FOR INFORMATION

CEO report to the Board

June 2010

Introduction

This report focuses mainly on the key decisions we need to take at this Board. This meeting brings together a series of choices and policies asked for by the Board in 2009. The decisions we take at this board will determine our "ask" for the upcoming resource mobilisation meeting and also determine how we continue to support (or not) recommended country proposals. These high level decisions will determine whether children in developing countries will be vaccinated, or not.

There have been a number of important developments since our meeting in Hanoi in November; it has been a busy six months, not least as we lead into the MDG summit in September and ensure that the contribution which immunisation and the Alliance can make is recognised. All of us will have welcomed the announcement at GAVI's tenth anniversary at the World Economic Forum by Bill and Melinda Gates of a decade of vaccines, with a ten-year commitment of an additional $10 billion to research, develop and deliver vaccines. We were pleased that the first pneumococcal vaccine supply agreements under the Advance Market Commitment have been signed. We have made significant progress on the health systems funding platform, with the Board's approval in April, followed by approval by the Board of the Global Fund to Fight AIDS, Tuberculosis and Malaria, and approval of our first programme in Nepal. The Netherlands hosted a successful donors' meeting in March, where donors decided to gather again around the time of the MDG Summit in order to give GAVI a firmer financial basis upon which to plan. Our retreat in May helped set our strategic directions for the next five years.

We have continued to raise the profile of immunisation and of the Alliance in key forums, such as at the World Economic Forum, the UN Secretary General's retreat on women and children's health in New York in April, the Women Deliver Conference in Washington DC, and – we anticipate – the G8 Summit in Muskoka later this month. In these and other places, we are making the case for GAVI's strong contribution to the task of improving women and children's health. This gives us the means to help shape the global debate, ensure our efforts are increasingly integrated with those of others, and raise funds.

However all this is set against a developing global financial crisis that emerged in 2008 – the worst recession in at least a generation – with the consequent economic and fiscal challenges for our donors and implementing countries alike. The decisions that the Board has before it this month in Geneva are in part about responding prudently to these challenges, while at the same time – as we agreed at the Board retreat – maintaining our ambition and therefore our momentum.

FOR INFORMATION

This is a heavy Board meeting. There are a large number of Board papers, dealing with some complicated issues that appropriately require Board decisions. The Secretariat needs to continue to work to minimise the quantity and length of papers that you have to deal with, ensure that the Board is doing strategy and not detail, and that we help you manage your time commitment to the Board. This will also involve working with the Board's sub-committees, which have put forward many of the papers.

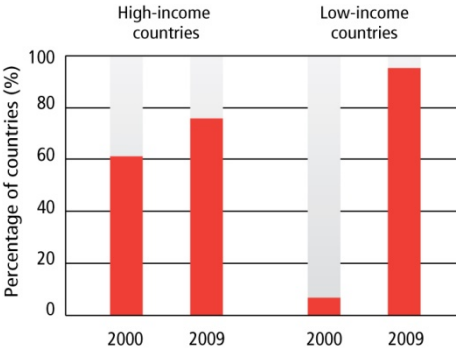
Progress and updates

At the Board meeting you will have available the Progress Report for 2009, which documents the Alliance's achievements in that year. Since we met in November, with GAVI support Guyana has introduced rotavirus vaccine, Nicaragua is now receiving GAVI support for rotavirus vaccine, and Sri Lanka has reintroduced pentavalent vaccine. UNICEF recently announced that Myanmar has become the second country in South East Asia after Vietnam to eliminate maternal and neonatal tetanus. I would like to have been able to announce more progress, but of course the decision at Hanoi to defer a decision on the IRC's October 2009 recommendations – entirely necessary in the light of the financing gap – has meant that we have not been making as rapid progress as usual, although existing programmes are continuing.

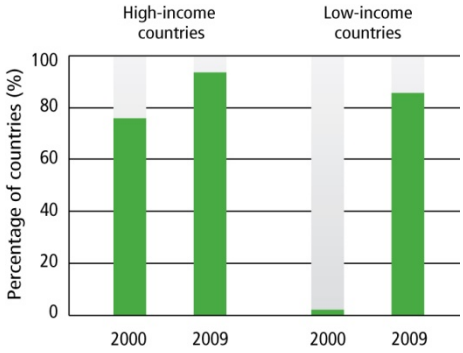
As a key part of our advocacy and resource mobilisation efforts, a new publication, 'Investing in immunisation through the GAVI Alliance – the evidence base' was published in March, and will be regularly updated. It has been well-received by stakeholders, including many donors who tell us that this is the type of information that they need. The report draws on scientific literature and sound data analyses to present the evidence around the rationale for GAVI's mission, the achievements to date and the potential for the future. It pulls together the latest research on the value of vaccination, includes new analyses of GAVI's results at global and country levels, and summarises independent research findings on vaccine cost-effectiveness. I encourage you to read it and use it in outreach to your own networks. To this end, we will provide you with electronic copies of graphics and slide sets. There will also be a pre-Board briefing on the Evidence Base.

That report includes careful comparisons of the history of Hepatitis B and Hib vaccine introduction in high- and low-income countries. The resulting graphics tell a compelling story of the GAVI effect. The figures below show how, in our first decade, GAVI support has restored equity between high- and low-income countries in access to these two vaccines.

