

## Gavi Alliance Board Meeting

11 May 2020  
Teleconference

14.30-16.30 Geneva time  
Quorum: 14

### Document list

No.	Document
00a	Document list
00b	Agenda
01a	Declarations of interest
01b	Minutes from 19 March 2020
02	Update on Replenishment ( <i>To follow</i> )
03	IFFIm COVID Arrangement Proposal
04	COVID-19: Gavi's Immediate and Interim Response
05	<i>Review of decisions (No paper)</i>
06	<i>Closing remarks (No paper)</i>



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### Agenda

Item	Subject	Action	Schedule
1	<b>Chair's report</b> <ul style="list-style-type: none"><li>• Declarations of interest</li><li>• Minutes from 19 March 2020</li></ul> Ngozi Okonjo-Iweala, Board Chair	<b>INFORMATION</b>	14.30-14.40
2	<b>Update on Replenishment</b> Seth Berkley, Chief Executive Officer Marie-Ange Saraka-Yao, Managing Director, Resource Mobilisation, Private Sector Partnerships and Innovative Finance	<b>GUIDANCE</b>	14.40-15.10
3	<b>IFFIm COVID Arrangement Proposal</b> Marie-Ange Saraka-Yao, Managing Director, Resource Mobilisation, Private Sector Partnerships and Innovative Finance	<b>DECISION</b>	15.10-15.25
4	<b>COVID-19: Gavi's Immediate and Interim Response</b> Seth Berkley, Chief Executive Officer	<b>DECISION</b>	15.25-16.25
5	<b>Review of decisions</b> Philip Armstrong, Director, Governance		16.25-16.30
6	<b>Closing remarks</b> Ngozi Okonjo-Iweala, Board Chair		16.30

**Next meetings:** 24-25 June 2020, Virtual Meeting, 14.00-18.00 Geneva  
14-16 December 2020, Geneva (*includes Closed Session*)

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**Philip Armstrong**, Director, Governance and Secretary to the Board, +41 22 909 6504, [parmstrong@gavi.org](mailto:parmstrong@gavi.org)  
**Joanne Goetz**, Head, Governance, +41 22 909 6544, [jgoetz@gavi.org](mailto:jgoetz@gavi.org)

*Please note that the Board meeting will be recorded. This recording will be used as an aid to minute the meeting. A transcription of the full proceedings will not normally be made. Should a transcription be made it will be used only as an aid to minute the meeting.*



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### Declarations of Interest

#### Declarations

Section 5.5 of the Conflicts of Interest Policy for Governance Bodies states “Members involved in decision-making processes on behalf of Gavi must take appropriate action to ensure disclosure of Interests and Conflicts of Interest, and take the necessary action in respect thereof.”

Section 6.2 of the Conflicts of Interest Policy for Governance Bodies further states, “The duty to disclose [in 6.1 above] is a continuing obligation. This means that Members are obliged to disclose any Interests and/or Conflict of Interest, whenever the Member comes to know the relevant matter.”

The following declarations were made by members of the Board on their most recent annual statements:

Board members:

Member	Organisational Interests	Financial/Personal/Advisor Int/ Others
Ngozi Okonjo-Iweala, Chair	None	Board Member, Twitter; Board Member, Standard Chartered Bank; Board Chair, African Risk Capacity; Co-Chair, The Global Commission on the Economy and Climate; Co-Chair, Lumos; Fellow, Harvard; Non-resident Fellow, Brookings; Board Member, Carnegie Endowment for International Peace; 1 of the 4 Envoys, AU Special Envoy for COVID-19; Board Member, The B-Team; Board Member, Asia Infrastructure Investment Bank; Board Member, International Advisory Board – Japan International Cooperation Agency (JICA); Board Chair, African University of Science and Technology; Member, IMF External Advisory Group; Member, Economic Advisory Council for South African President Cyril Ramaphosa; WHO Special Envoy, Access to COVID-19 Tools (ACT) Accelerator; Gavi-appointed special adviser

Member	Organisational Interests	Financial/Personal/Advisor Int/ Others
William Roedy	None	US State Department, Foreign Affairs Policy Board (Member) with no engagement with USAID
Margaret (Peggy) Hamburg	Joint Coordinating Group for Coalition for Epidemic Preparedness Initiative (CEPI), Chair	CEPI Board (Observer); Sabin-Aspen Vaccine Science and Policy Group; Vaccine advisory group of the Wellcome Trust; Scientific Advisory Board on Global Health of the Bill & Melinda Gates Foundation
Helen Rees	Chair, South African Health Products Regulatory Authority (SAHPRA); Board Chair, WHO AFRO Regional Immunization Technical Advisory Group; Chair, WHO International Health Regulations (IHR) Committee on Polio; Co-Chair, WHO SAGE Working Group on Ebola Vaccines; Member, WHO SAGE Working Group on the Decade of Vaccines and Global Vaccine Action Plan; Member, WHO SAGE Working Group on HPV vaccines; Member, WHO HSV Vaccine Advisory Group; Chair, WHO STI Vaccine Roadmap Expert Advisory Committee; Chair, Coalition for Epidemic Preparedness Innovation (CEPI) Scientific Advisory Board; Non-Voting Board member, Coalition for Epidemic Preparedness Innovation (CEPI); Member Scientific Advisory Group, USAID Community Health Clinical Model for Agency in Relationships and Safer Microbicide Adherence (Charisma); Project Member, Project Advisory Committee, USAID Project Advisory Committee for Microbicide Introduction Awards (MPii); Member, AIDS Vaccine Global Advocacy for HIV Prevention (AVAC); Board Member, Population Council's Microbicides; Advisory Board Member, London School of Hygiene and Tropical Medicine Expert Panel on Vaccine Confidence; Steering Committee Member, 'A Dose Reduction Immunobridging	None

Member	Organisational Interests	Financial/Personal/Advisor Int/ Others
Helen Rees	Study of two HPV vaccines in Tanzanian girls.' (DoRIS) Trial; Member of Microbicides Trial Network (MTN) Contraceptive Steering Committee; Member, Expert Working Group, PREVENT (Pregnancy Research Ethics for Vaccines Epidemics and New Technologies); Project Member, Initiative on Multipurpose Technology (IMPT); Scientific Advisory Working Group Member, UNICEF and Bill & Melinda Gates Foundation Equity Reference Group for Immunization; Chair, Bill and Melinda Gates Foundation HPV Vaccine One Dose; Advisory Group Member, Global Coordination Mechanism for Research and Development to Prevent and Respond to Epidemics; Chair, Child Health and Mortality Prevention Surveillance (CHAMPS); Board Member, The Sabin-Aspen Vaccine Science and Policy Group; Member, Biomedical Prevention Implementation Collaborative	
Teresa Ressel	ON Semiconductor (Board; Member of Audit and Nominations/Committee) Invesco Funds (Board Vice-Chair; Member of Audit Committee; Compliance Global Asset Manager)	None
David Sidwell	CHUBB LTD (Board; Member of Audit Committee)	None
Stephen Zinser	None	Roxbury Asset Management Limited Commercial London Regeneration Limited (CEO and Co-Chief Investment Officer)
Yibing Wu	Temasek (Joint Head, Enterprise Development Group; Head, China)	None
Afsaneh Beschloss	RockCreek (Founder and CEO)	None

Member	Organisational Interests	Financial/Personal/Advisor Int/ Others
<b>Orin Levine</b>	Bill & Melinda Gates Foundation (Director, Global Delivery Programs)	Stanford University (Spouse) and University of Maryland School of Medicine – International Immunisation field (Father)
<b>Muhammad Pate</b>	World Bank Group (Global Director, Health, Nutrition and Population HNP)	None
<b>Omar Abdi</b>	UNICEF (Deputy Executive Director for programmes)	None
<b>Zsuzsanna Jakab</b>	WHO (Deputy Director-General)	None
<b>Amir Aman Hagos</b>	Developing Countries (Ethiopia), Anglophone Africa	Susan Thompson Buffett Foundation (Global Senior Advisor for Government Engagement)
<b>Myint Htwe</b>	Government of Myanmar SEARO/WPRO	Gavi-appointed special adviser
<b>Ferozuddin Feroz</b>	Government of Afghanistan AMRO	Gavi-appointed special adviser
<b>Arsen Torosyan</b>	Government of Armenia AMRO/ EURO	Gavi-appointed special adviser
<b>Mahamoud Youssouf Khayal</b>	Government of Chad AFRO Francophone	Gavi-appointed special adviser
<b>Jan Paehler</b>	European Commission, (DE/FR/LU/EC/IE)	None
<b>Francesca Manno</b>	Government of Italy (CA/IT/ES)	None
<b>Harriet Pedersen</b>	Government of Sweden (NO/NL/SE)	None
<b>Daniel Graymore</b>	Government of the UK (UK/QA)	Spouse works for UNICEF, in their Private Fundraising Division. She has no direct or indirect engagement with Gavi.
<b>Sarah Goulding, Vice Chair</b>	Government of Australia (US/AU/JP/KR)	None
<b>Susan Silbermann</b>	Int'l Federation of Pharmaceutical Manufacturers & Associations (Pfizer Inc. Emerging Markets, Global President)	None
<b>Sai Prasad</b>	Developing Country Vaccine Manufacturers Network (DCVMN) Bharat Biotech International LTD (President of Quality Operations)	Bharat Biotech International LTD, is a vaccine manufacturer based in India and a WHO Prequalified manufacturer and supplier of vaccines (that may be funded by Gavi) to UN agencies
<b>Maty Dia</b>	CSOs (Global Financing Facility, Partnership Manager)	Gavi-appointed special adviser
<b>Marta Nunes</b>	Research & Technical Health Institutes (RTHI) Vaccine Preventable Diseases Unit/Respiratory and Meningeal Pathogens Research Unit (RMPRU), Senior Researcher	None

Member	Organisational Interests	Financial/Personal/Advisor Int/ Others
<b>Seth Berkley (non-voting)</b>	None	Professor, University of Geneva; Policy Advisory Board, Gilead Sciences; Board Member, ID2020; Member, Polio Oversight Board; Agency Head, GAP

Alternate Board members:

Member	Organisational Interests	Financial/Personal/Advisor Int/ Others
<b>Violaine Mitchell</b>	Bill and Melinda Gates Foundation (Deputy Director for Vaccine Delivery)	None
<b>Michael Kent Ranson</b>	The World Bank (Senior Economist, Health)	None
<b>Etleva Kadilli</b>	UNICEF (Director, Supply)	None
<b>Kate O'Brien</b>	WHO (Professor-Department of International Health & Department of Epidemiology, Johns Hopkins Bloomberg School of Public Health, United States of America)	None
<b>Kwaku Agyeman-Manu</b>	Government of Ghana Anglophone Africa	Minister of Health (Ghana) since February 2017 Gavi-appointed special adviser
<b>Boukong Syhavong</b>	Government of Lao PDR SEARO/WPRO	Gavi-appointed special adviser
<b>Assad Hafeez</b>	Government of Pakistan Developing Countries	None
<b>Edna Yolani Bátres</b>	Government of Honduras AMRO	Gavi-appointed special adviser
<b>Jacqueline Lydia Mikolo</b>	TBD	TBD
<b>Joan Valadou</b>	Government of France (DE/FR/LU/EC/IE)	None
<b>Megan Cain</b>	Government of Canada (CA/IT/ES)	None
<b>Noor Khan</b>	Government of Norway (NO/NL/SE)	None
<b>Susan Elden</b>	Government of the UK (UK/QA)	GVAP Technical Working Group for WHO/SAGE (Expert)
<b>Irene Koek</b>	Government of the USA (US/AU/JP/KR)	None
<b>An Vermeersch</b>	IFPMA (GSK, Vice President, Head of Vaccines Global Health)	None

