

RISK & ASSURANCE REPORT

BOARD MEETING

Jacob van der Blij

29-30 November 2017, Vientiane, Lao PDR



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Board discussions on Risk

Managing actual risk exposures within desired risk appetite

Dec 2016

Risk & Assurance Report 2016

- Initial view of actual exposure to top risks
- Agree on prioritisation
- Allocation to risk owners

June 2017

Risk Appetite Statement

- Align on what level of risk is acceptable in different areas of our business
- To set aspiration and inform level of risk response

Nov 2017

Risk & Assurance Report 2017

- Updated view of actual exposure to top risks
- Compare actual exposure against risk appetite
- Discuss risks outside appetite

Macro trends in 2017

Exogenous and endogenous factors affecting Gavi's risk profile

IMF warns of 'vulnerabilities' that could derail global recovery

Report highlights G20's \$135tn debt pile and says good economic times are fuelling risks

WTO Upgrades Trade Outlook, but Warns of Risks Ahead

Sterling could fall by another 15% by the end of 2017, says Deutsche Bank

Time spent thinking about the next financial crisis is not wasted

WORLD / POLITICS | ANALYSIS

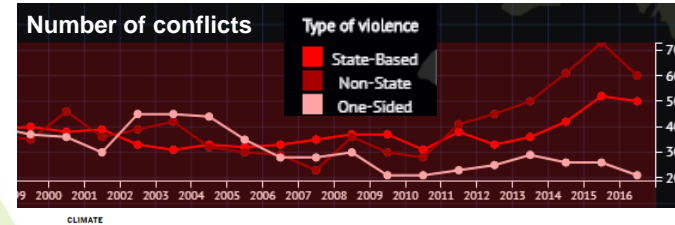
Despite electoral setback, European populism lives on

INSIDE DEVELOPMENT > IN THE NEWS: 67TH UN GENERAL ASSEMBLY

At UN General Assembly, a spotlight on reforms

Anti-Vax Message Gets Meaner on Social Media

Stronger countries transitioning
Increasing number of programmes and campaigns
Broader portfolio of vaccines
Changed partners' engagement model and use of expanded partners
Global Health Campus move



