34th Board Meeting

Summary results: Assessment of performance and effectiveness of the Board and standing committees

GF/B34/04
Board Information

PURPOSE: This document presents the outcome of the recent performance assessment of the standing committees of the Board (Strategy, Investment and Impact Committee, Finance and Operational Performance Committee and Audit and Ethics Committee).

The Global Fund

I. Executive Summary

1.   In September 2015, the Board approved the "Governance Performance Assessment Framework" (GF/B33/EDP18) put forward by the TGC. The objective of the Governance Performance Assessment Framework ('the Framework') is "to implement a performance assessment process that provides a full picture of the overall effectiveness of the Global Fund's governing and advisory bodies in enabling the Global Fund to achieve the targeted impact outlined in its Strategy."

2.   Included in this report are the results of the assessments recently conducted in October and November 2015:

- ▪ <u>Assessment of the performance and effectiveness of the Board</u> – results of the 360° online survey for the Board.
- ▪ <u>Assessment of the performance and effectiveness of the committees</u> – results of the 360° online survey for the 3 standing committees (Strategy, Investment and Impact Committee, Finance and Operational Performance Committee and the Audit and Ethics Committee). Results are provided for the performance of all 3 committees overall and individually.
- ▪ <u>Assessment of performance and effectiveness of Leadership</u> – includes the assessment of the current committee leadership as well as the guidance provided by respondents to the new Board Leadership on how it can ensure effective management of the Board.

3.   The assessment of the Board covered the period of April 2014-March 2015 covering the 32nd and 33rd Board Meetings. Results of the assessment of the Board include an overall performance assessment of the Board as well as guidance provided by respondents to the incoming Board Leadership on the effective management of the Board.

4.   The assessment of the committees covered the period of 2015 calendar year up to November 4th when the final committee meetings of the year were completed. Results of the assessment of the committees include the overall performance of the committees, committee specific performance as well as the results of the assessment of committee leadership.

5.   Scores were calculated for the overall performance, performance for each individual sub-area as well as for each individual question. Results were then classified against the performance scale outlined below.

Table 1: Rating scale

Score (%)	Rating
80%>	Excellent
70-79%	Satisfactory
60-69%	Fair
50-59%	Needs Improvement
<50%	Poor - urgent action required

6.   **Board assessment:** A review of the results of the Board assessment showed that, while the overall performance was rated as "**Fair**", several key areas were assessed as needing improvement and would benefit from additional focus within the improvement plans being developed. **Risk Management** emerged as an area that had seen some improvement in the recent past, however respondents expressed that they remained unclear of how the oversight of risk was being optimized and the manner in which risks were considered by the respective committees. The absence of a regular **assessment of Board performance** was also noted, however it was acknowledged that this issue is currently being addressed through the work of the Transitional Governance Committee (TGC). Respondents flagged that there was not an appropriate balance between constituency interests and the **best interest of the Global Fund** in decision-making at the Board level, giving a feeling of "my constituency first".

7.   Overall the **selection and onboarding of new Board Members** performed poorly in the assessment, with the need for a standardized onboarding program and transparent selection processes being identified. It was felt that the roles and responsibilities of the **Coordinating Group were not effectively executed** during the time under assessment although several mentions were made that improvements has recently been seen in this area. Several issues were flagged around the **materials being prepared for the Board** with some respondents expressing that too much information was being provided, with others saying that the information was not at the right level to allow for informed decisions. The timeliness of receipt of the documents remains a concern.

8.   **Guidance for Board Leadership:** 17 respondents provided their inputs into how the new Board Leadership can ensure the effective management of the Board. This feedback included key points including the need to engage with and be aware of the issues being faced by Global Fund stakeholders; the need to elevate the Board discussions to the right level; the importance that the Board Leadership be seen as available; to allow for open dialogue between members during the Board meetings; and to maintain regular interaction with the committee leaders, the management of the Secretariat and the OIG.

9.   **Assessment of the committees:** While the overall assessment of the committees was "**Fair**", several key areas were assessed lower than others and would benefit from particular attention in the improvement plans. Two major issues that were highlighted were the **lack of incorporation of the views of constituencies not represented on the committees** in committee deliberations as well as the lack of a formal mechanism for ensuring these are considered. The **engagement of committees with the Coordinating Group** and the incorporation of any feedback received was also identified as a particular weakness.

10.   **Committee Leadership:** Overall, committee leadership performed well, with most areas being rated as "Satisfactory". Two areas that were flagged as possibly needing additional attention were the engagement with other committee leaders and Board Leadership on the **management of cross-cutting issues** as well as the need to improve the onboarding and off boarding of committee leadership to ensure **retention of institutional memory**.

11.   **Strategy, Investment and Impact Committee specific assessment:** The overall committee specific performance of the SIIC was rated as "**Fair**". The SIIC was rated slightly lower in its delegated areas of oversight including its review of **key performance indicators** (KPI), its consideration of the overall **impact and effectiveness of Global Fund's investments in health** and its consideration of the **risks associated with Global Fund strategic initiatives.**

12.   **Finance and Operational Performance Committee specific assessment:** The overall performance of the FOPC was rated as "Satisfactory" across most areas, with only one being flagged as requiring additional attention – the level of guidance and input provided into the **KPIs related to finance management**.

13.   **Audit and Ethics Committee specific assessment:** The AEC performed "Satisfactory" across all the committee specific areas assessed, a **lack of visibility of the AEC's work** was commented on as a potential issue.

14.   **Next steps:** Following presentation of the results at the Board, the results of the assessments of the Board and committees will be discussed with Coordinating Group together with identifying the next steps for developing Performance Improvement Plans (PIP) to address any identified areas for improvement.

15.   The Performance Improvement Plans (PIP) should be developed by the Board and committee leadership, working with the committee responsible for governance, and will be shared electronically

with the Board. These plans will be monitored by the Board Leadership alongside the committee responsible for governance.

16.   Additionally, the Transitional Governance Committee will continue a deeper analysis (e.g. further assessment of the responses by respondent type, constituency group, etc.) of the results received to help provide further guidance to the Board and committee leadership in the development of their PIPs as well as to inform the implementation of the Enhanced Governance Structure (pending Board approval) to ensure that lessons learned are incorporated.

# II. Governance Performance Assessment Framework

17.   In November 2015 the Board approved the Governance Plan for Impact (GF/B32/08), developed by the Ad hoc Working Group on Governance (WGG) as a roadmap for addressing identified areas of weakness in Global Fund's governance systems.

18.   The Governance Plan for Impact recommended the creation of the Transitional Governance Committee (TGC) to finalize and implement the recommendations outlined in the plan. As part of its mandate, the TGC was charged to "Develop a Performance Assessment Framework and oversee the process of performance assessments of the Board and committees, including assessments of leadership"[1].

19.   In September 2015, the Board approved the "Governance Performance Assessment Framework" (GF/B33/EDP18) put forward by the TGC. The objective of the Governance Performance Assessment Framework ('the Framework') is "to implement a performance assessment process that provides a full picture of the overall effectiveness of the Global Fund's governing and advisory bodies in enabling the Global Fund to achieve the targeted impact outlined in its Strategy."

20.   While the full implementation of the established Governance Performance Assessment Framework is not scheduled until the 2016 assessments, it was agreed that there was a need to conduct a performance assessment of the Board and its governing bodies in 2015 to allow for the incorporation of lessons learned and to inform the Board and committees going forward. As such, the Board approved the modified version of the assessment process as outlined in red in Figure 1 below to be used for the assessments being conducted in 2015.

Figure 1: Modified approach for 2015 assessment of Board and committees
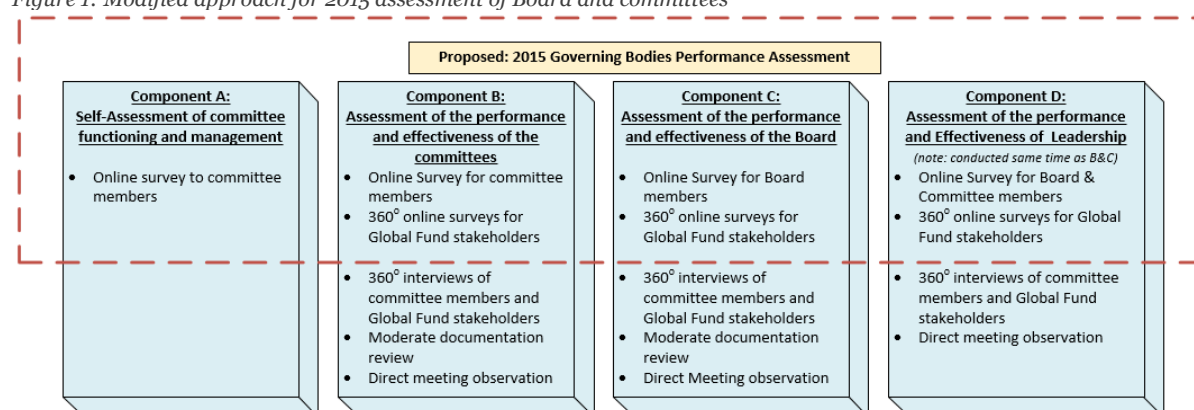
21.   Component A, the self-assessment of committee functioning and management is now routine practice following each committee meeting, with the results of the self-assessments being discussed by each committee at the subsequent meeting including developing a plan to improve any identified areas

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[1] Terms of Reference Transitional Governance Committee as adopted on 21 November 2014 (GF/B32/DP05) Section 6.II.

of weakness. This component is meant to assist the individual committee leadership with the ongoing improvement of the committees and therefore is not covered within this report.

