

REVIEW OF DECISIONS

BOARD MEETING

30 July 2020, Virtual Meeting



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Decision 1: Financial Forecast

The Gavi Alliance Board:

Noted that the Audit and Finance Committee has reviewed the financial implications of the recommendation as set out in Figures 1 of Doc 03b (Financial Update) to the 23 July 2020 meeting of the Audit and Finance Committee and concluded that the recommendation could be approved by the Gavi Alliance Board in accordance with the Programme Funding Policy.

Decision 2: Gavi COVAX AMC (1/2)

The Gavi Alliance Board:

- a) **Approved** the establishment of the Gavi COVAX AMC as a financing mechanism for the procurement of COVID-19 vaccines for eligible economies as set out in Doc 04b as read with b) below;

- b) **Approved** the recommended eligibility for the Gavi COVAX AMC as comprising all low income and lower middle-income economies, plus the other World Bank IDA-eligible economies, i.e. economies with a GNI per capita under ~US\$ 4,000, plus other IDA-eligible economies. Having regard to the 2018 World Bank GNI data and with the addition of new economies as per 2019 WB GNI data, this comprises 92 ~~90~~ economies, and should be read with c) below; and

Decision 2: Gavi COVAX AMC (2/2)

- c) **Noted** that this decision is exceptional and does not amend previous decisions on Gavi's eligibility for core financing and relates only to the Gavi COVAX AMC, and a decision on COVAX AMC co-financing will be made by the Board in September 2020.

Decision 3: COVAX Facility Structure and Governance (1/6)

Building on the approvals and guidance provided by the Board at its meetings of 11 May and 24 and 25 June 2020, the Gavi Alliance Board:

- a) **Recognised** that the global fight against the COVID-19 pandemic and the nature of the disease call for the creation of a global mechanism to ensure rapid, fair and equitable global access to a safe and efficacious COVID-19 vaccine to as broad a population as possible.

- b) **Noted** that, given the supply constraint environment and ongoing bilateral initiatives to secure availability of vaccine candidates, the timing for such a mechanism to become effective is of the essence.

Decision 3: COVAX Facility Structure and Governance (2/6)

- c) **Acknowledged** that, across several options presented to the Board, Gavi being entrusted with the task to administer the COVAX Facility is the fastest way to have an established and credible legal entity working towards the objective of ensuring global and equitable access of COVID-19 vaccines and that the benefits of Gavi administering the COVAX Facility outweigh the risks.

- d) **Noted** that administering the COVAX Facility is aligned with Gavi's mission given the expected benefits it will yield for low income economies.

Decision 3: COVAX Facility Structure and Governance (3/6)

- e) **Approved** Gavi as the legal entity to administer the COVAX Facility with immediate effect; provided that:
- i. Gavi's role will be reassessed by the Board on the earlier of: (a) the Board meeting taking place between June and September of 2023, and (b) the first Board meeting taking place after the Participants have been allocated enough Doses to vaccinate at least 20% of their population pursuant to the WHO's Allocation Mechanism; and

Decision 3: COVAX Facility Structure and Governance (4/6)

- ii. The Secretariat will, at all times, ensure that:
 - (i) Facility funds will be segregated from Gavi's core financing, and funding provided by the Self-financing Participants will be segregated from the funds received from the AMC donors under the Covax AMC;
 - (ii) Expenses associated with the administration of the Facility will be paid for with administrative fees provided by Self-Financing Participants and AMC funding in accordance with an appropriate allocation methodology;
 - (iii) Gavi would not enter into agreements with manufacturers which result in Self-Financing Participants being distributed doses without having provided a legally binding financial commitment to procure such doses, with appropriate financial backing for such commitment; and
 - (iv) Additional staff would be hired to ensure capacity and bandwidth for the set-up and, ultimately, implementation of the Facility.

Decision 3: COVAX Facility Structure and Governance (5/6)

- f) **Requested** the Secretariat to present to the Board in September: (i) a risk assessment and risk mitigation plan for the COVAX Facility; and (ii) detailed ToRs for the new governance and advisory bodies, and in December 2020 (iii) a reporting framework.
- g) **Requested** the Secretariat to convene a Board meeting by no later than July 2021 to assess Gavi's continued role in the administration of the Facility.
- h) **Noted** the establishment of a COVAX Shareholders Council to provide strategic guidance on the administration of the COVAX Facility, which body shall be self-organising and will operate in accordance with its operating procedures.

Decision 3: COVAX Facility Structure and Governance (6/6)

- i) **Approved** the amendments to the Market-Sensitive Decisions Committee (MSDC) Charter as set out in Annex C to Doc 04b to allow for review and approval of COVAX transactions with manufacturers to include members of the COVAX oversight body, recognising that the MSDC is authorised to review the business terms of COVAX Facility transactions until such time as the COVAX oversight body is in a position to nominate members to the MSDC notwithstanding the provisions set out in the revised MSDC Charter.

Decision 4: Pre-Financing of COVAX Facility

The Gavi Alliance Board:

Approved the pre-financing of the COVAX Facility initial costs through Gavi funds to enable operationalisation of the COVAX Facility, which includes the COVAX AMC mechanism. The estimated amount is US\$ 8.4 million, of which US\$ 1.4 million has already been incurred and an incremental US\$ 7 million is forecasted for the next 12 months. These costs will ultimately be funded through the COVAX Facility participation fees for Self-financed Participants and through Gavi funding mobilised for procurement and delivery of COVID-19 vaccines for Gavi-supported Participants.

Thank you



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