

Report of the Coordinating Group 48th Board Meeting

GF/B48/16

15-17 November 2022, Geneva, Switzerland

Board Information

Purpose of the paper: This report provides a summary update on Coordinating Group activities for the period between the 47th and 48th Board Meetings (May 2022 to October 2022), and an 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 CG 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 Reference¹, 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. Since the CG’s last report to the Board in May 2022, the CG held 4 meetings and will convene on 4 November and 11 November 2022 in preparation for the 48th Board Meeting. The Executive Director and the Head of Legal and Governance are invited to CG discussions to allow consideration of Secretariat perspectives, with other members of management invited only if needed for specific topics. The Legal and Governance Department provides meeting support. 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 47th and 48th Board Meetings (May 2022 – October 2022) 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.²

Focus areas for the Coordinating Group

4. CG activity since May 2022 has focused on the following:
 - a. Committee transition in July 2022 with due attention to **multi-year committee workplans** and attention to upcoming cross cutting items.
 - b. Ongoing attention to the **strategic focus of governance meetings**, Board and committee priorities, ways of working and the role of the CG, particularly with respect to **documentation and information shared with governing bodies**;
 - c. Discussions on **governance engagements through to November Board**, emphasizing the holistic approach taken to considering **Strategy implementation**;
 - d. Progress towards defining the next **Monitoring and Evaluation Framework** and the **Key Performance Indicator Framework**;
 - e. Implications of replenishment outcomes on **Governance engagements in October and November (Sources of Funds and OPEX)**, leading to decisions at 48th Board meeting
 - f. **Governance effectiveness, culture and continuity**.
5. The CG considered **the transition between committees and discussed strategic priorities of AFC, EGC, SC and the Board for the period between 2022-2025**, with a particular focus to immediate cross cutting matters. The CG reflected on key lessons learned from the previous committee term including the importance of careful prioritization and structuring of the work of the Board and the Committees and the need for timely conclusion or recommendations and decisions

¹ [Terms of Reference of the Coordinating Group](#)

² [CG Minutes](#)

to enable informed decisions making at the Board. The CG considered the multi-year committee workplans (2022-2025) reflecting on specific priorities as well as enabling thematic discussions both as central to strategy implementation and for consideration of issues emerging from evaluation reports.

6. **Board and committee priorities, including attention to the effective management of cross-cutting matters**, remains a standing area of focus for the CG. The CG guided development of the July and October 2022 committee meeting agendas and 48th Board Meeting agenda. Key priority areas of a cross cutting nature considered related to M&E and KPI frameworks, risks (including the important role of CG in ensuring effective coordination under the new oversight model), close collaboration between AFC and EGC on PSEAH matters as well as the role of the EGC as well as the CG on distinction between mandates, upholding efficiency and avoiding duplication. The CG is similarly focused on cross-cutting matters, including the **Operating Expenses** implications of the next Strategy and work of the AFC on **OpEx Ceiling**, and the importance of developing and approving **high-quality KPIs** to monitor progress and impact.
7. **Governance engagements related to Strategy implementation through to November 2022.** The CG discussed the roadmap of Governance engagements through the November Board meeting, emphasizing the holistic approach taken to considering strategy implementation consisting of the July Board retreat, a Board call in summer as well as Strategy Committee consideration and preparation of thematic discussions on Communities, Gender and Next Gen Market Shaping scheduled for discussion in November 2022, while recognizing that strategy implementation is an underlying theme in all governance engagements. The CG discussed the modalities for the Board retreat, drawing on input from the Board culture workshop, striking a balance between providing information and in-depth exchange by the Board. The CG considered the retreat as highly important and aligned on participation of CG members in actively facilitating small group discussions. The CG acknowledge the importance of open, transparent democratic discussions with small group discussions. The CG commented on the July retreat's role in providing space for open exchange among Boards members and the consideration of Strategy implementation to be a theme embedded within Board and Committee workplans rather than standalone items.
8. **Documentation and information.** The volume of documentation submitted to committees in October 2021 represented a cause for concern for the CG, constituencies, and the Secretariat, noting the risks associated with a high volume of documentation and agenda items. The CG underlined the importance of effective information, including relevant data with clear analysis thereof, for good governance. The CG received an interim update by the Secretariat on the work undertaken to address the challenges previously identified. The ongoing nature of the topic was highlighted, as well as diverging levels of agreement on the level of details required for Board and Committee Papers, and additional EGC attention to be dedicated on this area going forward. The CG discussed the relevance of dashboard as well as the questions of what information should be presented or be accessible outside of Governing Body documentation.
9. Implications of replenishment outcomes on **Governance engagements in October and November (Sources of Funds and OPEX)**, leading to decisions at the 48th Board meeting. The CG discussed the outcome of the 7th replenishment and the unprecedented political support at display in New York. However, given outstanding pledges, the CG considered different scenarios and the implications for the October Committee Meetings and the ability to take important