22.   Included in this report are the results of the assessments recently conducted in October and November 2015 under the other 3 components:

- Component B: Assessment of the performance and effectiveness of the committees – results of the 360⁰ online survey for the 3 standing committees (Strategy, Investment and Impact Committee, Finance and Operational Performance Committee and the Audit and Ethics Committee). Results are provided for the performance of all 3 committees overall and individually.
- Component C: Assessment of the performance and effectiveness of the Board – results of the 360⁰ online survey for the Board.
- Component D: Assessment of performance and effectiveness of Leadership – includes the assessment of the current committee leadership as well as the guidance provided by respondents to the new Board Leadership on how it can ensure effective management of the Board.

23.   The results of these surveys are being presented during the upcoming 34th Board meeting for information. As outlined in the Framework, these results will be taken forward by Board and committee leadership to develop plans for improvement. The Performance Improvement Plans (PIP) developed for the Board and the committees will be shared electronically with the Board and will be monitored by the Board Leadership alongside the committee responsible for governance.

24.   Proposed improvements for the committees will be considered in the implementation of the Enhanced Governance Structure (subject to Board approval) as well as be communicated to the incoming Chairs and Vice-Chairs of the committees as they begin their new terms in 2016 to enable them to benefit from the results of the assessment to ensure maintenance of strong committee performance throughout the transition period.

III. Outline of Results Report

This report contains two parts:
A. **Results of the assessment of the performance and effectiveness of the Board** which includes the results of the Board assessment as well as the guidance provided to the incoming Board Leadership on the effective management of the Board.
B. **Results of the assessment of the performance and effectiveness of the committees** which includes the results of the assessment of the committees as well as the result of the assessment of committee leadership.

01 Methodology

25.   The surveys were structured to cover key areas which were identified as critical to the performance and effectiveness of the Board and its committees. These areas were selected following a benchmarking activity reviewing the tools used by several comparable organizations including GAVI, UNITAID and PMNCH as well as several international NGOs and a review of tools used for past assessments of the Global Fund Board (2011-2012).

26.   In order to receive a broad range of feedback into the performance of the Board and the committees, the survey was sent to a wide variety of stakeholders who regularly interact with the committees including Board Members, Alternates and Focal Points, Coordinating Group, committee members and members of advisory bodies, Management Executive Committee, Office of Board Affairs and other Secretariat staff as well as the Office of the Inspector General.

27.   The online surveys contained mainly two types of questions: weighted interval scale questions ranging from strongly agree (5) to strongly disagree (1) (with an N/A/Don't Know option which did not count towards the overall scoring) and open-ended questions which provided respondents with the opportunity to provide additional comments.

28.   Scores were calculated for the overall performance, performance for each section as well as for each individual question. Results were then classified against the performance scale outlined below. Scores were calculated out of the total of 5 points and were then converted to a percentage to facilitate ease of interpretation (strongly agree = 100 percent, agree = 80%, Neutral =60%, disagree =40%, strongly disagree = 20%, N/A, Don't know were not included in the scoring calculation).

Score (%)	Rating
80%>	Excellent
70-79%	Satisfactory
60-69%	Fair
50-59%	Needs Improvement
<50%	Poor - urgent action required

29.   While this report does provide an indication of the strengths and weaknesses identified for the Board, committees and committee leadership, it is important to note that the response rate was below the target of 75% for both the Board (63 respondents – 48%) and the committees (74 respondents – 53%). The low response rate could be attributable to several factors including the tight timeframe for responses, timing of the survey coincided with many other requests for Global Fund stakeholder input as well as the newness of the process and a possible lack of familiarity with the 360 degree format. Despite the lower than anticipated response rate, the response received did provide rich feedback and a general indication of the overall performance of the Board, committees and committee leadership.
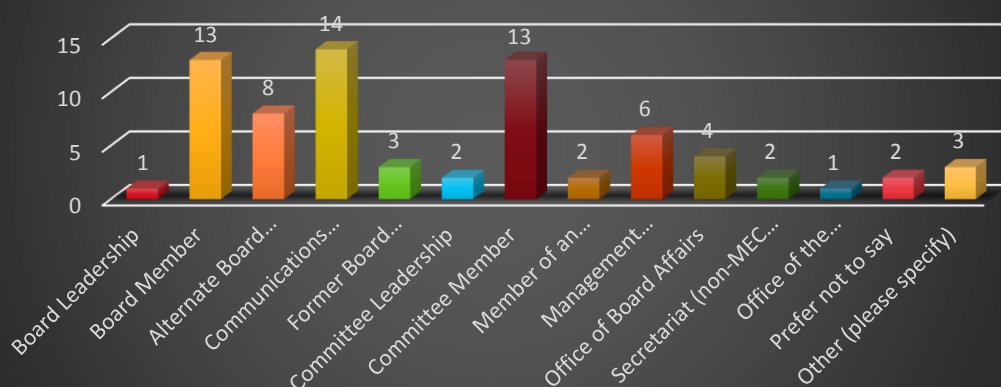
Part A: Results of the assessment of the performance and effectiveness of the Board

30.   The assessment conducted covers the period of April 2014-March 2015 and includes the 32nd and 33rd Board Meeting.
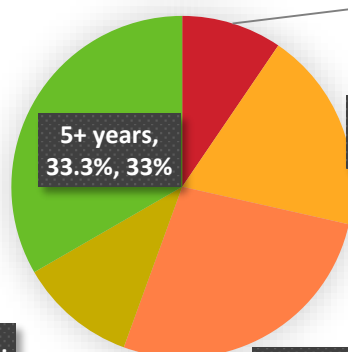
A. Respondent information

31.   The assessment survey was sent to 140 individuals. Responses were received from 63 (45%) of those invited to submit the surveys. This is lower than the targeted response rate of 75%, however remains sufficient to provide input into the performance of the Board. The graphics below provide a further breakdown of the respondents. Questions where more than 30% of the respondents selected N/A/Don't know, this has been indicated with an asterisks (*).
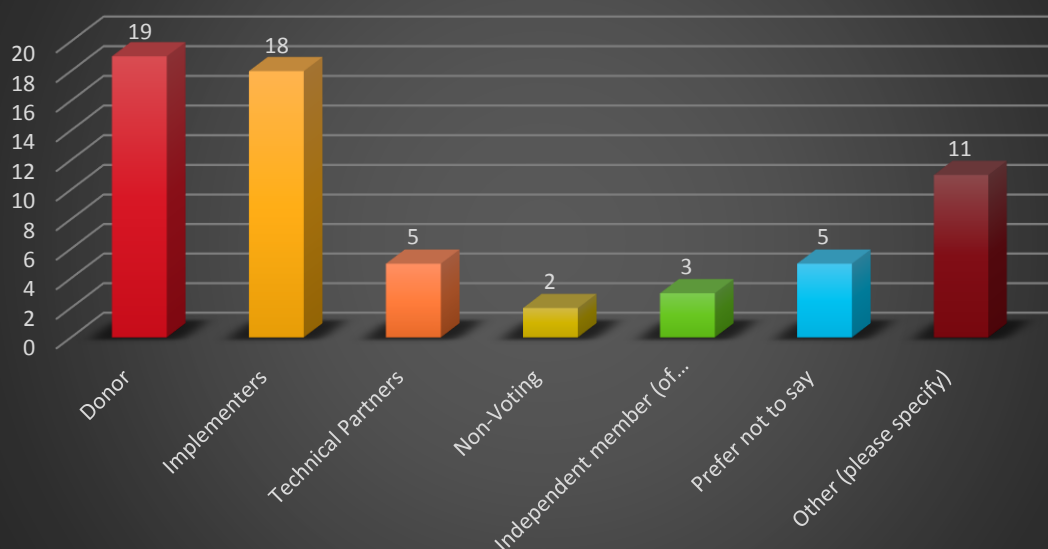
Relationship with Board

Category	Value
Board Leadership	1
Board Member	13
Alternate Board...	8
Communications...	14
Former Board...	3
Committee Leadership	2
Committee Member	13
Member of an...	2
Management...	6
Office of Board Affairs	4
Secretariat (non-MEC...	2
Office of the...	1
Prefer not to say	2
Other (please specify)	3

Years of Engagement with Global Fund

- Less than 1 year, 9.5%, 10%
- 1-2 years, 19.0%, 19%
- 2-4 years, 27.0%, 27%
- 4-6 years, 11.1%, 11%
- 5+ years, 33.3%, 33%

Constituency Group

Category	Value
Donor	19
Implementers	18
Technical Partners	5
Non-Voting	2
Independent member (of...	3
Prefer not to say	5
Other (please specify)	11

B. Summary of Results – Board Assessment

32.   The overall performance of the Board was assessed to be "**Fair**".

Excellent	80%+
Satisfactory	70-79%
Fair	60-69%
Needs Improvement	50-59%
Poor	<50%

Figure 2: Rating Scale

	Board
Overall Performance of the Board	68
Sub-sections	
Board Mandate	69
Decision Making and Impact	67
Member Selection and Onboarding	62
Committee Alignment with the Board	68
Communication	71
Engagement with Executive Director, Inspector General, Management Executive Committee, OIG and Secretariat	74
Cost Effectiveness	67
Board Meeting Functioning and Organization	66

(Average number of respondents =59, Average percentage of N/A, Don't Know responses = 8%)

33.   As illustrated in the table above, performance by the Board was rated as "**Satisfactory**" across 2 of the 8 key areas: Communication and Engagement with the Executive Director, Inspector General, Management Executive Committee, OIG and Secretariat. The Board performed less well in the areas of Board Mandate; Decision Making and Impact; Member Selection and Onboarding; Committee Alignment with the Board; and Cost Effectiveness.

34.   Of particular interest is how the Board was assessed to be performing against its six core functions. While the Board was assessed as "**Satisfactory**" in three of its core functions: Strategy Development, Commitment of Financial Resources and Partnership, Engagement, Resource Mobilization and Advocacy, it fared less well in Governance Oversight, Assessment of Organizational Performance and particularly in Risk Management.

