



Unitaid Executive Board Meeting
37th Session
9-10 December 2020
Organised via teleconference

Agenda item 3

Minutes of the 35th Session of the Executive Board
(EB35)
(17-18 June 2020)

Organised via videoconference

For Information For Review and Advice For Approval

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Executive Summary

- Agenda of the meeting and minutes of the 33rd Executive Board meeting and of the 34th Special session of the Executive Board on COVID-19 were adopted.
- The Board welcomed a representative of Japan as an Observer to the meeting and the expression of intent to support Unitaid's role within ACT-A.
- The Executive Director a.i. updated the Board on progress towards the 2020 priorities, including the impact of the COVID-19 pandemic and Unitaid's contribution to the global response. The Board acknowledged the report on the impact of COVID-19 on the portfolio and highlighted the importance of safeguarding the wider response to the three diseases.
- The Board reaffirmed its support to Unitaid's involvement in the COVID-19 response and approved the process to deploy funds in that context (UNITAID/EB35/2020/R4). It approved the use of the bridge financing mechanism to fund new COVID-19 investments for an initial amount of up to US\$ 35 million, which could be reviewed in the future (UNITAID/EB35/2020/R3). The Board asked that a strong focus be placed on safeguarding the current Unitaid portfolio. The Secretariat committed to develop a brief document outlining Unitaid's strategic approach to investment choices within ACT-A.
- The Board asked the Secretariat to pursue its efforts to further simplify its processes and to increase the number of implementers from the global South.
- The 2019 KPI report demonstrates a strong operational performance. Board members agreed that resource mobilization and staff satisfaction are areas where stronger focus will be needed.
- The Board approved the renewal of the PRC Chair's appointment for the June 2020 – June 2023 period and the renewal of the appointment of all current members of the PRC for the period December 2020 – June 2022 (UNITAID/EB35/2020/R1).
- The Chair of the Proposals Review Committee reported on the committee's recent work, in particular in the context of UnitaidExplore and COVID-19. Members suggested to reflect on the capacity constraints related to the additional ACT-A workload.
- The Board approved the Unitaid 2019 audited financial statements (UNITAID/EB35/2020/R2).
- The Board approved the Code of Ethical Conduct for Unitaid Board constituencies and governance officials (UNITAID/EB35/2020/R5).

1. Opening remarks from the Chair

New alternate Board members and other participants were welcomed to the Executive Board meeting chaired by Ms Marisol Touraine.

The Board welcomed Ambassador Tamaki Tsukada, Director-General and Assistant Minister for Global Issues at the Japanese Ministry of Foreign affairs, as an Observer to the meeting. Ambassador Tsukada reiterated Japan's intent to contribute to the cause and mission of Unitaid. Noting that the relationship with Unitaid already started with cooperation on tuberculosis two years ago, he acknowledged the unique role played by Unitaid in the ACT-A in ensuring equitable access. Discussions have already taken place with Unitaid and the Medicine Patent Pool with that regard and Japan is eager to support Unitaid's leading role in ACT-A.

2. Agenda of the EB35 meeting

The Board adopted the agenda of the meeting (UNITAID/EB35/2020/1/Rev3).

3. Minutes of EB33, 20-21 November 2019 and of EB34SS, 25 March 2020

The Board adopted the minutes of the 33rd Executive Board meeting of 20-21 November 2019 (UNITAID/EB35/2020/2), and of the 34th Special Session of the Executive Board on COVID-19 of 25 March 2020 (UNITAID/EB35/2020/3).

4. Report from the Executive Director a.i.

The Executive Director a.i. provided an update on progress with the four priorities which were set for Unitaid in 2020 and how they guided the prioritisation of the work in light of the COVID-19 crisis. He recalled that staff engagement was a high priority and informed the Board about the actions taken to better engage staff, notably in the remote work context.

