

SUBJECT: EC FUNCTIONS AND COMPOSITION

Authored by: Kevin A. Klock, Head of Governance and Assistant Secretary

Agenda item: 02c

Category: For Decision

Strategic goal: Alliance operations

Section A: Overview

1. Purpose of the report

1.1 This report recommends 1) the formal changes to the Executive Committee Charter needed to integrate the new functions and 2) the recommendation of the Governance Committee on the EC's new composition.

2. Recommendations

2.1 The Governance Committee recommends to the Board that it:

- a) **Amend** the Executive Committee Charter as attached in Doc 2c, Annex 1 (which integrates the functions approved in December 2014 and aligns the format of the Charter to the other committee charters).
- b) **Approve** the following Executive Committee composition starting in 2016:
 - Unaffiliated – 2 seats
 - Donors – 2 seats
 - Developing countries – 2 seats
 - Multilateral organisations – 2 seats
 - Bill & Melinda Gates Foundation – 1 seat
 - Civil society organisations – 1 seat
 - CEO (non-voting) – 1 seat

** The following board leadership positions shall be members of the Committee: Board Chair, Vice Chair, Audit and Finance Committee Chair, and Programme and Policy Committee Chair*

*** The Committee may exceptionally expand to 12 members if required to accommodate each of the board leadership positions.*

3. Integrating the functions into the EC Charter

- 3.1 One of the recommendations of the 2013-2014 board and committee self-assessment was to consider the role and composition of the Executive Committee. The Governance Committee formed a subcommittee to move this issue forward and after consulting members of the Governance Committee and EC, recommended a new suite of EC functions. These functions were reviewed by the Governance Committee in December 2014 and then approved by the Board shortly thereafter. The proposed charter amendments will make these functions official.
- 3.2 In addition, the Governance Committee approved a redesign of the Charter to align it with the format and structure of the other committee charters. No material changes to the operation of the EC were made during this redesign except to clarify how commercially-sensitive information would be treated.
- 3.3 The redesigned charter is attached as an annex.

4. Composition recommendation

Overview

- 4.1 The Subcommittee waited until after the functions were decided to consider composition. This was a major topic for the Governance Committee and Board during the Copenhagen retreat. Having come to no consensus, the Governance Committee was instructed to revisit the options and attempt to provide a clear recommendation for the Board to consider in June 2015. The Governance Committee was to consider, among other things, requests for new seats, board leadership positions, and not expanding the EC beyond its current 11 members. The Board was reminded that unless a consensus on composition was reached, the currently approved composition would remain.
- 4.2 The Governance Committee was presented with additional alternatives ahead of a call on 4 June. After requesting additional analysis, the Committee discussed the alternatives further on 9 June.
- 4.3 The EC's current composition is the following:
- Chair (currently Unaffiliated)
 - Vice Chair (currently Multilateral organisation)
 - Unaffiliated (3)
 - Donors (1)
 - Developing countries (1)
 - Multilateral organisations (2)
 - Bill & Melinda Gates Foundation (1)
 - CEO (non-voting) (1)

4.4 The Governance Committee agreed to recommend the following new 11-person composition:

- Unaffiliated (2)
- Donors (2)
- Developing countries (2)
- Multilateral organisations (2)
- Gates (1)
- CSOs (1)
- CEO (non-voting)

➤ *The following board leadership positions shall be members of the Committee: Board Chair, Vice Chair, Audit and Finance Committee Chair, and Programme and Policy Committee Chair*

4.5 The net effect is that:

- Donors go from 1 seat to 2 seats
- Developing countries go from 1 seat to 2 seats
- CSOs obtain 1 seat
- Unaffiliateds go from 4 seats (3 defined) to 2 defined seats
- Multilaterals go from 3 seats (2 defined) to 2 defined seats
- The Gates Foundation maintains one seat
- The CEO maintains one non-voting seat

Governance Committee commentary

4.6 In recommending this composition, it was emphasised that when it comes to commercially-sensitive matters, EC members would not be able to consult their constituencies.

4.7 It was also emphasised that a person's availability to serve on the EC would be a critical factor in being recommended for a board leadership position.

4.8 There were also varying opinions on the extent to which an EC member needed to have an exclusively organisational focus or should be representing his/her constituency.

4.9 There was also discussion on the need to ensure the right skills were present to fulfil the agreed functions.

Temporary expansion

4.10 The recommendation also allows the EC to temporarily expand to 12 members in order to accommodate each of the board leadership positions.

4.11 Today's leadership provides a good example why this flexibility is needed: The recommendation provides room for two unaffiliated members. However, an unaffiliated member currently serves as Board Chair (Dagfinn Høybråten), AFC Chair (Wayne Berson), and PPC Chair (Richard Sezibera). Therefore, the Governance Committee felt that the Board

needed the ability to temporarily expand to 12 members to accommodate circumstances such as this.

What the Board is asked to do

- 4.12 The Board is requested to consider and, if thought appropriate, adopt the recommended composition. If approved, the required by-law amendments will be presented in December. This will also allow the time needed to populate the new EC starting in 2016.