7. The Board is performing adequately in its six core function areas to achieve the desired impact outlined in its current strategy	
Strategy Development	74
Governance Oversight	62
Commitment of Financial Resources	72
Assessment of Organizational Performance	63
Risk Management	58
Partnership, Engagement, Resource Mobilization and Advocacy	70

(Average number of respondents = 60, average number of N/A, Don't know responses = 4%)

35. A review of the results of the assessment showed that while the overall performance was rated as "**Fair**", several key areas were assessed as needing improvement and would benefit from additional focus within the improvement plans being developed. **Risk Management** emerged as an area that had seen some improvement in the recent past, however respondents expressed that they remained unclear of how the oversight of risk was being optimized and the manner in which risks were considered by the respective committees. The absence of a regular **assessment of Board performance** was also noted, however it was acknowledged that this issue is currently being addressed through the work of the TGC. Respondents flagged that there was not an appropriate balance between constituency interests and the **best interest of the Global Fund** in decision-making at the Board level, giving a feeling of "my constituency first".

Breakdown of responses:
7. The Board is performing adequately in its six core function areas to achieve the desired impact outlined in its current strategy:

Risk Management – Rated: 58%

Number of respondents: 60
Strongly Agree – 1 (2%)
Agree – 18 (30%)
Neutral -21 (35%)
Disagree – 13 (22%)
Strongly Disagree – 6 (10%)
N/A, Don't Know - 1 (2%)

Breakdown of responses:
16. There is an appropriate balance between constituency interests and the best interest of the Global Fund in decision-making at the Board level.

Rated: 56%

Number of respondents: 59
Strongly Agree – 2 (3%)
Agree – 11 (19%)
Neutral – 24 (41%)
Disagree – 13 (22%)
Strongly Disagree – 7 (12%)
N/A, Don't Know - 2 (3%)

36. Overall the **selection and onboarding of new Board Members** performed poorly in the assessment, with the need for a standardized onboarding program and transparent selection processes being identified. It was felt that the roles and responsibilities of the **Coordinating Group were not effectively executed** during the time under assessment, several mentions were made that improvements have recently been seen in this area. Several issues were flagged around the **materials being prepared for the Board** with some respondents expressing that too much information was being provided, with others saying that the information was not at the right level to allow for informed decisions. The timeliness of receipt of the documents remains a concern.

Breakdown of responses:
27. The roles and responsibilities of the Coordinating Group are executed effectively and provide a clear added value to the Board.

Rated: 57 %

Number of respondents: 59
Strongly Agree – 1 (2%)
Agree – 13 (22%)
Neutral – 23 (39%)
Disagree – 8 (14%)
Strongly Disagree – 7 (12%)
N/A, Don't Know - 7 (12%)

37. A detailed breakdown of how the Board performed against each question is provided in Annex 1.

38. The combination of scaled and open questions enabled the identification of strengths and weaknesses across the committees. These are highlighted in the two tables below. Feedback emerging

from the additional comments has been included for context and is indicated in *italics*.

Area	Strengths identified (scores of 75%< or remarks in additional comments)
Board Mandate (n= 60, Av. % of N/A, Don't know = 5%)	▪ Respondents have a clear understanding of their role in relation to the Board (86%) ▪ *The Board sets a clear tone in regards to the overarching vision and objectives of the Global Fund (the "what"). However, there seems to be much less clarity on some critical aspects of the "how"…."* ▪ *Our approaches to assessment and evaluation is improving and is commendable*
Decision making and Impact (n= 60, Av. % of N/A, Don't know = 5%)	▪ The opinions and perspectives of the Secretariat, Office of the Inspector General and advisory bodies, are appropriately considered in the decision-making processes by the Board. (76%) ▪ *Progress is being made towards better capturing of institutional memory* ▪ *The capacity of the Secretariat to move forward and act on different issues that it identified as key for the implementation of the grants (such as procurement or absorption) is quite necessary and should be rightfully praised. However, the linkage with the Board could be improved.*
Membership and Onboarding (n= 60, Av. % of N/A, Don't know = 10%)	▪ None above 75% ▪ *Tensions between representing constituencies' inputs and acting independently as a Board Member was discussed at the Montreux board meeting.*
Committee Alignment with the Board (n= 59, Av. % of N/A, Don't know = 9%)	▪ None above 75% ▪ *The Coordinating Group has lately improved the way it fulfills its role, particularly with more meetings and more information communicated to the Board about it. It is greatly appreciated.*
Communication (n= 59, Av. % of N/A, Don't know = 7%)	▪ The Board operates in an open and transparent manner in line with the principles of the Global Fund (76%) ▪ Outcomes of the Board meetings are clearly communicated to the relevant stakeholders. (75%)
Engagement with Executive Director, Inspector General, Management Executive Committee, OIG and Secretariat (n= 58, Av. % of N/A, Don't know = 10%)	▪ The Board is aligned with the Executive Director on the overall organizational strategy (71%) ▪ The Board is aligned with the OIG on its role in providing assurance to the organization (76%) ▪ The Secretariat executive management provides an important and useful role during Board meetings (79%)
Cost Effectiveness (n= 58, Av. % of N/A, Don't know = 7%)	▪ Board in-person meetings occur at the right frequency to ensure the Board is able to execute its mandate (currently 2 times per year) (75%)
Board Meeting Functioning and Organization (n= 58, Av. % of N/A, Don't know = 7%)	▪ None above 75% ▪ *I am pleased to see a more proactive outreach to the Board on the agenda for the upcoming and to see the materials generally coming earlier than previously. The meeting agendas should focus on the core areas of operational and financial performance, risk, and key strategic decisions.*

Area	Areas for Improvement identified (Scores of <65% or remarks in additional comments)
Board Mandate (n= 60, Av. % of N/A, Don't know = 5%)	• The Board is aligned and sets a clear tone on the future direction of the organization. (64%) • Core functions: Governance Oversight (62%), Assessment of Organizational Performance (63%) and Risk Management (58%). • The Board regularly assesses its effectiveness and uses lessons learned to improvement performance. (58%) • *Risk management still appears to be done in silo and needs a more holistic approach that acknowledges the intersectionalities in which risks are observed* • *The Board knows its mandate, but often does not seem to operate at the right altitude. And this is often tactical, until people get the outcome that they feel is right, rather than the outcome that is right for the GF. There are too many compromises and sometimes unimplementable decisions are taken.*
Decision making and Impact (n= 60, Av. % of N/A, Don't know = 5%)	• The decision-making processes of the Board are fit for purpose. (61%) • There is an appropriate balance between constituency interests and the best interest of the Global Fund in decision- making at the Board level. (56%) • The opinions and perspectives of all Board constituencies are appropriately considered in the decision-making process. (64%) • *Perspectives of technical partners generally are not considered in decision-making* • *Board meetings do not provide adequate time for meaningful discussion and consensus building among constituencies, agenda items and votes seems like a check-the-box exercise*
Membership and Onboarding (n= 60, Av. % of N/A, Don't know = 10%)	• Board members have the right set of experience and expertise to address all the key issues the organization faces. (62%) • The Board has an effective process for nominating and appointing Board and committee leadership. (61%) • New Board members are provided with sufficient orientation to the Board's responsibilities, relevant Global Fund programs, services and administrative procedures. (57%) • New Board members receive sufficient orientation and information regarding the assurance functions that report into it (OIG, External Auditor, Risk Office and Ethics Office). (57%) • *Cumbersome procedurally. Onboarding has been done in an ad hoc way, it needs systematizing.*
Committee Alignment with the Board (n= 59, Av. % of N/A, Don't know = 9%)	• The roles and responsibilities of the Coordinating Group are executed effectively and provide a clear added value to the Board. (57%) • The Coordinating Group effectively coordinates cross-cutting issues for consideration by the Board. (60%) • *The Coordinating Group has not always managed cross cutting matters adequately, which should be one of its main functions. The CG should drive input to the Board regarding these matters, particularly related to risk. FOPC does not*

	always have sufficient expertise. The TERG may overstretch itself at times and the scope of its mandate could be considered. The TRP should have stronger guidance from the Board when reviewing concept notes to ensure it is assessing based on the strategic objectives of the Global Fund.
Communication (n= 59, Av. % of N/A, Don't know = 7%)	▪ The volume of information provided to support the discussions and decisions is adequate and manageable. (62%) ▪ *Varies by issue. Most items are well presented to Board, others lack depth of full analysis or appropriate content. Documentation and information is very heavy and time consuming.* ▪ *The volume of information provided by the Secretariat to support the discussions is not satisfying. It is not sufficient to have a power point presentation describing modalities in a general manner when it comes to strategic issues such as allocation methodology, KPIs or e-market place. These presentations should be accompanied by a document (not necessarily long) that goes into more details about why it is this solution/indicator/modality that is proposed by the Secretariat.*
Engagement with Executive Director, Inspector General, Management Executive Committee, OIG and Secretariat (n= 58, Av. % of N/A, Don't know = 10%)	▪ None below 65% ▪ *The Board often asks for an incredible amount of operational detail which it should trust its committees to know about, if indeed, it is relevant. The lines between governance and management are often blurred.*
Cost Effectiveness (n= 58, Av. % of N/A, Don't know = 7%)	▪ The Board appropriately considers the cost implications, both financial and in terms of internal resources required, when taking decisions. (62%) ▪ The Board makes appropriate use of existing technologies (ex: video/teleconferences) to reduce the need for/or to supplement in-person meetings. (63%) ▪ *The Board often agrees to strategic initiatives without considering the cost implications. If the Secretariat is to manage the OPEX budget, it should provide the Board with costs for initiatives, both short-term and long-term, so the Board understands cost implications and that there may be a need to prioritize initiatives.*
Board Meeting Functioning and Organization (n= 58, Av. % of N/A, Don't know = 7%)	▪ Materials for Board meetings are sent out sufficiently in advance of a meeting, allowing enough time for preparation and consultation as needed. (59%) ▪ Board meetings are well-run and prioritize the right issues (63%) ▪ Board members are adequately prepared for each meeting. (62%) ▪ The Board makes appropriate use of its ability to use outside, independent experts to provide it with guidance where there are gaps in expertise. (65%) ▪ *Time allotted often inadequate for major issues* ▪ *The Board appoints independent experts to work at the Committee levels but, over this period of this assessment, rarely involved them in the actual Board meetings - except when there was a crisis of sorts*

C. Guidance to Board Leadership

39. As the current Leadership of the Board was not in place during the period under assessment, respondents were asked to provide guidance and recommendations to the Board Leadership on how to ensure the effective management of the Board in the areas for which they will likely be assessed following the end of the first year of their term.

