative to establish an ad-hoc donor group to support resource mobilisation and an event around the September 2010 MDGs summit would be welcome.
- BRIC¹² and Middle Eastern countries should be pursued. All board members, particularly those representing donor countries and civil society, should take the initiative to help broaden the donor base.
- It was through IFFIm that GAVI was able to raise its programme funding levels. Pledging to IFFIm remains an excellent way, especially during times of austerity, to support GAVI programmes today by leveraging future aid payments in the capital markets.

21 Report of the Governance Committee¹³

The Chair delivered a review of committee activity since the Hanoi board meeting (Doc #17). She reviewed the process to recruit her successor as Chair of the Board. The Governance Committee had approved terms of reference, formed a recruitment subcommittee chaired by Mr Wellde, retained a search consultant, and requested Board members to refer candidates to Mr Wellde by 30 June 2010.

Claire Mahon, Special Advisor to the Chair, reviewed the Committee-recommended Guidelines on Board Gender Balance to clarify how the nominations process can comply with the GAVI Gender Policy (Doc #18).

Next, the Chair reported the Governance Committee discussed the request from the Civil Society Constituency to consider adding another seat on the Board for civil society (Doc #20). The Chair explained that the Governance Committee would keep this matter on its agenda and would return to continue discussion on this at a later time so that additional work could be performed on its implications.

The Chair updated the Board on the plans for beginning the evaluation of the Board Chair and Vice Chair during the second half of 2010.

¹² Brazil, Russia, India and China

¹³ The Vice Chair chaired the meeting during sections 21 and 22

The Chair presented the Governance Committee's nominations for seats on the Board and the Executive Committee (Doc #19).

Finally, the Chair requested Tim Nielander, General Counsel, to present a recommendation to amend the By-Laws to allow the annual financial statements to be approved via a no-objection voting procedure (Doc #21).¹⁴

Discussion followed:

- In relation to the Guidelines on Gender Balance, some Board members noted that eligible organisations often select their Board member and Alternate based on the position held at the organisation. As such, an organisation may deem it necessary from time to time to forward a candidate irrespective of gender.
- The Governance Committee was aware that the decision to nominate the Gates Foundation's candidate as their Alternate Board member was an exception to a decision taken by the Board in November 2009.¹⁵ The Committee considered this nomination carefully and determined that the unique qualifications of the proposed individual and, in particular, his role within the organisation were sufficiently compelling to warrant such an exception. The Chair noted that it is expected that the Gates Foundation, in proposing candidates for future governance roles, including committee delegates, would assist in the implementation of the Gender Policy and contribute to redressing the gender imbalance in GAVI governance structures.
- Fidel López Alvarez stated that this nomination served as a step backward toward gender balance on the Board. Further, he believed that the treatment of his constituency's candidate for alternate board member in November 2009 had been unfair. However, his constituency would accept the Board's decision in this instance given the compelling circumstances.¹⁶
- The Chair acknowledged that the Italy/Spain constituency's case could have been handled better and that this had caused unfortunate concerns. However, the submission of a qualified candidate is not, by itself, sufficient to warrant an exception. Unique circumstances or contributions need to be in evidence, including, for example, the role the proposed candidate plays in the Eligible Organisation.
- The Board discussed to what degree further clarification was required regarding the criteria to be used in deciding exceptions to the Guidelines. The Governance Committee pledged to continue transparency in all nominations to the Board of candidates considered to be exceptions to the Gender Guidelines and to consider the need for further criteria to be included in the Gender Guidelines after one year of implementation.

DECISION

The GAVI Alliance Board:

¹⁴ Rajeev Venkayya left the meeting during discussion of his candidacy

¹⁵ See Decision 18.5 of the 17-18 November 2009 Minutes

¹⁶ The full statement from the constituency is found as Attachment D

- 21.1. Approved the Guidelines on the GAVI Alliance Board Gender Balance and annexed them to the GAVI Gender Policy
- 21.2. Appointed the following candidates for Representative Board Member seats:
- 21.2.1. **Amie Batson** as Board Member representing donor country governments USA/Canada/Australia to succeed Gloria Steele
- 21.2.2. **Toupta Boguena** as Board Member representing developing country governments in the seat formerly held by Tedros Ghebreyesus
- 21.2.3. **Sian Clayden** as Alternate Board Member to Jean Stéphanne representing the industrialised country vaccine industry to succeed Patrick Florent
- 21.2.4. **Rajeev Venkayya** as Alternate Board Member to Jaime Sepulveda representing the Bill & Melinda Gates Foundation to succeed Steve Landry
- 21.3. Appointed the following Board Members to the Executive Committee:
- 21.3.1. **Gustavo Gonzalez-Canali** representing donor country governments to succeed Gloria Steele
- 21.3.2. **Guillermo González González**, representing developing country governments in the seat formerly held by Tatul Hakobyan
- 21.4. Approved an amendment to the By-Laws to allow no objection voting by the Board to approve the annual financial statements

22 Report of the Governance Committee – Self-Assessment Results

The Chair invited Simon Page from the Board's external facilitator, Egon Zehnder International (EZI) to present the results of the self-assessments of the Board, Executive Committee and Governance Committee. He made the following points:

- Most Board members felt that the Board's size is manageable but a minority feel it is too large. Also, most are comfortable with its largely representative structure but concern exists about managing conflicts of interest. There is comfort with the current skills mix but concern with high turnover, overuse of alternates and the amount of work being asked of unaffiliated Board members.
- The nature of the Alliance continues to evolve including the relationship between the Secretariat and stakeholders. There is a need for further induction activities for new Board members though some work has been done.
- Board meetings are well run though there can be repetitious interventions by Board members. There is strong support for retreats where Board members feel discussion and dialogue are enhanced. The Secretariat has improved the

quality and consistency of board papers but the Board would prefer to spend more time on strategic matters and less time on technical issues.

- The Executive Committee is well chaired, though the division of responsibilities between the Board and Committee is evolving. Concern had been expressed about micro management of the Secretariat by the EC. The Committee's members feel that face-to-face meetings should be given more priority.
- The Governance Committee is well chaired and face-to-face meetings are preferred. There is some concern about progress on key issues and also about proposals coming to the Committee fully developed. The Committee is keen to ensure new members are given a proper induction process.
- All in all, EZI recommended that induction programmes continue improvement, members ensure their personal attendance at meetings, papers focus more on key decisions, Board members promote dialogue and refrain making prepared statements, the burden on unaffiliated board members is lessened, a forward view of agendas is ensured, and a focus on strategic issues is kept.
- The full EZI report will be shared with all Board members in due course.

23 Appointment of Officers

Dr Lob-Levyt tabled the candidacies of Mr Greene and Ms Adams for the offices of Treasurer and Secretary, respectively, as defined under article 6 of the By-Laws.

DECISION

The GAVI Alliance Board:

- 23.1. Appointed Barry Greene as Treasurer and Debbie Adams as Secretary

24 IRC Recommendations from October 2009

The Chair reviewed the decisions taken during this meeting and particularly those with regard to support for India, prioritisation, the resource envelope for cash-based programmes, and the programme funding policy. In addition, Mr Greene reviewed the financial implications of those decisions. With this programme funding architecture in place, the Board decided to move forward with the proposals recommended by the Independent Review Committee in October 2009.

DECISION

The GAVI Alliance Board:

- 24.1. Delegated to the Executive Committee the authority to consider and approve the programmes recommended by the

Independent Review Committee in October 2009, following a recommendation to be considered by the Audit and Finance Committee

- 24.2. Welcomed and approved in principle a new application round and delegated to the Executive Committee the authority to determine during its meeting in July 2010, the date for the next meeting of the new proposals Independent Review Committee

There being no further business, the meeting was adjourned.

Mr Kevin Klock, Assistant Secretary

Attachment A**Resolutions approved by the GAVI Alliance Board****RESOLUTION ONE****1. Minutes**

The GAVI Alliance Board:

Approved the minutes of its meetings on:

- 17-18 November 2009
- 19 March 2010
- 20 April 2010

RESOLUTION TWO**2. Co-financing Policy**

The GAVI Alliance Board:

Approved the following co-financing objectives and principles:

- Overarching Policy Objective: To put countries on a trajectory towards financial sustainability in order to prepare them for phasing out of GAVI support for new vaccines, recognising that the time frame for attaining financial sustainability will vary across countries.
- Intermediate Objective (for countries with a long timeframe for achieving financial sustainability): To enhance country ownership of vaccine financing.
- Policy Principles:
 - To be transparent, fair, and feasible to implement
 - To build on existing systems and processes
 - To require all countries to contribute to new vaccine support
 - To ensure that country co-financing of new vaccines represents new and additional financing and does not displace financing from other vaccines
 - To provide countries with a long term planning horizon

RESOLUTION THREE**3. Advance Market Commitment**

The GAVI Alliance Board:

Approved grandfathering of the AMC deal to include all currently GAVI-eligible countries (2003 definition). However, graduated countries will need to completely self finance the vaccine price (tail price) once GAVI support has

Attachment A

ended. Also, all countries must have achieved DTP3 coverage above 70% in order to purchase under the AMC agreements.

Approved channelling through the GAVI Alliance from the World Bank the AMC funding for purchase of pneumococcal vaccines for India without counting it against the established funding cap for India.

RESOLUTION FOUR**4. Support for India**

The GAVI Alliance Board:

Delegated to the officers the authority to partially rescind a financial commitment of an amount of up to US\$ 165 million originally approved by the Executive Committee on 30 July 2009 for the introduction of DTP-HepB-Hib in India. The officers shall fully rescind the financial commitment should the Government of India:

- Not submit a satisfactory plan to introduce DTP-HepB-Hib in five states by the September 2010 IRC meeting, or
- Not begin implementation of the plan by 1 December 2010

RESOLUTION FIVE**5. Prioritisation Mechanism**

The GAVI Alliance Board:

Approved the GAVI Alliance Pilot Prioritisation Mechanism.

Requested the PPC to reconsider the indicator: health share of government expenditure as a proportion of total government expenditure and report the result to the Board in due course

RESOLUTION SIX**6. HSS Resource Allocation**

The GAVI Alliance Board:

Endorsed a new HSS resource allocation method whereby the maximum potential amount of funding would be:

- Based on an eligible country's total population and weighted against a graded gross national income (GNI) scale
- Never less than US\$ 3 million
- Never greater than equal to the largest possible allocation for Platform-eligible countries, for non low income countries

Attachment A**RESOLUTION SEVEN****7. Programme Funding System**

The GAVI Alliance Board:

Approved the following programme funding system:

The system would require that whenever the GAVI Alliance Board is considering the approval or endorsement of funding for new programmes:

1. As a prerequisite to the approval or endorsement of any new programmes, an amount of Qualifying Resources (as defined below) shall be set aside to fully cover all commitments arising in the period from the start of the current year through the next two calendar years (the Defined Period).
2. The Secretariat shall provide the Board with a projection of the amounts arising during the Defined Period (per 1 above), in respect of:
 - (a) Qualifying Resources available in the defined period.
 - (b) Cash outflows required to meet GAVI Alliance commitments, other than to the new programmes being considered (i.e. to programmes being already supported, including extensions thereof, and workplan and administrative costs) in the Defined Period.
 - (c) The remainder (a-b), being the amount available to cover commitments to new programmes in the defined period.
3. The Secretariat shall also provide the Board with a projection of commitments arising and Qualifying Resources available in the three years subsequent to the Defined Period, so that the Board can take into account the longer-term implications when considering the funding of new programme.
4. Qualifying Resources, meaning the resources that can be counted for the purposes of covering commitments, shall comprise:

Funds on hand:

- (a) Cash and investments of the GAVI Alliance
- (b) Cash and investments of the GAVI Fund Affiliate that are committed for approved programmes and are available for transfer to GAVI

Future inflows expected during the Defined Period from:

- (c) Contributions contingent on programmatic expenditure (e.g. AMC contributions)

Attachment A

- (d) Expected IFFIm funding from the GAVI Fund Affiliate, based on existing donor pledges
 - (e) Expected grants from the GAVI Campaign
 - (f) Confirmed contributions to GAVI Alliance (under already-signed agreements or otherwise confirmed in writing).
 - (g) Expected contributions from existing donors who have not yet confirmed their contributions for the entirety of the Defined Period, based on current contribution levels (i.e. a conservative projection).
 - (h) Projected investment income
5. The Board may wish to notify potential applicants and other stakeholders of the amount expected to be available for new programmes (and potential allocations to programmatic windows) in advance of preparation of applications for funding. For this purpose, a forecast of the amount could be compiled at the appropriate time. This would alert potential applicants to the likely capacity for approval of new programmes and allow resource mobilisation efforts to be aligned accordingly.