decisions. The CG considered it of importance to continue with ongoing resource mobilization efforts, while ensuring the Committees can have informed discussions on potential implication and ensure decisions can be prepared for approval at the Board meeting in November 2022. The CG acknowledged the need to remain flexible given the circumstances. The negative implications of any delays in decision making on the launch of the next Grant cycle were acknowledged.

10. **Governance Continuity and Culture.** The CG remains engaged on the culture initiative led by the EGC, and appreciated the culture workshop in July as part of Committee onboarding.

Annexes

The following items can be found in Annex:

- Annex 1: Decisions of the Audit and Finance Committee, November 2021 to April 2022
- Annex 2: Decisions of the Ethics and Governance Committee, November 2021 to April 2022
- Annex 3: Decisions of the Strategy Committee, November 2021 to April 2022

Annex 1: Decisions of the Audit and Finance Committee, Mai 2022 to November 2022

Decision Points approved by the Audit and Finance Committee between the 47th and 48th Board Meetings	
DP Ref. No.	Title
19th AFC Meeting, 6-7 July 2022	
GF/AFC19/DP01	Methodology for 7th Replenishment Results
GF/AFC19/DP02	External Audit Plan and Fees
GF/AFC19/DP03	Portfolio Optimization
GF/AFC19/DP04	Sources of Funds for C19RM
20th AFC Meeting, 13-14 October 2022	
GF/AFC20/DP01	Approval of the OIG's 2023 Workplan, Budget and Key Performance Indicators
GF/AFC20/DP02	Approval of Available Sources of Funds for Optimization and Financing Unfunded Demand for the COVID-19 Response Mechanism
GF/AFC20/DP03	Approval of Available Sources of Funds for the COVID-19 Response Mechanism
GF/AFC20/DP04	Establishment of the Remuneration Group
GF/AFC20/DP05	Financial Key Performance Indicators (KPIs)

19th Audit and Finance Committee Meeting Decision Points

Decision Point GF/AFC19/DP01: Approval of the methodology for the calculation of 7th Replenishment results

1. The Audit and Finance Committee (the “AFC”) acknowledges its review and discussion of the methodology for determining the results of the 7th Replenishment Pledging Conference and in accordance with the delegated authority under the Comprehensive Funding Policy approves the proposed methodology:
 - a. The Secretariat shall announce the results of the 7th Replenishment Pledging Conference using reference exchange rates defined as the spot rate of currencies other than the United States Dollar on the day of the Global Fund’s 7th Replenishment Pledging Conference;
 - b. Therefore, the Announced 7th Replenishment Results shall be the aggregate sum of all donor pledges received on or before the date of the 7th Replenishment Pledging Conference converted to United States Dollars using the exchange rates under sub-section (a) above.
2. The capitalized terms in this Decision Point, unless defined herein, shall have the meaning given to them under the Comprehensive Funding Policy.

