

34th Board Meeting

Report on Status of Board Decisions

GF/B34/23

For Board Information

PURPOSE: As required under the Governance Plan for Impact, this paper is prepared by the Office of Board Affairs, and provides a report on the status of past Board Decision Points, for Board information.

.

.

Introduction

1. The Governance Plan for Impact¹ approved by the Board in November 2014² called on the Office of Board Affairs (“OBA”) to implement a number of enhancements to institutional memory management tools and processes. The enhancements respond to the required improvements identified through the Office of the Inspector General’s Governance Review.³ Namely, for the Board’s decision-making to be informed by a “clear appreciation for the legacy of active decisions”, and secondly, to enable increased visibility over the status of implementation of past Board decisions.
2. As the first edition of this Report, the paper includes a progress update on enhancements to decision-making practices and decision tracking tools, in addition to a status update on Board decisions. The Report covers the period 2011-2015, representing over 300 decisions. Future editions of this Report will provide a status update focusing on Board decisions requiring action or follow-up.
3. This Report is submitted by the OBA, and presents:
 - a. **Part I:** An overview of improvements to institutional memory management and decision-making practices implemented in 2015, and suggested areas for further development into 2016.
 - b. **Part II:** A status update on Board decisions, including follow-up requirements.
4. Board members are invited to contact the OBA for further information or detail upon request.

I. Institutional Memory Management

01 Progress Update

5. In 2015, the OBA implemented a number of tools and process improvements to enhance institutional memory management, monitoring of Board decisions, and work planning processes for governance bodies. This work has involved consultation with both Global Fund colleagues, and Governance Officials, including the Board Leadership, the Transitional Governance Committee, and Secretariat and OIG colleagues.
6. Informed Board Decision-Making. With effect from the 33rd Board Meeting (31 March-1 April 2015), all documents submitted for Board decision, and for information, include a summary of relevant past decision points. As such, decisions and status updates are presented within the context of relevant institutional history.
7. Informed Committee Decision-Making. The OBA has extended the above practice to committee decision-making, with relevant past Board and committee decisions included at the committee deliberation phase. The objective is to support strategic and effective decision-making, ensuring that decisions are taken in a fully-informed manner with full appreciation of institutional memory, consistently, and at all levels of the governance structure.
8. Improved Public Database of Board Decisions. The OBA has improved the utility of the web-based [Database of Board Decisions](http://www.theglobalfund.org/Knowledge/Decisions/GF/B32/DP05/).⁴ The database now offers enhanced transparency and traceability of past Board decisions. Decisions are classified, contextualized against other decisions, and offer links to

¹ GF/B32/08 – Revision 2: Governance Plan for Impact

² <http://www.theglobalfund.org/Knowledge/Decisions/GF/B32/DP05/>

³ GF-OIG-14-008: OIG Advisory Report, Governance Review

⁴ <http://www.theglobalfund.org/en/board/decisions/>

relevant supporting documentation. It serves as a public resource and information tool. In order to implement improvements to the database, the OBA has undertaken a review and analysis of past Board Decisions. Specifically:

- a. Phase 1 Review and Validation. Decisions are classified by the OBA, in consultation with relevant internal departments and on the basis of formal documentation submitted to the Board and its committees. Classifications follow a methodology developed through discussion with colleagues from the Office of the Inspector General, Legal and Compliance Department, and the Transitional Governance Committee. The classification methodology is contained in Annex 04 for reference. Classifications are validated by the Legal and Compliance Department.
 - b. Phase 2. A second phase of review, covering decisions from 2002-2010, is in progress.
9. Enhanced Governance Work Planning:
- a. Board and Coordinating Group. The OBA has developed an internal comprehensive work planning tool, based on the Board's core functions, and reporting or oversight requirements arising from past decisions. The tool is updated on a monthly basis to incorporate actions arising out of Board Meeting and electronic decisions, and supports governance planning and tracking processes. For example, the tool enables Board Meeting agenda planning and tracking of compliance with reporting requirements.
 - b. Committees. Existing work plans for the three standing committees continue to track responsibilities and follow-up items at committee level.
10. Additional Improvements. Further improvements to Board decision-making processes and follow-up include:
- a. Improved transparency around Board and committee votes: The reports of Board and committee meetings capture each constituency's vote for each decision in the narrative as well as in a summary table of votes by constituency and by decision. As per the usual disclosure arrangements for Board and committee documentation, Board meeting reports are published on the Global Fund website, while committee-meeting reports are accessible to Board constituencies on the *BoardEffect* platform.
 - b. Budgetary Implications. The Board Leadership and OBA have encouraged the routine inclusion of clear resource implications in decision points and their supporting documentation, enabling the Board to better understand the resource implications of the decisions it takes.
 - c. Enhanced Coordinating Group oversight. The redeveloped Coordinating Group work plan provides for regular discussion and review of Board and committee decisions, status and follow-up at the Coordinating Group on a quarterly basis.

02 Continuous Improvement

11. The OBA will continue to propose and implement improvements to Board decision-making processes, and currently plans the following developments:
 - a. Board Decision Review Phase 2: A second phase of analysis of past Board decisions dating from 2002-2010 is in progress. The results of this analysis will be incorporated into the Public Database of Board Decisions. This second phase will focus on active policy from the pre-2011

period. Any necessary policy reviews or updates identified through this review process will be communicated to the Board.

- b. Intersessional Decision-Making. The OBA plans a review of the intersessional decision-making process to ensure current practice is fit-for-purpose, in pursuit of informed, inclusive and strategic decision-making. This review will involve consultation with constituencies as appropriate.

12. Routine reporting: The Office of Board Affairs will submit the next edition of this Annual Report to the Board ahead of the 35th Board Meeting in April 2016. In addition to the Annual Reports, the OBA will be submitting a status update on active Board decisions at every Board Meeting to facilitate continued oversight of progress of implementation of Board decisions.

II. Board Decisions: Status Update

13. This report supports the Board, the Board Leadership and the Coordinating Group in overseeing follow-up to, and implementation of, past Board decisions, and provides assurance that past Board decisions are being monitored by the Office of Board Affairs.

14. Decisions are classified as Active or Closed, with the full classification methodology described in Annex 04 to this report.

15. Tracking of Board decision follow-up by the OBA focuses on those decisions classified as “Active”. That is, (a) “Active Policy” decisions, approving policies, frameworks, models, and core governance documents, and their associated reporting requirements; and (b) “Action Required” decisions, with time-bound follow-up action or actions, such as Board-initiated projects.