With a total of 14 new grants in 2019 and 2020, Unitaid's portfolio is expanding. The impact of COVID-19 has been very important, with the need to reshape most grants. Unitaid has been involved in the Access to COVID-19 Tools Accelerator (ACT-A) since its inception, playing a key role in the diagnostic partnership, as co-convener of therapeutics partnership and as member of the health system strengthening connector.

The Board commended the Executive Director a.i. for his leadership and acknowledged the responsiveness of Unitaid in the COVID-19 response and its contribution in ensuring that equitable access remain at the heart of the ACT-A. They also emphasised the importance of the non-COVID-19 portfolio. They welcomed the focus on staff welfare and gender equality and encouraged the Executive Director a.i. to continue promoting these priorities.

5. Portfolio performance including strategic KPIs and impact of COVID-19

- Portfolio performance

The Secretariat provided an overview of the portfolio performance for 2019. The current portfolio represents approximately US\$ 1.3 billion of investments, with 49 active grants and 36 different grant

implementers. The innovations supported in this portfolio have the potential to reach 100 million people each year and drive reductions in mortality 3 years faster than without our investments.

Overall these grants present a strong performance, with 89% of projects on track or exceeding expectations and a very high disbursement rate (95%). A range of 'access tools' are deployed across those 49 grants focusing on innovation and availability, quality, affordability, supply and delivery and demand and adoption.

The past years have seen an increase in the diversity and number of lead implementers, with 19% coming from the global South. The 2019 annual grantee survey shows that the overall experience with Unitaid is perceived as positive, as well as the interaction with project teams. However, feedback from the grantees also calls for processes to be further simplified and for more autonomy in the management of grants. The Forum of grant implementers initially scheduled for March was postponed to July and September and will be in a virtual format.

The Board congratulated the Secretariat for the quality of the report. The Board encouraged the Secretariat to learn from the challenges encountered and from the survey, to continue strengthening the relationship with communities and CSOs and to further simplify its processes. They stressed the importance to find the right balance between risk management and excessive oversight. Visibility of Unitaid is a key aspect that would need improvement and Members encouraged the Secretariat to pursue its efforts to increase the number of implementers from the South.

- Impact of COVID-19 on portfolio performance

COVID-19 is causing significant disruption to the Unitaid grants, the main driver for disruption being the operating environment. The Secretariat has put in place a thorough and structured mechanism to monitor the impact of covid-19 on a regular basis. Through this mechanism, the grants are continuously being monitored, so that appropriate course corrections can be taken if/when needed. The Secretariat is also actively supporting implementers, looking at health and safety of staff and payment of fixed costs to maintain operational readiness. Implementers are also adapting their activities in order to help respond to the COVID-19 crisis. Areas of focus include: evidence about COVID-19 and HIV/TB co-infection, access to Oxygen, health workers/patients' protection, access to COVID-19 diagnosis and treatment, public health awareness etc.

The Board acknowledged the report and the quality of the monitoring system in place and highlighted the importance of safeguarding the wider response to the three diseases. In that context, it is important that the proposed course corrections are sustainable for the future.

6. Operational KPIs 2019

The 2019 report on Unitaid's operational KPIs demonstrates a strong performance in core business operations, which is reflective of a mature operating model, experienced staff, responsive grant implementers and process improvements put in place. Going forward, KPI B - Resource mobilization and KPI J - Staff satisfaction are areas where stronger focus will be needed. COVID-19 is expected to affect operational performance in 2020, with some areas more likely to be affected than others (e.g. grant implementer responsiveness – KPI F).

Some Members expressed concerns regarding the sub-optimal performance for resource mobilisation and suggested that a separate discussion about a replenishment process takes place. It was clarified that a new performance framework will be developed to go with the next strategy. Resource mobilisation efforts should be discussed in that context and in the ACT-A context.

7. Closed Session

This session was attended by Board members and alternates only. No minutes were taken.

8. Report from the Chair of the Proposals Review Committee

The first semester of work of the Proposals Review Committee (PRC) was dense with a total of 10 grant reviews and 12 proposals/applications' reviews. It was marked by the implementation of the UnitaidExplore pilot, and by the large amount of time spent reviewing COVID-19 grant extensions. The Board also heard about the management of conflict of interests within the PRC.

