

B28/ER/10

For Decision

**COMMITTEE MEMBERSHIP CHANGES ON THE
STRATEGY, INVESTMENT AND IMPACT, AND
FINANCE AND OPERATIONAL PERFORMANCE COMMITTEES**

PURPOSE:

For decision of the Board, this paper recommends the approval of the following committee membership appointments:

1. Mr. Matthew Flomo and Dr. Reinhard Tittel-Gronefeld as members of the Global Fund's Finance and Operational Performance Committee (FOPC); and
2. Dr. Marat Tukeyev as a member of the Global Fund's Strategy, Investment, and Impact Committee.

Part 1: Background**For Information*****Current procedures for Committee appointments***

1. Extracted below are the Global Fund's current procedures to fill vacancies on a Committee from the Operating Procedures of the Board and Committees of the Global Fund ("Operating Procedures"):

Section 42.1: The Board Chair and Vice-Chair, in consultation with the Coordinating Group, will propose membership of each committee, based on applications made by constituencies for committee membership, the mandate of the committee, and the competencies and responsibilities of committee membership according to the Board and Committee Member Roles and Responsibilities, as set forth in Annex 1 to these operating procedures, for full Board approval. Each constituency may participate in a maximum of two committees (membership on other ad hoc committees where the Board specifically provides that membership shall not apply toward this limit). Where demand for committee seats exceeds the maximum, priority will be given to ensuring the balance of donor countries, recipient countries, nongovernmental organizations, private sector and foundations

Section 42.8: A vacancy in any committee membership resulting from death, resignation, disqualification or other reason, shall be filled in the same manner in which the original holder of that office or position was appointed or selected. Individuals selected or appointed to fill vacant positions shall hold such positions for the unexpired term of their predecessor.

2. Section 44 of the Operating Procedures reflects the Board's decision, in September 2011, to form new Committees of the Board. A major governance reform adopted by the Board at this time was to move away from the legacy of a committee of the whole Board. Based on consultations across all constituencies over April to September 2011, the Board instead approved:
 - a. Two committees that each have a membership of 10 representatives of voting constituencies of the Board; and
 - b. One committee (the Audit and Ethics Committee) with a membership of three representatives of voting constituencies of the Board and five independent non-constituency affiliated members.
3. This paper concerns only the Finance and Operational Performance Committee ("FOPC") and the Strategy, Investment and Impact Committee ("SIIC"), which have the structure set out in paragraph 2.a above. Relevant to these two Committees, sections 42 and 44 of the Operating Procedures are silent on the common understanding of constituencies at the time of the 2011 governance reforms that each of the 20 voting constituencies of the Board would, subject to the competency and skills requirement of section 42.1, have representation on either the FOPC or the SIIC but not both.

The day-to-day impact of the current procedures on mid-term Committee membership changes

4. Mid-term Committee Member vacancies arise on an unplanned basis. Typically, there is one vacancy on the FOPC or SIIC at any one time.

5. The practical consequence of mid-term Member vacancies is that the Board Chair and Vice Chair can only make a call for applications to fill the vacancy to the constituency that was already represented in the now vacant seat. To do otherwise would break the unwritten rule that constituencies are operating on, and set out at paragraph 3 above.
6. Under the current rules, and at the same time being impacted by the unwritten rule that all 20 of the Board's voting constituencies are represented on either the FOPC or the SIIC, the process that is therefore followed is:
 - a. Notification of a vacancy arising, which comes from the Constituency informing the Chair and Vice Chair of the Board, and the Chair and Vice Chair of the relevant Committee that their representative is no longer to serve as a Committee Member for reasons advised at the time;
 - b. The Board leadership making the "call for applications" to the relevant constituency;
 - c. The Constituency Focal Point sending in a completed application form, and detailed Curriculum Vitae to demonstrate the proposed representative's competency to serve on the FOPC or the SIIC (as relevant);
 - d. A completed declaration of conflicts of interest being reviewed by the Ethics Official and any issue alerted to the proposed representative and the Audit and Ethics Committee for clearance;
 - e. Subject to ethical clearance, the Coordinating Group's review of the proposed membership under section 42.1 of the Operating Procedures; and
 - f. A proposal from the Board Chair and Vice Chair to the full Board for its approval of the new Committee Member to fill the mid-term vacancy.
7. The whole procedure can take some months. In the circumstances of the unwritten rule set out in paragraph 3 above, the FOPC and SIIC Committee Chairs and Vice Chairs have shared with the Board Chair and Vice Chair that the current procedures do not support the Committees to have a full complement of actively serving Members, particularly when vacancies arise very near to a Committee Meeting. From a broader governance perspective, this can also mean that a Constituency's voice is not heard at all in decisions delegated to the Committee level.
8. Noting the current procedure, there are four vacancies that have arisen in Committee Member roles on the FOPC or SIIC over the last four to five months. This paper concerns three of those vacancies. When the full process in paragraph 6 is completed for the vacancy arising from the change in the Board Member for Japan, and therefore membership of the SIIC, the Board will be asked to approve this appointment.
9. Moving forward, it is anticipated that additional vacancies will arise within the current two-year cycle of committee work.
10. As part of the on-going governance reform program, the Board may wish to consider amending the procedures for mid-term Committee Member appointments for the FOPC and the SIIC. The Board Chair and Vice Chair would recommend that Governance Focal Points take up this discussion during their call scheduled for May 2013 on Committee matters. Any recommendations arising from this group, after consultation with the FOPC and SIIC, could be presented to the Board for its approval at the Twenty-Ninth Meeting in June 2013.

