

Gavi Alliance Board Meeting

10-11 December 2014

Starling Hotel, Geneva, Switzerland

1. Chair's report

- 1.1 Finding a quorum of members present, the meeting commenced at 9.00 Geneva time on 10 December 2014. Dagfinn Høybråten, Board Chair, chaired the meeting except for the discussion in section 11 which was chaired by Geeta Rao Gupta, Vice Chair.
- 1.2 The Board began in executive session and then commenced the open session at 11.15.
- 1.3 The Chair welcomed new Board members and alternate Board members. He noted that there were a large number of seats turning over at this meeting. High turnover can present a challenge for sustained strategic dialogue but structured and intensive onboarding can mitigate this challenge and he encouraged such sessions to continue and for Board members and Alternate Board members to attend.
- 1.4 The Chair noted the pending departures of a number of longstanding and outstanding Board members. George W. Wellde, Jr, Investment Committee Chair, had served as a Board member since the earliest days of the Vaccine Fund. He had committed countless hours of voluntary service and had been a distinct, clear, and bold voice at the table. Ashutosh Garg had served the Gavi cause since 2006. His unique knowledge and experience had set a high standard for future unaffiliated members. The Chair noted that these and other departing members would be toasted at the dinner that evening.
- 1.5 The Chair recognised the service of Geeta Rao Gupta who was stepping down as Vice Chair and Chair of the Governance Committee. Her intellect and leadership had allowed her to serve in these roles with great distinction. Gavi would continue to benefit from her insight as a continuing member of the Board and Governance Committee.
- 1.6 The Chair welcomed René Karsenti, Chair of the Board of the International Finance Facility for Immunisation (IFFIm) and his colleagues from the IFFIm Board.
- 1.7 Standing declarations of interest were tabled to the Board (Doc 1a in the Board pack). The Chair noted several declarations related to the discussions on Ebola

vaccine support and the business plan, and the appointments decision. Those declarations would be noted in the applicable parts of the minutes.

- 1.8 The Board noted its minutes from 18-19 June 2014 (Doc 01b), which were approved by no objection on 28 August 2014. It also noted its workplan (Doc 01c) and the attendance overview of Board and committee members (Doc 01d).
- 1.9 He thanked Board members for their efforts and advocacy in the lead-up to the replenishment conference scheduled for 26-27 January 2015 in Berlin, Germany. He noted that he had been able to advocate for Gavi to prime ministers and foreign ministers in the Nordic countries and had visited Germany, Canada, and the United States in support of the replenishment effort. He had also taken part in the Lions Club International Convention. He was pleased that the Lions Club had set out to raise US\$ 30 million to fight measles and rubella and that this would be doubled by the Gavi Matching Fund.
- 1.10 Finally, he presented a video of a news story produced by Australian Channel 10 that had filmed part of his trip to Lao PDR with Australian MPs. The video showcased the introduction of HPV vaccine in the country and meetings with political leaders.

2. Consent agenda

- 2.1 The consent agenda included the recommendation of the Governance Committee for Board and Committee member appointments (Doc 02a), Vice Chair appointment (Doc 02b), and Committee Chair appointments (Doc 02c). It also included the Audit and Finance Committee's recommendation on the appointment of the independent auditor for 2014-18 (Doc 02d).

Decision One

The Gavi Alliance Board:

- a) **Appointed** the following Board Members:

- **David Sidwell** as an Unaffiliated Board Member in the seat currently held by George W. Welde, Jr effective 1 January 2015 and until 31 December 2017
- **Gunilla Carlsson** as an Unaffiliated Board Member in the seat currently held by Ashutosh Garg effective 1 January 2015 and until 31 December 2017
- **Seif Seleman Rashid** of Tanzania as Board Member representing the developing country constituency in the seat currently held by Ruhakana Rugunda of Uganda effective 1 January 2015 and until 31 December 2017
- **Khaga Raj Adhikari** of Nepal as Board Member representing the developing country constituency in the seat currently held by A.F.M. Ruhul Haque of Bangladesh effective 1 January 2015 and until 31 December 2017

- **Bahar Idriss Abu Garda** of Sudan as Board Member representing the developing country constituency in the seat currently held by Suraya Dalil of Afghanistan effective 1 January 2015 and until 31 December 2017
 - **Jan Paehler** of the European Commission as Board Member representing the France, Luxembourg, European Commission, and Germany donor constituency in the seat currently held by Walter Seidel of the European Commission effective immediately and until 31 December 2014
 - **Mariam Diallo** of France as Board Member representing the France, Luxembourg, European Commission, and Germany donor constituency in the seat currently held by Walter Seidel of the European Commission effective 1 January 2015 and until 31 December 2015
 - **Beate Stirø** of Norway as Board Member representing the Norway, Denmark, Netherlands, and Sweden donor constituency in the seat currently held by Anders Nordström of Sweden effective 1 January 2015 and until 31 December 2016
 - **Clare Walsh** of Australia as Board Member representing the United States, Australia, Korea, and Japan donor constituency in the seat currently held by Jenny Da Rin of Australia effective 1 January 2015 and until 30 June 2015
 - **Nick Dyer** of the United Kingdom as Board Member representing the United Kingdom, Canada, and Ireland donor constituency in the seat currently held by Donal Brown of the United Kingdom effective immediately and until 31 December 2014, at which point the seat would revert to Donal Brown until 1 July 2016.
- b) **Delegated to the Chair**, due to exceptional circumstances concerning Donal Brown's involvement in DFID's Ebola response, the authority to extend Nick Dyer's term as Board member if required up to and including 11 June 2015, after which the seat would revert to Donal Brown until 1 July 2016.
- c) **Reappointed** the following Board Member:
- **Angela Santoni** of Italy as Board Member representing the Italy and Spain donor constituency until 31 December 2015.
- d) **Exceptionally extended** the term of the following Board Member:
- **Wayne Berson** as an Unaffiliated Board Member until 31 December 2015.
- e) **Appointed** the following Alternate Board Members:
- **Violaine Mitchell** as Alternate Board Member to Orin Levine representing the Bill & Melinda Gates Foundation in the seat currently held by Steve Landry effective immediately and until her successor is appointed

- **Kesetebirhane Admasu** of Ethiopia as Alternate Board Member to Seif Seleman Rashid of Tanzania representing the developing country constituency in the seat currently held by Seif Seleman Rashid of Tanzania effective 1 January 2015 and until 31 December 2017
 - **Muhammad Ayub Sheikh** of Pakistan as Alternate Board Member to Bahar Idriss Abu Garda of Sudan representing the developing country constituency in the seat currently held by Saleh Banoita Tourab of Djibouti effective 1 January 2015 and until 31 December 2017
 - **Eksavang Vongvichit** of Lao PDR as Alternate Board Member to Khaga Raj Adhikari of Nepal representing the developing country constituency in the seat currently held by Pe Thet Khin of Myanmar effective 1 January 2015 and until 31 December 2017
 - **Mariam Diallo** of France as Alternate Board Member to Jan Paehler representing the France, Luxembourg, European Commission, and Germany donor constituency in the seat formerly held by Emmanuel Lebrun-Damiens of France effective immediately and until 31 December 2014
 - **Marcus Koll** of Germany as Alternate Board Member to Mariam Diallo representing the France, Luxembourg, European Commission, and Germany donor constituency in the seat formerly held by Emmanuel Lebrun-Damiens of France effective 1 January 2015 and until 31 December 2015
 - **Wieneke Vullings** of the Netherlands as Alternate Board Member to Beate Stirø of Norway representing the Norway, Denmark, Netherlands, and Sweden donor constituency in the seat currently held by Beate Stirø of Norway effective 1 January 2015 and until 31 December 2016
 - **Sara Nicholls** of Canada as Alternate Board Member to Nick Dyer/Donal Brown of the United Kingdom representing the United Kingdom, Canada, and Ireland donor constituency in the seat formerly held by Micheline Gilbert of Canada effective immediately and until 1 July 2016.
- f) **Reappointed** the following Alternate Board Member:
- **Javier Hernández Peña** of Spain as Alternate Board Member to Angela Santoni of Italy representing the Italy and Spain donor constituency until 31 December 2015.
- g) **Appointed** the following to the Executive Committee effective 1 January 2015:
- **Geeta Rao Gupta** until 31 December 2015.
 - **Donal Brown** in the seat currently held by Jenny Da Rin until 31 December 2015.

