



**6th session of UNITAID Executive Board  
6-7 December 2007 - Geneva**

**Chair Summary**

1. Quorum: The Board convened in Geneva on December 6 and 7, 2007, in the presence of all its members. The meeting was opened by its Chair, Philippe Douste Blazy. The Chair took note that the Board reached its quorum (i.e. a majority of its 10 voting members) and was in capacity to make decisions.
2. The Republic of Korea is joining UNITAID: The Republic of Korea has officially signed its participation to UNITAID. The Korean Ambassador announced that its country was launching the tax on air tickets.
3. Introduction by the Chair: The Chair welcomed the Board participants and stated that this meeting was a turning point for UNITAID, as discussions would be taking place on important matters such as the communication strategy to enhance UNITAID visibility, partnership policy, enhanced innovative funding mechanisms, better interaction with national structures in the field such as central medical stores. He went on to assert that UNITAID should continue to be innovative and pioneering.
4. Update on recruitments at the Secretariat: The Executive Secretary presented an update on Secretariat recruitments. The candidates have now been selected for most of the positions, and are awaiting WHO clearance. The Communication Officer has not yet been selected as the panel has found no candidate suitable. The post of Market Dynamic Officer will be republished, as the selected candidate finally declined UNITAID's offer and there was no other suitable candidate during the selection. The Board asked that the Secretariat provides an update every 6 weeks on the progress achieved in the recruitment process. An detailed organizational chart with contacts numbers will be provided to Board members.
5. Management of finance and operations: The Secretariat presented the 2006-2007 budget review. He pointed out in particular the high level of fees paid to WHO. The WHO Representative agreed that the current structure was too complicated and proposed that this be re-discussed with the Secretariat. The Secretariat indicated that they would discuss this on the basis of a *service level agreement*. The Board instructed the Secretariat to propose modification of the structure of costs under the WHO hosting arrangement, for presentation at the next Board meeting including a specific investment policy to make the best use of UNITAID treasury in accordance with UNITAID's objectives, to provide the Board with a multiyear table,

as well as a framework for reporting (to be adopted via written consultation in January 2008).

6. Report on implementation of UNITAID 2007 approved actions: The Secretariat presented an update on the implementation of actions, further to the Board background documents. At this stage, only the Round 6 agreement has yet to be finalized. The Board asked the Secretariat to provide updated documents with a forecasting schedule to track whether the programmes are in line with expected deadlines. The Board took note of the progress presented in the prequalification programme's executive report, and will review the proposed attached table. It was considered that the results should be reviewed at a technical meeting.
7. Review of strategic orientation: The Secretariat presented the work under progress being undertaken with Mc Kinsey, with the support of the Gates Foundation. This work will help UNITAID to analyse current and future niches, by looking at market dynamic indicators, assessment of current impact, scenario for future collaboration, especially with the Global Fund, strategic options for UNITAID and UNITAID added value to improve access. This work will help UNITAID to have more clarity on its expectations with the Road map process with the Global Fund. The Board requested that the work on HIV/AIDS be finalized and to develop such strategic positioning on malaria and tuberculosis. By the end of January 2008, the Secretariat will provide the Board with a timeframe for the development of UNITAID strategy. The board agreed on the fact that partners directly concerned on this matter (CHAI, Global Fund, PEPFAR) shall be kept informed on this issue.
8. Partnership policy: PriceWaterhouse Cooper presented their report (work in progress) on the partnership policy, including options for reviewing new proposals before submission to the Board. The Board asked the Secretariat to continue the work on the partnership policy. The Secretariat indicated their intention to launch a call for new proposals at the beginning of 2008.  
The Chair pointed out the importance of involving national structures in the field, such as central medical stores for the distribution of drugs, as well as in the purchasing process, to UNITAID programs and asked the Secretariat to make proposals accordingly.
9. Enhanced innovative funding mechanisms: The Board noted the interest of private partners belonging to the Global Distribution System (GDS) in cooperating with UNITAID. It invited its Chair to develop a feasibility study with the support of the Bill and Melinda Gates foundation and to engage all relevant stakeholders or potential partners. The Secretariat will present a progress report at the next Board session.
10. Patent pool: The Board agreed to continue to explore options on patent pool and asked the Secretariat to establish and lead a multidisciplinary team of experts to resolve the issues identified by the Board. The Secretariat shall report back to the Board within 3 months with options for the key characteristics of the pool, including costs benefits. In parallel, UNITAID will continue its work with IGWG (International Working Group on Public Health, Innovation and Intellectual property).