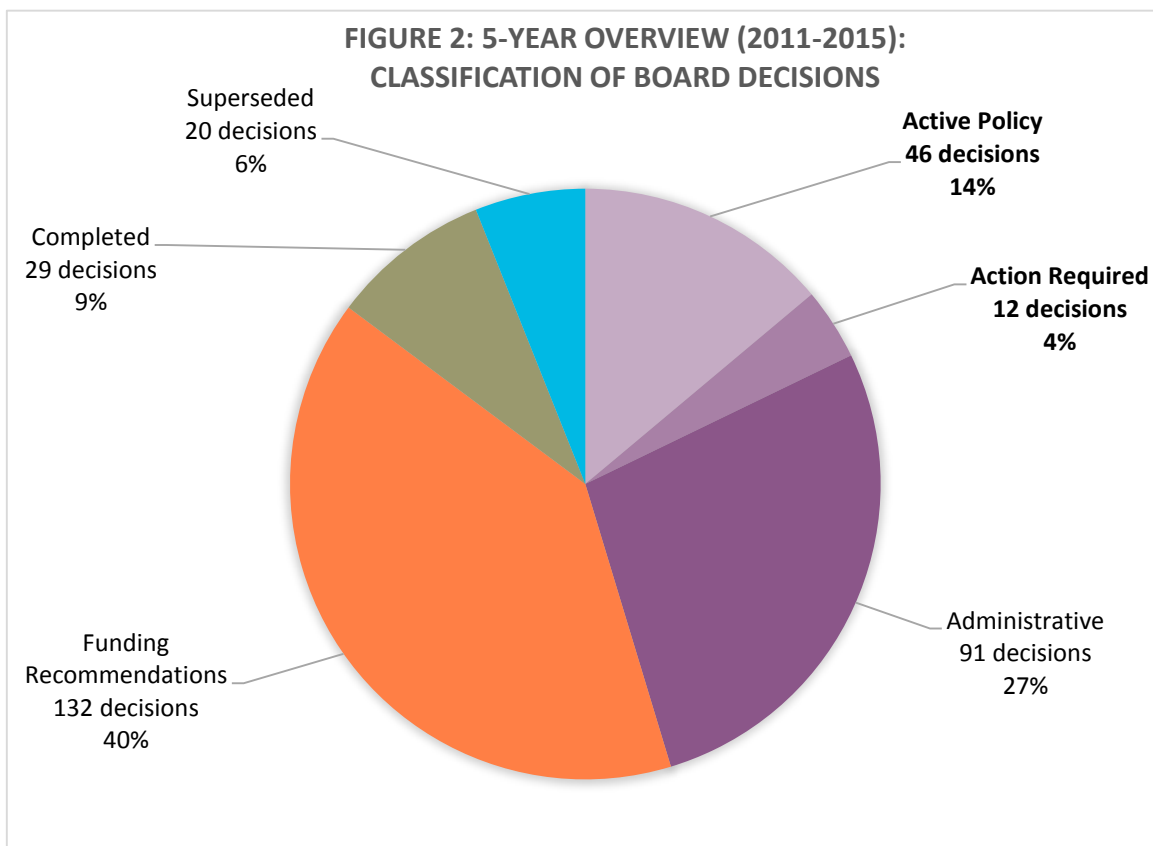
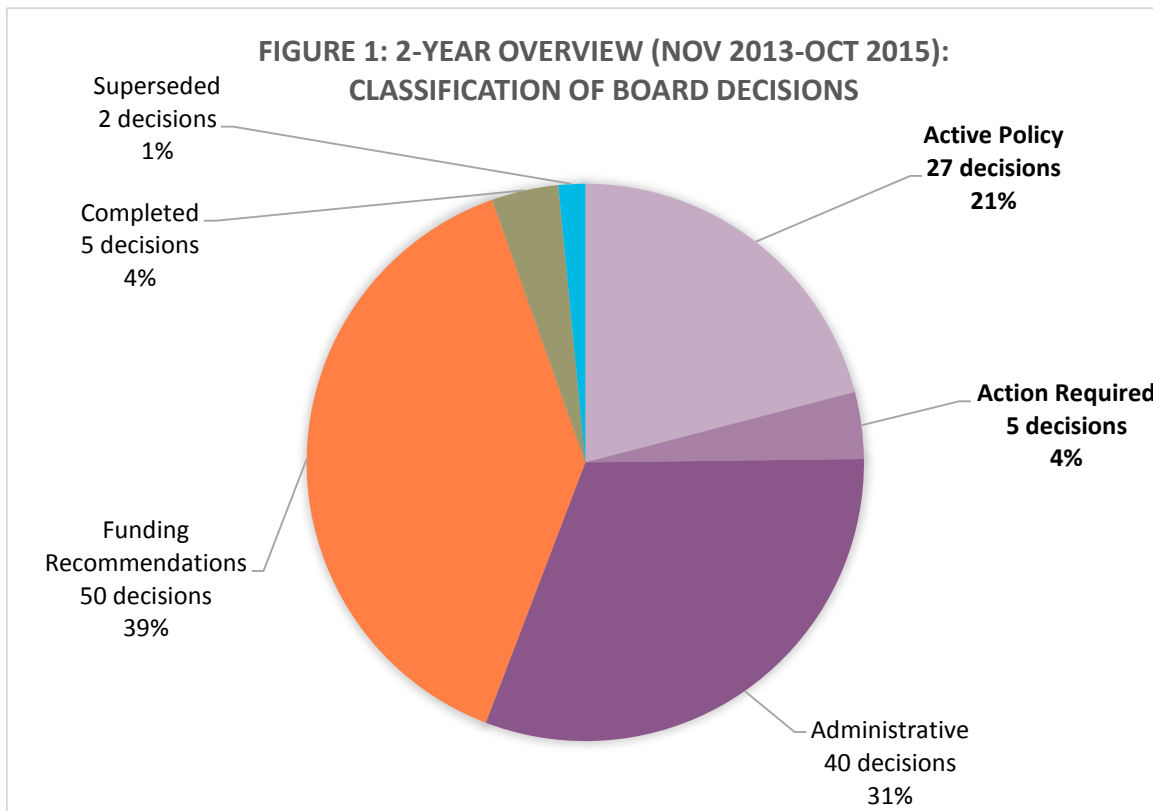
01 Overview of Key Statistics

