14th GAVI BOARD MEETING
Abuja, Nigeria, 4-5 December 2004

Summary Report

1 Presentation by Nigeria immunization programme

- The Board welcomed the presentation delivered by the Nigerian National Immunization Programme manager and looks forward to seeing positive health outcomes arising from the strategies described therein.

2 Overview of the first phase of GAVI and The Vaccine Fund financial report

- The alliance has achieved considerable successes in raising overall attention and commitment to immunization. It will be important however to further strengthen the foundation of immunization: routine services.
- When considering the financial picture it is also important to know the total financing needs for immunization, so that the contribution of GAVI/The Vaccine Fund can be placed into the larger context.

DECISIONS
The Board:

2.1 Welcomed the announcement by H.E. State Secretary Annika Söder of Sweden that the Swedish parliament had just approved an allocation of SEK 100 million (approximately US$ 14 million, depending on exchange rates) for GAVI/The Vaccine Fund in 2005. Sweden contributed a total of SEK 55 million to GAVI in 2004.

2.2 Requested that all future GAVI Board meetings include financial reports from The Vaccine Fund.

3 Final report of the 2003 Work Plan and Interim report of the GAVI 2004-05 Work Plan

- As the planning starts on the next GAVI work plan it will be important to present the Board with less detail and more of a broad and strategic perspective, so that it does not 'lose the forest in the trees'.

DECISIONS
The Board:

3.1 Approved the report of the 2003 Work Plan

3.2 Adopted the proposed reallocations and additional budgets for 2004-05 Work Plan.

4 ADIP Management Committee Report and Recommendations

- The rotavirus vaccines now being tested are being analyzed as to whether they will protect against the strains that are prevalent in developing countries. Current evidence indicates that they might provide this 'cross-protection'.
- New information from the United States indicates that the pneumococcal vaccine now being provided there to infants is having a substantial 'herd-immunity' effect – protecting non-vaccinated population against disease.
- There was a debate as to whether UNICEF should automatically be responsible for all procurement activities for GAVI, including all negotiations with industry. Some members felt that existing systems should be used, while others felt that future decisions should be based on the competitive merit of different options.
- Given that some issues pertaining to vaccines under development may differ from those pertaining to existing vaccines, different procurement strategies might be required for new vaccines. It was noted that this will be taken up by the UNICEF – Gates Foundation review of procurement strategies due to be presented to the July Board with an interim report to the April Board.

DECISIONS

The Board:

4.1 Adopted the ADIP 2005 budgets:

4.1.1 Rotavirus ADIP: $11,035,594;

4.1.2 Pneumococcal ADIP: $8,752,909.

4.2 Adopted the terms of reference for the Rotavirus Vaccine Supply Working Group, with the following adjustments:

4.2.1 Its composition should be revised to include a donor representative.

4.2.2 It should outline precisely the strategy for supply of rotavirus vaccines including pricing policy, and the role of UNICEF, and provide justification for why that strategy is being used. This strategy could then feed into the work being done on the long-term procurement strategy.

4.2.3 Procurement could ultimately be the responsibility of UNICEF.

5 Recommendations of the Hib task force

- Board members expressed satisfaction with the thorough and consultative work of the group. Other board members, however, were disappointed that the information was not more conclusive.
- Defined in basic terms, a 'probe' study consists of introducing a new vaccine in certain communities and not in others, and tracking disease burden in all communities to see whether, and how much, impact the vaccine has had. Considering that India is home to 20% of the world's pneumonia disease burden, conducting a Hib probe study in India will be important.

DECISIONS

The Board:

5.1 Approved an overall envelope of $37 million to be awarded through a competitive tender either to a single partner or to a consortium of GAVI

partners working together over a four-year period to provide programmatic support to those countries wishing to continue to use Hib vaccine and to those countries wishing to explore whether the introduction of Hib vaccine is a priority for their immunization program/health system.

5.2 Agreed to appoint an independent review group to review proposals and make a recommendation to the GAVI Board.

5.3 Requested the Hib task force to develop a more specific process for the solicitation and review of proposals, including proposing the composition of the independent review group.

5.4 Agreed that the ADIP Management Committee, (with a revised membership to address the broadened mandate), should provide management oversight for the Hib work.

