



## REPORT ON THE EXECUTIVE DIRECTOR TRANSITION

**Outline:** This document contains the report of the ad hoc committee of Chairs and Vice Chairs of the PSC, PC, FAC and Ethics Committees as mandated at the twelfth Board meeting.

### Decision Points:

1. The Board approves the revised Terms of Reference for the Executive Director, attached as Annex 1 to the Report of the Executive Director Transition (GF/B13/14), which shall be used as the basis for the recruitment of a new Executive Director.
2. The Board approves the composition of the Executive Director Selection Committee to be as follows: \_\_\_\_\_
3. The Board decides that the Executive Director Selection Committee shall operate under the following terms of reference:
  - a. The Selection Committee shall assist the Board with the selection of the next Executive Director of the Global Fund under an Action Plan approved by the Board. To that end, it shall:
    - i. select an executive search firm, based on a competitive process;
    - ii. guide recruitment based on the criteria for selection of the Executive Director that were approved by the Board;
    - iii. oversee the search process;
    - iv. recommend two to four candidates to the Board before the Fourteenth Board meeting.
  - b. The Selection Committee shall make decisions by majority vote. In the event that a majority cannot be obtained, the Chair shall cast the deciding vote.
  - c. Membership in the Committee shall not count towards the two-committee limit set forth in Section 23 of the Board Operating Procedures.
4. The Board approves the selection criteria for the recruitment of the Executive Director as defined in Annex 3 to the Report of the Executive Director Transition (GF/B13/14).
5. The Board approves the action plan for the recruitment of the Executive Director set forth in Annex 2 to the Report of the Executive Director Transition (GF/B13/14). The Board authorizes the Executive Director Selection Committee to make appropriate revisions to the Action Plan, provided that such revisions are consistent with the objective of selecting a new Executive Director at the Fourteenth Board meeting.
6. To ensure an orderly transition, the Board requests the World Health Organization (WHO), under the terms of the Administrative Services Agreement (ASA), to extend the employment contract of the Executive Director, Professor Richard Feachem to 31 December 2006.

## **Part 1: Background**

1. At the Twelfth Board meeting the Board mandated an ad hoc committee, composed of the Chairs and Vice-Chairs of the committees, to work on issues related to the Terms of Reference of the Executive Director. The decision point states as follows,

*The Board decides to establish a Committee, composed of the Chairs and Vice-Chairs of the Policy and Strategy Committee, Finance and Audit Committee, Portfolio Committee and Ethics Committee, to prepare recommendations for the Thirteenth Board Meeting, which will include updated Terms of Reference for the position of Executive Director."*

2. The ad hoc committee nominated Dr Helene Gayle to Chair the process, and met several times by conference call to update the Executive Director's Terms of Reference (see Annex 1).

3. The ad hoc committee also decided to inform Professor Feachem that the Board would be accepting his offer to remain in place during a transition period. The members of the ad hoc committee therefore requested the Chair to respond to Professor Feachem, in writing and as soon as possible, to indicate the Board's willingness to accept his offer to stay on after 15 July 2006 to ensure an adequate and orderly transition process, and to inform him the Board will decide on the exact length of the extension at its thirteenth meeting. The Chair indicated she did so, in writing, on 31 March 2006.

4. The ad hoc committee discussed the need for the Board to launch the search for the new Executive Director immediately after the April Board meeting. The ad hoc committee therefore developed a plan for consideration and decision by the Board of the recruitment process, upon which the Board will decide at its Thirteenth meeting.

## **Part 2: Terms of Reference for the Executive Director**

1. The ad hoc committee recommends certain adjustments to the current Terms of Reference of the Executive Director which were approved at the Eighth Board Meeting. These adjustments strengthen the responsibilities for oversight and ensuring good governance and have been highlighted in the document. Additional changes have been made to improve the TOR and render them more precise. These TOR will also form the basis of the job description for the position.

### ***Decision Point 1:***

***The Board approves the revised Terms of Reference for the Executive Director, attached as Annex 1 to the Report of the Executive Director Transition (GF/B13/14), which shall be used as the basis for the recruitment of a new Executive Director.***

## **Part 3: Selection Committee**

1. The ad hoc committee has also made a recommendation regarding the process for the appointment of a Selection Committee, based in part on the precedent established by the first recruitment committee that identified an Executive Director in 2002.