Requests that the following matters be developed further:

- (a) Guidelines should be developed to specify “use it or lose it” deadlines for reduction of committed resources that have not been used. A systematic review of commitments that may be in excess of need should be undertaken at least annually and appropriate reductions made in order to release resources so that they may be available for allocation to other programmes
- (b) Budget estimates provided in country applications to the IRC may require adjustment subsequent to Board approval of an application in order to align with updated demand estimates that take account of revisions to programme start dates, time to reach peak coverage, supply constraints and other factors
- (c) To facilitate the timely release of committed resources that are identified as being in excess of needs through the processes proposed for consideration in (a) and (b) above, the Board requests the Secretariat to propose to the Executive Committee for its approval reductions to committed amounts

RESOLUTION EIGHT**8. Document Retention Policy**

The GAVI Alliance Board:

Approved the revised Document Retention Policy as tabled

Attachment A**RESOLUTION NINE****9. Resource Envelope for Cash-Based Programmes**

The GAVI Alliance Board:

Endorsed that the maximum share of funding for cash-based programmes in a given proposal round will be 15-25%

Retained the notional US\$ 179 million, which had not yet been allocated to countries from the US\$ 747 million estimated spending for the original HSS window, subject to availability of funds and in line with maintaining the appropriate balance between vaccine and cash programmes

Shall revisit this decision at its November 2010 meeting based on further advice from the PPC as to what extent the maximum share of funding includes HSFP funding. (The CSO window and the successor to the ISS programme will be counted as part of the maximum share of funding)

The Bill & Melinda Gates Foundation voted against this resolution.

RESOLUTION TEN**10. Guidelines on the GAVI Alliance Board Gender Balance**

The GAVI Alliance Board:

Approved the Guidelines on the GAVI Alliance Board Gender Balance and annexed them to the GAVI Gender Policy

RESOLUTION ELEVEN**11. Board Member Appointments**

The GAVI Alliance Board:

Appointed the following board members and alternate board members for the terms listed below:

- Amie Batson as Board Member representing donor country governments USA/Canada/Australia to succeed Gloria Steele effective immediately and until 30 June 2011
- Toupta Boguena as Board Member representing developing country governments in the seat formerly held by Tedros Ghebreyesus effective immediately and until 30 June 2013
- Sian Clayden as Alternate Board Member to Jean Stéphenne representing the industrialised country vaccine industry to succeed Patrick Florent effective immediately and until 31 May 2011
- Rajeev Venkayya as Alternate Board Member to Jaime Sepulveda representing the Bill & Melinda Gates Foundation to succeed Steve Landry Effective immediately and until his successor is elected and qualified

Attachment A**RESOLUTION TWELVE****12. Executive Committee Appointments**

The GAVI Alliance Board:

Appointed the following individuals to the Executive Committee:

- Gustavo Gonzalez-Canali to succeed Gloria Steele effective immediately and until 1 December 2010
- Guillermo González González in the seat formerly held by Tatul Hakobyan effective immediately and until 30 June 2013

RESOLUTION THIRTEEN**13. Amendment to the GAVI By-Laws**

The GAVI Alliance Board:

Approved the following amendment to the GAVI By-Laws:

- **Addition of paragraph 2 to Section 2.7.3:**

The Board may approve the annual accounts on a no-objection basis. On such basis, and subject to further procedures set by the Board, a motion to approve the annual accounts shall be deemed approved if the following conditions are met: (i) the Audit and Finance Committee recommended to the Board that it approve the annual accounts, (ii) Notice of a request to approve the annual accounts is made in writing and sent by mail to the last recorded address of each Board Member, or by email, (iii) a period of no less than 10 calendar days is given for Board Members to signal an objection in writing or by email ("Objection Period"), and (iv) no objections to the motion are received by the Chair, CEO, or Secretary by the conclusion of the Objection Period.