- h) **Reappointed** the following to the Executive Committee effective immediately:
- **Wayne Berson** until 31 December 2015.
- i) **Appointed** the following to the Governance Committee effective 1 January 2015 and until 31 December 2015:
- **Gunilla Carlsson**
 - **Javier Hernández Peña**
 - **Seif Seleman Rashid** in the seat currently held by Ruhakana Rugunda
 - **Geeta Rao Gupta**.
- j) **Appointed** the following to the Audit and Finance Committee effective immediately and until 31 December 2015:
- **Esther Fox** in the seat formerly held by Micheline Gilbert.
- k) **Appointed** the following to the Audit and Finance Committee effective 1 January 2015 and until 31 December 2015:
- **David Sidwell**.
- l) **Reappointed** the following to the Audit and Finance Committee effective immediately and until 31 December 2015:
- **Wayne Berson**.
- m) **Appointed** the following to the Programme and Policy Committee effective immediately and until 31 December 2015:
- **Mariam Diallo**
 - **Violaine Mitchell** in the seat currently held by Steve Landry.
- n) **Appointed** the following to the Programme and Policy Committee effective 1 January 2015 and until 31 December 2015:
- **Kesetebirhane Admasu**
 - **Anders Nordström** in the seat currently held by Lene Lothe.
- o) **Appointed** the following to the Evaluation Advisory Committee effective 1 January 2015 and until 31 December 2015:
- **Wieneke Vullings**.

p) **Reappointed** the following to the Evaluation Advisory Committee effective immediately and until 31 December 2015:

- **Angela Santoni.**

q) **Reappointed** the following to the Investment Committee effective immediately and until 31 December 2015:

- **Wayne Berson.**

Board members who were candidates for these positions, or whose organisations or constituencies provided candidates for these positions, did not participate in discussion or voting on those appointments.

Decision Two

The Gavi Alliance Board:

a) **Appointed** Flavia Bustreo as Vice Chair of the Board with individual signatory authority effective 1 January 2015 and until 31 December 2016.

Flavia Bustreo did not participate in discussion or voting on her appointment.

Decision Three

The Gavi Alliance Board:

a) **Appointed** the following:

- **Stephen Zinser** as Chair of the Investment Committee effective 1 January 2015 until 31 December 2015
- **Rob Moodie** as Chair of the Evaluation Advisory Committee effective 1 January 2015 until 31 December 2016.

b) **Reappointed** the following:

- **Wayne Berson** as Chair of the Audit and Finance Committee until 31 December 2015.

Board members who were candidates for these positions did not participate in discussion or voting on their appointments.

Decision Four

The Gavi Alliance Board:

a) **Appointed** KPMG SA/AG as the independent auditor of the Gavi Alliance for the 5 year term from 2014 to 2018.

- b) **Appointed** KPMG SA/AG as the external tax consultant of the Gavi Alliance for the 5 year term from 2014 to 2018.

3. CEO's report

- 3.1 Seth Berkley, CEO, delivered his report to the Board (Doc 03). He noted that the Board meeting came at a time when the world was being reminded of the grave threat posed by Ebola and its tragic impact on the population of affected countries. Measles had also surged in some areas. However, the introduction of pentavalent vaccine in all Gavi-supported countries along with the first introduction of inactivated polio vaccine (IPV) in Nepal demonstrated the power of immunisation.
- 3.2 Dr Berkley noted that Gavi has already supported 44 vaccine introductions during 2014 and was on a trajectory to support over 50 introductions by the end of the year; a record pace. Pneumococcal and rotavirus vaccine introduction targets had been reached a year in advance. All Gavi-supported countries are expected to introduce IPV by the end of 2015. He delivered a status update on India, noting that the country planned to introduce rotavirus, rubella, IPV, and Japanese encephalitis vaccines.
- 3.3 Dr Berkley delivered some comments on the broader landscape including the formulation of the post-2015 "Sustainable Development Goals," the news that five out of six of the Global Vaccine Action Plan (GVAP) targets were off track, and the progress made to reach the fourth Millennium Development Goal's (MDG) target of reducing child mortality by two-thirds. He reported on new vaccines approaching licensure including vaccines for malaria and dengue. He made some introductory comments on resource mobilisation efforts including potential new pledges, co-financing, and market shaping results. He noted the discussion on risk management held during the executive session and commented on the first articulation of a comprehensive risk management approach that would be discussed during this meeting. He also commented on the coverage and equity workstream as well as business planning and budgeting, and what the Alliance had achieved in its first fifteen years.

Discussion

- Though much had been done to set the stage for a successful replenishment, there is still much to do. It was highlighted, for example, that the efforts of heads of state and government were helpful and much appreciated.
- It was noted that one of the GVAP targets, elimination of measles from the European, Eastern Mediterranean, Western Pacific regions by the end of 2015, was off track and that Gavi had been involved in supporting various measles and measles-rubella programmes in these regions. It was agreed that a single Gavi strategy was needed and that this would be considered by the Programme and Policy Committee before being brought to the Board.

- More generally, Board members expressed concern that only one of the GVAP targets was on track (the Gavi goal of new vaccine introduction). It was noted that the WHO Executive Board would take stock during its January 2015 meeting and Gavi would be willing to provide insight into WHO's review if requested.
- Board members noted that India had done well to eradicate polio and its enthusiasm for self-financing the introduction of a number of new vaccines was welcomed with very little funding from Gavi. It was noted that India remains eligible for Gavi support and in particular, further catalytic financing had been anticipated.
- Board members welcomed information on the substantial demand for IPV, particularly by graduating countries. The Board noted that in approving IPV support in 2013, there needed to be careful observation of the country resources that may be allocated away from routine immunisation to IPV. The experience in Nepal had shown that IPV introduction increased attention to vaccination generally but that there had been country resources pulled from health services delivery to make the introduction successful.
- As a recent launch in Senegal made clear, Gavi's role in promoting the introduction of HPV vaccine had been positive and has increased the visibility for discussions on cervical cancer more generally. It was agreed that the Alliance should trumpet its success in this realm.
- Board members welcomed information on the number of introductions. It is also necessary to ensure there is strong dialogue concerning sustainability, particularly for countries that are in the process of graduating. Country efforts, such as a project in Senegal to establish a private foundation to raise funds for immunisation are an important step. Also important is access to affordable pricing for graduating countries. Discussions on this are ongoing at the Programme and Policy Committee and will be brought to the Board going forward.
- It was asked whether Gavi should consider a Secretariat presence in low performing countries. Board members noted that the Secretariat's strengthening of its country programmes team over the past years was designed to promote better intelligence and stewardship. It would be a substantial institutional change in philosophy to create a Secretariat presence in countries and at this time there is no plan to do so – but of course if this seemed to be an important strategy, it would be brought back to the Board for discussion.
- Board members noted that since the beginning of 2011, US\$ 831 million in health systems strengthening grants had been recommended for approval covering a range of activities from procurement, supply chain management, and service delivery to human workforce, programme management, health information systems, and local community empowerment. It was noted that as western African countries recover from the Ebola epidemic, Gavi may need to consider how it can be helpful in rebuilding health systems there.

- It was noted that the World Bank had recently launched a “Global Finance Facility” to channel additional international and domestic resources to scale up and sustain delivery of reproductive, maternal, newborn, child, and adolescent health. Tim Evans offered to provide the Board with an overview of this work.

4. Committee Chair and IFFIm Board reports

- 4.1 The Chair introduced this item, underlining the importance of the work of the committees and reminding Board members that each Board member is expected to sit on at least one committee
- 4.2 The Chair then invited each of the chairs and the Chair of IFFIm to deliver reports on activities since the Board meeting in Geneva on 18-19 June 2014.

Executive Committee

- 4.3 The Chair delivered the report of the Executive Committee noting that it had had one in person meeting and one teleconference since the June Board meeting, on 23 September and 6 November respectively.
- 4.4 During the meeting in September the Executive Committee had approved programme funding requests, and welcomed the clear presentation on the priorities for the 2015 business plan and the proposed changes going into the 2016-2020 strategic period. The Executive Committee had also discussed the possible timing of Gavi’s next Partners’ Forum. It had been agreed to leave the final decision to the CEO who has concluded in the meantime that in light of other activities going on through 2015 the Partners’ Forum will be held in 2016.
- 4.5 The Executive Committee had also had a brief discussion on the Executive Committee Charter, in the context of the ongoing review of the Charter
- 4.6 The Executive Committee had also discussed a potential role for Gavi in relation to Ebola and charged the CEO to come back to the Board with a plan. The Chair highlighted that this is a good example of the Executive Committee acting on a time-sensitive issue and playing a role in scaling up a process without pre-empting any decisions on behalf of the Board.
- 4.7 The Chair also reported that during its teleconference on 6 November the Executive Committee had endorsed the recommendations on the 2015 business plan and budget from the AFC and PPC.

Governance Committee

- 4.8 Geeta Rao Gupta, Governance Committee Chair, delivered the report of the Governance Committee noting that it had had 2 meetings since the June 2014 Board meeting, one on 31 October and one on 9 December.

- 4.9 She remarked that a high number of new Board members and alternates had been put forward for recommendation. Turnover was a matter highlighted by the self-assessment but it was foreseen that turnover would be lower in the next couple of years as some constituencies had recommended longer terms for their new members. She also highlighted that the recommendations would bring both the Board and Alternate memberships into compliance with the gender guidelines.
- 4.10 The Board Chair Recruitment Committee had been formed and was progressing with its work; George W. Welde, Jr, chair of this committee, had updated the Board during its executive session and had discussed the terms of reference and themes arising from that committee's interviews with Board members.
- 4.11 The EC Functions and Composition Subcommittee had assisted the Governance Committee in proposing a revised list of functions for the Executive Committee, a list which had been reviewed by the Board during executive session. The new list of functions and any recommendations in relation to composition would come to the Board for decision after an anticipated discussion during the March 2015 retreat.
- 4.12 The Governance Committee had reviewed Board Travel Policy as the Board requested in November 2013. The policy had been useful in streamlining and standardising travel entitlements and very few exceptions (totalling US\$ 7,000) had been granted over the past year. As such, no changes were being recommended.
- 4.13 The terms of reference for special advisers had been extensively reviewed and approved by the Committee. In addition, the Committee agreed on a recruitment process and approach to remuneration for Special Advisers.
- 4.14 The Committee also received updates on unaffiliated Board member recruitment and took stock of the remaining areas of work from the self-assessment. Dr Rao Gupta thanked Debbie Adams, Kevin Klock, and the Secretariat governance team for their contributions to her committee's work.