2. The Selection Committee will operate under the following terms of reference:
  - a. select an executive search firm, based on a competitive process;
  - b. guide recruitment based on the criteria for selection of the Executive Director that were approved by the Board;
  - c. oversee the search process; and
  - d. recommend two to three candidates to the Board before the Fourteenth Board meeting.
3. The Board will ratify the composition of the Selection Committee, whose members the Chair and Vice-Chair of the Board shall nominate. Members must be either Board Members or Alternates. The total composition of the Selection Committee should not exceed eight.
4. The Board Chair will head the Selection Committee and will have the deciding vote if a majority cannot be achieved after the vote is taken.
5. There are three options for the composition of the Selection Committee<sup>1</sup>:
  - a. Option 1: The Selection Committee could include the Chair and Vice-Chair of the Board, plus four additional members in a way that ensures regional balance: two from the donor block (one from a government delegation and one from either the private-sector or private-foundation constituencies), (alternate formulation: one public sector and one private sector) and two from the recipient block (one from a government delegation and one from the constituencies of nongovernmental organizations, including communities) (alternate formulation: one public sector, one from communities or one from NGOs).
  - b. Option 2: The Selection Committee could include the Board Chair (LAC) and Vice-Chair (EC) and the chairs of all standing committees, namely the Chair of PSC (USA), PC (West and Central Africa), FAC (Point Seven), EC (Communities).
  - c. Option 3: The selection committee could include the Chair of the Board plus six additional members: three from the donor block and three from the recipient block.
6. The Committee has prepared draft, high-level selection criteria for the position of Executive Director, attached as Annex 3. The Board should approve these selection criteria<sup>2</sup>.

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<sup>1</sup> The ad hoc committee will continue to consult up to and during the Board consultation in order to come to the Board meeting with a consensus position on one of these options, including proposed members. This membership will then be ratified in decision point 2.

<sup>2</sup> The selection criteria will be further elaborated by the ad hoc committee in consultation with the Board before the Thirteenth Board Meeting.

**Decision Point 2:**

**The Board approves the composition of the Executive Director Selection Committee to be as follows: \_\_\_\_\_.**

**Decision Point 3:**

**The Board decides that the Executive Director Selection Committee shall operate under the following terms of reference:**

**The Selection Committee shall assist the Board with the selection of the next Executive Director of the Global Fund under an Action Plan approved by the Board. To that end, it shall:**

- a. **select an executive search firm, based on a competitive process;**
- b. **guide recruitment based on the criteria for selection of the Executive Director that were approved by the Board,**
- c. **oversee the search process;**
- d. **recommend two to four candidates to the Board before the Fourteenth Board meeting.**
- e. **the Selection Committee shall make decisions by majority vote. In the event that a majority cannot be obtained, the Chair shall cast the deciding vote.**
- f. **Membership in the Selection Committee shall not count towards the two-committee limit set forth in Section 23 of the Board Operating Procedures.**

**Decision Point 4:**

**The Board approves the selection criteria for the recruitment of the Executive Director as defined in Annex 3 to the Report of the Executive Director Transition (GF/B13/14).**

**Part 4: Recruitment Process**

7. The ad hoc committee also developed the recruitment process, as attached in Annex 2, which prepares for a Board decision on the selection of a new Executive Director at the Fourteenth Board meeting, scheduled for 1 -3 November 2006. The ad hoc committee considered the possibility of an Extraordinary Board meeting in September, and rejected this idea because of high costs and few benefits.

8. To meet this timeline, the recruitment process will need to start immediately after the Thirteenth Board meeting. To ensure this, the ad hoc committee has requested the Secretariat to proceed with a competitive bidding process to select an appropriate search firm immediately after the Thirteenth Board meeting. Based on bids received, and in accordance with procedures mandated by the Global Fund Procurement Policy, the Selection Committee will select and the Secretariat will retain the service of a search firm.<sup>3</sup>

**Decision Point 5:**

**The Board approves the action plan for the recruitment of the Executive Director set forth in Annex 2 to the Report of the Executive Director Transition (GF/B13/14). The Board authorizes the Executive Director Selection Committee to make appropriate revisions to the Action Plan, provided that such revisions are consistent with the objective of selecting a new Executive Director at the Fourteenth Board Meeting.**

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<sup>3</sup> If the value of the contract is foreseen to exceed US\$ 120,000, it will need to be submitted to the WHO Contract Review Committee for review.

## **Part 5: Next Steps on Current Executive Director**

1. At the request of the ad hoc committee, the Chair of the Board sent a letter to Professor Richard Feachem on 31 March 2006 to thank him for his offer to serve during a transition period and inform him about further consultations with the Board.
2. The Board must now decide about the transition in the light of decisions about the process for the recruitment of a new Executive Director. The ad hoc committee recommends that the extension of the contract of the current Executive Director not extend beyond 31 December 2006.

### ***Decision Point 6:***

***To ensure an orderly transition, the Board requests the World Health Organization, under the terms of the Administrative Services Agreement, to extend the employment contract of the Executive Director, Professor Richard Feachem to 31 December 2006.***

This document is part of an internal deliberative process of the Global Fund and as such cannot be made public. Please refer to the Global Fund's documents policy for further guidance.

