

## **Gavi Alliance Programme and Policy Committee Meeting**

19-20 May 2021

Virtual meeting

### **1. Chair's report**

- 1.1 Finding a quorum of members present, the meeting commenced at 13.31 Geneva time on 19 May 2021. Helen Rees, Programme and Policy Committee (PPC) Chair, chaired the meeting.
- 1.2 As the PPC Charter allows for any Board or Alternate Board members to observe Committee meetings, the PPC Chair welcomed Beth Arthy (United Kingdom/Qatar) and John Arne Røttingen (Norway/Finland/Netherlands/Sweden) as observers.
- 1.3 In the context of ongoing efforts to strengthen the relationship between the PPC and the Evaluation Advisory Committee (EAC), the Chair welcomed Zulfiqar Bhutta, interim EAC Chair.
- 1.4 Standing declarations of interest were tabled to the Committee (Doc 01a in the Committee pack). One PPC member requested that the Governance Committee review how the Conflict of Interest Policy for Governance Bodies has been implemented recently and whether the increased number of recusals is well aligned with the spirit of the policy, which clearly recognises that Gavi's alliance structure may result in Interests and Conflicts of Interest, but that there is value in bringing voices together despite this. There was concern expressed that if Committee members are asked to recuse themselves from taking part in a decision that Gavi may be inadvertently stifling conversation and debate.
- 1.5 The minutes of the PPC meeting of 28-29 October 2020 were tabled to the Committee for information (Doc 01b in the Committee pack). The minutes had been circulated and approved by no-objection on 10 March 2021.
- 1.6 The Chair referred to the PPC workplan (Doc 01c). Committee members were reminded that they may contribute to the workplan by raising issues with either herself or the Secretariat. Given the special circumstances of COVID-19, it was noted that the workplan should be considered indicative and likely to change. One PPC member suggested that given the intensity of workload for upcoming meetings, the PPC might consider some alternative working models, including: (i) introducing subgroups of the PPC to review some papers in more detail and report into the PPC; and (ii) scheduling deep dive discussions on some of the more complex topics.

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## **2. CEO Update**

- 2.1 Seth Berkley, CEO, noted that 15 months into the pandemic, and as the world grapples with COVID-19, Gavi remains focused on effectively responding to the pandemic, preventing backsliding in routine immunisation, and at the same time continuing to press forward on the Gavi 5.0 agenda within current country capacity limits.
- 2.2 He provided an update on key global developments, highlighting that the 2020 United Kingdom (UK) annual donor review had awarded Gavi an A on the annual review, with an A+ for the International Finance Facility for Immunisation (IFFIm) and an A+ for the pneumococcal conjugate vaccine Advance Market Commitment (PCV AMC). Gavi also ranked among the top 12 health institutions in the Global Health 50/50 Report.
- 2.3 In relation to Gavi 5.0 planning and programmatic developments, Dr Berkley gave a brief update on key performance metrics, operationalisation of the zero-dose framework and Gavi's efforts to maintain, restore and strengthen routine immunisation (RI).
- 2.4 Dr Berkley highlighted key vaccine related developments on polio, malaria, measles/measles rubella, Ebola, and the yellow fever diagnostics initiative.
- 2.5 On the impact of COVID-19 on immunisation services, Dr Berkley noted that immunisation is demonstrating some resilience, but the real impact will only be known when more data becomes available. Updated monthly administrative data in 2020 show encouraging evidence of restored vaccination services across countries, but we must remain vigilant.
- 2.6 He gave a brief update on the COVAX Facility, noting that COVAX now has the processes and mechanisms in place, and has delivered 68.8 million doses to 124 economies and secured over 2 billion doses of vaccine in total for participant economies. He referred to the extraordinary show of support from the Group of 7 (G7) hosted by the UK Prime Minister Boris Johnson, with leaders committing US\$ 4.3 billion to the ACT-Accelerator. The acute supply challenges facing COVAX were highlighted. COVAX partners and the Gavi Secretariat are working to secure and deliver more doses, including through further diversifying the COVAX portfolio, working to secure and distribute donated doses, and working with manufacturers to increase capacity.
- 2.7 He also referred to the upcoming Gavi COVAX AMC Summit on 2 June 2021, which will be co-hosted by Japanese Prime Minister H.E. Yoshihide Suga and José Manuel Barroso, Chair of the Gavi Board, with the aim to secure at least US\$ 1.7 billion for 2021 in order to accelerate access for AMC-eligible countries to 1.8 billion COVID-19 vaccine doses, 500m of which would be additional doses.
- 2.8 Dr Berkley concluded by providing key updates on the Gavi Secretariat, including on continued remote working arrangements, and the progress of implementing the organisational review and structural changes.

