

Gavi Alliance Audit and Finance Committee Meeting

1 December 2015

Hotel Crowne Plaza, Geneva, Switzerland

1. Declarations of interest

- 1.1 Finding a quorum of Audit and Finance Committee members present, the meeting commenced at 13.00 Geneva time on 1 December 2015. David Sidwell, incoming Audit and Finance Committee Chair, chaired the meeting.
- 1.2 Standing declarations of interest were tabled to the Committee (Doc 01 in the Committee pack).

2. Committee members duties

- 2.1 David Sidwell informed Committee members that as incoming Chair of the Audit and Finance Committee he wished to share with them some of his views and expectations in relation to the responsibilities and functioning of the Committee going forward. He highlighted the importance of bearing in mind that Gavi is a legal entity and that in this context the AFC has to satisfy the governance requirements of such an entity. He expressed his view that it is important for Committee members to have a relationship built on trust and that can only work if Committee members spend some time together during in-person meetings.

Discussion

- Committee members agreed on the usefulness of combining in-person meetings and teleconferences. In addition to the four quarterly meetings scheduled, it was suggested that it might also be useful to have a short meeting of the Committee immediately preceding the Board meetings, for those members attending the Board meeting.

3. Forward year workplan review

- 3.1 The Committee reviewed its forward workplan (Doc 03a) and Tony Dutson, Senior Director, Finance and Chief Accounting Officer, presented a document highlighting the subjects and time sensitivity related to the 2016 workplan (Doc 03b).

Discussion

- AFC members noted that the dates finalised for the 2016 meetings had also been set to ensure that the Committee meets before the Programme and Policy Committee (PPC) to enable the PPC to have visibility on the funding available before they make policy or programme recommendations to the Board, in particular if there are trade-offs to be considered.
- AFC members were invited to submit any additional comments they might have on the workplan by email.
- AFC members also requested that a list be shared with them of all of the ongoing working groups etc. set up by the Secretariat, not only to ensure transparency but also so that organisations and/or constituencies can ensure representation on those of particular interest to them.

4. Current AFC ToR and review conducted by KPMG

- 4.1 David Sidwell referred to the note on Audit and Finance Committee operations in 2016 which had been included in the Committee pack (Doc 04a) on his behalf. He had drafted the note when reflecting on his upcoming role as Chair of the AFC.
- 4.2 Tony Dutson provided information on the review of the current AFC Charter (Doc 04b) which had been carried out by KPMG, on a pro bono basis, at the request of the Secretariat following discussions with David Sidwell, who had wished to reconcile the Charter with the workplan. KPMG had provided some reference materials which were also included in the pack for the Committee to consider (Docs 04c, 04d and 04e). The aim of this review had been to ascertain whether the AFC Charter is fit for purpose. The review had concluded that the Charter required considerable updating to cater for the expanded work of the AFC beyond what was originally undertaken some years ago when the AFC was established under the current governance structure of Gavi and to be consistent with the enhanced role of audit committees that had evolved over the past few years.
- 4.3 It also identified three items which should be added to the Charter, namely risk management, whistleblowing and explicit reference to the authority of the AFC.
- 4.4 It was also pointed out that some of the language used in the Charter is not standard. It was therefore suggested that it would be useful to refresh the Charter going forward.

Discussion

- AFC members noted that it is therefore proposed that the AFC Charter be revised. The process would be such that in the first instance KPMG would be asked to provide more detailed input. The proposed revisions would then be submitted to the AFC itself to review. Once the AFC has agreed on a proposed new Charter it

would be submitted to the Governance Committee to make a recommendation to the Board to approve the changes.

- Following a request from a member of the AFC, the Secretariat clarified that it is not the aim of this review to set up a new Committee structure separating audit from finance.
- AFC members agreed on the usefulness of reviewing the Charter in order to ensure clarity on the core fiduciary responsibility of the Committee, and ensure it aligns with the increasing complexity of the Alliance, which would then perhaps also enable the Committee to identify items or particular projects where there might be added value in the AFC looking at them more in-depth e.g. controls around cash in-country.
- AFC members noted that the Charter already provides for the appointment, by the AFC Chair, of non-voting expert advisers when needed and agreed that it could be useful to exercise this resource to support its work.
- AFC members also noted that the role of the Committee is to ensure that issues are being dealt with appropriately and that this does not necessarily mean that such issues have to be dealt with by the Committee itself.
- AFC members noted that as the Managing Director, Audit & Investigations, has a direct reporting line to the Board, he has an obligation to update the Audit and Finance Committee directly on any significant issues arising for the Alliance and that this would include updates on progress against programme audits. In due course, he would also carry out an audit of the risk management framework once it is in place, and report to the AFC on this.

5. Any other business

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

Mr Philip Armstrong
Secretary

Attachment A

Participants

Committee Members

- David Sidwell, Incoming Chair
- Shanelle Hall
- Marcus Koll
- François Lefebvre (by phone)
- Katherine Taylor

Regrets

- Wayne Berson
- Tom Hunstad
- Yifei Li
- Jo-Ann Purcell

Secretariat

- Philip Armstrong
- Jacob van der Blij
- Tony Dutson
- Joanne Goetz
- Barry Greene
- Simon Lamb

Guests

- Heidi Malene

Observers

- Sara Nicholls