FOR INFORMATION



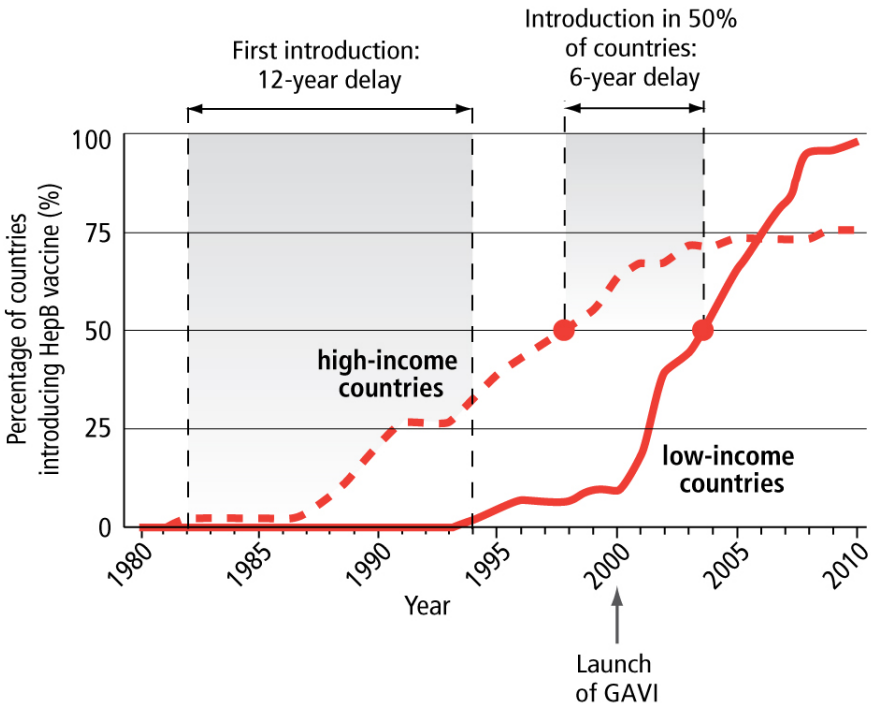
Routine use of **hepatitis B vaccines** in high- and low-income countries



Routine use of **Hib vaccines** in high- and low-income countries

Hepatitis B vaccine introduction in high- and low-income countries

Another set of compelling graphs plot the pace of introduction of these two vaccines in high- and low-income countries. This is the story of Hepatitis B vaccine introduction.

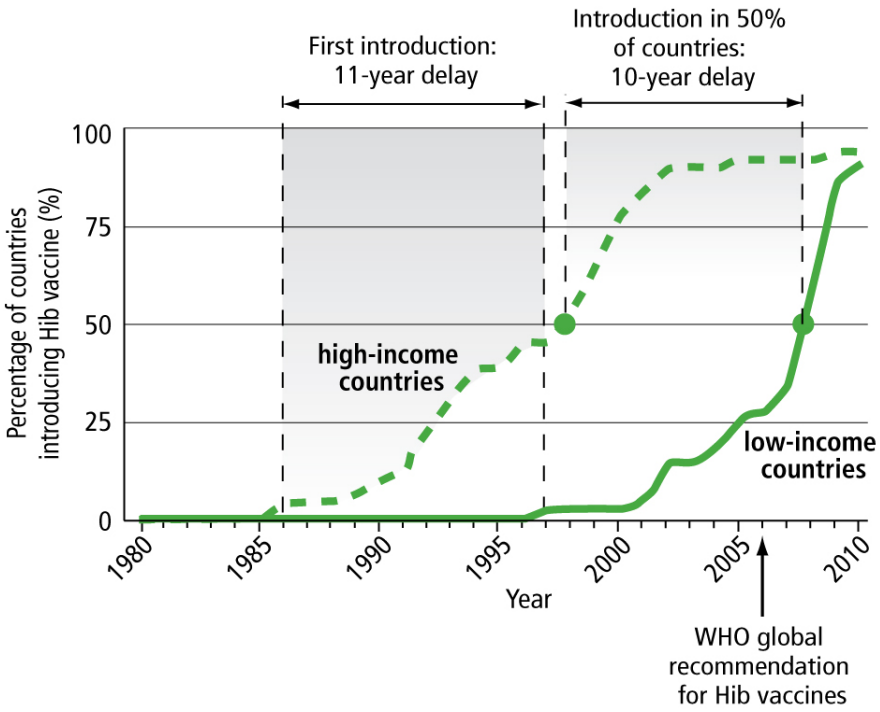


Hepatitis B vaccine became available in 1981 and from the mid-1980s many high-income countries made it available for their newborn children. By 1998, 50% of high-income countries had introduced Hepatitis B vaccine into their national immunisation programmes. But children in low-income countries remained unprotected. It is not until the launch of GAVI that we see a big change in this pattern. With GAVI support, low-income countries rapidly introduced Hepatitis B vaccine. Low-income countries now surpass high-income countries' uptake – appropriately given the higher disease burden.

A similar acceleration of vaccine introduction was realised with Hib vaccines.

FOR INFORMATION

Hib vaccine introduction in high- and low-income countries



Comparing high- and low-income countries, as denominated by the World Bank, is particularly useful in demonstrating the GAVI effect because the Alliance mission speaks to addressing an inequity of access to life-saving technology.

We have helped low-income countries to access previously underused vaccines. The task ahead is to ensure that this time lag in introduction is not repeated with the new vaccines such as pneumococcal, rotavirus and HPV vaccines. The evidence base publication focuses particularly on pneumococcal and rotavirus vaccines, providing facts and salient data on the disease burden, efficacy and cost-effectiveness.