Programme and Policy Committee

- 4.15 Richard Sezibera delivered the report of the Programme and Policy Committee (PPC), noting that the Committee had met on 7-8 October 2014 and had had a teleconference on 10 November 2014.
- 4.16 The PPC had received an update from the CEO on key issues since its meeting in May 2014. The PPC had, for the first time, received a presentation from Alliance Partners. WHO had presented information on its work in relation to health system strengthening, country ownership, new vaccine introduction, introduction of IPV, improving immunisation coverage, addressing data quality and immunisation programme monitoring. UNICEF had presented information on its work in relation to improving the supply chain, reducing inequities, communication for development, financing immunisation services and providing vaccines. PPC members had discussed the many important issues raised during

the presentations, and had discussed that fact that ways should be found to ensure that the Board is fully informed on such issues.

- 4.17 PPC members had discussed the key programmatic aspects of the 2015 business plan and had indicated full support for the plans to re-engineer the business planning process going forward.
- 4.18 During its meeting in October the PPC had had a first discussion on the proposed risk policy. During its teleconference in November the PPC had considered and endorsed the revised paper and policy.
- 4.19 The PPC had discussed the ongoing review of the eligibility, graduation and co-financing policies, and had received updates on market shaping activities, including progress regarding access to appropriate pricing for Gavi graduates and other lower middle income countries. The Committee had also received an update on the work of the Independent Review Committee (IRC) and High Level Review Panel (HLRP) which had highlighted that the reforms approved by the Board in 2013 were working.
- 4.20 Finally the PPC had received an update on monitoring and evaluation activities, and had noted that work will be done on the goal level indicators for the 2016-2020 strategy and which will be brought to the PPC for discussion in May 2015 and to the Board in June 2015.
- 4.21 The PPC Chair informed the Board that he had been consulted in relation to the preparation of a paper on Ebola for this Board meeting and had agreed that in view of the timeline it would not be possible for the paper to undergo a review by the PPC, as would normally be the process. Individual PPC members had been involved in the consultations. The PPC Chair gave his view that the way Gavi handles Ebola will be a reflection of the Alliance's importance in the vaccine area. He viewed the idea of a vaccine stockpile as being crucial and suggested that the stockpile should also be available to frontline responders who are not necessarily health workers such as police, security services and local leaders. He also stated that he hoped that in the context of the Ebola outbreak the Board would take the opportunity to take another look at Gavi's health system strengthening (HSS) support as it has been clear that countries with fragile health systems have had additional difficulties in dealing with the outbreak. The PPC Chair informed the Board that going forward the PPC will of course be involved in looking at the programmatic aspects of Gavi's response to Ebola.
- 4.22 Finally, the PPC Chair thanked PPC members for their work and encouraged Board members to join the PPC going forward.
- 4.23 In response to a request from a Board member participants noted that the Minister of Health of Ethiopia had just been appointed to the PPC and that there would therefore now be a representative from the African developing country constituency, as well as the Chair who is an Unaffiliated Board member.
- 4.24 Board members noted that an evaluation of HSS is on the workplan for 2015. The PPC Chair highlighted that HSS is a critical component of the work of the

Alliance, particularly in the context of an increasing number of graduating countries and the fact that many of those countries remaining within the Gavi portfolio will be those with weak systems.

Audit and Finance Committee

- 4.25 Wayne Berson, Audit and Finance Committee Chair, delivered the report of the Audit and Finance Committee noting that it had had 2 meetings since the June 2014 Board meeting, one on 30 July and one on 24 October. Committee members also received a briefing on the programme funding envelopes on 6 November, which they recommended to the Board by unanimous consent on 19 November.
- 4.26 Mr Berson reported clean audits for Gavi, IFFIm, and the GAVI Campaign for 2013. The Gavi financial report had been issued on 28 September and was available on Gavi's website. All tax and other regulatory filings had been filed on time, and as had been reported earlier, the Committee recommended KPMG's reappointment as independent auditor and tax services adviser.
- 4.27 Mr Berson noted that in addition to the reports that Simon Lamb, Managing Director of Internal Audit, makes to the Board in executive session (including at this meeting), he makes regular reports to the Committee. Those reports covered resourcing considerations for his department, internal audit plan execution, the timing of a planned external quality assurance review, an overview of the whistleblower web-reporting mechanism, and regular updates on country related matters including investigations and misuse.
- 4.28 The Committee also reviewed an updated long term financial forecast and programme expenditure report in conjunction with the programme funding envelope. It recommended the 2014 business plan and budget in consultation with members of the PPC. It also looked at strengthening risk management and fiduciary oversight, which would be reviewed with the Board at this meeting. It also received a currency hedging update, reviewed the accounting implications of IFFIm's issuance of Sukuk certificates, and went through the new insurance programme which had led to annual savings of US\$ 700,000 while maintaining appropriate levels of cover.
- 4.29 The Board agreed that, as a financing institution, more Board members should participate at the Audit and Finance Committee. Mr Berson noted that the Committee receives excellent support from the Secretariat, KPMG, and the World Bank. However, while there might be a natural gravitation from Board members to the PPC, the Audit and Finance Committee was at the minimum level of what it needed to be to give the Board assurance and would benefit from additional participation from Board members.

Investment Committee

- 4.30 George W. Wellde, Jr, Investment Committee Chair, delivered the report of the Investment Committee noting that it had had 2 meetings since the June 2014 Board meeting, one on 12 September and one on 12 November.

- 4.31 With many new Board and alternate members in attendance, Mr Wellde provided an overview of Gavi's investment assets, referring separately to those relating to the Advance Market Commitment, IFFIm, the Gavi short-term portfolio, and the Gavi long-term portfolio. The Investment Committee is principally charged with looking after the latter two categories.
- 4.32 Of the assets in those two Gavi portfolios, two-thirds are in the short-term portfolio. Sovereign donor contributions are held in this portfolio since it is focused on asset preservation and ensuring daily liquidity. It also includes funds held in the UNICEF procurement account. However, with these objectives, there is very little income generation with annual returns in the last several years averaging less than 1%.
- 4.33 The long-term portfolio is divided among three principal asset exposures and Mr Wellde reported that the current levels of exposure were within the ranges set by the Investment Policy. He provided the Board with information on the evolution of the long-term portfolio and reported returns, noting that as of the date of the meeting, the overall portfolio had generated over US\$ 400 million since inception.
- 4.34 A question was asked whether more assets could be moved into the long-term portfolio. Mr Wellde said that there were strategies that could be deployed, for example moving to less liquid investments, but it would likely require sovereign donors to be more comfortable with that strategy.
- 4.35 It was also asked how Gavi's portfolio compared to other global development funds. Mr Wellde noted that Gavi's portfolio was, for example, more aggressive than the Global Fund's portfolio but that the incremental difference in risk profile had yielded meaningfully better returns for Gavi.
- 4.36 Mr Wellde provided some insight on the Investment Committee and Secretariat investment team's activities during 2015 including a planned update of the Socially Responsible Investment (SRI) Policy. He noted the risk of layering on additional SRI restrictions was to limit the potential return profile of an already conservative portfolio.
- 4.37 He also encouraged Board members to participate on the Investment Committee, noting the contributions of former members Jens Stoltenberg, Uffe Ellemann-Jensen, and Yoka Brandt. He also thanked the Committee's current members. The Vice Chair suggested that Mr Wellde may want to communicate 5-6 key questions that all Board members should be prepared to ask to fulfill their oversight of the Investment Committee's activities and, ultimately, Gavi's financial assets.
- 4.38 Finally, Mr Wellde praised the accomplishments of Jeanne Shen, Chief Investment Officer, who had partnered with the Committee since its first days and was responsible for the portfolio's day-to-day management. He also said that Steven Zinser, incoming Investment Committee Chair, was the right person

to lead the Investment Committee during Gavi's next period. Mr Zinser noted that Gavi had an excellent investments process and anticipated a good transition.