Member	Organisational Interests	Financial/Personal/Advisor Int/ Others
<b>Mahima Datla</b>	Developing Countries Vaccine Manufacturers Network (Biological E Ltd, Managing Director)	Biological E; ME; Vaccine Sales
<b>Rafael Vilasanjuan</b>	CSO constituency (ISGLOBAL, Director of Policy and Global Development)	None
<b>William Schluter</b>	Research & Technical Health Institutes (RTHI) Centers for Disease Control and Prevention (CDC), Director of the Global Immunization Division in the Center for Global Health	None



**With Board for no-objection consent by 11 May 2020**

## **Gavi Alliance Board Meeting**

19 March 2020

Teleconference

### **1. Chair's Report**

- 1.1 Finding a quorum of members present, the meeting commenced at 13.30 Geneva time on 19 March 2020. Dr Ngozi Okonjo-Iweala, Board Chair, chaired the meeting.
- 1.2 The Chair commenced the meeting by taking a moment to reflect on the life and work of Dr Peter Salama, WHO, who had recently passed away. She confirmed to Board members that she had communicated, also on the Board's behalf, sincere condolences to his wife and family and WHO. She indicated that a number of senior Gavi Secretariat staff had represented Gavi at the memorial service held in Geneva for Dr Salama. She informed participants that when the Board has the opportunity to meet next in person, time will be taken to properly remember Dr Salama and his life's work dedicated to global health and humanitarian endeavours and his many extraordinary achievements.
- 1.3 The Chair welcomed new Board members and Alternate Board members.
- 1.4 Standing declarations of interest were tabled to the Board (Doc 01a in the Board pack). The Chair asked that Board members who had not yet completed their annual declaration and submitted it to the Governance team do so as soon as possible.
- 1.5 The Chair referred to the consent agenda (Doc 01b) where a recommendation from the Governance Committee was being presented to the Board for consideration. The decisions would be presented at the end of the meeting during the Review of Decisions.
- 1.6 It was agreed to dispense with a review of the Board workplan for this meeting.

### **Decision 1**

The Gavi Alliance Board:

a) **Appointed** the following Board Members:

- **Zsuzsanna Jakab** as Board Member representing WHO in the seat formerly held by Peter Salama, effective immediately and until her successor is appointed.

b) **Appointed** the following Alternate Board Members:

- **Kate O'Brien** as Alternate Board Member representing WHO in the seat formerly held by Princess Nothemba Simelela, effective immediately and until her successor is appointed.
- **Noor Kahn** as Alternate Board member representing Norway on the donor constituency anchored by Norway in the seat currently held by Lene Lothe of Norway, effective immediately and until 31 December 2020.
- **Rafael Vilasanjuan** as Alternate Board Member representing the civil society organisations constituency in the seat formerly held by Frank Mahoney, effective immediately and until 31 March 2022.

c) **Appointed** the following to the Audit and Finance Committee:

- **Rafael Vilasanjuan** (Alternate Board Member), effective from 1 April 2020 and until 31 December 2021.

d) **Appointed** the following to the Governance Committee:

- **Yibing Wu** (Board Member), effective from 1 July 2020 and until 31 December 2021.

e) **Appointed** the following to the Investment Committee:

- **Yibing Wu** (Board Member), effective immediately and until 31 December 2021.

f) **Appointed** the following to the Programme and Policy Committee:

- **Kelechi Ohiri** (Committee Delegate), effective immediately and until 31 December 2021.

g) **Appointed** the following to the Evaluation Advisory Committee:

- **Rafael Vilasanjuan** (Alternate Board Member), effective 1 April 2020 and until 31 December 2021.

*Board members who were candidates for these positions, or whose organisations or constituencies provided candidates for these positions, did not participate in voting on these appointments.*

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## **2. Update on Replenishment**

- 2.1 Seth Berkley, CEO, before addressing the item, took the opportunity to update the Board on what is happening in the Secretariat in response to COVID-19, noting that staff are working remotely and systems are working. The Secretariat had its first confirmed case of the virus but the person is doing well. Staff are operating under enormous pressure with school closures and isolation and work is being prioritised to ensure we do not lose momentum on what is most important/

- 2.2 He introduced this item (Doc 02) indicating that Gavi is now clearly looking towards replenishment in the time of COVID-19 which is getting more serious every day and therefore clearly needs to be taken into consideration.
- 2.3 He indicated that while it is at times difficult to get attention, there is now a clear focus on the power of vaccines, outbreaks, preparedness and the issue of evolving viruses and he welcomed the support which the G7 has indicated in relation to any future vaccines for the virus.
- 2.4 He also indicated that Gavi is already quite far along in terms of the replenishment, with some critical announcements already having been made and other donors having already made decisions and waiting for opportunities to announce their pledges.
- 2.5 It is necessary to adapt the way of working in the lead up to the replenishment with a focus on peer to peer outreach by donors, work by in-country champions, advocacy at a distance and focusing on increasing discussions in the media. He reported to the Board that work is being done to try to ensure early pledges as a key mitigation.
- 2.6 He indicated that a number of donors have already asked that replenishment be clearly linked to the COVID-19 response, focusing on (i) health systems strengthening as the first line of defence against the tidal wave of COVID-19, and (ii) helping fast-track an affordable vaccine that can be rolled out equitably as soon as it is available.
- 2.7 Marie-Ange Saraka-Yao, Managing Director, Resource Mobilisation, Private Sector Partnerships and Innovative Finance, added that during discussions with donors there is a clear willingness to ensure that the focus remains on Gavi's unique selling points – vaccines and global health security. It is also clear, however, that in outreach to the highest political levels it will be important to tie into the current global context that is COVID-19.
- 2.8 She emphasised that IFFIm (International Financing Facility for Immunisation) has become even more efficient thanks to a new agreement with the World Bank and could be deployed rapidly to incentivise the development of the vaccine. She also called on Board members to actively advocate for Gavi, encouraging early pledges to Gavi and IFFIm highlighting that Gavi can play its full role in global health security if it is fully funded.

### *Discussion*

- Danny Graymore, UK Board Member, reiterated the importance of driving forward on early commitments in so far as is possible. He reiterated the absolute commitment of the UK to hosting the replenishment on 4 June 2020 in London and planning for a physical event continues. There is, however, of course contingency planning around a smaller or virtual event, with the strong wish that the replenishment cycle conclude with a “moment” on 4 June.

- Board members noted and agreed on the importance of linking Gavi's work to the ongoing COVID-19 outbreak, while highlighting the importance of ensuring that focus on Gavi's core business is maintained.
- The importance of getting early pledges was also reiterated so as to have certainty that Gavi can continue to be a strong partner to countries.
- Board members noted that IFFIm could be a vehicle for fundraising for the COVID-19 response but that such an engagement would have to be managed carefully with clear commitments by governments so as not to negatively impact IFFIm's contribution to Gavi.
- In terms of the timing of the replenishment event, one Board member noted that an important consideration should be the ability to ensure the involvement of representatives from the implementing countries.
- In response to a question from a Board member, the Secretariat noted that indeed in terms of the resources currently being committed worldwide to the COVID-19 pandemic response, Gavi is being approached to ascertain how it could be involved and work is being done to see how this might be possible both in the short and longer term.
- The CEO concluded by noting that if Gavi is to play a major role in relation to COVID-19 going forward, it will require financing beyond what has been included in the replenishment ask.

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### **3. Proposed Amendments to Gavi By-laws and Governance Committee Charter**

- 3.1 Philip Armstrong, Director of Governance and Secretary to the Board, provided a brief explanation of the proposed changes to Gavi's By-laws and Governance Committee Charter which were being presented to the Board for approval (Doc 03).

### **Decision 2**

The Gavi Alliance Board:

- a) **Amended** Article 2.5 of the Gavi Alliance By-laws to read as follows:

#### **2.5 Alternate Board Members**

1. Each Eligible Organisation and Eligible Constituency shall be entitled to designate one person per Board Member as an "Alternate Board Member", subject to the exceptional provision set out in Article 2.5.2 below. Each such Alternate Board Member shall be entitled to act as a Board Member in lieu of the Representative Board Member in accordance with the provisions hereof. All references herein to Representative Board Member shall include Alternate Board Member unless

otherwise specified or the context otherwise requires. Alternate Board Members shall be selected through the same procedures outlined in Article 2.4.2 and shall have the same rights, privileges and responsibilities and be subject to the same duties and obligations, and be provided the same information, as Board Members when acting in that capacity. Each Alternate Board Member shall also be subject to the provisions of Article

2. *If a Representative Board Member is appointed Vice Chair of the Board pursuant to Article 2.6, his or her applicable Eligible Organisation or Eligible Constituency shall be entitled exceptionally to designate two persons as “Alternate Board Member” for the duration that such Representative Board Member occupies the seat of Vice Chair.*

b) **Amended** Article 4.2 of the Gavi Alliance By-laws to read as follows:

#### **4. Board Committees**

2. Each Board Committee shall be composed of three or more Board Members/Alternates. Each of the Board Committees shall have a presiding Chair who shall be one of the Board Members and shall be appointed once every two years by the Board unless otherwise provided in the Statutes, By-laws or Charter of the relevant Committee. If a Representative Board Member is appointed Chair pursuant to this Section 4.2, that individual will not express his/her applicable Eligible Organisation or Eligible Constituency viewpoint in deliberations nor participate in voting at any Committee meeting. The Alternate Board Member for that individual shall be entitled to participate in the Committee meetings to express the applicable organisation's or constituency's viewpoint in deliberations and to vote. *This provision does not apply to the Governance Committee, which, pursuant to Article 2.6.4, is chaired by the Vice Chair of the Board.* Each Board Member (taken together with his or her Alternate or any Committee Delegate, as defined below, if applicable) shall normally be a member of at least one but no more than three Board Committees. This limit of three Committee memberships shall not include membership of the Market-Sensitive Decisions Committee. The criteria for Committee membership shall be consistent with the Gavi Alliance gender policy, specifically, that gender balance in all areas of Gavi Alliance work should be ensured, including throughout the governance structures, to the extent possible.

The Gavi Alliance Board:

**Approved** the amendment to the Gavi Alliance Governance Committee Charter as set out in Annex B to Doc 03.

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#### **4. Gavi's Engagement on COVID-19**

- 4.1 Seth Berkley, CEO, introduced this item highlighting that even since the paper (Doc 04) was shared with the Board, things have moved on very rapidly. He indicated that the world is currently focused on flattening the curve of the pandemic and not yet on the interventions that will stop transmission and prevent resurgence.

