

Electronic Report to the Board

Enhanced Governance Structure and Revised Core Documents

GF/B34/ER06
Board Decision

PURPOSE: This paper presents the Transitional Governance Committee's (the "TGC") recommendations on the new structure, size and composition of the Board's standing committees. Additionally, it presents revisions to certain operating procedures of the Board and Committees. As such, a decision point is presented for the Board to approve the following revised core governance documents: Bylaws, Operating Procedures of the Board and Committees, Charters of the standing committees and terms of reference for the Coordinating Group.

I. Decision Point

1. Based on the rationale described below, the following decision point is recommended to the Board:

Decision Point: GF/B34/EDP07: Enhanced Governance Structure

1. ***Based on the recommendations of the Transitional Governance Committee (the “TGC”), as presented in GF/B34/ER06, the Board approves:***
 - a. ***The establishment of the following three standing committees (the “Standing Committees”):***
 - i. ***Audit and Finance Committee;***
 - ii. ***Ethics and Governance Committee;***
 - iii. ***Strategy Committee;***
 - b. ***The following core governance documents, which shall each become effective upon the conclusion of the first Board meeting in 2016:***
 - i. ***Charter of the Audit and Finance Committee, as set forth in Annex 1 to GF/B34/ER06;***
 - ii. ***Charter of the Ethics and Governance Committee, as set forth in Annex 2 to GF/B34/ER06;***
 - iii. ***Charter of the Strategy Committee, as set forth in Annex 3 to GF/B34/ER06;***
 - iv. ***Terms of Reference of the Coordinating Group, as amended and restated in Annex 4 to GF/B34/ER06;***
 - v. ***Bylaws, as amended and restated in Annex 5 to GF/B34/ER06; and***
 - vi. ***Operating Procedures of the Board and Committees, as amended and restated in Annex 6 to GF/B34/ER06.***
2. ***The Board acknowledges the Standing Committees shall replace the Audit and Ethics Committee, Finance and Operational Performance Committee, and Strategy, Investment and Impact Committee upon the conclusion of the first Board meeting in 2016.***
3. ***Accordingly, the Board requests the:***
 - a. ***Chair and Vice-Chair of the Board to launch the process for the Board to appoint the Chairs and Vice-Chairs, as well as membership, of the Standing Committees, by no later than the first Board meeting in 2016; and***
 - b. ***Secretariat, under the oversight of the Coordinating Group, to update any policies or prior decisions needed to align with the core governance documents approved under paragraph 1 of this decision point.***

The budgetary implications of this decision are approximately USD 334,000, which are included within the 2016 Operating Expenses Budget and are similar to the costs associated with operating under the existing committee structure.

II. Relevant Past Decisions

2. Pursuant to the Governance Plan for Impact as approved at the Thirty-Second Board Meeting in November 2014,¹ the following summary of relevant past decision points is submitted to contextualize the decision point proposed in Section I above.

Relevant past Decision Point	Summary and Impact
<p>GF/B34/DP07: Enhanced Governance Structure (November 2015)</p>	<p>The Board approved, in principle, draft charters for the Audit and Finance Committee, Ethics and Governance Committee and Strategy Committee, together with draft revisions to the Terms of Reference of the Coordinating Group, Bylaws and Operating Procedures of the Board and the Committees. Approval of the decision point presented in this electronic report would close the action items originated from GF/B34/DP07 as the Board would adopt the final versions of the core governance documents listed above, all of which become effective upon the conclusion of the first Board meeting in 2016.</p>
<p>GF/B32/EDP04: Membership of the Transitional Governance Committee (December 2014)²</p>	<p>The Board appointed six members to serve on the Transitional Governance Committee (the “TGC”) in their independent, personal capacities under the terms of reference previously approved in November 2014 as part of the Ad-Hoc Working Group on Governance’s recommendations on an enhanced governance structure.</p>
<p>GF/B32/DP05: Approving the Governance Plan for Impact (November 2014)³</p>	<p>The Board approved, among several recommendations contained in the Ad-Hoc Working Group on Governance’s Governance Plan for Impact,⁴ the finalization of an enhanced governance structure by the November 2015 Board meeting, comprised of the Board, the Coordinating Group and three re-configured standing committees—Audit and Finance, Ethics and Governance, and Strategy and Operations. Additionally, it established a Transitional Governance Committee (the “TGC”) and approved certain modifications to the terms of reference of the Coordinating Group (the “CG”) to transition to the enhanced governance structure. Furthermore, due to other recommendations by the TGC, the Board amended the Bylaws and the Operating Procedures of the Board and Committees.</p> <p>Approval of the decision point presented in this paper (GF/B34/18) completes the action item related to the enhanced governance structure. It also amends the Bylaws, Operating Procedures of the Board and Committees and terms of reference of the Coordinating Group, as amended in November 2014.</p>

¹ GF/B32/DP05: Approval of the Governance Plan for Impact as set forth in document GF/B32/08 Revision 2.

² <http://www.theglobalfund.org/Knowledge/Decisions/GF/B32/EDP04/>

³ <http://www.theglobalfund.org/Knowledge/Decisions/GF/B32/DP05/>

⁴ http://www.theglobalfund.org/documents/board/32/BM32_08-TheGovernancePlanForImpact_Report_en/

Relevant past Decision Point	Summary and Impact
<p>GF/B32/DP08: Market Dynamics Oversight (November 2014)⁵</p>	<p>The Board agreed to dissolve the Market Dynamics Advisory Group and place joint oversight of market dynamics matters with the Strategy, Investment and Impact Committee (the “SIIC”) and the Finance and Operational Performance Committee (the “FOPC”). As such, the Board approved amendments to their respective Charters.</p> <p>Approval of the decision point presented in this paper will result in replacing the Charters of the SIIC and FOPC, as amended in November 2014.</p>
<p>GF/B27/DP06: Amendments to the Charters of the Audit and Ethics Committee and the Finance and Operational Performance Committee (September 2012)⁶</p>	<p>The Board approved revisions to the Charters of the Audit and Ethics Committee (the “AEC”) and the FOPC to shift the responsibilities regarding review and recommendation of the annual audited financial statements from the FOPC to the AEC.</p> <p>Approval of the decision point presented in this paper will result in replacing the Charter of the AEC, as amended in September 2012.</p>
<p>GF/B25/EDP18: Appointment of Independent Members of the Audit and Ethics Committee (April 2012)⁷</p>	<p>The Board approved the initial independent members of the Audit and Ethics Committee (the “AEC”). In doing so, it revised the AEC Charter and the Operating Procedures of the Board to reflect the increase in the number of independent members from 4 to 5 and the total number of members from 7 to 8.</p>
<p>GF/B25/DP07: Governance Reforms (November 2011)⁸</p>	<p>The Board approved a new governance structure, including the establishment of the Audit and Ethics Committee, the Finance and Operational Performance Committee, and the Strategy, Investment and Impact Committee, under Charters outlining their decision-making, advisory and oversight functions, together with revised Bylaws and Operating Procedures of the Board and Committees. Additionally, the Board established the Coordinating Group with its terms of reference outlining their responsibilities.</p> <p>Approval of the decision point presented in this paper (GF/B34/18) will replace the committee structure, size and composition adopted in November 2011.</p>

III. Action Required

3. If the Board approves the recommendations presented in this electronic report, the following core governance documents, annexed to this paper, will become effective upon the conclusion of the first Board meeting in 2016:

⁵ <http://www.theglobalfund.org/Knowledge/Decisions/GF/B32/DP08/>

⁶ <http://www.theglobalfund.org/Knowledge/Decisions/GF/B27/DP06/>

⁷ <http://www.theglobalfund.org/Knowledge/Decisions/GF/B25/EDP18/>

⁸ <http://www.theglobalfund.org/Knowledge/Decisions/GF/B25/DP07/>

- a) The new charters of the Global Fund’s three standing committees;
 - b) The amended and restated terms of reference of the Coordinating Group;
 - c) The amended and restated Bylaws; and
 - d) The amended and restated Operating Procedures.
4. The Secretariat shall support the process for transitioning from the current governance structure, in particular implementation of the revised Operating Procedures of the Board and Committees, as well as the structure, size and composition of the standing committees. This includes the process to nominate and appoint the members and leadership of the standing committees that will commence their terms following the first Board meeting in 2016.
5. The Chair and Vice-Chair of the Board will launch the process to nominate and appoint the new Chairs and Vice-Chairs of the standing committees, as well each committee’s membership, by no later than the first Board meeting of 2016. To facilitate the transition from the current standing committees, the process to nominate and appoint the incoming Chairs and Vice-Chairs of the standing committees will be organized so that the incoming leadership teams may attend the committee meetings scheduled for the first quarter of 2016, prior to the Board meeting.

IV. Executive Summary

6. In 2014, the Office of the Inspector General conducted a review of the Global Fund’s governance structures and functions (the “OIG Advisory Report”). Following the results of this report, the Board established an Ad-Hoc Working Group on Governance (the “WGG”) to develop recommendations and options for the Board to consider. In November 2014, the Board adopted certain recommendations by the WGG, as presented in the Governance Plan for Impact, including a new committee structure that would be finalized by November 2015.
7. To take forward these recommendations, the Board established the Transitional Governance Committee (the “TGC”) formed by members serving in their personal capacity for an interim period until April 2016.
8. Following TGC deliberations outlined in this paper and consultations in July 2015 and October 2015, the TGC recommends the following standing-committee structure:
- a) Strategy Committee formed by 10 constituency-nominated members (5 donor, 5 implementer), each in a voting capacity, and the following non-voting members:
 - i. TRP Chair;
 - ii. TERG Chair; and
 - iii. 2 representatives of non-voting Board constituencies.
 - b) Audit and Finance Committee formed by 10 constituency-nominated members (5 donor, 5 implementer), each in a voting capacity, and the following non-voting members:
 - i. World Bank;
 - ii. 1 representative of another non-voting Board constituency;
 - iii. 1 independent with audit expertise; and
 - iv. 1 independent with investigations expertise.

- c) Ethics and Governance Committee formed by 6 constituency-nominated members (3 donor, 3 implementer), each in a voting, personal capacity, and 1 independent, non-voting member with ethics expertise.

9. Each of the committees will continue to have neutral, non-voting Chairs and Vice-Chairs that will alternate between individuals nominated by donor and implementer constituencies each term, taking into account that the Strategy Committee and Audit and Finance Committee Chairs will be from different constituency groups each term.

10. Moreover, the revisions to the committees' structure, size and composition also require modifications to core documents such as the Bylaws and the Operating Procedures of the Board and Committees. The TGC has identified, with the support of the Secretariat, various categories of revisions (e.g., removing inconsistencies that have existed since the 2011 governance reforms, clarifying or aligning the language based on existing practice, or reorganizing the grouping and ordering of rules for greater logical coherence). Furthermore, following additional discussions with Board constituencies during and after the 34th Board meeting in November 2015 regarding methods for increasing engagement, participation and information flow, the Operating Procedures have been further amended to allow either the Board Member or Alternate Member for each constituency to attend committee meetings as a non-speaking, non-voting observer. In some exceptional instances where both the Board Member and Alternate Member of a constituency without an individual serving as a member of Committee cannot attend a meeting, the Chair and Vice-Chair of such Committee may permit another member of such constituency to attend as a non-voting, non-speaking observer. Additionally, input provided by the Board on processes or rules that need review, particularly with respect to the survey results presented at the July 2015 Board retreat has been incorporated. Annex 7 is provided to assist in reading the amendments to the Operating Procedures of the Board and Committees.

11. Further revisions, following discussions at the November 2015 Board meeting and in subsequent consultations, have been made to reallocate governance responsibilities previously with the Coordinating Group to the Ethics and Governance Committee. In particular, the role of the Ethics and Governance Committee with respect to the appointment of Committee Chairs and Vice-Chairs as well as membership, along with the nomination, appointment and assessment of the Board's direct reports (i.e., Executive Director and the Inspector General), have been clarified. Annex 8 to this electronic report reflects written comments submitted by Board constituencies and members of the Coordinating Group during the December 2015 consultations conducted by the TGC, as well as the TGC's response to this feedback, some of which the TGC discussed with participants on two conference calls held in December 2015.

12. Based on all of the above, the Board is requested to approved the following set of core governance documents:

- a) The Charter of the Audit and Finance Committee, as presented in Annex 1;
- b) The Charter of the Ethics and Governance Committee, as presented in Annex 2;
- c) The Charter of the Strategy Committee, as presented in Annex 3;
- d) The amended and restated Terms of Reference of the Coordinating Group, as presented in Annex 4;
- e) The amended and restated Bylaws, as presented in Annex 5; and
- f) The amended and restated Operating Procedures of the Board and Committees, as presented in Annex 6.

V. Background

01 Governance Reforms of 2011

13. In November 2011, the Board approved a governance structure that included the Board, a Coordinating Group comprised of the Chairs and Vice-Chairs of the Board and each of the following standing committees:

- a) Audit and Ethics Committee (the “AEC”);
- b) Finance and Operational Performance Committee (the “FOPC”); and
- c) Strategy, Investment and Impact Committee (the “SIIC”).

14. Additionally, the Board approved the amended and restated Bylaws and Operating Procedures of the Board and Committees. Other features of this structure included an AEC comprised of initially four, but later five, independent voting members each with specific skills and expertise, including the Chair, with three constituency-nominated members.

02 Governance Plan for Impact Recommendations in 2014

15. In 2014, the Office of the Inspector General issued an advisory report on the effectiveness and efficiency of Global Fund governance, as set forth in GFOIG-14-008, following a review of the Global Fund’s governance structures and functions (the “OIG Advisory Report”). Following the OIG Advisory Report, the Board established an Ad-Hoc Working Group on Governance (the “WGG”) to develop recommendations and options for the Board to consider.

16. At the November 2014 Board retreat and meeting, the WGG presented its recommendations to the Board in its Governance Plan for Impact. With respect to governance functions, the Governance Plan for Impact noted that the committee structure established in 2011 facilitated many improvements such as the allocation of responsibilities across the committees through delegated authority and a designated body to ensure coordination between the committees. However, there were gaps such as key governance functions that had been allocated but not performed, as well as key governance functions that had not been allocated within the structure.

17. Accordingly, the WGG recommended an “enhanced governance structure” comprised of the Board, Coordinating Group with certain governance-related responsibilities reallocated from its terms of reference to allow greater focus on coordination among the committees and the Board, and a revised three-committee structure. The Board noted the recommendations and approved finalization of the following three committees by November 2015:

- a) Audit and Finance;
- b) Ethics and Governance; and
- c) Strategy and Operations.

18. The rationale presented by the WGG for this three committee structure was as follows:

- a) Audit and Finance Committee: it is standard practice to combine audit and finance in one committee. This combination also makes the best use of the available expertise on finance by

combining this in one committee. This committee would benefit from specific external expertise in addition to having members from Board constituencies.

- b) Ethics and Governance Committee: the governance functions that need to be placed in the system are closely linked to the functions in the area of ethics (codes of conduct, etc.). The Ethics and Governance Committee could also benefit from external expertise in addition to having members from Board constituencies.
- c) Strategy and Operations Committee: given the strong link between strategy and the implementation of the strategy (operations) these functions would be combined in one committee.

19. To take forward the recommendations of the WGG, the Board established the Transitional Governance Committee (the “TGC”), which for an interim period until April 2016, would serve as a temporary standing committee with members serving in their personal capacity, tasked with following up or delivering on recommendations from the Governance Plan for Impact adopted by the Board. Among these tasks was finalization of the new structure, size and composition of the committees.

VI. Discussion

01 July 2015 Board Survey

20. Prior to the July 2015 Board retreat, the TGC deliberated on the recommendations in the Governance Plan for Impact that had been endorsed by the Board in November 2014. It reviewed what modifications would be needed with respect to the allocation of functions and responsibilities across the standing committees. Furthermore, it outlined additional questions related to the size and composition of the committees that pertained more towards membership matters. As part of these discussions, the committee recognized—as experienced in the appointment of committee members in March and April 2014—there would be great interest in serving on the committee charged with overseeing the strategy, perhaps requiring active efforts to attract more interest in participating in finance and operational performance matters. Through these reflections, the committee agreed it was important to keep the operational performance responsibilities currently under the FOPC with the committee overseeing audit and finance matters, noting also the critical linkages between the organization’s finances and its corporate and administrative operations.

21. Based on these discussions, the TGC launched a survey among Board constituencies and presented the results at the July 2015 Board retreat, which can be reviewed in full in the relevant resource folders on the Board Effect platform.

22. Some of the noteworthy results from the survey include:

- a) Committee Structure: Of the 18 responses received, 13 supported the option that was closest to the recommendation in the Governance Plan for Impact, rather than a second option whereby the current structure would remain with governance functions added to the existing AEC mandate.
- b) Leadership and Membership Profile: Of the 19 responses received, 13 supported maintaining current practice where any qualified individual that is part of the relevant Board constituency may serve as the Chair or Vice-Chair, as well as a member, of a standing committee.

- c) Mid-term Replacements: Of the 19 responses received, 13 indicated support for automatically nominating qualified candidates from the outgoing member's constituency as opposed to the current situation where a call for nominations is opened to all relevant constituencies. With respect to Chairs and Vice-Chairs of the standing committee, 15 of 19 respondents supported selecting a replacement from the relevant constituency group rather than limiting replacements to individuals nominated from the same constituency as the one that nominated the outgoing Chair or Vice-Chair.
- d) Constituency Representation: 16 of the 19 responses also indicated support ensuring each constituency is represented on at least one, but not more than two standing committees.
- e) Competency Based Selection: When it comes to selecting committee members, 16 of 19 responses found a candidate's skills and competencies, in comparison to the mandate of the committee, to be the most important selection criteria.
- f) Independent Committee Members: Though there was a near even split with respect to whether there should be independent committee members, 15 of 19 responses did not favor such individuals having voting power.

23. Many of these results confirmed the need to adapt rules and processes from previous rounds of governance reforms that had created unintended consequences, gaps and inconsistencies. As part of the broader exercise to recast the committee structure and its membership, the TGC also identified areas of the existing Operating Procedures that could be revised to streamline, align and clarify processes such as committee member nominations, replacements and appointments, which are described in Annex 7.