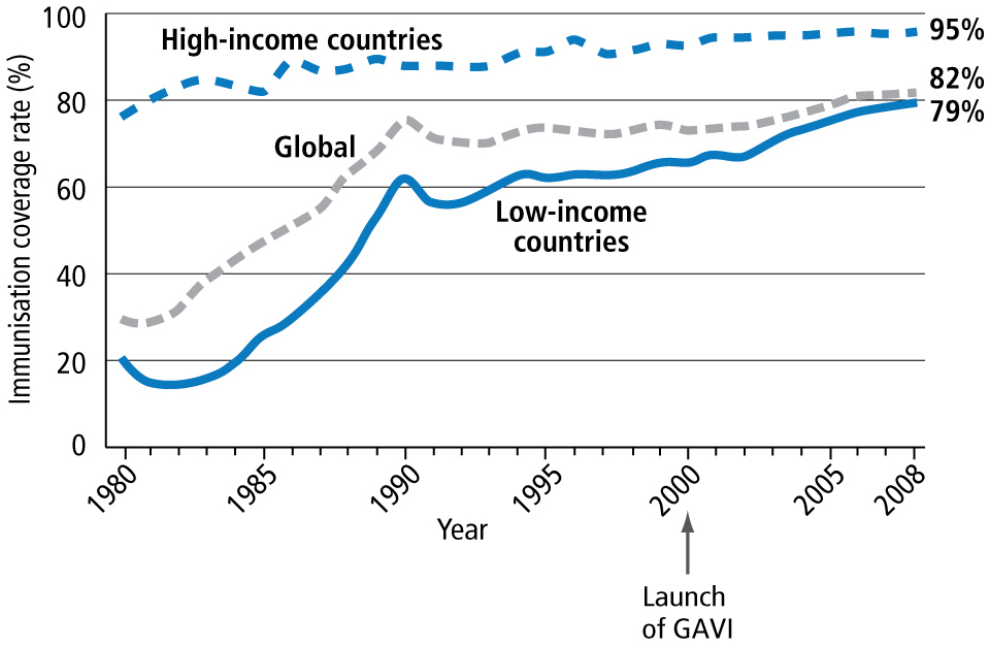
Least progress has been made on MDGs 4 and 5 - reducing maternal mortality, and improving neonatal and child health. As the global development agenda is increasingly focused on these worst performing MDGs, more attention is being paid to how to improve integrated health service delivery, and to ensure the availability of the variety of interventions needed to address the range of potential problems associated with pregnancy and childbirth, including deaths and serious morbidity. It is clear that to achieve synergy and more cost effective impact, the MDGs, notably MDGs 4, 5 and 6 need to be tackled as integrated strategies and through health system strengthening - the conclusion of the UN Secretary General's retreat on women and children's health, where I represented GAVI.

The success that developing countries have achieved in extending the coverage of routine immunisation programmes presents particular opportunities. As all of you who have visited an immunisation clinic session appreciate, it is the mothers who bring the babies and infants for their vaccinations. It is at antenatal clinics that you discuss immunisation, maternal care, family planning with mothers, HIV prevention and

FOR INFORMATION

treatment. These encounters between women and health workers are invaluable. As the graph below illustrates, routine immunisation coverage in low income countries is now approaching 80%. So immunisation services provide a unique platform for reaching those in great need of health services – women of child-bearing age.

Increasing global immunisation coverage



We should be clear that we have achieved these results by working together as an Alliance – each member brings its capacities and expertise to bear on the task. We now need to bring that approach to how we work with other partnerships and institutions – led by well crafted and thought through national strategies. The health systems funding platform is a good example of such cooperation. And we should also be clear that GAVI's model is developmental. We work through country systems, we encourage country ownership and financial sustainability through co-financing and maintaining pressure on vaccine prices. These are the key points which I would like us to keep in mind as we consider the decisions before us at the Board.

Key decisions for the Board meeting

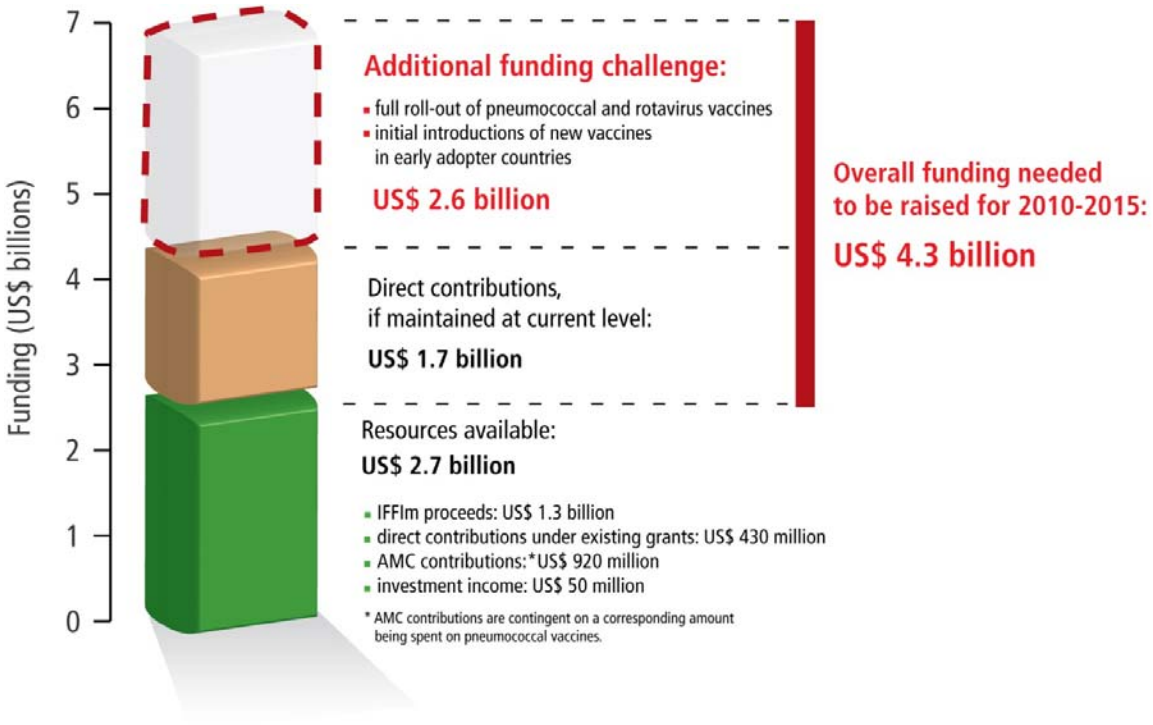
We were forced by the volcanic ash in Europe to reschedule our Board retreat on the next five year strategy, but I was pleased that so many Board members were nonetheless able to attend. We had some excellent discussions led by Mary in the Chair, and we reached a consensus on the way forward. I am grateful to all of you for