- 4.2 He indicated to the Board that it would be useful for him as CEO to understand how far they wish Gavi to go in relation to the COVID-19 pandemic response.
- 4.3 There is a clear role for Gavi to play once vaccines become available taking into account the organisation's comparative advantage. It could be possible to leverage IFFIm to address potential funding gaps for vaccine development, if Gavi donors agree. It would be important to already start discussions around vaccine supply and delivery, also to ensure that there is an equitable approach for all countries going forward and particularly the poorer countries. Gavi has a central role to play based on our experience ensuring access to vaccines for developing countries.
- 4.4 In the meantime, it will be important to work with countries to mitigate risks in relation to routine immunisation and health systems and the Secretariat has begun implementing an approach of targeted reprogramming of health system strengthening grants based on country needs.
- 4.5 It will also be critical to ensure that Gavi coordinates with other stakeholders to ensure that there are clear lines of responsibility and to avoid duplication of funds for the same interventions.

### *Discussion*

- Board members agreed on the need to empower Gavi to act rapidly and with flexibility in relation to this unprecedented pandemic, which is clearly going to have a significant impact on countries and health systems. It is not "business as usual" and Gavi should be taking some bold and rapid country-responsive actions and be willing to work in new ways, while remaining mindful of the need to ensure that Gavi's longer term ambition and core business is not compromised.
- It was noted that it will be important to ensure that any measures to repurpose Gavi funds in countries should be aligned with the national preparedness and response plans which are being coordinated by WHO and World Bank, and that Gavi should also be cognisant of coordination with other stakeholders.
- In response to a proposal from a Board member, the Board agreed on four key areas on which Gavi should focus, namely: (i) partnering with others in the field towards making an affordable vaccine accessible and available to those most in need; (ii) until such time as a vaccine becomes available, using every flexibility that Gavi has to work with countries to manage the impact on their health systems, including potentially foregoing co-financing payments for countries that cannot pay this year; (iii) planning already for deployment of the SARS-CoV-2 vaccine so that vaccines can be delivered as soon as they become available; and (iv) working closely with UNICEF Supply Division (SD) on vaccine procurement and delivery. All of these efforts are to be done in the context of Gavi maintaining its focus and support for routine immunisation, including acknowledging the difficulties of maintaining coverage in this time and the need to support recovery of routine immunisation systems longer term.
- In relation to future vaccines, it was suggested that Gavi should already be working to ensure that the formulation, presentation and quantity of the vaccines meet the



needs of Gavi countries, that appropriate access mechanisms are in place and that the appropriate elements of Gavi's market shaping be used already in relation to such future vaccines.

- Board members agreed that in the light of all of this focus on managing the pandemic, it will be important to mitigate the impact on routine immunisation.
- Board members expressed support for the potential use of IFFIm and the AMC (Advance Market Commitment) in relation to this pandemic response, while ensuring that any such use does not undermine Gavi's core business.
- One Board member suggested that it would be useful to receive information on the guidance which is to be given to countries through the country programmes teams so that in-country colleagues from Board constituencies can assist with the coordination.
- Board members noted that while it would be very useful to be able to learn lessons from the experience in China, it will also be important to keep in mind that measures which work in some countries may not work in many of Gavi's countries.
- Board members agreed that it cannot be business as usual for the Secretariat and that it is important to be mindful of the fact that there will be a need to prioritise the work that needs to be done, taking into account some of the challenges staff members will face working remotely and caring for their families.
- Board members noted that the Secretariat is already looking at the Gavi 5.0 workstreams to ascertain where there might be potential to deprioritise the work which was to come to the PPC and Board in May and June respectively. It was also noted that there might be a need for appropriately resourcing surge capacity within some teams in the Secretariat to manage the COVID-19 response and that this will be done in a timely and expeditious manner.
- Noting that under Gavi's Programme Funding Policy (PFP), the CEO is permitted to adjust budget amounts up to 5% for the specific purposes enumerated in the PFP, the Board agreed that during this exceptional period, the CEO be allowed to make these same adjustments for up to 20%.
- The Board also gave the CEO the mandate to redeploy teams within the Secretariat as appropriate, while remaining cognisant of the need to safeguard Gavi's routine work.
- The CEO noted that he will report back to the Board at its May 2020 meeting on the work done in the meantime to respond to country needs in light of this pandemic. It was noted that if in the meantime he ascertains that budget adjustments of more than 20% might be required he would discuss with the Chair, and if necessary, the Board could be convened to approve further flexibilities.

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**5. Review of decisions**

- 5.1 Philip Armstrong, Director of Governance and Secretary to the Board, confirmed that the agreed decisions would be shared electronically immediately after the meeting with Board members.

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**6. Closing remarks**

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

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Dr Ngozi Okonjo-Iweala  
Chair of the Board

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Mr Philip Armstrong  
Secretary to the Board



## Attachment A

### Participants

#### Board members

- Ngozi Okonjo-Iweala, Chair
- Sarah Goulding, Vice Chair
- Omar Abdi
- Edna Yolani Batres (Alternate)
- Afsaneh Beschloss
- Maty Dia
- Daniel Graymore
- Amir Aman Hagos
- Margaret (Peggy) Hamburg
- Zsuzsanna Jakab
- Irene Koek (Alternate)
- Orin Levine
- Francesca Manno
- Marta Nunes
- Jan Paehler
- Harriet Pedersen
- Sai Prasad
- Michael Kent Ranson (Alternate)
- Helen Rees
- Teresa Ressel
- William (Bill) Roedy
- David Sidwell
- Susan Silbermann
- Bounkong Syhavong (Alternate)
- Yibing Wu
- Stephen Zinser
- Seth Berkley (non-voting)

#### Regrets

- Kwaku Agyeman-Manu (Alternate)
- Ferozuddin Feroz
- Asaad Hafeez (Alternate)
- Myint Htwe
- Mahamoud Youssouf Khayal
- Jacqueline Lydia Mikolo
- Muhammad Pate
- Arsen Torosyan

#### Alternates Observing

- Megan Cain
- Mahima Datla
- Susan Elden
- Etleva Kadilli
- Noor Khan
- Violaine Mitchell
- Kate O'Brien
- William Schluter
- Joan Valadou
- An Vermeersch
- Rafael Vilasanjuan

**SUBJECT:** UPDATE ON REPLENISHMENT

**Agenda item:** 02

*To follow*

**SUBJECT: IFFIM COVID ARRANGEMENT PROPOSAL**

**Agenda item: 03**

**Category: For Decision**

## **Section A: Executive Summary**

### **Context**

- At its meeting of 19 March 2020, the Gavi Alliance Board, in response to the COVID-19 pandemic, encouraged the Alliance to be bold in supporting countries to respond to the pandemic, protect routine immunisation programmes and help accelerate the availability of COVID-19 vaccines in the poorest countries. The Board expressed support for the potential use of the International Finance Facility for Immunisation (IFFIm) in relation to pandemic response while ensuring that any such use does not undermine Gavi's core business. The Audit and Finance Committee (AFC) is scheduled to meet on 6 May 2020 to provide guidance on assessing any financial implications and risks related to this potential use of IFFIm.
- In this context and following a request from the Kingdom of Norway to the Gavi CEO on 6 April 2020, the Secretariat has explored Norway's proposal for Gavi to facilitate the urgent funding of the Coalition for Epidemic Preparedness Innovations ("CEPI") COVID-19 vaccine development efforts, subject to funds being made available by Norway via IFFIm.

### **Key areas this paper addresses**

- What are the criteria for assessing the financial implications and risks to Gavi of using IFFIm to frontload funds to help fast-track affordable COVID-19 vaccines?
- How would such a transaction be executed?
- How does the proposal from Norway meet the criteria outlined in this paper?
- What will be Gavi's oversight and monitoring of CEPI's activities?

### **Conclusions**

- The Secretariat has prepared an Assessment Framework outlined in Section B.2 to evaluate donors' requests and proposed transactions to ensure that they do not have any material adverse impact on Gavi's finances or operations. Any transaction that meets all the criteria of the Assessment Framework is deemed an Eligible Transaction.
- The Gavi Alliance Board is asked to (a) approve the Assessment Framework as adequate for the Secretariat to respond to donors' requests and execute as appropriate any Eligible Transaction and (b) approve

support to CEPI by way of the transaction outlined in Section B.3 and any other Eligible Transaction for the benefit of CEPI.

- By approving the Assessment Framework, the Secretariat intends to streamline the execution of other Eligible Transactions for the benefit of CEPI, noting that the Secretariat would request the approval of the Board for any support to another organisation.

## **Section B: Facts and Data**

### **1. Introduction**

- 1.1 Gavi is working to support Gavi-supported countries in responding to the pandemic and to accelerate the development, manufacturing and delivery of vaccines against COVID-19 so that safe, effective, and affordable vaccines can be urgently made available to those who need them. Gavi has articulated its immediate response as outlined in Doc 04 – *COVID-19: Gavi's Immediate and Interim Response*.
- 1.2 Gavi is helping fast-track affordable COVID-19 vaccines, that can be rolled out equitably as soon as it is available, including by offering the power of Gavi's innovative finance instruments, notably IFFIm, to support vaccine development.<sup>1</sup> Once an advance purchase agreement is agreed, we will also make IFFIm available to donors as a way to fund the access work.
- 1.3 Based on experience from the 2019 CEPI Arrangement and recognising the urgency of developing and delivering a vaccine to combat the current COVID-19 pandemic, the Secretariat has developed an Assessment Framework outlining a set of Criteria under which IFFIm could be leveraged to frontload funds made available for a partner like CEPI through new pledges whilst not having any material adverse impact on Gavi's finances or operations. This Assessment Framework and its Criteria are outlined in Section B.2.2.
- 1.4 Norway has committed a total of NOK 2 billion to IFFIm for the period 2021-2030 (approximately US\$ 200 million equivalent) to be evaluated under the Assessment Framework to be frontloaded for CEPI's COVID-19 immediate vaccine development needs (See Annex A to Appendix 1 for details of CEPI's mandate, programme and intended use of funds).
- 1.5 CEPI is looking to frontload NOK 2 billion for disbursement in June 2020 given a very ambitious programme to support expeditious development of vaccine candidates as per its needs expressed in its financial forecast.
- 1.6 In order to implement this request, the Gavi Alliance Board will be requested to approve the Assessment Framework and therefore Gavi's support for

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<sup>1</sup> Gavi's statutes include "facilitating the research and development of vaccines of primary interest to the developing world" (Gavi Alliance Statutes Article 2.ii) as one of the means by which Gavi will promote health. The circumstances of this situation are unique and the support outlined in section B.1.1(iii) is not a precedent for Gavi to support research and development of vaccines, or an adjustment to its strategy.

using IFFIm to frontload designated additional pledges for COVID-19 vaccine development.

- 1.7 IFFIm's structure allows IFFIm to fund Gavi programmes and these can be specific to countries (either vaccine support, health systems strengthening or cold chain equipment) or non-specific to address broader immunisation objectives and needs. These latter programmes are defined as "Gavi Non-Country Specific Programmes" and this would include the support proposed to CEPI.
- 1.8 Therefore, CEPI would be required to make an application for funding to Gavi as a Gavi Non-Country Specific Programme, which would be reviewed and evaluated by an ad hoc review and evaluation group of CEPI's application for funding.
- 1.9 In accordance with IFFIm's requirements, the IFFIm Board will be requested to approve the Eligible Transaction by issuing an Indicative Funding Confirmation to Gavi thereby enabling CEPI to receive the frontloaded IFFIm proceeds of the Norway 2020 pledge (See Annex F to Appendix 1 for the detailed process overview).
- 1.10 The transaction would be subject to full funding being made available by Norway through IFFIm for the proposed support to CEPI and there being no material impact on Gavi or its existing programmes as well as on funding provided by other Grantors to IFFIm, i.e. the cost associated with executing the transaction should be recovered by Gavi from the Norwegian pledge to support CEPI.
- 1.11 Supporting CEPI in this way would be cost-neutral to IFFIm and Gavi as associated transaction costs from any Eligible transaction would be recovered from the corresponding grantors.