## Discussion

- In relation to the impact of COVID-19 on RI, the Secretariat noted the ongoing work to implement the Gavi 5.0 strategy while balancing the work of the COVAX Facility and strengthening capacities in countries in challenging contexts. The resilience of RI systems to COVID-19 disruptions differ widely, and the full impact of the pandemic will only become known in the longer term. It is critical for countries to prepare for a substantial surge of COVID-19 vaccine roll-out towards the end of 2021, and this will require flexibility in work planning.
- PPC members expressed concern over the ripple effect of the suspension of the Serum Institute of India (SII) exports and noted the importance of scaling up production and supplies.
- In relation to optimising the limited supplies of COVID-19 vaccine, the Secretariat noted that WHO recommends deploying the vaccines available as widely as possible. While local production is important, the focus must remain on securing as much vaccine as possible while striving to build vaccine manufacturing capacities at the national level.
- Gavi investments in polio were highlighted as critical in maintaining results achieved so far in the context of COVID-19 disruptions, particularly as the current focus in many countries has shifted from eradication of polio to sustaining the eradication agenda.
- In relation to the Malaria vaccine, it was highlighted that related technical briefings will be provided to the PPC and the Board members in early to mid-September in anticipation of full review by the Strategic Advisory Group of Experts on Immunization (SAGE) in October.
- It was noted that the challenges associated with COVID-19 are shifting the nature of Gavi's support from development work to humanitarian response which requires adjusting some of Gavi's processes in order to adapt to new realities.
- The Secretariat noted a request from some PPC members to provide more detail on additional Gavi staffing needs, notably the Senior Country Managers (SCMs) positions, and the resources needed for delivery and partners across the Alliance at the June Board meeting.

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### **3. Strategy, Programmes and Partnerships: Progress, Risk & Challenges**

- 3.1 Anuradha Gupta, Deputy CEO, provided introductory comments related to the impact of the COVID-19 pandemic on routine immunisation (RI) and Gavi 5.0 (Doc 03). She reported that after initial, and quite severe, disruptions in the second quarter of 2020, there had been encouraging immunisation recovery, in many cases to pre-pandemic levels; however, significant regional variations are apparent.

- 3.2 She highlighted that it is anticipated that there will be an overall drop of 5-10% in third dose of diphtheria, tetanus and pertussis vaccine (DTP3) and first dose of measles containing vaccine (MCV1) coverage in 2020, to be confirmed by WHO and UNICEF estimates of national immunisation coverage (WUENIC) in July and an increase in under-immunised and zero-dose children, noting that this underscores the importance of Gavi's zero dose agenda.
- 3.3 She explained that Gavi is continuing to monitor the strategy indicators and Alliance processes to understand the pandemic's overall impact on Gavi's core mission. As anticipated, vaccine introductions were significantly impacted in 2020. Currently 39 introductions including campaigns are forecast to occur in 2021, but uncertainty remains, and country priorities may further shift due to focus on delivering COVID-19 vaccines. However, countries have so far continued to demonstrate steady commitment to domestic financing for vaccines and meeting co-financing obligations despite the fiscal stress caused by the pandemic.
- 3.4 Ms Gupta reinforced that due to the financial and capacity constraints of the pandemic, more efficient and integrated approaches are urgently needed, with an aim of reaching zero-dose children and missed communities with immunisation, as they are at the highest risk of increased diseases and deaths. Gavi has updated its vaccine funding guidelines to reflect this; for example, campaign proposals should reflect strategies to reach consistently missed children and differentiated use of operational costs. Secretariat processes are also being updated to increase efficiency, encourage greater differentiation, integration of applications, and multi-year approvals to provide more stable support to countries and partners.
- 3.5 She also provided an update on the new Partnerships Team, which has replaced the Partners' Engagement Framework (PEF) Management Team, and has now met twice, and outlined the proposed structural changes to the PEF funding model. While country-level investments through Targeted Country Assistance (TCA) will remain the central PEF element, changes at the global and regional level were proposed to replace Foundational Support and Special Investments in Strategic Focus Areas with three new areas of support, with clear roles, resourcing and accountabilities: i) funding for global and regional functions at UNICEF and WHO; ii) tailored agreements with other partners for co-ordination and/or prioritisation of immunisation agendas; and iii) time-limited, catalytic investments with partners at global and regional levels to focus on zero-dose and other strategic priorities.
- 3.6 Thabani Maphosa, Managing Director, Country Programmes, provided an update on the operationalisation of the zero-dose agenda. He described the efforts underway to address existing inequities that have been exacerbated by the COVID-19 pandemic, including by mobilising the Alliance and additional stakeholders to catalyse progress on equity. He also outlined the key levers for equity, including the Equity Accelerator Funding (EAF) approach, which has been designed to support innovative approaches and complement other Gavi levers as well as new multi-country projects focusing on the Sahel and Horn of Africa,

