



COVAX

THE SHAREHOLDERS COUNCIL MEETING (“THE COUNCIL”)

16 March 2022

Virtual meeting

1. Welcome, Introduction and Headline Updates

- 1.1 Noting that the meeting had been duly convened, the Shareholders Council meeting commenced at 13.05 Geneva time on 16 March 2022. Co-Chairs Chrysoula Zacharopoulou and Fernando Ruiz chaired the meeting.
- 1.2 The meeting did not have quorum. In accordance with the COVAX Shareholders Council Operating Procedures, the meeting could proceed at the option of the Co-Chairs, however no decisions could be made.
- 1.3 Dr Zacharopoulou welcomed the Council members and speakers and indicated that it is important to remain vigilant as the pandemic is ongoing, with persisting inequities in vaccination coverage and the possibility of new variants. She highlighted that with increased supply there remains a need to be cautious and balance doses from donations and from Advance Purchase Agreements (APAs) to ensure that doses are not wasted. She also indicated that COVAX should work with manufacturers to ensure there is flexibility in delivery schedules.
- 1.4 She introduced the agenda, which included updates on the latest COVAX developments; the Omicron variant; the close-out of current Self-Financing Participant (SFP) arrangements; and the Manufacturing Task Force; as well as a discussion on Governance matters related to the Shareholders Council and an open discussion the future of COVAX.
- 1.5 Minister Ruiz expressed his appreciation for COVAX’s progress since the last meeting. He indicated that although his Co-Chair term comes to an end in mid-April and he will not be able to continue as a result of changes in the government in Colombia, he has offered to extend through early July 2022 to provide continuity to the Council.

- 1.6 Seth Berkley, CEO, acknowledged the recent events in Ukraine, a participant in COVAX, and joined other members of the international community in calling for a peaceful and rapid resolution of the crisis.
- 1.7 Dr Berkley cautioned Council members against complacency in the current context following the spread of Omicron in recent months, with new lineages emerging in places where Omicron has already peaked, where the possibility remains that the next variant will be more severe than Omicron. He highlighted that COVAX had launched a call for additional funding of at least US\$ 5.2 billion for the COVAX AMC in 2022 and referred to the AMC Summit that would take place on 8 April 2022, co-hosted by Germany.
- 1.8 He provided high-level updates on progress made since the last meeting and presented key metrics. He explained that with the current projections of high and consistent supply for 2022, COVAX is shifting into a new phase in which there is sufficient supply to meet the needs of all participants, including boosters. He underlined that it is critical to remain focused on supporting countries in accelerating their national vaccine programmes to achieve their coverage targets.
- 1.9 He referred to the recent announcement by the Africa Centres for Diseases Control and Prevention (CDC) regarding pausing vaccine donations, noting that COVAX has supplied over half a billion donated doses to lower income countries, and while dose donation remains an important aspect of the global vaccination effort to close the vaccine equity gap, it is important that supply remains aligned with demand and that shipments to countries continue to match country needs and national vaccination strategies. This would require phasing supplies from donations as well as from Advance Purchase Agreements (APAs).
- 1.10 Santiago Cornejo, Director, Country Engagement, Office of the COVAX Facility, reported that COVAX has now secured 3.5 billion doses including 300 million doses for Self-Financing Participants (SFPs). Approximately half has been shipped or allocated, including approximately 165 million doses to SFPs. Looking forward, he noted that the supply situation is far healthier in 2022 now that manufacturers have scaled up production and most candidates in the COVAX portfolio have received regulatory approval. For SFPs, this means that there is now sufficient supply to close out remaining demand.
- 1.11 He referred to the AMC demand planning exercise that had been launched in January 2022, resulting in input from 80 countries. Despite global political will, many countries are not on track to reach 70% of their population with two doses by mid-2022, and instead have adapted global targets to local contexts and capabilities.
- 1.12 Kristine Lorenson, Senior Contract Manager, UNICEF Supply Division, provided an update on supply and delivery, noting that 1.4 billion doses had been delivered to participants including doses acquired through APAs, cost

sharing and donated doses. Delivery was gradually ramped up in 2021 reaching a record delivery in Q4 with 375 million doses shipped to countries.