40. Seventeen (17) respondents provided their inputs into how the new Board Leadership can ensure the effective management of the Board. This feedback included key points including the need to engage with and be aware of the issues being faced by Global Fund stakeholders; the need to elevate the Board discussions to the right level; the importance that the Board Leadership be seen as available; to allow for open dialogue between members during the Board meetings; maintain regular interaction with the committee leaders, the management of the Secretariat and the OIG.

41. The table below provides a summary of the guidance and recommendations provided to the Board Leadership. The guidance received will be shared in its entirety with the Board Leadership to allow them to capitalize on the lessons learned from this assessment as they enter into their first Board meeting.

Area of Leadership	Summary of recommendations received
Demonstrate needed knowledge and standing	▪ Actively engage with and be aware of issues that relevant to different stakeholders. ▪ Proactively engage with Executive Director and senior management team. ▪ Visit and engage with country programs. ▪ Be a good listener.
Ensure focus on six core functions	▪ Arrange agendas around these functions, ensure sufficient time – especially for areas where the Board is weak. ▪ Elevate decision making to the right level. ▪ Effective and close engagement with Board Members.
Estimated needed commitment and availability	▪ Wide range of responses regarding time commitment ranging from 1 day/week to full time. This is heavily dependent on the cycle of the Board. ▪ Important that Board Leadership be available for regular interactions with committees and Secretariat when necessary.
Ensure effective dialogue around Board Table	▪ Focus the discussion and set clear objectives, keep participants disciplined. ▪ Look for ways to move away from position statements and repetition into open dialogue and exchanges between Board members. ▪ Demonstrate neutrality, listen well, strive to gain trust. ▪ Incorporate a time cap for interventions.
Manage meetings in a sufficiently neutral manner	▪ Define the necessary outcome, identify differences in advance, mediate with a focus on the best possible outcome for the issue, rather than be pure compromise. ▪ Openness and commitment to all sectors. ▪ Humility and discretion are important traits for both Board members and leaders.

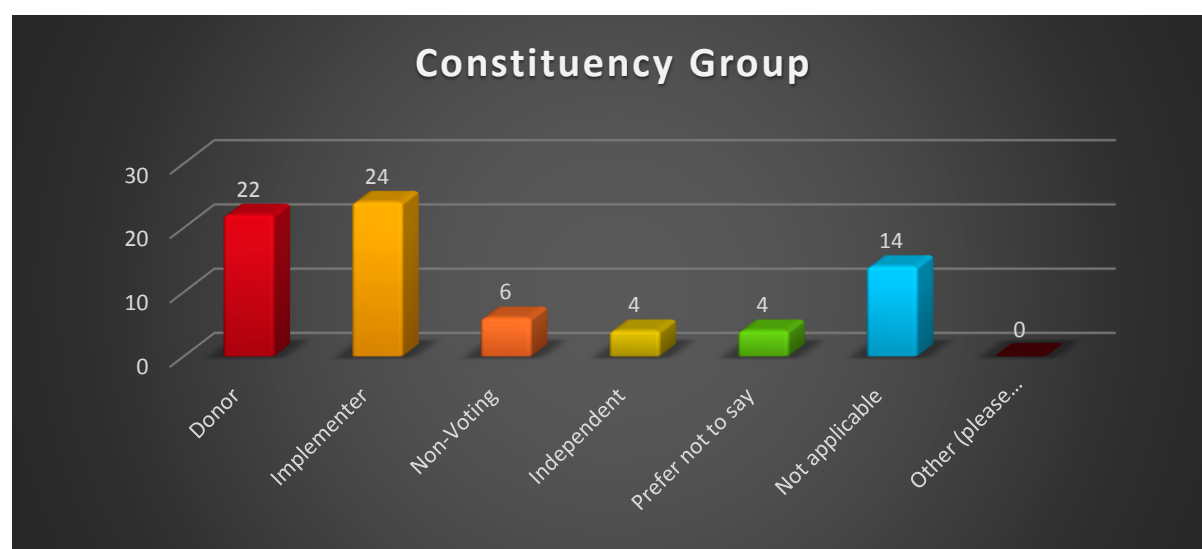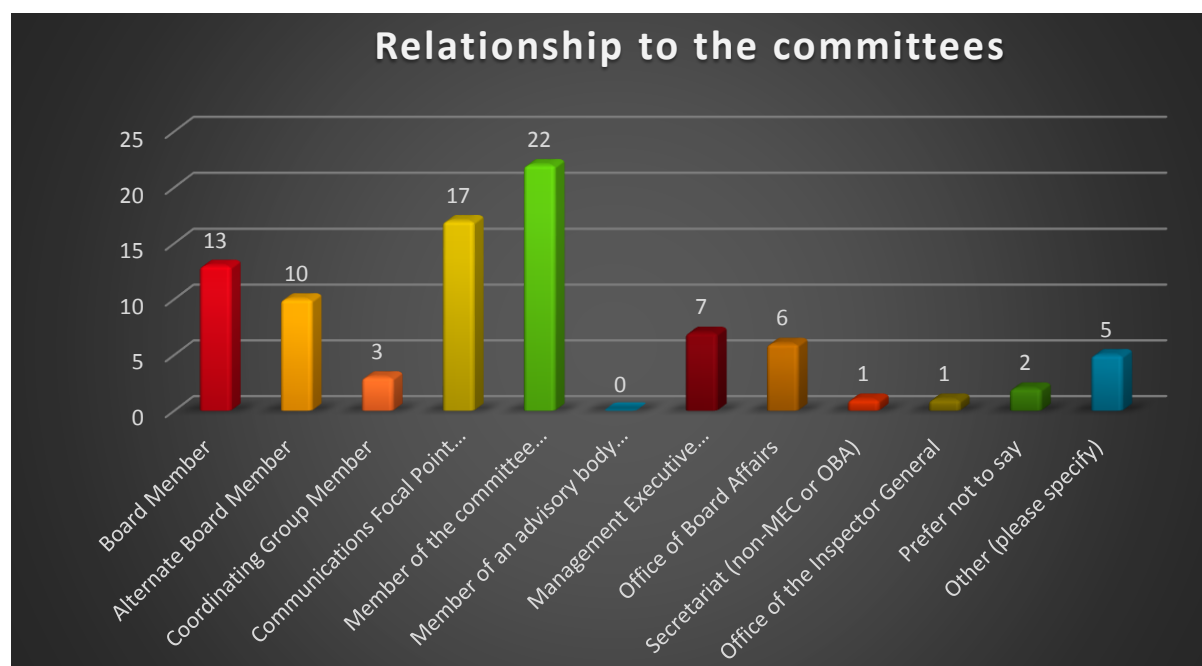| Area of Leadership	Summary of recommendations received
	▪ Be careful when expressing personal views and opinions as there can be sensitivity around leadership pushing issues.
Address difficult topics constructively	▪ Allow free discussions, ensure that points are summarized and proactively ask leading questions to channel discussions in a more structure way. ▪ Facilitate smaller group discussions, engage sufficiently with each constituency. ▪ Ensure that all voices are heard and discussion is not dominated by a few.
Engage appropriately with committee leadership	▪ Engage through the Coordinating Group. ▪ Continue discussions post committee meetings and briefings. ▪ Clear workplan, deliverables and reporting.
Engage appropriately with Secretariat	▪ Regular exchanges with senior management. ▪ Be present in Geneva, but not to the extent that there is an over-involvement in daily work. ▪ Participate in key events organized by the Secretariat with stakeholders – e.g. regional constituency meetings.
Engage appropriately with OIG	▪ Routine exchanges. ▪ Seek OIG feedback.
Ensure effective transition between incoming and outgoing leadership	▪ Have overlap between tenure of outgoing and incoming leadership. ▪ Office of Board Affairs, as it is maturing, can now provide a key mechanism for this. ▪ Instate transition planning, handover documents.

Part B: Results of the assessment of the performance and effectiveness of the committees

42. This results of this assessment cover the period from 1 January 2015 - 4 November 2015.

D. Respondent information

43. In order to receive a broad range of feedback into the performance of the committees, the survey was sent to a wide variety of stakeholders who regularly interact with the committees including Board Members, Alternates and Focal Points, Coordinating Group, committee members and members of advisory bodies, Management Executive Committee, Office of Board Affairs and other Secretariat staff as well as the Office of the Inspector General.

44. The assessment survey was sent to 140 individuals. Responses were received from 74 (53%) of those invited to submit the surveys. This is lower than the targeted response rate of 75%, however remains sufficient to provide clear input into the performance of the committees. The graphics below provide a further breakdown of the respondents.

