



GAVI Alliance Programme and Policy Committee Meeting

9 May 2011

Geneva, Switzerland

FINAL MINUTES

1. Chair's report

Finding a quorum of members present, the meeting commenced at 9.18 Geneva time on 9 March 2011. Gustavo Gonzalez-Canali, Chair of the Programme and Policy Committee, opened the meeting and welcomed Leone Gianturco and Anders Nordström to their first PPC meeting. He also acknowledged that this would be the final PPC meeting for Olga Popova and thanked her for her work on the Committee.

In accordance with the Conflict of Interest Policy (Doc #01a in the Committee binder), standing declarations of interest were tabled to the Committee so that any potential interests in the matters to be discussed could be transparent and addressed in compliance with the Policy. Upon advice from GAVI's Legal Counsel, the Chair announced that during the vaccine supply and procurement strategy discussion manufacturer board representatives and UNICEF would be allowed to hear the presentation and give their viewpoints before being required to leave the room for the discussion.

The Chair referred to the minutes of the Committee's meeting on 3 March 2011 (Doc #01b) and reminded the Committee that the minutes had been approved through the no-objection voting process and were included for reference purposes only.

The Chair provided an update on the Oslo retreat first thanking the Norwegian government for hosting the retreat. He highlighted that the Board discussed operating principles and how the Board works with committees. He noted that there were discussions on cash-based programmes and market shaping.

Discussion followed:

- The Committee was complimentary of the Secretariat's continuous efforts to manage conflicts of interest. Some Committee members however expressed disagreement with the decision to exclude UNICEF from the full discussion on the supply and procurement strategy, highlighting UNICEF's role as a key partner.
- The Secretariat informed the Committee that there would likely be adjustments to the committee Workplan (Doc# 01c of the Committee papers).

In particular, the discussion on vaccine introduction grants may move to 2012 and, given that the IRIS Task Team first meeting meeting was scheduled for 19 May, the discussion on IRIS in September may be for guidance only.

2. Update from the Interim CEO

Helen Evans, Interim CEO, updated the Committee on recent Secretariat activities.

- Committee members commended GAVI for being more transparent around and bringing forward issues of risk, mitigation and the challenges with regard to the four countries currently suspended.

3. Vaccine supply and procurement strategy

In February 2010, the PPC requested that a time-limited task team be formed to steer analytical activity and deliver recommendations for a revised GAVI Vaccine Supply and Procurement Strategy. The task team proposed its final set of recommendations building on the objectives endorsed by the PPC during its meeting on 21-22 October 2010.

The final proposal included a new strategy, with minor revisions to the previously approved objectives. Susan McKinney, Chair of the Supply Strategy Task Team and Aurélia Nguyen, Director, Policy, Policy and Performance, led the presentation and discussion. (Vaccine Industry representative committee members, Olga Popova and Suresh Jadhav, and UNICEF representative committee member, Mickey Chopra, as well as Shanelle Hall, head of UNICEF Supply Division (by phone), were present during the presentation and shared their views, following the presentation. They then left the room to allow the Committee to continue to deliberate (private minutes are recorded and maintained separately). It was agreed that since vaccine manufacturer representatives had received the document only on Friday, 9 May, they would be able to provide additional comments within two weeks from receipt of the document.

Discussion followed:

- UNICEF representatives highlighted the strength of the recommendations and noted that risks associated with taking these actions could be mitigated with greater transparency. Ms Hall also said that the supply and procurement strategy paper should explicitly reference transparency in regard to pricing and market conditions. It should also note the need to create a competitive supplier base, and acknowledge the interplay between “pull and push” mechanisms, with a focus on push efforts. GAVI needed to ensure not only good prices but also a healthy product pipeline.
- Ms Hall advised that increased information to countries will be an integral part of managing so-called micro-markets, which are a result of product segmentation. Strong Procurement Reference Groups (PRGs) are essential

to assess the policy implications at country level of potential limitations to the product menu. She also noted the importance of highlighting how push and pull funding mechanisms inform each other to ensure that both good prices and a healthy pipeline are achieved