International Finance Facility for Immunisation

- 4.39 René Karsenti, Chair of the IFFIm Board, delivered a report of the activities of the IFFIm Company. Noting that IFFIm was the first Socially Responsible Investment (SRI) vehicle when it launched in 2006, Dr Karsenti reported that IFFIm had raised about US\$ 5 billion since inception. He anticipated that IFFIm would provide US\$ 1.18 billion in proceeds to Gavi during 2016-2020 from existing pledges and that this number could increase if IFFIm is able to obtain new pledges, and is seeking at least US\$ 1 billion as part of the Gavi replenishment.
- 4.40 Dr Karsenti reported the successful issuance of Sukuk certificates during Q4 2014. The US\$ 500 million, 3 year floating rate notes represented the largest Sukuk al-Murabaha issuance in the public markets and the largest inaugural Sukuk by a supranational. 85% of the investors were new to IFFIm and 68% of all investors were from the Middle East.
- 4.41 He also reported that as part of prudent financial management regarding its foreign exchange swap positions, IFFIm had needed to restrict the amount of programme funding that it could disburse to Gavi. This had not yet had an impact on Gavi's overall ability to fund programmes and the IFFIm Board, World Bank, Gavi, and the Bill & Melinda Gates Foundation were vigorously exploring ways with donors to address the swap positions in order to free up additional funding for Gavi.
- 4.42 The Chair agreed that the Sukuk issuance potentially provided new inroads for Gavi in the Middle East and, as a key part of Gavi's financial structure, IFFIm should be an attractive option for donors during the replenishment.
- 4.43 It was asked why IFFIm focused on the institutional investor market. Dr Karsenti replied that there were substantial investor protection regulations in many markets designed specifically for retail investors and that the due diligence steps needed to comply would be substantial.

5. Accelerating access to Ebola vaccines and country perspective

- 5.1 The Chair introduced this item (Doc 05) by reminding Board members that representatives from the vaccine manufacturers would be welcome to take part in the discussions but would recuse themselves from the decision.
- 5.2 Seth Berkley, CEO, reported that the Alliance is ready to step up and support procurement and roll-out of WHO-recommended Ebola vaccines as well as send a strong signal to industry on the need to develop second generation vaccines. He highlighted that in order to ensure that the Alliance can make a difference it will be necessary to accept that there is still a lot of uncertainty. He also

highlighted that he does not intend Gavi's core activities for the 2016-2020 strategic period to be replaced or disturbed as a result of Gavi's response to Ebola, unless this is due to the effects of the outbreak in certain countries or regions. He stated that given the emergency of the current situation it would not be wise to wait to secure all relevant funding before taking a decision. He noted the importance of seeking engagement from donors who have already committed to the Ebola response to make part of the funding available to Gavi and that discussions are ongoing with the African Development Bank which is proposing to provide core funding for a regional response. Such funds could be channelled through GAVI similarly to the funds for IPV. He commended the Secretariat and Partners for the intense work that had gone into preparing the paper on this item for the Board. He mentioned in particular the contribution of Médecins sans Frontières and Gavi's agreement with most of their recommendations except the suggestion to defer a decision to later.

- 5.3 Minister Awa-Marie Coll-Seck shared her experiences with the Board on how Senegal had dealt with an Ebola case, and implemented measures to contain the outbreak, such as the setting up of a crisis committee, the development of an action plan, securing of funding, identification of isolation sites and staff training. She highlighted the importance of transparency with the media who had subsequently helped to communicate in order to build trust that everything was being done appropriately to prepare for and contain a potential outbreak. She highlighted the importance of community engagement, strong partnerships between all stakeholders in country and the crucial role of political leadership.
- 5.4 Marie-Paule Kieny, Assistant Director General, Health Systems and Innovation, WHO, presented information to the Board on the status of the development of Ebola vaccines and the anticipated timelines. She also provided information on WHO oversight of the process and highlighted the key milestones.
- 5.5 Aurélia Nguyen, Director, Policy and Market Shaping, presented information on the process which had led to the formulation of the recommendation being proposed to the Board, the funding landscape and Gavi capabilities, four recommended areas for Gavi action, financial implications and risks.

Discussion

- The Chair referred to a revised proposal for a decision point on this agenda item which had been distributed to Board members earlier in the day and proposed that this should be used as a baseline for the Board discussions.
- He expressed pride that Gavi is moving from being a spectator to being a strategic player, making use of the tools which are part of the Gavi business model. He pointed out that the risks have been made clear and stated his agreement with the team that the risk of no action outweighs the risk of getting involved. He stated that it will be necessary to put measures in place through the governance system to ensure adequate follow up in a rapidly changing environment.

- Board members commended the Secretariat and all stakeholders on the quality of the work which had been carried out in a very short timeframe and on the extraordinarily collaborative nature of the work.
- Board members noted that the development of the proposal had been an iterative process and iteration will continue given the rapidly evolving nature of the outbreak and Ebola vaccine development. Additional meetings of the Executive Committee will be convened by the Chair as appropriate, and the PPC will consider any programmatic aspects of Gavi's response which may require further decisions by the Board going forward.
- Board members noted that some of the vaccine production scale-up costs may not yet have been covered and that there is an expectation from the manufacturers that such costs will be recuperated going forward. Board members also noted that there needs to be a clear early signal to manufacturers on the production levels expected. This will ensure that there are sufficient stocks available as soon as the vaccines have been recommended for use by WHO. Board members noted that this could lead to investments in a production capacity which will not be fully used if the outbreak is brought under control rapidly, but that this is one of the risks which needs to be considered.
- Board members welcomed the proposal to exceptionally provide funding directly to CSOs in affected countries if such activities cannot be supported through HSS resources and also commended the African Development Bank for considering a financial contribution to spearhead a regional response to the outbreak.
- In relation to the proposed increase in HSS funding for the three affected countries it was suggested that additional HSS support for surrounding countries could also be considered.
- Board members suggested that it would be useful going forward to have further information on the potential target populations for future vaccines and in particular whether these might include pregnant women and children.
- Board members agreed on the importance of good communication in country around vaccination strategies once they have been identified, in particular in order to ensure that vaccines reach the intended target populations and prioritisation of certain groups is understood and accepted. In this context the importance of calculating and funding the costs of communication campaigns as well as the need for strong partnerships was highlighted.
- Board members noted that the World Bank has given strong signals that it would be ready to support accelerated production and distribution of Ebola vaccines, and that the Bank is also developing a pandemic financing mechanism which would allow a more rapid financing of responses to such crises going forward. Building synergies with Gavi activities in support of future outbreak preparedness will be important.
- Board members noted that should there be a Gavi-funded Ebola vaccine stockpile it would be available for use by any country in case of disease outbreak

but that Gavi would only fund vaccines for Gavi-eligible and including graduating countries while other countries would be expected to reimburse the doses used from the stockpile.

- One Board member suggested that emerging lessons from the current outbreak should be drawn early as a way to help in decision making in the coming months.
- Board members agreed on the importance of thinking beyond vaccine production, procurement and supply. In this context they recognised the importance of strengthening health systems in the affected and surrounding countries and that this should include a number of elements which could enhance the response to the Ebola outbreak such as surveillance, cold chain, logistics and human resources.
- The Chair concluded the discussion by highlighting that we are in an exceptional situation with high urgency, high uncertainty and clear risks. The Board has been advised of those risks and has concluded that the risk of non-action is much higher.

Decision Five

The Gavi Alliance Board:

- a) **Approved** an up to funding envelope (the “Ebola Envelope”) from which the Secretariat shall allot, in accordance with the principles of the Gavi Programme Funding Policy and the processes and periods set out in Table 1 below, funding for Ebola programmes, to:
 - i. **Endorse** new amounts for multi-year programme budgets for new and existing programmes referred to in Table 1 for an aggregate amount not exceeding US\$ 390 million. (These endorsements would constitute acknowledgement of such budget amounts at the time of allotment but would not constitute a funding approval, decision, obligation or commitment of Gavi or its contributors);
 - ii. **Approve** near-term liabilities of Gavi in respect of such endorsed programme budgets for periods ending no later than 31 December 2016 for an aggregate amount not exceeding US\$ 390 million. (This amount is a sub-component of endorsed programme budgets).

Table 1

Activities	Amount	Post-Board approval process
Funding Vaccine Production and Procurement	Up to US\$ 300m	
Procurement through UNICEF of up to 12 million courses of first generation Ebola vaccines and related injection safety devices in 2015-2016 under a funding structure potentially including Advance Purchase Commitments to be used for the current outbreak and a global stockpile of first generation vaccines for 2016-2020		<ul style="list-style-type: none"> – Number of courses to be procured to be approved by Gavi EC based on advice by WHO or WHO-convened body – Funding structures to be approved by the Executive Committee
Funding vaccine roll-out	Up to US\$ 45m	
Operational costs for planning, management and delivery of vaccines to up to 12 million people to respond to current outbreak in 2015 (and 2016 if necessary)		Approval by Gavi CEO based on country-specific needs assessment generated by WHO
Management of first generation vaccine stockpile until second generation vaccines become available (2015-2020)		As approved by this decision
Operational costs for use of stockpiled courses in response to future outbreaks (2015-2020)		As approved by this decision
Recovery of health systems and immunisation services	Up to US\$ 45m	
Vaccines and related injection safety devices and programmatic support to restore coverage for immunisation programmes in 2015-2016		Approval by Gavi CEO based on request endorsed by the country's Interagency Coordination Committee (ICC) or other relevant body and country situation analysis informed by partners
Reprogramming of all remaining, currently approved Health Systems Strengthening (HSS) grants for Guinea, Liberia and Sierra Leone		Approval by Gavi CEO based on High Level Review Panel (HLRP) or Independent Review Committee (IRC) review, as appropriate and timely, of reprogramming proposals (endorsed by ICC or other relevant body)
Doubling of HSS funding ceilings for Guinea, Liberia and Sierra Leone to support recovery activities for the health system towards re-establishing effective immunisation services for the period 2015-2019		Approval by Gavi CEO based on IRC review of country proposals
Waiving of co-financing requirements for 2014-2015 for Guinea, Liberia and Sierra Leone		Approval by Gavi CEO based on request endorsed by ICC or other relevant body
Total Ebola Envelope	Up to US\$ 390m	

- b) **Noted** that to meet the funding requirements of the Ebola Envelope, Gavi could use a combination of existing and new sources of funds and join forces with initiatives which have already pledged funding to address the Ebola crisis. To jumpstart the implementation of the recommendations in this paper, Gavi could

make available up to US\$ 100 million from its current resources. The Gavi Board gratefully acknowledged the African Development Bank's spearheading of a regional response and leadership in agreeing to consider a contribution of at least US\$ 50 million subject to the approval of the African Development Bank's Board of Directors and in setting up a funding initiative to fast-track the Gavi support for vaccine development. This will include outreach to other donors already involved in the Ebola response, including other multilateral agencies, to complement their support. For instance, the World Bank Group as part of its overall response to Ebola is looking at how to support the accelerated production and distribution of an effective vaccine against Ebola and in this regard is working closely with Gavi.