## **Terms of Reference of the Executive Director of The Global Fund to Fight AIDS, Tuberculosis and Malaria**

The Executive Director is the Chief Executive Officer of the Global Fund, and has overall responsibility for the day-to-day management of the Global Fund according to the bylaws, Board Operation Procedures and other policies or decisions of the Global Fund Board, as well as for specific duties and responsibilities assigned to him/her by the Board.

### **1. Leadership and Management of the Secretariat**

The Executive Director works with the Board to develop and pursue a long-term strategic vision for the Global Fund, in the context of overall programs and activities at national and international levels in the fields of HIV/AIDS, tuberculosis, and malaria.

The Executive Director works with the Board to develop the overall operational strategy and structure of the Secretariat, and is solely responsible for managing the Secretariat, based on its operational strategy and within the annual budget set by the Board.

The Executive Director is responsible for the good management of the Global Fund and for ensuring the Secretariat operates and executes Board policy with full transparency, and that internal management of the Secretariat is efficient and effective and serves the best interests of the Global Fund as a whole.

To achieve this goal, the Executive Director is responsible for all financial, administrative and other functions of the Secretariat, including:

- a. Commissioning of the Technical Review Panel and ensuring the independence and integrity of the review process;
- b. Organizing the receipt and review of grant applications, and negotiating and executing grant agreements with recipients within the budget ceilings approved by the Board;
- c. Authorizing expenditures on behalf of the Global Fund, including performance-based disbursements to Global Fund recipients;
- d. Ensuring prudent risk management in the grant portfolio and in Secretariat operations, including, but not limited to, the development of rigorous management and communications systems to ensure the implementation of and strict adherence to Board decisions and other Global Fund policies in a timely manner;
- e. Managing actions by the World Bank and the World Health Organization under the Agreement for the Trust Fund for the Global Fund and the Administrative Service Agreement, respectively, and authorizing actions under those Agreements, as appropriate;
- f. Representing the Global Fund before any competent authority (in particular any Federal or Cantonal authority of Switzerland), when delegated by the Chair and Vice-Chair of the Board;
- g. Developing and implementing annual and long-term operating plans and budgets for the Secretariat, for approval by the Board;
- h. Identifying and tracking quantifiable performance targets to manage the performance of the Secretariat;
- i. Ensuring the meaningful monitoring and evaluation of Global Fund programs and performance;
- j. Analyzing and reporting on the impact and performance of the Global Fund's grant portfolio; and
- k. Recruiting Secretariat staff, under policies and procedure approved by the Board.

## **2. Working with the Board and Governance**

The Executive Director is accountable to the Global Fund Board, and is responsible for accurately implementing all the policies and decisions of the Board. The Executive Director must hold the Secretariat and its individual staff members to the highest standards of integrity and professional behavior to safeguard the good reputation of the Global Fund. The Executive Director works closely with the Board Chair and Vice-Chair in carrying forward the business of the Global Fund by doing the following:

- a. Implementing duties and responsibilities assigned by the Board and its Chair and Vice-Chair;
- b. Representing the Secretariat at all Board Meetings, and ensuring effective and timely preparation and distribution of all materials, including by complying with the Global Fund's rules on multilingualism;
- c. Assisting and supporting committees of the Board, their advisory and technical panels and other support structures;
- d. Coordinating the process for recommending to the Board members of the Technical Review Panel, the Technical Evaluation Reference Group, and other advisory groups;
- e. Communicating Board decisions within the Secretariat and to all relevant stakeholders;
- f. Communicating regularly with the Board on the activities, finance, and programmatic performance of the Secretariat, including timely notice of proposed fundraising campaigns; and
- g. Preparing the annual report of the Global Fund for approval by the Board.

## **3. Resource Mobilization and Partnership**

The Executive Director is responsible for building effective alliances and operational collaboration to develop an effective Global Fund as part of a coordinated response to HIV/AIDS, tuberculosis, and malaria at the country and international levels. This includes effective interactions with and responsiveness to public and private partners, including United Nations agencies, bilateral donors, non-governmental organizations, the business sector, and the infected and affected communities.

The Executive Director will also be responsible for the following:

- a. Working with the Board to develop the overall resource mobilization and fund-raising plan, and ensuring its implementation;
- b. Building effective partnerships with public and private entities to support the work of the Global Fund;
- c. Participating in fund-raising activities, including the voluntary replenishment process;
- d. Ensuring effective organization and preparation for meetings of the Partnership Forum; and
- e. Enhancing the overall image and reputation of the Global Fund through effective communication with all stakeholders.

## **4. Performance Plan**

The Board will approve an annual performance plan, used for the annual evaluation of the Executive Director.