11. AMFm: The Executive Secretary presented an update on this project. The Board requested the Secretariat to further explore possible roles and added value of UNITAID in relation to the proposed AMFm, as well as budgetary implications of such a decision and inform the Board accordingly.
12. Long term financial commitments: The WHO Comptroller presented the note circulated to Board members on long term financial commitments. It is the Comptroller's responsibility to decide which kind of financing / commitment are acceptable. Given the substantial amount of funds received by UNITAID, the Comptroller supported the establishment of a good cash-flow management system. WHO does not require the money in cash but needs a commitment for the period when the disbursements will be made.
13. Logistic issues regarding the participation of civil society to UNITAID Boards: The Secretariat presented the proposals that had been accepted by the representatives of the NGOs and communities. The Secretariat was instructed to request the UN office in Geneva to contact the Swiss authorities in order to facilitate the issuing of UNITAID civil society representatives in Switzerland for participation in UNITAID Board and Consultative Forum meetings.
14. Provisional budget for 2008: The Secretariat presented the provisional budget for 2008. It is proposed that a Budget Committee of the Board will be created to examine budgetary decisions in more details. The Secretariat is requested to provide a multiyear provisional budget, including expected contributions. The Secretariat will renegotiate with WHO the overhead fees structure and level and a service level agreement.
15. New actions: CHAI presented HIV/AIDS actions for the Board consideration: the Pediatric ARV 2008 and 2009-2010, and the Second Line ARV 2008 and 2009. The secretariat presented the screening and assessment process carried out on the two proposal as guidance for the Board decision. The Board has approved the 2008 budget for both proposals and "green light" status for subsequent years as indicated below:
  - Pediatric ARV: At the end of 2007 it is expected that 100,000 new children will be under UNITAID funded treatment. Lower price reductions of on average 40% for 19 formulations and availability of a new specific paediatric FDC have been achieved. The objective is to cover an addition of 100,000 new children next year with a target of 300,000 new children in 2010. A transition process by other organizations (Global Fund, PEPFAR...), is expected to be initiated the sooner in 2008 and the latest in 2010, allowing UNITAID to exit this niche and concentrate on other needs / niches. New pediatric formulations are expected to be available, but no further price reduction is anticipated. The Board has committed an amount of 58.6 M\$ for 2008 and gave a green light for an expected amount of 63.2 M\$ in 2009 and 76.7 M\$ in 2010.
  - 2nd line ARV: UNITAID currently supports treatments for 56,000 patients. Prices have been reduced from 1200\$ to less than 800\$ per treatment per year and the objective of the extension is to reduce even further by 2009 the preferred WHO Second Line regimen to approximately 400\$. The

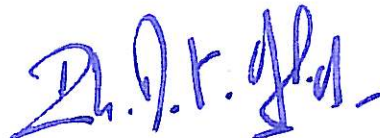
objective is to have 60,000 new patients under treatment by the end of 2008 and 90.000 by 2009. The Board committed an amount of 64.4 M\$ for 2008 and also gave a green light for 2009 for an expected amount of 64.3 M\$.

The UNITAID Secretariat is requested to finalize the signature of these two agreements with CHAI. The Communities reiterated their wish to see a proposal to address the issue of diagnostics, which are crucially needed.

16. Key Performance Indicators: The Executive Secretary presented the preliminary assessment of the KPIs for 2007. This document will be finalized once all the data will be available, at the beginning of 2008. This document includes a first assessment of the relevance of 2007 KPIS and proposals for slight changes in 2008. Board Members are expected to send their comments before the end of the year to the Secretariat regarding suggestions to amend KPIs for 2008. The Secretariat will submit by early 2008 a revised proposal of KPIs for 2008 incorporating comments from Board Members. This revised proposals will be submitted through a written procedure for endorsement by the Board.
17. Communication Strategy: The Secretariat presented a proposal for a framework for a communication strategy. The Gates Foundation offered to lend support via one of their consultants. The secretariat will continue to gradually implement the framework communication policy and present a progress report to the Board. The Secretariat is also requested to fully implement the transparency policy. It is agreed that translation of some documents and parts of the website should be available in Spanish, Portuguese and Korean. Several board members stressed the importance to organize specific events to promote air solidarity levy where it has been implemented (Chile, France, South Korea...).
18. AOB / calendar of meetings for 2008: The Board agreed on the following dates:
  - EB7: 3-4 April 2008 – the Brazilian delegation reaffirmed its wish to organize an Executive Board meeting in Brasilia.
  - Consultative Forum: 1-3 July

The opportunity for UNITAID to participate to the international AIDS conference in Mexico in August was raised.

**The Chair of the UNITAID Executive Board**



**Philippe Douste Blazy**