5. Risk implication and mitigation

- 5.1 The Board agreed to new EC functions in December 2014 and it would be inappropriate not to incorporate the technical changes into the formal charter. This decision ensures the technical amendments are made.
- 5.2 Also, cleaning up the EC charter so that its format and structure aligns with the other committee charters helps to simplify Gavi's governing documents.

6. Financial implications

- 6.1 There are no financial implications.

7. Consultation

- 7.1 The Board, Governance Committee, Executive Committee, and EC Functions and Composition Subcommittee have been actively involved in refining the role and composition of the EC.

8. Gender implications

- 8.1 There are no apparent gender implications.

Annex: Proposed EC Charter



Gavi Alliance Executive Committee Charter

Approved on 29-30 October 2008

Revised on 12-13 June 2012, 4-5 December 2012, 11-12 June 2013, and [X]

Comment [KAK1]: Take particular note of the areas marked in blue underline.

1. Purpose

The Executive Committee (“**Committee**”) is established by the Board (“**Board**”) of the Gavi Alliance (“**Gavi**”) to exercise such powers, duties and functions as the Board decides in accordance with Article 16 of the Statutes. The Committee shall make time-sensitive decisions that allow the Gavi Alliance to function between Board meetings, subject to powers reserved specifically to the Board in Article 13 of the Statutes.

Comment [KAK2]: There are no meaningful changes to the purpose statement except to align the introductory language to that of the other charters.

Words and expressions used in this Charter shall, unless the context requires otherwise, have the meaning attributed to them in the By-laws.

2. Composition

Article 3 of the By-laws governs the composition of the Committee.

All members shall be appointed once every two years, with renewable terms. Committee members are subject to the provisions regarding resignation and removal in Article 2.3.3 of the By-laws.

Comment [KAK3]: The Governance Committee decided that the EC should be refreshed once every two years just like the other committees. The language used here mirrors the other charters.

A time commitment statement was removed because that was integrated into the minimum criteria approved by the Board in 2009.

Comment [KAK4]: Changes to the composition would be reflected in separate by-law amendments.

3. Operations

Relevant paragraphs of section 2.7.2, and all of sections 2.7.3 to 2.7.5 of the By-laws shall govern Committee operations. In addition, the Committee will be governed by the following provisions.

Comment [KAK5]: The operations section generally mirrors the other committee charters except for references to commercially-sensitive matters.

- **Meetings:** The Committee Chair, in consultation with the other Committee members, shall determine the schedule and frequency of Committee meetings. A majority of the Committee shall constitute a quorum for the transaction of business.

Unless commercially-sensitive matters are being discussed, any Board Member / Alternate who is not a member of the Committee may attend Committee meetings as an observer. Other observers may attend meetings under exceptional circumstances and contingent upon Committee Chair approval.



- **Agenda:** The Chair shall develop the Committee's agenda for each Committee meeting in consultation with the Secretariat. The agenda and all pertinent information concerning the business to be conducted at each Committee meeting shall, to the extent practicable, be delivered to all Committee members sufficiently in advance of each meeting to permit meaningful review.
- **Reporting:** The Committee formally reports to the Board. The Committee shall keep minutes of its meetings and regularly report on its meetings and other activities to the Board on issues falling under its authority, though may omit specific reporting of commercially-sensitive information.
- **Voting:** The Chair should aim for consensus on all decisions. If consensus cannot be reached, majority and minority positions shall be reported to the Board on issues falling under its authority.
- **Access to Expertise, including consultants:** The Committee in fulfilling its duties under this Charter will draw on expertise from Alliance partners, the Secretariat, external consultants, individuals and institutions as appropriate.
- **Delegation of Authority:** The Committee shall have the power to delegate on an exceptional basis its authority and duties to the Committee Chair or individual Committee members as it deems appropriate. It may also delegate duties to staff of the Secretariat and partner organisations as it deems appropriate.
- **Amendment:** This Charter may only be amended or varied by resolution of the Board passed in accordance with the provisions of the By-laws.

4. **Duties and Responsibilities**

In carrying out its responsibilities, the Committee shall:

- **Role in strategy:** Provide a forum for initial discussion and guidance in supporting the Board's responsibility for long-term strategy as well as strategic planning processes, the Partnership Engagement Framework, and implementation procedures.
- **Time-sensitive decisions:** Approve critical, time-sensitive decisions that, after careful consideration, must not be delayed until the following meeting of the Board.

Comment [KAK6]: The Board previously approved these duties and responsibilities.

Special note: "business plan" has been changed to "Partnership Engagement Framework."



- **Approve country programme grants** based on recommendations of the Independent Review Committee.
- **Approve market and/or commercially-sensitive decisions** as part of the implementation of the supply and procurement strategy.
- **Performance management of Gavi:** Oversee performance management of the [Partnership Engagement Framework](#) and make recommendations to the Board.
- **Performance manage the CEO** annually and report to the Board.
- **Review its own performance** from time to time and report the results of such reviews to the Board or Governance Committee.
- **Review and reassess the adequacy of its Charter** from time to time and recommend any proposed changes to the Board or Governance Committee.
- **Delegated authority:** Perform such other duties required by law or otherwise as are necessary or appropriate to further the Committee's purposes or as the Board may from time to time assign to it.