## **2. Assessment Framework for evaluating COVID-19 frontloading transactions**

- 2.1 Gavi and the broader development community have acknowledged IFFIm's unique value as a financing mechanism and the ways in which IFFIm could contribute to Gavi's health security agenda. As part of its broader engagement in COVID-19 vaccine development, access and delivery, Gavi has the opportunity to collaborate with and make available the IFFIm structure to other global public health organisations working on vaccine development against the global COVID-19 pandemic.
- 2.2 To ensure that Gavi is not negatively impacted under this extended use of IFFIm's capabilities, the Secretariat developed the following Assessment Framework to evaluate any proposed transaction that the Secretariat will be requested to consider for accelerating the development of a COVID-19 vaccine. It is proposed that the Secretariat will be responsible to conduct the assessment with the support of relevant bodies, e.g. the IFFIm Board and the World Bank, as appropriate.

- i. *Criteria 1:* Each transaction will have to be funded by a new pledge to Gavi to be assigned to IFFIm and designated by the donor as a pledge intended for evaluation under the Assessment Framework for the purpose of accelerating the development of a COVID-19 vaccine (the “Designated Pledge”). The Designated Pledge will have to follow the IFFIm grant agreement format as set out in IFFIm’s Finance Framework Agreement.
- ii. *Criteria 2:* Each Designated Pledge will have to be evaluated and assessed as not causing a material adverse impact on IFFIm’s credit rating as delivered by the applicable credit rating agencies.
- iii. *Criteria 3:* Each Designated Pledge, taken in isolation from IFFIm’s asset base, can be frontloaded up to a maximum leverage ratio so as not to change in quantum or timing the forecasted disbursement required from IFFIm by Gavi for the funding of its other programmes. This maximum leverage ratio will depend on (i) the applicability of IFFIm’s Grant Payment Condition<sup>2</sup> on the Designated Pledge, (ii) the credit rating of the donor making the Designated Pledge and (iii) any other parameter as recommended by the World Bank in its capacity as IFFIm’s Treasury manager to maintain IFFIm’s credit rating and not adversely impact IFFIm’s resources otherwise designated for the benefit of Gavi.
- iv. *Criteria 4:* Each Designated Pledge and each transaction is not expected to have a material adverse impact on IFFIm’s ability to access capital markets and/or enter into derivatives contracts.
- v. *Criteria 5:* Each transaction is not expected to have a materially adverse impact on Gavi’s operations.

### 3. **Proposed CEPI transaction to be funded by Norway’s Designated Pledge**

3.1 The proposed transaction and Norway’s Designated Pledge have been evaluated against the Assessment Framework and satisfy all Criteria to the Secretariat’s satisfaction. Below is the detailed outcome of the Secretariat’s evaluation:

- a) *Criteria 1:* The CEPI transaction is to be funded by a new IFFIm pledge from Norway of NOK 2 billion (approximately US\$ 200 million equivalent) payable in 10 instalments of NOK 200 million from 2021 to 2030 (the “Norway 2020 pledge”). The Norway 2020 pledge is to follow the

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<sup>2</sup> Each grant payment is subject to the condition that if, any one or more of the 71 Gavi-supported or formally Gavi-supported countries is in protracted arrears in meeting any of its IMF financial obligations, that grant payment will automatically be reduced by an amount equal to the aggregate weight of such country(ies) in the reference portfolio. For example, as of the date of this paper, two countries, namely Somalia (1.0% of the reference portfolio) and Sudan (0.5% of the reference portfolio), were in protracted arrears in meeting their IMF financial obligations, leading to a reduction of each grant payment by 1.5%.

standard IFFIm grant agreement format as set out in IFFIm's Finance Framework Agreement.

- b) *Criteria 2:* Norway is currently rated triple-A by Fitch Ratings, Moody's and Standard & Poor's, the highest applicable rating, and would therefore not negatively impact IFFIm's own credit rating. The 2019 CEPI Arrangement funded by Norway in a similar manner did not have any adverse impact on IFFIm's credit rating; on the other hand, it was positively received by rating agencies.
  - c) *Criteria 3:* The World Bank, IFFIm's Treasury Manager, assessed that the Norway 2020 pledge, on which Norway has agreed to waive the Grant Payment Condition, could be frontloaded to circa 99% of its present value (gross of costs) without any material impact on the overall Gavi funding needs from IFFIm (See Annex C to Appendix 1 for the full analysis produced by the World Bank).
  - d) *Criteria 4:* The World Bank will be mandated to design a transaction structure to frontload the Norway 2020 pledge that does not adversely impact IFFIm's ability to access the capital markets and/or IFFIm's ability to enter into derivative contracts. The 2019 CEPI Arrangement transaction did not adversely impact IFFIm's ability to access the capital markets or its ability to enter into derivative contracts.
  - e) *Criteria 5:* The Secretariat does not expect the proposed transaction to adversely impact Gavi's operations. The 2019 CEPI Arrangement did not adversely impact Gavi's operations.
- 3.2 CEPI is an international non-profit association<sup>3</sup>, established under Norwegian Law, to provide financing for late stage research and development (R&D) into new vaccines for vaccine preventable diseases of epidemic proportions for which no vaccines are available. On 14 March 2020, CEPI issued a funding call for US\$ 2 billion to develop a vaccine against the COVID-19 virus. In 2019 Gavi approved a programme to support CEPI using funds made available by Norway, via IFFIm, in which risks related to the reputational risk, the monitoring and evaluation framework, liabilities from adverse events arising from CEPI's operations were addressed and mitigated to the satisfaction of the Gavi Board. (see Annex D to Appendix 1 for the full 2019 CEPI Arrangement).
- 3.3 The IFFIm Board will be requested to approve any Eligible Transaction for funding by IFFIm following the standard review procedure of Non-Country Specific Programmes as outlined in the Procedures Memorandum of the IFFIm Finance Framework Agreement by issuing the corresponding Indicative Funding Confirmation.
- 3.4 As with any capital market transaction, the frontloading of the Norwegian pledge on behalf of CEPI will incur transaction costs, some of which may

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<sup>3</sup> An international non-profit association or *ideell organisasjon* is the typical structure for non-profit organisations in Norway.



only be known once the transaction is completed. As such, Norway has agreed in principle to defray the cost of the bond proceeds and Norway agrees to Gavi seeking to recover any incremental costs directly attributable to the IFFIm-CEPI frontloading transaction.

#### **4. CEPI monitoring and oversight**

- 4.1 The CEPI Board is responsible for setting the strategic direction of the organisation and deciding on CEPI investments. Its Board includes representation from the Investors Council, a body composed of all CEPI's funders.
- 4.2 The Gavi Board would delegate its review of the application for funding from CEPI to an ad hoc review and evaluation group (which will be constituted by the Secretariat as an independent mechanism) and would not be involved in decisions related to CEPI's investments.
- 4.3 Subject to the approval of the CEPI Arrangement by the Gavi Board, Gavi, CEPI and Norway will enter into a grant agreement that will govern how the funds will be disbursed by Gavi to CEPI and detail the reporting and monitoring obligations of CEPI.
- 4.4 These reporting and monitoring obligations will include an annual report to be provided to the Gavi and IFFIm Boards, complemented by an update report on a semi-annual basis. The annual report would be submitted by the CEPI Secretariat after approval by the CEPI Board and the semi-annual update report would be provided by the CEPI CEO. It is proposed that these reports are timed to be available to the Gavi and IFFIm Boards in time for their consideration at the Gavi and IFFIm semi-annual Board meetings.
- 4.5 With these reports, CEPI would outline its approved R&D programmes; the funds that have been spent on these approved programmes; R&D outcomes from the approved programmes; and any newly approved programmes. Please see Annex A to Appendix 1 for a description of CEPI, its mandate and programmes.

#### **5. Guidance from the Audit and Finance Committee on the IFFIm COVID arrangement proposal**

- 5.1 The AFC will meet on 6 May 2020 and will be requested to provide guidance on:
  - a) Whether the Assessment Framework is adequate for the Secretariat to respond to donors' requests and execute as appropriate any future transaction that would not have any material adverse impact on Gavi's finances or operations (an "Eligible Transaction");
  - b) Whether on the basis of the information made available to the AFC, the proposed CEPI transaction would not have any material adverse impact on Gavi's finances or operations.



- 5.2 This paper is written based on the intended confirmation from the AFC on both (a) and (b), but may be supplemented with additional feedback and guidance from the committee following its 6 May 2020 meeting.

### **Section C: Actions requested of the Board**

The Gavi Alliance Board is invited to consider offering the power of Gavi's innovative finance instruments, notably IFFIm, to support the development of vaccines and, if it deems appropriate, to:

- a) **Approve** the Assessment Framework set out in Section B.2 as the basis for determining the Secretariat's response to donors' requests to execute any future transaction that would not have any material adverse impact on Gavi's finances or operations, noting that any transaction that meets all the criteria of the Assessment Framework is deemed an Eligible Transaction;
- b) **Approve** Gavi supporting the Coalition for Epidemic Preparedness Innovations (CEPI) by way of the transaction outlined in Section B.3 and any other Eligible Transaction for the benefit of CEPI;
- c) **Note** that CEPI will be considered as a Gavi Non-Country Specific Programme consistent with IFFIm's requirements;