## Discussion

- PPC members noted on the yellow fever diagnostic capacity strengthening that there has been clear progress towards the established indicators with a relatively small investment of Gavi resources. The PPC agreed that this recommendation can be put on the consent agenda for the June 2021 Board meeting.
- On the proposed changes to the structure of the PEF support to partners at the global and regional levels, the PPC agreed to put the recommendation forward to the Board at its June 2021 meeting. The PPC requested that several outstanding questions be clarified prior to the June 2021 Board meeting, taking advantage of the scheduled Partnerships Team (PT) meeting in June for this purpose. Specifically, PPC members indicated that they would expect the PT team to discuss: (i) more specifics on the design of the three buckets at global/regional levels and the implications of the Board decision; providing clarity on how each of the proposed PEF buckets complements each other; (ii) ensuring there is country ownership around the inclusion of new partners and simplification of approach; (iii) funding allocation and decision-making processes for the PEF buckets; and (iv) alignment between the new Communities of Practice and the planned Immunization Agenda 2030 (IA2030) Working Groups.
- One PPC member asked specifically about how financial sustainability would be included under Gavi 5.0. It was clarified that the proposal is for both financial sustainability and the zero-dose approach to have dedicated communities of practice (COPs), noting that the COPs would build on the existing Strategic Focus Areas (SFAs), where there is an existing SFA on sustainability.
- Another PPC member queried whether the new structure might create competition between partners. It was clarified that the purpose in proposing the dedicated WHO/UNICEF bucket is to remove any potential competition between Civil Society Organisations (CSOs) and other partners and WHO and UNICEF. This would allow other partners to look at their comparative advantage and have the flexibility to tailor agreements.
- In response to comments raised, it was clarified that there is no requirement to update the structure of PEF funding at the global/regional levels, and that funding could continue to be provided under the existing structure of Foundational Support and Special Investments for SFAs. The proposed updated structure is intended to address lessons learned from Gavi 4.0 but is not an imperative in order to effectively fund partners under PEF for Gavi 5.0.
- It was also suggested that the Gavi Secretariat endeavour to simplify the financing arrangements for new partners which would play a vital role in advancing the zero-dose agenda.
- PPC members also cautioned that the ambitions on zero-dose reduction in Gavi 5.0 carry the risk of incentivising campaigns over longer-term system strengthening and that Gavi needs to safeguard against this.



- Several PPC members mentioned the importance of centering country voices and perspectives in the design work for multi-country projects under EAF.
- Finally, it was suggested that reaching zero-dose children will require some speed, especially in conflict settings, and that Gavi will need to implement a flexible approach and timely processes to be able to reach the zero-dose children.

### **Decision One**

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** an extension through the end of 2022 of the currently forecasted amount which remains within the initially approved envelope of US\$ 8.2 million authorised for the 2019-2021 period for costs related to the procurement and distribution of laboratory reagents, supplies, and equipment for yellow fever diagnostic capacity strengthening through a diagnostic procurement mechanism based on Gavi's existing application, review, and approval processes as set forth in Annex E to Doc 03; and
- b) **Approve** the new Partners' Engagement Framework (PEF) structure for support to partners at the global and regional levels across three new categories replacing Foundational Support and Special Investments in Strategic Focus Areas: (a) WHO and UNICEF: global and regional functions; (b) other partners: Tailored agreements for co-ordination/prioritisation of immunisation agendas; and (c) Global/Regional partners: Time limited, catalytic investments in activities in zero-dose and other strategic priorities.

*Will Schluter (R&THI) recused himself and did not vote on Decision One above.*

*Lubna Hashmat (CSO), Robin Nandy (UNICEF), Kate O'Brien (WHO), and Kent Ranson (World Bank) recused themselves and did not vote on Decision One b) above.*

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## **4. Gavi 5.0: Measurement Framework**

- 4.1 Dan Hogan, Head, Measurements & Strategic Information, provided some introductory remarks on this item (Doc 04). He referred to the uncertainty created by COVID-19 for Gavi 5.0 target setting, noting that the targets are proposed to be measured against the 2019 baselines which are more stable from a measurement perspective and are consistent with Immunization Agenda 2030 (IA 2030). He also noted that if disruptions to immunisation programmes caused by to the COVID-19 pandemic end up being larger or last longer than assumed, the Secretariat may request the PPC and the Board to revise these targets.
- 4.2 He outlined the approach for setting the proposed targets for selected Gavi 5.0 mission and strategy performance indicators. He noted that further targets will be brought to the PPC in October 2021, consistent with timelines agreed with the Board at its July 2020 meeting.

## Discussion

- The PPC commended the Secretariat on the quality of the work undertaken, particularly on the alignment with the IA2030 agenda.
- The PPC endorsed the proposal to refer to 2019 as a baseline for the indicators, as immunisation programmes are experiencing disruptions that may well extend to 2022. The PPC emphasised the importance of establishing targets in order for donors to finalise their logframes and set their Key Performance Indicators (KPIs) and targets.
- The Secretariat noted the importance of having an independent evaluation and confirmed that the Evaluation Advisory Committee (EAC) had already included this in its Gavi 5.0 workplan, to be concluded ahead of the mid-term review.
- In response to a query on measuring gender equality, the Secretariat referred to the strategy indicator dedicated to gender, and the learning agenda on measuring gender barriers as part of the approved gender policy.
- The Secretariat noted the importance of capitalising on the collection of COVID-19 data. It was noted, however, that for the time being the Measurement Framework will be kept separate from COVAX reporting, given the latter's rapidly evolving nature, with a possibility to reconsider efficiencies between the two in the future.
- On data collection, it was noted that administrative sources are being used to report on immunisation backsliding recovery, however there may be children dropping out that are being missed. It was elaborated that Civil Society Organisations (CSOs) as frontline workers can support data collection and reporting on performance which is critical for the operationalisation of the framework. The Secretariat noted that with Gavi 5.0 there will be a focus on monitoring local communities and thus the engagement with the CSOs will be instrumental.
- In response to a question on the risk of not seeing progress on the geographic equity indicator, the Secretariat noted that considerable analysis has been conducted focusing on subnational coverage estimates at the district level. Results showed that within countries, the areas that have high prevalence of zero-dose are also areas with high dropout rates.
- The PPC agreed to add a reference in the decision point language on the alignment of the Gavi 5.0 Measurement Framework with the IA 2030 agenda, and agreed to include this decision on the consent agenda for the June 2021 Board meeting.