10 Hurricanes in 10 Weeks: With Ophelia, a 124-Year-Old Record is Matched

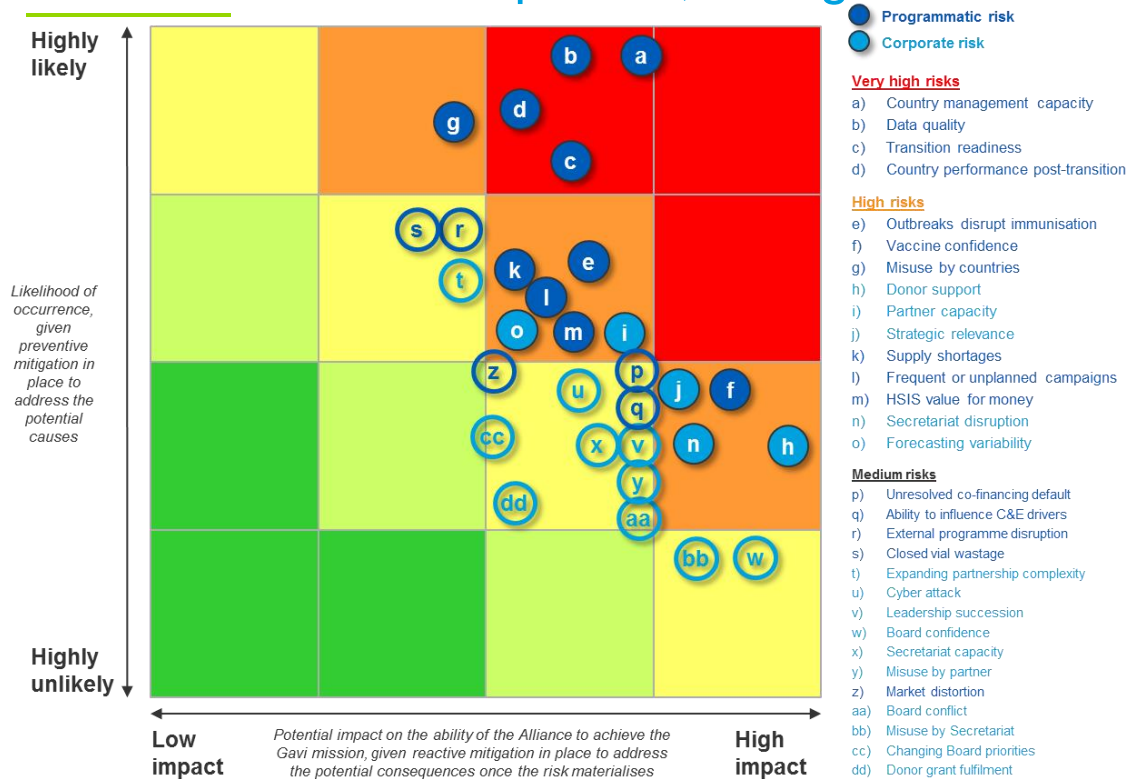


Sierra Leone to begin cholera vaccination drive in disaster-affected areas

More than 1 million doses of Gavi-funded cholera vaccines heading to Sierra Leone after severe flooding and landslides