- The industrialised country based vaccine manufacturer representative commended the analysis while noting that a top-down imposition of vaccine choices on countries could negatively impact innovation that addresses country needs and long term sustainability. They cautioned that extreme focus on pricing leads to market fragility; and that backup supply contracts would not be attractive to manufacturers. The representative also cautioned that once a manufacturer has decided to exit a market, it generally does not return. Therefore decisions should take into account long-term consequences of tactics such as concentrating volumes, particularly relating to the risk of unintentionally creating monopoly supply. Finally, they noted that WHO prequalification requirements has become more stringent in that it covers not only quality aspects but also whether the product and/or product presentation is best suited for developing countries.
- The emerging country based vaccine manufacturer representative agreed with the previous comments, adding that the low vaccine prices obtained to date, with the exception of the AMC, was the achievement of emerging country suppliers. He reiterated that suppliers who exit the market do not return.
- The Committee asked the UNICEF representatives whether, given their internal policies, they would be able to work under the guidelines and recommendations presented in the paper. Ms Hall clarified that UNICEF the changes were more related to tactics than policy and that UNICEF would be able to employ the tactics proposed. She also highlighted that some of the principles already are being tested with the procurement of rotavirus and stressed that the new elements lie in the end-to-end roadmaps and linking push and pull mechanisms
- Committee members questioned industry representatives on affordability and on the role of GAVI in the overall market. Ms Popova replied that by applying tiered-pricing principles industry is contributing to affordability within different markets. And both industry representatives agreed that for some vaccines, particularly those tailored for developing countries, GAVI decisions are critical to viability.
- Subsequent to this discussion, the Committee temporarily adjourned the meeting to consider this agenda item in closed session without representatives from industry or UNICEF present.

4. Review of cash based programmes

During the discussion and vote that followed, Joan Awunyo-Akaba, committee delegate representing civil society, was not present citing a conflict of interest.

In response to a Board request for a description of how GAVI's cash-based programmes fit together, the PPC formed a Cash Based Support Task Team to oversee development of a comprehensive approach for cash-based support to countries, including a strategy for countries that are below 70% DTP3 coverage, or have declining or stagnating coverage at inadequate levels. Paul Fife, Chair, Cash-Based Support Task Team with support from Nina Schwalbe, Managing Director, Policy & Performance, led the presentation and discussion (Doc #4).

Discussion followed:

- The Committee agreed with the concepts put forward in the paper, noting the proposed approach was consistent with the basic principles of aid effectiveness, specifically on budget, non-earmarked, and integrated into national plans.
- The World Bank put noted that they could only partner on fiduciary assessment if the GAVI funds were pooled at country level. .
- GAVI should find the right balance between placing immunisation on the agenda and requiring attribution for every dollar spent, ensuring not to increase transaction costs at the country level and to ensure appropriate management of expectations. The paper would benefit from more focus on how results would be measured and which indicators would be used and an explicit discussion of GAVI's expectations with its investments ("attribution" versus "contribution.")
- Committee members requested that WHO and UNICEF work closely with country counterparts when assessing countries with low and stagnating coverage – and that they engage civil society at country level in their assessments. They also noted the need for closer collaboration between immunisation and health systems experts with regard to both implementation and technical assistance.
- The majority of the PPC supported the task team suggestion that GAVI partners should prepare a strategy for lower performing countries and define parameters for how to assess some of the core functions of the system in regards to this group of countries. The country representative from Yemen questioned whether additional technical support from international partners was an appropriate intervention.
- Joan Awunyo-Akaba, CSO delegate to the Committee, noted that CSOs welcome dual track financing. Highlighting CSOs importance to service delivery in GAVI countries, she stressed that CSOs, in large part, are not included in planning and in advocacy in GAVI countries. To adequately promote mission of GAVI using CSO's, GAVI should fully explore how CSO's

should be engaged and funded. She raised concerns over potential interruption of service delivery for countries which will complete their funding after the 12-months “bridge” funding has run out but will not yet have engaged as a Platform country. She also noted that given that funding for advocacy is ending, CSOs would appreciate a comprehensive review and analysis on how GAVI intends to engage and organise CSO support. While some Committee members proposed that GAVI should investigate moving towards dual track financing for CSO, others stated that GAVI should not open a new window at this point and advised waiting for the results of the CSO evaluation.