Relationship to the committees

Board Member: 13
Alternate Board Member: 10
Coordinating Group Member: 3
Communications Focal Point...: 17
Member of the committee...: 22
Member of an advisory body...: 0
Management Executive...: 7
Office of Board Affairs: 6
Secretariat (non-MEC or OBA): 1
Office of the Inspector General: 1
Prefer not to say: 2
Other (please specify): 5

Constituency Group

Donor: 22
Implementer: 24
Non-Voting: 6
Independent: 4
Prefer not to say: 4
Not applicable: 14
Other (please...): 0

E. Summary of Results – Assessment of committees

45. The overall performance assessment of the committees is divided into two parts:
   a. <u>Part I: Committee overall performance and effectiveness</u>– this section shows the overall functioning and effectiveness of each of the committees across the areas of performance common to all committees of the Board. The areas that were assessed in

this section were the same for all committees of the Board. **This section also includes the assessment of the leadership of the committees.**

b. <u>Part II: Committee specific performance</u> – this section addresses the performance of the individual committees based on their areas of responsibility under the Global Fund governance structure as outlined in the relevant Committee Charter and/or Terms of Reference. The areas being assessed in this section are individualized based on the roles and responsibilities of the committee. Each committee was assessed separately in this section.

46. To assess their overall performance and effectiveness, the committees were assessed in seven key performance areas felt to be critical to the overall success of the committees: Committee support to the Board, Decision Making and Impact, Member Selection and Onboarding, Management of Cross-cutting issues, Communication, Engagement with the Office of the Inspector General and the Secretariat; and Cost Effectiveness.

Part I: Committee overall performance and effectiveness

F. Summary of Results – Committee overall performance

47. The overall performance across all three committees was assessed to be **"Fair"** (68%). The overall performance of each of the three standing committees of the Board was also assessed as **"Fair"**. The SIIC and FOPC both received a score of 69% with the AEC receiving an overall scoring of 68%.

Figure 3: Rating Scale

Excellent	80%+
Satisfactory	70-79%
Fair	60-69%
Needs Improvement	50-59%
Poor	<50%

Figure 4: Summary results for committee performance assessments

Area	Across all 3 committees	SIIC	FOPC	AEC
Overall Performance of the committee(s)	68	69	69	68
Sub-sections				
Committee Support to the Board	72	73	74	70
Decision Making and Impact	71	71	73	70
Member Selection and Onboarding	66	66	64	67
Management of Cross-Cutting Issues	61	62	60	60
Communication	64	65	66	62
Engagement with the Office of the Inspector General and the Secretariat	74	74	76	73
Cost Effectiveness	71	70	72	71

(Average number of respondents = 57, average number of N/A, Don't know responses = 18%)

48. As illustrated in the table above, performance across all committees was rated as "**Satisfactory**" across 4 of the 7 key areas: Committee support to the Board, Decision Making and Impact, Engagement with the OIG and the Secretariat and Cost Effectiveness. The committees performed less well in the areas of Member Selection and Onboarding; Management of Cross-Cutting issues and Communication.

49. While the overall assessment of the committees was "**Fair**", several key areas were assessed lower than others and would benefit from particular attention in the improvement plans. Two major issues that were highlighted was the **lack of incorporation of the views of constituencies not represented on the committees** in committee deliberations as well as the lack of a formal mechanism for ensuring these are considered. The **engagement of committees with the Coordinating Group** and the incorporation of any feedback received was also identified as a particular weakness.

> *Breakdown of responses:*
> **25. The views of constituencies not represented on the committee are appropriately considered during the discussions and deliberations.**
>
> **Rated: 57% (Across all committees)**
>
> Number of respondents: 59
> Strongly Agree – 1%
> Agree – 21%
> Neutral – 28%
> Disagree – 20%
> Strongly Disagree – 7%
> N/A, Don't Know – 25%

50. A further breakdown of how the committees performed against each question is provided in Annex 2.

51. The combination of scaled and open questions enabled the identification of strengths and weaknesses across the committees. These are highlighted in the two tables below. Feedback emerging from the additional comments has been included for context and are indicated in *italics*.

Area	Strengths identified (scores of 75%< or remarks in additional comments)
Committee Support to the Board (n= 60, Av. % of N/A, Don't know = 11%)	▪ Nature and extent of responsibilities delegated to the committee by the Board is appropriate (75%) ▪ Topics discussed in committee meetings are in alignment with the top priorities of the Board and relevant for important decisions (77%). ▪ *Improvement seen in the area of Risk Management.*
Decision Making and Impact (n= 60, Av. % of N/A, Don't know = 18%)	▪ The committees' current decisions have a positive impact on the Global Fund's effectiveness (77%) ▪ The committees give due consideration to the lessons learned and past decisions in its discussions and decisions (75%) ▪ *FOPC decisions have had a positive impact on cash-flow management.*
Member Selection and Onboarding (n= 57, Av. % of N/A, Don't know = 17%)	▪ None above 75% ▪ *Joint retreat/orientation at the beginning of the terms of all 3 committees was greatly helpful to bring members up to speed on their roles and responsibilities as well as key issues.*
Management of Cross-Cutting issues (n= 56, Av. % of N/A, Don't know = 13%)	▪ None above 75% ▪ *Cross-cutting issues are now clear to the respective committees, and improvements have been implemented during the current committee term to improve cross-committee engagement – however these improvements are still recent.* ▪ *The use of focal points for coordination of crosscutting matters in the FOPC and SIIC is a positive example.*
Communication (n= 56, Av. % of N/A, Don't know = 16%)	▪ None above 75% ▪ *Engagement of constituencies not represented on committees has improved through info calls, chairs summaries and*

	opportunities for written feedback. Still room for improvement. Some constituencies report good experiences with tandems between constituencies represented on different committees.
Engagement with the Office of Inspector General and the Secretariat (n= 56, Av. % of N/A, Don't know = 29%)	• Level of interaction between the committees and the senior management of the Secretariat is appropriate (76%) • The opinions and perspectives of the Secretariat and the OIG, where relevant, are appropriately considered in the decision making processes of the committees (75%) • The Secretariat and the OIG provide the committees with the right amount of information at the appropriate level of detail relevant to committee issues or responsibilities (75%) • *Level of professionalism of the OIG.*
Cost Effectiveness (n= 56, Av. % of N/A, Don't know = 21%)	• Committee in-person meetings occur at the right frequency to ensure the committee is able to execute its mandate (currently 3 times per year) (76%) • *More virtual meetings are being held, supporting intersessional work.*

Area	Areas for Improvement identified (Scores of <65% or remarks in additional comments)
Committee Support to the Board (n= 60, Av. % of N/A, Don't know = 11%)	• None below 65% • *Risk management is an area, while improving, still requires further action as it is unclear how the committees assess the key risks under their mandate.* • *A lack of trust is perceived between the Board and the committees, as seen when the Board overturns decisions taken in the committees.* • *Overlaps still remain within the mandates of the committees, preventing discussions from being held at the right level* • *Tendency noted of some committees to move beyond the scope of their mandate without ensuring that this is aligned with the desires of the Board.* • *Need for a balance between Board members and independent members to ensure engagement with the Board* • *Increased clarity need around the role of constituency nominated committee members and their representative/consultative role*
Decision making and Impact (n= 60, Av. % of N/A, Don't know = 18%)	• The committee periodically reviews approved policies and initiatives and modifies or discontinues those which no longer impact Global Fund effectiveness. (65%) • *Lack of consideration of lessons learned from operations at country level.* • *Requirement of consensus for decisions can lead to compromises which make the decisions difficult to implement or to the creation of complex procedures.* • *Decisions tend to be cautious not bold.*
Member Selection and Onboarding (n= 57, Av. % of N/A, Don't know = 17%)	• Committee members are selected through a fair and transparent process using clearly understood criteria. (63%) • Committee Members are provided with a comprehensive orientation to the committees' responsibilities, relevant Global

	Fund programs and services, and administrative procedures. (64%) ▪ *The orientation of committee members remains a challenge – particularly for those who join mid-term.* ▪ *Lack of appropriate qualifications of members compared to committee mandate.* ▪ *Lack of information about candidate shared during selection process.*
Management of Cross-cutting issues (n= 56, Av. % of N/A, Don't know = 13%)	▪ The coordination between committees on cross-cutting matters is appropriate and has a positive impact on the overall effectiveness of the governing bodies. (62%) ▪ The level of overlapping areas between the committees is appropriate and has a positive impact on Global Fund effectiveness. (62%) ▪ Cross-cutting issues are appropriately referred to the Coordinating Group, and feedback received from the Coordinating Group is relevant to the management of these issues. (59%) ▪ *Perception that Coordinating Group discussion on key issues don't take place or are quite flat.* ▪ *One committee should be tasked with the oversight of enterprise risk management.*
Communication (n= 56, Av. % of N/A, Don't know = 16%)	▪ The views of the constituencies not represented on the committee are appropriately considered during the discussions and deliberations. (57%) ▪ *Pre and Post calls not schedule with enough lead time. Need to consider time zones.* ▪ *Reports of meetings are not sufficiently detailed to understand nature of discussions or possible dissent.* ▪ *The issues of the AEC often do not receive sufficient attention.*
Engagement with the Office of Inspector General and the Secretariat (n= 56, Av. % of N/A, Don't know = 29%)	▪ *Information provided is at times lacking essential details and there is a noted reluctance (perhaps justifiably due to resources) to increase the granularity of the reports to committees.* ▪ *Secretariat is often asked for large amounts of data at a level of detail that is unreasonable. Committees can delay difficult decisions by requesting more information.*
Cost Effectiveness (n= 56, Av. % of N/A, Don't know = 21%)	▪ *Committee meetings should be scheduled in direct relation to needs.* ▪ *Teleconferences are difficult due to large agendas and poor call quality.* ▪ *Request for more frequent teleconferences – for "topical updates" puts a burden on the Secretariat teams as extensive preparation is still required.*

G. Summary of Results – Assessment of Committee Leadership

52.   The overall performance of committee leadership across the three committees was rated as "**Satisfactory**". Individually, the leadership of each committee was also rated as **"Satisfactory"** with the FOPC leadership receiving a score of 75% and the leadership of both the SIIC and the AEC receiving 73%.