02 TGC Deliberations Following Board Retreat

24. A concern with respect to the committee structure option that received the greatest support in the Board survey also arose during the July 2015 Board retreat. Specifically, the concern raised was that while the audit and finance functions were brought together within one committee, the responsibilities related to internal audit, namely the work of the OIG, remained in another committee with ethics and governance. While this had been the case in the Governance Plan for Impact recommendations, following the concerns expressed at the Retreat, the TGC used their next in-person meeting in September 2015 to discuss whether external and internal audit needed to be combined, which had implications on the placement of responsibilities related to the OIG's activities.

25. In doing so, the TGC recognized there was a need to bring external and internal audit functions together. This would mean that wherever oversight of financial statements, accounting and reporting resided, the responsibilities related to the OIG's audit and investigation functions would have to follow. The TGC deemed this a priority. Though another way to maintain external and internal audit in one committee was considered, namely combining audit, ethics and governance responsibilities, the TGC acknowledged that in both the November 2014 and July 2015 feedback from the Board, there was strong support for bringing audit and finance together. Factoring in all the comments and concerns, the TGC agreed to reallocate the responsibilities related to the OIG to the committee that would be responsible for audit and finance. It felt the complementarity of the audit and finance, as well as operational performance, responsibilities was a compelling argument to also bring the work of the OIG into a single committee. As part of this discussion, the TGC also revisited each decision-making, advisory and oversight responsibility of the committee mandated with ethics and governance matters, clarifying, reinstating and adding governance functions.

26. As part of the review of committee responsibilities, the TGC noted the linkages between the work of the committees and the Coordinating Group. It recognized that the terms of reference of the Coordinating Group had been amended in November 2014, based on the recommendations in the

Governance Plan for Impact, to allow the Coordinating Group to focus more on the cross-committee coordination and facilitating the process of bringing the work of the committees to the Board. As such, the TGC considered the Coordinating Group terms of reference in the context of aligning with any reinstatement or addition of governance responsibilities to the ethics and governance committee mandate. Furthermore, it recognized that its modified terms of reference would further enable the Coordinating Group to focus on coordinating and facilitating communication and collaboration across audit, finance, ethics and governance matters to give the Board a comprehensive view of key oversight and assurance considerations.

27. During these discussions, the TGC also considered various options for the size of the three committees. These options included scenarios where all constituencies would be represented in the committee responsible for strategy, as well as other scenarios where each committee would have a smaller membership as with the current structure. In recognition of the confidentiality and sensitivity of ethics matters, as well as the precedent in which TGC members, though nominated from the Board constituency groups, were appointed to serve in their personal capacity, service on the committee responsible for ethics and governance would also be in a personal capacity. Based on these deliberations, the TGC decided to present the committee with the following two options for the size of committees:

- a) 20, 14, and 6 voting, constituency representatives for the strategy, audit and finance, and ethics and governance committees, respectively (the “20-14-6 Option”); or
- b) 10, 10 and 6 voting, constituency representatives for the strategy, audit and finance, and ethics and governance committees, respectively (the “10-10-6 Option”).

28. Further discussions among committee members confirmed the value of independent committee members. The TGC considered the type of expertise that needed to be represented by independent members of the committees, taking into account other skills and experiences that could be found by constituency-affiliated members, particularly given the Board’s emphasis that membership selection should be based on skills, competencies and experiences. Following spirited deliberations, the TGC agreed that independent committee members would be needed for financial audit, forensic investigations and ethics, but wanted to seek further input from the Board on whether the independent members would have voting power.

29. The TGC also discussed the length of committee member terms and noted that the Board survey results showed support for maintaining the current two-year terms for Chairs and Vice-Chairs as well as members of the committees. As such, the TGC agreed to maintain the two-year term of service. Relatedly, the TGC discussed staggering terms so committees do not turn over at the same time. Since the results from the Board survey regarding staggering were more mixed, the TGC decided to retain the current system where members serve coinciding terms. In reaching this position, the committee weighed mechanisms for staggering, noting that a staggered system across the committee structure could create challenges regarding the added frequency of membership appointment processes and rotation across committees.

30. Based on these discussions, the TGC launched a consultation with Board constituencies and the Coordinating Group in October 2015.

03 October 2015 Consultation

31. The TGC asked the Board and the Coordinating Group for additional input on: a) two options for the size and composition of the new committees; b) matters related to independent committee members; and c) any additional final feedback on the overall TGC recommendation on committee structure, size and composition.

32. Of 19 respondents, 11 supported the 10-10-6 Option, which is close to the current system, citing both efficiency and effectiveness among the reasons for supporting this option. Moreover, 13 out of 18 responses supported the continuation of having independent committee members, but without voting rights. Board constituencies showed general comfort with the minimum number of independent members and expertise proposed by the TGC (i.e., financial audit, forensic investigation and ethics).

33. Additionally, a number of Board constituencies commented on the need to balance workload across the three standing committees. In particular, constituencies noted the trade-offs related to unifying external and internal audit functions while also bringing audit and finance together. Feedback provided during this consultation included:

- a) Requests for additional rationale for the proposed structure;
- b) Potential solutions to further improve the overall risk management oversight model;
- c) Providing UNAIDS, WHO and the Partners constituencies each with a non-voting seat on the committee responsible for strategy; and
- d) Tension between effectiveness and representation in relation to committee structure and size.

34. Several constituencies requested further information about the need for a different process to select Committee Chairs and Vice-Chairs and Committee Membership.

04 Committee Structure

35. After discussing the variety of comments received, the TGC heard the support from constituencies on the proposed structure and agreed to maintain its recommendation to bring the responsibilities related to OIG previously combined with ethics and governance, as part of audit and finance. The TGC recognized the shift in workload, acknowledging that this committee would essentially maintain the current responsibilities of the FOPC, which includes operational performance and administrative matters, and then take on a significant workload previously overseen by the AEC. Nevertheless, the TGC felt that this was an appropriate allocation and combination of responsibilities given the complementarity of the audit and finance work streams, and that the critical, interrelated issues this committee would address would likely motivate more qualified and engaged talent across Board constituencies to consider service beyond the committee overseeing strategy.

36. The TGC noted that a consequence was that the committee charged with oversight of ethics and governance matters could have a lesser workload. However, it also acknowledged that with the newly adopted Ethics and Integrity Framework, and the establishment of a new ethics function, the work around ethical values and conduct within the Global Fund, but also the activities financed by Global Fund resources, would likely grow. While the TGC noted that having the OIG, ethics and governance functions together in one committee given the assurance linkages of the work of the OIG and ethics function could also have been beneficial, it could change as the ethics function becomes more established. TGC members recognized that with any decision there would be tradeoffs as there are also benefits of having the audit and finance functions under a single committee's oversight. As such, it was decided that internal audit would be placed alongside external audit in the audit and finance committee.

37. The TGC also delved deeper into the ethics and governance functions and confirmed there would be substantial governance functions to match the work on ethics matters. For example, the committee would be charged with overseeing regular performance assessments of the Board and committees under the performance assessment framework approved by the Board. Additionally, it would engage on attracting, developing and retaining individuals that serve in a governance role, while overseeing the work of the Privileges and Immunities Advisory Group with respect to the acquisition of privileges and immunities or in relation to other legal status matters that rise to the level of the Board. Based on the

scope of the ethics and integrity framework the committee would also have responsibilities with respect to coordinating with the Secretariat when matters overlap with respect to operational and governance matters, including with respect to CCM matters. Furthermore, the committee would be overseeing the process for nominating committee members as well as supporting the Board Chair and Vice-Chair in identifying the leadership of standing committees.

38. Altogether, the TGC agreed to recommend the following committee structure for adoption:

- a) Strategy Committee (the “Strategy Committee”): As presented at the Board Retreat in July 2015, relatively similar to the current SIIC mandate, which aligns with the Board’s feedback.
- b) Audit and Finance Committee (the “Audit and Finance Committee”): As presented at the Board Retreat in July 2015, but with the functions and responsibilities related to the OIG re-located from the Ethics and Governance Committee with finance and audit functions remaining together in one committee. The remaining mandate is similar to the current FOPC as corporate and financial management, as well as operational performance matters, remain as part of this committee’s mandate.
- c) Ethics and Governance Committee (the “Ethics and Governance Committee”): As presented at the Board Retreat in July 2015, with the inclusion/reinstatement of:
 - i. Working with the Board Leadership to nominate Committee Leadership;
 - ii. Oversight of the process for nominating and appointing Committee membership;
 - iii. CCM matters related to governance and ethics concerns;
 - iv. Legal status issues that warrant Board attention;
 - v. Review reports from the Privileges and Immunities Advisory Group; and
 - vi. Oversight of financial implications of governance activities.

39. The Strategy Committee maintains the same mandate of the SIIC. Revisions to the existing SIIC Charter include updates and clarifications to terminology with respect to areas of responsibility, some of which remove redundancies that had been spread across decision-making, advisory and oversight functions, while others reflect the current funding model that had yet to be established when the SIIC Charter was initially adopted in November 2011. This committee continues to have primary oversight of the grant portfolio operations, and will continue the current practice of jointly reviewing the cross-cutting dimensions of such matters with the Audit and Finance Committee (e.g., market shaping), as is the current case for the SIIC and FOPC.

40. In terms of the Audit and Finance Committee, responsibility for external audit, internal audit and investigation matters, previously with the AEC, have been added to the FOPC’s current mandate. As such, corresponding shifts in Charter functions and responsibilities have been made, together with updates and clarifications in some of the terminology and grouping of responsibilities in the existing FOPC Charter that the Board adopted in November 2011. To a degree, the current structure resembles elements of the initial FOPC established by the Board—the initial Charter only allocated external audit responsibilities to the FOPC, which was later re-allocated to the AEC where internal audit and investigations had already been placed. As mentioned above, the collaboration on cross-cutting aspects that has developed for the SIIC and FOPC work will continue to be important for the Strategy Committee and the Audit and Finance Committee, on both the strategic implementation and financial implications of grant operations.

41. Adding to the discussion above on the Ethics and Governance Committee, the proposed structure establishes a committee that will be accountable for the key governance functions previously allocated in the system, but not implemented, as well as the key governance functions that had not been previously allocated across the structure. These were among the issues identified by the OIG Advisory Report and the Governance Plan for Impact.

42. During these discussions, the TGC felt the committee tasked with governance responsibilities should have oversight of the broader process, not each nomination and appointment of committee members. As such, it supports the current process by which the Chair and Vice-Chair of the Board, in consultation with the other members of the Coordinating Group, present candidates for committee membership to the Board for approval. Where there is need to look into refinements or modifications to the process, this committee would undertake such review. For the nomination of Chairs and Vice-Chairs of Committees, the TGC felt it was appropriate for the standing committee to work with the Chair and Vice-Chair of the Board to present the Board with candidates. As such, the Coordinating Group's terms of reference will be modified to re-locate the responsibilities with respect to the nomination of Committee Chairs and Vice-Chairs to the Ethics and Governance Committee.

43. The resultant charters and terms of reference of these deliberations and recommendations are presented in the Annexes to this paper for review and approval by the Board.

05 Committee Size and Composition

44. Following consideration of several options and seeking the Board's feedback, the TGC recommends for committee size, a 10-10-6 scenarios whereby:

- a) Strategy Committee: 10 constituency-nominated members (5 donor, 5 implementer) in a voting capacity, and the following non-voting members:
 - i. TRP Chair;
 - ii. TERG Chair; and
 - iii. 2 representatives of non-voting Board constituencies.
- b) Audit and Finance Committee: 10 constituency-nominated members (5 donor, 5 implementer) in a voting capacity, and the following non-voting members:
 - i. World Bank;
 - ii. 1 representative of another non-voting Board constituency;
 - iii. 1 independent with audit expertise; and
 - iv. 1 independent with investigations expertise.
- c) Ethics and Governance Committee: 6 constituency-nominated members (3 donor, 3 implementer) in a voting, personal capacity, and 1 independent, non-voting member with ethics expertise.

45. The Chairs and Vice-Chairs of each committee will:

- a) Serve in a non-voting, neutral capacity, as is current practice.
- b) Not count towards their nominating constituencies' minimum and maximum limits in committee participation (i.e., a minimum of one and a maximum of two), as is current practice.
- c) Alternate between individuals nominated by donor and implementer constituencies each term taking into account that the Strategy Committee and Audit and Finance Committee Chairs will be from different constituency groups each term.

46. With respect to independent committee members:

- a) The TGC puts forward a minimum number and a minimum set of expertise to be represented to complement members affiliated with Board constituencies. Committees may recommend

the Board to add independent-member seats based on their assessment of need for expertise on standing basis.

- b) Committee Leadership may invite external, independent experts on an ad-hoc basis for particular needs or issues, which is current practice.
- c) Independent committee members may receive an honoraria as per current practice and in line with any framework that may be approved by the Board.

47. In arriving at these recommendations, the TGC addressed a threshold question of whether the governance structure should operate under a model in which the Board delegates specific responsibilities to smaller committees versus a system where every discussion or deliberation requires each constituency of the Board. Though the committee recognized the importance of inclusivity and broad participation, the TGC felt there was great value in having smaller committees dividing the equally important responsibilities and aspects of the organization, to hopefully achieve greater efficiency while reflecting trust and collaboration across constituencies. These principles, together with the greater support voiced by the Board through consultations, pointed towards the 10-10-6 option. And because the Strategy Committee will not be a “committee of the whole,” the TGC also decided to maintain the current system with respect to seats for the non-voting constituencies of the Board (i.e., UNAIDS, WHO, Partners, World Bank). As such, two seats on both the Strategy Committee and Audit and Finance Committee are available for non-voting Board constituencies, with one seat on the Audit and Finance Committee designated to the World Bank, as Trustee. The other three seats across the Strategy and Audit and Finance Committees would be allocated among UNAIDS, WHO and Partners.

06 Feedback During and After the November 2015 Board Meeting

48. The TGC considered the views expressed by constituencies during the 34th Board meeting in November 2015, particularly with respect to engagement and participation across committees. The TGC noted existing mechanisms that have facilitated greater opportunities for constituencies to input into committee discussions. For example, committee documents are available to the Board when distributed to committee members. The Chairs and Vice-Chairs of the committees attend the meetings of other committees, as well as seek and bring the input of constituencies not represented on a committee into the discussions. Committee Chairs and Vice-Chairs also hold conference calls following each meeting for all Board constituencies to get an update on the committee’s discussions and outcomes. Detailed reports of committee deliberations are also made available to all Board constituencies, including the full text of all decisions or recommendations to the Board.

49. Recognizing the value of in-person participation and engagement stressed by constituencies, and in the spirit of engagement and participation, the TGC agreed to modify its recommendation so that the Board Member or Alternate Member of each constituency could attend committee meetings as an observer.

50. During these discussions, the Board sought greater clarity as to the scope in which observers could attend meetings (i.e., non-voting, non-speaking). Discussions also noted the need to clarify the circumstances in which a representative other than a constituency’s Board Member or Alternate Member may attend a committee meeting as an observer.

51. The Board discussions also focused on the need to reflect governance responsibilities currently identified in the Terms of Reference of the Coordinating Group as part of the new responsibilities of the Ethics and Governance Committee. Constituencies noted the appropriateness of consolidating oversight of governance activities and mechanisms with a standing committee that could ensure processes and rules are applied consistently and effectively.

52. These discussions continued after a revised set of documents were circulated to the Board and members of the Coordinating Group for comment and feedback in December 2015. A summary of the written comments submitted to the TGC during this consultation is attached as Annex 8 to this electronic report, and contains the TGC's responses to the feedback provided.

07 Core Governance Document Updates

53. As the revisions to the committees' structure, size and composition also require modifications to core documents such as the Bylaws (i.e., updating the standing committees described therein) and Operating Procedures, the TGC has identified, with the support of the Secretariat, various categories of revisions. These include removing inconsistencies that have existed since the 2011 governance reforms, consolidating redundant provisions in one place with relevant cross references throughout the core governance documents, clarifying or aligning the language based on existing practice, and reorganizing the grouping and ordering of rules for greater logical coherence.

54. Additionally, input provided by the Board on processes or rules that need review, particularly with respect to the survey results presented at the July 2015 Board retreat have been incorporated. The discussions from the Board meeting in November 2015, as well as the follow-up consultations with the Board and Coordinating Group in December 2015, have also been considered and factored into the final revision of core governance documents. As such, a revised set of Bylaws and Operating Procedures have also been prepared and presented in the annexes to this paper. A change log, presented as Annex 7, that summarizes the changes to the Operating Procedures accompanies them to help identify the amendments. As noted above, Annex 8 is provided as an additional supplement that reflects comments submitted by the Board and Coordinating Group during the December 2015 consultation, as well as the TGC's response to this feedback. The TGC presents these revised core documents to the Board for approval as they complement and support the recommendations regarding the enhanced governance structure. They also facilitate greater efficiency, consistency and clarity with respect to governance processes.

55. As the TGC received comments and questions on how risk oversight has been addressed in the proposed committees, the charters for each of the three new committees consolidates the advisory and oversight role each committee has with respect to risks related to their respective mandates. The Coordinating Group, under its terms of reference, and in accordance with the approach for risk oversight approved by the Board in November 2014, will coordinate how each committee engages on and reviews risk matters. Furthermore, the TGC considered comments with respect to re-allocating additional governance responsibilities from the Coordinating Group to the Ethics and Governance Committee. These changes have been incorporated in the amended and restated terms of reference of the Coordinating Group, presented in Annex 4, and the Charter of the Ethics and Governance Committee, presented in Annex 2, as well as the amended and restated Operating Procedures, as set forth in Annex 6.

VII. Recommendation

56. Based on the discussion presented in this paper, the TGC recommends that the Board approve:

- a) The Charter of the Audit and Finance Committee, as presented in Annex 1;
- b) The Charter of the Ethics and Governance Committee, as presented in Annex 2;
- c) The Charter of the Strategy Committee, as presented in Annex 3;

- d) The amended and restated Terms of Reference of the Coordinating Group, as presented in Annex 4;
- e) The amended and restated Bylaws, as presented in Annex 5; and
- f) The amended and restated Operating Procedures of the Board and Committees, as presented in Annex 6.

