

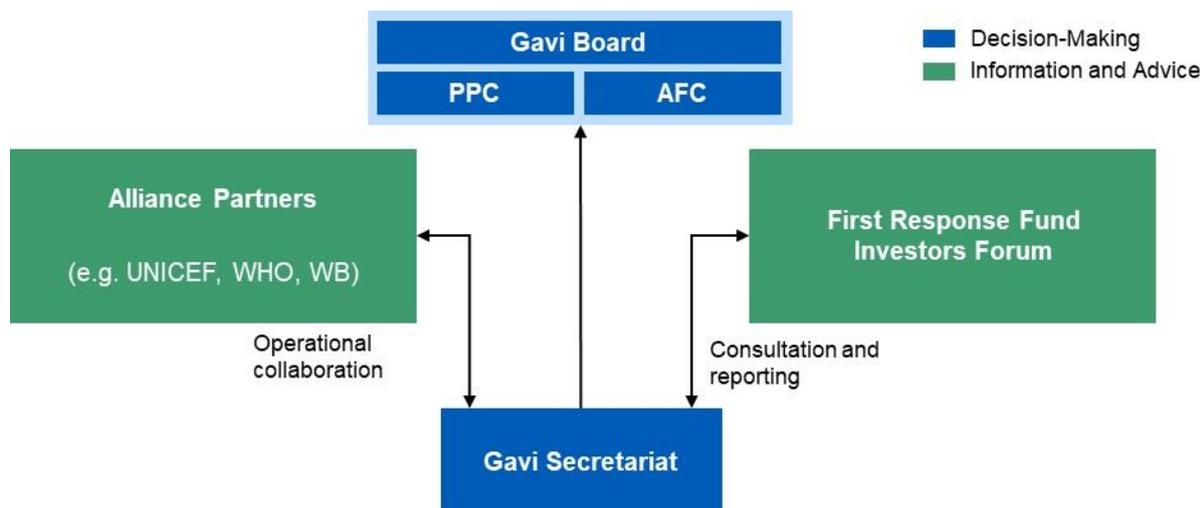
Annex B: Arrangements for the Governance of the First Response Fund

Context and scope

The First Response Fund would align with and leverage existing Gavi governance processes. As a financing instrument, overall financial oversight would be the responsibility of the AFC, with programmatic oversight from the PPC. This ensures alignment with Gavi's existing governance procedures. Similarly, best practices and standard operating procedures linked to Monitoring, Evaluation and Learning and Risk Management, would also be applied.

Structure

Figure 1: Governance structure overview



The above structure depicts the proposed “light touch” governance structure for the Fund. Overall oversight of the Fund would rest with the Board, with decisions being reviewed and recommended by the AFC and PPC on relevant matters as further explained in the table below. As per standard Gavi governance, other committees would be consulted as required (for example, the Market- Sensitive Decisions Committee would approve any relevant market and/or commercially sensitive decisions).

Given the evolution of the Fund born out of COVAX Pandemic Vaccine Pool funds, an advisory Investors Forum would be established to assist the Board and its Committees. This body, comprised of donors to the First Response Fund, would hold an annual donor meeting and receive notifications of drawdowns under US\$ 50 million for which the AFC has also been notified. For disbursements over US\$ 50 million, the Investors Forum would receive a consultation period of 72 hours in between AFC review and approval by the Board, so that their views can be represented. The Investors Forum will also play a role in the formal reviews planned for 2027 and 2030.

The proposed Terms of Reference of the Investors Forum will be presented to the Governance Committee at its meeting on 5 June 2024 for review and endorsement.

The Secretariat would also leverage the expertise of the Gavi Alliance Partners from monitoring, risk assessments, and development of technical assessments with their associated recommendations through to implementation. The Secretariat will seek to maximise the use of existing robust processes, frameworks and assessment practices and will coordinate with Alliance and other partners, including the XVAX network and/or similar future platforms, as part of its work in developing any recommendations to access the Fund. There is strong alignment across criteria used by Alliance partners to assess emerging public health emergencies and the subset of criteria Gavi proposes to use as part of all technical assessments.

Respective roles

The roles of the bodies involved in the First Response Fund are outlined in the table below (green advisory only):

1. Gavi Alliance Board	<ul style="list-style-type: none"> Oversee the First Response Fund as a programme, including reporting Approve decisions, including final decision on disbursements above US\$ 50 million and any strategic course corrections required
3. Audit and Finance Committee (AFC)	<ul style="list-style-type: none"> Oversee the First Response Fund as a financing instrument Review and monitor financial reporting as part of Gavi's financial management and corporate reporting Receive notification for drawdowns under US\$ 50 million in line with Board-approved Delegation of Authority Policy Review and recommend to the Board disbursements above US\$ 50 million in value
2. Programme and Policy Committee (PPC)	<ul style="list-style-type: none"> Review and recommend to the Board approval of certain programmatic uses of funding (during May 2024 PPC) Provide guidance on programmatic aspects linked to disbursement above US\$ 50 million Review and recommend any change in programmatic parameters or strategic course correction Receive regular updates on the First Response Fund from the Secretariat as part of annual reporting
4. Investment Committee	<ul style="list-style-type: none"> Review and approve the asset allocation/investment strategy for the final long term treasury solution (if required)
5. Secretariat	<ul style="list-style-type: none"> Manage the First Response Fund on a day-to-day basis Approve drawdowns below US\$ 50 million (internal steering committee chaired by the CEO) Recommend drawdowns above US\$ 50 million (internal steering committee chaired by the CEO)
6. Alliance Partners	<ul style="list-style-type: none"> Collaborate and coordinate on ongoing monitoring, risk assessment and development of technical assessments Provide guidance on programmatic aspects of recommendations put forth to draw down the Fund
7. First Response Fund Investors Forum	<ul style="list-style-type: none"> Receive annual reports Review and comment drawdowns above US\$ 50 million Review strategic course correction proposals, if any Review and comment the final evaluation report