Decision Point GF/AFC19/DP02: External audit plan and fees

Based on its review and discussion, the Audit and Finance Committee approves the External Audit Plan for the year ending 31 December 2022 and the related fee arrangements for the 2022-2024 term, as set forth in GF/AFC19/02.

Budgetary implications (included in OPEX budget)

Decision Point GF/AFC19/DP03: Approval of Available Sources of Funds for Portfolio Optimization and Financing Unfunded Quality Demand for the 2020-2022 Allocation Period

Based on its review and discussion of the Secretariat’s analysis of sources and uses of funds, as presented in GF/AFC19/03 – Part A, the Audit and Finance Committee, in accordance with its delegated authority from the Board under the Comprehensive Funding Policy, approves US\$ 150 million as available sources of funds for financing prioritized and costed areas of need on the register of unfunded quality demand for the 2020-2022 allocation period, according to the prioritization process adopted by the Strategy Committee pursuant to decision point GF/SC04/DP02 and as presented in Annex 1 to GF/SC04/04 – Revision 2.

Budgetary implications (included in OPEX budget)

Decision Point: GF/AFC19/DP04: Approval of Available Sources of Funds for the COVID-19 Response Mechanism

1. The Audit and Finance Committee recognizes the Board decision points:
 - a. GF/B42/EDP11 (April 2020), creating a temporary COVID-19 response mechanism (C19RM) and approving the mobilization of additional resources from private and public donors for C19RM;
 - b. GF/B43/EDP12 (September 2020), extending the period to approve C19RM requests through 15 April 2021 and requesting the Secretariat to return to the Board should total additional funding for C19RM exceed US\$ 500 million;
 - c. GF/B44/EDP18 (March 2021), extending the period to mobilize additional funds, which will be used to support C19RM, through 31 December 2021 and to award C19RM funds through 31 March 2022, on the terms set forth in such decision point; and
 - d. GF/B46/EDP06 (December 2021), extending the period to mobilize additional funds, which will be used to support C19RM, through 30 September 2022 and to award C19RM funds through 31 March 2023, on the terms set forth in such decision point.
2. Based on its review and discussion of the Secretariat's analysis of sources and uses of funds, as presented in GF/AFC19/03 – Part A, the Audit and Finance Committee:
 - a. approves an additional amount of US\$ 171 million as available sources of funds;
 - b. acknowledges that the additional amount of US\$ 171 million will be applied to C19RM pursuant to Board decision points governing C19RM; and
 - c. accepts that the total available sources of funds for C19RM shall accordingly be US\$ 4,817 million.

Budgetary implications (included in, or additional to, Opex budget): A portion of the additional funds approved by this decision, not exceeding 3%, will fund incremental management and operating costs directly attributable to the extension of C19RM.

20th Audit and Finance Committee Meeting Decision Points

Decision Point: GF/AFC20/DP01: Approval of the OIG's 2023 Workplan, Budget and Key Performance Indicators

The Audit and Finance Committee (the "AFC"), subject to Board approval of the overall sources of funds for the 2023-2025 allocation period:

- a. Approves the OIG's 2023 workplan set forth in Section 3 of GF/AFC20/04A;
- b. Approves the inclusion of the OIG's 2023 operating expenses budget for US\$16.474 million in the 2023 OPEX Budget to be recommended by the AFC to the Board for approval at the 48th Board meeting in November 2022;

- c. Approves the OIG's 2023 key performance indicators set forth in Section 3 of GF/AFC20/04A.