## **Decision Two**

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it **approve** the proposed targets for selected Gavi 5.0 mission and strategy performance indicators in Annex D to Doc 04, noting that:

- a) The targets will be measured against a 2019 baseline;
- b) The targets are aligned with Immunization Agenda (IA) 2030;
- c) The targets are established under the assumption that COVID-19-related disruptions to immunisation programmes will be limited in 2021 and beyond; however if they are greater or extend longer than assumed the Secretariat may request the Board to adjust the targets; and
- d) Targets for remaining mission and strategy performance indicators in Annex C to Doc 04 will be brought for approval later this year.

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## **5. Fiduciary Risk Assurance and Financial Management of Gavi Grants in Gavi 5.0**

- 5.1 Awinja Wameyo, Director, Portfolio Financial Management, provided an introduction on a new strategic approach for the financial management of Gavi's grants for Gavi 5.0 (Doc 05), which will support sustainable systems in reaching zero-dose and missed communities, but also in mitigating inherent fiduciary risk.
- 5.2 She underscored that the ambition is for Gavi to have 55% of funds channeled through government systems by the end of the strategic period, up from 29%. Beyond simply channeling funds through government accounts, the approach also aims to support countries to increase their use of all other elements of country systems, including country oversight institutions.

### *Discussion*

- PPC members encouraged collaboration with other funding partners who are investing in similar areas. The Secretariat explained that it has been collaborating across partners, as well as with other global oversight organisations, such as the International Federation of Accountants.
- Several PPC members queried whether the proposed investment was appropriate for the ambition. The Secretariat explained that this figure is based on several examples of successful transitions and has been pressure tested.
- One PPC member reinforced that risk assessment should be based on evidence and not assumptions. It was clarified that this type of determination is made based on a variety of evidence sources on a country-by-country basis, in many cases in collaboration with partners.



- On the design of the performance framework of any fiduciary agents employed under the new strategic approach, one PPC member proposed that country capacity building be included. The Secretariat confirmed that this is part of the design of the new approach.
- One PPC member asked whether Gavi should be looking at integrating financial management better into the basic PEF funding. The Secretariat noted that previously this activity had been fragmented across health systems strengthening (HSS), PEF and the 'Change 3' facility. It has been separated out in the new design to give it more visibility.
- One PPC member noted that the focus of the new approach is on Gavi grants, which is different from the broader question of whether countries have the capacity to manage their wider programmes. The Secretariat offered the case of Tanzania as an example where Gavi helped the country connect its Integrated Financial Management System (IFMIS) at the Expanded Programme on Immunization (EPI)-level to the broader IFMIS system, which even though initially it was for the purpose of Gavi grants, proved catalytic for the broader system and for partners.
- Several PPC members queried whether Gavi should strive for its funding to be on budget in countries, and what steps would be required to make this happen. It was clarified that this is already part of the framework for government systems funding.
- Given that this is a critical topic for political reasons, PPC members requested that the Secretariat be very transparent and provide timely communication with partners if any situation of misuse or fraud were to arise.
- One PPC member asked about whether Gavi has considered local legislative frameworks that might or might not enable accountability. The Secretariat confirmed that this will be part of the work in Gavi 5.0 to understand that framework, particularly as countries agree to shift funds to the subnational level.

### **Decision Three**

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** the approach set forth in Annex D to Doc 05 to strengthen fiduciary risk assurance and financial management of Gavi grants in Gavi 5.0; and
- b) **Approve** the associated investment of US\$ 139 million for 2022-2025, in addition to the US\$ 25 million of bridge funding previously approved by the Board for 2021, for an overall amount of US\$ 164 million for the approach in Gavi 5.0 to be used for the duration of the strategic period (2021-2025).

*Lubna Hashmat (CSO), Robin Nandy (UNICEF), Kate O'Brien (WHO), and Kent Ranson (World Bank) recused themselves and did not vote on Decision Three above.*

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## **6. Gavi 5.0: Market Shaping Strategy**

- 6.1 Ed Baker, Senior Specialist, Market Shaping, presented the key features of the proposed new Gavi 5.0 Market Shaping Strategy (Doc 06). He noted that the strategy was developed following the approval of the PPC of the strategy's terms of reference.
- 6.2 He presented an overview of how the market shaping model has evolved since 2000 to date, provided a brief overview on multiple trends that are influencing the markets, and outlined the three strategic priorities of the proposed new strategy.