RESOLUTION FOURTEEN**14. Appointment of Officers**

The GAVI Alliance Board:

Appointed Barry Greene as Treasurer effective immediately and until his successor is elected and qualified

Appointed Debbie Adams as Secretary effective 1 August 2010 and until her successor is elected and qualified

Attachment A

RESOLUTION FIFTEEN

15. **Delegation to the Executive Committee to Consider the Independent Review Committee Recommendations from October 2009**

The GAVI Alliance Board:

Delegated to the Executive Committee the authority to consider and approve the programmes recommended by the Independent Review Committee in October 2009, following a recommendation to be considered by the Audit and Finance Committee

Welcomed and approved in principle a new application round and delegated to the Executive Committee the authority to determine during its meeting in July 2010, the date for the next meeting of the new proposals Independent Review Committee

Attachment B**Participants****Board Member Participants**

- Mary Robinson, Chair
- Jaime Sepulveda, Vice Chair
- Faruque Ahmed
- Wayne Berson
- Paul Fife
- Ashutosh Garg
- Gustavo Gonzalez-Canali
- Guillermo González González
- Magid Al-Gunaid (Alternate)
- Nguyen Tran Hien (Alternate)
- Saad Houry
- Dagfinn Høybråten
- Suresh Jadhav
- Fidel Lopez-Alvarez
- Daisy Mafubelu
- Anders Molin
- Anne Schuchat
- Julian Schweitzer
- Richard Sezibera
- Gloria Steele
- Jean Stéphenne
- George W. Wellde, Jr.
- Julian Lob-Levyt (non-voting)

Regrets

- Dwight Bush

Alternates Observing

- Alan Hinman
- Stefan Kaufmann
- Jean-Marie Okwo-Bele
- Murray Proctor
- Abigail Robinson
- Rajeev Venkayya*
- Annie Vestjens
- Pascal Villeneuve**

* Appointed at this meeting and served as the eligible organisation's voting member per Section 2.6.5 of the By-Laws

** Participated in part of the meeting

Additional Attendees**WHO**

- Lidija Kamara, Partnerships Technical Officer
- Rudi Eggers, Medical Officer, Expanded Programme on Immunization
- Gina Tambini, Family and Community Health Manager, Pan American Health Organization

UNICEF

- Ibrahim El-Ziq, Chief of Immunisation, Supply Division
- Katinka Rosenbom, Contracts Manager, Supply Division

THE WORLD BANK

- Susan McAdams, Director, Multilateral Trusteeship and Innovative Financing (tbc)
- David Crush, Senior Financial Officer, Multilateral Trusteeship and Innovative Financing
- Shirmila Ramasamy, Counsel, Corporate Finance, Legal Vice Presidency

BILL & MELINDA GATES FOUNDATION

- Steve Landry, Program Manager, Integrated Health Solutions Development
- Rob Lin, Deputy Director, Global Health, FP&A
- Violaine Mitchell, Senior Program Officer
- Nicole Bates, Senior Program Officer

AUSTRALIA

- Timothy Poletti, Health Adviser, AusAid
- Neil McFarlane, Counsellor, Development, AusAid

CANADA

- Lara Griffiths, Senior Program Officer, Canadian International Development Agency (CIDA)
- Pierre Blais, Counsellor, Permanent Mission to the United Nations, Geneva

Attachment B**DENMARK**

- Anne Charlton Christensen, Counsellor, Permanent Mission, Geneva

FRANCE

- Hélène Barroy, Health Adviser, Ministry of Foreign Affairs
- Clarisse Paolini, Deputy Head of ODA and MDBs, Unit at the Treasury and Economic Policy General Directorate, Ministry of Economy, Employment and Industry

GERMANY

- Lars Selwig, First Secretary, Permanent Mission, Geneva
- Jana Sisnowski, Advisor, Permanent Mission, Geneva

ITALY

- Leone Gianturco, Senior Economic and Financial Advisor, Treasury Department, Ministry of the Economy and Finance

NETHERLANDS¹⁷**NORWAY**

- Lene Lothe, Senior Adviser, Department for Global Health and AIDS, Norad
- Tom Hunstad, Senior Adviser for Global Development, Ministry of Foreign Affairs

RUSSIA

- Eugene Miagkov, Alternate Executive Director, Russian Federation at the World Bank

SPAIN

- Javier Parrondo, Counsellor, Permanent Mission to the United Nations in Geneva

SWEDEN

- Oscar Ekéus, Desk Officer, Ministry for Foreign Affairs

UNITED KINGDOM

- Julia Watson, Senior Economic Advisor, DFID
- Jeff Tudor, Policy Manager, Global Funds and Development Finance Institutions Department, DFID
- Simon Bland, Counsellor, Specialised Agencies, Permanent Mission to the United Nations, Geneva