- 1.13 She presented an estimated available supply for the first half of 2022 reaching a total of 1.7 billion doses, which is sufficient to meet country demands. She concluded by highlighting that the new level of supply requires intense coordination across partners and suppliers to deliver doses to countries, and underlined the shift to demand-driven allocations and delivery planning for 2022.
- 1.14 Santiago Cornejo also provided an update on supply offerings for those countries that have signed SFP 2.0 agreements and who will be notified of all new offerings directly through the COVAX Collaboration Platform (CCP). He informed participants that currently there are doses available for J&J and Novavax under SFP 2.0 agreements, and that Clover doses will also be made available under SFP 2.0 agreements (pending EUL).

2. Omicron Update: Variant Epidemiology and Vaccine Effectiveness

- 2.1 Boris Pavlin, COVID-19 Epidemiology Pillar lead, World Health Organization (WHO), provided an update on the Omicron variant and its sub-lineages (BA.1 and BA.2).
- 2.2 He explained that the relative speed at which Omicron is transmitting is 200% to 300% higher than Delta, either because Omicron is naturally more transmissible or is better at evading immunity from vaccination or prior infection.
- 2.3 In relation to severity, he provided examples from South Africa and Denmark based on hospital admissions, Intensive Care Units' (ICU) admissions and deaths, noting that while Omicron is not as severe, it has still led to an increase in ICU admissions and deaths.
- 2.4 Minal Patel, MD, United States Centers for Disease Control and Prevention (US-CDC)/WHO, provided an overview of Vaccine Effectiveness (VE) against Omicron. Dr Patel explained that there have been 32 studies that provide information on how vaccines perform against Omicron conducted in 13 countries with four vaccines considered. She provided a high-level summary of VE analysis conducted per product for primary series and booster doses. She noted that: i) VE for all products declines over time, ii) primary series VE is higher against severe disease, and iii) booster doses increase VE against all outcomes.

Discussion

- Council members celebrated the success of COVAX since the last meeting but cautioned that it will be important to develop a common narrative to

clearly communicate to the public about supply matters. The Secretariat indicated that it is working on pulling together a clear explanation on the use of the doses that have been procured, noting that there may still be a need in the future to procure additional doses depending on how the pandemic progresses.

- Council members emphasised the need to match supply and demand, noting the continued importance of donations, and raised concerns about the risk of surplus vaccine. One Council member asked for more detail about country demand, and how COVAX might signal demand more clearly so donors could make donations appropriately. It was clarified that the Secretariat is working to provide an overview on supply and demand, including the demand forecasting exercise, non-COVAX supply, donations through COVAX, and potential rephasing of APA doses where possible.
- Council members also noted that it will be important to remain cautious and retain enough supply to manage any potential shocks, therefore flagging the importance of the pandemic vaccine pool. The Secretariat flagged the need for continued active management of the COVAX portfolio – even with significant supply, given that there are a range of factors that could still put these volumes at risk.
- It was also highlighted that it will be important to send clear signals to manufacturers about demand and other considerations around shelf-life and management of stock.
- One Council member asked for information about whether it would be possible to work within a multilateral forum to encourage shelf-life extensions and for recipient countries to recognise them. It was clarified that there are many considerations to this topic but that the Secretariat is looking at opportunities to engage.
- One Council member provided a country example of experience in procuring through COVAX, indicating that after not having sufficient supply in 2021, the country now had enough doses through Q4 2022, but only by relying on donations, and still is bound by its agreement with COVAX. It was clarified that COVAX is in a much better position to meet specific demands of countries than it was in 2021.

3. Close-out of Current SFP Agreements

3.1 Santiago Cornejo, Director, Country Engagement, Office of the COVAX Facility, outlined the three current options for Participants to close out their SFP agreements and cover their financial liabilities.

3.1.1 The first is purchasing all of their Total Participant Doses, or pro rata shares;

- 3.1.2 The second option is for Participants to make a cash donation to Gavi that is equal to the value of its total remaining doses. For certain countries, the value of their Upfront or Down Payment may be sufficient to cover this donation. Funds donated in this way will be used to support the overall operations of the COVAX Facility and will be ODA-eligible; and
- 3.1.3 The third option is to potentially alter the mix of products available to Participants. While this option will not reduce a Participant's overall financial liability to Gavi, it will mean that a Participant can meet its obligations by acquiring products that it needs at this time.
- 3.2 He noted that the next step for all Participants is to have conversations with the COVAX Facility to set out specific needs and design solutions that meet those needs while protecting Gavi's financial liability.