6 Financing

- The gravity of the financial situation that would face countries which introduced the more expensive combination vaccines was not anticipated at the outset of GAVI. The momentum and excitement of the early days were infectious and developing countries hastened to come on board. Now that the situation has become clear, it is essential that GAVI uphold its dynamic nature and change according to lessons learned.
- In the early planning phases of GAVI it was expected that broad-based health sector support would increase, and therefore that support from the Vaccine Fund could be limited to five years, as other funding would become available. Now it appears that the expected increases have not materialized and it would not be appropriate or helpful to approach donors at this time to request more money for immunization and health. So the Vaccine Fund's definition of time-limited funding will need to be extended to longer than five years.
- The early assumption that vaccine prices would drop in response to greater demand has also not materialized. However, we must revise the common thinking about vaccines prices: new vaccines do not cost pennies per dose, nor should they; even at higher prices vaccines are one of the most cost-effective health interventions.
- Looking forward it is essential that country priorities are at the center of decisions. It might be that different bridge financing models are needed for different situations. But this needs to be weighed against the need to keep transaction costs low – including at the global level – by employing simple procedures.

DECISIONS

The Board:

6.1 Agreed not to create a Board subgroup to explore with major bilateral and multilateral assistance agencies their willingness and ability to increase financing for health and immunization programs, but requested the Executive Secretary to identify other opportunities such as the High Level Forum to do this work.

6.2 Agreed that bridge financing should not be restricted to a $300 million ceiling but that flexibility is needed, and that a period longer than five years may be required, at least in certain countries.

6.3 Agreed that differentiation of countries according to GNI, so that the poorest countries may contribute a lower co-payment than the less poor countries, should be explored.

6.4 Requested the Financing Task Force to look at perhaps three different countries with different situations and calibrate recommendations based on these in depth analyses. The analysis should be conducted in the context of a risk management approach. A complete investment case for bridge financing would be submitted to the Board in March 2005.

6.5 Requested the Working Group to revise the current process for country applications and financial support to ensure that in the future, financial implications are fully understood by the countries prior to introduction of new vaccines with GAVI/Vaccine Fund support. This could include engaging the involvement of finance ministries.

7 ISS Extension

DECISIONS

The Board:

7.1 Approved a one-year extension of Immunization Services Support (ISS) funding for the countries whose ISS funding is scheduled to end by the end of 2005.

7.2 Endorsed the idea that in some cases ISS support could be channelled through ICC implementing partners in low-performing countries and requested the GAVI Working Group to initiate a diagnostic process to consider the modalities of this type of support. Synergies with the High Level Forum work on weak countries should be explored.

8 Independent Review Committee (IRC) policy recommendations

- It was recommended that the ICCs should be more empowered in the analysis of proposals. In particular, partners like WHO and UNICEF should place experts in ministries of health to help to improve the quality of proposals, thereby minimizing the need for extensive reviews and delays. This would further contribute for the capacity building in ministries of health.
- In phase 2 it will be important to simplify the application process for GAVI/Vaccine Fund support to countries. i.e., make the funds available to countries without complicating the process.

DECISIONS

The Board:

8.1 Endorsed the Independent Review Committee (IRC) monitoring team policy recommendations as reviewed by the Working Group.

9 Recommendation of the governance sub-group

DECISIONS

The Board decided the following:

9.1 On the Board role and mandate:

9.1.1 The Board should focus on a limited number of issues, while delegating others. It would retain its oversight responsibility, with its work facilitated by the Executive Committee. Specifically, the Board should delegate to the Executive Secretary (see decision 8.10.3):

- Secretariat staffing structure, within approved budgets,
- Day-to-day management of the alliance, including operational decisions.

9.1.2 The Board should adopt a performance evaluation system, with the help of periodical internal / external reviews.

9.2 On the Board's composition:

9.2.1 One seat for IFFIm donors on a rotational basis will be added if and when the IFFIm materializes. As the IFFIm develops, additional mechanisms to ensure participation of IFFIm donors could be considered.

9.2.2 One developing country Board seat will be added, ensuring that Africa is adequately represented.

9.2.3 The seat for the Vaccine Fund would be maintained, represented by a Vaccine Fund Board member.

9.2.4 The Research Institute and Technical Agency seats will be combined so that when the term of Jan Holmgren of Gotheberg University ends in June 2006 his seat will not be re-filled. The term of Arlene King of Health Canada ends in June 2007 and an appropriate candidate that represents research and technical agencies will be sought.

9.2.5 UNICEF, WHO and the World Bank should only have one seat each on the GAVI Board. The Chair of the Board is additional to the agency representation on the Board, i.e., when WHO is chair there will also be a seat for a WHO representative.

9.3 On the Board's operations:

9.3.1 The use of teleconferences should be limited.

9.3.2 Decisions should be reached in most cases through consensus.

9.3.3 The Board will meet three times in 2005, considering the important strategic issues that will need Board deliberation and decision. The meetings would be held in March/April, June/July and November/December.