	Across 3 committees	**SIIC**	**FOPC**	**AEC**
Committee Leadership*	73	73	75	73

(Average number of respondents = 56, average number of N/A, Don't know responses = 33%)

53.   Of relevance to this section is that the portion of "N/A/Don't know" responses was significantly higher than for other sections (overall average 33%, range=17-27). This may be an indication that many respondents have not interacted directly with the committee leadership. Alternatively, this could represent a disconnection between the leadership of the committees and the Board and its supporting structures or a lack of insight into committee practices. This finding will be explored further in the work of the TGC as it further analyses the responses received.

54.   Overall, committee leadership performed well, with most areas being rated as "**Satisfactory**". Two areas that were flagged as possibly needing additional attention were the engagement with other committee leaders and Board Leadership on the **management of cross-cutting issues** as well as the need to improve the onboarding and offboarding of committee leadership to ensure **retention of institutional memory**.

Breakdown of responses:
48. The transition between outgoing and incoming committee leadership ensures the retention of institutional knowledge and a continuous flow of leadership.*

Rated: 64% (Across 3 committees)

Number of respondents: 56 (average)
Strongly Agree – 3%
Agree – 17%
Neutral – 25%
Disagree – 12%
Strongly Disagree - 0%
N/A, Don't Know – 43%*

55.A further breakdown of how committee leadership performed against each of the 10 relevant questions as well as a summary of comments received is provided in Annex 3.

56.   The combination of scaled and open questions enabled the identification of strengths and weaknesses across the committees.   These are highlighted in the two tables below. Feedback emerging from the additional comments has been included for context and are indicated in *italics*.

Strengths identified (scores of 75%< *or remarks from additional comments*)
▪ Demonstrates the needed knowledge, ethical values and standing, to fulfil their further role of engaging with Board Leadership, Board Members and Global Fund stakeholders beyond the Board (77%)
▪ Demonstrates the needed commitment and availability to ensure the effective management of the committee (78%)
▪ Ensures effective dialogue around the table during committee meetings which focuses on the key issues under discussion (76%)
▪ Committee leadership manages the meeting in a sufficiently neutral manner without the perception of conflict of interest (79%)
▪ *"Exceptional committee leadership this term"*

Areas for Improvement identified (Scores of <65% *or remarks from additional comments*)
▪ The transition between outgoing and incoming committee leadership ensures the retention of institutional knowledge and a continuous flow of leadership (64%) ▪ *Outgoing and incoming leadership should consider working together for 6 months for effective skill knowledge and transfer"* ▪ *Leadership position should not be used to add projects of a personal significance to the agenda.* ▪ *Need to ensure the use of appropriate rather than alarming language when messaging the Board.* ▪ *Where leadership positions have been held by independent members, concerns were raised around the need for appropriate and effective engagement with the Board, as this has resulted in difficulties in decision-making in some areas.*

Part II: Committee Specific Performance

H. Summary of Results – Committee Specific Performance

Strategy, Investment and Impact Committee

28. The overall committee specific performance of the SIIC was rated as "**Fair**". In the individual areas of delegated responsibility the SIIC was rated "**Fair**" in its decision-making role, "**Satisfactory**" in its advisory role and "**Fair**" in its oversight role.

Table 2: Rating scale

Excellent	80%+
Satisfactory	70-79%
Fair	60-69%
Needs Improvement	50-59%
Poor	<50%

Committee Specific Performance	SIIC
	69
Decision-Making	68
Advisory	73
Oversight	66

(Average number of respondents = 63, average number of N/A, Don't know responses = 20%)

57. The SIIC was rated slightly lower in its areas of oversight including its review of **key performance indicators** (KPIs), its consideration of the overall **impact and effectiveness of Global Fund's investments in health** and its consideration of the **risks associated with Global Fund strategic initiatives.**

58. A further breakdown of how the SIIC performed against each of the 9 relevant questions as well as a summary of comments received is provided in Annex 4.

59. The combination of scaled and open questions enabled the identification of strengths and weaknesses across the committees. These are highlighted in the two tables below.

> *Breakdown of responses:*
> *58. The SIIC effectively considers and communicates the risk implications relating to the strategies and initiatives of the Global Fund, including strategic investment decisions and new funding platforms.*
>
> **Rated: 64%**
>
> Number of respondents: 63
> Strongly Agree – 2 (3)%
> Agree – 21 (33%)
> Neutral – 19 (30%)
> Disagree – 6 (10%)
> Strongly Disagree – 3 (5%)
> N/A, Don't Know – 12 (19%)

Feedback emerging from the additional comments has been included for context and are indicated in *italics*.

Strengths identified (scores of 75%< *or remarks from additional comments*)
▪ Provides useful recommendations and advice to assist the Board in its development of the Global Fund's institutional strategy (75%)

Areas for Improvement identified (Scores of <65% *or remarks from additional comments*)
▪ The SIIC provides the right level of guidance, input and review, and takes informed decisions relating to the Key Performance Indicators (KPIs) related to grant portfolio assessment (63%)
▪ The SIIC regularly reviews and responds to the results of performance against KPIs related to grant performance and initiatives. (**Note**: It has been advised that the above 2 functions are no longer performed by the SIIC, this is being adjusted in updated committee charters) (65%)
▪ The SIIC effectively considers and communicates the risk implications relating to the strategies and initiatives of the Global Fund, including strategic investment decisions and new funding (65%)
▪ *Should take more responsibility for trying to fix "difficult to implement" decisions taken by their predecessors and to take more responsibility for looking at evidence and challenging "political" views.*
▪ *Decisions are sometimes taken in a rushed manner without taking fully into account the views of all constituencies (ex. MSS).*

Finance and Operational Performance Committee

60. The overall committee specific performance of the FOPC was rated as "**Satisfactory**". In the individual areas of delegated responsibility the FOPC was rated **"Satisfactory"** in its decision-making role, **"Satisfactory"** in its advisory role and **"Satisfactory"** in its oversight role.

	FOPC
Committee Specific Performance	73
Decision-Making	72
Advisory	77
Oversight	73

(n=62, % of N/A,Don't Know = 24%)

Breakdown of responses:
61. The FOPC provides the right level of guidance, input and review, and takes informed decisions relating to the Key Performance Indicators (KPIs) related to financial management, operations and corporate management.
Rated: 66%
Number of respondents: 62
Strongly Agree – 2 (3)%
Agree – 20 (32%)
Neutral – 15 (24%)
Disagree – 8 (13%)
Strongly Disagree – 1 (2%)
N/A, Don't Know – 16 (26%)

61. The overall performance of the FOPC was rated as "**Satisfactory**" across most areas, with only one being flagged as requiring additional attention – the level of guidance and input provided into the **KPIs related to finance management**. However, responsibilities have changed in this areas and the role of the FOPC is being updated in the governing documents.

62. A further breakdown of how the FOPC performed against each of the 9 relevant questions as well as a summary of comments received is provided in Annex 4.

63. The combination of scaled and open questions enabled the identification of strengths and weaknesses across the committees. These are highlighted in the two tables below.

Feedback emerging from the additional comments has been included for context and are indicated in *italics*.

Strengths identified (scores of 75%< *or remarks from additional comments*)
▪ The FOPC provides the right level of guidance and takes informed decisions relating to asset and liability strategies for Trust Fund and other accounts (e.g. investment strategy) (76%)
▪ The FOPC provides useful recommendations and advice to assist the Board in its oversight of the Global Fund's multiyear budget, cash flow projections and annual operating budget (OPEX) (78%)
▪ The FOPC delivers the right level of information and counsel on proposed modifications to policies governing the commitment of Global Fund assets in the approval of funding proposals (78%)
▪ *FOPC of all the committees is inclined to operate at the right level and is the main committee to remind members of its scope*
▪ *The recent move to have regular interaction with the OIG is very positive*

Areas for Improvement identified (Scores of <65% *or remarks from additional comments*)
▪ None below 65%
▪ *Need to support recipient countries on cash flow and not focus more on Fiduciary control but rather on implementation bottleneck.*
▪ *Sense that the committee has had relatively little influence in setting Procurement strategy or plans.*
▪ *Financial Risk Management needs additional consideration.*

Audit and Ethics Committee

64.   The overall committee specific performance of the AEC was rated as "**Satisfactory**". In the individual areas of delegated responsibility the AEC was rated **"Satisfactory"** in its decision-making role, **"Satisfactory"** in its advisory role and **"Satisfactory"** in its oversight role.

	AEC
Committee Specific Performance	73*
Decision-Making	73
Advisory	73
Oversight	73

(Average number of respondents = 62, average number of N/A, Don't know responses = 32%)

65.   The AEC performed "**Satisfactory**" across all the committee specific areas assessed, however, a **lack of visibility of the AEC's work** was commented on as a potential issue.

66.   A further breakdown of how the AEC performed against each of the 9 relevant questions as well as a summary of comments received is provided in Annex 4.

67.   The combination of scaled and open questions enabled the identification of strengths and weaknesses across the committees. These are highlighted in the two tables below. Feedback emerging from the additional comments has been included for context and are indicated in *italics*.