- c) **Noted** its support for funding a potential stockpile for second generation Ebola vaccines, designed according to WHO-convened guidance, and related maintenance and operational costs, and **requested** the Secretariat to explore the associated financial implications.
- d) **Approved** an amount up to US\$ 2.5 million to be added to the 2015 business plan budget for Ebola-related Secretariat costs and **noted** that the estimate for Ebola-related Secretariat costs for 2016 is an amount of up to US\$ 1.0 million.
- e) **Approved** an amount up to US\$ 5.0 million to be added to the 2015 business plan budget for Ebola-related WHO and UNICEF costs and **noted** that the estimate for Ebola-related WHO and UNICEF costs for 2016 is an amount of up to US\$ 2.0 million.

Flavia Bustreo (WHO) and Shanelle Hall (UNICEF) recused themselves and did not vote on e) above.

- f) **Approved** an exceptional one-time amount of up to US\$ 500,000 to be added to the 2015 business plan in order to support Civil Society Organisation (CSO) activities of the Gavi CSO platform in countries with widespread Ebola outbreaks, including strengthening demand for and confidence in health and immunisation services in Guinea, Liberia, and Sierra Leone, provided the activities are agreed with the respective governments and the government is not in a position to support CSOs through HSS resources.

Joan Awunyo-Akaba (CSOs) recused herself and did not vote on f) above.

- g) In light of the rapidly evolving nature of Ebola vaccine development, the Board **resolved** that there be a special convening of the EC by teleconference in January 2015 and February 2015 and an update to the Board at their retreat in March 2015. The Board could then review the status and progress, especially any new data regarding clinical trials, efficacy, and other strategic issues, and discuss any needed adjustments or decisions regarding the way forward
Olivier Charmeil (IFMPA) and Adar Poonawalla (DCVMN) recused themselves and did not vote on Decision Five above.

6. Chair's reflections on the day

- 6.1 The Chair provided some reflections on the Board's deliberations during the first day of its meeting and referred in particular to the appointment of Flavia Bustreo as Vice Chair of the Gavi Alliance from 1 January 2015. He congratulated her on behalf of the Board.
- 6.2 Dr Bustreo thanked the Board and referred to her appreciation of the excellent work of Geeta Rao Gupta which she will strive to build on during her term as Vice Chair.

7. Chair's overview of day 2

- 7.1 The Chair reflected on the good fellowship on display during the Board dinner the evening prior. He then introduced a short film on IPV introduction in India.

8. The road to replenishment 2016-2020

- 8.1 Seth Berkley and Marie-Ange Saraka-Yao, Director of Resource Mobilisation, delivered a report on the final phase of the replenishment process in the lead up to the pledging conference (Doc 08). The conference would be held on 26-27 January 2015 in Berlin under the auspices of the German G7 presidency and under the patronage of German Chancellor Angela Merkel.
- 8.2 They reported pledges announced to date which, at the time of this meeting and expressed at their US dollar equivalents using 1 December 2014 exchange rates, included US\$ 193 million from the European Commission, at least US\$ 1.1 billion from Norway, US\$ 1.6 billion from the United Kingdom, US\$ 438 million from Canada, US\$ 622 million from Germany, and US\$ 311 million from the Netherlands.
- 8.3 To reach the goal of US\$ 7.5 billion in new resources, US\$ 4.2 billion still remained to be raised. Dr Berkley and Ms Saraka-Yao discussed the steps being taken to achieve the goal including asking all donors to pledge at the requested level, bringing in new sovereign donors, locking in new pricing commitments from industry, replenishing IFFIm, and securing private sector pledges.
- 8.4 Finally, Thomas Fitschen, German Ambassador to the Permanent Mission to the UN in Geneva, reiterated Germany's strong support for Gavi's mission and his government's commitment to making the replenishment a success.

Discussion

- The Chair noted that Gavi had been in a position to be bold with its replenishment ask because it was delivering on its mission and its case was compelling. He also highlighted that replenishing IFFIm was a key component of

a successful replenishment given its importance to Gavi's financing strategy and its track record. He noted as well that raising finance was but one aspect of a successful strategy, also stating the importance of Gavi-supported countries co-financing their programmes and the Alliance's market shaping work. The Chair also acknowledged the behind the scenes efforts of the Bill & Melinda Gates Foundation and other core donors in support of the replenishment.

- The Board thanked the German government for its leadership in the replenishment process, noting it sent a strong signal of the case for funding Gavi's mission.
- The Board also thanked the governments of the United Kingdom and Canada for stepping up their pledges to Gavi which together represented nearly 30% of the replenishment ask. It was noted that though development budgets were under fiscal pressure, Gavi presented a compelling case in that it is one of the best buys in development and spends its money well with good oversight. It was noted that the UK and Canada were working behind the scenes to make the replenishment successful and other sovereigns and Board members were encouraged to do likewise.
- It was asked what the plan would be if Gavi did not reach its replenishment target. In that scenario, Gavi would have to perform a prioritisation exercise to ensure the most critical vaccines and aspects of the Alliance's work were funded to achieve the best result possible.
- It was emphasised that commitments from industry will be a critical part of the replenishment, particularly pricing of pneumococcal vaccine and pricing available to graduated countries.
- It was also noted that increasing coverage, equity, and engagement on building strong immunisation and health systems is an important component of Gavi's work during the forthcoming strategic period.

9. Financial forecast and 2015 programme funding envelope approvals

- 9.1 Barry Greene, Managing Director of Finance and Operations informed the Board of the updated financial forecast for 2011-20 and programme expenditure in 2014, and requested approval of two programme funding envelopes for 2015 for non-IPV programmes and one for IPV programmes (Doc 09). US citizens and residents abstained from considering for the envelope for "restricted countries", Cuba, Myanmar and Sudan.
- 9.2 He noted that the overall expenditure levels forecasted for 2011-2015 and 2016-2020 were in line with the forecast that had been presented to the Board in June 2014. He acknowledged that additional resources were needed to fully meet anticipated demand for future programmes and that the replenishment process was addressing that need.

- 9.3 For 2014 specifically, programme disbursements were now forecasted at US\$ 1.4 billion for the whole year, rather than \$1.5 billion previously forecasted in June 2014 due to updated estimates of country readiness and the postponement of some cash grant disbursements pending completion of financial assessments.
- 9.4 It was reported that the Audit and Finance Committee had noted that it reviewed the financial implications of the recommended envelopes and that they could be approved by the Board in accordance with the Programme Funding Policy.

Discussion

- The Chair underlined that there is remaining finance needed for Ebola activities in 2015 and Gavi should be vigilant in identifying the resources that would be used to follow through on the Ebola decision taken by the Board at this meeting.
- Industry noted that it was working on post-2020 plans and encouraged Gavi to think about its post-2020 plans concerning sustainability and graduating countries. It was confirmed that these are corporate priorities, particularly work concerning pricing.

Decision Six

2015 Envelope for “unrestricted” countries

The Gavi Alliance Board:

- a) **Approved** a 2015 Programme Funding Envelope for unrestricted countries from which the Secretariat, under the Programme Funding Policy, shall allot funding to programmes until 31 December 2015, to:
- i. Endorse or adjust previously endorsed amounts of programme multi-year budgets for existing programmes and new cash programmes for an aggregate amount not exceeding US\$ 2,452 million. (These endorsements would constitute acknowledgement of such budget amounts at the time of allotment but would not constitute a funding approval, decision, obligation or commitment of the Gavi Alliance or its contributors.)
 - ii. Establish or adjust near-term liabilities of the Gavi Alliance in respect of endorsed programme budgets for periods ending no later than 31 December 2016 for an aggregate amount not exceeding US\$ 1,357 million. (These amounts are a sub-component of endorsed programme budgets.)