The Board thanked the PRC for their responsiveness and for adapting to the new demands. Concerns were raised about the potential capacity constraints and how the additional ACT-A workload will be taken into account. It was clarified that for the moment, the PRC was able to respond to the current needs, but this could be given further thought once the scope of Unitaid's involvement in the ACT-A becomes clearer. Members also mentioned that Unitaid should start thinking about preparing for new/future pandemics.

9. Renewal of PRC Members and Chair's mandate

The Executive Board approved the renewal of the PRC Chair's mandate for the period June 2020 – June 2023 and the renewal of the appointments of all current members of the PRC for the period December 2020 – June 2022 (UNITAID/EB35/2020/R1).

10. Unitaid 2019 audited financial statements

The Board approved the Unitaid 2019 audited financial statements (UNITAID/EB35/2020/R2).

11. Unitaid and COVID-19

- Update on the Access to COVID-19 Tools Accelerator (ACT-A)

The Board heard an update on ACT-A, in particular about the work of the Therapeutics and Diagnostic partnerships. Some of the challenges in connection with the Therapeutics partnership, which is co-convened by Unitaid, lie with the number of candidate drugs and the different use cases possible. Preliminary estimates for this pillar are for an immediate financial need (next 6 months) of US\$3.8 billion and up to US\$7.2 billion in the longer term (coming 12 months). Amongst the candidates, dexamethasone has shown very promising results for critically ill patients; the partnership is currently reflecting on possible procurement investment to reserve stock.

The Diagnostic partnership financial needs are forecast at US\$2 billion immediately and up to US\$6 billion in the longer term. Within that partnership, Unitaid is co-leading the workstream on market readiness and could support work in other workstreams.

The involvement of civil society organisations in the diagnostic and therapeutic partnerships was welcomed, and the importance of keeping equal access at the heart of the ACT-A response was reiterated.

- Funding and resourcing the COVID-19 response

Changes in the investment plan and more specifically the delay to 2021 of a number of planned interventions (*P. Vivax*, IPTi, Chagas, Long-acting) due to the COVID-19 crisis will result in US\$70 million of uncommitted funds for 2020 which could potentially be used to pre-fund immediate ACT-A project needs, pending Unitaid being reimbursed with contributions from ACT-A.

The Board reaffirmed its support to Unitaid's involvement in the COVID-19 response and approved the process to deploy funds in that context (UNITAID/EB35/2020/R4). As part of this process, the Secretariat is encouraged to work through existing or recent grantees, to be identified through expressions of interest, with the PRC involved in all grantee selection. Decisions on projects up to US\$5 million are delegated to the Executive Director, with the Board asked for 'go ahead' for projects over that amount.

The Board approved the use of the bridge financing mechanism to fund new COVID-19 investments for an initial amount of up to US\$ 35 million, which could be reviewed in the future (UNITAID/EB35/2020/R3). If this initial amount is fully used, a review of the status of ACT-A contributions would be made before the Board authorises any further use of the mechanism. The Board asked that a strong focus be placed on safeguarding the current Unitaid portfolio.

The Secretariat committed to develop a brief document outlining Unitaid's strategic approach to investment choices within ACT-A.

12. Report from the Governance Working Group: Code of ethical conduct for Unitaid Board constituencies and governance officials.

The Board approved a Code of Ethical Conduct for Unitaid Board constituencies and governance officials (UNITAID/EB35/2020/R5). The purpose of the Code is to support high standards of governance, through the promotion of constructive and responsible engagement by all those involved, underpinned by a culture of trust, together with a shared commitment to equity, integrity and respect for others. The Code of Conduct provides operational guidance, together with the standards of conduct and integrity with which Unitaid's Board constituencies and individual governance officials are expected to perform their duties.

13. Any other business

No other business was raised.