16. Two-year view. The Board has taken a total of **122 decisions and electronic decisions** from November 2013 to October 2015. Figure 1 below displays the proportion of Board decisions per classification category, for this two-year period and as at 30 October 2015, following the classification methodology described in Annex 04.⁵

17. Five-year view. From 2011-2015, a **total of 322 decisions and electronic decisions** were approved. Figure 2 displays Board decisions, per classification category, as at 30 October 2015.

18. Decisions superseding past decisions. During the period 2011-2015, **9 decisions** were taken which superseded, in part or in full, a decision or decisions from within the previous two years. **15 decisions** superseded, in part or in full, a decision or decisions dating from more than two years earlier.

⁵ Note that a small number of decisions (8, for the period 2011-2015) are classified as both ‘Active Policy’ and ‘Action Required’.



02 Review: 33rd Board Meeting and Decisions taken between the 33rd and 34th Board Meetings (31 March – 30 October 2015)

19. A summary overview of the status of active decisions taken from 31 March – 30 October 2015 is outlined in Table 1, below. A full update is presented in **Annex 01**.

Table 1: Active Decisions (31 March – 30 October 2015)

Decision Point Reference	Decision Point Title	Classification	Status Update
GF/B33/EDP18	Approval of the Governance Performance Assessment Framework	Active Policy	IN PROGRESS: Component A (Committee self-assessment) implemented in July 2015. Components B & C: Tools developed. Outcomes of 2015 performance assessment of Board, committees and advisory bodies, including leadership, to be reported at the 34th Board Meeting (November 2015).
GF/B33/EDP14	Terms of Reference of the Ethics Officer	Action Required	1. IN PROGRESS: Recruitment process for Ethics Officer launched August 2015. Milestone - Decision: December 2015 approx. Anticipated start date: March 2016. 2. DUE FOR COMPLETION: 2016 budget for Ethics Function presented within 2016 OPEX (GF/B34/14) at 34 th Board Meeting.
		Active Policy	IN PROGRESS: Implementation of the full scope of the mandate under the Ethics Officer TORs awaits the appointment and arrival of the Ethics Officer. Pending the arrival of the Ethics Officer, ethics-related matters are managed by the Ethics Official.
GF/B33/DP10	Ethics and Integrity: Second Stage Policy Proposals	Action Required	1. COMPLETE: Terms of Reference of the Ethics Officer: approved by the Board on 29 July 2015 (GF/B33/EDP14). 2. PENDING: Review of Code of Ethical Conduct for Governance Officials pending arrival of the Ethics Officer. Arrival anticipated for March 2016.
		Active Policy	ONGOING: The obligations on Governance Officials under the approved Code of Ethical Conduct are applicable. Enhanced Declaration of Interest submission requirements implemented by current Ethics Official.
GF/B33/DP08	Policy on Co-infections and Co-morbidities	Active Policy	ONGOING: As at 30 October 2015, no funding recommendations have yet been presented to the Board for approval under the provisions of this Policy.
GF/B33/DP07	Remaining Targets for the 2014 - 2016 Corporate Key Performance Indicator Framework	Active Policy	ONGOING: A report on 2015 mid-year performance and proposed 2016 targets is submitted to the 34th Board Meeting. (GF/B34/08)

Table 2: Electronic Decisions currently pending outcome of electronic vote

20. Five additional electronic decisions pending Board consideration prior to the 34th Board Meeting are noted in Table 2 below.