Annex 1

Charter of the Audit and Finance Committee

CHARTER OF THE AUDIT AND FINANCE COMMITTEE

[Insert Month and Year]

A. Purpose

1. The purpose of the Audit and Finance Committee (the “Committee”) of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the “Global Fund”) is to (i) provide oversight of the financial management of the Global Fund’s resources; (ii) provide oversight of the internal and external audit, as well as investigation, functions of the Global Fund; and (iii) ensure optimal performance in the corporate and financial operations of the Global Fund.

B. Functions

2. The Board has delegated its authority to the Committee to exercise the following powers and perform the following functions.

Decision-Making Powers

- 2.1 The Committee shall exercise the following decision-making powers:

- a. Approval of asset and liability, investment and financial management strategies or policies to minimize losses and preserve the capital value of the Trust Fund of the Global Fund, as well as any other accounts utilized by the Global Fund for the deposit or management of its resources.
- b. Approval of frameworks, or modifications to such frameworks, to guide the implementation of Board-approved policies regarding the corporate and financial operations of the Global Fund, to the extent consistent with applicable Board strategies and initiatives.
- c. Approval of modifications to Board-approved human resources policies or frameworks, including matters related to the Global Fund Provident Fund.
- d. Approval of the external audit plan and related fee arrangements.
- e. Approval of the interim financial statements of the Global Fund.
- f. Approval of the Office of the Inspector General’s (“OIG”) annual audit and investigation work plan, guidelines, processes and procedures.

Advisory Functions

- 2.2 The Committee shall advise and make recommendations to the Board on the following:
 - a. Selection and appointment of the external auditor of the Global Fund.
 - b. Approval by the Board of the annual audited financial statements of the Global Fund.

- c. In accordance with the risk management strategy or related policies approved by the Board: (i) the risk-stratification matrix of the Global Fund grant portfolio; (ii) the fiduciary control framework for grant management; (iii) the review and mitigation of corporate and financial risks; and (iv) appropriate risk differentiation to be exercised by the Global Fund in the management of such risks; and (v) analyses of risk areas at the request of the Coordinating Group.
- d. Key performance indicators—methodology and targets—to assess the Global Fund’s performance with respect to corporate and financial management.
- e. Periodic (e.g., quarterly, annual, multi-year) projections of the Global Fund’s cash flow, including actual receipts and expenses, based upon review by the Committee of materials prepared by the Secretariat and the World Bank in its capacity as Trustee for the Global Fund.
- f. Modifications to the policy frameworks governing the receipt and management of contributions to the Global Fund, including the contribution modalities available to donors.
- g. Modifications to the Comprehensive Funding Policy and any other Board-approved policies governing the allocation and commitment of Global Fund assets for the approval of funding grant programs.
- h. Modifications to the resource mobilization strategy of the Global Fund.
- i. Adoption of, or modifications to, policies related to the financial and operational implementation of sourcing and procurement initiatives.
- j. The approval by the Board of (i) the annual operating expenses budget of the Global Fund, including the component budgets for the Secretariat and the OIG, (ii) the accompanying corporate work plan for each year’s operating expenses budget; and (iii) proposed operating expenditures that exceed the annual operating expenses budget threshold approved by the Board.
- k. The appropriateness of the scope of the mandate and functions of the OIG, and the strategic priorities of the OIG.
- l. Adoption of, or modifications to, policies related to financial and operational oversight, including those related to the activities of the OIG.
- ~~m. The annual performance assessment of the Inspector General (in executive session).~~

Oversight Functions

- 2.3 The Committee shall have responsibility for oversight and review in the following areas:

- a. The financial management of Global Fund resources, including annual review of (i) financial forecasts; (ii) status of donor pledges and contributions; (iii) the activities of, and relationship with, the World Bank in its capacity as Trustee for the Global Fund; and (iv) financial management performance against key performance indicators adopted by the Board.
- b. The corporate management and operations of the Secretariat, including annual review of (i) the Secretariat's risk assessment and management processes in line with the risk management policy approved by the Board, taking into consideration the audit and investigation findings of the OIG; (ii) the Secretariat's response to recommendations and findings by the external auditor and the OIG, including reference of such matter to the committee of the Board with the relevant mandate; and (iii) corporate management performance against key performance indicators adopted by the Board.
- c. The OIG, including review of (i) the results of periodic independent review and assessment to confirm conformance with prevailing international standards and guidelines; and (ii) the appropriate use of resources by the OIG based upon OIG functions and deliverables.
- d. The annual expenditures of the Global Fund against budgets approved by the Board, as well as performance against approved work plans.
- e. The Secretariat's implementation of sourcing and procurement initiatives, and their financial or operational implications, in accordance with strategies and policies on market dynamics, such as market-shaping interventions, approved by the Board.
- f. The resource mobilization strategies, policies and activities of the Global Fund, including review of (i) the status and effectiveness of replenishment activities; (ii) engagement of private donors and development of innovative financing initiatives; and (iii) management of in-kind donations by the Global Fund.
- g. The adequacy, efficiency and effectiveness of internal controls, including review of (i) the implementation of measures to incorporate into business practices the audit and investigation findings of the OIG; (ii) the fiduciary obligations of grant recipients; and (iii) key risk areas as requested by the Coordinating Group.
- h. The adequacy and effectiveness of fiscal management policies and processes, including investment and foreign exchange hedging strategies, and policies governing the commitment of Global Fund assets.
- i. Financial accounting and reporting policies applicable to the preparation and presentation of the annual financial statements of the Global Fund.
- j. The methods for enhancing value for money by improving productivity and efficiency at all levels of the organization and operation of the Global Fund, including sourcing and procurement initiatives.
- k. The corporate administrative policies and activities of the Secretariat, including human resources and insurance policies, involving consultation as appropriate

with the Global Fund Ombudsman, representatives of staff and the Global Fund Legal Counsel.

- l. Review the adequacy and appropriateness of (i) strategies and policies relating to the communication of OIG findings; and (ii) communication to and engagement with stakeholders in response to OIG reports.
- m. Minimum standards for external auditors of grant recipients and policies describing the appropriate scope of work of such auditors.

C. Composition

3. The Committee shall be comprised of the following members:¹
 - i. Five voting representatives of constituencies from the implementer group;
 - ii. Five voting representatives of constituencies from the donor group;
 - iii. One non-voting independent member with financial audit expertise;
 - iv. One non-voting independent member with forensic investigations expertise;
 - v. One non-voting, neutral Chair;
 - vi. One non-voting, neutral Vice-Chair; and
 - vii. Two representatives of the non-voting, ex-officio members of the Board, one of which shall be the World Bank, with each such individual acting in a non-voting, ex-officio capacity.
4. Nomination and appointment of Committee Members shall be according to the Operating Procedures of the Board and Committees.
5. The Chair and Vice-Chair of the Committee will alternate between individuals nominated by donor and implementer constituencies each term, provided that the Chairs of the Committee and the Strategy Committee are selected from nominations by different constituency groups each term.
6. Committee Members shall have (i) qualifications and expertise in senior positions in the key areas of work and mandate of the Committee; and (ii) the key competencies of committee members set forth in the Operating Procedures of the Board and Committees.

¹ The constituencies contained within the implementer group and donor group are identified based upon the description of the Board within the Bylaws (Article 7). The implementer group consists of the group encompassing the seven developing country seats, the two non-governmental organization seats, and the representative of a non-governmental organization who is a person living with HIV/AIDS or from a community living with tuberculosis or malaria. The donor group consists of the group encompassing the eight donor seats and the private foundation and private sector seats.

7. The two independent members of the Committee shall serve in their personal capacity and shall not seek or accept instructions in regard to their performance on the Committee from any constituency of the Global Fund Board, including any government, organization or other authority, other than through action by the Board.
8. The two independent members of the Committee may receive an honorarium for service in accordance with an honorarium framework as may be approved by the Board, in addition to travel expenses and per diem.
9. All independent members of the Committee will be required to sign a declaration of independence, as defined in the Operating Procedures of the Board and Committees.²

D. Term of Office

10. Committee Members shall serve coinciding two year terms, or until the appointment of their respective successors. The Chair and Vice-Chair of the Committee shall serve coinciding two-year terms, or until the appointment of their respective successors.

E. Reporting and Communication

11. The Committee will develop its activity in accordance with the committee work methods outlined in the Operating Procedure of the Board and Committees.
12. The Chair and Vice-Chair of the Committee shall interact regularly with and report to the Coordinating Group on the results of the Committee's deliberations, as well as any issues relevant to its discussions.
13. The Chair and Vice-Chair of the Committee shall prepare a report of its work after each Committee meeting and submit a report summarizing the Committee's work for each meeting of the Board. The Committee may also prepare ad-hoc reports as requested by the Board and/or Coordinating Group, which may relate to the inter-sessional activities of the Committee and its members.
14. The Chair and Vice-Chair of the Committee shall be in regular contact and meet with the Inspector General (the "IG"), without members of the Secretariat being present, to discuss the remit of the IG and any issues arising from audits and investigations. In addition, the IG and the external auditor shall be given the right of direct access to the Chair and Vice-Chair of the Committee.

F. Rules of Procedure, Member Roles and Responsibilities

15. The rules of procedure of the Committee, including procedures for quorum and voting, and the roles and responsibilities of Committee Members and Committee Leadership

² Appendix I provides the criteria for independence and the declaration of independence.

shall be as set forth under the Operating Procedures and Board and Committee Member Roles and Responsibilities, respectively.

G. Review of the Audit and Finance Committee

16. The Committee and its members are held accountable by the Board. The Committee will undergo a performance assessment against its mandate based on the performance assessment framework approved by the Board.
17. This Charter may be amended from time to time by the Board.

Appendix I

Criteria for independent members of the Audit and Finance Committee

1. Members of the governance, advisory and administrative bodies of the Global Fund (“Global Fund Officials”) may not serve as independent Committee members.³

2. In addition, a candidate will not be considered independent if he or she:
 - a. has been a Global Fund Official at any time within the last three years⁴;

 - b. has within the last three years served in an elected or appointed position within the Government of a country represented through a constituency on the Board;

 - c. has been within the last three years an employee of a firm that has provided audit, assurance or other oversight services to the Global Fund;

 - d. has participated or attended deliberations of the governance, advisory and administrative bodies of the Global Fund within the last three years as a delegate for a constituency of the Board;

 - e. has been within the last three years an employee of a company or an organization that has directly or indirectly made payments to or received payments from the Global Fund in any of the last three calendar years in excess of the lesser of US\$500,000 or 2 per cent of the consolidated expenditures or revenues of the company or organization; or

 - f. holds any professional responsibilities that might infringe on her/his independence.

³ Global Fund Officials include, but are not limited to, Board members and alternates, members of Board Committees, members of the Technical Review Panel and other advisory bodies, and employees, consultants and contractors of the Secretariat and the OIG.

⁴ An individual who has served as an independent member of a Board Committee may be renewed for one additional term.

**Declaration of Independence for
the Audit and Finance Committee**

I declare to the best of my knowledge that having read the criteria for independence appended to the Charter of the Audit and Finance Committee (the “Committee”), I am eligible to serve as an independent member of that Committee. I undertake to discharge my functions and responsibilities as a member of the Committee with the interests of the Global Fund alone in mind and I will not to seek or accept instructions in regard to the performance of these functions from any constituency of the Global Fund, including any government, constituent organization or other authority, other than through action by the Board.

Should there be any change in my relationship with the Global Fund with respect to the criteria for independence, I will immediately inform the Chair of the Global Fund Board.

Signed: _____

Date: _____

Annex 2

Charter of the Ethics and Governance Committee

CHARTER OF THE ETHICS AND GOVERNANCE COMMITTEE

[Insert Month and Year]

A. Purpose

1. The purpose of the Ethics and Governance Committee (the “Committee”) of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the “Global Fund”) is to oversee (i) adherence by the Global Fund and its stakeholders to appropriate standards of ethical behavior, as described in related Global Fund policies, codes and requirements; and (ii) implementation of the procedures and operations related to the Global Fund’s governance structure and its core governance functions.

B. Functions

2. The Board has delegated its authority to the Committee to exercise the following powers and perform the following functions.

Decision-Making Powers

- 2.1 The Committee shall exercise the following decision-making powers:
 - a. Pursuant to the Ethics and Integrity Framework, approval of modifications to applicable codes.
 - b. Approval of preventive, mitigating, and remedial actions to be undertaken in response to ethics and integrity-related issues and/or misconduct concerning Governance Officials, members of advisory bodies of the Global Fund, and individuals who report directly to the Board, in accordance with the process described in the applicable policies.
 - c. Appointment of independent external members of the Sanctions Panel under the Sanctions Procedures Relating to the Code of Conduct for Suppliers, as well as any other applicable codes of conduct.
 - d. Assessment of the Ethics Officer’s performance, to be conducted jointly with the Executive Director and with input from the Board Leadership and the Inspector General.
 - e. Approval of the strategic priorities and the annual work plan for the ethics function.

Advisory Functions

- 2.2 The Committee shall advise and make recommendations to the Board on the following:

- a. The adequacy and effective implementation of the Global Fund’s ethical policies and operation of related systems, based on the reports and annual opinion of the Ethics Officer.
- b. In accordance with the risk management strategy or related policies approved by the Board: (i) the assessment of risks related to compliance with the ethical values of the Global Fund and the Board’s oversight of governance activities; (ii) appropriate risk differentiation to be exercised by the Global Fund in the management of such risks; and (iii) analyses of other risk areas at the request of the Coordinating Group.
- c. The establishment of new, or the modification of existing, Board-approved frameworks or policies on ethics and integrity matters, such as the Ethics and Integrity Framework and the Policy on Ethics and Conflicts of Interest for Global Fund Institutions.
- d. Selection of the Ethics Officer, which will be conducted jointly with the Executive Director, for appointment on a no-objection basis by the Board.
- e. Adoption of measures to facilitate engagement with Board constituencies, including guidelines on constituency processes such as the selection of representatives.
- f. Assessment of the performance of the Global Fund’s Board, Standing Committees and advisory bodies, as well as the leadership of the Board and its standing committees, in accordance with the performance assessment framework approved by the Board.
- g. Selection of the Chair and Vice-Chair of the Board according to the Operating Procedures of the Board and Committees of the Global Fund.
- h. Adoption of new, or modification to, core governance documents, including but not limited to the Bylaws, Operating Procedures of the Board and Committees of the Global Fund, and relevant committee charters or terms of reference approved by the Board.
- i. Legal status matters warranting the attention or consideration of the Board, including issues related to privileges and immunities.
- ~~j. Advising the Chair and Vice-Chair of the Board on potential candidates to serve as the Chairs and Vice-Chairs of the Committees, for presentation to the Board.~~

Oversight Functions

- 2.3 The Committee shall have responsibility for oversight and review in the following areas:
 - a. The strength and effectiveness of the Global Fund’s ethics and integrity-related policies and codes.
 - b. Compliance, and the adequacy of the systems in place for confirming compliance, with applicable policies and codes for ensuring ethical behavior by the relevant Global Fund stakeholders, as described in the Ethics and Integrity Framework.
 - c. The strength and effectiveness of Secretariat systems for embedding ethical values into operations and preventing and addressing fraud or misuse of Global Fund resources, including the Sanctions Panel.

- d. Coordination with the Secretariat with respect to matters of ethics and integrity that have both operational and governance implications.
- ~~e. Supporting the Chair and Vice-Chair in the Advising the Chair and Vice-Chair of the Board with respect to the nomination, appointment and succession processes for the Executive Director and the Inspector General, including the review of relevant documents and procedures, as described in the Operating Procedures of the Board and Committees of the Global Fund developed by the Board from time to time.~~
- ~~f. Supporting the Chair and Vice-Chair in the Advising the Chair and Vice-Chair of the Board with respect to the Board's annual assessment of the Executive Director's performance and the Inspector General's performance, including the review of relevant documents and procedures, as described in the Operating Procedures of the Board and Committees of the Global Fund based upon key performance indicators and methodologies determined by the Chair and Vice-Chair, based on consultation with the Board, the Executive Director and the Inspector General, with a focus on ensuring annual benchmarking of performance over time.~~
- ~~e.g. Attracting, developing and retaining Governance Officials, including the development of induction programs, in collaboration with the Coordinating Group and the Secretariat Supporting constituency engagement in governance processes including through (i) promoting transparent and rigorous processes for constituency selection of Board members, based in part upon membership guidelines adopted by the Global Fund and (ii) monitoring the use of constituency funding.~~
- ~~h. Advising the Chair and Vice-Chair of the Board on their presentation of candidates to serve as Chairs, Vice-Chairs and members of the Standing Committees for Board approval, including the initial review of potential candidates, as described in the Operating Procedures of the Board and Committees of the Global Fund.~~
- ~~f.i. The process by which the members of the appointments to the Standing Committees are appointed-made by the Board, as described in the Operating Procedures of the Board and Committees of the Global Fund, including assisting the Chair and Vice-Chair with identifying and performing the initial review of potential candidates to serve as members of the Committees.~~
- ~~j. The framework for induction and continued learning initiatives provided to members of the Board and Standing Committees through in-person and other means.~~
- ~~g.k. The acquisition of privileges and immunities for the Global Fund, including the activities of the Privileges and Immunities Advisory Group.~~
- ~~h.l. Financial and resource implications of the activities of governance bodies, in coordination with the Audit and Finance Committee.~~
- ~~i.m. The appropriate allocation of resources to the ethics function, in accordance with the strategic priorities and work plan of the ethics function, for proposed inclusion in the operating expenses budget recommended by the Audit and Finance Committee to the Board.~~

C. Composition

3. The Committee shall be comprised of the following members:
 - i. Three voting members nominated by constituencies of the implementer group, serving in their personal capacity;
 - ii. Three voting members nominated by constituencies of the donor group, serving in their personal capacity;
 - iii. One non-voting, neutral Chair;
 - iv. One non-voting, neutral Vice-Chair; and
 - v. One non-voting independent member with ethics expertise.
4. Nomination and appointment of Committee Members shall be according to the Operating Procedures of the Board and Committees.
5. The Chair and Vice-Chair of the Committee will alternate each term between individuals nominated by donor and implementer constituencies.
6. Committee Members shall have (i) qualifications and expertise in senior positions in the key areas of work and mandate of the Committee; and (ii) the key competencies of committee members set forth in the Operating Procedures of the Board and Committees.
7. Independent member(s) of the Committee, as well as those serving in a personal capacity, shall not seek or accept instructions in regard to performance on the Committee from any constituency of the Global Fund Board, including any government, organization or other authority, other than through action by the Board.
8. Independent member(s) of the Committee may receive an honorarium for service in accordance with an honorarium framework as may be approved by the Board, in addition to travel expenses and per diem.
9. Independent member(s) of the Committee shall sign a declaration of independence.¹ Committee Members serving in their personal capacity shall sign a similar declaration.²

D. Term of Office

10. Committee Members shall serve coinciding two year terms, or until the appointment of their respective successors. The Chair and Vice-Chair of the Committee shall serve coinciding two-year terms, or until the appointment of their respective successors.