FOR INFORMATION

your work and for taking the time to join the consultation on the strategy, and to Helen and the team for all of the hard work that has gone into the process. The board will be asked to approve the Alliance's five year strategy. The strategy articulates our principles, states our mission and objectives, and defines the benchmarks against which we will need to deliver. It will also guide the development of an integrated business plan and budget to be reviewed in November. For the first time we will have a business plan which is appropriate to the Alliance's new governance structure, and which will allow us to adjust our activities in the short term to respond to the financial circumstances, while maintaining our long term ambition.

Several of the other issues that the Board has before it should be considered together – prioritisation, the resource envelope, India, the programme funding policy, and resource mobilisation. We are not inviting the Board to take any particular decisions on resource mobilisation, but the intentions of donors in the context of our resource mobilisation meeting around the MDG summit have implications for the other decisions.

GAVI Alliance funding needs 2010-2015



For those of you who have been on the Board for some time, the general lines of the resource mobilisation picture will be familiar; but we have made steady progress in clarifying the demand position, and so the picture has some new details today. If we are to succeed in our ambition of meeting country demand for new vaccines, thereby

FOR INFORMATION

preventing an additional 4.2 million future deaths by 2015, we need to raise $2.6 billion over the next six years – in addition to continuing to receive the average current level of funding. Given the shape of anticipated demand, this will require for the 2010-2012 period an additional $300 million beyond average current levels of funding, and an additional $770 million each year between 2013 and 2015. Under the proposed Programme Funding Policy, in any given year, clarity on that year's income and anticipated cash inflows over the next two years is needed to proceed with funding decisions. We urgently need pledges for future years - ideally multi-year - to provide this clarity. For this reason we are organising a second resource mobilisation meeting around the United Nations Millennium Development Goals summit.

It is also worth pausing to draw out the implications of the Advance Market Commitment (AMC) for our funding requirements. The AMC effectively commits donors to provide matching funds to contributions from GAVI and countries to buy pneumococcal vaccine for the first part of every supply agreement. If GAVI and countries cannot provide the funds, donors will not match them. This creates a gearing effect – a reduction in GAVI's contribution to the AMC of $1 equals a loss of $2 in the purchase of life-saving vaccines. This gearing effect creates a further reason to raise funds, in addition to the need to preserve the market-shaping momentum that the AMC has created.

GAVI has for the past ten years been moving around a virtuous circle. It has created a credible market for the production of vaccines which are required in developing countries. It has stimulated further demand for those vaccines in developing countries, and supplied that demand, thereby preventing millions of deaths. The risk in the current economic and financial climate is that we move from this virtuous circle to a vicious cycle: we stop funding new applications, so countries do not put forward applications, children remain unimmunised against preventable diseases, the market shrinks and vaccine producers do not invest in production capacity.

I believe that if we take the right decisions, we can remain in the virtuous circle. But we also need to be honest with ourselves about the risks that we are facing. The financing gap has already had a significant impact as we have twenty-one country applications on hold – eleven for vaccine support and ten for health systems strengthening - which were recommended for approval by the Independent Review Committee. By funding these applications, GAVI has the potential to protect 45 million children against death and disease. By its nature, it is harder to measure the immediate impact of health system strengthening, but to take one example, the application from Niger would contribute to reaching approximately 800,000 people with basic healthcare. Without these sorts of improvements in basic service delivery, we will not achieve our objectives and be able to introduce new vaccines so effectively.

If we had the funds in hand or pledged, we would fund all of these applications – they were made by the countries in good faith, and have been recommended by the experts on the Independent Review Committee.

In order to decide which and how many of the outstanding applications to fund, the Board needs to know – in the event that significant new funds are not raised – how

FOR INFORMATION

much money will be available, and how the applications will be prioritised. I now outline the four decisions that will allow the Board to do this.

1. Prioritisation

The Board meeting in Hanoi asked for criteria to prioritise new IRC recommended applications. The Programme and Policy Committee has recommended criteria which are objective, rigorous and transparent, and can be used to rank applications with a view to preventing as many deaths as possible, as cost effectively as possible, and to focus spending where it is needed most. I would like to congratulate the Committee and those who have supported their excellent work. Approval of the criteria or a version of them is necessary to take decisions on the October 2009 recommendations.

2. Resource envelope

The next step is the decision about the balance between vaccine and cash-based support programmes. This decision is necessary for the prioritisation mechanism to be used – there are two sets of applications outstanding from the October 2009 IRC, one for vaccines, the other for health systems, and we need to decide how much of the available money should be allocated to each of the sets. On balance it would be better to provide a range of spending rather than a fixed percentage, as this would better reflect the inherent variability of yearly spending. This is also a decision that will have longer term implications, and I hope is one that will reassure those who are concerned that health systems could potentially take a greater and greater proportion of our resources; any of the options presented would make clear our unchanged focus on vaccines.

It is worth flagging that the Health Systems Funding Platform (HSFP), which will be funded in the first instance by an extension of IFFIm, backed by the UK, Norway and Australia, was set up to take advantage of the IFFIm as an innovative financing mechanism. The platform is designed to be open to others and thus conceptually is not capped. It is to support proposals which have been developed by countries, and presented for GAVI, World Bank and GFATM support. Not all donors are able to contribute to IFFIm and the platform targets a subset of GAVI countries. Thus GAVI and the IFFIm Board play a stewardship role with the platform. So it does not form part of our calculations of the envelope. This is an issue that the Board might like to discuss.