Decision Point: GF/AFC20/DP02: Approval of Available Sources of Funds for Optimization and Financing Unfunded Demand for the COVID-19 Response Mechanism

1. The Audit and Finance Committee recognizes the Board decision points:
 - a. GF/B42/EDP11 (April 2020), creating a temporary COVID-19 response mechanism (C19RM) and approving the mobilization of additional resources from private and public donors for C19RM;
 - b. GF/B43/EDP12 (September 2020), extending the period to approve C19RM requests through 15 April 2021 and requesting the Secretariat to return to the Board should total additional funding for C19RM exceed US\$ 500 million;
 - c. GF/B44/EDP18 (March 2021), extending the period to mobilize additional funds, which will be used to support C19RM, through 31 December 2021 and to award C19RM funds through 31 March 2022, on the terms set forth in such decision point; and
 - d. GF/B46/EDP06 (December 2021), extending the period to mobilize additional funds, which will be used to support C19RM, through 30 September 2022 and to award C19RM funds through 31 March 2023, on the terms set forth in such decision point.
2. Based on its review and discussion of the Secretariat's analysis of sources and uses of funds, as presented in GF/AFC20/05 – Part A, the Audit and Finance Committee, in accordance with its delegated authority from the Board under the Comprehensive Funding Policy, approves US\$ 400 million of forecasted unutilized C19RM funds as available sources of funds and acknowledges that such amount will be used to award C19RM funds through 31 March 2023, in accordance with the Board decision points governing C19RM.

Budgetary implications (included in OPEX budget)

Decision Point: GF/AFC20/DP03: Approval of Available Sources of Funds for the COVID-19 Response Mechanism

1. The Audit and Finance Committee recognizes the Board decision points:
 - a. GF/B42/EDP11 (April 2020), creating a temporary COVID-19 response mechanism (C19RM) and approving the mobilization of additional resources from private and public donors for C19RM;
 - b. GF/B43/EDP12 (September 2020), extending the period to approve C19RM requests through 15 April 2021 and requesting the Secretariat to return to the Board should total additional funding for C19RM exceed US\$ 500 million;
 - c. GF/B44/EDP18 (March 2021), extending the period to mobilize additional funds, which will be used to support C19RM, through 31 December 2021 and to award C19RM funds through 31 March 2022, on the terms set forth in such decision point; and
 - d. GF/B46/EDP06 (December 2021), extending the period to mobilize additional funds, which will be used to support C19RM, through 30 September 2022 and to award C19RM funds through 31 March 2023, on the terms set forth in such decision point.
2. Based on its review and discussion of the Secretariat's analysis of sources and uses of funds, as presented in GF/AFC20/05 – Part A, the Audit and Finance Committee:
 - a. approves an additional amount of US\$ 164 million as available sources of funds;
 - b. acknowledges that the additional amount of US\$ 164 million will be applied to C19RM pursuant to Board decision points governing C19RM; and
 - c. accepts that the total available sources of funds for C19RM shall accordingly be US\$ 4,981 million.

Budgetary implications (included in, or additional to, Opex budget): A portion of the additional funds approved by this decision, not exceeding 3%, will fund incremental management and operating costs directly attributable to the extension of C19RM.

Decision Point: GF/AFC20/DP04: Establishment of the Remuneration Group

1. Pursuant to the delegated authority from the Board in accordance with GF/B21/DP10, the Audit and Finance Committee (the "AFC") establishes the Remuneration Group, as further described in GF/AFC20/07 composed of the following members:
 - a. Edward Ouko, AFC Chair;

- b. Sylvie Chanterreau, AFC Vice-Chair;
- c. Andriy Klepikov, representing Implementer block; and
- d. Greg Ferrante, representing Donor block.

2. Members of the Remuneration Group will serve until the end of their respective terms as members of the AFC.

3. In case of vacancy on the Remuneration Group, a replacement will be appointed in the same manner, and based on the same criteria, as the appointment of such replacement's predecessor.

A summary of relevant past decisions providing context to the proposed Decision Point can be found in Annex 1

Decision Point: GF/AFC20/DP05: Financial Key Performance Indicators (KPIs)

1. The Audit and Finance Committee (AFC) recommends to the Board for approval the Financial Key Performance Indicators (Financial KPIs) as set forth in GF/AFC20/09 Annex 2.2; and
2. Accordingly, the AFC recommends part (ii) of the following decision point to the Board, regarding the Financial KPIs, for approval at its 48th meeting in November 2022:

Decision Point: GF/48/DPXX: 2023-2028 M&E Framework, KPI Framework and Multi-Year Evaluation Calendar

- ii. Approves the KPI Framework (including each Key Performance Indicator) as set forth in [GF/B48/XX];

Budgetary implications (included in, or additional to, OPEX budget): No specific budgetary implication for the implementation of the KPI Framework.