E. Reporting and Communication

11. The Committee will develop its activity in accordance with the committee work methods outlined in the Operating Procedure of the Board and Committees.

¹ Appendix I provides the criteria for independence and the declaration of independence.

² Appendix I also provides an example of a declaration for members serving in their personal capacity.

12. The Committee may adopt, and modify as needed, specific procedures for the manner in which the Committee and its members handle, retain and/or communicate information associated with matters that are of a sensitive and confidential nature.
13. The Chair and Vice-Chair of the Committee shall interact regularly with and report to the Coordinating Group on the results of the Committee's deliberations, as well as any issues relevant to its discussions.
14. The Chair and Vice-Chair of the Committee shall prepare a report of its work after each committee meeting and submit a report summarizing the Committee's work for each meeting of the Board. The Committee may also prepare ad-hoc reports as requested by the Board and/or Coordinating Group, which may relate to the inter-sessional activities of the Committee and its members.

F. Rules of Procedure; Member Roles and Responsibilities

15. The rules of procedure of the Committee, including but not limited to procedures for quorum and voting, and the roles and responsibilities of Committee Members and Committee Leadership shall be as set forth under the Operating Procedures and the Board and Committee Member Roles and Responsibilities, respectively.

G. Review of the Ethics and Governance Committee

16. The Committee and its members are held accountable by the Board. The Committee will undergo a performance assessment against its mandate based on the performance assessment framework approved by the Board.
17. This Charter may be amended from time to time by the Board.

Appendix I

Criteria for independent members of the Ethics and Governance Committee

1. Members of the governance, advisory and administrative bodies of the Global Fund (“Global Fund Officials”) may not serve as independent Committee members.³
2. In addition, a candidate will not be considered independent if he or she:
 - a. has been a Global Fund Official at any time within the last three years⁴;
 - b. has within the last three years served in an elected or appointed position within the Government of a country represented through a constituency on the Board;
 - c. has been within the last three years an employee of a firm that has provided audit, assurance or other oversight services to the Global Fund;
 - d. has participated or attended deliberations of the governance, advisory and administrative bodies of the Global Fund within the last three years as a delegate for a constituency of the Board;
 - e. has been within the last three years an employee of a company or an organization that has directly or indirectly made payments to or received payments from the Global Fund in any of the last three calendar years in excess of the lesser of US\$500,000 or 2 per cent of the consolidated expenditures or revenues of the company or organization; or
 - f. holds any professional responsibilities that might infringe on her/his independence.

³ Global Fund Officials include, but are not limited to, Board members and alternates, members of Board Committees, members of the Technical Review Panel and other advisory bodies, and employees, consultants and contractors of the Secretariat and the OIG.

⁴ An individual who has served as an independent member of a Board Committee may be renewed for one additional term.

**Declaration [of Independence]⁵
for the Ethics and Governance Committee**

[I declare to the best of my knowledge that having read the criteria for independence appended to the Charter of the Ethics and Governance Committee (the “Committee”), I am eligible to serve as an independent member of that Committee.]⁶ I undertake to discharge my functions and responsibilities as a member of the Ethics and Governance Committee with the interests of the Global Fund alone in mind and I will not to seek or accept instructions in regard to the performance of these functions from any constituency of the Global Fund, including any government, constituent organization or other authority, other than through action by the Board.

[Should there be any change in my relationship with the Global Fund with respect to the criteria for independence, I will immediately inform the Chair of the Global Fund Board.]⁷

Signed: _____

Date: _____

⁵ To be included in the Declaration of Independence of the non-voting independent member with ethics expertise.

⁶ To be included in the Declaration of Independence of the non-voting independent member with ethics expertise.

⁷ To be included in the Declaration of Independence of the non-voting independent member with ethics expertise.

Annex 3

Charter of the Strategy Committee

CHARTER OF THE STRATEGY COMMITTEE

[Insert Month and Year]

A. Purpose

1. The purpose of the Strategy Committee (the “Committee”) of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the “Global Fund”) is to (i) provide oversight of the strategic direction of the Global Fund; and (ii) ensure the optimal impact and performance of its investments in health.

B. Functions

2. The Board has delegated its authority to the Committee to exercise the following powers and perform the following functions.

Decision-Making Powers

- 2.1 The Committee shall exercise the following decision-making powers:
 - a. Approval of and/or modifications to frameworks for the implementation of strategic funding policies and initiatives adopted by the Board, including reprogramming of grant programs and funding in order to align investment decisions with strategic funding policies and optimize operational impact.
 - b. Approval of and/or modification to the Terms of Reference for the Technical Review Panel (the “TRP”) and Technical Evaluation Reference Group (the “TERG”), or any other advisory bodies of the Global Fund under the oversight of the Committee, in accordance with the Board-approved mandate for such bodies.
 - c. Appointment of members to the TRP and TERG, or any advisory bodies of the Global Fund under the oversight of the Committee.
 - d. Approval of the guidelines, evaluation criteria, processes, work plan and procedures of the TRP and TERG.

Advisory Functions

- 2.2 The Committee shall advise and make recommendations to the Board on the following:
 - a. Key performance indicators—methodology and targets—to assess the Global Fund’s performance with respect to the strategy and grant portfolio.

- b. Development and review of the institutional strategy of the Global Fund.
- c. Modifications to the Board-approved policies governing the grant portfolio operations and other strategic initiatives of the Global Fund, based upon assessment of the performance of the Global Fund's grant portfolio and initiatives, and taking into consideration advice and recommendations received from the other Standing Committees of the Board.
- d. Modifications to Board-approved strategic funding policies and initiatives.
- e. Strategies for enhancing investment impact and value for money, taking into consideration issues such as epidemiological trends, technological developments, and market-shaping interventions.
- f. Adoption of, and modifications to, strategic policies on market dynamics matters such as market-shaping interventions and the sourcing of quality-assured pharmaceuticals, devices and other health products.
- g. Modifications to Board-approved funding policies on eligibility, prioritization and counterpart financing.
- h. Material modifications to the mandate of the TRP, TERG or any other advisory bodies of the Global Fund under the Committee's oversight.
- i. Areas of risk that affect strategic objectives, goals and targets or other risk matters assigned by the Coordinating Group.

Oversight Functions

2.3 The Committee shall have responsibility for oversight and review in the following areas:

- a. The implementation of the strategy through the grant portfolio and related initiatives of the Global Fund, making use of assessments based upon relevant key performance indicators adopted by the Board, internal and external evaluations, reports of the advisory bodies of the Global Fund, and the advice and recommendations of the other Standing Committees of the Board.
- b. Oversight of the TRP, TERG and other advisory bodies of the Global Fund designated as being under the oversight of the Committee, including review of evaluations and recommendations of such bodies, and annual performance assessments of such bodies in accordance with the performance assessment framework adopted by the Board.
- c. The implementation of the strategic policies of the Global Fund, taking into consideration issues such as changes in the disease landscape, forecasted demand for Global Fund financing, and the overarching principles, objectives and enablers of the institutional strategy.

- d. The overall impact and effectiveness of Global Fund investments in health, including its market-shaping strategy, partnerships and strategic funding decisions.
- e. Developments and trends in the disease landscape, taking into consideration issues such as epidemiological trends and the activities of partner organizations.
- f. Forecasted demand for Global Fund financing, based upon epidemiological trends and analyses presented by partners, advisory bodies of the Global Fund and the Secretariat.
- g. Identification and analysis of risk implications of the strategic policies and initiatives of the Global Fund, which may impact its strategic objectives and investments, and implementation of related mitigation measures.

C. Composition

3. The Committee shall be comprised of the following members:¹
 - i. Five voting representatives of constituencies from the implementer group;
 - ii. Five voting representatives of the constituencies from the donor group;
 - iii. One non-voting, neutral Chair;
 - iv. One non-voting, neutral Vice-Chair;
 - v. Two representatives of the non-voting, ex-officio members of the Board, each acting in a non-voting, ex-officio capacity;
 - vi. The Chair of the Technical Review Panel, acting in a non-voting, ex officio capacity; and
 - vii. The Chair of the Technical Evaluation and Reference Group, acting in a non-voting, ex officio capacity.
4. Nomination and appointment of Committee Members shall be according to the Operating Procedures of the Board and Committees.
5. The Chair and Vice-Chair of the Committee will alternate between individuals nominated by donor and implementer constituencies each term, provided that the Chairs of the Committee and the Audit and Finance Committee are selected from nominations by different constituency groups each term.
6. Committee Members shall have: (i) qualifications and expertise in senior positions in the key areas of work and mandate of the Committee; and (ii) the key competencies of

¹ The constituencies contained within the implementer group and donor group are identified based upon the description of the Board within the Bylaws (Article 7). The implementer group consists of the group encompassing the seven developing country seats, the two non-governmental organization seats, and the representative of a non-governmental organization who is a person living with HIV/AIDS or from a community living with tuberculosis or malaria. The donor group consists of the group encompassing the eight donor seats and the private foundation and private sector seats.

committee members set forth in the Operating Procedures of the Board and Committees.

D. Term of Office

7. Committee Members shall serve coinciding two-year terms, or until the appointment of their respective successors. The Chair and Vice-Chair of the Committee shall serve coinciding two-year terms, or until the appointment of their respective successors.

E. Reporting and Communication

8. The Committee will develop its activity in accordance with the committee work methods outlined in the Operating Procedure of the Board and Committees.
9. The Chair and Vice-Chair of the Committee shall interact regularly with and report to the Coordinating Group on the results of the Committee's deliberations, as well as any issues relevant to its discussions.
10. The Chair and Vice-Chair of the Committee shall prepare a report of its work after each committee meeting and submit a report summarizing the Committee's work for each meeting of the Board. The Committee may also prepare ad-hoc reports as requested by the Board and/or Coordinating Group, which may relate to the inter-sessional activities of the Committee and its members.

F. Rules of Procedure, Member Roles and Responsibilities

11. The rules of procedure of the Committee, including procedures for quorum and voting, and the roles and responsibilities of Committee Members and Committee Leadership shall be as set forth under the Operating Procedures and the Board and Committee Member Roles and Responsibilities, respectively.

G. Review of the Strategy Committee

12. The Committee and its members are held accountable by the Board. The Committee will undergo a performance self-assessment against its mandate based on the performance assessment framework approved by the Board.
13. This Charter may be amended from time to time by the Board.

Annex 4

Terms of Reference of the Coordinating Group

TERMS OF REFERENCE

COORDINATING GROUP

THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA[†]

A. Role and functions

1. The Coordinating Group of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the “Global Fund”) provides a visible and transparent mechanism for co-ordination and collaboration between the Board and the Committees of the Board, including, among other areas of work, ensuring collaboration across the committees with respect to cross-cutting matters, including risk management and organizational performance, and any other responsibilities as may be directed by the Board~~its committees in regard to the Board’s governance, risk and administration functions. These governance functions involve tasks that require co-ordination and frequent discussions and collaboration.~~
2. The Coordinating Group carries out its work within the framework of the decision-making authorities of the Board, its Chair and Vice-Chair, and the Committees of the Board as set out in the Global Fund’s By-Laws, committee charters, and operating procedures.

B. Areas of work

Oversight of institutional ~~and leadership~~ performance

3. ~~Institutional performance:~~ The Coordinating Group will support the Board’s core function of setting the Global Fund’s performance assessment framework in regard to the organization’s strategic, operational and financial performance through:
 - a. Monitoring/tracking routine oversight by the Board’s committees of key performance indicators falling within the specific mandate of each committee;
 - b. For key performance indicators that have a cross-cutting element, ensuring a high-level of inter-committee collaboration to ensure the Board’s ability to assess overall corporate performance through a single information source; and
 - c. As required, making recommendations to the Board on possible adjustments to the performance assessment framework to strengthen Board and committee oversight of performance.
4. ~~Performance assessment of the Board’s direct reports: The Coordinating Group will support the Board’s core functions of undertaking routine, robust performance assessments of the Executive Director and the Inspector General, and ensuring effective succession planning through:~~

[†] GF/B25/DP7, as amended at the at the Thirty-Second Board Meeting by GF/B32/DP05

- ~~a. Supporting the process of the annual performance reviews of the Executive Director and the Inspector General based upon key performance indicators and methodologies determined by the Board Chair based on consultation with the Board, the Executive Director and the Inspector General, with a focus on ensuring annual benchmarking of performance over time; and~~
- ~~b. Managing any nomination, appointment and succession process developed by the Board from time to time.~~

Risk oversight

- ~~5. The Coordinating Group will support the Board's core function in setting the Global Fund's overall risk management strategy through ensuring cross-committee collaboration and coordination in the identification and management of risks.;~~

~~6.4. **Effective administration and coordination of governance processes and systems**~~

- ~~7.5. **Board priorities, agenda setting and communications:** The Coordinating Group will support the effective and coordinated administration of the Board through:~~

- ~~a. Supporting the Chair and **Board** Vice-Chair of the Board in priority-setting for the Board and its committees, including alignment of committee and Board work plans and agendas, and the comprehensive and rational assignment to specific committees of oversight of Board strategies and initiatives;~~
- ~~b. Reviewing follow-up to Board and committee decisions; and~~
- ~~c. Instituting effective communication modalities for sharing information, advice and recommendations between the Board and the committees and amongst the committees.~~

- ~~8.6. **Appropriate documentation:** The Coordinating Group will support the Board's goal of ensuring relevant and timely dissemination of relevant materials to **Board and Committee m**Members in a manner which facilitates timely application of the Global Fund's language policy and optimizes comprehension of the key issues for Board and committee discussion and decision. Within this area of work, key tasks for the Coordinating Group include:~~

- ~~a. Prioritizing preparation of reports to the Board and the Committees to ensure optimal use of resources in support of governance structures; and~~
- ~~b. Setting standards for achieving an appropriate balance in length and simplicity of documentation to facilitate broad comprehension.~~

- ~~7. **Membership engagement:** The Coordinating Group will support the selection of **Committee Members and facilitation of Committee functions by:**~~

- ~~a. **Consulting with the Chair and Vice-Chair of the Board on the potential candidates identified to serve as Committees Members, prior to the Chair and Vice-Chair of the Board presenting the selected candidates to the Board for approval; and**~~

- b. Facilitating continued engagement by Committee Members on tasks related to key topic areas between Committee meetings.

~~9. Budget management of core governance mechanisms: The Coordinating Group will work in close collaboration with the Secretariat in regard to the annual operating budget of the Board Chair and Board Vice Chair, the Board, its committees and advisory bodies as part of the regular budgeting cycle overseen by the Finance and Operational Performance Committee committee responsible for overseeing the operating expenses budget. Within this area of work, the tasks of the Coordinating Group will include reviewing and monitoring the resources afforded to the Board and its committees to ensure such bodies receive adequate resources to perform their respective functions effectively.~~

Constituency Committee functioning membership and functioning representation

~~— The Coordinating Group will support the functioning selection of and selection of constituency representatives to the Committees and the functions of the Committees by:~~

- ~~— Consulting with the Board Chair and Board Vice Chair on the potential candidates identified to serve as members of the Committees and to serve as the Chairs and Vice-Chairs of the Committees, prior to the Board Chair and Board Vice Chair presenting the selected candidates to the Board for approval; and~~
- ~~— Facilitating continued engagement by Committee members on tasks related to key topic areas between Committee meetings.~~

~~Attract, develop and retain talent: The Coordinating Group will support the Board's core function of attracting, developing and retaining Board talent through:~~

~~Setting the framework for induction and continued learning initiatives provided to Board and committee members through in-person and other means; and~~

~~Facilitating continued engagement by Committee members on tasks related to key topic areas between Committee meetings; and,~~

- ~~— Supporting the Board Chair and Board Vice Chair in the biennial Committee Chair and Vice Chair selection process.~~

~~8. Strengthened Board constituency engagement: — The Coordinating Group will support constituency engagement in governance processes through:~~

- ~~i. Promoting transparent and rigorous processes for constituency selection of Board members, based in part upon membership guidelines adopted by the Global Fund;~~
- ~~j. Identifying and nominating Committee members for Board approval, through a competency based nomination process based on experience, credentials and commitment to the organization by the Board Chair and Board Vice Chair; and~~
- ~~k. Monitoring the use of constituency funding.~~

M.C. Composition and term

- ~~10-8.~~ The Coordinating Group comprises the Chair and Vice-Chair of the Board, and the Chair and Vice-Chair of each of the Committees of the Board.
- ~~11-9.~~ The Coordinating Group may invite the Executive Director, the Inspector General, leadership or members of advisory groups and/or technical experts to attend meetings and/or support Coordinating Group deliberations on matters directly related to the respective functions or expertise of such individuals.
- ~~12-10.~~ Members of the Coordinating Group may not designate alternates to attend meetings or participate in deliberations of the Coordinating Group.

N.D. Reporting and communication

- ~~13-11.~~ To facilitate effective collaboration and coordination with the committees of the Board, Coordinating Group members shall regularly communicate feedback, advice and/or recommendations directly to the Committees of the Board.
- ~~14-12.~~ To ensure transparency in its work, the Coordinating Group will make available at each Board meeting a summary of its key activities since the prior Board meeting, in addition to specific ad-hoc reports that the Board may request from time to time on key topics.

Quorum and voting

- ~~15-13.~~ The Coordinating Group may only ~~issue formal recommendations or undertake decisions~~ conduct business when a majority of members are present.
- ~~16-14.~~ The Coordinating Group shall use best efforts to make all recommendations and decisions by consensus. If all practical efforts by the Coordinating Group have not led to consensus, any member of the Coordinating Group may call for a vote. In order to pass, motions require a two-thirds majority of those present.