Decision Point Reference	Decision Point Title	Voting Deadline
GF/B33/EDP30	Appointment of Member of the Strategy, Investment and Impact Committee	12 November 2015
GF/B33/EDP29	Decision on the Secretariat's Recommendation on Policy Exceptions for Processing HIV and TB Funding Applications from Certain Countries in the Middle East Region	13 November 2015
GF/B33/EDP28	Decision on the Secretariat's Recommendation on Grant Extensions	13 November 2015
GF/B33/EDP27	Decision on the Secretariat's Recommendation on Additional Funding from the 2014 Allocation	13 November 2015
GF/B33/EDP26	Global Fund Strategy Cycle	10 November 2015

Closed Decisions (31 March – 30 October 2015)

21. As defined in Annex 04, decisions are classified as “closed” if (1) required actions have been completed; (2) superseded by a subsequent decision; (3) the decision is administrative in nature (approval of agendas, reports, membership appointments). In addition, funding recommendations enter into core business and as such are not monitored by the OBA's decision tracking processes. A summary of closed decisions from the 33rd Board Meeting and the period between the 33rd and 34th Board Meetings can be found in **Annex 01**.

03 Active Decisions (January 2011 – March 2015)

22. Decisions classified as active represent: (a) **Active Policy**: decisions implementing policies, frameworks, models, or core governance documents, and their associated reporting requirements, as well as past decisions reflecting key principles or guidance given by the Board; or (b) **Action Required**: decisions requiring a time-bound follow-up action or actions, such as Board-initiated projects.

23. A summary overview of active decisions taken in the period January 2011 to 30 March 2015 is outlined in table 3 below. A full update is presented in **Annex 02**, presenting an overview of active decisions, as defined in paragraph 18 above, and Annex 04.

24. Decision not implemented. The review of decisions dating from 2011 to date resulted in one decision being identified as not implemented and not in progress. Namely, the Board's decision, at the 25th Board Meeting in November 2011, to adopt a Voluntary Dispute Resolution Process, on recommendation from the Finance and Audit Committee.⁶ The intent was to provide Principal

⁶ GF/B25/DP12: Approval of a Voluntary Dispute Resolution Process
<http://www.theglobalfund.org/Knowledge/Decisions/GF/B25/DP12/>

Recipients with a vehicle short of arbitration to attempt to resolve material and substantive challenges to an OIG final audit or investigation report. While this has not been implemented, the intent is deemed covered by subsequent developments and other mechanisms, specifically: the implementation of the OIG's Stakeholder Engagement Model in 2014, part of the OIG's Communications Strategy endorsed by the AEC in March 2014; and the Board-approved Policy for Disclosure of Reports Issued by the Office of the Inspector General (OIG Disclosure Policy).⁷ Both serve to prevent and resolve material challenges to OIG findings prior to finalization of an audit or investigation, allowing subjects of audits and investigations the opportunity to respond and challenge findings. In addition, the recoveries process, which was supported by the Board in November 2014 through the decision on the Communication on Status of Recoveries,⁸ provides another flexible mechanism to comprehensively address OIG findings resulting in recoveries after the publication of a report. For disputes involving suppliers, the Sanctions Procedures Relating to the Code of Conduct for Suppliers provides yet another venue to articulate and resolve related challenges. As such, administrative closure of this decision is proposed.

25. Routine Reporting. Annex 02 includes information regarding routine reporting requirements associated with Active Policy decisions, and compliance therewith. The OBA incorporates reporting requirements arising from decisions into the Board work plan, or the work plan of the relevant committee, for tracking and planning purposes. At present, there are no compliance issues to report.