2014 and 2015 IPV Programme Funding Envelope

The Gavi Alliance Board:

- b) **Approved**, subject to polio-specific additional funds being made available from donors, an IPV Funding Envelope from which the Secretariat shall allot funding to IPV programmes approved in 2014 and 2015 to:

- i. Endorse or adjust previously endorsed amounts of programme multi-year budgets for IPV programmes for an aggregate amount not exceeding US\$ 389 million. (These endorsements would constitute acknowledgement of such budget amounts at the time of allotment but would not constitute a funding approval, decision, obligation or commitment of the GAVI Alliance or its contributors.)
- ii. Establish or adjust near-term liabilities of the GAVI Alliance in respect of endorsed IPV programme budgets for periods ending no later than 31 December 2016 for an aggregate amount not exceeding US\$ 389 million. (These amounts are a subcomponent of endorsed programme budgets.)

10. Country Programmes strategic issues

- 10.1 Seth Berkley, CEO, introduced this item by informing Board members that the PPC had requested a presentation from the Alliance Partners and had felt that it would be important also for the Board to hear from Country Programmes as core programmes for Gavi's work and from the Alliance Partners on a small number of strategic issues.
- 10.2 Hind Khatib-Othman, Managing Director, Country Programmes; Jos Vandelaer, UNICEF; and Michel Zaffran, WHO; gave a presentation to the Board on Alliance Partners' work in a number of areas of the business plan (Doc 10), highlighting the main successes and challenges and the work being done in relation to coverage and equity.

Discussion

- Board members noted the importance of integrating immunisation services with other health services delivery, while ensuring that such integration remains contextually appropriate. In this context Board members noted that the guidelines for HPV demonstration programmes include specific language on other health interventions that could be looked at and it was suggested that this could be done more widely for other vaccines in the Gavi portfolio. It was suggested that further information could be gathered from countries on integration through reporting requirements. It was also suggested that Gavi could consider providing additional support for countries planning joint delivery as an incentive to catalyse further integration efforts.
- Board members also noted that for some implementing countries it would be useful to have a common platform for health systems support as this would facilitate the management of grants which are being provided through different sources.
- Board members noted the challenge that many Ministers of Health have in advocating for co-financing with parliamentarians, Ministers of Finance and Cabinets, and that in this context it would be useful to have more figures on cost benefit analysis at the country level to make their case. Board members noted

that there could be an important role for the World Bank to play through the Global Financing Facility (GFF) in providing support to countries to strengthen their financial planning, enhance their domestic resource mobilisation capability and support work on making the investment case for immunisation. In this context Board members also highlighted the importance of ensuring financial sustainability for immunisation and the importance of engaging political leadership to increase political will.

- The CEO informed Board members that one of the topics for discussion at the Board retreat will be in relation to sustainability.
- A number of Board members expressed support for Gavi's existing graduation policy, which underpins Gavi's 2016-2020 strategy and related replenishment ask. Board members encouraged the Secretariat to engage early with implementing countries to discuss transitioning from Gavi financing. With 22 countries due to graduate by 2020, it was noted that risk mitigation was necessary to ensure the successful graduation of these countries.
- Board members noted also that technical assistance is crucial for implementing countries and that this will be especially important when it comes to the introduction of IPV.
- Board members recognised the importance of equity analyses which are being carried out by UNICEF and commented that they will be central to understanding what is required to get to universal coverage on vaccines but also on a number of other issues. It was highlighted that one of the challenges will be ensuring that the equity measures are programmatically relevant.
- Board members noted that there have been many iterations of Gavi's health systems strengthening support (HSS) over the years and suggested that there is perhaps now an opportunity to look at where we are at, in particular in the context of the fact that the funding provided by Gavi to countries is a very small percentage of the overall funding they receive for health systems. Board members acknowledged that it is difficult to measure the outcomes of HSS support and that there is a need to work at obtaining more concrete and evidence driven data. The Secretariat clarified that an evaluation of the HSS programme is foreseen in 2015 and that the Evaluation Advisory Committee, at its meeting in March 2015, will be discussing this before a call for tender is issued.
- Board members noted the important work of Civil Society Organisation (CSO) platforms in the context of HSS support and noted the request from the constituency for an analysis of how the HSS funding is being allocated at the country level.
- Board members noted that vaccine introductions can be delayed when countries have systems which require their own national regulatory authorities to validate the vaccine in addition to WHO prequalification. The importance of country ownership of the vaccine programmes was highlighted in this context, whilst

acknowledging that this can cause difficulties for the vaccine manufacturers in terms of production and delayed delivery.

- Board members noted the importance for the vaccine manufacturers of the timely issuance of decisions letters by Gavi to ensure better planning in terms of vaccine production. It was pointed out that better planning would possibly lead to changes in the performance of the supply chain.
- Board members noted the importance of looking at equity and coverage even in countries where the national coverage estimates are quite high as there can be pockets within such countries where coverage is a problem. The role of Partners in helping to identify such pockets is important.
- Following a request from a Board member the Secretariat confirmed that there are quarterly discussions on the 282 active vaccine programmes, looking at their performance and associated risks. It was agreed that work will be done to present this information to the Board in an appropriate way, without placing additional burden on countries.

11. IPV in India

- 11.1 At the Chair's request, the Vice Chair chaired the meeting during the presentation and discussion on this item.
- 11.2 Seth Berkley updated the Board on recent developments regarding India's plans to introduce Inactivated Polio Vaccine (IPV) (Doc 11).
- 11.3 Anuradha Gupta, Deputy CEO, stated that due to a conflict of interest she is not involved in discussions on any Gavi matters relating to India and that she had therefore not been involved in the preparation of this paper to the Board. She took the opportunity to provide the Board with some context related to the Indian immunisation landscape.

Discussion

- Board members supported the proposal to provide catalytic support to India for the introduction of IPV, noting that the funding would be made available by the Global Polio Eradication Initiative (GPEI).
- Some Board members suggested that as part of the replenishment effort Gavi may wish to consider asking India to make a pledge at the Berlin conference in relation to its plans to self-finance new vaccines as this could be a way of ensuring their engagement.
- Board members asked whether the provision of IPV to India might lead to supply constraints for other countries. The Board member representing UNICEF used this opportunity to correct a statement which had been included in the paper to the Board which stated that "India's vaccine requirements had been released

from UNICEF's contracts". She confirmed that the reduction had not been done by UNICEF but by one of the suppliers. The Board noted that there will be sufficient supply for all Tier 1 countries (including India) in 2015 but that there may be insufficient supply for some non-Tier 1 countries. GPEI is responsible for determining the prioritisation of countries receiving vaccines, based on epidemiology.

- One Board member proposed that more work should be done in relation to the support which Gavi can provide for India on immunisation in general other than providing financial support, noting that there is a lot to be accomplished in terms of ensuring engagement in the different states and political leadership. In this context Board members noted that a discussion is planned for the June 2015 Board meeting on a wider strategy for India in particular as India will soon enter the graduation track.
- Board members noted the importance of ensuring that there are adequate communication plans in India in relation to the roll out of IPV, and ensuring that this is done right down to the community level.
- Board members noted that vaccine manufacturers continue to explore ways to enable the facilitation of the use of the vaccines and noted the recent introduction of multi-dose vials which can be kept and used for up to 28 day after opening.

Decision Seven

The Gavi Alliance Board:

- a) **Noted** that the Global Polio Eradication Initiative ("GPEI") considers that timely introduction of IPV in India, a Tier 1 country, will be very important in achieving the goals of the Polio Eradication & Endgame Strategic Plan.
- b) **Approved** the recommendations of the November 2014 Independent Review Committee (IRC) regarding the application for introduction of IPV in India for the period 2015-2018 (the "India IPV Programme") subject to the following conditions:
 - i. All IRC requested recommendations being addressed;
 - ii. GPEI making available the full amount of financing required (the "GPEI Amount") to provide catalytic support for the first 12 months of India's IPV Programme estimated to be up to US\$ 50 million ; and
 - iii. The Government of India (GoI) committing to fund the difference between the funds required for the India IPV Programme and the GPEI Amount and continue to fund IPV in accordance with WHO recommendations when Gavi support ends
- c) **Endorsed**, subject to the conditions in b) above being met, a net increase in programme budgets by up to the GPEI Amount to provide catalytic support for

the vaccine purchase of (part of) the India IPV Programme for the period 2015-2018. (This endorsement would constitute acknowledgement of such budget amounts but would not constitute a funding approval, decision, obligation or commitment of Gavi or its contributors.)

- d) **Approved**, subject to the conditions in b) above being met, a net increase of near-term programme liabilities (a sub-component of endorsed programme budgets) by up to the GPEI Amount to provide catalytic support for the vaccine purchase of (part of) the India IPV Programme for the period 2015-2016.
- e) **Requested** the Secretariat, GPEI, the Government of India and other partners to make the necessary arrangements for the timely implementation of the India IPV Programme.

12. Gavi risk policy, risk management and fiduciary oversight

- 12.1 Seth Berkley, CEO, introduced this item briefly and Judith Kallenberg, Head, Policy, presented an overview of evolving risk management at Gavi, the new risk management framework, the proposed risk policy and proposed changes to strengthen risk management and fiduciary oversight (Doc 12).
- 12.2 Simon Lamb, Managing Director, Internal Audit, added that Gavi has a strong core around its risk register but required further development in its risk management approach; risk management should always be seen as a developing process which is continually strengthened. He clarified that he had been consulted as Internal Auditor on the risk policy but had not been involved in writing it.