3. India

India is the biggest GAVI-eligible country, and progress in India is vital if we are to reach the Millennium Development Goals given the size of its population and disease burden. GAVI has made a significant commitment to India with mixed results. Our support to injection safety has catalysed the adoption of a national policy enabling India to sustain the use of safe injection practices entirely with its own resources. The introduction of Hepatitis B on the other hand has been slow. In 2009, $165 million was approved to fund the introduction of pentavalent vaccine in India, but India has been reconsidering its decision to introduce pentavalent vaccine. The question before the Board is whether

this $165m should remain available for India in whole or in part, or whether it should be released for programmes in other countries which are ready to introduce vaccines.

4. Programme funding policy

The programme funding policy paper invites the Board to take a decision about the balance between, on the one hand, absolute certainty that we will be able to fund the whole of a programme, and on the other, ensuring that we can maintain momentum by approving programmes and avoiding becoming a fund which manages a large financial reserve rather than using donors' money where it is needed, in countries.

The recommendation is that we should move to a position where, at the time a programme is approved, we must have and set aside resources to cover the needs of that programme and all previously approved programmes for the coming two calendar years. As a further safeguard, the Board would also be provided with a forecast of the resources that will be subsequently be required to continue those programmes for a further three years (or until their end, if earlier). Another important aspect is to clarify that GAVI would be able to consider as resources for this purpose, funds pledged to be received during the coming two years of the programme, as well as direct contributions anticipated up to the current level. This step is particularly important at a time when it is difficult for some donors to commit spending from the current year's budget. These changes are consistent with previous discussions by the Board, for example at the retreat in 2009, and build upon the prudent decision at Hanoi to adopt a reserve which will be maintained as a cushion against our spending commitments. It is also worth noting that this approach would be consistent with long standing practice in other funding institutions.

Co-financing

The decision on establishing principles for co-financing is an important one, but does not have an immediate bearing on the October 2009 IRC recommendations. The paper provides recommendations from the Programme and Policy Committee. It highlights the success of co-financing – almost all of the countries required to co-finance have done so, in good time: countries have met their commitments. But it is right that we continue to adapt the policy in the light of GAVI's experience and that of countries. Subject to the Board's views on the policy's objectives and principles, we will come back to the Board in November with specific policy recommendations. These will have financial implications but it is clear that while co-financing is important in creating ownership of our programmes, it is not likely to make a significant contribution to our financing gap in the next few years.

FOR INFORMATION

Summary of key decisions

In conclusion, the Board's decisions on the programme funding policy along with a decision on India will give us clarity about the resources available for programmes, and the prioritisation criteria, with the resource envelope decision, will give us a way of ranking the outstanding applications. If the Board approves these policies, it is likely that most, if not all, of the applications recommended by the October 2009 IRC could be approved. If the Board decides to take a more conservative approach to our finances, by requiring three or five years funding to be secured before a given programme can be approved, we will be able to fund some of the October 2009 recommendations. My advice to the Board is that we should approve the programme funding policy, because to do otherwise will reduce GAVI's momentum and damage our credibility with countries. But the Board will want to weigh this decision carefully as it is a significant one.

In the light of the Board's decisions, we will apply the new policies to inform a recommendation on exactly how many of the October 2009 recommendations should be funded. We need some time to consider the new policies against the available funds, so we are not in a position to recommend a decision on the October 2009 applications in June. In terms of the next application round, the Board could either:

- give guidance to the Executive Committee so that this body can decide in July when a new round of applications should be launched; or
- decide at the June meeting to launch a new application round.

In any event we cannot risk leaving these decisions until our Board meeting in November, as this would create too much uncertainty for countries and vaccine producers.

It is worth repeating at this point that we are proceeding down the route of prioritising with great reluctance. As I noted above, I believe one of the great virtues of the GAVI model is its sustainability. We are not seeking ever greater resources, because countries graduate as they become able to afford vaccines themselves, and over time we exert downward pressure on vaccine prices as we provide economies of scale in the market for vaccines in low-income countries.

We are seeking to maintain a "cruising altitude" which allows us to continue to meet demand for vaccines from GAVI-eligible countries. We have been able to reach or approach this altitude as a result of the front-loading of funds which IFFIm has permitted – $2 billion so far, with $1.8 billion remaining. Millions of future deaths would not have been prevented if it were not for IFFIm. The total annual funding requirement for our current vaccine portfolio from 2015 depends upon vaccine prices, which vaccines we take on, and the contribution made by co-financing, but is likely to be in the order of $800 million – $1.1 billion.

As I noted above, the Board was clear at our strategy retreat in May that you wanted us to maintain our ambition. Prioritisation allows us to manage the situation, but not to

FOR INFORMATION

maintain our ambition. I have set out our resource needs – over the next two years, receiving additional pledges of $300m is I believe realistic and achievable, and will allow us to meet the demand which we anticipate from countries. Without these pledges, GAVI will move from its virtuous circle which has already prevented millions of deaths to a vicious cycle of decline. I urge to do all that you can to prevent this happening to what we have built together.

Management update

As of 1 May 2010 there were 119 staff in the Secretariat and a further five vacancies where recruitment was underway. We have a good gender mix with 44% of staff men and 56% women. In addition the "glass ceiling" remains broken, with women well represented at all levels of the Secretariat and indeed at the Managing Director level women outnumber men. I am also pleased that, after the uncertainties for some staff associated with the transition from UNICEF in 2008 which was accompanied by a staff turnover of 17.8%, turnover dropped to 5.1% in 2009.