9.3.4 An e-mail-based, "no objection" voting system will be adopted for simple topics which require Board decisions but do not require extensive discussion or deliberation.

9.3.5 The Secretariat should provide more support to developing country representatives to ensure adequate understanding of the issues and improve communication with the constituency members.

9.3.6 An introductory "Board book" should be provided to new Board members, for quick reference and understanding of GAVI issues.

9.3.7 The use of ad-hoc and temporary groups, when required, to handle specific topics will be continued.

9.4 On the management of Board meetings:

9.4.1 Agendas should be focused on the main roles of the Board, namely:

- strategic vision and direction,
- objectives and milestones,
- country program approval and fund requests,
- workplan and secretariat budget approval and control,
- Executive Secretary nomination and evaluation,
- monitoring commitment, stimulating alignment and resolving issues among partners, and
- contributions to advocacy and fundraising

9.4.2 Materials should be distributed with sufficient time in advance. If documents are not distributed 10 working days prior to a meeting the agenda item should be removed, and the decisions points should not be changed after the document is distributed.

9.4.3 A formal process of recapitulation of decisions taken at the end of each Board and EC meetings should be adopted.

9.4.4 Meeting reporting should continue to focus on board decisions, but provide more detail on the discussions especially when there are differing opinions.

9.5 On the Executive Committee role and mandate:

9.5.1 The EC should be retained, with broadly the same mandate and authority (see attached the terms of reference for the EC agreed at the July 2003 Board meeting). The EC is not a decision-making body but primarily an advisory body to the GAVI Board in order to facilitate its work. The only authority the EC currently has is to "review and act on recommendations of the IRC on country proposals, and request payments from The Vaccine Fund between full Board meetings."

9.6 On the Executive Committee composition:

9.6.1 While some Board members expressed concern about increasing the size of the EC, it was decided that two seats for industry representatives from developed and developing countries will be added.

9.6.2 In light of convergence the Vaccine Fund seat will be dropped.

9.6.3 The EC will continue to be chaired by the Chair of the GAVI Board.

9.6.4 Members attending the EC would solely be the direct deputy of the permanent board member, without any further delegation allowed. This pragmatic solution would ensure that the EC can meet more often. The EC should however, proactively invite the principal when important topics/conflicts are addressed.

9.7 On the Executive Committee operations:

9.7.1 The EC should meet more often than it does today, as needed, through face-to-face or video / conferences.

9.8 On the Working Group role and mandate:

9.8.1 The Working Group should continue its current function, reporting to the GAVI Secretariat. The name of the group should be changed to distinguish it from other working groups. However the proposed name, Secretariat Support Group, was not accepted by the Board as it does not adequately reflect its advisory role.

9.9 On the Working Group composition:

9.9.1 The current composition of the Working Group should be retained, namely that it broadly reflects the composition of the Board, with individuals selected based on skill. Individuals should be selected by the Executive Secretary, in consultation with the Board Chair.

9.9.2 In light of convergence the Vaccine Fund seat will be dropped.

9.9.3 A seat for technical agency representative will be added.

9.10 Other recommendations:

9.10.1 The IRC mechanism should be retained as currently defined with a more structured process for selection of new IRC members.

9.10.2 ICCs will need to be strengthened to play an appropriate and strong role in coordination and oversight of GAVI/Vaccine Fund support in countries. WHO and UNICEF should reach out to their national representatives to strengthen their commitment to and ownership of GAVI/Vaccine Fund.

9.10.3 More managerial authority should be delegated to the Executive Secretary; this will be especially important as the convergence process ensues and decisions will need to be made about staffing and other implementation issues.

9.10.4 Providing support to the board members from developing countries, including communicating key policies, is a key function of the Secretariat and should be formalized and supported in the Secretariat budget.

10 Framework for strengthening immunization services

- A balance between performance-based and needs-based funding is needed to avoid rewarding the high performers and neglecting the weaker countries, or rewarding low performance by providing support based on need.
- Countries will need to be consulted to identify how to improve accountability, especially within the ICCs.
- Operational, or applied, research is still needed to identify and replicate best practices while also identifying those practices which are not as effective.

DECISIONS

The Board:

10.1 Endorsed the proposed principles for immunization services support in GAVI Phase 2, to use as the basis for developing a comprehensive proposal for GAVI Board consideration. This proposal will to the furthest possible extent follow the investment case framework guidelines.

10.2 Endorsed the timeline for finalizing this process, i.e. reporting on progress and key policy issues to the GAVI Board at its next meeting (March/April 2005), and presenting a full proposal to the Board in June/July 2005.