Discussion

- Board members noted that the risk policy had been thoroughly discussed and endorsed by the PPC and the approach to strengthening risk management and fiduciary oversight had been endorsed by the AFC.
- During the discussions the CEO stressed the importance of the Alliance as a whole in managing risk, and highlighted the responsibility of all Board members in managing the fiduciary risk of the Alliance.
- Board members noted that Gavi has a risk register which is available to Board members on myGavi and which is reviewed regularly. The setting up of a dedicated risk function will enable a more in depth analysis and follow up of the risks and mitigation.
- Board members agreed that Gavi's risk appetite has been clearly set out. One Board member suggested that one question which remains unanswered relates to Gavi's tolerance of failure and having mechanisms to take decisions to stop programmes when things might be going wrong.

- Some Board members suggested that Gavi should be exploring possible synergies on risk management with other global initiatives such as the Global Fund to fight AIDS, Tuberculosis and Malaria. The Secretariat clarified that discussions with the Global Fund are ongoing at different levels within both organisations and the Board will be informed on the outcome of those discussions.
- Board members noted that one of the challenges going forward will be to present information not only on the fiduciary risks but also the programmatic risks.
- Board members agreed on the importance of ensuring that countries themselves have a clear understanding of what is expected of them in the context of the Gavi risk policy, risk management and fiduciary oversight, in order to ensure that they are fully engaged and have the same level of understanding as other Partners. This should also be the case for CSOs working in country.
- One Board member highlighted that it is important not only to look at short term risks but also to consider long term risks e.g. ensuring sustainability of vaccine supply through accurate demand forecasting.

Decision Eight

The Gavi Alliance Board:

- a) **Approved** the Gavi Risk Policy attached as Annex A to Doc 02 to the PPC (attached to Doc 12).
- b) **Endorsed** the proposed approach to strengthen risk management and fiduciary oversight set out in Section 8 of Doc 5 to the AFC (attached to Doc 12).

13. 2015 business plan and budget

- 13.1 Anuradha Gupta, Deputy CEO, presented this item (Doc 13), informing Board members that the Executive Committee had reviewed the strategic direction and priorities for the 2015 business plan at its meeting in September 2014. The Programme and Policy Committee (PPC) had then reviewed the programmatic details of the proposed business plan and a joint meeting of the Audit and Finance Committee (AFC) and PPC had reviewed the proposed budget. Finally, the Executive Committee had made a recommendation to the Board.
- 13.2 She explained that the proposed business plan for 2015 is mainly designed as a bridging plan, with limited changes from the previous year. The proposed plan does include some new activities and ways of working driven by the specific context of and priorities for 2015, namely: 1) continued scale-up of new vaccine roll-outs; 2) implementation of HSS grants on the basis of the new design, 3) implementation of the supply chain strategy; 4) strengthened focus on graduation and financial sustainability; 5) continued efforts in market shaping including a new effort on access to affordable prices for graduated countries; 6) continued

routine monitoring, results measurement through evaluation studies, surveillance and impact assessment; and 7) resource mobilisation and Replenishment.

- 13.3 Mrs Gupta also noted the need to re-engineer the business plan for 2016-2020 and that the 2015 business plan lays the ground for it by: 1) continuing to broaden the Alliance with an emphasis on leveraging the comparative advantage of each partner and expanding Gavi's engagement with new partners; 2) enhancing grant and risk management including fiduciary oversight; 3) shifting towards a more country-centric approach with more cohesive, bottom-up plans to align with the primary focus on coverage and equity; and 4) enhancing accountability for outcomes at country-level.
- 13.4 She also highlighted that the EC emphasised that business planning from 2016 onwards cannot be 'business as usual' and that there is a need for a different way of formulating the business plan with a country focus. The PPC also endorsed this approach and the three key pillars of the new paradigm: enhancing country focus, strengthening grant and risk management, and investing in purposeful partnerships. Discussions with partners on these areas have already started.
- 13.5 As per guidance by the EC and PPC, it is planned to re-engineer the business plan process, applying a country lens, through bottom-up planning; to adopt a zero-based budgeting approach for the Secretariat and the partners for the first budget of the next strategic period; to seek ways to enhance accountability at the country level; to plan a review of the Secretariat structure, processes and staffing in preparation for implementation of our new strategic plan during the next strategic period; and to undertake evaluations of the effectiveness and efficiency of support provided by the Alliance to countries. Timelines are currently being worked out as per PPC guidance.
- 13.6 Barry Greene, Managing Director, Finance and Operations, presented an overview of the budgetary aspects of the Business Plan proposal. The proposed budget shows an overall increase of 7% compared to 2014. An additional 5% for supply chain strengthening activities, funded by an earmarked contribution, would bring the overall increase to 12%.

Discussion

- Board members commended the work which had been done on the development of the business plan and budget for 2015 and expressed strong support for a re-engineered business plan and process for the strategic period 2016-2020. In the context of discussions on the role of the Executive Committee, Board members noted that oversight of the business plan process is included in the revised responsibilities of the Executive Committee, which are still pending approval.
- Board members expressed concern about the impact of additional activities on Secretariat resources and noted that the CEO is commissioning a benchmarking exercise of the Secretariat resources which will enable him to identify whether or

not there are appropriate resources going forward and whether or not it might be necessary to consider further prioritisation of activities or changes in staffing.

- Some Board members expressed an interest in having additional information to enable them to ensure that business plan implementers are delivering good value for money. In this context the Deputy CEO indicated that it will be useful to put in place a set of smart process indicators that keep all implementers accountable.
- It was suggested that the indicator of Secretariat costs as a percentage of total spend is not the best measure of efficiency. The Board noted that additional metrics have been included in the paper and presentation and that work will continue to identify other metrics which could be used.
- UNICEF informed Board members that a cost driver model had been used to calculate the UNICEF procurement fees. It is foreseen that 2015 will be a peak year for procurement with a projected 30% increase in workload, compared to a request for an increase of fees of 6%.
- Board members noted that the business plan budget is presented not only distributed by strategic goal but also by implementer and that Annex 1 to the paper provides a more detailed allocation of the budget costs per activity. Board members also noted that additional details on partner budgets are available on myGavi.

Decision Nine

The Gavi Alliance Board:

- a) **Approved** the 2015 business plan structure, including programme objectives, deliverables, activities and their allocation to partners and the Secretariat.
- b) **Approved** US\$ 93.2 million for the Secretariat operating expenses and US\$ 3.1 million for a capital expenditure budget to implement its part of the 2015 business plan.
- c) **Approved** US\$ 58.8 million for WHO to implement its part of the 2015 business plan.

Flavia Bustreo (WHO) recused herself and did not vote on c) above.

- d) **Approved** US\$ 19.6 million for UNICEF Supply Division for fees to implement procurement under the 2015 business plan.

Shanelle Hall (UNICEF) recused herself and did not vote on d) above.

- e) **Approved** US\$ 23.5 million for UNICEF Programme Division to implement its part of the 2015 business plan.

Shanelle Hall (UNICEF) recused herself and did not vote on e) above.

- f) **Approved** US\$ 3.6 million for The World Bank to implement its part of the 2015 business plan.

Tim Evans (World Bank) recused himself and did not vote on f) above.

- g) **Approved** US\$ 4.2 million for the United States Centers for Disease Control and Prevention (CDC) to implement its part of the 2015 business plan.

Zulfiqar Butta (Research & Technical Health Institutes) recused himself and did not vote on g) above.

- h) **Approved** US\$ 15.3 million to supplement implementation of the Gavi Immunisation Supply Chain Strategy in 2015, as funded by an earmarked and one-time contribution to Gavi.

- i) **Approved** US\$ 3.5 million for civil society organisations to implement their part of the 2015 business plan.

Joan Awunyo-Akaba (CSOs) recused herself and did not vote on i) above.

- j) **Approved** US\$ 27.9 million for the implementation of the remainder of the 2015 business plan, as outlined in Figure 4 in Doc.13.

14. Review of decisions and actions

- 14.1 Debbie Adams, Managing Director of Law and Governance and Secretary to the Board, reviewed and agreed the decisions with the Board.

15. Closing remarks and any other business

- 15.1 The Chair thanked the Board and referred to the number of important decisions which they had taken during the past two days. He highlighted that there are a number of issues for the Board to follow up on during the coming year as Gavi continue to break records on its programmatic activity which is the core work of the Alliance.
- 15.2 He commended the Secretariat, spearheaded by the CEO, as a team of competent staff which continues to deliver under very often demanding circumstances.
- 15.3 One Board member noted that a press release had been issued on the Gavi web site in relation to the appointment of an individual Board member and suggested that this should be thought about further for all Board appointments going forward.

15.4 After determining there was no further business, the meeting was brought to a close.

Mr Dagfinn Høybråten
Chair of the Board

Mr Kevin A. Klock
Assistant Secretary

Attachment A

2015 programme funding envelope approvals for Cuba, Myanmar, and Sudan

US citizens and residents did not participate in discussion or vote on the following matter.

Barry Greene, Managing Director of Finance and Operations, requested approval of a funding envelope for Cuba, Myanmar and Sudan.