4. Update on Manufacturing Taskforce

- 4.1 Matthew Downham, Director, Manufacturing & Supply Chain Networks, Coalition for Epidemic Preparedness and Innovations (CEPI), provided an update on the work of the Manufacturing Taskforce since the last presentation to the Shareholders Council in October 2021.
- 4.2 He explained that the current Manufacturing Taskforce governance structure within COVAX would be disbanded. However, ongoing activities related to the COVAX marketplace and the mRNA vaccine technology transfer hubs would continue, with workstream 1 Marketplace activities moving to business-as-usual within the CEPI Manufacturing and Supply Chain team, and workstream 3 mRNA hub activities moving to business-as-usual within the WHO Science Division.

Discussion

- One Council member asked for further information about lessons learned by the Taskforce in terms of technology transfer. It was clarified that one key lesson was around ensuring that workforce training is well established and timely, as having skilled workers in place was a necessary component to facilitate implementation. The core areas that training should include are good manufacturing practices, quality control and assurance, and regulatory elements.
- One Council member asked for detail on capacity building for manufacturers from the Global South and whether any vaccines from these manufacturers would come into the Gavi or COVAX portfolios. It was clarified that it had been important to make sure that government organisations are supporting activities to improve manufacturing capacity and capability, in terms of financing and infrastructure, and ensuring momentum and stakeholder engagement. Countries can play a role not only at the national level but also

across regional efforts supporting vaccine manufacture and provision to global supply portfolios.

5. Shareholders Council Governance Matters and Open Strategic Discussion on Future of COVAX

- 5.1 Chrysoula Zacharopoulou, Co-Chair of the Shareholders Council, introduced this topic and provided an update since the discussion at the December 2021 on how to get the most out of the Council meetings in 2022. She updated the Council on the Co-Chair survey that had been conducted but resulted in a low response rate of less than 10% of Council members and observers.
- 5.2 Brenda Killen, Director, Governance, outlined a set of proposed changes to the Shareholders Council Operating Procedures. The proposed modifications include: i) enabling a designated alternate group member who can take the floor when the member is absent, ii) extension of access to the chat function to all participants (observers and panelists); and iii) a change to the cadence of meetings to 4 meetings per year to align with Gavi Alliance Board meeting cycles. The revised Operating Procedures will be circulated to the Shareholders Council for no-objection after the meeting.
- 5.3 She also provided an update on the reappointment of the Co-Chairs for the Shareholders Council. The Operating Procedures specify that the Co-Chairs' appointments are made for a minimum of one year, with renewable terms. The Council Co-Chairs were initially appointed in mid-April 2021. She reported that both Co-Chairs had kindly indicated they are willing to be extended and continue to provide leadership to this forum. However, as previously mentioned, Minister Ruiz would only be able to continue through early July 2022 due to changes in government in Colombia. Council members will be asked to approve the reappointment through a no-objection consent process by email.
- 5.4 Co-Chair Zacharopoulou opened the floor for views on the future of COVAX.

Discussion

- Several Council members expressed support for the proposed changes to the Operating Procedures through the chat function.
- One Council member asked for the role of the Council to be considered at an upcoming Council meeting, particularly with respect to the vision for the role of COVAX in pandemic preparedness. It was clarified that there will need to be several discussions on the future of COVAX across the AMC Engagement Group, Shareholders Council, Gavi Alliance Board and partner governance bodies. It was also flagged that the low number of economies

that have opted to sign SFP 2.0 agreements will need to figure into these discussions with respect to the role of the Shareholders Council.

- One Council member indicated the desire to have a space for governments to continue to strengthen the partnership with Gavi and COVAX on dose donations, and on the science around the virus and risks. It was noted that the Shareholders Council had been established for economies that were self-financing doses through COVAX but that there was clear interest in continuing engagement on other topics from participants. The Secretariat will come back with suggestions on ways to meet ongoing appetite for engagement and welcomed any suggestions from participants.
- Minister Ruiz provided reflections related to the governance of the Council and acknowledged the need to look at some of the questions raised in relation to the future of COVAX that were raised during the meeting.
- Co-Chair Zacharopoulou noted that this is a crucial moment politically speaking, that it would be important to create a common narrative, and to continue this discussion as indicated through earlier comments.

6. Summary, Takeaways and Closing Remarks

- 6.1 Santiago Cornejo, Director, Country Engagement, Office of the COVAX Facility, presented the meeting summary and key takeaways.
- 6.2 Co-Chair Zacharopoulou thanked all stakeholders and noted that the next Shareholders Council meetings in 2022 would be communicated soon.