Annex 5

By Laws of the Global Fund to Fight AIDS, Tuberculosis and Malaria

**THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS &
MALARIA**

BY LAWS

As Amended

[Insert Date]

Article 1. Structure

The Global Fund to Fight AIDS, Tuberculosis and Malaria (the “Global Fund”) is a multi-stakeholder international financing institution duly formed as a non-profit foundation under the laws of Switzerland and recognized as an international organization by various national governments. The Global Fund is governed by these Bylaws and the applicable provisions of Swiss law, is registered at the “Registre du Commerce” in Geneva, and operates under the supervision of the Federal Supervisory Board for Foundations (the “Supervisory Authority”).

Article 2. Purpose

The purpose of the Global Fund is to attract, ~~manage-leverage~~ and ~~disburse-invest additional~~ resources to end the epidemics of HIV/AIDS, tuberculosis and malaria to support attainment of the Sustainable Development Goals that will make a sustainable and significant contribution to the reduction of infections, illness and death, thereby mitigating the impact caused by HIV/AIDS, tuberculosis and malaria in countries in need, and contributing to poverty reduction as part of the Millennium Development Goals established by the United Nations.

Article 3. Headquarters

The Global Fund's headquarters is in the Canton of Geneva, Switzerland.

Article 4. Duration

The Global Fund shall remain in operation indefinitely.

Article 5. Governing, Administrative and Advisory Bodies

The governing, administrative and advisory bodies of the Global Fund are:

- the Partnership Forum;
- the Global Fund Board (the “Board”);
- the Committees of the Board;
- the Coordinating Group;
- the Secretariat;
- the Office of the Inspector General;
- the Technical Review Panel; and
- the Technical Evaluation Reference Group.

Article 6. Partnership Forum

6.1 Purpose and Composition

The Partnership Forum is an ongoing process linked to the Global Fund Strategy providing persons and entities concerned about the prevention, care, treatment and eventual eradication of HIV/AIDS, tuberculosis and malaria, a forum to express their views on the Global Fund's policies and strategies.

Participation in the Forum shall be open to a wide range of stakeholders that actively support the Global Fund's objectives, including representatives of donors, multilateral development cooperation agencies, developed and developing countries, civil society, NGO and community based organizations, technical and research agencies, and the private sector.

6.2 Functions

The Partnership Forum will:

- Provide input into the development and implementation of the Global Fund strategic plan; and
- Provide an important and visible platform for debate, advocacy, continued fundraising, and inclusion of new partners for the development of the Global Fund strategic plan.

6.3 Frequency and Notice of Meetings

The Partnership Forum is an ongoing process of consultation that will be coordinated and convened as deemed appropriate by the committee charged with overseeing the development and implementation of the Global Fund's strategy.

Meetings of the Partnership Forum shall be convened by written notice from or on behalf of the Board.

Article 7. The Global Fund Board

7.1 Composition of the Board

The Board shall consist of twenty voting members and eight non-voting members. Each voting member shall have one vote.

Voting members of the Board shall consist of:

- Seven representatives from developing countries, one representative based on each of the six World Health Organization ("WHO") regions and one additional representative from Africa;

- Eight representatives from donors; and
- Five representatives from civil society and the private sector (one representative of a non-governmental organization (“NGO”) from a developing country, one representative of an NGO from a developed country, one representative of the private sector, one representative of a private foundation, and one representative of an NGO who is a person living with HIV/AIDS or from a community living with tuberculosis or malaria).

The eight ex-officio non-voting members of the Board shall consist of:

- The Board Chair;
- The Board Vice-Chair;
- One representative from the WHO;
- One representative from the Joint United Nations Programme on HIV/AIDS (“UNAIDS”);
- One representative from the Partners constituency;
- One representative from the trustee of the Global Fund;
- One Swiss citizen with his or her domicile in Switzerland authorized to act on behalf of the Global Fund to the extent required by Swiss law; and
- The Executive Director of the Global Fund.

Members of the Board (“Board Members”) other than the Board Chair and Board Vice-Chair may each appoint one Alternate Member to serve in their stead, under policies and procedures determined by the Board.

7.2 Appointment of Board Members

Each group mentioned in Article 7.1 of these Bylaws will determine a process for selecting its Board representation, with reference to the minimum standards for selecting Board Members and Alternate Members that may be established from time to time by the Board. Except for the Board Chair and Board Vice-Chair who shall each act in their personal capacities, Board Members will serve as representatives of their constituencies. Board Members will serve on the Board for two years or such other term that the Board may determine. The Executive Director shall act in his or her capacity as chief executive officer of the Global Fund and will serve the Board for the duration of his or her term as Executive Director.

Other than the Executive Director, Board Chair and Board Vice-Chair, Board Members shall be deemed to act in their capacity as representatives of their respective governments, organizations, constituencies or other entities.

Subject to their respective representative roles, Board Members shall act in good faith in the best interests of the Global Fund in furtherance of its purpose.

7.3 Chair and Vice-Chair

Board Members will select the Board Chair and Board Vice-Chair, provided that the two positions will alternate every two years between the voting groups described in Article 7.6. The Board Chair and the Board Vice-Chair will each be elected for two-year terms and shall serve until the appointment of their successors. In addition to chairing Board meetings, the Chair will also have an important advocacy, partnership and fund raising role.

Between Board meetings, the Board Chair and Board Vice-Chair, acting together, shall take action on behalf of the Board, which they consider must be taken urgently without recourse to other procedures as provided in the Bylaws or Operating Procedures of the Board and Committees of the Global Fund. In the event the Board Chair and Board Vice-Chair are unable to agree, the Board Chair shall take the decision. To the extent practical in the circumstances, the Board Chair and Board Vice-Chair shall take such action following consultation with the Coordinating Group.

Decisions taken between Board meetings shall be notified to the Board immediately, with an explanation of why such decision was deemed urgent. A full report on the decision shall be presented to the Board at its subsequent meeting.

7.4 Roles and Functions of the Board

The Board is the supreme governing body of the Global Fund. The Board shall exercise all powers required to carry out the purpose of the Global Fund, including the following core functions:

- i. Strategy Development:
 - Establish the strategies and initiatives of the Global Fund; and
 - Establish the principles that govern the grant-making activities of the Global Fund.
- ii. Governance Oversight:
 - Appoint Board and Committee leadership and Members;
 - Establish Board Committees as appropriate;

- Establish overall principles and direction for the governing, administrative and advisory bodies of the Global Fund; and
 - Select, appoint, assess and, if necessary, replace the Executive Director and the Inspector General.
- iii. Commitment of Financial Resources:
- Review and approve funding proposals;
 - Approve work plans and budgets for the governing, advisory and administrative bodies of the Global Fund; and
 - Approve the annual report and financial statements of the Global Fund.
- iv. Assessment of Organizational Performance:
- Establish and oversee the framework for the monitoring and periodic performance and accountability assessment of activities supported by the Global Fund; and
 - Establish and oversee the framework for the periodic assessment of the performance of governing, administrative and advisory bodies of the Global Fund.
- v. Risk Management:
- Establish and oversee the strategy for identifying and managing risks (including but not limited to financial, reputational, legal, regulatory, operational and strategic risks); and
 - Establish and oversee the risk-tolerance framework of the Global Fund.
- vi. Partnership Engagement, Resource Mobilization and Advocacy:
- Promote the active engagement of and collaboration with a wide and diverse range of partners;
 - Mobilize public and private sector donors to support the mission of the Global Fund; and
 - Promote the mission, principles and activities of the Global Fund.

7.5 Delegation of Board Authority

The Board may delegate its powers, except where governing law or these Bylaws may otherwise prohibit delegation. Powers delegated by the Board under this Article will,

notwithstanding such delegation, be exercised under the authority and direction of the Board. The Board reserves and retains all powers not expressly delegated to any other governing, administrative or advisory body.

7.6 Operations

The Board shall meet as often as necessary but not less than twice per year.

A meeting of the Board shall be convened by written notification from the Board Chair or Board Vice-Chair.

The Board shall use best efforts to make all decisions by consensus. If all practical efforts by the Board and the Board Chair have not led to consensus, any member of the Board with voting privileges may call for a vote. In order to pass, motions require a two-thirds majority of those present of both: a) the group encompassing the eight donor seats, one private sector seat and one private foundation seat; and b) the group encompassing the seven developing country seats, the two NGO seats, and the representative of an NGO who is a person living with HIV/AIDS or from a community living with tuberculosis or malaria.

Notwithstanding the foregoing, the Board may decide to take action on a no-objection basis. On such basis, and subject to procedures set by the Board, a motion shall be deemed approved unless four Board Members of one of the voting groups described above objects to the motion, except that a motion not to make a funding commitment shall be deemed approved unless four Board Members of each of the voting groups described above object to the motion.

The Board may act by means of proxy letter, teleconference, e-mail or such other method of communication in which the votes of each Board Member may be recorded, subject to procedures determined by the Board. When acting on a no-objection basis by proxy, e-mail, or other mode of communication in which actual participation may not be verified, participation shall be deemed to have occurred provided that notice to Board Members of the action to be taken conforms to standards set by the Board.

All decisions of the Board will be recorded in minutes of the Board meetings, approved by the Board and provided to all voting and non-voting Board Members, and retained in the permanent records of the Global Fund.

7.7 Quorum

The Board may conduct business only when a majority of Board Members of each of the two voting groups defined in Article 7.6 and at least the Board Chair or Board Vice-Chair are present.

Article 8. Committees of the Board

8.1 *Standing Committees of the Board*

The Board shall have the following standing committees:

- the Strategy, ~~Investment and Impact~~ Committee;
- the Audit and Finance ~~and Operational Performance~~ Committee; and
- the ~~Audit and~~ Ethics and Governance Committee.

The functions, composition and deliverables of each Committee shall be as set forth under its Charter, as approved and amended from time to time by the Board. The Board may establish such other committees as it deems necessary to carry out the business of the Board from time to time.

8.2 *The Strategy, ~~Investment and Impact~~ Committee*

The purpose of the Strategy, ~~Investment and Impact~~ Committee of the Board is to: (i) provide oversight of the strategic direction of the Global Fund; and (ii) ensure the optimal impact and performance of its investments in health.

~~As set forth under the Charter of the Strategy, Investment and Impact Committee, the Board Chair may exercise a casting vote on this Committee in certain instances.~~

8.3 *The Audit and Finance ~~and Operational Performance~~ Committee*

The purpose of the Audit and Finance ~~and Operational Performance~~ Committee of the Board is to: (i) provide oversight of the financial management of the Global Fund's resources; (ii) provide oversight of the internal and external audit, as well as investigation, functions of the Global Fund; and (iii) ensure ~~the~~ optimal performance ~~of~~ in the ~~operations and corporate and financial operations management~~ of the ~~Secretariat~~ Global Fund.

~~As set forth under the Charter of the Finance and Operational Performance Committee, the Board Vice-Chair may exercise a casting vote on this Committee in certain instances.~~

8.4 *The ~~Audit and~~ Ethics and Governance Committee*

The purpose of the ~~Audit and~~ Ethics and Governance Committee of the Board is to ~~provide oversight~~ of ~~oversee~~: (i) ~~the internal and external audit and investigation functions of the Global Fund;~~ and (ii) ~~the~~ adherence by the Global Fund and programs financed by its stakeholders –to appropriate standards of ethical behavior, as described in related Global Fund policies, codes and requirements; and (ii) implementation of the procedures and operations related to the Global Fund's governance structure and its core governance functions.

Article 9. The Coordinating Group

The Board is supported by the Coordinating Group, comprised of the Board Chair and Board Vice-Chair and the Chair and Vice-Chair of each of the Committees of the Board. The Coordinating Group is responsible for ensuring coordination and collaboration between the Board and the Committees of the Board, including, among other areas of work, ensuring collaboration across the committees with respect to cross-cutting matters, including risk management and organizational performance optimal performance in the governance of the Global Fund, providing general coordination and oversight of the risk management functions of Board Committees and the Secretariat, and any other responsibilities as may be directed by the Board. The purpose, functions, composition and deliverables of the Coordinating Group shall be as set forth under its Terms of Reference, as approved and amended from time to time by the Board.

Article 10. Secretariat

10.1 Composition

The Secretariat is responsible for managing the day-to-day operations of the Global Fund.

The Secretariat is headed by an Executive Director, who is selected by the Board based on merit, in a non-political, open and competitive manner. The Executive Director acts as the chief executive officer of the Global Fund and serves for a term of four years.

The Executive Director is responsible to the Board for the day-to-day management of the Global Fund, and for specific duties and responsibilities assigned to him or her by the Board.

Secretariat staff are selected by the Executive Director, under policies and procedures approved by the Board and/or its Committees for recruitment and selection of Global Fund staff.

10.2 Roles and Functions of the Secretariat

Within its responsibility for managing the day-to-day operations of the Global Fund, the Secretariat will undertake the following functions:

- organize the receipt and review of grant applications and negotiate and execute grant agreements;
- commission the Technical Review Panel and ensure the independence of the review process;
- coordinate the process for recommending members of the Technical Review Panel and other advisory group candidates to the Board;

- coordinate the preparation of issues papers and operational strategies for Board meetings and assist committees of the Board, their advisory and technical panels, and other support structures;
- implement the risk management strategy adopted by the Board;
- commission and supervise contracted work;
- support and guide partnerships and coordinate with relevant agencies;
- communicate the Board's decisions to stakeholders;
- oversee the monitoring and evaluation process;
- support the Board in advocacy and resource mobilization;
- organize and prepare for meetings of the Partnership Forum; and
- organize translation and interpretation services.

Article 11. Office of the Inspector General

The Office of the Inspector General is responsible for providing the Board with independent and objective assurance over the design and effectiveness of the controls in place to manage the key risks impacting the Global Fund's programs and operations.

The Office of the Inspector General is an independent unit of the Global Fund, reporting directly to the Board, and is headed by an Inspector General, who is selected by the Board based on merit, in a non-political, open and competitive manner. The Inspector General reports directly to the Board through the Audit and ~~Ethics-Finance~~ Committee.

The purpose and functions of the Office of the Inspector General shall be as set forth under its Charter and Terms of Reference, as approved and amended from time to time by the Board.

Article 12. Technical Review Panel

The Technical Review Panel (the "TRP") is an independent, impartial team of experts appointed by the Board to guarantee the integrity and consistency of an open and transparent proposal review process. It reviews applications submitted for the Global Fund's support, makes recommendations to the Board, and undertakes such other functions as may be directed by the Board. The purpose, functions and composition of the TRP shall be as set forth under its Terms of Reference, as approved and amended from time to time by the Board or a Committee with powers duly delegated by the Board.

Article 13. Technical Evaluation Reference Group

The Technical Evaluation Reference Group (the “TERG”) is an advisory body of the Global Fund, consisting of an independent and impartial team of experts that ensures the independent evaluation of the Global Fund business model, investments and impact. The TERG oversees such independent evaluations, makes recommendations to the Board, and undertakes such other functions as may be directed by the Board. The purpose, functions and composition of the TERG shall be as set forth under its Terms of Reference, as approved and amended from time to time by the Board or a Committee with powers duly delegated by the Board.

Article 14. Audit

The Board or a Committee with powers duly delegated by the Board will select an external, independent auditor to annually audit the accounts of the Global Fund (the “Auditor”).

The Auditor shall deliver a written report of the audit findings to the Board or a Committee with powers duly delegated by the Board, which shall file it with the Supervisory Authority.

The fiscal year of the Global Fund shall be the calendar year.

Article 15. Account

Funds contributed to the Global Fund will be held in a trust account at The International Bank for the Reconstruction and Development (“World Bank”) and any other account as deemed appropriate by the Board.

Article 16. Vacancies

A vacancy in the office of Chair or Vice-Chair resulting from death, resignation, disqualification or any 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.

Article 17. Dissolution and Liquidation

In the event that the Global Fund is unable to continue its activities, the Board shall notify the Supervisory Authority.

The Global Fund may be dissolved in accordance with Articles 88 and 89 of the Swiss Civil Code. The Board shall carry out the liquidation unless it designates another party to act as a liquidator.

In the event of liquidation, the assets of the Global Fund shall be returned to the donors to be applied to similar objectives to those of the Global Fund.

The dissolution of the Global Fund shall only be carried out with the consent of the Supervisory Authority and based on a written report which sets out justification for the dissolution.

Article 18. Amendment

These Bylaws may be amended by the Board at any time.

Article 19. Entry Into Force

These Bylaws shall enter into force after their approval by the Board and the Supervisory Authority.

Annex 6

Operating Procedures of the Board and Committees

**OPERATING PROCEDURES OF THE BOARD
AND COMMITTEES OF
THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND
MALARIA**

[Insert Month and Year]¹

¹ These Operating Procedures of the Board and Committees of the Global Fund to Fight AIDS, Tuberculosis and Malaria, as approved on [Insert Date] (GF/B34/EDP07), replace in their entirety the Operating Procedures of the Board and the Committees of the Global Fund that were approved on November 2011 (GF/B25/DP7), amended on 16 April 2012 (GF/B25/EDP18) and 20 November 2014 (GF/B32/DP05).

PURPOSE AND AMENDMENTS

These Operating Procedures apply to the Board and ~~its Standing Committees~~ of the Board (the “Committees”), as described in the By Laws of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the “Global Fund”).

These Operating Procedures may be amended at any time by the Board in accordance with the decision-making procedures of these Operating Procedures.

