

CEPI

Coalition for Epidemic Preparedness Innovations

CEPI Interim Board Teleconference

January 12, 2016

SUMMARY FROM BOARD PROCEEDINGS (CEPI/BTC2)

On January 12, 2017 proceedings of the Interim Board of directors of the Coalition for Epidemic Preparedness Innovations (CEPI) were held by way of teleconference. Vice-chair Peter Piot chaired the meeting due to conflicts for K. VijayRaghavan.

The following participated:

CEPI Interim Board members

- Arnaud Bernaert
- Gagandeep Kang (delegate)
- Jane Halton
- Jeffrey Mphahlele
- Jeremy Farrar
- Joachim Klein
- Joanne Liu
- John-Arne Røttingen (observer)
- Laura Efros (delegate)
- Lydia Ogden (delegate)
- Marie-Paule Kieny (observer)
- Mark Feinberg (observer)
- Moncef Slaoui
- Nick Adkin (delegate)
- Nicole Lurie
- Peggy Hamburg
- Penny Heaton (delegate)
- Peter Piot (Vice Chair)
- Ruxandra Draghia-Akli
- Tore Godal
- Victor Dzau
- Hiroyuki Yamata (delegate)

Observers

- CEPI Secretariat
- Representatives of founding members

Apologies

- Adar Poonawalla
- Eduardo de Azeredo Costa
- Julie Gerberding
- K. VijayRaghavan (Chair)
- Nima Farzan
- Trevor Mundel
- Yifru Berhan

A majority of the Interim Board members participated. The participating Interim Board members thus constituted a quorum. None of the Interim Board members had objections to the manner of proceedings, the notice, or the agenda.

The following matters were on the agenda:

CEPI's mission: *We want to stop future epidemics by developing new vaccines for a safer world. Vaccines are one of the world's most important health achievements, but their life-saving potential hasn't yet been realised for many known and unknown epidemic threats.*

1 Opening of teleconference

Peter Piot opened the teleconference and informed the Board about the agenda.

2 CEPI Policies

John-Arne Røttingen introduced the revised policies and explained the process that has taken place following the Board meeting in India. There was broad agreement on most of the content, while there are four areas where there is not yet a consensus. The Board discussion were centred around these areas, which are depicted in separate headings below.

Price levels and access

- There was general consensus on having some form of differentiated pricing, although there were differing opinions about for which countries “a price as low as possible” should apply.
- Many Board members raised the issue about countries that have recently graduated from the low- to the lower middle-income category. Categorization on either side of the threshold should not lead to differentiated pricing, as it does not reflect the ability to pay. Accordingly, several spoke in favour of additional text on the lowest price being applicable to both low-income, lower middle-income and upper middle-income countries. If categorization is introduced, an associated definition must be included in the policies.
- Irrespective of categorization, the ability to pay is also influenced by issues that are not reflected in a crude measurement like GNI. Countries in conflict are especially relevant in this case.
- Some Board members reiterated the view that the pricing levels should not lead to the risk of manufacturers running a loss. A response was given that prices will be a function of the amount of doses demanded. Accordingly, it is expected that low volumes imply higher prices.

Potential returns on commercial benefits

- The main issue discussed was how background IP relates to the proportion of potential benefits CEPI is entitled to – specifically on how investment in background IP should be reflected in the benefits that accrue from the foreground IP.
- Some argued for the need to value know how and investment in background IP. If the foreground IP is useless without access to the background IP, the background IP should also affect the proportion of benefits the different parties are entitled to.
- On access to background IP, there was in general consensus that it cannot be withheld by awardees unjustifiably. Moreover, the use of background IP should be restricted to the vaccine that is co-funded by CEPI. Others had stronger views on facilitating access in the public domain.
- Questions were also raised concerning whether or not CEPI should be entitled to revenues from a product developed not related to the priority pathogen, but that has benefited from CEPI funded foreground IP.
- When redrafting the policies, one must keep in mind that they cannot become too prescriptive. CEPI must be given the ability to negotiate on a case-by-case basis.

Control on manufacturing capabilities

- Concerns were raised on language around CEPI having the right to require manufacturing capacities from an awardee outside the scope of the contracts. To avoid any doubt, an additional paragraph is to be drafted to clarify no reach through rights.

IP management

- Reach in to background IP was a sensitive issue. John-Arne Røttingen clarified the proposed position that CEPI will not reach in to other background IP than the one necessary in relation to CEPI priority pathogen.
- Some concerns were raised in regards to CEPIs step-in rights. But general agreement that CEPI needs to have the ability to grant a licence to a different manufacturer if the awardee does not have the capacity to deliver according to pre-determined agreements. Some Board members spoke of the need for licence owners to approve such a transfer, although IP cannot be unreasonably withheld. Others said that such licenses should not be sub-licensable.
- Some Board members spoke in favour of the proposed language that was sent in writing by Marie-Paule Kieny and she spoke on.

Other issues

- One Board member suggested to delete reference to optional additional funding
- Current and continued CEPI processes should be guided by transparency.

Decisions

- The Board endorsed the suggestion of initiating a small drafting group with the mandate to circulate a revised policy document to the Board by February 10. This drafting group will take the inputs above into consideration when revising. Decision on the revised policy will be made through consent by abstention from commenting. If no objections are received by February 15, the revised policies will be considered finalised and accepted by the Board. The drafting group shall be comprised by
 - o Jeremy Ferrar (Chair)
 - o Moncef Slaoui
 - o Joanne Liu
 - o Marie-Paule Kieny
 - o Jeffrey Mphalele
 - o with support from the CEPI secretariat and legal team

3 AOB

No other business was tabled for discussion

4 Closing statement

Peter Piot thanked the Board for the participation and constructive discussions.