> *Breakdown of responses:*
> **74. The AEC effectively performs its advisory role to the Board and in providing guidance to the Secretariat on the adoption and/or modification of strategies on ethical matters and ethical guidelines and standards.**
>
> **Rated: 71%**
>
> Number of respondents: 62
> Strongly Agree – 7 (11)%
> Agree – 15 (24%)
> Neutral – 15 (24%)
> Disagree – 6 (10%)
> Strongly Disagree – 0 (0%)
> N/A, Don't Know – 15 (24%)

Strengths identified (scores of 75%< *or remarks from additional comments*)
▪ Provides useful recommendations and advice to assist the Board in approving the Annual Consolidated Financial Statement. (76%)
▪ Regularly reviews the OIG's performance against established KPIs, compliance with applicable policies and procedures, and allocation of resources to the OIG. (76%)*

Areas for Improvement identified (Scores of <65% *or remarks from additional comments*)
▪ None below 65%
▪ *Should align the findings with the country context after each OIG or External Auditor review for effective system strengthening*
▪ *The AEC's work is not always visible and is sometimes perceived to be too heavily weighted on the independent side.*
▪ *Review of the Financial Statements is thorough, but may not be deemed to be at the appropriate elevation*

IV. Next Steps

01 Results from 2015 assessments

68.   The results of these performance assessments are valuable to provide key guidance to the Board and committee leadership as well as the committee responsible for governance on the areas of the Global Fund governance structure which continue to require attention moving forward.

69.   Following presentation of the results at the Board, the results of the assessments of the Board and committees will be discussed with Coordinating Group along with identifying the next steps for developing Performance Improvement Plans (PIP) to address any identified areas for improvement.

70.   The Performance Improvement Plans (PIP) should be developed by the Board and committee leadership, working with the committee responsible for governance, and will be shared electronically with the Board. These plans will be monitored by the Board Leadership alongside the committee responsible for governance.

71.   Additionally, the Transitional Governance Committee will continue a deeper analysis (further assessment of the responses by respondent type, constituency group) of the results received to help provide further guidance to the Board and committee leadership in the development of their PIPs as well as to inform the implementation of the Enhanced Governance Structure (pending Board approval) to ensure that lessons learned are incorporated.

02 Performance Assessments activities for 2016

72.   As outlined in the Electronic Report to the Board on the Governance Performance Assessment Framework (GF/B33/ER11), the Global Fund will be engaging the services of an external service provider to support the full implementation of the Framework for 2016.

73.   In Q1 2016, the TGC, supported by the Office of Board Affairs, will launch a Request for Proposals (RFP) to identify a qualified and cost effective service provider to:

- Develop additional tools and processes required to support the full implementation of the Global Fund Governance Performance Assessment Framework, building on existing tools where relevant.
- Support the committee overseeing governance matters in conducting the assessment of the performance and effectiveness of the Board and Board Leadership (following the first Board meeting of 2016).
- Support the committee overseeing governance matters in conducting the assessment of the performance and effectiveness of the committees and committee leadership (1 year after the first meeting of the new committee terms).
- Reports of the assessments will be submitted electronically to the Board and may be discussed at a subsequent Board Meeting.

74.   An assessment of the Board will be conducted in following the first meeting of the Board in 2016 using the full Governance Performance Assessment Framework methodology. This will represent one year since the new Board Leadership has taken office.

75.   The next assessment of the committees will occur once the new committees have been in their roles for one year.

76.   In the interim, committees will continue to complete Component A: Self-assessment of committee performance and effectiveness after each committee meeting. Committee leadership will maintain responsibility for ensuring that the results of these assessments are discussed and any improvements required are implemented into committee functioning.

Annex 1: Summary of performance and effectiveness of the Board

(Note: missing question numbers in the tables below were additional comments sections)
* = over 30% of respondents indicated N/A or Don't know

Board Mandate	Board
	69
4. The roles and responsibilities of the Board are appropriate to support the achievement of the desired impact outlined in the Global Fund strategy.	74
5. The Board is aligned and sets a clear tone on the future direction of the organization.	64
6. The Board has the appropriate amount of input in defining the organization's strategy.	72
7. The Board is performing adequately in its six core function areas to achieve the desired impact outlined in its current strategy	
Strategy Development	74
Governance Oversight	62
Commitment of Financial Resources	72
Assessment of Organizational Performance	63
Risk Management	58
Partnership, Engagement, Resource Mobilization and Advocacy	70
8. I have a clear understanding of my own specific role and responsibilities in relation to the Board (if relevant).	86
9. The Board has an effective performance assessment and management process of its direct reports (the Executive Director and the Inspector General).	73
10. The Board regularly assesses its effectiveness and uses lessons learned to improvement performance.	58

Decision Making and Impact	Board
	67
12. The Board's recent decisions have a positive impact on the Global Fund's effectiveness.	72
13. The Board gives due consideration to external factors (e.g., changing development and technical landscape, recent evidence- based research, national and international)	68
14. The decision-making processes of the Board are fit for purpose.	61
15. The information provided during the Board meetings enables the constituencies to have open and unbiased discussions.	67
16. There is an appropriate balance between constituency interests and the best interest of the Global Fund in decision-making at the Board level.	56
17. The opinions and perspectives of all Board constituencies are appropriately considered in the decision-making process	64
18. The Board deals with disagreements by surfacing them using appropriate methods (e.g., voting, consensus, mediation).	68
19. The opinions and perspectives of the Secretariat, Office of the Inspector General and advisory bodies, are appropriately considered in the decision-making processes by the Board.	76

	Board
Member Selection and Onboarding	62
21. Board members have the right set of experience and expertise to address all the key issues the organization faces.	62
22. The Board has an effective process for nominating and appointing Board and committee leadership.	61
23. New Board members are provided with sufficient orientation to the Board's responsibilities, relevant Global Fund programs, services and administrative procedures.	63
24. New Board members receive sufficient orientation and information regarding the assurance functions that report into it (OIG, External Auditor, Risk Office and Ethics Office).	57
25. Board members act in line with their overall Duty of Care to the organization as outlined in the Code of Conduct for Governance Officials.	67

	Board
Committee Alignment with the Board	68
27. The roles and responsibilities of the Coordinating Group are executed effectively and provide a clear added value to the Board.	57
28. The Coordinating Group effectively coordinates cross-cutting issues for consideration by the Board.	60
29. The Board has the right set of committees to help it fulfils its role.	73
30. Committee representatives (Chairs and Vice-Chairs) at Board meetings have the appropriate expertise to contribute to the key technical issues (e.g., policy, operational, financial) being discussed by the Board.	71
31. The flow of information from the committees to the Board is sound and comprehensive, and facilitates informed decision-making.	66
32. The Board has the right set of advisory structures (TERG, TRP) to help it fulfils its role.	73
33. Decisions taken at the committee level, and which do not require Board approval, enable the Board to focus on the organization's key strategic and operational priorities.	73

	Board
Communication	71
35. The Board operates in an open and transparent manner in line with the principles of the Global Fund.	76
36. The volume of information provided to support the discussions and decisions is adequate and manageable.	62
37. Outcomes of the Board meetings are clearly communicated to the relevant stakeholders.	75

	Board
Engagement with Executive Director, Inspector General, Management Executive Committee, OIG and Secretariat	74
39. There is a culture of trust and respect between Board members and the Secretariat.	71
40. The Board is aligned with the Executive Director on the overall organizational strategy.	76
41. The Board is aligned with the OIG on its role in providing assurance to the organization.	81
42. The Board and Secretariat executive management have the right amount of exposure to each other.	74
43. The opinions and perspectives of Board members are appropriately considered in decision-making processes by the Secretariat.	72
44. Requests for information by the Board (to the Secretariat or OIG) are at the appropriate level of detail and relevant to Board issues or responsibilities.	71
45. The Secretariat provides the Board with the right amount of information at the appropriate level of detail relevant to Board issues or responsibilities	68
46. The Secretariat executive management plays an important and useful role during Board meetings.	79

	Board
Cost Effectiveness	67
48. The Board appropriately considers the cost implications, both financial and in terms of internal resources required, when taking decisions.	62
49. The outputs of the Board meetings sufficiently justify the amount of resources, financial, time, and personnel invested in the Board meeting (e.g., member travel and participation time and cost, document preparation and review time and cost, Secretariat time and engagement with Board, etc.).	67
50. Board in-person meetings occur at the right frequency to ensure the Board is able to execute its mandate (currently 2 times per year).	75
51. The Board makes appropriate use of existing technologies (e.g., video/teleconferences) to reduce the need for/or to supplement in-person meetings.	63

	Board
Board Meeting Functioning and Organization	66
53. The Board uses a collaborative and transparent approach in setting the agenda.	69

54. Materials for Board meetings are sent out sufficiently in advance of a meeting, allowing enough time for preparation and consultation as needed.	59
55. Documents and presentations prepared for Board meetings are relevant to Board issues, succinct and well summarized.	71
56. The topics discussed at the Board are relevant to the most important decisions the Board must take.	73
57. There is a culture of trust and respect amongst members of the Board.	68
58. Board meetings are well-run and prioritize the right issues	63
59. Board members are adequately prepared for each meeting.	62
60. The Board makes appropriate use of its ability to use outside, independent experts to provide it with guidance where there are gaps in expertise.	65

Excellent	80%+	
Satisfactory	70-79%	
Fair	60-69%	
Needs Improvement	50-59%	
Poor	<50%	

Annex 2: Summary of Part I: Overall Performance and Assessment of committees

Question	Across 3 committees	SIIC	FOPC	AEC
Committee Support to the Board	72	73	74	70
4. The nature and extent of responsibilities delegated to the committee by the Board is appropriate.	75	77	78	71
5. The topics discussed at the committee meetings are in alignment with the top priorities of the Board and relevant for important decisions.	77	79	80	74
6. The current division in the committee's Charter/TORs between decision making functions, advisory functions and oversight functions is appropriate.	69	72	69	65
7. Decisions taken at the committee level, which do not require Board approval, enable the Board to focus on the organization's key strategic and operational priorities.	72	69	76	71
8. The committee effectively consider risks within the scope of its mandate, supporting the Board to effectively manage key risks to the organization	68	68	67	70