UNITED STATES OF AMERICA

- Susan McKinney, Senior Technical Advisor for Immunization, USAID

CIVIL SOCIETY ORGANISATIONS

- Joan Awunyo-Akaba, Regional Chairperson, Coalition of NGOs in Health, Ghana
- Daniel Marc Berman, Deputy Director, Access Campaign, Médecins Sans Frontières
- Ngoma Miezi Kintaudi, Project Director, ECC/Sanru
- Shushan Khachyan, Communications Focal Point, International Federation of the Red Cross and Red Crescent Societies (IFRC)

VACCINE INDUSTRY- DEVELOPING COUNTRY¹⁸**VACCINE INDUSTRY- INDUSTRIALISED COUNTRY**

- Kathleen Vandendael-Baudrihayé, Director, International Relations, Policies and Partnerships, GSK Biologicals
- Olga Popova, Senior Director, Government Affairs, Crucell Switzerland AG
- Willem Jacobus Smit, Senior Director, Public Affairs, Sanofi Pasteur

¹⁷ Represented by Annie Vestjens, alternate board member

¹⁸ Represented by Suresh Jadhav, board member

Attachment B

- Isabelle Deschamps, Global Immunisation Policy, Sanofi Pasteur
- Jacqueline Keith, Vice President, International Trade Relations and Health Affairs, Pfizer
- Lynn Bodarky, Senior Director Developing World, Pfizer
- Ryoko Krause, Director of Biologicals & Vaccines, International Federation of Pharmaceutical Manufacturers and Associations
- Silvija Staprans, Senior Director, Scientific Affairs, Medical Affairs & Policy, Merck & Co.

RESEARCH AND TECHNICAL HEALTH INSTITUTES

- John Wecker, Director, Vaccine Access and Delivery, PATH
- Philippe J. Stoeckel, President, Agence de Médecine Préventive (AMP) à l'Institut Pasteur
- Alfred J. da Silva, Executive Director, Agence de Médecine Préventive (AMP) à l'Institut Pasteur

ADDITIONAL OBSERVERS

- Debbie Adams, incoming Head of Governance, GAVI Alliance
- Loay Al-Aswadi, Special Adviser to the Minister of Health, Yemen
- Didier Cherpitel, Member of the IFFIm Board
- Christopher Egerton-Warburton, Partner, Lion's Head Global Partners
- Alan Gillespie, Chair, IFFIm Board
- Dayanath Jayasuriya, Member of the IFFIm Board
- Cynthia L. Kamikazi, Multilateral Officer, Embassy of Rwanda in Switzerland
- Sandii Lwin, Manager Bilateral and Multilateral, The Global Fund to fight AIDS, Tuberculosis and Malaria
- Claire Mahon, Special Adviser to Mary Robinson
- Simon Page, Egon Zehnder International
- André Prost, Member of the GAVI Fund Affiliate Board
- Odd-Jostein Saeter, Senior Advisor to Dagfinn Høybråten, Christian Democratic Party, Stortinget
- Bernard Schwartlander, UNAIDS, Chair of the Evaluation Advisory Committee

