

## Summary of CEPI Board meeting #3 London, 8-9 October 2018

### Board members

- Jane Halton, *Chair of the Board*
- Cherry Gagandeep Kang, *Christian Medical College Vellore, Vice-Chair of the Board*
- Jeremy Farrar, *Wellcome Trust (alternate)*
- Tore Godal, *Norwegian Institute of Public Health*
- Joachim Klein, *Federal Ministry of Education and Research, Germany*
- Ichiro Kurane, *Ministry of Health Labour and Welfare, Japan*
- Joanne Liu, *MSF*
- John Nkengasong, *Africa CDC*
- Peter Piot, *London School of Hygiene & Tropical Medicine*
- David Reddy, *Medicines for Malaria Venture*
- Rajeev Venkayya, *Takeda*

### Non-voting members

- Richard Hatchett (CEO CEPI)
- Helen Rees, *Wits Reproductive Health and HIV Institute (Chair of CEPI Scientific Advisory Committee)*
- Michael Ryan, *World Health Organization (alternate)*
- Alex Cebotari, *World Bank (alternate)*

### Apologies

- Peggy Hamburg, *American Association for the Advancement of Science (Chair of CEPI Joint Coordination Group)*

### Observers

#### Investors council

- Ulrike Bußhoff, *Federal Ministry of Education and Research, Germany*
- Freya Hopper, *Wellcome Trust*
- Daisuke Koga, *Ministry of Health Labour and Welfare, Japan*
- Lene Jeanette Lothe, *NORAD, Norway*
- Samia Saad, *Bill and Melinda Gates Foundation*

#### Others

- Charlie Weller, *Wellcome Trust*

### CEPI Secretariat

- Per Etholm
- Frederik Kristensen
- Gunnstein Norheim
- Melanie Saville
- Richard Wilder
- Sabrina Kriegner
- Joseph Simmonds-Issler
- Rachel Grant (9 October)
- Astrid Helgeland (Item 11)
- Mads Høgholen (Item 10)
- Ole Kristian Aars (Item 9)
- Magnus Holme (Item 8)
- Gro Anett Nicolaysen (Item 10)
- Nicole Lurie (Item 2-5)

## ITEM 1: Opening of meeting

Jane Halton opened the meeting. No conflicts were raised in addition to those previously declared.

## ITEM 2: Ebola

Richard Hatchett presented on the current Ebola outbreak, potential funding opportunities for CEPI, and proposed investment guidelines to adjudicate if/when CEPI should contribute to global efforts.

During discussion the following key points were made:

- Any CEPI investments should demonstrate clear added value, and be aligned with WHO priorities
- The support of Ministries of Health in affected or at-risk countries is a prerequisite, and relevant national centres and institutes should be engaged in any effort.

### Resolutions:

- The Investment Guidelines were approved
- The Board advised the Secretariat to continue exploring current opportunities and return to the EIC with a recommendation on which, if any, activities CEPI should fund.

## ITEM 3: CFP1/2

Melanie Saville outlined the agreements signed for CFP1, those being negotiated for CFP2, and the Secretariat's approach to project governance. In discussion the following key points were raised:

- The Secretariat should be certain all elements of project governance are necessary
- The nature and depth of the Secretariat's engagement with projects must be clear, appropriate and essential to oversight
- CEPI programs are at risk due to the technical risks that projects and platforms face; the experience level and commercial viability of its partners; and the complexity many partners will encounter in managing highly distributed consortia
- Stage Gate Review Committees have been designed to include external experts/partners to ensure objectivity in decision-making and mitigate against any CEPI attachment to projects.

**Resolution:** The Board requested the Secretariat to prepare a paper on CEPI's approach to and handling of stockpiles. DUE: March 2019 Board.

## ITEM 4: Summary of Partnering Agreements for CfP1

Dick Wilder set out the key terms of CEPI's signed partnership agreements, focusing on project management, stockpiles, access to vaccines, sharing of commercial benefits, and access to publications and data. During discussion the following key points were raised:

- Transparency is critical for CEPI. The Secretariat needs to be able to demonstrate the principles it has taken into negotiations, how it has applied them, and the outcomes it has achieved. That noted, the level of transparency in relation to contracts needs to be considered to ensure it does not distort the intended outcome. Experience suggests that in negotiations with the private sector, keeping terms confidential can achieve better results, especially if companies are concerned future partners may demand the same terms as CEPI achieved
- CEPI's contracts to date have addressed pricing by adopting a cost of goods plus approach
- PDPs in similar fields have followed a similar approach where they have clear policies to ensure affordability which are communicated publicly, and negotiate bespoke terms with each agreement that reflect these policies, but the specifics of which can be maintained as confidential if required by the partner

- CEPI should develop tests to decide whether information is published or confidential. It should be transparent about such tests, and why sometimes it is not possible to be transparent
- The Board could consider implementing a mechanism such as an Ethics Committee to be sure CEPI's agreements reflect CEPI's equitable access principles.