**The Global Fund to Fight AIDS, Tuberculosis and Malaria**

**Provisional Action Plan for the Recruitment of the Next Executive Director**

(Once established, the Nomination Committee will review this plan.)

|  | <b>Action Item</b>  | <b>Due Date</b>   | <b>Responsible Party</b>  | <b>Recommendation</b>   |
|--|---|---|---|---|
| <b>A. Identification, Recommendation and Hiring of an ED Candidate</b> |   |   |   |   |
| 1.   | Identify search firm on basis of competitive bid  | 15 May 2006   | Nomination Committee (Secretariat Contracts team)               | To be completed as soon as possible   |
| 2.   | Publish advertisements for ED position.   | 1 June 2006   | Executive search firm (publications); Secretariat (website)     | Based on dates for publication and the placement of advertisements in the <i>Economist</i> and other international outlets  |
| 3.   | Applications and <i>curricula vitae</i> (CVs) due for ED position.                                  | 21 July 2006  | --  |   |
| 4.   | Pre-Nomination and circulation of shortlist and CVs of ten best candidates to Nomination Committee. | 28 August 2006  | Executive search firm   | The Nomination Committee should work by consensus   |
| 5.   | Review work of executive search firm and pre-selected CVs. Identify ED candidates for interviews.   | 15 September 2006   | Nomination Committee  |   |
| 6.   | Arrange and conduct ED interviews.  | 17 - 29 September 2006 (interviews should be completed no later than three weeks before the 14 <sup>th</sup> Board Meeting) | Executive search firm (arrange); Nomination Committee (conduct) | Interviews should be conducted over a one- to two-day period at the Global Fund offices in Geneva, or at another convenient location. A second round of interviews could be necessary a week later. |
| 7.   | Rank ED candidates, and identify the top  | 29 September 2006 (immediately  | Nomination Committee  |   |



|     | <b>Action Item</b>   | <b>Due Date</b>       | <b>Responsible Party</b>  | <b>Recommendation</b>  |
|-----|--|-----------------------|---|--|
|     | three choices for ED position  | following interviews) |   |  |
| 8.  | Complete reference checks, and finalize recommendation on top three candidates (if appropriate)                                    | 9 October 2006        | Executive search firm (reference checks);<br>Nomination Committee (review of reference checks and recommendation) |  |
| 9.  | Circulate to the Board a recommendation on the top two to five candidates (including reference checks), with supporting materials. | 9 October 2006        | Nomination Committee  |  |
| 10. | Select a new ED and recommend him/her for appointment to the Director General of WHO.  | 1 November 2006       | Board   | Choice subject to reference checks led by Nomination Committee. The Board should select a preferred candidate, but also approve a back-up candidate, so that it can quickly extend an offer to its second choice in the event its first choice declines the offer. |
| 11. | Extend a formal offer to the approved ED candidate.  | 8 November            | Director General of the World Health Organization (WHO)   |  |
| 12. | Arrange transition   | November 2006         | Board Chair and Vice Chair and World Health Organization (WHO)  |  |
| 13. | ED joins the Global Fund.  | January 2007          | Briefing and Orientation  |  |



## GF/B13/14 REPORT OF THE EXECUTIVE DIRECTOR RECRUITMENT

### REVISED ANNEX 3

#### Selection Criteria for Executive Director

- **Leadership and Strategic Management**

1. *Substantial experience – ideally more than 10 years - of successful management and leadership in complex public, private or international organisation(s);*
2. *Proven leadership, vision and strategic thinking;*
3. *Political sensitivity, communication and external representation skills, with the ability to relate and work effectively and strategically with partners at all levels;*
4. *Competence in the management of staff, finances and processes within international organizations, public or private sectors, NGOs or private foundations;*
5. *Proven ability to raise funds from different sources;*
6. *Commitment to implementing the core principles of the Fund as articulated in the framework document and relevant agreements;*
7. *Vision and understanding of the challenges and opportunities that face the Fund;*
8. *Commitment to promote involvement of people living with, or affected by, HIV, TB and malaria;*
9. *Proven ability to identify and nurture talent, to encourage diversity and foster team building;*
10. *Excellent inter-personal skills, cultural and gender sensitivity and respect;*
11. *Demonstrated ability to relate and work effectively with a range of different institutions, interest groups and stakeholders, including affected populations;*
12. *Ability to manage change and innovation.*

- **International Experience with Health and Development**

1. *Excellent understanding of working in developing countries, including implementation challenges;*
2. *Experience and knowledge related to public health, AIDS, TB and Malaria; ;*
3. *Experience and knowledge of international, development and public policy processes;*
4. *Experience working with multiple sectors, such as international organizations, Governments, NGOs and the Private Sector;*
5. *Good language skills: ability to work in English, and ideally fluency in at least another language of the Fund.*

- **Experience working with Boards of Directors**

1. *Has worked closely with at least one Governing Body, or Board of Directors of an international organization, large company, NGO or private foundation;*
2. *Thorough understanding of the opportunities and challenges associated with Board working processes,.*

**Availability**

*Incumbent should [ideally] be available by January 2007.*