GAVI ALLIANCE SECRETARIAT¹⁹

- Geoff Adlide, Director, Advocacy and Public Policy
- Mercy Ahun, Managing Director, Programme Delivery
- Tania Cernuschi, Senior Manager, Advance Market Commitments
- Santiago Cornejo, Senior Programme Manager, Country Finance
- Tony Dutson, Chief Accounting Officer, Senior Director, Finance
- Helen Evans, Deputy Chief Executive Officer
- David Ferreira, Managing Director, Innovative Finance
- Gian Gandhi, Head of Policy Development, Policy and Performance
- Barry Greene, Managing Director, Finance and Operations
- Jean Gruener, Senior Administrative Assistant, Governance
- Kevin Klock, Corporate Governance Officer and Assistant Secretary
- Cees Klumper, Director of Internal Audit
- Ranjana Kumar, Senior Programme Manager, Programme Delivery
- Alexandra Laheurte, Administrative Assistant, Governance
- Doreen Mackay, Executive Assistant to the CEO
- Pooja Mall, Senior Programme Officer, Policy and Performance
- Juan Martin, Manager, IT, Corporate Services
- Meegan Murray-Lopez, Executive Officer
- Tim Nielander, General Counsel
- Stephen Nurse-Findlay, Programme Manager, Governance
- Alex Palacios, Special Representative
- Sarah Papineau, Director, Programme Funding
- Jon Pearman, Head, Accelerated Vaccine Introduction, Policy and Performance
- Carol Piot, Senior Manager, Innovative Finance
- Carole Presern, Managing Director, Special Projects
- Matthew Radbill, Team Editor, Governance
- Corina Roberts, Executive Office Manager
- Jeffrey Rowland, Director, Media and Communication
- Bjorg Sandkjaer, Specialist, Advocacy and Public Policy
- Nina Schwalbe, Managing Director, Policy and Performance
- Diane Summers, Senior Specialist, Advocacy and Communication
- Joelle Tanguy, Managing Director, External Relations
- Daniel Thornton, Senior Adviser to the CEO

¹⁹ Attended part or all of the meeting

GAVI Alliance Strategy 2011-2015

Mission	To save children's lives and protect people's health by increasing access to immunisation in poor countries		Mission Indicators: I. Under five mortality rate II. Number of future deaths averted III. Number of children fully immunised	
Operating Principles	As a public-private partnership including civil society, the GAVI Alliance plays a catalytic role providing funding to countries and demonstrates "added-value" by: <ol style="list-style-type: none"> 1. Advocating for immunisation in the context of a broader set of cost-effective public health interventions 2. Contributing to achieving the Millennium Development Goals (MDGs) 3. Supporting national priorities, integrated delivery, budget processes and decision-making 4. Focusing on innovation, efficiency, equity, performance and results 5. Maximising cooperation and accountability among partners through the Secretariat 			
Cross-cutting Strategic Goals Goal-level indicators	Monitoring and Evaluation Advocacy, Communication and Public Policy Capacity-Building			
	SG1 Accelerate the uptake and use of underused and new vaccines	SG2 Contribute to strengthening the capacity of integrated health systems to deliver immunisation	SG3 Increase the predictability of global financing and improve the sustainability of national financing for immunisation	SG4 Shape vaccine markets
	<ol style="list-style-type: none"> I. Country introductions of underused and new vaccines - Cumulative number of GAVI supported countries introducing underused and new vaccines II. Coverage of underused and new vaccines – Coverage of underused and new vaccines in GAVI supported countries 	<ol style="list-style-type: none"> I. Drop-out rate – Drop out between DTP1 and DTP3 coverage II. DTP3 coverage - DTP3 coverage in GAVI supported countries III. Equity in immunisation coverage – Proportion of GAVI supported countries where DTP3 coverage in the lowest wealth quintile is +/- x% of the coverage in the highest wealth quintile 	<ol style="list-style-type: none"> I. Resource mobilisation – Ratio of resources mobilised to resources required to meet country demand for vaccine support II. Country investments in vaccines per child – Average amount spent from national health budgets on vaccines per surviving infant in GAVI supported countries III. Fulfilment of co-financing commitments - Proportion of countries meeting their co-financing commitments 	<ol style="list-style-type: none"> I. Reduction in vaccine price - Change in weighted average price per dose for pentavalent and rotavirus vaccines II. Suppliers in the market – Number of manufacturers with a pre-qualified vaccine in the market
Objectives	<ol style="list-style-type: none"> 1. Increase evidence based decision-making by countries 2. Strengthen country introduction to help meet demand 	<ol style="list-style-type: none"> 1. Contribute to the resolving of the major constraints to delivering immunisation 2. Increase equity in access to services, including gender equity 3. Strengthen civil society engagement in the health sector 	<ol style="list-style-type: none"> 1. Increase and sustain allocation of national resources to immunisation 2. Increase donor commitments and private contributions to GAVI 3. Mobilise resources via innovative financing mechanisms 	<ol style="list-style-type: none"> 1. Make vaccines more affordable 2. Ensure sufficient supply 3. Create market security and stability 4. Catalyse introduction of appropriate vaccines

Attachment D**Explanation of the Bill & Melinda Gates Foundation Objection to the GAVI Alliance Board Decision on HSS**

The Bill & Melinda Gates Foundation submits the following statement of explanation for our objection to the two decisions on GAVI's investments in health system strengthening (HSS) that were taken by the board: (1) the maximum allocation of resources to health system strengthening in any given round of funding; and (2) whether the remaining \$179 million in the notional HSS envelope should be reallocated to other programs in light of GAVI's financial shortfall.