Annex 2: Decisions of the Ethics and Governance Committee, May 2022 to November 2022

Decision Points approved by the Ethics and Governance Committee between the 47 th and 48 th Board Meetings	
DP Ref. No.	Title
20th EGC Meeting, 10-11 October 2022	
GF/EGC20/DP01	Approval of the Overall Funding Ceiling for Constituency Funding for the 2023-2025 Funding Cycle
GF/EGC20/DP02	Revisions to the Honorarium Framework of the Global Fund
GF/EGC20/DP03	Reappointment of Independent External Member of the Sanctions Panel

20th Ethics and Governance Committee Meeting Decision Points

Decision Point GF/EGC20/DP01: Approval of the Overall Funding Ceiling for Constituency Funding for the 2023-2025 Funding Cycle

1. The EGC recalls the authority delegated by the Board (GF/BM36/EDP02) to the EGC for the approval of the Overall Funding Ceiling under the Constituency Funding Policy.
2. Based on the recommendation of the Secretariat, the EGC approves an Overall Ceiling of USD 4,446,717 for the 2023-2025 Funding Cycle.

Budgetary implications (included in OPEX budget): An estimated annual average of USD 1,482,239 will be included in the OPEX budget for each year of the 2023-2025 funding cycle to support activities covered under the Constituency Funding Policy.

Decision Point GF/EGC20/DP02: Revisions to the Honorarium Framework of the Global Fund

The Ethics and Governance Committee notes the proposed revisions to the Honorarium Framework of the Global Fund set out in Annex 4 to GF/EGC20/02 and recommends the following decision to the Board for approval:

Based on the recommendation of the Ethics and Governance Committee, the Board:

1. Approves the revisions to the Honorarium Framework of the Global Fund set out in Annex X to GF/BXX/XXX; and,

2. Notes that the revisions regarding the leadership of the Board's Standing Committees ("Committee Leaderships") shall enter into force upon the approval of this decision point, and that Committee Leaderships shall be eligible to receiving, from May 2022, the honoraria provided for in the Honorarium Framework as revised pursuant to this decision; and,
3. Notes that the revisions regarding the Independent Evaluation Panel shall enter into force on 1 January 2023.

Budgetary implications to be included in OPEX for the IEP revisions, and to be added in OPEX, in an amount up to USD120,000, for the Committee Leaderships revisions."

Decision Point GF/EGC20/DP03: Reappointment of Independent External Member of the Sanctions Panel

The Ethics and Governance Committee ("EGC"):

1. Notes the EGC's authority under its Charter to appoint the independent external members of the Global Fund Sanctions Panel; and
2. Decides to reappoint Ms. Patricia Diaz Dennis, for an additional two-year term, from the date of this decision or until appointment of her replacement, as an independent member of the Sanctions Panel.