Table 3: Active Decisions: Action Required (January 2011-March 2015)

Decision Point Reference	Date approved	Decision Point Title	Classification	Status update
GF/B32/DP08	21/11/2014	Market Dynamics Oversight	Action Required	<p>1. DUE FOR COMPLETION AT 34BM: Market Shaping Strategy presented to Board for approval at 34th Board Meeting. Document GF/B34/17.</p> <p>2. COMPLETE: market dynamics oversight arrangements defined and reported to FOPC and SIIC 28/01/15.</p>

⁷ GF/B31/DP11: Revision to the OIG Disclosure Policy <http://www.theglobalfund.org/Knowledge/Decisions/GF/B31/DP11/>

⁸ GF/B32/DP04: Communication on Status of Recoveries <http://www.theglobalfund.org/Knowledge/Decisions/GF/B32/DP04/>

Decision Point Reference	Date approved	Decision Point Title	Classification	Status update
				<p>IN PROGRESS:</p> <ol style="list-style-type: none"> 1. Board Composition - discussion in November 2015; for Board decision in April 2016. 2. Enhanced Governance Structure - presented for decision at 34th Board Meeting (document GF/B34/18). 3. Performance Assessment Framework - Approved by Board in September 2015. Implemented in Oct/Nov 2015 - results of Board and Committee Assessments (components B & C) to be presented to Board in November 2015. 4. Governance Framework: Board decision in April 2016. Onboarding program for Board Members implemented November 2015. 5(a) Core governance documents presented for decision at 34th Board Meeting (document GF/B34/18). 5(b) Legal status - planned Q1 2016. Also under P&I Advisory Group. 5(c). Improvements to institutional memory management and decision-making implemented in 2015 - refer to document GF/B34/23. Continuous improvements ongoing. 5(d). OIG review of CCMs has begun, TGC contributed to the contents of the survey being issued to all CCMs.
GF/B32/DP05	20/11/2014	Approving the Governance Plan for Impact	Action Required	
		Revision of the Policy on Eligibility Criteria, Counterpart Financing Requirements and Prioritization of Proposals for Funding from the Global Fund	Action Required	<p>IN PROGRESS: Development Continuum Working Group study reported to the 32nd and 33rd Board Meetings (November 2014 and March 2015 respectively). Work continues on the approach to transition in the context of the 2017-2022 Global Fund Strategy.</p>
GF/B30/DP05	08/11/2013			<p>IN PROGRESS: SIIC decision on distribution of funding by disease ("Global Disease Split") taken at 15th SIIC Meeting (GF/SIIC15/DP03), noting recommendation to maintain distribution determined by GF/B29/EDP11 for further analysis. At its 16th meeting in October 2016, the SIIC confirmed maintaining the Global Disease Split applied for the 2014-2016 allocation, under GF/B29/EDP11 (GF/SIIC16/21).</p> <p>Milestone - Discussion: a full update on the SIIC's discussions regarding the Allocation Methodology is presented to the Board for information at the 34th Board Meeting (GF/B34/12).</p>
		Revising the distribution of funding by disease in the new funding model allocation methodology	Action Required	<p>Milestone - Decision: a comprehensive</p>
GF/B29/EDP11	01/10/2013			