### **Additional information available on BoardEffect**

**Appendix 1 (in May 2020 AFC meeting book): Doc 07 IFFIm COVID Arrangement Proposal**

**SUBJECT: COVID-19: GAVI'S IMMEDIATE AND INTERIM RESPONSE**

**Agenda item: 04**

**Category: For Decision**

## **Section A: Introduction**

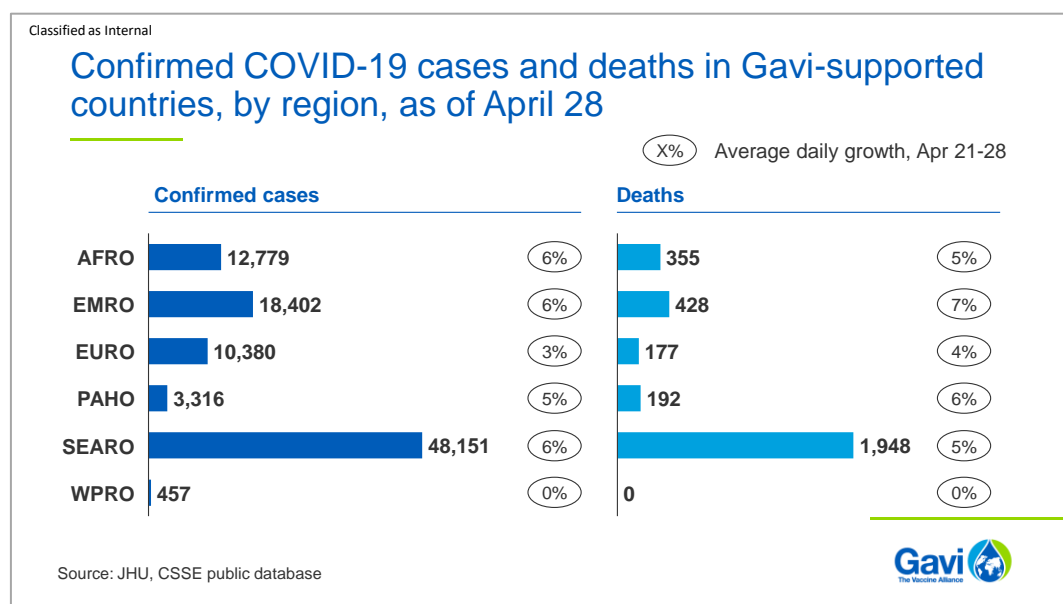
- **COVID-19 is an unprecedented health, social and economic crisis in a highly interconnected, interdependent world.** Immunisation services in Gavi-supported countries, particularly new vaccine introductions and mass preventive campaigns, have been hit by the pandemic. This means millions of children are at risk of missing vaccinations necessitating catch-up strategies and outbreak response. Countries will also require increased financial and technical support to restore immunisation delivery sooner rather than later. Ultimately, only a safe and effective vaccine will allow the world to halt transmission and prevent the resurgence of COVID-19.
- **As the pandemic unfolds, Gavi has taken swift action to enable Gavi-supported countries to reprogramme existing support as they prepare to respond to the pandemic.** In parallel, Alliance efforts are underway to help countries maintain immunisation services among other essential health services and contain the knock-on effect of the COVID-19 crisis. Gavi is also a major actor in the global community's collaborative efforts to accelerate the development and equitable access to COVID-19 vaccines.
- **The global economy is expected to suffer the worst recession at least since the Great Depression.** Given the IMF (International Monetary Fund) outlook, Gavi-supported countries are likely to suffer severe declines in their gross national incomes (GNIs). This would impact their transition status and shrink their fiscal space, limiting capacity to co-finance/self-finance vaccines and step up domestic investments in primary health care (PHC) including immunisation. Inability of countries to co-finance or self-finance vaccines would increase the risk of stock-outs and inability to vaccinate children.
- **This paper provides an update on Gavi's current response and evolving priorities in relation to COVID-19 over the next 18 months,** and addresses the implications for Gavi 5.0 and Secretariat operations. Against the backdrop described above, the paper requests the Board to approve flexibilities related to eligibility, transition and co-financing for 2020 and 2021. The Board is also requested to grant the Gavi CEO authority to adjust and/or exceed the aggregate overall Gavi forecasted budgetary amounts for these two years by up to 20% to help countries mitigate the impact of the COVID-19 pandemic on immunisation services. These flexibilities can be accommodated within the current replenishment ask. The paper also provides an update on Gavi's role in ensuring accelerated and

equitable access to and delivery of appropriate COVID-19 vaccines and highlights a call for Gavi's leadership in helping countries address their full cold chain needs to respond to COVID-19 and potentially other essential health commodities critical for effective PHC. Support for COVID-19 vaccines and expansion of cold chain for a broader set of commodities would require mobilisation of supplementary resources. Based on the Board's decisions and guidance, more detailed proposals and regular updates will be brought to upcoming Programme and Policy Committee (PPC) and Board meetings.

## **Section B: Gavi's current response and evolving priorities over the next 18 months**

### **1. Current impact of the pandemic and Gavi's immediate response**

- 1.1 As of 28 April 2020, **67 of 73 Gavi-supported countries<sup>1</sup> had confirmed cases of COVID-19**, accounting for ~2% of the reported global burden. There is significant regional variability in the number of confirmed cases and deaths, with over half of the ~90,000 cases and ~3,000 deaths occurring in three large Asian countries (India, Pakistan and Indonesia). While incidence and mortality appear to remain relatively low in Africa, the number of reported cases is doubling every 10-12 days in most Gavi-supported countries and testing remains limited. These countries may find it challenging to implement lockdowns and control measures used elsewhere, and thus the direct impact of the pandemic may become more substantial.

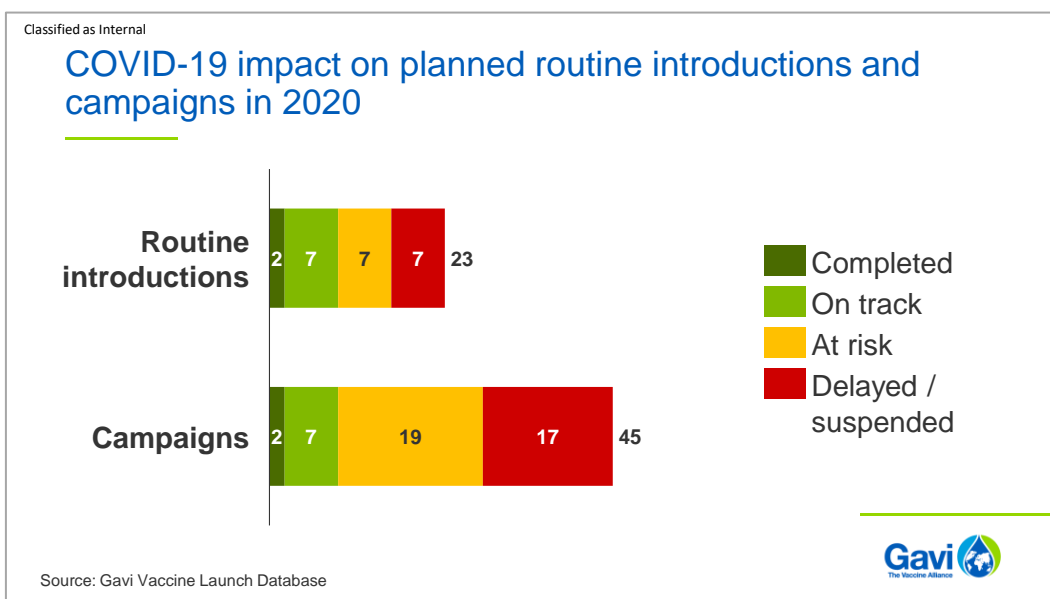


- 1.2 **The March 2020 meeting of the WHO Strategic Advisory Group of Experts on Immunization (SAGE) emphasised that immunisation remains a core health service and should be prioritised during the pandemic.** One analysis by the London School of Hygiene and Tropical

<sup>1</sup> includes Gavi-eligible and post-transition countries

Medicine<sup>2</sup> looking at the risk of COVID-19 transmission in the context of immunisation visits suggested that for every one death attributable to COVID-19 acquired during routine vaccination clinic visits, approximately 101<sup>3</sup> under-five deaths from vaccine-preventable diseases (VPDs) could be averted from sustaining routine immunisation in Africa. However, the pandemic has already had a **significant and visible impact on immunisation and other essential health services** in Gavi-supported countries:

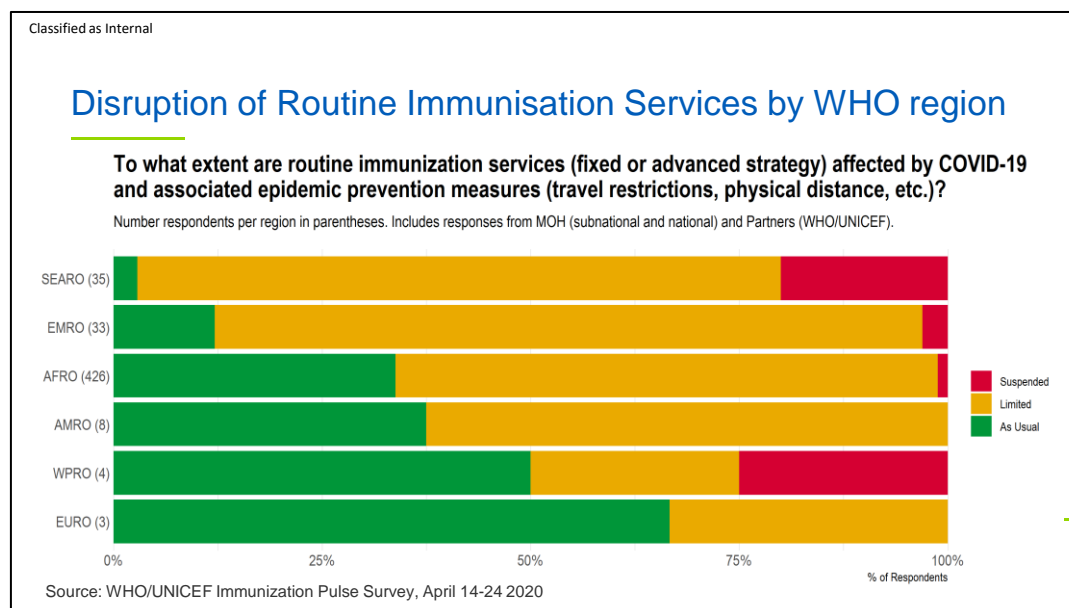
- a) **Vaccine introductions:** WHO has advised countries to carefully re-evaluate decisions on new vaccine introductions and consider postponement. To date, seven Gavi-supported vaccine introductions have been delayed with a further seven at risk;
- b) **Immunisation campaigns:** SAGE has also recommended that mass preventive campaigns be temporarily suspended in all countries and that a careful risk analysis should inform decisions on conducting outbreak response campaigns. As of 27 April, 17 Gavi-supported campaigns have been suspended or delayed, targeting a total population greater than 145 million people, and another 19 are at risk in 2020;



<sup>2</sup> CMMID nCov working group, 2020: "Benefit-risk analysis of health benefits of routine childhood immunisation against the excess risk of SARS-CoV-2 infections during the COVID-19 pandemic in Africa" (paper under peer review)

<sup>3</sup> Range 29-347

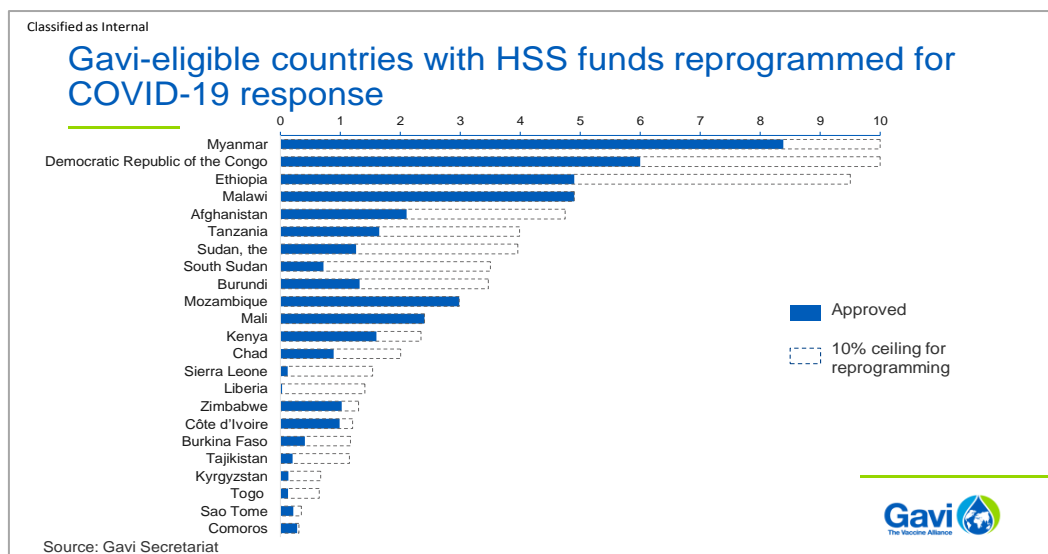
- c) **Routine immunisation services:** Though in most countries health facilities are reportedly open and continuing to offer fixed site immunisation, uptake of services has been impacted. Measures such as physical distancing and lockdowns undertaken to contain the spread of the disease disrupt both demand and supply of routine immunisation services. In particular, nearly half of countries in Africa have partially or entirely suspended outreach. This is likely to disproportionately impact the most marginalised communities who may not be able to easily access health facilities;