### *Discussion*

- The PPC recognised the extensive consultations with stakeholders and the alignment across the Alliance in the development of the Market Shaping Strategy. PPC members welcomed the tailored approach with shared risks and expanding the strategy to foster a sustainably competitive future supplier base support for healthy demand and leveraging the innovation agenda to ensure the enabling environment for transformational innovation. Country decision-making capacity was also noted as a highly important consideration to take into account.
- PPC members noted Gavi's substantial leverage in the global market, with vaccine prices being obtained at 90-95% reduction. This leverage also depends on the vaccine in question.
- PPC members highlighted the variable effects of market shaping on Developing Country manufacturers and noted that the current processes and systems make it highly challenging for new vaccine manufacturing capacities to compete in a purely price-oriented environment. The Secretariat noted that the proposed strategy aims to understand new supplier profiling and strives to adapt to new supplier challenges and scale up intelligence in this regard.
- In relation to regulatory support, the PPC chair highlighted the necessity for more streamlining and coordination amongst partners.
- The Secretariat noted that the proposed strategy encompasses all Gavi supported vaccines, except for the COVID-19 vaccines; however, with more clarity on the market dynamics, COVID-19 vaccines may play an important role in the strategy. The Secretariat was encouraged to draw on lessons learned from challenges and opportunities brought by the COVID-19 pandemic. Early engagement with manufacturers to plan capacities for new vaccines will prevent supply and demand imbalances.
- In responding to a question on the impact of manufacturers' prioritisation of COVID-19 vaccines on the supply of other vaccines, the Secretariat noted that it is monitoring this issue very closely.

- In relation to the implementation of the strategy, staffing and timelines, the Secretariat clarified that the activities included in the annexes are predominantly for 2021.
- The PPC agreed to include this decision on the consent agenda for the June 2021 Board meeting.

#### **Decision Four**

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

**Approve** the Market Shaping Strategy 5.0 as set out in Annex D to Doc 06.

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#### **7. Civil Society and Community Engagement Approach**

- 7.1 Susan Mackay, Head, Demand, Communities and Gender, provided an introduction to a proposed new approach for civil society and community engagement (CSCE) approach (Doc 07) that includes three key shifts: (i) managing CSO engagement more effectively and deliberately; (ii) enhancing capacity, not just of civil society and communities, but also of the Secretariat, Alliance partners and Government, and (iii) funding civil society and community engagement much more efficiently.
- 7.2 She also explained that guidance was needed from the PPC about two potential funding options.
- 7.3 The Chair noted that the representative of the CSO Constituency, which could be directly impacted by the outcome of this discussion, would be invited to make remarks prior to the start of the discussion, would be present for the discussion but would be recused from participating in the decision. The CSO representative provided introductory remarks and noted that her constituency had been fully engaged in the development of the approach and felt ownership of it.

#### *Discussion*

- PPC members recommended the new approach and strategic priorities, and universally recognised the importance of CSO contributions to the achievement of Gavi 5.0 goals and IA2030 goals.
- The PPC indicated the need to reflect the new CSCE approach in key areas of Gavi's work including equity and zero-dose, COVAX delivery, partnerships and fiduciary risk management.
- With respect to the request for guidance on funding options, a majority of PPC members cautiously favoured ringfencing health systems strengthening (HSS) and Targeted Country Assistance (TCA) funds for civil society in order to maximise

the opportunity for success of the new approach. However, PPC members cautioned that Gavi must keep the approach simple, avoid fragmenting existing funding streams, maintain government ownership and accountability, and make this sustainable, and requested that the Secretariat do more work to try to address these complexities.

- PPC members noted the tension that appears to exist between this approach, which proposes to contract with CSOs directly, and the new fiduciary risk assurance approach (Doc 05) that aims to shift resources where possible back to government systems.
- Several PPC members also indicated that capacity building for local CSOs should be included, so that they can take up funding and act responsibly with it, and suggested multi-year funding. It was clarified that the new approach includes the potential for support for CSOs for technical assistance (through TCA) as well as for CSOs for service delivery (through HSS).
- PPC members noted that operationalising this approach will be complex and will require a country-by-country consideration of capacity and coordination matters, and of the constellation of partners available to support the process.
- PPC members indicated that there is a need to ensure buy-in from in-country partners, national governments, and other key stakeholders, who will need to be very mindful of the operational consequences of this new approach. It will be critical to set joint expectations around what can realistically be achieved, given the very substantial challenges in some settings and the diversity of actors.
- Several PPC members mentioned their appreciation for the learning agenda that was outlined, which will be an important measure to determine success as the implementation proceeds.
- Finally, it was requested that the CSO Constituency continue its close engagement in this area, including in oversight of this workstream.

### **Decision Five**

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

**Approve** the Gavi Civil Society and Community Engagement Approach as set out in Annex C to Doc 07, recognising the need to closely monitor, learn and refine and bring back to the PPC and Board for guidance as needed.

*Lubna Hashmat (CSO) recused herself and did not vote on Decision Five above.*

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## **8. COVAX update**

- 8.1 Aurélia Nguyen, Managing Director, Office of the COVAX Facility, provided introductory remarks noting that in the time since the establishment of the COVAX Facility, the disease and the landscape have both evolved.
- 8.2 The PPC is now being requested to consider a recommendation on the country participation model for Self-Financing Participants (SFPs) in the Facility from 2022 on (Doc 08).
- 8.3 Ms Nguyen summarised the ways in which Gavi's engagement in COVID-19 vaccines through COVAX could complement and support Gavi 5.0 goals; and she outlined the recommendation for the COVID-19 Delivery and Systems Strengthening (CDSS) support mechanism.