- Some committee members expressed that GAVI’s investment in HSS would benefit from improved coordination.
- The committee agreed with the suggestion that the IRIS task team is well positioned to take forward performance-based financing issues, noting the need for active engagement by the World Bank in this area.

Decision One

The GAVI Alliance Programme and Policy Committee recommended to the Board that it:

- **Request** the Secretariat to continue working with partners to roll-out the Health Systems Funding Platform (the “Platform”) in a manner which insures that the immunisation outcomes are clearly articulated in accordance with country demand, including assessing and addressing associated risks;
- **Request** the Secretariat to implement bridging mechanisms (as outlined in the paper) for Health Systems Strengthening (HSS), Immunisation Services Support (ISS) and Civil Society Organisations (CSO) funding to ensure funding is available for countries until they can access support through the Platform;
- **Request** the Secretariat to develop options for performance incentives for GAVI’s cash based support through the Platform in coordination with the design of the Incentives for Routine Immunisation Strengthening (IRIS) pilot;
- **Request** countries and their partners to carry out an analysis to establish the main reasons why countries have DTP3 coverage rates below 70 percent; why some countries have coverage rates stagnating at low level; and why some countries have seen significant declines in coverage over time. The aim of this analysis is to inform the design of targeted and enhanced support to this group of countries to improve coverage; and
- **Request** the Secretariat to develop options for ensuring co-ordination, accountability and good communication for SG2 programmes.
- **Request** the Secretariat, following the completion of the evaluation of CSO support in 2011, to review options for direct support to CSOs for service delivery and advocacy and submit to the PPC for its recommendation to the

Board. In the meantime, systematically promote CSO engagement through the Platform in those countries due to receive all forms of GAVI support.

Joan Awunyo-Akaba (civil society) did not vote on this decision in accordance with GAVI's conflict of interest policy.

Action Items

- Update the paper to spell out what GAVI is looking to attain and GAVI will measure results and performance.
- Develop options for ensuring coordination, accountability and good communication for SG2.
- Request WHO and UNICEF to work with civil society and other in-country partners in their analysis of countries below 70% and stagnating countries.
- Ensure targeted and enhanced support for engaging lower performing countries as they prepare for support through the Platform and define parameters for how to assess some of the core functions of the system in regards to this group of countries.

5. Prioritisation mechanism for Men A, YF, and Measles

In June 2010, the GAVI Alliance Board approved a pilot prioritisation mechanism to be used in the case that funding would not be available to fund all proposals that otherwise would have been approved by the Board in a given application round. At the time the mechanism was approved, details had been developed to prioritise pentavalent, pneumococcal and rotavirus vaccines. This paper addresses how to include vaccines for the epidemic diseases, meningitis A, yellow fever and measles in the prioritisation mechanism (Doc #5). Peter Hansen, Director of Monitoring and Evaluation, Policy and Performance gave a brief presentation and led the discussion.

- When the pilot prioritisation mechanism is assessed, the Alliance may want to consider making decisions about supporting epidemic vaccines outside of the prioritisation policy in the future, due to the different social, health system, and economic impact of outbreaks.

Decision Two

The GAVI Alliance Programme and Policy Committee:

- **Endorsed** the Independent Review Committee's recommendation.

6. Application guidelines and implementation strategies for HPV, JE, Typhoid and Rubella vaccines

In October 2008, the GAVI Alliance Board encouraged the Secretariat to further develop the vaccine portfolio that includes HPV, Japanese encephalitis, rubella and typhoid. The paper was presented so that the PPC could provide guidance on the process and timelines regarding submission of a paper describing application guidelines and implementation strategies for the 4 diseases (Doc #6). Jon Pearman, Director, Accelerated Vaccine Initiative, Policy & Performance gave the presentation.