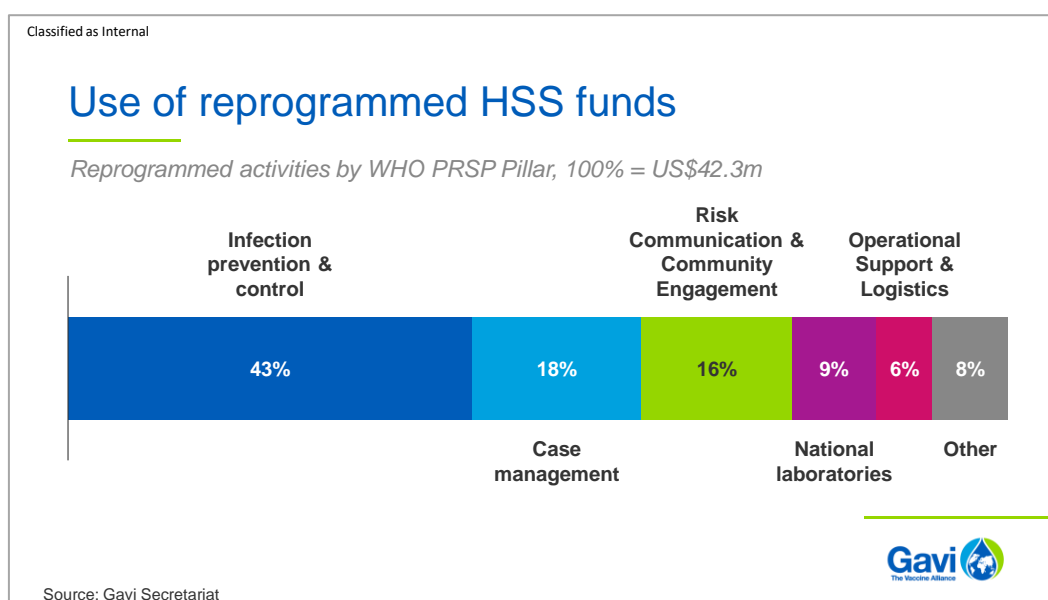
- d) **Demand:** Reports from many countries suggest significant drops in attendance at immunisation sessions due to challenges in accessing health facilities (e.g. due to restrictions on movement or concerns about COVID-19 exposure). COVID-19 has also been used to fuel anti-vaccine sentiment in some countries;
- e) **Health workforce:** Health workers in the most affected countries are increasingly being diverted to the COVID-19 response. There are increasing reports of absenteeism among health workers due to travel restrictions, sickness, self-isolation, concerns about their own health and a lack of personal protective equipment (PPE). Given that ~70% of healthcare workers in lower middle-income countries (LMICs) are female, women are disproportionately affected; may

- f) **Supply chains:** While vaccine and cold chain manufacturing have not been significantly affected, restrictions in air travel and movement have impacted international shipments and hindered distribution of vaccines in some countries. As of 27 April 2020, UNICEF identified 26 countries that are either facing a critical stock out or approaching a stock out of at least one vaccine. In addition, risks of vaccine wastage due to expiry or inadequate storage are increasing in the event of prolonged disruptions in vaccine introductions and campaigns. Cold chain equipment installation has been delayed in two of the 13 countries with deployment ongoing and three others are at risk of delay; and
- g) **Gavi engagement:** COVID-19 is impacting the Alliance's ability to remain closely engaged with countries. With Expanded Programme on Immunization (EPI) staff increasingly being diverted to the COVID-19 response, planning for new Gavi support has been delayed. Audits, surveys, assessments and routine planning activities have largely been suspended and some Alliance technical support has been hindered by travel restrictions. The presence of ~300 core partner staff on the ground funded through Gavi's Partner Engagement Framework's Targeted Country Assistance (PEF TCA) is playing a key role in the immediate response and in advocating for maintaining immunisation services. Similarly, Gavi's non-UN and private sector partners are being leveraged by country leadership.

- 1.3 **In early March, Gavi made available up to US\$ 200 million in support of countries' COVID-19 preparedness and response plans.** This included allowing countries to reallocate up to 10% of their health system strengthening (HSS) grants, their PEF TCA and post transition support. The primary purpose was to help prepare countries' health systems to be able to deal with the impact of COVID-19, and help protect immunisation programmes and maintain services to the extent possible. All Gavi support is aligned to countries' Strategic Preparedness and Response Plans and coordinated with other donors (e.g. World Bank, The Global Fund, Global Financing Facility). Gavi introduced a fast-track application process and committed to review and approve all applications within five days of receipt.



- 1.4 **As of 27 April, Gavi has approved HSS reprogramming of US\$ 42 million for 24 countries.** Another eight applications are under review. So far most countries have chosen not to apply for the maximum 10% reallocation, signalling the value they place on maintaining immunisation. Over 40% of support approved to date has been for personal protective equipment (PPE) and other infection prevention and control (IPC) supplies to protect health workers. Another 18% has been allocated for case management and a further 16% for risk communication and community engagement to support behaviour change to prevent the spread of COVID-19 and maintain demand for essential health services such as immunisation. Other major areas of support include laboratory testing and operational support and logistics.



- 1.5 **There are however reports of countries facing difficulties in procuring critical medical products to respond to the pandemic.** The supply of these products, especially for prevention, testing and treatment, and the raw



materials for their production, has been profoundly disrupted, due to price surges, bidding wars, confiscations, border seizures and considerable political tension. This has limited access to critical equipment in those countries that need it the most and may endanger health workers worldwide<sup>4</sup>. To help address these issues the Secretariat has set up a pre-financing mechanism with UNICEF to accelerate countries' access to PPE and diagnostics procured with Gavi support.

**1.6 Under the PEF, the Alliance is also realigning and reprioritising its work to monitor and respond to COVID-19.** For example:

- a) **At country level, the Alliance has reacted swiftly to adjust its PEF TCA priorities to respond to the crisis.** WHO has supported in leading the development of COVID-19 country response plans, while UNICEF works to maintain demand and supply chains for immunisation. Gavi's non-UN and private sector partners<sup>5</sup> have also pivoted their support to address the pandemic in creative ways. For example, in Pakistan Acasus modified their immunisation mobile apps to capture data on suspected cases and hospital readiness.
- b) **At global and regional levels, UNICEF is closely monitoring vaccine stock levels in countries** and along with WHO, and the Secretariat, they are working together to prioritise vaccine shipments in order to manage the risk of stockouts. Where necessary, Gavi has agreed to pay for the cost of charter flights to ensure vaccines can be shipped. The Immunisation Supply Chain Steering Committee is reprioritising its activities to address the specific supply chain challenges posed by the COVID-19 response, as are other strategic focus areas including demand, data and sustainability. For example, the Learning Network for Countries in Transition has shifted the focus of its content and engagement to highlight peer-exchanges on the impact of COVID-19 on immunisation. Partners are coordinating continued monitoring of the pandemic, and its impact on immunisation services, through a cross-Alliance monitoring and evaluation group.

**2. Programmatic response over the next 18 months: Maintaining and restoring immunisation services**

- 2.1 While the longer-term trajectory of the pandemic remains uncertain, it is already clear that millions of people in Gavi-supported countries will miss out on immunisation,** likely leading to a resurgence of VPDs and outbreaks, exacerbating existing inequities and putting the most marginalised and poorest communities at greatest risk. **This highlights the critical importance of Gavi's vision to leave no one behind with immunisation and of equity as Gavi 5.0's organising principle,** and underscores the imperative of ensuring that country response plans prioritise the restoration of essential health services such as immunisation

<sup>4</sup> More details provided in Appendix 1

<sup>5</sup> More details provided in Appendix 2



with a particular focus on missed communities.

- 2.2 **WHO has developed practical guidance on delivering immunisation services during the pandemic and is working on guidance for conducting outbreak response in the context of COVID-19 and on catch-up and recovery efforts.** The guidance encourages local adaptation and innovation, given that the spread of the pandemic varies between and within countries. Countries will need to rapidly identify those who have been missed, conduct localised risk assessments and develop a range of tailored delivery strategies. These may have to be redesigned in light of COVID-19 and may be more expensive than traditional approaches (e.g. with improved infection prevention and control practices such as smaller sessions, and physical distancing), and will likely operate under health worker and supply chain capacity constraints. Caregiver demand and trust may also have to be rebuilt deliberately.
- 2.3 **The Alliance will need to consider how it can best support countries to maintain and restore immunisation services in this context.** This will require Gavi to be flexible, creative and adaptive, willing to adjust its support modalities and processes, and 'reimagine' immunisation in the post-COVID world. The full voice of the Alliance, HSIS (health system and immunisation strengthening), PEF TCA and Post Transition Engagement funds will be leveraged to restore immunisation services as quickly as possible, catch-up missed children and provide outbreak response where needed. The Secretariat is working with partners to ensure the necessary support is available, grounded in a number of core principles:
- a) **VPD control remains Gavi's priority:** Significant disruption in immunisation puts millions of lives at risk. Gavi's focus will be on helping countries to mitigate the impact of COVID-19 on immunisation services and to rebuild quickly to ensure high and equitable coverage;
  - b) **Equity as an organising principle:** The most marginalised communities, especially those with large numbers of zero-dose and under-immunised children, will be most impacted by the pandemic and are at greatest risk of VPDs. They must be a priority in the response, while recognising that many more children will likely become 'zero-dose' or under-immunised, given the impact of the pandemic including in communities that have historically had high coverage rates;
  - c) **Exceptional situation requiring flexible and differentiated responses:** COVID-19 will put an enormous strain on immunisation programmes and will require them to adapt their mode of operation, informed by WHO normative guidance. Given uncertainty in how the pandemic will evolve and the variability that is to be expected across countries, the Alliance will need to remain flexible and agile and provide a range of targeted and differentiated support options to meet the needs of different countries;
  - d) **Integrated approach to recovery:** Plans to maintain and restore immunisation should be embedded in countries' overall COVID-19

recovery plans and identify opportunities for integrated service delivery. This includes existing immunisation services, other basic primary healthcare (PHC) services and future COVID-19 vaccination. Recovery plans should also take an integrated approach to restoring service delivery and strong community engagement to rebuild trust and demand. These efforts can help shape a 'new normal' of integrated PHC delivery, including in communities who have historically been reached by immunisation but not other routine health services. The Alliance will work with other donors and partners at country and global level to ensure its support is coordinated and to enable integration of services; and