10.3 Named a task team of interested partners, coordinated by the Secretariat, to take this work forward: GAVI Secretariat (coordinator), Danida, Gates Foundation, DFID, NORAD, PATH, WHO, UNICEF, World Bank [industrialized country vaccine industry subsequently requested to be on the team].

11 Long-term procurement strategy

- The Gates Foundation and UNICEF Supply Division committed to submitting a procurement strategy for review by the GAVI Board at its 2005 summer meeting. In preparation for this, a set of principles that would be used to guide a procurement strategy would be presented to the Board for endorsement at its March/April meeting, together with steps taken on the development of advanced procurement of unfunded demand for pentavalent vaccine (if the IFFIm is enacted).
- The Board agreed that a technical meeting would be convened in late January/early February to inform the development of a long-term procurement strategy for GAVI.

12 Funding for innovations programme

DECISIONS

The Board:

12.1 Endorsed the general direction outlined in the paper, with the recommendation that the team working on developing this proposal work closely with the task team working on the investment case for strengthening immunization services (see above).

13 Eligible countries in phase 2

DECISIONS

The Board:

13.1 Adopted the proposed list of 72 eligible countries for phase 2, based on 2003 GNI/capita below US$1000. Four countries that were previously eligible are no longer eligible because their incomes have risen above US$1000 (Albania, Bosnia & Herzegovina, China, and Turkmenistan); while Kiribati has been added as its income has fallen below.

14 Global Immunization Vision and Strategy

- The Board welcomed the work that has been done so far but stressed that the final product should be directed to audiences that are not already convinced of the importance of immunization.
- It will be important to provide more financial information about how much is needed and what the financing gap is.

15 International Finance Facility for Immunization (IFFIm)

DECISIONS

The Board:

15.1 Applauded the UK and France for their leadership and continued commitment to make the IFFIm a reality.

15.2 Endorsed in principle the proposal that, should there be a need for an initial disbursement of IFFIm funds early in 2005, these be spent to support the polio stockpile, measles and tetanus campaigns, and advance procurement of combination vaccines, and that most future expenditures from the IFFIm be based on the GAVI Phase II process (including strengthening immunization services).

15.3 Requested full investment cases for the polio stockpile, measles campaigns, and tetanus campaigns, to be submitted to the Board for its March/April meeting.

15.4 Agreed that the focus on introducing new vaccines cannot come at the expense of routine immunization.

15.5 Requested a comprehensive strategy to properly communicate to countries the conditionality of IFFIm in order to avoid misinterpretation.

15.6 Requested the IFFIm task team to explore whether replacement of the cold chain could be a component of the initial disbursements from the IFFIm.

15.7 Agreed that it will be the responsibility of the GAVI Board to provide public support and endorsement of the IFFIm.

15.8 Endorsed the recommendation of the IFFIm task team to recommend three candidates for the IFFIm Board at this time: Ms Jane Gladson (USA), Ms Michèle Boccoz (France), and Mr Rajiv Misra (India). Other candidates will be recommended at a later time but three directors are required now to set up the IFFIm.

16 Board turnover

DECISIONS

The Board:

16.1 Accepted the nomination of Norway to assume the industrialized country government seat being vacated by Canada at the end of 2004. Norway, whose term will be from January 2005 to December 2007, will be represented by Norad Senior Executive Adviser Dr Sigrun Mogedal.

16.2 Accepted the nomination of Benin, Cambodia, and Ghana to assume developing country government seats, considering that the Board has decided to increase the representation by developing countries by one seat (see section 7 on governance). Two seats are being vacated at the end of 2004 – Mongolia and Mozambique. Benin will be represented by Minister of Public Health Dr Yvette Seignon; Cambodia will be represented by Minister of Health Prof. Eng Huot; and Ghana will be represented by Minister of Health Dr K. Afriyie. To stagger turnover in the future one of the three members, chosen in consultation with the Chair, will have a term of four years instead of three.

16.3 Accepted the nomination of the International Pediatric Association (IPA) to assume the NGO seat that was vacated by the International Federation of the Red Cross and Red Crescent Societies in July 2003. The IPA, whose term will be from January 2005 to December 2007, will be represented by the current IPA president, Dr Adenike Grange.

16.4 Accepted the nomination of the Bio-Manguinhos/Fiocruz, Brazil to assume the developing country vaccine industry being vacated by Serum Institute of India at the end of 2004. Bio-Manguinhos/Fiocruz, whose term will be from January 2005 to December 2007, will be represented by Dr. Akira Homma, Director, Bio-Manguinhos/Fiocruz.