

# **Report of the Coordinating Group 46<sup>th</sup> Board Meeting**

GF/B46/12

8-10 November 2021, *Virtual*

## **Board Information**

Purpose of the paper: This report provides a summary update on Coordinating Group activities for the period between the 45<sup>th</sup> and 46<sup>th</sup> Board Meetings (May 2021 to October 2021), and overview of decisions taken by the three committees in this period.

## Context

1. This report provides an update to the Board on the activities of the Global Fund Coordinating Group (“CG”). The Coordinating Group comprises the Chair and Vice-Chair of the Board, and the Chair and Vice-Chair of each of the Committees of the Board. As identified in its Terms of Reference<sup>1</sup>, the CG is a mechanism for coordination between the Board and its Committees, to ensure effective collaboration, particularly regarding cross-cutting issues, including risk management and organizational performance, with the overall objective of enabling strategic focus across all governance bodies and to establish broad priorities.
2. The CG continues to convene regularly in the current environment. Since the CG’s last report to the Board in May 2021, the CG held four virtual meetings, in May, July, September and October 2021. The Executive Director is invited to CG discussions to allow consideration of Secretariat perspectives in the strategic discussions of governance leadership, while other members of management are invited as needed for specific topics. The Legal and Governance Department also participate. CG members exchange between meetings as needed, and there is regular interaction between the Board Leadership and the Chairs and Vice-Chairs of the Committees
3. A list of **decisions adopted by the standing Committees** between the 45<sup>th</sup> and 46<sup>th</sup> Board Meetings (May 2021 – October 2021) is included in annex. Current **Board and committee work plans** will be made available on the Governance Portal. **Minutes of CG calls** are also made available on the Portal.

## Focus areas for the Coordinating Group

4. This report summarizes the CG’s activities in the following areas:
  - i. Ongoing attention to the **strategic focus of Board meetings, Board and committee priorities, committee ways of working and the role of the CG**;
  - ii. The ongoing **strategy development** process;
  - iii. Progress and ways of working with respect to both the **Monitoring and Evaluation Framework** and the next **Key Performance Indicator Framework**;
  - iv. The **COVID-19** context and Global Fund response, including associated exceptional decisions;
  - v. **Risk** oversight and **risk appetite**;
  - vi. **Governance effectiveness, culture and continuity**, and the **Governance Performance Assessment**.
5. **Board and committee priorities** are a permanent focus of the CG, with routine attention to exchanging on committee priorities, and cross-cutting matters. The CG guided development of agendas for the committee meetings held in July and in October 2021, as well as the 46<sup>th</sup> Board Meeting in November 2021. With a high volume of mission-critical workstreams, as well as some work postponed from 2020, agenda time and volume of deliverables and documentation remain a challenge. Continued focus remains on prioritization, effective information flow and documentation,

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<sup>1</sup> [Terms of Reference of the Coordinating Group](#)

and early, iterative consultation processes to enable effective oversight and continued progress on high-priority strategic issues while leveraging adaptive working modalities. Considering high workload alongside capacity constraints for constituencies, the CG remains attentive to working methods which support effective and inclusive communication channels and engagement modalities for all constituencies, where all voices can be heard.

6. **Cross-cutting matters.** With respect to cross-cutting coordination, in addition to routine risk management and strategic performance reporting, the CG has exchanged on cross-committee perspectives in relation to ongoing work on (1) monitoring and evaluation and the independent evaluation function; (2) adjustments to risk appetite; (3) operating expenses evolution; (4) absorption matters, particularly in the context of the challenging operating environment and C19RM, and (5) governance continuity and culture, to cite some examples. The CG has welcomed the work of the informal Monitoring and Evaluation Working Group, with its representation from across the three committees, and looks forward to the work of the informal OpEx Working Group, which brings together representation of the AFC and SC to examine key operating expenses considerations ahead of the next strategy period.
7. **Strategy development.** As communicated in its last reports, the CG has remained particularly attentive to supporting an open, inclusive and evidence-based strategy development process. Since the last report, CG members participated in, and reflected on, the Extraordinary Board Meeting (July 2021) and the Board Information and Feedback call on the Strategy Narrative (September 2021). Through regular CG discussions, the CG has reflected on enabling strategic discussion and effective consultations, supported a focus on exploring elements of the next Strategy which are new, and remained focused on ensuring discussions on the Strategy progressed in line with key milestones, and with appreciation of the timing of associated policy decisions to be adopted ahead of the next implementation period. The CG notes strong satisfaction with the progress made to date, thanks the Secretariat for their extensive work and engagement with constituencies, and welcomes rich input from Board Members and Constituencies.
8. **Monitoring and evaluation (M&E).** Development of the M&E framework remains a priority for the Board. On the proposed approach to Independent Evaluation under consideration at the 46<sup>th</sup> Board Meeting, CG discussion noted the importance of attention to the right balance between independence, learning, monitoring, and evaluation, and looked forward to the engagement of the Chief Evaluation and Learning Officer (CELO). The work conducted by the informal working group has supported cross-committee engagement on this priority area, as well as enabling holistic consideration of related workstreams, such as interlinkages with the next KPI Framework.
9. **COVID-19 and the C19 Response Mechanism (C19RM).** In Q2 2021, the CG was consulted on, and guided consideration of, adjustments to expand the C19RM Fast Track Window, against the backdrop of increasing needs in countries, and alarming developments in the context of the Delta variant. The CG deliberated on any potential challenges, expressed support for the approach, agreed to confine the proposal to commodities, and supported the use of the expedited decision-making process for this proposal, which was adopted by the Board in August 2021.<sup>2</sup> CG discussions in relation to the C19RM and COVID-19 response continue to underline the importance of regular and transparent reporting, consideration of lessons learned, effective oversight, attention