### *Discussion*

- With respect to the options for the country participation model, the PPC agreed to consider option two that limits the risks and aims to simplify processes, subject to further information requested by the PPC being made available to the Board, as well as subject to analysis by the Audit and Finance Committee (AFC) on the three proposed models.
- PPC members requested that the Secretariat provide risk considerations assessing the financial, governance, reputational and legal risks for each of the presented options. The options must be assessed against Global Health Security, the pandemic outlook, equity dimensions, and the impact on the AMCs in terms of supply and pricing issues if certain countries will no longer be part of the Facility.
- PPC members expressed ongoing concern over fiduciary risk. The Secretariat noted that this will be a key focus in the renewed set of terms of conditions. The AFC will review the new set of terms and conditions with some of the existing mitigation measures to manage such risks from a strategic perspective.
- On the timing of the decision, the Secretariat clarified that the timing is related to critical considerations such as deal making for 2022 to secure early volumes, and to provide ample time for the SFPs to plan for alternative arrangements should that be necessary. In relation to commitments made to deliver COVID-19 vaccines to SFPs, the Secretariat confirmed that all obligations will be fulfilled and honoured. The Secretariat confirmed that SFPs will be asked to decide on their participation based on new set of terms and conditions that are focused on mitigating sovereign credit risks.
- With respect to market shaping for former and never-Gavi eligible countries, PPC members requested more information regarding the parameters that Gavi is considering and the role it envisions to play in the near term.
- PPC members noted that delivery support for COVID-19 vaccines is critical for vaccine uptake and is also important for strengthening RI in line with Gavi 5.0 objectives which otherwise would be at risk in the absence of delivery funds, noting



that risks for RI that cannot be mitigated through CDSS alone. This is of particular importance as countries prepare to deliver a surge of COVID-19 vaccines in the second half of 2021.

- The Secretariat responded to a query on the accessibility of SFPs to the Humanitarian Buffer if they transition, noting that humanitarian agencies can apply for support for implementation in all territories regardless of if the territory is a COVAX participant or not. Access to governments however is limited to participants.
- It was clarified that the funding envelope for delivery based on the previous Board-approved decision to allocate 5% of the US\$ 150 million is included in the CDSS envelope. Humanitarian agencies such as the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and others are coordinating appeals to raise additional funds for the Humanitarian Buffer in coordination with the Gavi Resource Mobilisation team.
- Recognising the imminent surge of COVID-19 vaccine deliveries to countries as of Q3 2021 and significant gaps in the availability of operational costs in many countries, PPC members encouraged the Secretariat to adopt an “emergency posture” and disburse funding rapidly on a “no regrets” basis, without a standard application or review. The PPC recognised that this would require a higher fiduciary and programmatic risk appetite aligned with the emergency context of the pandemic.
- One PPC member encouraged the Secretariat to provide more details in the COVAX reporting beyond the number of delivery support applications approved and dollars dispersed. The Secretariat clarified that it is considering a composite metric which would measure the output of delivery support and that this will be developed after the Board meeting in June 2021.
- The Secretariat noted a request to include more details in future reporting on product preference and specified that this will be part of the thinking on how to construct the COVAX portfolio in an actively managed approach and adapt to country preferences that are shifting over time.
- The Secretariat also noted a request to include tools such as the joint readiness assessments and National Vaccine Deployment Plans (NVPDs) to coordinate support across donors.

### **Decision Six**

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board:

- a) That it **consider** Option 2 for the future participation model for Self-Financing Participants (SFPs) and the proposal to unify terms and conditions as set out in Annex E to Doc 08 subject to additional information including risk considerations requested by the Programme and Policy Committee being made available to the Board and

subject to the analysis of the three models as recommended by the Audit and Finance Committee;

- b) That it **approve** the design of the COVID-19 Delivery and System Strengthening (CDSS) envelope and cross-cutting delivery elements as set out in Annex F to Doc 08 and associated funding of US\$ 775 million pending confirmation of availability of funding by the Gavi Alliance Audit and Finance Committee (AFC); and
- c) Recognising the emergency context, that it **delegate** to the Secretariat, with support from partners WHO and UNICEF, the authority to allot and disburse up to 30% of COVID-19 Delivery and System Strengthening (CDSS) funds to scale-up delivery of COVID-19 vaccines without requiring independent review for rapid disbursement and utilising existing programmatic and fiduciary risk mitigation mechanisms such as those used in emergency and humanitarian contexts on a no regrets basis.