Annex 3: Decisions of the Strategy Committee, May 2022 to November 2022

Decision Points approved by the Strategy Committee between the 47 th and 48 th Board Meetings	
DP Ref. No.	Title
18th Strategy Committee Meeting	
GF/SC18/EDP01	Reallocation of Strategic Initiative Funding(2020-2022 allocation period)
19th Strategy Committee Meeting, 6-7 July 2022	
GF/SC19/DP01	Recommendation on the Eligibility of Venezuela's Malaria and TB Components for the 2023 2025 Allocation Period
GF/SC19/DP02	Confirmation of Revision to Target Definition for KPI 4 (Investment efficiency)
GF/SC19/DP03	Appointment of the Strategy Committee Evaluation Focal Point
GF/SC19/DP04	Membership Transition of the Strategy Committee Working Group on Technical Review Panel (the "TRP") Matters (the "Working Group")
GF/SC19/DP05	Approval of the Qualitative Adjustment Process for the 2023 2025 Allocation Period
20th Strategy Committee Meeting, 10-12 October 2022	
GF/SC20/DP01	2023 2028 M&E Framework, Impact and Strategy KPIs and Multi Year Evaluation Calendar
GF/SC20/DP02	Increasing the Emergency Fund 2020 2022
GF/SC20/DP03	Advancement of Non-Global Fund Financed Procurement Utilizing the Pooled Procurement Mechanism and wambo.org

18th Strategy Committee Meeting Decision Points

Decision Point: GF/SC18/EDP01: Strategic Initiative Reallocation Approval

1. In line with its delegated authority per GF/B41/DP04, the Strategy Committee (SC) approves the reallocation of USD \$13.2M of Strategic Initiative (SI) unutilized resources to meet emerging country level demand and strategic needs. The SC approves the following:
 - i. A reduction of USD \$13.2 M from the non-GAC approved resources from the Independent Evaluation/TERG SI, leaving a balance of USD \$3.3M. Needs will be reassessed in 2022 and may be part of a future reallocation including for any unforeseen independent evaluation needs.
2. The SC approves the reallocation of USD \$13.2 M to the following SI's:
 - i. Increase Human Rights SI by USD \$1.3M to strengthen end-line assessments and partnership with Thomson Reuters Foundation, and improve model for next cycle
 - ii. Increase PSM Innovation & Prequalification SI by USD \$1.4M to address key needs in HIV prevention and pharmacovigilance
 - iii. Increase PSM Transformation SI by USD \$8M to address supply chain demands in 21 countries, to build upon in the next cycle.
 - iv. Increase HIV Differentiated Service Delivery SI by USD \$2.4M to address demand in eight additional countries, including in West & Central Africa

Budgetary implications (included in, or additional to, OPEX budget): None

19th Strategy Committee Meeting Decision Points

Decision Point: GF/SC19/EDP01: Appointment of the Chair and members of the Independent Evaluation Panel

The Strategy Committee ("SC"), Based on the recommendation of the Strategy Committee Working Group on IEP recruitment:

1. appoints Mira Johri to serve as the Chair of the Independent Evaluation Panel ("IEP"); and
2. appoints Evelyn Ansah, Mark Bardini, Abdallah Bchir, George Gotsadze, Carrie Lynch, Eliil Renganathan, Dede Watchiba, Josephine Watera as the members of the IEP.

Budgetary implications (included in, or additional to, OPEX budget)

Honorarium and associated travel and meetings costs for IEP to be funded through OPEX.

GF/SC19/DP01 - Recommendation on the Eligibility of Venezuela's Malaria and TB Components for the 2023 2025 Allocation Period

Based on its review of the Secretariat and technical partners' analysis and recommendation, as presented in GF/SC19/02, the Strategy Committee recommends the following decision point to the Board for approval:

Electronic Board Decision Point: GF/B47/EDPXX: Eligibility of Venezuela's Malaria and TB Components for the 2023-2025 Allocation Period

Based on the recommendation of the Strategy Committee described in [GF/B47/ERXX], the Board:

1. Acknowledges that the Eligibility Policy (GF/B47/03) allows certain non-eligible countries to be recommended to be exceptionally eligible for malaria in line with paragraph 11 of the policy;
2. Acknowledges that the Eligibility Policy's treatment of Venezuela's exceptional tuberculosis ("TB") eligibility must consider the fact that Venezuela is the only country in the World Bank's classification system that is temporarily unclassified;
3. Based on the Secretariat and technical partners' recommendation described in [GF/B47/ERXX], approves that Venezuela's malaria and TB components be made exceptionally eligible for the 2023-2025 allocation period; and
4. Notes that any components made exceptionally eligible will be governed by the Allocation Methodology 2023-2025 and existing Global Fund policies and processes.