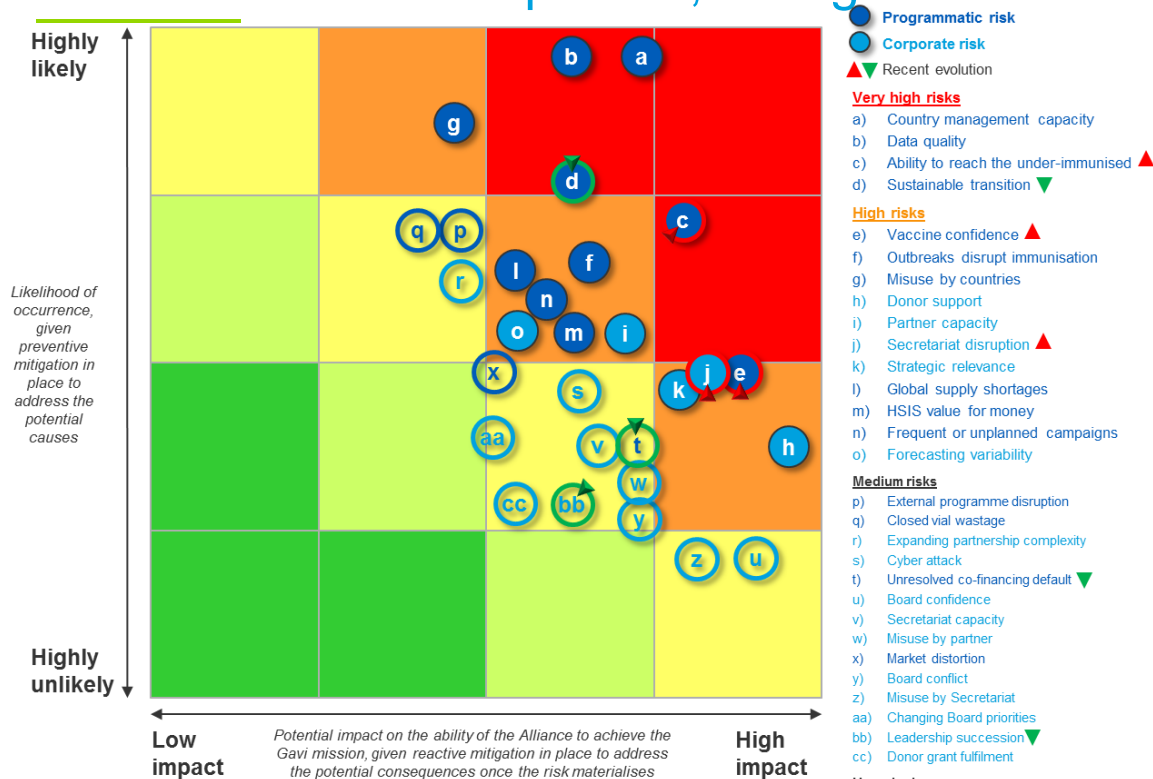
Last year's top risk exposure

2016 residual risk exposure, taking into account existing mitigation



Top risk evolution since last year

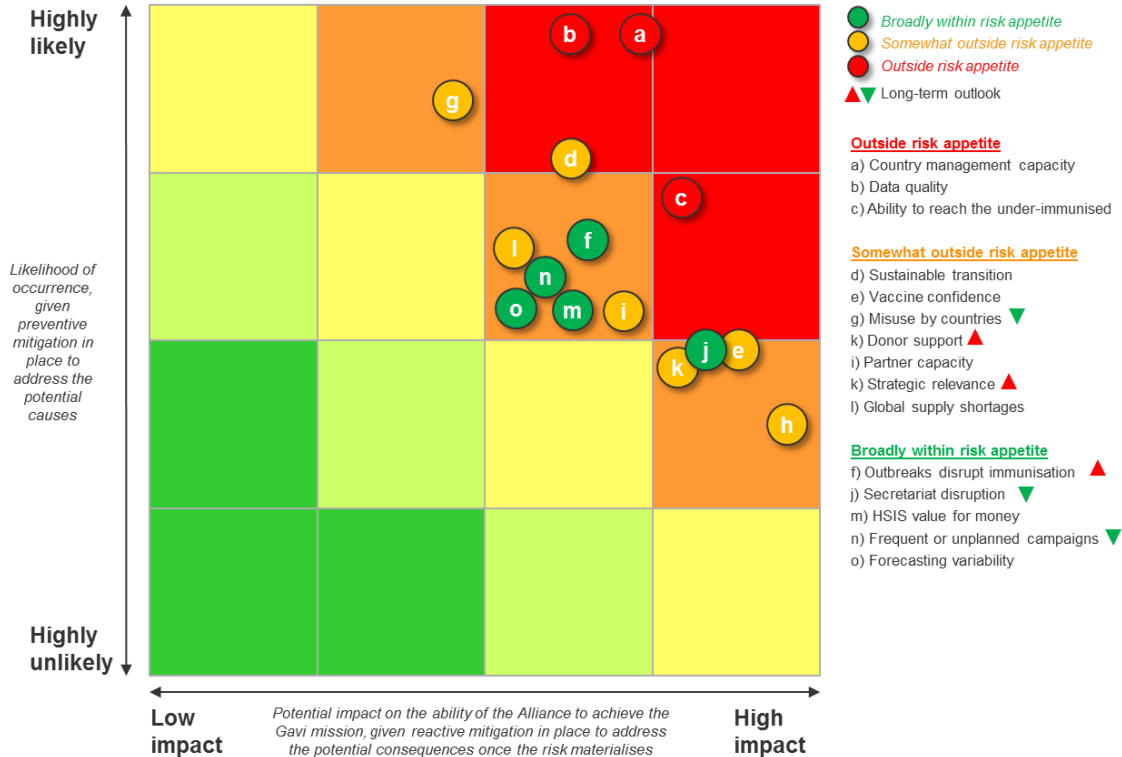
2017 residual risk exposure, taking into account existing mitigation



- c) Ability to reach the under-immunised ▲
- d) Sustainable transition ▼
- e) Vaccine confidence ▲
- j) Secretariat disruption ▲
- t) Unresolved co-financing default ▼
- u) Leadership succession ▼
- Polio transition

Actual exposures versus risk appetite

Willingness to accept the current top risk exposures



3 risks outside risk appetite

May require a more ambitious approach

- a) Country management capacity
- b) Data quality
- c) Ability to reach the under-immunised

7 risks somewhat outside

Requiring attention

5 risks broadly within appetite

To be monitored

Recommendation

The Gavi Alliance Audit and Finance Committee recommends to the Gavi Alliance Board that it:

- **Approve** the 2017 Risk & Assurance Report attached as Annex A to Doc 06

The Gavi Alliance Board is furthermore requested to **provide guidance** on the following questions:

- a) Does the Board **agree with the top risks** identified this year and its ranking against likelihood and impact?
- b) Are there **concerns on risk exposures clearly outside Gavi's risk appetite** (particularly **a) Country management capacity, b) Data quality, and c) Ability to reach under-immunised**) and – if so, are further investments or different approaches to mitigation required?
- c) Do any of these risks **require a more in-depth discussion** by the Board at a future date?

THANK YOU



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