*Joan Benson (IFPMA) and Sai Prasad (DCVMN) recused themselves and did not vote on Decision Six a) above.*

*Lubna Hashmat (CSO), Robin Nandy (UNICEF), and Kate O'Brien (WHO) recused themselves and did not vote on Decision Six b) and c) above.*

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## 9. Gavi 5.0: Innovation Strategy

- 9.1 Seth Berkley, CEO, introduced this topic by commenting on Gavi's innovation focus since its founding along with its history of bold, inter-disciplinary ways of working. During Gavi 4.0, the Gavi Secretariat had experimented with and evaluated a wide set of approaches to innovation. These included investments across a range of programmatic areas and utilised diverse mechanisms for funding and delivery.
- 9.2 Nick Davis, Consultant, provided a framing on the proposed new approach on innovation (Doc 09). Building on the many lessons learned, the Secretariat is developing an overarching framework for innovation to guide investments in a set of funded activities and ecosystem support so that Gavi-supported countries can take advantage of new products, practices and services and ensure that they are sustainable over time.
- 9.3 He also provided context around the request to the PPC to recommend to the Board an initial funding request in the amount of US\$ 5 million for the Vaccine Innovation Prioritisation Strategy (VIPS).

### *Discussion*

- PPC members were broadly supportive of the outlined innovation approach set out in the paper.

- On the question of the creation of new advisory bodies, PPC members advised that it would be worth exploring whether it would be possible to draw on other existing bodies, e.g. the IA2030 working group on innovation and research, and regional bodies, before creating any new advisory bodies. It will also be important to clarify the relationship between any advisory bodies on this topic and the PPC and Board.
- PPC members suggested that country perspectives and needs will need to be taken into account. One PPC member noted that country participation should extend beyond the simple adoption by countries of an innovation to include country participation in innovating the ideas and designs.
- PPC members also requested that the design team consider the diversity of countries and the scope of potential innovation and integration. A solution for one country may not be appropriate for all settings, particularly around digital solutions, and so 'scaling up' may not imply all Gavi-eligible countries. One PPC member noted that digital solutions have not worked well in Nigeria, Afghanistan, or Pakistan. The Secretariat responded that this needs to be a country-led approach, developing relationships and supporting and incentivising investment in innovation and it is hoped that any investment in innovation would support local innovation ecosystems as well.
- One PPC member recommended a more integrated approach to ensure that investments are not duplicating efforts with national systems and that any innovations are supported by governments.
- PPC members also queried the level of resources and effort that were planned against each portion of the approach. It was clarified that this is early thinking but about 70-80% might go to category one (reaching zero-dose and missed communities, improving efficiencies and reducing hesitancy), and about 10% to category two (strengthening the innovation ecosystem and support conditions for future scale) and three (partnering with countries, Alliance partners and private sector partners).
- PPC members encouraged the Secretariat to engage widely, and it was noted that it is intended to run a series of informal consultations that will develop the approach more with key stakeholder groups before coming to the PPC and Board. It was also suggested that it will be important to engage with industry as early as possible with a clear policy and financing pathway to allow companies to make timely investment decisions, and to consider whether to include some form of mechanism that rewards innovations undertaken by companies.
- PPC members also asked for more detail on how the impact of these investments will be measured, noting that the return on investment and cost efficiency will need to be considered differently than other work areas.
- The PPC supported the recommendation for an initial investment on the Vaccine Innovation Prioritisation Strategy (VIPS) for 2021-2023 and agreed that it would be appropriate to put this on the consent agenda for the June 2021 Board meeting.

## **Decision Seven**

The Gavi Alliance Programme and Policy Committee **recommended** to the Gavi Alliance Board that it:

**Approve** an initial investment of up to US\$ 5 million for the Vaccine Innovation Prioritisation Strategy (VIPS) for costs related to short-term (2021-2023) activities to provide guidance for and incentivise development of the three VIPS innovation priorities, namely clarifying the potential demand and willingness-to-pay, defining investment cases and understanding the need for and design of push and pull funding mechanisms, and generating evidence of programmatic impact, pending confirmation of availability of funding by the Gavi Alliance Audit and Finance Committee (AFC) at its meeting on 7 June 2021.

*Will Schluter (R&THI), Robin Nandy (UNICEF), Kate O'Brien (WHO), and Violaine Mitchell (Bill & Melinda Gates Foundation) recused themselves and did not vote on Decision Seven above.*

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### **10. Strategic Partnership with India**

- 10.1 Mr Homero Hernandez, Senior Country Manager, provided introductory remarks noting that the Secretariat is seeking PPC guidance on the high-level case for continued equity-focused investments in India for the 2022-2026 period (Doc 10).
- 10.2 He acknowledged the ongoing second wave of COVID-19 in India and highlighted its knock-on effects on COVID-19 vaccine supplies through COVAX.
- 10.3 He outlined the seven overarching principles that will guide the design and implementation of the next phase of the partnership, noting that the proposal is to invest US\$ 250 million for the period 2022 to 2026, out of which about US\$ 200 million will be implemented during the Gavi 5.0 period.

#### *Discussion*

- The PPC acknowledged the accomplishments achieved in India with Gavi support, notably the improvements to immunisation coverage, and generally agreed that there is a need for continued investment in India.
- As a representative of the Government of India, Ms Vandana Gurnani provided some contextual information on the partnership. She highlighted the significant recent achievements, including the introduction of an unprecedented number of vaccines, the impact on under-five mortality, strengthened health systems, and multiple innovations.
- Furthermore, the partnership was being developed as a result of substantial consultations between the government of India, Gavi and partners. India's

commitment to equity and the zero-dose agenda remains firm. India will strive to build on the COVID-19 vaccination experience to strengthen RI.