Question	Across 3 committees	SIIC	FOPC	AEC
Decision Making and Impact	71	71	73	70
10. The committee gives due consideration to the lessons learned and past decisions in its discussions and decisions.	75	74	76	75
11. The committee's current decisions have a positive impact on the Global Fund's effectiveness.	77	77	79	76
12. The committee gives due consideration to external factors (e.g., changing development landscape, latest scientific evidence, national and international contexts, etc.) during its discussions and decisions.	71	73	72	68
13. The committee periodically reviews approved policies and initiatives and modifies or discontinues those which are no longer impact Global Fund effectiveness.	65	64	67	66
14. The committee has a spirit of responsible risk-taking. Members understand that even after careful analysis, the decision to act – to try something new - comes with some risk.	69	68	70	67

Question	Across 3 committees	SIIC	FOPC	AEC
Member Selection and Onboarding	66	66	64	67
16. Committee members are selected through a fair and transparent process using clearly understood and communicated criteria.	63	61	63	65
17. The committee members have the right set of experience and expertise to address key issues, including technical and policy level issues around the three diseases, which the organization faces.	66	67	60	71
18. Committee members are provided with a comprehensive orientation to the committee's responsibilities, relevant Global Fund programs and services, and administrative procedures.*	64	64	64	64
19. The committee has the right balance of donor, implementer, technical partners and independent members.	70	71	70	68

Question	Across 3 committees	SIIC	FOPC	AEC
Management of Cross-Cutting Issues	61	62	60	60
21. The coordination between committees on cross-cutting matters is appropriate and has a positive impact on the overall effectiveness of the governing bodies.	62	63	62	61
22. The level of overlapping areas between the committees is appropriate and has a positive impact on Global Fund effectiveness.	62	64	61	60
23. Cross-cutting issues are appropriately referred to the Coordinating Group, and feedback received from the Coordinating Group is relevant to the management of these issues.	59	61	59	58

Question	Across 3 committees	SIIC	FOPC	AEC
Communication	64	65	66	62
25. The views of constituencies not represented on the committee are appropriately considered during the discussions and deliberations.	57	58	60	54
26. Outcomes of the meeting are clearly communicated to the relevant stakeholders (Board members, Board constituencies, relevant teams within the Secretariat, etc.)	72	72	72	71

Question	Across 3 committees	SIIC	FOPC	AEC
Engagement with the Office of the Inspector General and the Secretariat	74	74	76	73
28. Requests for information by the committee are at the appropriate level of detail and relevant to committee issues or responsibilities.	70	70	71	69
29. The level of interaction between the committee and the senior management of the Secretariat is appropriate.*	76	78	79	72
30. The opinions and perspectives of the Secretariat and Office of the Inspector General, where relevant, are appropriately considered in the decision making processes of the committee.	75	73	77	76
31. The Secretariat and Office of the Inspector General provide the committee with the right amount of information at the appropriate level of detail relevant to committee issues or responsibilities.*	75	74	76	76

Question	Across 3 committees	SIIC	FOPC	AEC
Cost Effectiveness	71	70	72	71
33. The committee appropriately considers the cost implications, both financial and internal resources required, when taking decisions.	68	65	75	66
34. The outputs of the committee meeting sufficiently justify the amount of resources, financial, time, and personnel invested in the committee meeting (e.g., member travel and participation time and cost, document preparation and review time and cost, Secretariat time and engagement with committee, etc.)	70	68	71	70
35. Committee in-person meetings occur at the right frequency to ensure the committee is able to execute its mandate (currently 3 times per year).	76	75	76	76
36. The committee makes appropriate use of existing technologies (e.g., video/teleconferences) to reduce the need for or to supplement in-person meetings.	70	72	67	71

Annex 3: Summary of Committee Leadership Performance and Effectiveness

Excellent	80%+
Satisfactory	70-79%
Fair	60-69%
Needs Improvement	50-59%
Poor	<50%

Question	Across 3 committees	SIIC	FOPC	AEC
Committee Leadership	73	73	75	73
39. The committee leadership demonstrates the needed knowledge, ethical values and standing, to fulfil their further role of engaging with Board Leadership, Board members and Global Fund stakeholders beyond the Board.	77	78	78	74
40. Committee leadership effectively presents the deliberations, discussions and impact of the committee to the Board and board constituencies.	74	74	75	74
41. Committee leadership demonstrates the needed commitment and availability to ensure the effective management of the committee.	78	75	79	80
42. Committee leadership ensures effective dialogue around the table during committee meetings which focuses on the key issues under discussion.*	76	75	77	77
43. Committee leadership manages the meeting in a sufficiently neutral manner without the perception of conflict of interest.*	79	78	81	77
44. Committee leadership effectively addresses difficult topics in a constructive way, leading to productive discussions and solutions.*	74	73	77	72
45. Committee leadership engages with the leadership of other committees and/or the Board Leadership to ensure the effective management of cross-cutting issues.*	69	68	69	70
46. Committee leadership engages with the Secretariat at the right level and frequency*	74	75	75	72
47. Committee leadership engages with the Office of the Inspector General at the right level and frequency.*	71	69	72	73
48. The transition between outgoing and incoming committee leadership ensures the retention of institutional knowledge and a continuous flow of leadership.*	64	63	64	65

Annex 4: Summary of Part II: Committee Specific Performance

Excellent	80%+
Satisfactory	70-79%
Fair	60-69%
Needs Improvement	50-59%
Poor	<50%

Strategy, Investment and Impact Committee

	SIIC
Committee Specific Performance	73
Decision Making	68
50. The SIIC provides the right level of guidance and takes informed decisions relating to the policies and frameworks for the implementation of strategic funding and grant reprogramming.	71
51. The SIIC provides the right level of guidance, input and review, and takes informed decisions relating to the Key Performance Indicators (KPIs) related to grant portfolio assessment.	63
52. The SIIC effectively manages its advisory bodies including giving due consideration to the information provided by the TERG and TRP in its decision making.	71
Advisory	73
53. The SIIC provides useful recommendations and advice to assist the Board in its development of the Global Fund's institutional strategy.	75
54. The SIIC effectively performs its advisory role to the Board and in providing guidance to the Secretariat in the development, implementation and review of strategies for enhancing investment, impact, value for money and market shaping.	74
55. The SIIC delivers the right level of information and counsel on proposed modifications to the funding policies on eligibility, prioritization and counterpart financing.	70
Oversight	66
56. The SIIC regularly reviews and responds to the results of performance against KPIs related to grant performance and initiatives.	65
57. The SIIC gives due consideration to the overall impact and effectiveness of Global Fund investments in health.	69
58. The SIIC effectively considers and communicates the risk implications relating to the strategies and initiatives of the Global Fund, including strategic investment decisions and new funding platforms.	65

Finance and Operational Performance Committee

	FOPC
Committee Specific Performance	74
Decision Making	72
60. The FOPC provides the right level of guidance and takes informed decisions relating to asset and liability strategies for Trust Fund and other accounts (e.g., investment strategy).	76
61. The FOPC provides the right level of guidance, input and review, and takes informed decisions relating to the Key Performance Indicators (KPIs) related to financial management, operations and corporate management.	66
62. The FOPC effectively guides the development and review of operational policies and frameworks.	73
Advisory	77
63. The FOPC provides useful recommendations and advice to assist the Board in its oversight of the Global Fund's multiyear budget, cash flow projections and annual operating budget (OPEX).	78
64. The FOPC effectively performs its advisory role to the Board and in providing guidance to the Secretariat on the adequacy and effectiveness of the fiduciary control framework.	74
65. The FOPC delivers the right level of information and counsel on proposed modifications to policies governing the commitment of Global Fund assets in the approval of funding proposals.	78
Oversight	73
66. The FOPC regularly reviews the implementation of sourcing and procurement initiatives.*	72
67. The FOPC routinely considers and discusses resource mobilization strategies, policies and activities.	72
68. The FOPC effectively considers the financial management of the Global Fund resources, annual expenditures and the adequacy of fiduciary control mechanisms and financial risk management.	74

Audit and Ethics Committee

	AEC
Committee Specific Performance	73
Decision Making	73
70. The AEC effectively manages the selection of the External Auditor for recommendation to the Global Fund Board.	72
71. The AEC provides the right level of guidance, input and review of the OIG's audit and investigation work plan and takes informed decisions relating to the OIG's Annual Work Plan Key Performance Indicators (KPIs) established for the Office of the Inspector General.*	74
72. The AEC effectively advises and decides on remedial actions to be undertaken in response to deficiencies in ethical standards or received ethics related complaints.*	72
Advisory	73
73. The AEC provides useful recommendations and advice to assist the Board in approving the Annual Consolidated Financial Statement.	76
74. The AEC effectively performs its advisory role to the Board and in providing guidance to the Secretariat on the adoption and/or modification of strategies on ethical matters and ethical guidelines and standards.	71
75. The AEC delivers the right level of information and counsel on the appropriateness of the scope, mandate and functions of the OIG.	73
Oversight	73
76. The AEC regularly reviews the OIG's performance against established KPIs, compliance with applicable policies and procedures, and allocation of resources to the OIG.*	76
77. The AEC routinely reviews the Global Fund's compliance with ethical policies and guidelines, as well as the adequacy of the systems and procedures in place to comply with ethical standards.*	72
78. The AEC effectively monitors the implementation of the findings and recommendations of the External Auditor and the output and recommendations of the Sanctions Panel.*	72