- We fully understand the importance of robust immunization and health systems for the delivery of vaccines. Our concern, however, is that GAVI is currently facing a fiscal crisis that could prevent most low-income countries from introducing rotavirus and pneumococcal vaccines – and indeed any new vaccines – between now and 2015. We believe it is important for GAVI to carefully consider all future investments, to determine whether these resources should be used to help address this resource shortfall.
- In this context, we object to the allocation of this \$179 million toward HSS instead of support for new vaccine introduction. Current projections suggest that GAVI will not be able to support most country demand for new vaccine introduction due to a lack of financial resources. If GAVI support is not present, there is no alternative source of funding to ensure that these countries can introduce vaccines. The situation is different for GAVI's proposed investments in HSS. There are many entities that will support HSS activities in countries, including bilateral donors, the World Bank and the Global Fund. Countries are not counting on GAVI to support HSS, but they are dependent upon GAVI to support new vaccine introduction.
- GAVI began supporting HSS at a very different time - when it had ample resources to support all programs. This is not the case today, and difficult tradeoff decisions must be made.
- We can predict the health impact of investments in vaccines. For every \$10 million that is used to purchase the new vaccines against pneumonia and diarrhea, we can save approximately 5000 child lives. The Board has not been presented with this type of evidence on potential HSS investments to inform these decisions on the allocation of scarce resources.
- Finally, GAVI now has a second IFFIm (“IFFIm2”) which is dedicated to funding HSS. We believe that the IFFIm2 monies should be included in any calculation of GAVI's HSS envelope, and that all of GAVI's HSS expenditures should be transitioned to this instrument as soon as it is available.
- In summary, the Gates Foundation believes that the Board must ensure that GAVI is able to honor its commitment to countries – to support the introduction and delivery of new and underutilized vaccines – and that this should take priority over the proposed investments in HSS.

Attachment E**Italy/Spain Constituency Statement on GAVI Alliance Gender Policy**

Thank you Madame Chair.

You know, and this Board knows, how important this issue of the gender policy is to our constituency. Not only because it represents a high political priority of our Governments, but because we have suffered discriminatory and unfair treatment under the application of its principles.

Madame Chair, our constituency wants to present its most constructive mood and will accept the decision that this Board might take. Nevertheless, my constituency wants to make a statement for the record, and requests it be reflected in the minutes of this Board meeting.

1. We support the objectives of a gender balance in all GAVI structures, not only in the GAVI Board.
2. We would have preferred to approve a nomination on the basis of his/her professional capacity rather than his/her gender.
3. We understand the importance of a positive action to accelerate the achievement of gender balance. However, the decision that the Board is asked to approve today represents a step backwards on this same effort.
4. Actually, this would be a decision contrary to the one taken by this same Board in November 2009 in Hanoi, I quote from the minutes we approved yesterday, number 18.5: The Board “decided that for the foreseeable future, considering the gender imbalance on the board, constituencies ought not propose a board member and alternate who are both men”

Besides, it is also against the Recommendation of the Governance Committee in its session of March 17 this year, when it states (I quote the minutes): “until the full implementation of the guidelines in December 2010, the previous Governance Committee and Board decisions requesting constituencies to not propose male/male candidates as both Board members and alternates remain applicable”.

5. You will ask, Madame Chair, for a nomination to be approved as an exception. There is no problem for our Constituency to approve an exception, but this Board will have to justify its decision, so as to dispel any doubt about unfair and discriminatory treatment against the candidate proposed by Italy as an alternate in Hanoi.

Professional competence and proficiency would not be enough, since both candidates fulfil this condition. Prof. Biondi is an immunologist, a paediatrician, with field experience in Latin America. The Board has to justify on other grounds where to lay its decision.

6. I have to add that as a constituency we had put on hold any new nomination until the rules be approved. However, after the decision of today, we assure you Madame Chair that our constituency will nominate our best candidate, regardless of his/her gender.