- At the November Board meeting the Secretariat is expecting direction in terms of whether or not to open funding windows for one or more of these vaccines.
- Some members of the Committee questioned opening a window for the new vaccines during the end of 2011 or beginning of 2012 stating that efforts in the near future should focus on fulfilling pneumococcal, rotavirus and meningitis A vaccine before turning to rollout of HPV, Japanese encephalitis, rubella and typhoid. The Chair however noted that a decision to move forward with these vaccines had already been taken by the Board.
- In addition, the Committee advised the Secretariat to consider the impact that taking on any of these additional vaccines would have particularly on graduating countries.
- The Committee would like to see the long-term financial projections prior to fully endorsing investments in new vaccines. Some members advised that they would like to ensure that GAVI can support all countries with the current vaccines before moving forward with newer vaccines. Also, GAVI should consider costs of delivery in addition to costs of vaccine.
- The industrialised countries vaccine manufacturer noted her concern if there was any significant change in the GAVI Board's decision to prioritise these four vaccines as this decision was taken into account by manufacturers in their forward planning
- If a decision is taken at the November Board meeting not to call for applications for these new vaccines in 2012, working with key partners the Secretariat should nevertheless investigate steps that could be put in place to start preparing for the introduction of these new vaccines.

Decision Three

The GAVI Alliance Programme and Policy Committee recommended that the Board:

- **Endorse** the approach set out in document PPC-2011-Mtg2-Doc 06.

Action Items

- Provide long-term financial projections to the PPC
- Present a paper at the next PPC meeting in September with options on how to introduce each of these new vaccines

7. Partner Support – update on work of task team

Steve Landry of the Bill & Melinda Gates Foundation delivered an early report of the time-limited Task team established to look at the support GAVI provides to partner UN organisations. The team has met several times and has begun to look at deliverables and modality of funding. In future meetings, the task team will discuss roles and responsibilities and will closely examine the GAVI Alliance business plan.

Discussion followed:

- The Committee acknowledged the importance of this work to GAVI and the partner institutions and some members suggested that greater earmarking would not be a desirable policy outcome.
- The Committee noted WHO's recent evaluation of its core mandate as a critical input to the work of the committee.

8. Support for Measles vaccine

At its meeting in March 2011, the Committee requested the Secretariat to prepare a report on the status of GAVI's support for Measles vaccination programmes. Susie Lee, Senior Programme Officer, Monitoring and Evaluation, Policy and Performance gave the presentation (Doc #8).

Discussion followed:

- The Committee requested that the analysis of bottlenecks to improving immunisation in low coverage areas (see section 4) also look at the situation in these countries regarding measles.
- Suresh Jadhav, after declaring interest, informed the Committee that manufacturers need better forecasting on measles in order to be prepared to fill supply needs.
- There was a suggestion to revisit additional support for measles as part of the next vaccine investment strategy review (scheduled for presentation to the board in 2013).
- The Committee noted that on developing an implementation strategy for rubella (see section 6) should consider impact on measles.

Action Items

- The Secretariat to revisit additional support for measles as part of the vaccine investment strategy review.

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

Ms Debbie Adams
Secretary to the Board

Attachment A

Participants

Committee Members

- Gustavo Gonzalez-Canali (Chair)
- Magid Al-Gunaid
- Joan Awunyo-Akaba (Items 1-3, 5-8)
- Mickey Chopra
- Paul Fife
- Ashutosh Garg
- Leone Gianturco
- Suresh Jadhav
- Rama Lakshminarayanan
- Steve Landry
- Jean-Marie Okwo-Bele
- Susan McKinney
- Anders Nordström
- Olga Popova
- Anne Schuchat
- Helen Evans (non-voting)

Expert Advisor

- Helen Rees (non-voting member representing SAGE)

Regrets

- Nguyen Tran Hien

GAVI

- Debbie Adams
- Mercy Ahun
- Anthony Brown
- Peter Hansen
- Alexandra Laheurte-Sloyka
- Susie Lee
- Meegan Murray-Lopez
- Aurélia Nguyen
- Jon Pearman
- Nina Schwalbe

Invitee (by telephone)

- Shanelle Hall – Director, Supply Division, UNICEF