Budgetary implications: None.

GF/SC19/DP02 – Confirmation of Revision to Target Definition for KPI 4 (Investment efficiency)

1. The Strategy Committee recommends that the Board approve revisions to Key Performance Indicator 4 as presented in GF/SC19/13;
2. Accordingly, the Strategy Committee recommends the following decision point to the Board for approval:

GF/B47/EDPXX: Confirmation of revision to target definition for KPI 4 (Investment efficiency)

Based on the recommendation of the Strategy Committee, the Board approves revisions to Key Performance Indicator 4.

Budgetary implications: None.

GF/SC19/DP03 – Appointment of the Strategy Committee Evaluation Focal Point

The Strategy Committee decides to appoint **Javier Luis Hourcade Bellocq** to serve as Strategy Committee focal point on evaluation matters, representing the Strategy Committee on the Technical Evaluation Reference Group and the Independent Evaluation Panel, as applicable, from the date hereof and for the duration of their term as a Strategy Committee member or until a replacement focal point is appointed.

Budgetary implications: None.

GF/SC19/DP04 – Membership Transition of the Strategy Committee Working Group on Technical Review Panel (the “TRP”) Matters (the “Working Group”)

To accommodate the transition in Working Group Members and to support the conclusion of Working Group contributions to TRP Membership selection, the Strategy Committee:

1. Approves revisions to the membership, term and mandate of the Working Group reflected in GF/SC19/15 - Revision 1 and previously set forth in GF/SC16/ER01.

GF/SC19/DP05 – Approval of the Qualitative Adjustment Process for the 2023-2025 Allocation Period

1. The Strategy Committee notes the Board’s request, in its May 2022 approval of the allocation methodology (GF/B47/DP05), for the Strategy Committee to review and approve the method by which the Secretariat will apply and report on the qualitative adjustment process.
2. Based on the recommended approach, as presented in GF/SC19/16, the Strategy Committee approves the qualitative adjustment process for the 2023-2025 allocation period, as set forth in Annex 1 to GF/SC19/16.

Budgetary implications (included in, or additional to, OPEX budget): None.

20th Strategy Committee Meeting Decision Points

GF/SC20/DP01 – 2023-2028 M&E Framework, Impact and Strategy KPIs and Multi-Year Evaluation Calendar

1. The Strategy Committee (SC) acknowledges and appreciates the extensive work across the partnership to incorporate past lessons into development of an improved holistic approach to Monitoring and Evaluation (M&E) for the new Strategy, noting in particular the Impact and Strategy Key Performance Indicators (Impact and Strategy KPIs) as set forth in GF/SC20/05_revision 2 Annex 2.1; and

2. Based on its review of GF/SC20/05_revision 2, the SC recommends the following decision point to the Board for approval at its 48th meeting in November 2022 noting, regarding part (ii), it is recommending the Impact and Strategy KPIs:

Decision Point: GF/48/DPXX: 2023-2028 M&E Framework, KPI Framework and Multi-Year Evaluation Calendar

1. The Board acknowledges and appreciates the extensive work across the partnership to incorporate past lessons into development of an improved holistic approach to Monitoring and Evaluation (M&E) for the new Strategy. The Board notes the recommendations of the Strategy Committee (SC) and Audit and Finance Committee (AFC), as set forth in [GF/B48/XX] and:

- i. Endorses the components of the M&E Framework as described in [GF/B48/XX];
 - ii. Approves the KPI Framework (including each Key Performance Indicator), as set forth in [GF/B48/XX];
 - iii. Approves the topics for the Multi-Year Evaluation Calendar 2023-2028 as set forth in [GF/B48/XX]; and
 - iv. Delegates authority to the SC to approve changes to the Multi-Year Evaluation Calendar in 2023, following a request by the Chief Evaluation and Learning Officer and advice from the Independent Evaluation Panel.
- Budgetary implications (included in, or additional to, OPEX budget)
 - Budget for the Independent Evaluation Function is included in the 2023 OPEX and will be requested annually in line with approved workplans. No specific budgetary implication for the implementation of the KPI Framework.