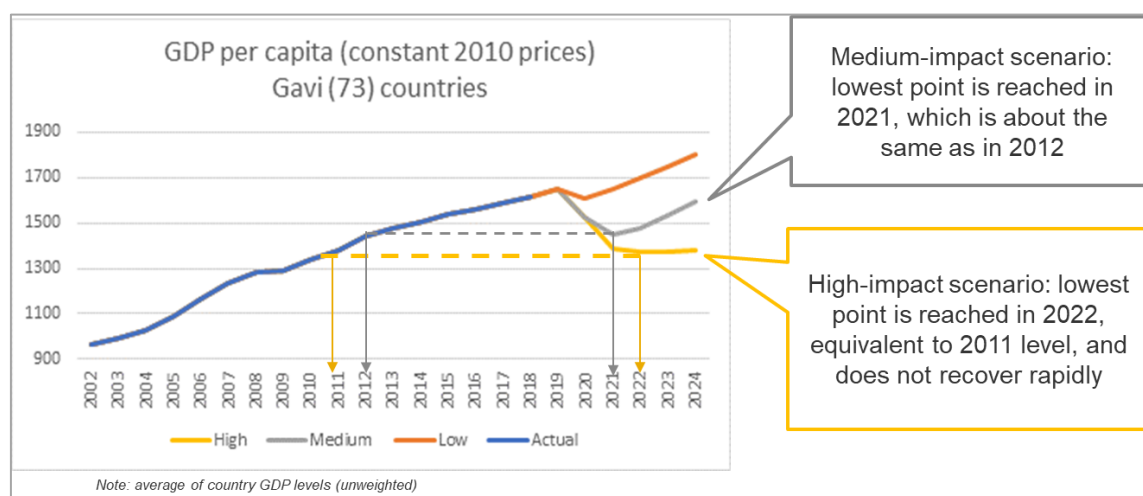
- e) **Seize opportunities to build back better:** While COVID-19 is a global crisis, the response is also an opportunity to learn to work differently, 'reimagine' immunisation and rebuild systems that are stronger, smarter and more resilient to future health emergencies. The Alliance will be deliberate in helping countries to identify and seize these opportunities.

2.4 **Based on these principles, the Alliance is identifying concrete ways to support countries,** which will be brought for discussion at the next PPC and Board meeting. To ensure sufficient flexibility, Gavi will need to make adjustments to current support and processes (e.g. frontloading HSIS funding to enable accelerated catch-up, supporting increased operational costs for modified outbreak response and integrated campaigns, and streamlining application and review processes). Gavi's model already seeks to be responsive to country needs including through flexibilities in the Fragility, Emergencies and Refugees (FER) Policy. However, the FER Policy did not envisage a global emergency affecting all Gavi-supported countries simultaneously. The Secretariat will require the ability to quickly implement such flexibilities across a much broader range of countries.

2.5 **Several donors and partners have also approached Gavi to explore whether the Cold Chain Equipment Optimisation Platform (CCEOP) could be used to help support the broader response to COVID-19.** Through the CCEOP, the Alliance has a comparative advantage in helping countries assess their overall cold chain needs for COVID-19 diagnostics, therapeutics, samples and COVID-19 vaccines, finance procurement of equipment, and shape the market to ensure sufficient availability of the right cold chain technologies at optimal prices. This could also ensure adequate cold chain for other critical PHC commodities such as Oxytocin. Separately, the Secretariat has also been approached by WHO and a major donor, who have identified the CCEOP as the best-available platform to accelerate solarisation of health facilities, which can make a major contribution to ensuring resilience of health systems in responding to future emergencies (including by channelling existing donor support for solarisation through the CCEOP). If Gavi were to provide support to strengthen cold chain to meet a broader set of needs, it would require mobilisation of supplementary funding.

### 3. Responding to the fiscal impact of the pandemic on immunisation programmes in Gavi-supported countries

- 3.1 According to the IMF and the World Bank, the negative economic impact of COVID-19 is expected to result in the worst peacetime recession since the Great Depression. Three scenarios model the impact of this shock on Gavi-supported countries based on IMF estimates. In the low-impact scenario – recently deemed too optimistic by the IMF itself and still the worst recession in decades – global gross domestic product (GDP) would fall by ~3% and recover rapidly. In the medium and high impact scenarios, GDP per capita of Gavi-supported countries could regress to levels of 10 or more years ago.



*Projected evolution of GDP per capita in Gavi-73 countries in three potential scenarios of impact of the pandemic*

- 3.2 **The economic downturn, under all scenarios, poses risks to countries' ability to co-finance.** Countries will struggle with revenue underperformance, emergency budget reallocations, and tighter liquidity management. These constraints are likely to **limit the available fiscal space to fund immunisation** and other essential health programmes, resulting in a higher risk of co-financing defaults and therefore of stock-outs. **Similarly, expected transition trajectories could also be affected** as GNI per capita growth rates decelerate or turn negative. Many current Gavi-eligible countries could see their progression through the phases of support delayed, with several moving backwards. Among countries that have already transitioned, only one or two countries are projected to regain eligibility, given that their GNI per capita levels are already considerably above Gavi's eligibility threshold.
- 3.3 **The Secretariat is proposing three flexibilities in the application of Gavi's Eligibility & Transition and Co-financing policies to respond to the fiscal impact of the pandemic on immunisation programmes.**

- a) **The first flexibility is to ‘freeze’ country eligibility in 2021 so that countries remain in their current (2020) phase.** This would address the inherent multi-year time lag in the underlying GNI data used to determine a country’s eligibility and specific phase. This time lag, in the context of rapid deterioration in GNI per capita, can result in inaccurate categorisation of countries. Without this ‘freeze’ Gavi would be using 2019 GNI data, from before the onset of the pandemic, to determine 2021 eligibility;
- b) **Second, to also ‘freeze’ co-financing levels in 2021 at the current 2020 levels.** Even if a country’s eligibility and phase of support remain unchanged, annual co-financing levels for countries in preparatory and accelerated transition phases would otherwise continue to increase, despite potential decreases in GDP and revenues<sup>6</sup>; and
- c) **Third, the CEO to review and approve on a case-by-case basis any request to waive co-financing in 2020.** This reflects guidance given by the Board in March 2020 to consider waiving co-financing obligations for 2020. As of 28 April 2020, three Gavi-eligible countries have formally requested a co-financing waiver for 2020, and there are specific indications of challenges in the fulfilment of 2020 obligations in another 18 countries. In this approach, the Secretariat is acutely aware of the need to balance ensuring that co-financing obligations do not hamper countries’ efforts to tackle the pandemic alongside helping them to protect domestic vaccine budget allocations<sup>7</sup>. Whilst wishing to apply flexibilities only where there is need, a key challenge will be the lack of timely data to objectively determine which countries should or should not receive flexibilities.

**3.4 The Secretariat is also exploring whether additional time-limited support for former Gavi-eligible countries might be appropriate.** In June 2019, the Board agreed to continue Gavi’s engagement in former Gavi-eligible countries to prevent the risk of backsliding in vaccine coverage. The COVID-19 pandemic increases both the likelihood and potential extent of backsliding. Time-limited support could include vaccine financing alongside targeted service delivery support to maintain the continuity of routine immunisation supplies and services and, where necessary, carry out catch-up campaigns to alleviate disruptions. The financing of any additional measures for these countries would be from within the earmarked envelope for former and never eligible MICs. The Secretariat will bring specific proposals to support former Gavi-eligible countries to the an upcoming PPC.

<sup>6</sup> In December 2019 the Board agreed to revising the Co-Financing policy to provide flexibilities in such situations. In the current context it may require a broader application across all countries.

<sup>7</sup> There is no reliable data on domestic budgetary vaccine allocations, which is why this aspect cannot be assessed with accuracy.

4. **Ensure accelerated access to and delivery of appropriate COVID-19 vaccines**
  - 4.1 **Safe, effective and affordable vaccines are the most effective way to protect the most vulnerable, stop local and cross-border transmission and prevent resurgence.** Vaccination in countries with weaker health systems or at greater risk of undetected ongoing transmission will be critical to the global effort to contain the pandemic.
  - 4.2 **Making vaccines available for broad use in record time will require innovative approaches** to compress the standard development pathway timeline as well as immediate planning and 'at risk' investments for downstream steps like manufacturing and delivery. New models of coordination will also be necessary. This has already begun, with the World Bank convening a time-limited COVID-19 Vaccine Development Task Force to which Gavi has actively contributed by participating in the Financing Cluster and chairing the Manufacturing Cluster. On 24 April 2020, at a meeting co-hosted by Dr. Tedros, President Macron, President von der Leyen of the European Commission (EC) and Melinda Gates, a collection of stakeholders, including the Alliance, other partners and 10 heads of state **launched the 'Access to COVID-19 Tools' (ACT) Accelerator**, a global collaboration platform to accelerate development and production and assure equitable global access to new COVID-19 essential health technologies including vaccines. WHO also announced that Gavi's Board Chair Dr Ngozi Okonjo-Iweala, and Sir Andrew Witty, the former CEO of GSK, will be special envoys for the Accelerator. **Gavi will co-lead the Accelerator's vaccine pillar with the Coalition for Epidemic Preparedness Innovations (CEPI).**
  - 4.3 **Gavi's engagement in COVID-19 vaccine is focused on supporting a) acceleration of vaccine development, b) enabling equitable access to sufficient and timely supply of vaccine for lower income countries, and c) preparing and supporting these countries to deliver these vaccines at high and equitable coverage.** In achieving these objectives, the Alliance will draw from its expertise in market shaping, its innovative financing tools and its experience working with countries to support their roll-out of new vaccine programmes. Gavi can also play an essential role in facilitating engagement of Gavi-supported countries and CSOs. **Funding for making COVID-19 vaccine available to Gavi-supported countries is not accommodated under the replenishment ask and would require separate fundraising.**



- a) **Support acceleration of vaccine development:** WHO is leading the development of an overarching Research & Development (R&D) Action Plan for COVID-19 vaccines. The Alliance has been contributing to ensure that R&D prioritisation decisions reflect factors that affect downstream access and uptake in lower income countries, such as the manufacturability, scalability and acceptability/use of vaccines. **Gavi is also exploring making available the International Finance Facility for Immunisation (IFFIm) to accelerate the availability of additional new donor financing** for COVID-19 (see Document 03). Norway has requested the use of IFFIm to frontload its funding to CEPI for COVID-19 vaccine development, and there may be additional requests from other CEPI donors or potentially requests to leverage IFFIm for other aspects of COVID-19 vaccine development, manufacturing and delivery.
- b) **Enable equitable access to sufficient and timely supply of vaccines for lower income countries:** Drawing from the Alliance's deep experience with innovative vaccine financing approaches, a COVID-19 Advance Market Commitment (AMC) may potentially be a suitable approach which Gavi is exploring as part of the broader coordinated efforts of the Accelerator to contribute to equitable access to vaccines for lower income countries. A **COVID-19 AMC could leverage a combination of approaches to accelerate the availability of suitable and affordable vaccines**. First, the AMC could utilise 'pull' funding, whereby a commitment is provided to purchase quantities of vaccine at established and equitable pricing, to provide incentives to manufacturers to invest in large scale capacity. This draws upon Gavi's experience of an existing AMC for pneumococcal vaccines, which has prevented 700,000 children's deaths, and of the Advance Purchase Commitment (APC) for Ebola, which has helped to control the latest outbreak in DRC. Second, the AMC could also include 'push' funding, to directly support the expansion of manufacturing capacity, secure critical raw materials and equipment and help to transfer technology from developers to manufacturers. This draws upon the experience of the Meningitis Vaccine Project, which took a vaccine from a lab in the Netherlands to a large producer in India. The use of a combination of 'push' and 'pull' elements could be flexibly tailored to address the specific challenges faced by different manufacturers, but should be based on a consistent set of criteria and principles, such as on risk-sharing and pricing. **The concept of a potential COVID-19 AMC is currently being discussed by Gavi and other partners, and the Secretariat will keep the PPC and Board updated.**

- c) **Prepare and support lower income countries to deliver vaccines at high and equitable coverage:** WHO and SAGE will define the vaccination strategy for COVID-19 vaccines. In the interim, the Secretariat has been developing with partners indicative vaccination scenarios to inform planning assumptions and early forecasts. Beyond considerations for vaccinating specific populations (e.g. healthcare workers, older adults, etc.) these scenarios include a stockpile that should be maintained to address hotspots with significant number of cases and limited ability to contain spread of the disease. The **Alliance will also likely need to help any supported countries in building the capacity to receive and deliver vaccines in a timely manner.** Preparing systems to deliver COVID-19 vaccines is expected to be intensive and go beyond standard activities (e.g. training, microplanning, cold chain expansion), as the infrastructure to deliver vaccines to new target populations may need to be built. This will be integrated with broader efforts to maintain and restore immunisation services (see above).