We have continued to attract and retain high calibre staff at all levels and since the last Board meeting in November 2009 several excellent new senior level appointments have been made. David Ferreira joined us in April of this year as Head of the Washington Office and Managing Director Innovative Finance. Barry Greene, who joined us for the Board retreat, is now established as our Managing Director of Finance and Operations. I know the Board will also join me in welcoming Debbie Adams as head of governance, taking over from our acting head of governance, Kevin Klock – my thanks to Kevin and the team for managing so well in the interim. Debbie will be joining us on 1 August but has kindly arranged to attend the June Board meeting. Finally, we will have to say goodbye to Tim Nielander this summer. I would like to take this opportunity to record my thanks to Tim who leaves us to return to the US and to private practice. Tim has been with GAVI since the early days, and has made a magnificent contribution. His replacement will be announced shortly.

As part of our focus in the Secretariat on corporate development, and twelve months on from the transition to a new legal entity, we decided to conduct a Staff Engagement Survey to provide staff with the opportunity to voice their opinions and to provide the organisation as a whole with feedback on what they saw as areas of strength and for improvement, including what staff would like to see more explicitly identified as the values and culture of GAVI. We also made a firm commitment that the results of the survey would be used to develop action plans both at the team level and across the organisation. We contracted Towers Watson to design the survey together with a staff working group. The survey was conducted in late January 2010, and 87% of staff completed the survey – a good level of engagement. The results have been presented to staff and work has begun across the Secretariat in each team to develop practical action plans to address the issues raised.

FOR INFORMATION

In summary the survey results confirmed that staff at GAVI are mission driven and have a strong sense of engagement and pride in our work. Staff considered their colleagues to be one of the best things about working for GAVI – a sentiment I share. I was pleased that staff felt that the Secretariat had established a climate where people can bring forward suggestions and ideas freely to improve the way we do things. However there is also room of improvement. Staff felt that there was a need for a clearer definition of the GAVI culture and values and a need for the leadership team to communicate more clearly on strategy and priorities. More effective processes and the planning of work, including improved cooperation and communication between teams, were also priorities. These areas were seen to contribute to excessive workload and, for some, an unsatisfactory work life balance. I plan to give you a more detailed presentation on the findings, combined with information on the actions taken, at the Board meeting at the end of this year. Overall at this stage Helen and I would say that many of the issues raised represent ones which are normal for an organisation which has grown rapidly and been through rapid change, and which operates in an environment where there is a lot of pressure – often from the Secretariat itself – to achieve our mission. We now have an objective basis upon which to address the issues which have been raised.

One action already in train, that we hope will address some staff concerns, is a review of processes and procedures. In October 2008 the Board approved the new Human Resources Strategy for the integrated GAVI Alliance Secretariat and these provided the framework for the development of internal administrative policies and procedures. We have all the basic foundations in place but, eighteen months on, we agreed that it was timely to review, revise as appropriate, and standardise these policies and procedures drawing on the experience gained from using them in practice.

Our new Director Internal Audit, Cees Klumper, is now established and is working to strengthen the control environment and our management of risks. At the beginning of 2009, GAVI introduced a new Transparency and Accountability Policy (TAP). The TAP applies to all existing and new cash-based programmes, with a particular focus on HSS and ISS. While the policy is geared to substantially reduce fiduciary risk, it is flexible and emphasises country ownership. Countries will now annually submit basic financial information using country reporting systems, and follow up with independent audit reports. These new policies and capacity in the secretariat have allowed us to respond to allegations of, or confirmed, misuse of funds in 3 countries (Uganda, Zambia and DRC), and allegations in one other country (Burundi) have been temporarily addressed through a Financial Management Assessment. I think this should help to give the Board reassurance that where there are questions about misuse of funds, we are in a position to deal with them.

This is part of a wider discussion about the Board's appetite for risk. The Board is naturally concerned, as am I, to measure the impact of the Alliance, and to fulfil its fiduciary duties – brought into sharper focus by the recent governance changes. A balance needs to be struck between putting in place systems to measure the impact of spending and to reduce the risk of misuse of funds, particularly in relation to cash-based programmes and the more expensive vaccines, and avoiding the creation of parallel

systems which can require new staff resources, and burden the very health systems which GAVI aims to support. I would like to come back to the Board in November on this issue.

Looking forward

As I noted above, there are some serious decisions before the Board which will shape the Alliance's future – in particular, approving the next five year strategy, and the four decisions on prioritisation, the resource envelope, India, and the programme funding policy, which will allow us to maintain our momentum by deciding on the outstanding 2009 IRC recommendations, and on our next round of applications.

It is also worth highlighting important decisions in the pipeline. The Programme and Policy Committee has appointed a task team to review supply and procurement with the aim of helping GAVI achieve lower prices in the long run, while balancing the needs for sufficient supply, and supply security in the market. We will also come back to the Board with the next steps on co-financing, and access to prices for graduating countries.

In taking the decisions that the Board has before it we need to remind ourselves what we have achieved, and keep our focus on the strategy that I hope will be approved by the Board. The strategy is underpinned by the sustainable development model that the Alliance represents – strong country ownership reinforced by country, co-financing contributions; a focus on the poorest countries with a clear path to graduation as their economies grow; and, an overt market-shaping approach, putting downward pressure on vaccine prices and helping to ensure that affordable life-saving vaccines are accessible to the children of the developing world. The funds required to achieve this and sustain a viable 'cruising altitude' for GAVI programmes are relatively modest. The return on investment is potentially huge.

The Alliance has been well placed in the key forums. Our expectation is that vaccination and the Alliance will get the recognition it deserves as part of an integrated approach to making progress on women and children's health as part of the Canadian G8 initiative. We are also building our links to key members of the G20 – several of which are already GAVI donors - and have had useful discussions with the Koreans about the G20 Summit in November. I will be working with my colleagues in the other global health agencies to encourage the Koreans to build the G20's role in international cooperation in global health; and of course France forms a link between the G8 and the G20 next year as it chairs both forums.

I look forward to our discussions in Geneva at the Board meeting.