- In relation to the introduction of Human papillomavirus vaccine (HPV), legal hurdles must still be overcome with the case pending in the supreme court preventing this specific vaccine introduction. However, a stable and ramped up manufacturing of HPV will be critical to respond to the large adolescent girls' cohort in India. In the event that HPV introductions are delayed further, the Secretariat was encouraged to consider a mechanism to allow the allocated funding to support alternative vaccine or implementation support activities.
- One PPC member highlighted that Gavi's partnership with India must be catalytic and must support the government in building the capacity of its domestic institutions.
- Several PPC members underscored the need for flexibility in the scope of the partnership, considering the substantial proportion of children who drop out need to be addressed to prevent future risk of outbreaks. The Secretariat confirmed that discussions are ongoing with the Government of India in this regard.
- In relation to the involvement of CSOs considering India's regulation to governing overseas contributions to NGO's, the Secretariat referred to the positive experiences with community-based and women's empowerment organisations, and the aim is to scale these engagements up and build them into the next partnership which will be part of the discussions with the government.
- One PPC member suggested that Technical Assistance (TA) to India should be considered based on the type of TA provided to MICs to prevent backsliding.
- On the question of transition, India's strong track record in RI was highlighted, however it was suggested that a subnational strategy, including a comprehensive mapping of community institutions including local CSOs, will be an important aspect to ensure sustainability beyond this support. The Secretariat referred to the special relationship with India, noting that many parts of the country are poorer than many Gavi eligible countries and therefore the focus will be subnational. While India is moving into a MIC classification, it is being handled as a special case given the size of the country, its large birth cohort, and its role as a major vaccine supplier to Gavi.
- On the equity agenda, one PPC member underscored the importance of granting all zero-dose children equitable attention and support from the Alliance regardless of the size of their country.
- The Secretariat responded to a query on the zero-dose agenda confirming it does serve as an entry point for a broader integration with the reproductive maternal newborn child and adolescent health (RMNCH) agenda in India, noting Gavi's engagement in this initiative since its outset.

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**11. Review of decisions**

- 11.1 Joanne Goetz, Head, Governance, reviewed the decision language with the Committee which was approved by them.

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**12. Any other business**

- 12.1 Helen Rees, PPC Chair, thanked the PPC members for the rich discussions and bid farewell on behalf of the PPC to outgoing PPC member Robin Nandy, recognising him for his valuable contributions to the PPC over the past five years.
- 12.2 After determining there was no further business, the meeting was brought to a close.

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Mrs Joanne Goetz  
Secretary to the Meeting

## Attachment A

### Participants

#### Committee Members

- Helen Rees, Chair
- Ahmed Abdallah
- Edna Yolani Batres
- Joan Benson
- Bernhard Braune
- Naomi Dumbrell
- Susan Elden
- Vandana Gurnani
- Lubna Hashmat
- Violaine Mitchell
- Robin Nandy
- Kate O'Brien
- Kelechi Ohiri
- Sai Prasad
- Michael Kent Ranson
- William Schluter
- Karin Westerberg
- Seth Berkley, Chief Executive Officer
- Alejandro Cravioto (Day One)

#### Other Board members attending

- Beth Arthy, Board member (Agenda Items 1-3 and 8-12)
- John-Arne Røttingen, Board member (Agenda Item 8)

#### Observers

- Zulfiqar Bhutta, interim Chair, Gavi Evaluation Advisory Committee
- Muluken Desta, Special Adviser to the AFRO Anglophone constituency
- Ruzan Gyurjyan, Special Adviser to the EURO constituency
- Rolando Pinel, Special Adviser to the PAHO constituency
- Zaeem UI Haaq, Special Adviser to the EMRO constituency
- Oulech Taha, Special Adviser to the AFRO Francophone/Lusophone constituency
- Stella Villares, Special Adviser to the Board Chair

#### Gavi Secretariat

- Anuradha Gupta
- Nadine Abu-Sway
- Johannes Ahrendts
- Ed Baker (Agenda Item 6)
- Pascal Barollier
- Pascal Bijleveld
- Hannah Burris
- Adrien de Chaisemartin
- Santiago Cornejo
- Sally Dalgaard (Agenda Items 1-6)
- Nick Davis (Agenda Item 9)
- Assietou Diouf
- Joanne Goetz
- Dominic Hein (Agenda Item 6)
- Homero Hernandez (Agenda Item 10)
- Daniel Hogan (Agenda Item 4)
- Hope Johnson
- Alex de Jonquières
- Brenda Killen
- Susan Mackay (Agenda Item 7)
- Thabani Maphosa
- Marion Menozzi-Arnaud (Agenda Item 9)
- Meegan Murray-Lopez
- Aurélia Nguyen
- Deepali Patel
- Antara Sinha (Agenda Items 1-6)
- Awinja Wameyo (Agenda Item 5)
- Sanne Wendes
- Jacob van der Blij