Decision Point Reference	Date approved	Decision Point Title	Classification	Status update
				recommendation from the SIIC on the 2017-2019 Allocation Methodology is anticipated at the 35th Board Meeting in April 2016, including final recommendation on the Global Disease Split for the 2017-2019 allocation.
				IN PROGRESS: Milestone - Discussion: an update on the SIIC's discussions regarding the Allocation Methodology Framework is presented to the Board for information at the 34th Board Meeting (GF/B34/12). Milestone - Decision: a comprehensive recommendation from the SIIC on the 2017-2019 Allocation Methodology is anticipated at the 35th Board Meeting in April 2016
GF/B29/EDP10	01/10/2013	Division between Indicative and Incentive Funding	Action Required	1. COMPLETE New funding model approved at 31st Board Meeting through approval of the New Funding Model, building on the Board's decisions regarding Evolving the Funding Model (September-November 2012), and discussions at the 9 th SIIC Meeting in October 2013. 2. ONGOING through regular updates to the FOPC, SIIC and Board on the Funding Model. 3. IN PROGRESS through review of Funding Model policy (e.g., Allocation Methodology) under oversight of the SIIC. Policy recommendations anticipated April 2016.
GF/B27/DP07	14/09/2012	Evolving the Funding Model	Action Required	
GF/B25/EDP18	16/04/2012	Appointment of Independent Members of the Audit and Ethics Committee	Action Required	1. OVERDUE: Honoraria Policy under development and discussion at FOPC level. 2. COMPLETE: Criteria for independent members contained in current AEC Charter.
GF/B25/DP12	22/11/2011	Approval of Voluntary Dispute Resolution Process	Action Required <i>Administrative closure proposed</i>	NOT IMPLEMENTED: the intent is covered by subsequent developments and other mechanisms, specifically, the implementation of the OIG's Stakeholder Engagement Model in 2014, which was part of the OIG Communication Strategy endorsed by the AEC in February 2014; revision of the OIG Disclosure Policy approved by the Board in March 2014. The OIG's Stakeholder Engagement Model and OIG Disclosure Policy provided additional checks and safeguards prior to the publication of final reports, including pre-publication stages for checking facts, accuracy, tone and balance, and allowing subjects of audits and investigations the opportunity to respond to or challenge findings. As such, administrative closure of this decision is proposed.

Decision Point Reference	Date approved	Decision Point Title	Classification	Status update
GF/B23/DP22	12/05/2011	Expediting transition to fixed-dose combinations of artemisinin-based combination therapies (ACTs)	Action Required	IN PROGRESS: Guidelines requiring timely transition to FDC ACTs implemented, with the exception of four countries who, in 2014, still procured Artesunate+ Sulfadoxine/Pyrimethamine Co blister products. The Sourcing Department has observed increased demand for FDC ACTs and has facilitated delivery of FDC ACTs through PPM /the Co-payment mechanism.

04 Closed Decisions (2011-2015)

26. Validation. As noted above, decisions are classified by the OBA, in consultation with relevant internal departments as applicable, and on the basis of formal documentation submitted to the Board and its committees. All classifications are validated by the Legal and Compliance Department.

27. Decisions are classified as closed as described in paragraphs 28-31 below.

28. Completed or Superseded. A Board decision can be classified as completed or superseded when:

- a. A one-off action, or series of actions, is completed, or project delivered, and reported to the Board or relevant governance body.
- b. The applicable timeframe for an approved policy, framework or model has reached its defined expiry date.
- c. Explicitly superseded by a subsequent Board decision.
- d. A past policy, framework, model or core governance document is replaced by a more recent policy/framework/model/core document approved by Board decision.

29. Administrative decisions include approvals of documents for the record; approval of annual financial statements; appointment of an individual to a role, and other such decisions not requiring follow-up.

30. Funding recommendation decisions move into core Global Fund business once approved, and are not monitored by the OBA's decision-tracking processes.

31. Decisions not approved or withdrawn. Of note, decisions which were withdrawn, or not approved, are administratively closed by the OBA.

32. For reference, summaries of Board decisions classified as closed are available as follows:

- **Annex 03: Closed Decisions**

Board decisions which have been completed or superseded from January 2011 to 30 October 2015 are presented in annex 03 to this Report. The table summarizes the rationale for closing the decision.

- **Closed Decisions - Administrative**

A two-year view of the Board's administrative decisions is available on the *BoardEffect* platform for reference.

- **Closed Decisions – Funding Recommendations**

In addition to their inclusion in the [Public Database of Board Decisions](#), a register of Board-approved funding recommendations is available at the following link:

<http://www.theglobalfund.org/en/fundingdecisions/>

33. The Office of Board Affairs remains available to respond to requests for information or clarification from Board Members in relation to the status of past Board decisions.