GF/SC20/DP02 – Increasing the Emergency Fund 2020-2022

Based on its review of the Secretariat's analysis and recommendation, as presented in GF/SC20/16, the Strategy Committee recommends the following decision point to the Board for approval:

Electronic Board Decision Point: GF/B48/EDPXX: Increasing the Emergency Fund 2020-2022

The Board reaffirms the importance of responding efficiently and rapidly to emergency situations to ensure the continuity of life-saving health services delivered through Global Fund-supported programs. The Board recognizes the devastating impact that recent natural disasters, climate-related events, and ongoing and protracted conflicts such as those in Pakistan, Ukraine, and Somalia have had on the health and well-being of people supported by Global Fund programs and reaffirms the importance of the Emergency Fund in rapidly responding to such contexts.

Therefore, the Board approves the reallocation of USD \$40 million from Audit and Finance Committee (AFC)-approved portfolio optimization funds to the Emergency Fund.

Budgetary implications (included in, or additional to, OPEX budget): USD \$40 million, funded from available sources of funds identified by the AFC

GF/SC20/DP03 – Advancement of Non-Global Fund-Financed Procurement Utilizing the Pooled Procurement Mechanism and wambo.org

1. The Strategy Committee (“SC”):

- I. recognizes the Global Fund’s pooled procurement mechanism (“PPM”) as one of the leading global mechanisms to access quality-assured health products through reliable delivery of products and achieving value for money;
- II. acknowledges the progress updates on the wambo.org pilot for non-Global Fund-financed orders, leveraging the benefits of the PPM, since May 2017;
- III. notes the Technical Evaluation Reference Group (“TERG”) recommendations, discussed at the 18th Meeting of the SC, emanating from the wambo.org pilot evaluation required by the Board in GF/B42/DP05; and
- IV. further notes the Secretariat’s NextGen Market Shaping approach as set forth in GF/SC20/10.

2. Accordingly, the SC recommends the following decision point to the Board for approval at its 48th meeting in November 2022:

The Board:

- a. recalls its approval of a pilot for procurement of health and non-health products via wambo.org for eligible buyers using domestic and other non-Global Fund sources of funding as detailed in GF/B37/DP09 and GF/B42/DP05; and its request that the Secretariat include the results of an evaluation of the pilot in the development of a strategy for future advancement of wambo.org to be presented for Board approval no later than November 2022;
- b. notes the Technical Evaluation Reference Group (“TERG”) evaluation findings and recommendations concerning the pilot discussed at the 18th meeting of the Strategy Committee; and
- c. understands that the Secretariat will explore appropriate solutions for the challenges raised by the TERG evaluation and continue to facilitate access to products through wambo.org, while in parallel working to strengthen the capacities of regional and national procurement channels to ensure value for money and options for access to quality-assured health products for countries.

Therefore, based on the Strategy Committee's recommendation and in support of the proposed approach for non-Global Fund financed procurements, as detailed in GF/B48/XX, the Board approves:

- a. The Secretariat's continued operationalization of the current scope of non-Global Fund-financed orders by governments and non-government development organizations in Global Fund-eligible and transitioned countries, for products and services as they become available on wambo.org;
- b. Removing any cap related to non-Global Fund-financed orders; and
- c. Incorporating reporting on the non-Global Fund-financed procurement mechanism into annual updates to the Board on NextGen Market Shaping implementation.

Budgetary implications:

Costs associated with operationalization of continuation of the non-Global Fund financed procurement mechanism are estimated at up to USD 350,000 per year for incremental and ongoing operating costs related to information technology and staff. Following Board approval, these estimated costs will be incorporated, as appropriate, into the OPEX budget.