ANNEX

Status of Board requests

Meeting	Issue	Request	Current status
Jun 08 Board	Uganda	Board approved the continuation of cash support pending the satisfactory implementation of the terms of the Aide Memoire.	The conclusion of the financial management assessment (including design of a robust funding mechanism for future GAVI funding) can only be reached when the replenishment issue is resolved. Until then all funding remains on hold.
Oct 08 Board	Vaccine investment strategy	Board agreed that the new vaccine implementation plan is to be discussed at Nov 09 Board meeting.	Addressed in Doc 09, *GAVI Alliance Pilot Prioritisation Mechanism.*
Oct 08 Board	Meningitis and YF investment cases	Board agreed to consider future funding if financing is available.	Addressed in Doc 09, *GAVI Alliance Pilot Prioritisation Mechanism.*
Mar 09 Board	Future of performance-based funding	Board requested that the Secretariat and the PPC develop a proposal on performance-based funding, including potential proposals to replace or redesign ISS.	A Performance-Based Financing Task Team was created to assist with the development of policy options to make GAVI support more explicitly performance-based. The task team developed three complementary approaches and the PPC gave feedback on the relative merits of them during its session on 18-19 May 2010. It has asked for additional work on transaction costs, links with other results based financing initiatives, and how the programme could be managed.
Apr 09 EC	Evaluation of IRC	EC requested a review of the IRC process	The final review report was released in March 2010 and followed by a management response. The PPC discussed the report at its 18-19 May 2010 meeting which revolved around the following: • Potential of perceived WHO conflicts of interest • The Board's role in approving recommen-dations of the Monitoring IRC • Potential conflict with in-house management of the IRC • Establishment of a country appeal mechanism • Open/competitive IRC membership
Jun 09 Board	Resource mobilisation strategy	The Board welcomed the Secretariat's proposal to develop resource mobilisation "work plans" for each Board member.	A plan for enhanced Board support to GAVI's resource mobilisation strategy is outlined in Doc 16, *A Call to Action – Resource Mobilisation 2010-2015.*

ANNEX

Meeting	Issue	Request	Current status
Jun 09 Board	Resource mobilisation strategy	The Board recommended that GAVI should explore synergies with other global health initiatives and "lock in dates" for a resource mobilisation event in early 2010.	The *GAVI Alliance High-Level Meeting on Financing Country Demand* took place from 25-26 March 2010 at The Hague, Netherlands. http://www.gavialliance.org/about/in_partnership/meeting/index.php
Jun 09 Board	UNFPA participation in Alliance Board	In November 2009, the Governance Committee was informed that the multilaterals are still working with UNFPA to consider how joining the Board will work in practice and that the matter will remain on the Governance Committee's agenda until resolved.	No formal resolution has been tabled for the Governance Committee's consideration as yet.
Jun 09 Board	Board turnover	The Board recommended balancing continuity and turnover to keep the Board fresh without too much turnover at once.	A review of the terms for all sitting board members and forward strategies for recruiting the upcoming vacancies was tabled for the Governance Committee's June 2010 meeting.
Jun 09 Board	Governance gender imbalance	The Board recommends remaining focused on correcting the gender imbalance on the Board and Committees with future Board nominations.	Discussed in Doc 18, *Guidelines on the GAVI Alliance Board Gender Balance.*
Jun 09 Board	IFFIm update	The Board authorised the CEO to execute documents, and legal actions to replace the GAVI Alliance as party to the IFFIm Agreements.	Complete
Nov 09 Board	Managing GAVI finances	The Secretariat should make a detailed analysis of the financial implications of the country programmes recommended for approval by the October 2009 IRC.	The Secretariat provided comprehensive financial position and projection updates to the Audit and Finance Committee and the Executive Committee in March 2010. These are also discussed in Doc 12, *Financial Outlook*. The Board may consider whether or not to proceed with tabling the October 2009 IRC programmes at the conclusion of the June board meeting.

ANNEX

Meeting	Issue	Request	Current status
Nov 09 Board	2010 administra-tive and work plan budget	Once the management and technical assistance needs with regard to health systems strengthening become clearer, the Secretariat will consider the full implications on its current budget and present these to the Audit and Finance Committee for review.	The Audit and Finance Committee considered a supplemental budget on 25 May which would pay for additional HSS costs linked to staff. The Secretariat noted that it preferred to look for savings to fund the positions but wanted to have a contingency budget considered. The Committee did not recommend consideration of a supplemental budget and instead requested the Secretariat to find the savings.
Nov 09 Board	Vaccine/in-kind donation policy	The PPC will work with the Secretariat to develop proper monitoring and evaluation procedures of the policy.	The Board approved the policy in November 2009. No new proposals for donations have been received since then.
Nov 09 Board	GAVI country eligibility and graduation policies	Endorsed that GAVI explore strategies to provide enhanced technical and/or financial support to countries with low DTP3 coverage to help them attain the required threshold for new vaccine introduction.	The PPC provided guidance on performance-based funding initiatives. The detailed design phase will come back to the PPC in October 2010.
Nov 09 Board	GAVI country eligibility and graduation policies	Endorsed that subject to funding availability, a new budget cap be considered for India for the period 2012-2015 and then revisited thereafter.	The Board will consider funding for India during its June meeting.
Nov 09 Board	GAVI country eligibility and graduation policies	Endorsed that GAVI explore facilitation of access to predictable and affordable prices for graduating countries after GAVI support ends.	Work is underway. Also addressed in Doc 08, *Next Steps on the Pneumococcal AMC.*
Nov 09 Board	GAVI country eligibility and graduation policies	Endorsed that GAVI explore, subject to funding availability, provision of a short additional period of flexible financial support for graduating countries after GAVI support ends to ease the transition to country self-financing.	Integrated in the work plan for 2011-12.