- 4.4 **Gavi will need to define its scope of country engagement in COVID-19 vaccines.** So far Gavi has been defining its scope of supported countries as the 'Gavi 73'<sup>8</sup>. However, this definition is based on historical assessment of eligibility that utilised GNI per capita (p.c.) levels from 10 years ago or more. Hence, the 'Gavi 73' includes upper middle-income countries (UMICs) that are significantly wealthier than some countries that have never been eligible for Gavi support. For COVID-19 vaccines, Gavi could evolve the scope of countries to include all low-income countries (LICs) and lower middle-income countries (LMICs).<sup>9</sup> This definition would include 78 countries, a small increase from the current list and comprising ~50% of the global population.<sup>10</sup> This would have several benefits: it focuses Gavi support on the poorest countries in the world today, it utilises a recognised definition (World Bank's LIC and LMIC income categories) instead of a Gavi-specific threshold, and it is simple and transparent. For this new group of 78 countries, Gavi would provide access to vaccines through the AMC and financial support for vaccine procurement, technical assistance and delivery. Gavi could also consider engagement with upper middle-income countries (UMICs) on COVID-19 vaccines, for example a subset with greatest need. Engagement with UMICs could focus on providing access to vaccines through an AMC rather than financial support for vaccine procurement or delivery. The Secretariat will further consider the scope of country engagement and level of support for future discussion with the PPC and Board.

<sup>8</sup> Gavi 73 includes Gavi-eligible and post-transition countries

<sup>9</sup> Includes all countries with GNI p.c. up to ~US\$ 4,000, including West Bank and Gaza.

<sup>10</sup> Six upper middle-income countries currently included in the Gavi 73 would not be included in the 78 countries (Armenia, Azerbaijan, Cuba, Georgia, Guyana and Sri Lanka)

## **Section C: Implications for Gavi 5.0 priorities**

- 5.1 **As described above the Alliance remains grounded in the Gavi 5.0 strategy** with its vision of leaving no one behind with immunisation and equity as the organising principle which is more relevant than ever in the light of the pandemic. However, the pandemic and Gavi's response requires to reassess and reprioritise some **elements of Gavi 5.0**:
- a) **Strategic Goal 1 – Introduce and Scale up Vaccines:** With the impact of COVID-19 on countries' priorities, the introduction of new vaccines might be considered less urgent as countries focus on restoring immunisation coverage. The rollout of the various vaccines approved through the vaccine investment strategy (VIS) in 2018 might have to be deferred and reassessed after the acute phase of the pandemic. Once available and approved by the Board, the rollout of COVID-19 vaccines will become an additional priority for the Alliance. The pandemic also highlights the critical importance of early detection of pathogens with epidemic potential and strong preparedness for response. As VPD outbreaks could intensify, access to stockpiles may become even more important. The Alliance may want to look into how it could take a more deliberate approach in this area, particularly in infectious disease surveillance.
  - b) **Strategic Goal 2 – Strengthen Health Systems to Increase Equity in Immunisation:** As described in detail in section B COVID-19 is likely to result in millions of children being missed for immunisation, and particularly impact the most marginalised communities. While countries are likely to face delays in planning and implementing Gavi's health system support, equity – with a focus on zero-dose children and marginalised communities – will be at the heart of Gavi's efforts to maintain and restore immunisation services. This provides an opportunity to test new ways of working and accelerate progress on equity through highly differentiated, targeted and tailored approaches involving local partners and communities and a subnational focus. Coordination with other donors and partners will be more important than ever, maximising opportunities for integrated and equitable PHC service delivery.
  - c) **Strategic Goal 3 – Improve sustainability of immunisation programmes:** The long-term goal to promote domestic public resource allocation for immunisation and PHC remains as important as ever. However, as outlined in section B, COVID-19 puts at risk some countries' ability to prioritise domestic public resources for immunisation and to transition successfully out of Gavi support. Hence, Gavi's ambition for levels of co-financing and number of successful, sustainable transitions will need to be adjusted in line with the ultimate impact of COVID-19. Flexibilities to mitigate the acute impact of the pandemic, such as co-financing waivers, need to balance this acute need with the objective to continue to incentivise countries on their path to a successful transition.



- d) **Strategic Goal 4 – Ensure healthy markets for vaccines and related products:** Healthy markets and innovation for vaccines and vaccine-related products will continue to be a priority for Gavi. In addition to the existing vaccine portfolio, Gavi has started to put a focus on shaping the market for COVID-19 vaccines to ensure equitable access for developing countries. The Alliance is also prioritising ensuring uninterrupted supply of its existing vaccine portfolio during the pandemic (more details provided in section B).
- 5.2. **The COVID-19 pandemic also poses challenges to operationalising the Gavi 5.0 strategy.** The operationalisation is a consultative process articulated across six workstreams and aims to review and transform Gavi's policies, strategic approaches, processes and tools to ensure alignment with the new strategy. Given the uncertain impact of COVID-19 in countries and bandwidth constraints in the Secretariat, the Alliance and in countries much of the operationalisation work is being slowed down and adjusted to respond to the new realities in countries. More details will be brought to the upcoming PPC.

#### **Section D: Mitigating risk on Secretariat internal operations**

- 6.1 **The Secretariat is also taking the required steps to manage the impact of COVID-19 on Secretariat operations.** It has put in place a set of preventative and remediation measures to protect the health and safety of its staff and ensure business continuity. To address the significant amount of new COVID-19 related work, it has set up a temporary, lean cross-departmental COVID-19 project team with short-term surge capacity, and slowed down or paused less urgent work. For further details, please refer to the report on "COVID-19: Operational Implications", Doc 02 to the 6 May 2020 meeting of the Audit and Finance Committee on BoardEffect.

#### **Section E: Financial Implications**

- 7.1 **Implications for existing programmes:** The adaptation of Gavi's existing programmes to respond to COVID-19 (including HSIS, TCA and Secretariat capacity) can be accommodated under the current replenishment ask. It is likely that the response will result in an increase in expenditure in the next 12-18 months (if the Board grants the authority to do so as spelled out in section F). This increase is driven by a) the cost of helping countries respond to the immediate effects of the pandemic and to maintain and restore immunisation services (e.g. through catch-up immunisation strategies, increased HSS and PEF TCA allocations, outbreak response), and b) the cost for responding to the pandemic's fiscal impact on immunisation programmes (i.e. 'freezing' transition and co-financing and waiving co-financing on a case-by-case basis). 'Freezing' country eligibility and co-financing levels in 2021 at 2020 levels would have a financial

implication of US\$ ~150 million<sup>11</sup>. Offering selected co-financing waivers in 2020 could cost up to US\$ 150 million<sup>12</sup> in addition. A share of the increased expenditures is expected to be offset by delayed vaccine introductions and campaigns (see section C) while other parts could be covered through the allocation for strategic investments in Gavi 5.0 (US\$ 413 million) which was created for such events. The Secretariat will also look to reprioritise, reallocate and frontload other sources of funding to meet these needs. **The exact financial implications of COVID-19 on Gavi's existing programmes will depend on the progression and impact of the pandemic**, which is unknown at the moment, and will be reassessed and brought back to the Board on an ongoing basis. Potential longer-term resourcing implications for the Secretariat beyond short-term surge capacity will be determined through an organisational review, currently under way, and be brought to the December 2020 Board. Against this backdrop the Secretariat requests that the Board grant the Gavi CEO the authority to adjust and/or exceed the aggregate overall Gavi forecasted amounts for 2020 and 2021 by up to 20% (including PEF and Secretariat) to respond to the COVID-19 pandemic (see section F).

- 7.2 **Implications for potential new programmes:** The cost of expanding the CCEOP to help countries address their full cold chain needs for COVID-19 (and potentially other PHC commodities), and the cost associated with COVID-19 vaccine are not included in the replenishment ask and would require separate fundraising. Pending the Board's guidance the Secretariat will conduct a detailed costing analysis of expanding the CCEOP for the Board's consideration. It is extremely difficult to predict costs associated with COVID-19 vaccines given they are still in development and vaccination recommendations are yet to be made. Acknowledging significant uncertainties, the Secretariat is currently collaborating with stakeholders to develop indicative cost estimates for vaccine manufacturing support, procurement and delivery. The Secretariat will update the Board once these cost estimates are available.

## **Section F: Actions requested of the Board**

The Gavi Alliance Board is requested to:

- a) **Note** the authority granted by the Board in March 2020 to the CEO to adjust budget amounts by up to 20% for the purposes set out in the Programme Funding Policy and **grant** the Gavi CEO the authority to adjust and/or exceed the aggregate overall Gavi forecasted amounts for 2020 and 2021 by up to 20% to respond to the COVID-19 pandemic.

<sup>11</sup> The US\$ ~150 million financial impact of freezing in 2021 is the cumulative impact that this 1-year freeze would have throughout the whole 5.0 period (high-level estimate).

<sup>12</sup> Figures are a maximum, assuming that all countries request co-financing waivers for all Gavi-supported vaccines, which might not be the case given that doses might not be needed due to declines in coverage.

- b) **Preserve** countries' eligibility status and co-financing at 2020 levels for 2021 and **grant** the CEO the authority to waive 2020 co-financing obligations on a case-by-case basis upon request by a country.
- c) **Provide guidance** on whether Gavi should play a broader role in helping countries to address their full cold chain needs to respond to COVID-19 and potentially other PHC commodities, recognising that this will require mobilisation of supplementary funding.
- d) **Provide guidance** on whether the three areas of focus for Gavi's engagement in COVID-19 vaccines are appropriate.

### **Additional information available on BoardEffect**

**Appendix 1:** Background on COVID-19 and Trade

**Appendix 2:** Gavi private sector partner response to COVID-19

**SUBJECT:** REVIEW OF DECISIONS

**Agenda item:** 05

*No paper*

**SUBJECT:** CLOSING REMARKS

**Agenda item:** 06

*No paper*