It was reported that the Audit and Finance Committee had noted that it reviewed the financial implications of the recommended envelope and that it could be approved by the Board in accordance with the Programme Funding Policy.

Decision Ten

The Gavi Alliance Board in session without the participation of US citizens and residents:

- a) **Approved** a 2015 Programme Funding Envelope for restricted countries from which the Secretariat, under the Programme Funding Policy, shall allot funding to programmes until 31 December 2015, to:
 - i. Endorse or adjust previously endorsed amounts of programme multi-year budgets for existing programmes and new cash programmes for an aggregate amount not exceeding US\$ 20 million. (These endorsements would constitute acknowledgement of such budget amounts at the time of allotment but would not constitute a funding approval, decision, obligation or commitment of the Gavi Alliance or its contributors.)
 - ii. Establish or adjust near-term liabilities of the Gavi Alliance in respect of endorsed programme budgets for periods ending no later than 31 December 2016 for an aggregate amount not exceeding US\$ 10 million. (These amounts are a sub-component of endorsed programme budgets.)

Wayne Berson, Tim Evans, Shanelle Hall, Laura Laughlin, Orin Levine, Violaine Mitchell, Geeta Rao Gupta, Katherine Taylor, George W. Wellde Jr., Stephen Zinser, did not participate in discussion and voting and Seth Berkley did not participate in discussion and was ineligible to vote.

Mr Dagfinn Høybråten
Chair of the Board

Mr Barry Greene
Treasurer

Attachment B

Participants

Board Members

- Dagfinn Høybråten, Chair
- Geeta Rao Gupta, Vice Chair
- Joan Awunyo-Akaba
- Wayne Berson
- Zulfiqar A. Bhutta
- Flavia Bustreo
- Olivier Charmeil
- Awa Marie Coll-Seck
- HRH the Infanta Cristina of Spain
- Suraya Dalil
- Jenny Da Rin
- Nick Dyer
- Tim Evans
- Ashutosh Garg
- A.F.M. Ruhel Haque
- Orin Levine
- Jan Paehler
- Adar Poonawalla
- Angela Santoni
- Seif Seleman Rashid (Alternate)
- Richard Sezibera
- Beate Stiro (Alternate)
- Andrei Usatii
- George W. Wellde Jr.
- Stephen Zinser
- Seth Berkley (non-voting)

Regrets

- Donal Brown
- Maria Freire
- Pe Thet Khin
- Steve Landry
- Yifei Li
- Anders Nordstrom
- Bheri Ramsaran
- Ruhakana Rugunda
- Walter Seidel
- Samba O. Sow

Board Members Elect

- Bahar Iddris Abu Garda
- Khaga Raj Adhikari
- David Sidwell

Alternates Observing

- Saleh Banoita Tourab
- Mariam Diallo
- Shanelle Hall*
- Juliman Fuad
- Javier Hernández Peña
- Dorothee Kinde Gazard
- Laura Laughlin
- Violaine Mitchell
- Sara Nicholls
- Jean-Marie Okwo-Bele
- Beate Størø
- Katherine Taylor
- Naveen Thacker

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

Alternate Board Members Elect

- Marcus Koll
- Wieneke Vullings

Additional Attendees

IFFIm

Dr René Karsenti, IFFIm Board Chair

Mr Christopher (Edge) Egerton-Warburton, Co-founder, Lion's Head Global Partners

WORLD HEALTH ORGANIZATION

Ms. Lidija Kamara, Programme Manager

Dr Michel Zaffran, Acting Director, IVB

Dr Daniel Rodriguez, Advisor for PAHO Revolving Fund

Dr Marie-Paule Kieny, ASG for Health Systems and innovation

UNICEF

Dr Jos Vandelaer, Chief, Immunization
Dr Heather Deehan, Chief, Vaccine Centre
Dr Doreen Mulenga, Deputy Director, Supply Program
Ms Elizabeth Dettori, Executive Manager

BILL & MELINDA GATES FOUNDATION

Ms. Amrita Palriwala, Program Officer, Vaccine Delivery
Ms. Nicole Bates, Deputy Director

THE WORLD BANK

Mr Robert Oelrichs, Senior Health Specialist

DEVELOPING COUNTRY GOVERNMENTS

Nepal and Lao PDR

Dr Krishna Prasad Paudel, Director, Child Health Division, Ministry of Health and Population, Nepal

Uganda and Tanzania

Dr Catherine Sanga, Permanent Mission of Tanzania to the UN
Mr Martin Elias, Ministry of Health, Tanzania
Ambassador Modest J. Mero, Permanent Mission to the UN, Geneva

DONOR GOVERNMENTS

Australia

Ms. Christine Sturrock, Director, Sectoral Funds Section, DFAT

Canada

Ms. Catherine Palmier, Counsellor, Canada Permanent Mission to the UN, Geneva
Ms. Esther Fox, Senior Analyst, DFATD

France

Ms. Julia Blau, Ministry of Foreign Affairs, Paris

Germany

Ms. Annika Calov, Head of Division, KfW Development Bank
Mr Hendrik Schmitz-Guinote, Permanent Mission to the UN, Geneva
Ambassador Thomas Fitschen, Permanent Mission to the UN, Geneva

Ireland

Dr Douglas Hamilton, Director, Global AIDS Programme, Irish Aid
Ms. Lorraine Gallagher, Global Health Advisor, Irish Aid

Italy

Ms. Francesca Manno, Director, Ministry of Economy and Finance
Mr Alberto Bertoni, First Counsellor for Health, Permanent Mission to the UN, Geneva

Japan

Mr Hiroyuki Yamaya, Director, Global Health Policy Division, International Cooperation Bureau

Netherlands

Ms. Jennyfer Imperator, First Secretary, Permanent Mission to the UN, Geneva

Norway

Ms. Lene Lothe, Senior Adviser, NORAD

Spain

Mr Miguel Casado, Head, Health Area, Ministry of Foreign Affairs and Cooperation

Sweden

Ms. Kerstin Von Hedenberg, Deputy Director, MoFA
Ms. Catharina Cappelin, Counsellor, Permanent Mission to the UN, Geneva
Ms. Katarina Martholm Fried, Counsellor, Permanent Mission to the UN, Geneva
Ms. Cecilia Nilsson, Counsellor, Permanent Mission to the UN, Geneva

United Kingdom

Mr Jason Lane, Senior Health Adviser, DFID
Ms. Ruth Turner, DFID

United States of America

Ms Susan McKinney, Senior Technical Advisor for Immunization, USAID

VACCINE INDUSTRY - DEVELOPING COUNTRY

Dr Suresh Jadhav, Executive Director, Serum Institute of India

Dr Sonia Pagliusi, Executive Secretary, DCVMN, Geneva

VACCINE INDUSTRY - INDUSTRIALISED COUNTRY

Dr Laetitia Bigger, Senior Manager, Vaccines Policy, IFPMA

Dr Nicolas Come, Business Operations Director, Pfizer

Dr Marion Leblond, Senior Director, Vaccination Policy, Sanofi Pasteur

Dr Logan Rae, Senior Director Government Affairs, Takeda Pharmaceuticals

Dr Corry Jacobs, Director Global Policy and Research GSK Vaccines

Dr Joan Benson, Executive Director, Merck

Dr Olga Popova, VP Global Vaccine Policy & Partnerships, Crucell Holland B.V.

Dr Guy Pickles, Vaccines Policy Associate, GSK

CIVIL SOCIETY ORGANISATIONS

Dr Hermengild Mayunga, Orphans Relief Services, Tanzania

Dr Patrick Bertrand, Executive Director, Global Health Advocates, France

Ms. Amy Dieterich, Coordinator/Communications Focal Point, GAVI CSO Constituency, IFRC

RESEARCH AND TECHNICAL HEALTH INSTITUTES

Dr Alfred Da Silva, Directeur Exécutif, Agence de Médecine Préventive, France

Mr Philippe Stoeckel, Chairman, Agence de Médecine Préventive, France

Ms. Rebecca Martin, Director, Center for Disease Control and Prevention

Special Advisers

Ms Cristina Gaberi, Special Adviser to the Board Member from Moldova

Mr Gian Gandhi, Special Adviser to the GAVI Alliance Board Vice Chair

Mr Aksel Jakobsen, Special Adviser to the GAVI Alliance Board Chair

Mr Stephen Karengera, Special Adviser to the Chair of the PPC

Dr Eimal Latif, Special Adviser to the Board Member from Afghanistan

Ms Anne-Marie Mbengue-Seye, Special Adviser to the Board Member from Senegal

Dr Grace Murindwa, Special Adviser to the Board Member from Uganda

Ms Eunice Peregrino Dartey, Special Adviser to the Board Member for CSOs

Ms Carol Piot, Special Adviser to the IFFIm Board

Dr André Prost, Special Adviser to the IFFIm Board (for programmes)

Dr Sk Nazmul Huda, Special Adviser to the Board Member from Bangladesh

Other Observers

Mr William Roedy, GAVI Envoy

Mr Daniel Miller, Associate Director, Vaccine Access and Delivery Global Program, PATH

Ms Emily Serazin, Boston Consulting Group

Ambassador John Lange, Senior Fellow, Global Health Diplomacy, UN Foundation

Dr Kate O'Brien, Executive Director, International Vaccine Access Center