ANNEX

Meeting	Issue	Request	Current status
Nov 09 Board	Health Systems Funding Platform	Requested the PPC to work with the Secretariat to determine how GAVI should act on recommendations of the GAVI HSS programme mid-term evaluation and tracking study and integrate these into work on the joint platform.	The PPC has addressed this in various meetings. All Platform activity is taking account of the recommendations and the Programme Delivery team is using the recommendations in its day to day work with countries.
Nov 09 Board	Strategy 2011-2015	The Secretariat will develop a detailed process plan to ensure that comprehensive consultation process will be feasible under the current working timeline.	The Secretariat delivered a report on the development of the strategy with the EC in February. The EC noted that the Secretariat had either conducted or planned to conduct extensive consultations with a wide range of stakeholders including with individual board members, the EC, the PPC, and the Audit and Finance Committee. The EC endorsed the Secretariat's approach and plan for strategy development. *(EC Minutes, 9 Feb 2010, Section 1)*
Nov 09 Board	Strategy 2011-2015	Endorsed that the strategy development activities will be managed by a small cross-functional team from within the GAVI Secretariat, chaired by the Deputy CEO and advised by an independent time-limited task team.	The Secretariat established a time limited internal task team to serve as a sounding board for the process and guide the development of an evidence base. An external advisory group was appointed to advise on the process, methods and internal coherence and consistency of the strategy as the various components developed. The group was comprised of individuals with knowledge of global health, international development, public-private alliances, and strategy development.
Mar 10 EC	Strategy 2011-2015	The Committee requested the Secretariat share a draft of the paper to be tabled to the Board for its April retreat with committee members for comment prior to distribution to the Board.	The Secretariat sent the retreat paper to the EC on 22 March with a request to receive comments by 29 March.
Mar 10 EC	Programme approvals and financing	It was thought that a general risk management exercise (for example, using the COSO framework) might be useful in analysing GAVI's risk environment and asked the Secretariat to explore.	See Doc 14, *Fiduciary Risk Management*

ANNEX

Meeting	Issue	Request	Current status
Mar 10 EC	Health Systems Funding Platform	The Committee requested that the Secretariat articulate a plan to move the platform forward should only the World Bank and GAVI be ready to start within a reasonable period of time.	The Global Fund took a series of decisions on 28 April 2010 that allow all of the partners in the Platform to move forward in concert.
April 10 Board	Health Systems Funding Platform	The Board requested the Secretariat continue work with the Global Fund, the World Bank, WHO and others partners (bilateral agencies, other UN agencies, civil society organisations, private sector, etc) on Track 1 - harmonisation of existing investments to ensure better health outcomes (including immunisation-related), and better value for money.	The Board formally endorsed the Health Systems Funding Platform and endorsed a new three-year Health System Strengthening budget for Nepal of US$ 14,656,945 during the April 20 Board teleconference. Nepal has signed the decision letter for GAVI funding. The Secretariat has since developed a harmonisation and alignment workplan, a list of trial countries, and a timeline for implementation in coordination with HSFP Partners (GFATM, WHO, World Bank). At the Ministry's invitation, a joint review mission has already taken place in Cambodia and a mission to Ethiopia is scheduled for late July.
April 10 Board	Health Systems Funding Platform	The Board requested the Secretariat continue, based on consultations at country level, to work on the implementation of Track 2 Option 1 through the development of a joint proposal form with the Global Fund. The joint proposal form would be approved by the Programme and Policy Committee, for use as soon as possible.	The Secretariat is currently undertaking an analysis of potential options for a joint proposal in coordination with GFATM. The draft guidelines/form will be shared with WHO, World Bank and others in advance of the completion date – set for September – and will be tabled for discussion at the October 2010 PPC meeting.

ANNEX

Meeting	Issue	Request	Current status
April 10 Board	Health Systems Funding Platform	The Board requested continued work on Track 2 Option 2 - funding based on national plans, such that 4-5 countries could be approved by the Board, and start implementation in 2010. There will be a focus on lesson learning, partner engagement, results, and mechanisms for building health systems capacity at country level as part of the implementation (taking account of evaluation findings).	The Secretariat, with platform partners, has created terms of reference for the development of the joint application procedures based on national health plans and strategies, with work beginning 14 June. Joint Assessment of National Strategies processes are planned for Ethiopia and Uganda in July, with the GAVI Secretariat represented by HSFP partners. A July/August workshop will summarise the findings and design the new proposal guideline. The Board formally endorsed the Health Systems Funding Platform and endorsed a new three-year Health System Strengthening budget for Nepal of US$ 14,656,945 during the April 20 Board teleconference. Nepal has signed the decision letter for GAVI funding.
April 10 Board	Health Systems Funding Platform	The Board requested the Secretariat increase dialogue with partners, and develop a communications strategy with the Global Fund, the World Bank and others.	The Secretariat has established bi-weekly meetings with partners. The Secretariat is the communications lead among partners and has developed a common communications strategy and tools for partner approval by the end of June. Discussions are underway about quarterly meetings with a broader group (e.g. bilaterals, CSOs).
April 10 Board	Health Systems Funding Platform	The Board requested GAVI work with the Global Fund and other partners in the lead-up to the 2012 evaluation of the Health Systems Strengthening programme, to ensure there is an independent evaluation of the Health Systems Funding Platform.	The Secretariat has developed a workplan in coordination with partners. A July workshop will be held to advance the operationalisation of the monitoring and evaluation framework for the platform. The Secretariat is working with partners to explore opportunities to develop a systematic and forward looking approach to evaluation through the platform, with guidance from the Evaluation Advisory Committee.
May 10 EC	Strategy 2011-2015	The Executive Committee asked the Secretariat to send the revised key performance indicators for review and comment prior to distributing them to the Board.	Complete
May 10 EC	Resource mobilisation	The Secretariat should develop a suggested reporting tool for discussion at the next meeting with regard to resource mobilisation and GAVI's financial position.	In development