OVERVIEW OF SECTIONS

These Operating Procedures are organized into two sections:

PART I: Board Operating Procedures:

- A. Board Composition and Membership
 - 1. Board Composition
 - 2. Board Chair and the Vice Chair
 - 3. Board Members
 - 4. Alternate Members
 - 5. Communications Focal Points
 - 6. Participants of Board Meetings
 - 7. Selection Processes of Board Constituency Roles
 - 8. Disputed Board Seats
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PART I: BOARD OPERATING PROCEDURES

A. BOARD COMPOSITION AND MEMBERSHIP

1. Board Composition

- 1.1. The voting and non-voting members of the Board of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the “Global Fund”) are described in Article 7.1 of the By-Laws.
- 1.2. Each voting and non-voting member of the Board of the Global Fund represents a constituency of the Board.
- 1.3. The twenty constituencies of the Board of the Global Fund that are represented by voting members are further grouped as follows: (a) the group encompassing the eight donor country representatives, one private sector representative and one private foundation representative (the “Donor Voting Group”); and (b) the group encompassing the seven developing country representatives, the two non-governmental organization (“NGO”) representatives, and the representative of an NGO who is a person living with HIV/AIDS or from a community living with tuberculosis or malaria (the “Implementer Voting Group”).
- 1.4. The seven developing country seats are allocated to six constituencies based on each of the six World Health Organization (WHO) regions and to an additional constituency from Africa. WHO has no role in selecting Board Members. WHO regions are used only as a reference for the purpose of aggregating developing countries into regional groups.

2. Board Chair and Vice-Chair

- 2.1. The Board Chair and Vice-Chair serve coinciding two-year terms, or until the appointment of their respective successors, in their personal capacity as non-voting members in accordance with the Terms of Reference of the Board Chair and Vice-Chair and the Board and Committee Membership Roles and Responsibilities, as set forth in Annex 1 to these Operating Procedures. The Board Chair and Vice-Chair will act solely in the best interests of the Global Fund without any constituency representation status or obligation.
- 2.2. The Board Chair and Vice-Chair, shall share and allocate between themselves responsibility for chairing all Board meetings, including ensuring correct procedures, adherence to the agenda while allowing adequate time for discussion, reaching clear decisions and overseeing a vote of all decisions. The Board Chair and Vice-Chair shall be the principal spokespersons for the Board.
- 2.3. The Board Chair and Vice-Chair will encourage active and effective contributions by all members of the Board, communicate with members of the Board between Board meetings, and will work closely with other members of the Coordinating Group to carry out the day-to-day business of the Board.

3. Board Members

- 3.1. Each Board constituency will develop its own process to designate its representatives to the Board and determine the members of its delegation. The selection process should be shared with the Secretariat and involve broad consultation within that constituency.
- 3.2. Board Members serve as the representatives of their respective constituencies for a two-year term that starts at the first Board meeting in a given calendar year, and ends at the opening of the first Board meeting in the second calendar year following the commencement of their term. The terms of Board Members may be renewed by their respective constituencies upon communication to the Secretariat.

4. Alternate Members

- 4.1. Each Board constituency shall designate an Alternate Member to serve in the absence of such constituency's Board Member. The Alternate Member serving in the stead of a Board Member shall have the same rights, privileges and responsibilities as such Board Member.
- 4.2. Only Alternate Members who are properly registered on the list of Alternate Members held by the Secretariat shall have the right to vote and to participate in Board deliberations.

5. Communications Focal Points

- 5.1. Board constituencies shall appoint a Communications Focal Point to ensure effective information flow to and strong engagement by constituencies on all matters related to the Global Fund. Although each Board constituency is responsible for deciding how to select its Communication Focal Point, the selected representative should embody the competencies and have the capacity to perform the responsibilities outlined in the Board and Committee Member Roles and Responsibilities, as set forth in Annex 1 to these Operating Procedures.

6. Participants of Board meetings

- 6.1. Including the Board Member, Alternate Member and Communications Focal Point, no more than 10 persons from each Board constituency may attend Board meetings, no more than five of whom shall be in the room in which a Board meeting is taking place at any one time. In order to enhance the efficiency of Board proceedings, Board Members are urged to limit the size of their delegations below these maximums. Constituencies are encouraged to include their representatives on a Committee in the delegation.
- 6.2. In general, there will be video transmission of Board proceedings to a controlled-access room, or through password-protected online streaming, for use by the additional delegation and Secretariat members who do not have access to the Board meeting room unless the Board decides to meet in closed Executive Session.
- 6.3. Members of a Board constituency's delegation to a Board meeting other than the Board Member or Alternate Member shall only have the right to speak or participate directly in the deliberations of the Board when doing so at the request of and in place of the Board Member or Alternate Member of their delegation. Each constituency shall provide the Secretariat with written notification of the names of such members and the relevant agenda items for which they will speak instead of the Board Member or Alternate Member as far in advance of the relevant agenda item as possible (e.g., prior to the start

of the Board meeting), and at least one-hour prior to the scheduled start of the relevant agenda item. Only one individual from a Board constituency, including the Board Member or Alternate Member, may speak per agenda item at Board meetings. However, only the Board Member or Alternate Member, or their duly authorized designee, shall have voting rights.

- 6.4. The Board Chair may invite guests to Board meetings at such times and for such purposes, as he or she deems appropriate.

7. Selection Processes of Board Constituency Roles

- 7.1. The Board Member, Alternate Member and Communications Focal Point may be selected by the members of the constituency in an open, consultative and transparent manner decided by the constituency. Each Board constituency shall submit to the Secretariat their internal processes for the selection of the Board Member, Alternate Member and Communications Focal Point.
- 7.2. While highly effective Board Members, Alternate Members and Communications Focal Point come from a wide range of backgrounds, constituencies should refer to the Board and Committee Member Roles and Responsibilities, as set forth in Annex 1 to these Operating Procedures, to select Board Members, Alternate Members and Communications Focal Point who possess key competencies and have capacity to perform their respective responsibilities.
- 7.3. Appointments of Board Members, Alternate Members and Communications Focal Points will be confirmed in writing by an authorized representative of the constituency and delivered to the Secretariat at the time of such appointment, and re-confirmed no later than two weeks prior to the start of a scheduled Board meeting. Notification should include the Board Member's and Alternate Member's contact information. Upon the substitution or replacement of a Board Member or Alternate Member, written notification should be provided to the Secretariat as soon as possible.
- 7.4. Additionally, each constituency shall submit to the Secretariat the delegation of authority to the Board Member and Alternate Member to speak or vote on behalf of the constituency for reference. Any updates or revisions to these processes shall be submitted to the Secretariat in a timely manner. If, for any reason, the Board Member or Alternate Member is not available to attend a Board meeting or part of a Board meeting, then a replacement can be designated by that constituency at any time.
- 7.5. Only Board Members and Alternate Members, or their duly authorized designees, who have been properly registered ~~on the list of Board Members held by~~with the Secretariat shall have the right to participate in Board deliberations, in-person or otherwise, or exercise the voting power held by the constituency they represent throughout such Board Member's and Alternate Member's terms, unless otherwise delegated in writing and provided to the Secretariat.

8. Disputed Board Seats

- 8.1. Disputes regarding entitlement to a Board seat should in the first instance be resolved by members of the constituency entitled to the Board seat. If the matter is not resolved by the constituency, it may be settled by the Board, in consultation with the Committee mandated with governance responsibilities.

9. Vacancies on the Board

- 9.1. A vacancy in any office or position 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.

B. BOARD MEETINGS

10. Regular Board Meetings

- 10.1. The Board is required by the Bylaws to have a minimum of two meetings per year, one of which will be held in Geneva, Switzerland. The Board shall adjust the frequency and number of these meetings as necessary. Meetings will generally be kept to two days in length.
- 10.2. When deciding on the location of meetings, due consideration will be given to ensuring that Board constituencies are not faced with any difficulties in visiting the selected country, especially with visa requirements. The location of the meetings outside of Geneva, Switzerland will rotate appropriately between regions and shall only be held in countries where travel restrictions do not apply to persons who are HIV positive.
- 10.3. Notice of the time and place of each regular meeting of the Board shall be provided to the Board at least ninety days in advance of the meeting. The Board shall approve the location of any Board meeting, as well as meetings of the Partnership Forum, outside of Geneva, Switzerland.

11. Emergency Board Meetings and Urgent Board Decisions

- 11.1. The Board Chair and the Vice-Chair, acting together, shall call in-person emergency Board meetings only as necessary to address extraordinary circumstances (e.g. major financial, legal and/or ethical issues, loss of confidence in leadership), and only with the approval of at least one-third of the Board Members of both the Donor Voting Group and the Implementer Voting Group. Any Board Member, or the Executive Director, may suggest the need for an emergency meeting to the Board Chair and Vice-Chair.
- 11.2. The Board Chair and Vice-Chair, acting together, may, as reasonably required under the circumstances, modify the normal procedural guidelines for Board meetings in the case of an emergency Board meeting (e.g., provision for delegations, translation services, etc.). In the event that no consensus is reached between the Chair and Vice-Chair over whether procedural changes are required, the Chair shall make the determination.
- 11.3. The Board Chair and Vice-Chair, acting together, may take action on behalf of the Board when they consider the procedures for calling regular and emergency meetings, or other forums for broad deliberations, are unable to accommodate the nature and urgency of the required action to be taken as provided by Article 7.3 of the Bylaws. If the Board Chair and Vice-Chair are unable to reach a consensus on whether such action is necessary, the Board Chair shall make the final determination. To the extent practical in the circumstances, the Board Chair and Vice-Chair shall take such action

following consultation with the Coordinating Group. The full Board shall be notified of any decision immediately with a full explanation why such decision was deemed urgent. A full report on the decision shall be presented to the Board at its subsequent meeting. The Board will review, and may modify or reverse, the decision.

C. CONDUCT OF BOARD MEETINGS

12. Quorum of the Board

- 12.1. The Board may conduct business only when a simple majority of Board Members of each of the Donor Voting Group and Implementer Voting Group are present.

13. General Conduct at Board Meetings

- 13.1. Meetings will generally be conducted by the Board Chair, the Vice-Chair, or such other person with a written delegation of authority by the Board Chair or Vice-Chair to perform such functions.
- 13.2. Interventions should be concise and will be limited to three minutes by the Board Chair or Vice-Chair unless previously scheduled as a speech or announcement.
- 13.3. When the meeting floor is open for discussion, the Board Chair and Vice-Chair shall call upon Board constituencies in the order in which they signal their desire to speak by raising their constituency or name flag.

14. Attendance at Board Meetings

- 14.1. Attendance by Board Members, Alternate Members, Communications Focal Points and other members of a constituency's delegation shall be recorded at the start of each Board meeting by the Secretariat.

15. Agenda of Board Meetings and Background Documentation

- 15.1. The Coordinating Group in consultation with the Secretariat will develop the Board meeting agenda, and seek input from Board constituencies before sending a final agenda to the Board at least three weeks in advance of the meeting, which will be approved by the Board at the beginning of each meeting.
- 15.2. Background documentation for each agenda item should be circulated to Board constituencies at least three weeks in advance of Board meetings, with items requiring decisions identified and prioritized.

16. Rapporteur

- 16.1. The Board shall appoint a member of the Board to act as the Rapporteur for each Board meeting based on a nomination by the Board Chair. With the assistance of the Secretariat, the Rapporteur will be responsible for the execution of final decision points approved by the Board and such other related duties and responsibilities as may be assigned by the Board Chair.

17. Advanced Preparation of Decisions for Board Meetings

- 17.1. As a general principle, there should be minimum changes to decisions that have been prepared by Committees on the understanding that Committees have considered options in line with their expertise and mandate in preparing appropriate decisions for the Board.
- 17.2. If a constituency of the Board wishes to submit an amendment to a proposed Decision Point proposed by a Committee, the following procedural guidelines should be followed:
 - 17.2.1. The constituency should provide a draft of the proposed amendment to the relevant Committee Chair and Vice-Chair as early as possible, but at least 48 hours prior to the start of the Board meeting; and
 - 17.2.2. All draft amendments should be provided in an electronic or written format that shows the proposed changes to the original text and should be copied to the Secretariat focal point who will ensure it is circulated to the Secretariat and others who must be informed of the proposed amendments.
- 17.3. The Committee Chair and Vice-Chair will consult with other members of the Committee to determine whether the proposed amendment is consistent with the Committee's intent.
- 17.4. Amendments determined to be consistent with the Committee's intent will be highlighted by the Committee Chair or Vice-Chair during his or her presentation to the Board and attributed to the constituency proposing the amendment. Copies of the proposed amendments shall be made available at the documents table with the amended language left in red-line or tracked changes.
- 17.5. If a constituency believes a proposed amendment that has been deemed as inconsistent with the Committee's intent by the relevant Committee Chair and Vice-Chair still needs to be considered by the full Board, the constituency's Board Member or Alternate Member may introduce a motion, according to Article 18 of these Operating Procedures, to propose the amendment during the relevant discussion during the Board meeting. In such cases, the Board shall vote on such motion to present an amendment before reviewing the proposed amendment.
- 17.6. For decisions that are not submitted to the Board through a Committee, but prepared and presented in advance of the Board meeting, constituencies seeking to submit amendments to the proposed Decision Point shall follow the same procedures and modalities described in this Article 17 of the Operating Procedures, but direct such submissions to the Board Chair and Vice-Chair.

18. Motions of the Board

- 18.1. Motions present the Board with a proposed action to discuss or vote upon.
- 18.2. Motions by a Board Member must be seconded by another Board Member before the motion may be debated on the floor.
- 18.3. Motions may be amended by a Board Member during debates if the amendment is relevant to the original motion and is seconded by another Board Member. The adoption of an amendment changes the motion on the floor; it does not adopt the

original motion. A secondary amendment may be made to the primary amendment to the original motion, but the secondary amendment must be decided before the primary amendment. There may only be two amendments on the floor at one time.

18.4. Incidental motions relate to procedural issues that are generally not debatable and rarely amendable rather than the main issue or question debated on the floor. When an incidental motion is made, it must be acted upon before business can continue. The following are common types of incidental motions:

18.4.1. Point of order: made when a Board Member feels the Board Chair or Vice-Chair is failing to operate within the rules, which requires the Board Chair or Vice-Chair to either defend his action or accept the point;

18.4.2. Point of information: made to obtain additional information on the subject being considered with the answer to be given by the Board Chair, Board Vice-Chair or relevant authority identified by either the Board Chair or Vice-Chair;

18.4.3. Division: made by any Board Member to call for a verification of a vote that requires the Board Chair or Vice-Chair to re-take the vote to assure the Board of the vote; and

18.4.4. Permission to withdraw a motion: allows the Board Member to withdraw a motion with consent of the group, which the Board may handle by use of general consent.

19. New Motions or Decision Points

19.1. A Board Member that wishes to introduce motions that are not on the agenda must first notify the Secretariat in advance of proposing the motion. The notice should be submitted as a typed (or written in block capital letters) draft of the motion indicating which constituency intends to propose it and expressing a preference for when the motion will be made. Motions should be submitted as far in advance as possible, but not later than one full week before the start of the Board meeting.

19.2. The motion will be prepared in the appropriate format for review by the Board Chair and Vice-Chair, who will decide on the admissibility of the motion. The motion will be circulated to all Board Members at least 48 hours before the Board meeting and placed on the documents table for delegations to review before the motion is presented. The Board Chair and Vice-Chair shall invite the constituency making the motion to introduce the motion at a time deemed appropriate by the Board Chair and Vice-Chair.

19.3. If delegations have advanced notice that they intend to introduce new motions during the Board meeting, these should be provided to the Secretariat in advance of the meeting so as to be reviewed by the Board Chair and Vice-Chair and circulated to all Board Members.

19.4. No new motions will be considered immediately upon introduction from the floor, all new motions will be required to be circulated to all delegations in advance of consideration on the floor.

20. Decision-making and voting procedures of the Board

- 20.1. The Board Chair and Vice-Chair shall use best efforts to facilitate decisions by consensus, confirmed by a formal vote of the Board.
- 20.2. If all practical efforts by the Board and the Board Chair and Vice-Chair have not led to consensus, in order to pass, motions require a two-thirds majority of those present of both: a) the Donor Voting Group; and b) the Implementer Voting Group.
- 20.3. During voting, each constituency's approval, disapproval or abstention with respect to the motion voted upon shall be put into the record of the relevant meeting or deliberations.

21. Languages

- 21.1. English is the official working language of the Global Fund. During Board meetings, interpretation may be provided in any of the six United Nations languages upon request. However, materials prepared by and for the Board, including Minutes of Board meetings, shall be in English. The Secretariat may provide translations of certain materials. Where disputes may arise from the contents of translated materials (e.g., Board document, Decision Point, summary), the English version shall prevail.

22. Closed Sessions of the Board

- 22.1. In its discretion, the Board may conduct its business in closed executive session where only the Board Members and Alternate Members of voting constituencies of the Board, or their official designates, may be present. The Board Chair and Vice-Chair may invite the Board Members and Alternate Members of the non-voting constituencies of the Board, Chairs and Vice-Chairs of the Standing Committees, or other participants to attend closed executive sessions based on the matters to be discussed.
- 22.2. In accordance with Board policy, recordings of the closed sessions shall be kept confidential. However, the outcome of the deliberations, particularly if there are financial implications, shall be summarized in an open session of the Board meeting. An official record of closed sessions must be maintained by the Board Chair and Vice-Chair and deposited with the Legal Counsel of the Global Fund and handed over to his or her successor or as needed.

23. Transparency

- 23.1. Board Decisions and related documentation will be made public in accordance with the Global Fund's Documents Policy.

D. INTER-SESSIONAL DELIBERATIONS OF THE BOARD

24. Communications

- 24.1. Communications between the Board Chair and Vice-Chair and the Board Members and the Coordinating Group during inter-sessional deliberations will be conducted as follows:
 - 24.1.1. Through in-person meetings, teleconferences or other virtual means of communication.

24.1.2. Inter-sessional deliberations shall be conducted in accordance with these Operating Procedures and in coordination with the Secretariat. All matters discussed and decided upon at inter-sessional meetings shall be reported to the full Board.

24.1.3. The Board Chair and Vice-Chair may establish advisory and other working groups to address matters that arise between sessions of the Board. The Board Chair and Vice-Chair shall ensure the Board approves the establishment of the advisory or working group with clear terms of reference including appropriate delegated authority and reporting modalities in a Decision Point ratified in accordance to the voting procedures of these Board Operating Procedures before commencement of the work of the advisory or other working group.

24.2. Communication between the Board and the Secretariat will be conducted as follows:

24.2.1. By email, or other electronic formats such as tele- or video-conferencing.

24.2.2. Unless otherwise requested, the Secretariat will send all necessary documentation related to Board work directly to the designated Board Member, Alternate Member and Communications Focal Point. It will be the responsibility of the Board Member, Alternate Member and/or the Communications Focal Point to make any further distribution of documents to members of their constituency.