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<sup>2</sup> GF/B45/EDP12 – Increases to the COVID-19 Response Mechanism's Fast-track Investment Ceiling (approved 18 August 2021)

to increased risk, accountability and assurance, absorption capacities, as well as broader considerations, such as the role of the Global Fund in the global response.

10. **Risk oversight.** The proposal on revisions to risk appetite was identified by the CG as a key recommendation coming out of the October AFC and SC meetings. The CG exchanged in particular on the AFC focus placed on assurances in place to accompany changes in risk appetite, and on adequate funding of assurance mechanisms. The CG welcomes the effective liaison between SC and AFC, as well as the constituency engagement and consultation conducted, to finalize the proposal under consideration at the 46<sup>th</sup> Board Meeting.
11. **Governance Action Plan 2.0.** The CG remains committed to the implementation of the Governance Action Plan 2.0, developed by the EGC, in consultation with the Board, following the independent final report of the Governance Performance Assessment issued in Q2 2021. The CG acknowledged the de-prioritization of certain more ambitious structural proposals arising from the Governance Performance Assessment's final report. The CG has received updates from the EGC on key governance strengthening initiatives, including the support expressed by a majority of constituencies for a move to a longer Board Leadership term length. The proposal on longer committee terms and review of committee mandates will be subject to further discussion at CG.
12. **Governance continuity and culture.** The CG continues to pay attention to governance effectiveness and continuity matters, across its discussions, and remains attentive to the challenges of the current environment, to modalities that enable effective engagement, and to assessing the appropriate timing of a return to in-person meeting arrangements. In addition, the CG has reflected on governance culture, including on the role of informal meetings and bilateral or group calls in enabling engagement, building trust through dialogue.
13. **CG role.** Finally, the CG started discussion around leveraging its own role in taking a holistic view of key issues, across governance bodies, including through focus on the Organizational Risk Register to support consideration of key issues.

## **How will the Coordinating Group support Board priorities in 2022?**

14. The CG will remain focused on **enabling strategic focus at Board and committees**, with ongoing attention to the following **Board priorities and cross-cutting matters**:
  - a. Enabling timely progress on **key decisions required to implement the next Strategy**;
  - b. **Finalizing the M&E Framework and KPI Framework**, supported by effective cross-committee engagement and support, in line with mandates;
  - c. **Operating Expenses** evolution, supported by AFC and through the work of the informal OpEx Working Group;
  - d. Preparations **for the Seventh Replenishment**;
  - e. **Risk oversight**, including dedicated attention to evolving and emerging risk areas, and the effective coordination of risk oversight by the committees and Board; and
  - f. Continuing to ensure effective **oversight of the Global Fund's COVID-19 response**.

15. On **governance effectiveness** specifically, the CG will engage on:
- a. **Implementation of the Governance Action Plan 2.0**, in particular with respect to the review of **Committee mandates**, planned for late-2021 to Q2 2022.
  - b. **CG role**. While formal changes to the Terms of Reference of the Coordinating Group are not currently under consideration, the CG looks forward to further reflecting on, and enhancing, its role and impact, within the overall objective of contributing to governance effectiveness, culture and progress in delivering on key Board priorities.
  - c. **Governance continuity** and adaptability to the global context, including with respect to committee and Board ways of working, information flow and communication, effective and focused documentation and agendas.
  - d. **Governance Culture**. The CG continues to be attentive to the work on enhancing trust, led by the EGC, with collective responsibility and engagement across governance bodies. As noted in the Governance Action Plan 2.0, regular discussion on matters relating to culture is planned at CG level, including engagement with Secretariat management.
16. On upcoming **governance processes**:
- a. The CG will participate in the **selection processes** for the next Committee Chairs, Vice-Chairs and Members, in line with standard procedures.
  - b. The CG will be fully engaged in an **effective CG transition, and onboarding of new committees**, in May 2022.

## Annexes

The following items can be found in Annex:

- Annex 1: Decisions of the Audit and Finance Committee, May to October 2021
- Annex 2: Decisions of the Ethics and Governance Committee, May to October 2021
- Annex 3: Decisions of the Strategy Committee, May to October 2021