Part 2: Recommended Committee Member appointments by Committee

Finance and Operational Performance Committee

Mr. Matthew Flomo, representing West and Central Africa

1. As constituted in early 2012, the FOPC included membership of a representative from West and Central Africa constituency (“WCA”).
2. On 5 November 2012, the Board Chair and Vice Chair received notification from the Global Fund’s Legal Counsel that the Audit and Ethics Committee had identified a need to appoint a replacement representative from WCA.
3. WCA chose to nominate Deputy Minister Matthew Flomo based on his experience implementing Global Fund grants as a Principal Recipient in Liberia as well as his background in financial management. Mr Flomo’s completed FOPC application form and Curriculum Vitae are set out as Annex 1.
4. Having followed the procedure set out in Part 1, paragraph 6 above, the Board Chair and Vice Chair are recommending that Mr Flomo be appointed as a Committee Member of the FOPC for the unexpired term of the former WCA member.

Dr. Reinhard Tittel-Gronefeld, representing Germany

5. As constituted in early 2012, the FOPC included membership of a representative from the Italy/Spain Constituency of the Global Fund Board.
6. By notice dated 10 August 2012, the Chair of the Donor bloc informed the Global Fund Board Chair and Vice Chair of a change in donor representation at the Board level. This change was undertaken according to discussions within the donor block, in reliance on internal bloc procedures.
7. The 10 August 2012 notice included the following donor bloc agreed position:

“Pasqualino Procacci, currently representing the Italy / Spain constituency within the Finance, Operations and Performance Committee (FOPC), will cede FOPC membership to a yet-to-be-determined representative of the Germany constituency.”
8. On 11 September 2012, the Global Fund received the nomination of Dr. Reinhard Tittel-Gronefeld from the Communications Focal Point for Germany based on his experience in public health, policy development, and understanding of Global Fund governance processes. Dr. Tittel-Gronefeld’s completed FOPC application form and Curriculum Vitae are set out as Annex 2.
9. Formally, Germany took up its Board seat at the Twenty-Seventh Board meeting over 13 – 14 September 2012.
10. Having followed the procedure set out in Part 1, paragraph 6 above, the Board Chair and Vice Chair are recommending that Dr. Reinhard Tittel-Gronefeld be appointed as a Committee Member of the FOPC for the unexpired term of the former Italy/Spain member. It is also the recommendation that this appointment take effect retroactively, from 1 October 2012. Through oversight on the part of the Office of the Board Chair, the necessary Decision Point to confirm this appointment has not yet been presented

to the Board. This was due to the short period of time between the September and November 2012 Board meetings, and the significant number of matters requiring attention in the latter months of 2012.

Strategy, Investment and Impact Committee

Dr. Marat Tukeyev, representing Eastern Europe and Central Asia

11. As constituted in early 2012, the SIIC included membership of a representative from the Eastern Europe and Central Asia constituency (“EECA”).
12. The Board Chair and Vice Chair were notified by EECA that their representative was no longer available and that they sought to replace this individual in January 2013.
13. EECA chose to nominate Dr. Marat Tukeyev based on his experience implementing Global Fund grants working for the last six years in Kazakhstan as well as his background in medicine, public health, and economics. The Constituency noted that he has a clear picture of the public health priorities in his region as well as processes related to Global Fund grant implementation. Dr. Tukeyev’s completed SIIC application form and Curriculum Vitae are set out as Annex 3.
14. Having followed the procedure set out in Part 1, paragraph 6 above, the Board Chair and Vice Chair are recommending that Dr. Marat Tukeyev be appointed as a Committee Member of the SIIC for the unexpired term of the former EECA member.

Part 3: Decision Point

For Decision

1. The Board is requested to approve the appointment of three new Committee Members in line with the decision point set out below.

B28/EDP/13: Finance and Operational Performance Committee, and Strategy, Investment and Impact Committee Member Appointments

The Board:

1. ***Approves the appointment of the following individuals to the Finance and Operational Performance Committee, to replace two out-going members:***
 - a. ***Matthew Flomo, representing West and Central Africa; and***
 - b. ***Reinhard Tittel-Gronefeld, representing Germany.***
2. ***Approves the appointment of the following individual to the Strategy, Investment and Impact Committee, to replace one out-going member:***
 - a. ***Marat Turkeyev, representing Eastern Europe and Central Asia.***
3. ***Notes that each of the members appointed by this decision shall serve until the end of their predecessor’s term.***