24.2.3. Board Members, Alternate Members and Communications Focal Point should keep the Secretariat informed of changes in their contact information, as the official information listed in the Secretariat's records shall be used for the delivery of all official documents and communications.

25. Electronic decision making

25.1. The Board may vote on motions in-between sessions of the Board electronically and in accordance with the following:

25.1.1. In order to pass, motions require a two-thirds majority of both: a) the Donor Voting Group; and b) the Implementer Voting Group;

25.1.2. The timelines for casting votes shall be at least 10 working days unless an urgent motion requires a shorter timeline for reaching a decision, and may be extended during the voting period by the Board Chair and Vice-Chair;

25.1.3. Constituencies shall communicate their approval, disapproval or abstention, as well as any commentary or questions, in the electronic format in which such motion is presented to the Board;

25.1.4. Amendments to such decisions are not permitted; and

25.1.5. All electronic decisions approved by the Board will be summarized in a report submitted to Board Members ahead of each in person Board meeting.

26. No-Objection Process for Board decisions

- 26.1. Notwithstanding Articles 17 and 18 of these Operating Procedures, decisions by the Board to provide funding for grant programs may be made on a no-objection basis under the process outlined in this Article 26 of these Operating Procedures.
- 26.2. As directed by the Board, the Secretariat shall issue a request for decision on each funding recommendation, and shall notify the Board accordingly. Unless four Board Members of either the Donor Voting Group or Implementer Voting Group object to the requested decision within a time period specified by the Board following the date of notification, the requested decision shall be deemed approved by the Board, except that a requested decision not to make a funding commitment shall be deemed approved by the Board unless four Board members of both the Donor Voting Group and Implementer Voting Group object to the recommendation within a time period specified by the Board following the date of notification.

E. ROLES AND RESPONSIBILITIES

27. Other Officers

- 27.1. The Board may elect or appoint such other officers, with such other powers and responsibilities, as it deems necessary to carry out the work of the Board.

28. Executive Director

- 28.1. The Executive Director shall attend all Board meetings as an ex-officio non-voting Board Member, and shall be responsible for the preparation and distribution of all materials required for the meeting, and for such other duties and responsibilities as may be assigned by the Board or the Board Chair and Vice-Chair.

29. Secretariat

- 29.1. The Secretariat shall support the Board with the planning and organization of Board meeting logistics, agendas and procedures. The Secretariat shall maintain a list of Board Members, Alternate Members and Communications Focal Points including official contact information to coordinate and communicate with constituencies during and between Board sessions.
- 29.2. The Secretariat shall monitor and ensure compliance with the maximum number of governance officials funded by the Global Fund and list of registered participants at each Board meeting. It will also ensure that all governance officials participating in a Board meeting have submitted a delegation of authority, where necessary, and updated declarations of interest as well as mitigated any potential or actual conflicts of interest prior to the start of the Board meeting.
- 29.3. All submissions of papers, Decision Points, proposed amendments and other documentation for Board consideration and discussion shall be prepared by or provided to the Secretariat with proper notice according to these Operating Procedures. The Secretariat will be responsible for making all revised and updated documents available at the documents table at all Board meetings.

F. ELECTION PROCEDURES FOR BOARD CHAIR AND VICE-CHAIR

30. Timing of Elections and Commencement of Terms

- 30.1. Elections of the Board Chair and Vice-Chair shall take place at the first Board meeting of the calendar year in which the elections are scheduled to occur, in accordance with the terms for the Board Chair and Vice-Chair as set out in the Bylaws. In the case of a vacancy for either position due to circumstances other than the end of either position's natural term, elections to fill the vacant slot shall take place at the first Board meeting at which a vacancy exists or by an electronic vote called by either the Board Chair or Vice-Chair, whichever one has not been vacated, under decision-making and voting procedures outlined in Article 18 of these Operating Procedures.
- 30.2. The terms of office for the Board Chair and Vice-Chair shall commence upon the adjournment of the Board meeting at which the election is held, except in the case of elections to fill a vacancy, where terms shall commence immediately upon election and continue for the duration of remaining term on the vacant position.

31. Nominations Process and Eligibility to Stand for Board Chair or Vice-Chair

- 31.1. The Board Chair and Vice-Chair shall announce forthcoming elections and call for nominations no less than three calendar months in advance of the election.
- 31.2. Nominations must be sent to the Chair and Vice-Chair of the Standing Committee mandated with governance responsibilities and received within four calendar weeks after the date on which the call for nominations was sent to constituencies. The Standing Committee mandated with governance responsibilities will review the nominations and ~~present~~ advise the outgoing Board Chair and Vice-Chair ~~with~~ on the nominated candidates.
- 31.3. Although the Board Chair and Vice-Chair do not represent any constituency, the positions alternate between the Donor Voting Group and Implementer Voting Group of the Board after each two-year term.
- 31.4. Subject to the operation of Article 32 below, any individual who possess the competencies and capacity to perform the responsibilities of the Board Chair and Vice-Chair in accordance with the Board and Committee Member Roles and Responsibilities, as set forth in Annex 1 to these Operating Procedures, may stand for the offices.²
- 31.5. Candidates are eligible for election when they have been nominated by an authorized representative from Board constituencies, which have a vote on the Board, and they have confirmed that they accept the nomination.

32. Appointment Process

- 32.1. The Board Chair shall conduct the election, or, in the event the Chair is a candidate, the Vice-Chair. In the event both the Chair and the Vice-Chair are candidates, the Rapporteur shall conduct the election.

² The minimum attributes for the Chair and Vice -Chair are set out in the document entitled "Terms of Reference for Board Chair and Vice-Chair", as amended from time to time, and available at: <http://www.theglobalfund.org/en/governance/>

- 32.2. The Board shall proceed under the decision-making procedures outlined in Article 18 of these Operating Procedures to appoint the Chair and Vice-Chair of the Board.

33. Chair and Vice-Chair Transition

- 33.1. The outgoing Board Chair and Vice -Chair shall prepare the necessary presentations, documentation and other briefing materials to prepare the incoming Board Chair and Vice- Chair for their responsibilities.
- 33.2. The outgoing and incoming Board Chair and Vice-Chair shall arrange regular communications and meetings with the assistance of the Secretariat and the Coordinating Group to ensure a proper transfer of knowledge and information to the incoming Board Chair and Vice-Chair.

G. PROCEDURES FOR APPOINTMENT AND ASSESSMENT OF THE EXECUTIVE DIRECTOR AND INSPECTOR GENERAL

34. Appointment of the Executive Director

- 34.1. The Executive Director shall be appointed by the Board in accordance with the By-Laws for a term of not more than four years, which the Board may renew not more than once. The Executive Director is responsible for the day to day management of the Secretariat, as described in the Terms of Reference of the Executive Director.

35. Appointment of the Inspector General

- 35.1. The Inspector General shall be appointed by the Board in accordance with the By-Laws and the Charter of the Office of the Inspector General for a non-renewable term of six years. The Inspector General is responsible for leading the Office of the Inspector General's mission to provide the Global Fund with independent and objective assurance over the design and effectiveness of controls in place to manage the key risks impacting the Global Fund's programs and operations, as described in the Terms of Reference of the Inspector General.

36. Nomination, Recruitment and Appointment of the Executive Director and Inspector General

- 36.1. No later than six months prior to the end of the term of the incumbent Executive Director or Inspector General, the Board shall, in accordance with the Bylaws, launch a competitive recruitment process, publicly inviting applications for the position of Executive Director or Inspector General. The Board may invite the incumbent Executive Director to re-apply, together with other candidates, for such position and publicly announce such invitation based on a satisfactory performance appraisal.
- 36.2. When the Board decides to launch a recruitment process, it shall be assisted by an ad hoc Nomination Committee (the "Nomination Committee"). At least six months prior to the end of the term of the incumbent Executive Director or Inspector General or at any other time decided by the Board, the Board Chair and Vice-Chair shall in consultation with the Committee mandated with governance responsibilities ~~Coordinating Group~~, notwithstanding the otherwise applicable procedures under these Operating Procedures, recommend for Board approval the

terms of reference of the Nomination Committee and nominate for Board approval a Chair and the membership of the Nomination Committee. The Committee mandated with governance responsibilities shall review relevant documents or information and advise the Board Chair and Vice-Chair on both the content and approval process for such matters. Membership in the Nomination Committee shall not count towards the two-committee limit referenced in Article 43.4 of these Operating Procedures.

- 36.3. The Board Chair and Vice-Chair, ~~supported by the Coordinating Group,~~ may also recommend for Board approval updated terms of reference of the Executive Director or Inspector General and the criteria for their selection, in consultation with the Committee mandated with governance responsibilities, which shall review relevant documents or information and advise the Board Chair and Vice-Chair accordingly on the relevant content and approval process for such matters. Following approval of the membership of the Nomination Committee, the recruitment process is launched.
- 36.4. The Nomination Committee shall interview and rank candidates, and present the highest-ranking candidate(s) to the Board, which shall then take the final appointment decision.
- 36.5. The mandate of the Nomination Committee shall expire upon the appointment of the Executive Director or Inspector General.

37. Assessment of the performance of the Executive Director and Inspector General

- 37.1. The Board Chair and Vice-Chair, supported by the Committee mandated with governance responsibilities~~Coordinating Group~~, shall ensure that the performance of the Executive Director and the Inspector General is assessed each year based on best practices, incorporating key performance indicators and methodologies determined in consultation with the Executive Director and the Inspector General, with a focus on ensuring annual benchmarking of performance over time. The Committee mandated with governance responsibilities shall review this process and advise the Board Chair and Vice-Chair accordingly before the process is ~~shall be~~ shared with the Board for information and comment prior to its commencement. All documentation related to such assessment shall be provided to the Board not later than the first Board meeting following the completion of such assessment.

H. ETHICS AND INTEGRITY

38. The Ethics framework and policy on ethics and conflict of interest

- 38.1. Board Members, Alternates, Communications Focal Points, Committee Members, and members of Board delegations at Board meetings (“Governance Officials”) are required to adhere to the Global Fund’s Code of Ethical Conduct for Governance Officials (the “Governance Official Code”), reflecting the Global Fund’s core ethics and integrity values as set forth in the Ethics and Integrity Framework.
- 38.2. As required under Governance Official Code, all Governance Officials shall submit, on an annual basis, a completed Declaration of Interest Form to the Ethics Officer. Between annual updates, Governance Officials are required to update their Declaration of Interest following any material change in circumstance.

- 38.3. Each member of a Board constituency participating in a Board Meeting must submit a completed Declaration of Interest form prior to attendance at a Board meeting.
- 38.4. Individuals authorized to act with delegated authority on behalf of a Board Member, Alternate Member, or Committee Member are required to submit a completed Declaration of Interest Form to the Ethics Officer prior to participation in a Board or Committee meeting under delegated authority.
- 38.5. Governance Officials are required to inform the Ethics Officer of the Global Fund immediately upon learning of any actual, potential or perceived conflict of interest, as described in the Policy on Ethics and Conflicts of Interest and the Governance Official Code, and resolve such issues before participating in decision-making that affects their personal or professional interests. The Ethics Officer will advise the Governance Official on measures to be taken to mitigate such actual or potential conflicts of interest, which may include, among other measures, recusal from any action or decision that gives rise to the conflict. Conflict of interest matters of a complex or highly visible nature will be referred to the Standing Committee responsible for ethics and integrity matters for decision as to the appropriate course of action.
- 38.6. The provisions of the Ethics Framework, Policy on Ethics and Conflict of Interest, and Governance Official Code may be amended from time to time.

I. MISCELLANEOUS BOARD MATTERS

39. Delegation of Authority

- 39.1. The Board may delegate its powers and authority, except where governing law or the Bylaws may otherwise prohibit delegation by a Decision Point in accordance with the decision-making procedures under Article 20 of these Operating Procedures. Such delegated authority shall be exercised under the authority and direction of the Board and may be revoked by the Board under the same procedures in place for the original delegation of authority. The Board reserves and retains all powers not expressly delegated to any other governing, administrative or advisory body of the Global Fund.

40. Certain Expense Reimbursements

- 40.1. The Global Fund will pay and provide for the costs of attendance at Board meetings for three members from each Implementer Voting Group constituency and Committee Members from those constituencies.

PART II: COMMITTEE OPERATING PROCEDURES

J. GENERAL

41. Establishment of Committees

- 41.1. Each Standing Committee of the Board must be established under a Charter approved by the Board that outlines the Committee's decision-making, advisory and oversight authority delegated by the Board.

- 41.2. Committees will meet in accordance with the annual work plan established by the Committee Chair and Vice-Chair, in consultation with the Coordinating Group and Secretariat, and depending on the Committee's program of work.
- 41.3. Committees will operate under these Operating Procedures of the Board and Committees. Committee meetings will be held in Geneva, Switzerland. The Board must approve holding a Committee meeting in any other location, unless held alongside a Board meeting in which the location has been approved in accordance with Article 10 of these Operating Procedures.

K. COMMITTEE MEMBERSHIP

42. Committee Leadership

- 42.1. The Chair and Vice-Chair of a Committee (the "Committee Leadership") should possess the requisite skills and experience that align with the functions and responsibilities of the Committee they chair. Unless otherwise stated in the relevant Committee Charter, any member of a relevant Board constituency that meets such qualifications may serve as a Chair or Vice-Chair of a Committee, including Board Members and Alternate Members.
- 42.2. ~~The Board Chair and Vice-Chair, in consultation with the Committee mandated with governance responsibilities, will review nominations submitted by Board constituencies to serve as Committee Leadership. They will evaluate the~~Candidates for Committee Leadership will be evaluated according to the following key factors, ordered based on their relevance: (i) how a nominee's skills and experience match the mandate of the Committee, according to its Charter, and the competencies and responsibilities of Committee Leadership according to the Board and Committee Member Roles and Responsibilities, as set forth in Annex 1 to these Operating Procedures, (ii) balanced representation among Board constituencies and voting groups, and (iii) an individual's experience with the Global Fund.
- 42.3. The Committee mandated with governance responsibilities will advise the Board Chair and Vice-Chair on the candidates for Committee Leadership after conducting an initial review in accordance with Article 42.2 of these Operating Procedures. Candidates identified by the Board Chair and Vice-Chair, ~~in consultation with~~after factoring in advice from the Committee mandated with governance responsibilities, will be presented, together with their qualifications (e.g., CV, resume, biography, candidacy statement), to the Board for approval in accordance with the voting procedures set forth in Article 20 of these Operating Procedures. In the event the Board Chair and Vice-Chair cannot agree on a qualified candidate, the Board Chair shall present a candidate to the Board for approval.
- 42.4. Each Committee shall have one Chair and one Vice-Chair in accordance with their respective Charters.
- 42.5. The Committee Chair and Vice-Chair shall decide on an allocation of their work and responsibilities. They will remain in regular communication during and between Board and Committee meetings.
- 42.6. The Committee Chair and Vice-Chair shall serve coinciding two-year terms, or until the appointment of their respective successors, in their personal capacity as neutral, non-voting members of the Committee. As such, Chairs and Vice-Chairs of a Committee do

not count towards the limits on the number of committees that each Board constituency may participate or the number of representatives each constituency may have on a single Committee.

- 42.7. A vacancy for either the Chair or Vice-Chair position in any Committee resulting from death, resignation, disqualification or other reason, shall be filled in the same manner in which the original holder of that position was appointed or selected, from the relevant constituency voting group (i.e., Donor Voting Group or Implementer Voting Group) that initially nominated the outgoing Committee Chair or Vice Chair. Individuals selected or appointed to fill vacant positions shall hold such positions for the unexpired term of their predecessor.

43. Selection, Balance and Continuity of Committee Members

- 43.1. Committee Members should possess the requisite skills and experience that align with the functions and responsibilities of their Committee. Any member of a relevant Board constituency that meets such qualifications may serve as a Committee Member.

- 43.2. ~~The Board Chair and Vice-Chair, in consultation with the Coordinating Group following an initial review by the Committee mandated with governance responsibilities, will assess a Board constituencies shall submit a~~ prioritized list of the names of individuals ~~Board constituencies~~ they wish to nominate for Committee membership along with the specific Committee they prefer their nominees to serve. ~~The Board Chair and Vice-Chair, in consultation with the Coordinating Group, will review nominations submitted by Board constituencies to serve as committee members. The Board Chair and Vice-Chair~~ Candidates for Committee membership will be evaluated according to the following key factors, ordered based on their relevance: (i) how a nominee's skills and experience match the mandate of the Committee, according to its Charter, and the competencies and responsibilities of Committee Members according to the Board and Committee Member Roles and Responsibilities, as set forth in Annex 1 to these Operating Procedures, (ii) balanced representation among Board constituencies, and (iii) an individual's experience with the Global Fund.

- 43.3. ~~The Committee mandated with governance responsibilities will advise the Board Chair and Vice-Chair on the candidates for Committee membership after conducting an initial review in accordance with Article 43.2 of these Operating Procedures. The proposed membership identified by the Board Chair and Vice-Chair, in after factoring in advice from the Committee mandated with governance responsibilities and further~~ consultation with the Coordinating Group, will be presented, together with the qualifications of each candidate (e.g., CVs, resumes, candidacy statements), to the Board for approval in accordance with the voting procedures set forth in Article 20 of these Operating Procedures. In the event the Board Chair and Vice-Chair cannot agree on a qualified candidate, the Board Chair shall present a candidate to the Board for approval.

- 43.4. Each constituency should be represented in at least one committee and a maximum of two committees (membership on other ad-hoc committees where the Board specifically provides that membership shall not apply toward this limit). ~~Only Committee Members will attend Committee meetings.~~

- 43.5. Where demand for committee seats exceeds the maximum, priority will be given to those nominees having the required set of skills based on the mandate and Board and Committee Member Roles and Responsibilities, as set forth in Annex 1 to these Operating

Procedures, as well as ensuring balance of donor countries, implementing countries, NGOs, the private sector and foundations.