**Resolution:** The Secretariat will bring a proposal to the EIC on how to report publicly on progress against its equitable access goals, including on contract terms. DUE: November 2019

## ITEM 5: Access Policy Revision

Nicole Lurie presented CEPI's revised access policy, noting the revision followed the sunset of the interim policy's 12-month lifetime, the experience of negotiations in CEPI's first call, and an extensive consultative process. In discussion the following key points were raised:

- The definition of equitable access must be clear and articulate that such access is important in order to protect global health
- The Board will be asked to approve the Equitable Access policy. The Secretariat will develop accompanying implementation guidance as a separate document
- Who "needs" vaccine will vary according to who makes the decisions about vaccine allocation and how such decisions are interpreted. Simply saying vaccine will be provided to those who "need" it may not result in equitable allocations
- It is important to be aligned on the respective roles and responsibilities of CEPI, GAVI, and WHO
- Developing countries must be part of any discussions on equitable access.

**Resolutions:** The Board agreed more work was needed on the policy and agreed the following process:

- Secretariat to share a revised draft by 12 October; Board to review the policy by 19 October;
- The policy will be shared for comment with partners/representatives from selected LMICs;
- Revised policy to come for approval at December's Board, or via a paper process before this.

## ITEM 6: Areas of Future Investment

Richard Hatchett presented the Secretariat's recommendation, following guidance from the Scientific Advisory Committee, on what to invest funds from the European Commission (EC) in. He noted the funding had to be used for new activities, and consultation and analysis had been used to develop and review the potential topics. The Board approved the Secretariat launching a call in early 2019.

## ITEM 7: Reports from Committees

**Audit and Risk Committee (ARC):** Ichiro Kurane reported on topics addressed by the ARC to date:

Whistleblowing mechanisms must be clear, easy to understand, and accessible to external observers. Audit: CEPI should not have a perpetual audit—investors should collaborate to minimise the burden.

**Resolution:** The Board asked the ARC to review the external financial audit and the recent Wellcome audit and advise if/when a additional external review may be needed. DUE: Q1/2 2019

Other:

- To credibly respond to gender related issues, the ARC will need gender diversity
- **Resolution:** The Board approved the updated Terms of Reference for the ARC
- **Resolution:** The Board delegated approval of the 2019 internal audit plan to the ARC.

**Executive and Investment:** Jane Halton presented on EIC discussions since March, noting approval of funding to FIND for Lassa diagnostics, approval of policies, discussion on board improvement plans, ongoing dialogue on industry's engagement with CEPI, and interim approval to recruit seven new positions, so long as the recruitments did not result in >5% increase in operating expenses.

**Nominations and Compensation:** Rajeev Venkayya presented the NCC's work to date. The NCC:

- supported CEPI policies on role location/compensation being followed to the greatest extent possible
- supported annual salary adjustments being based on a split of standard cost of living adjustments and merit-based increases. The NCC had asked for final details before sign-off
- was actively reviewing candidates for the two open independent board seats
- **Resolution:** Peter Piot has agreed and was approved to serve one extra year on the Board.

## **ITEM 8: Policies**

### **Resolutions:**

- The Board approved the Code of Conduct, noting the need to explicitly reference the importance of cultural and educational contexts in the design and conduct of clinical trials
- The Board approved the Delegations of Authority Policy, and the EIC TORs
- The Board asked the Secretariat to review the transparency and confidentiality policy in light of the updated access policy and return to the EIC for approval. DUE: November 2018.

## **ITEM 9: Business Plan**

Richard Hatchett presented CEPI's draft business plan for comment. Key points raised:

- The Board supported the Secretariat's elevation of access to part of the mission statement
- Business plans are most effective when linked to a replenishment process.

**Resolution:** The Board gave broad approval for the vision, mission, strategic objectives and indicators noting comments, and asked the Secretariat to work with partners to have an updated plan with letters of support from e.g. WHO, GAVI, emphasising CEPI's coalition aspect. DUE: Q1 2019.

## **ITEM 9: Resource Mobilisation**

Frederik Kristensen presented an update on resource mobilisation discussions, the Secretariat's proposed targets in the short and longer term, and CEPI's longer term models of funding.

### **Resolutions**

- The Board approved the priority targets, noting comments and additions proposed
- The Secretariat should work closely with Board members as advocates for CEPI

## **ITEM 10: Preliminary Budget and Five-Year Plan**

Per Etholm presented CEPI's preliminary 2019 budget and five-year financial plan. Both will come to the December Board for approval. Per noted planning was based on current (MUSD 732) and target Business Plan (MUSD 1000) scenarios, incorporates co-funding requirements, and extends to 2022 with some investments scheduled beyond that. Per also presented a new cost allocation approach.

### **Resolutions**

- The Board approved the new classification and segregation of costs
- The Secretariat should share the precise staff costs in the December 2018 budget
- The Board approved maintaining the operating reserve of MUSD 25
- The Secretariat will report to the ARC on hedging.

## **ITEM 11: Resourcing**

Richard presented a proposal for increased resourcing, which was based on the nature and expertise of CEPI's partners, the need to provide appropriate oversight of a rapidly growing portfolio, and the need to avoid staff burnout. The proposal maintains a lean staffing ratio that the Secretariat sees as sufficient to complete its work.

**Resolution:** The Board approved the proposal to increase headcount from 42 to 66.