- 43.6. Committee Members shall serve a term of two years or until a successor has been appointed. Committee Members serve coinciding terms that expire at the same time.
- 43.7. Committee Members should have an appropriate mandate, be sufficiently informed, briefed and empowered, so that they can contribute to the work of the Committee and accurately represent, speak and vote on behalf of their constituency. Each Committee Member shall remain engaged and diligent in the performance of his/her responsibilities. Failure by a Committee Member to demonstrate the requisite skills and experience required to perform the work of the Committee, or repeated failure to attend meetings or engage in committee deliberations, may be grounds for the Committee Leadership to seek a replacement in accordance with the procedures set forth in these Operating Procedures.
- 43.8. Committee Members who are not independent as defined in Article 44, or are not otherwise deemed to serve in a personal capacity, represent their Board constituencies. Those Committee Members serving in their personal capacity will bring their individual expertise and judgment to the Committee and shall not seek or accept instructions in regard to their performance on the Committee from any constituency of the Global Fund Board, including any government, organization or other authority, other than through action by the Board. All Committee Members should act in the best interest of the Global Fund.
- 43.9. An alternate from the same constituency of the Board can be identified to represent a Committee Member at a specific Committee meeting in the exceptional case that such Committee Member cannot attend the meeting. In such exceptional cases, the constituency may send an alternate representative provided that the constituency receives the written consent of the Committee Chair, which shall be requested through the Secretariat no later than one week prior to the next Committee meeting. The request shall include the name and title of the alternate representative and the appropriate delegation of authority by the constituency to the alternate representative to speak and vote on behalf of the constituency. The alternate representative is subject to the ethics frameworks and policies applicable to governance officials set forth in Article 55 of these Operating Procedures, and submit the required declaration of interest to be cleared by Ethics Officer. This appointment and delegated authority is temporary and expires at the end of the Committee Meeting in which the Committee Member cannot attend. Communication with the alternate representative is the responsibility of the constituency and the Committee Member.

~~— The Committee Member or alternate representative, in exceptional circumstances, circumstances, may attend a Committee meeting. Committee meetings will be open to the participation of either the Board Member or Alternate Board Member of each constituency as observers. In exceptional circumstances where the Board Member or Alternate Board Member of a constituency that is not formally represented on the Committee is unable to attend a Committee meeting as an observer, the Chair of the relevant Committee may allow another member of the constituency to attend as an observer. Observers may attend in person, by teleconference, by video conference, or by any other electronic communication medium that allows the observer to follow and contribute to meeting discussions as they occur in real time. However, there will be no other observers permitted to attend or access Committee meetings in person or otherwise and, in accordance with Article 49 of these Operating Procedures, when~~

~~conducting business in a closed session, a Committee may restrict meeting and information access to only voting Committee members.~~

~~43.11.~~43.10. A vacancy in any Committee membership seat that arises prior to the end of a Committee Member's term (e.g., death, resignation, disqualification), shall be filled with a replacement from the same constituency as the outgoing Committee Member, provided such replacement demonstrates the skills and competencies required for the mandate of the committee. The Board shall approve the appointment of such replacement once identified and communicated by the constituency to the Committee Leadership. Individuals selected or appointed to fill vacant positions shall hold such positions for the unexpired term of their predecessor.

~~43.12.~~43.11. In the event that an incumbent Committee Member must be replaced permanently by a new Committee Member, both the incoming and outgoing members may, with the written permission of the Committee Chair, attend one meeting together in order to facilitate the transition of membership. Such arrangements shall be communicated to the Committee Leadership and Secretariat as soon as such transition is known to the constituency.

44. Independent committee members

44.1. Committees may have independent non-voting members among its membership based on the required expertise to fulfil the mandate of the relevant Committee. Independent members shall serve in their personal capacity and shall not seek or accept instructions in regard to their performance on the Committee from any constituency of the Global Fund Board, including any government, organization or other authority, other than through action by the Board.

44.2. All independent members will be required to sign a declaration of independence outlining the criteria for independent members to participate in the relevant Committee.

44.3. Independence shall mean individuals that:

44.3.1. Are not a member of the governance, advisory and administrative bodies of the Global Fund ("Global Fund Officials").³

44.3.2. Have not been a Global Fund Official at any time within the last three years;⁴

44.3.3. Have not within the last three years served in an elected or appointed position within the Government of a country represented through a constituency on the Board;

44.3.4. Have not been within the last three years an employee of a firm that has provided audit, assurance or other oversight services to the Global Fund;

44.3.5. Have not participated or attended deliberations of the governance, advisory and administrative bodies of the Global Fund within the last three years as a delegate for a constituency of the Board;

44.3.6. Have not been within the last three years an employee of a company or an organization that has directly or indirectly made payments to or received payments from the Global Fund in any of the last three calendar years in excess

³ Global Fund Officials include, but are not limited to, Board members and alternates, members of Board Committees, members of the Technical Review Panel and other advisory bodies, and employees, consultants and contractors of the Secretariat and the OIG.

⁴ An individual who has served as an independent member of a Board Committee may be renewed for one additional term.

of the lesser of US\$500,000 or 2 per cent of the consolidated expenditures or revenues of the company or organization; or
44.3.7. Do not hold any professional responsibilities that might infringe on her/his independence.

45. Committee Observers

45.1. Either the Board Member or the Alternate Member of each constituency may attend a Committee meeting as an observer. Attendance may be in person, by teleconference, by video-conference or by other electronic means that allows the observer to follow meeting discussions as they occur in real time in a secure, access-controlled manner. However, observers shall not speak or vote during Committee meetings.

45.2. The Committee Leadership may permit another member of a constituency to attend a Committee meeting as an observer in certain cases where both the Board Member and Alternate Member of such constituency are unable to attend (e.g., illness, injury, bereavement, constraints due to geography) provided such constituency does not have an individual serving as a member of the relevant Committee. Such cases shall remain the exception, with the Committee Leadership considering the availability and practicality of in-person attendance as well as alternatives to in-person attendance, including how travel time and distance or time-zone differences may pose challenges to meeting observation. If both the Board Member and Alternate Member of a constituency that does not have individuals already serving as members on a Committee that is not formally represented on a Committee are unable to attend due to illness, injury or bereavement, then the Committee Leadership may allow another member of the constituency to attend as an observer.]

45.3. Observers of Committee meetings are subject to the ethics frameworks and policies applicable to governance officials set forth in Article 55 of these Operating Procedures, and shall submit the required declaration of interest, or updates thereto, to be cleared by the Ethics Officer.

45.4. Observers shall be excluded from attending or otherwise accessing closed sessions of a Committee in accordance with Article 50 of these Operating Procedures. Accordingly, the Committee Leadership may restrict meeting attendance or information access by observers, as they deem appropriate.

45-46. Committee Accountability

~~45-1-~~46.1. The Coordinating Group, in line with its terms of reference, will ensure coordination and collaboration between the Board and its committees regarding the Board's mandate around governance, risk and administration functions, and make appropriate recommendations regarding their membership, annual work plans and mandates as priorities arise.

~~45-2-~~46.2. Performance assessment of the committees will be executed in accordance with the framework approved by the Board.

~~45-3-~~46.3. The Committee Chair and Vice-Chair, in consultation with the Coordinating Group and the Secretariat, shall develop committee work plans, agendas and roles during and between Board and Committee sessions to address the pending issues or work in progress related to the Committees' functions and responsibilities. These work plans will be updated as new tasks are assigned by the Board

~~45.4.46.4.~~ The Coordinating Group shall specify which Committee shall bear primary responsibility for a particular issue, and in accordance with the respective committee mandates, in cases where more than one Committee may be reasonably expected to have a joint interest in a policy or area of work. Board decisions and the subsequent work plan must clearly state which Committee is the lead actor on that area of work. Where appropriate, committee meetings will be scheduled to facilitate collaboration between committees with a common interest (including cross-cutting meetings).

K. COMMITTEE WORK METHODS

~~46.47.~~ Committee Processes

~~46.1.47.1.~~ The Board will establish Charters for its Committees. Committees shall act only in accordance with these Charters, or on any other matter at the direction of the Board. Committees shall decide, recommend and oversee matters in accordance with the authority delegated by the Board and outlined in each Committee's Charter.

~~46.2.47.2.~~ The Secretariat will conduct an induction of new Committee Members, and shall provide core background documentation and other materials outlining roles and functions of each Committee and Secretariat staff assigned to support them, and the expected responsibilities of Committee Members.

~~46.3.47.3.~~ Committee Chairs and Vice-Chairs, in consultation with the Coordinating Group and Secretariat, shall create an annual meeting plan and meeting agendas. The objectives and associated agendas of the Committees must be validated at each meeting between the Coordinating Group and the Secretariat, to ensure clarity of objectives and elimination of overlap.

~~46.4.47.4.~~ Committees will consult broadly on major policy issues by welcoming and considering substantive comments from constituencies through the constituency's designated representatives. The Secretariat will establish a password-secured platform for each committee to facilitate this consultation and to provide Board Members access to the working documents of all committees.

~~46.5.47.5.~~ Committees shall follow standard reporting formats when submitting reports to the Board of all decisions and actions taken during a Committee meeting whether in-person or by teleconference, video-conference or other electronic medium of communication. All recommendations to the Board should include associated costs and budgetary implications, or state no such implications exist.

~~46.6.47.6.~~ Committees shall ensure that proposed papers, Decision Points and other documentation for the Board are reviewed by the Legal and Compliance Department prior to submitting them to the Board for review or decision.

~~46.7.47.7.~~ The Secretariat shall distribute meeting materials to ensure receipt by Committee Members at least two weeks in advance of the start of the Committee Meeting and shall ensure that materials contain the text of draft Decision Points proposed for Committee consideration.

~~46.8.47.8.~~ Committees and the Secretariat shall use red-lining/track changes as a standard practice when providing draft proposed amendments or revisions to any

documents previously made available to Committee Members for review. Constituencies shall submit to the Committee Chair and Secretariat focal point any proposed amendment as soon as possible, but no later than 48 hours prior to the start of the relevant Committee meeting. The proposed amendment shall be typed or written in block capital letters. The Committee Chair, in consultation with the Committee Vice-Chair, shall determine whether to accept the proposed amendment; however, the final decision belongs to the Committee Chair. If Committee Chair decides to reject a proposed amendment, the constituency seeking to propose the amendment may motion to propose and introduce the amendment at the relevant Committee session, but such motion must be seconded by another Committee Member and have significant support from other constituencies.

~~46.9.47.9.~~ Only the Board of the Global Fund may establish Committees, working groups, advisory panels and other similar groups or governing bodies it deems necessary to carry out the business of the Board. Committees may only establish sub-committees, external working groups and other advisory groups with the prior consent of the Coordinating Group, with the objective to align Board priorities and work-streams in each of the Committees. Such groups established by a Committee shall fulfill a specific function. The Committee Chair and Vice-Chair will notify the Coordinating Group of such function and ensure the Committee approves terms of reference and appropriate delegated authority of the advisory or working group in a Decision Point ratified in accordance with the voting procedures relevant to Committees set forth in these Operating Procedures. All matters discussed by the advisory or working group shall be reported to the Committee and included in reports to the Board.

~~47.48.~~ **Quorum**

~~47.1.48.1.~~ The Committee may conduct business only when a simple majority of the voting members of the Committee is present, whether in person, by teleconference, by video-conference, or by any other electronic communication medium that allows a Committee Member to follow and contribute to meeting discussions as they occur in real time.

~~48.49.~~ **Committee decision making**

~~48.1.49.1.~~ The Committee shall use best efforts to reach all decisions by a consensus vote. In order to pass, all motions require a two-thirds majority of those present with at least two affirmative votes from both: a) the Donor Voting Group; and b) the Implementer Voting Group.

~~48.2.49.2.~~ The Committee may vote on motions in-between sessions of the Committee electronically and in accordance with the following:

~~48.2.1.49.2.1.~~ In order to pass, motions require two-thirds majority with at least two affirmative votes from both: a) the Donor Voting Group; and b) the Implementer Voting Group;

~~48.2.2.49.2.2.~~ The timelines for casting votes shall be at least 10 working days unless an urgent motion requires a shorter timeline for reaching a decision, and may be extended during the voting period by the Committee Leadership;

~~48.2.3-49.2.3.~~ Constituencies shall communicate their approval, disapproval or abstention, as well as any commentary or questions, in the electronic format in which such motion is presented to the Committee; and

~~48.2.4-49.2.4.~~ Amendments to such decisions are not permitted.

~~48.3-49.3.~~ During voting, each Committee's approval, disapproval or abstention with respect to the motion voted upon shall be recorded in the record of the relevant meeting or deliberations.

~~48.4-49.4.~~ Matters in which the Committee Chair and Vice-Chair fail to reach consensus in exercising their joint authority as set forth in these Operating Procedures will be resolved by the Committee Chair.

~~49-50.~~ Closed sessions of the Committees

~~49.1-50.1.~~ In its discretion, the Committee may conduct its business in closed executive session where only the voting Committee Members, or their official designates, may be present. The Committee Chair may invite non-voting Committee Members or other participants to attend closed executive sessions based on the matters to be discussed.

~~49.2-50.2.~~ In line with Board policy, recordings of the closed Committee sessions shall be kept confidential. However, the outcome of the deliberations, particularly if there are financial implications, shall be summarized in the records of the meeting. An official record of closed sessions must be deposited with the Legal and Compliance Department of the Global Fund.

~~50-51.~~ Use of Independent, External Experts by Committees

~~50.1-51.1.~~ The Committees may request the advice of independent external experts to assist them in their deliberations and decisions. Independence shall have the same meaning as the criteria applied for independent committee members, as set forth in Article 44.3 of these Operating Procedures. The Committee Chair and Vice-Chair, in consultation with the Coordinating Group and Secretariat, will nominate independent external expert candidates to fulfill this advisory function. All independent external experts will be required to submit a Declaration of Interest to the Ethics Officer prior to participation in Committee activities, and disclose any personal or professional considerations that could give rise to an actual, potential or perceived conflict of interest.

~~50.2-51.2.~~ Input from an independent external expert or panel of independent external experts shall be provided through a mechanism to be determined by the Committee Chair and Vice-Chair, which may include reporting directly to the Committee as a whole, or reporting through the Committee Chair and/or Vice-Chair.

~~50.3-51.3.~~ The Committee must approve the final list of independent external experts and their terms of reference with a decision in accordance with these Operating Procedures.

~~50.4-51.4.~~ There will be no open-ended invitations to constituencies to bring their own experts.

~~51-52.~~ Inter-sessional Deliberations of the Committees

~~51-1-52.1.~~ The Committee Chair and Vice-Chair shall communicate with Committee Members and the Coordinating Group during inter-sessional deliberations through in-person meetings, teleconferences or other virtual means of communication.

~~51-2-52.2.~~ Inter-sessional deliberations shall be conducted in accordance with these Operating Procedures and in coordination with the Secretariat. All matters discussed and decided upon at inter-sessional meetings shall be reported to the full Committee.

~~52-53.~~ Role of the Secretariat and Committees

~~52-1-53.1.~~ The Secretariat will coordinate and facilitate the work of the Committees, providing support to the Committee Chairs and Vice-Chairs related to, among other matters, efficiency, continuity and management of crosscutting issues.

~~52-2-53.2.~~ The Secretariat will appoint qualified individuals from the Secretariat to be focal points for the Committee.

~~52-3-53.3.~~ The Secretariat will be accountable on a long-term basis to the Committees and will, for reasons of efficiency, coherence and continuity, provide assistance and support to the work of the Committees, attend the Committee meetings, and work closely with the Committee Chair and Vice-Chair in order to prepare, facilitate and coordinate the work plan and meetings of the Committee. The Secretariat will collaborate with the Committee Chair and Vice-Chair, and will be responsive to the tasks assigned to them by the Committee.

~~52-4-53.4.~~ The Secretariat will maintain an official list of all Committee members, their official contact information and the written confirmation of their delegated authority to speak and act on behalf of the constituency they represent.

~~53-54.~~ Certain Expense Reimbursements

~~53-1-54.1.~~ The Global Fund will fund and provide for the costs of attendance at Committee meetings for Committee Chairs and Committee Vice-Chairs nominated by a constituency of the Implementer Voting Group and the Committee Member from each Implementer Voting Group constituency serving on the Committee.

~~53-2-54.2.~~ In circumstances where the Global Fund is responsible for covering the costs of Committee attendance (i.e., those members of a committee from the Implementer Voting Group [but excluding individuals attending meetings as observers](#)):

~~53-2-1-54.2.1.~~ Only the Committee Member, or the officially designated alternate, is funded by the Global Fund;

~~53-2-2-54.2.2.~~ If the Committee Chair holds Committee meetings immediately preceding or following a Board Meeting as formal Committee meetings, Committee Members shall be funded to attend these meetings; and

~~53-2-3-54.2.3.~~ In the case of Committee Members attending a meeting together as part of a transition to a new term on a Committee, both incoming and outgoing members will be funded.

~~54-55.~~ **Ethics and Integrity Matters**

~~54-1-55.1.~~ As Governance Officials, Committee Leadership and Members are required to adhere to the Global Fund’s Code of Ethical Conduct for Governance Officials (the “Governance Official Code”), reflecting the Global Fund’s core ethics and integrity values as set forth in the Ethics and Integrity Framework.

~~54-2-55.2.~~ As required under Governance Official Code, all Governance Officials shall submit, on an annual basis, a completed Declaration of Interest Form to the Ethics Officer. Between annual updates, Committee Leadership and Members are required to update their Declaration of Interest following any material change in circumstance.

~~54-3-55.3.~~ Individuals authorized to act with delegated authority on behalf of a Committee Member are required to submit a completed Declaration of Interest Form to the Ethics Officer prior to participation in a Board or Committee Meeting under delegated authority.

~~54-4-55.4.~~ Governance Officials are required to inform the Ethics Officer of the Global Fund immediately upon learning of any actual, potential or perceived conflict of interest, as described in the Policy on Ethics and Conflicts of Interest and the Governance Official Code, and resolve such issues before participating in decision-making that affects their personal or professional interests. The Ethics Officer will advise the Governance Official on measures to be taken to mitigate such actual or potential conflicts of interest, which may include, among other measures, recusal from any action or decision that gives rise to the conflict. Conflict of interest matters of a complex or highly visible nature will be referred to the Standing Committee responsible for ethics and integrity matters for decision as to the appropriate course of action.

~~54-5-55.5.~~ The provisions of the Ethics Framework, Policy on Ethics and Conflict of Interest, and Governance Official Code may be amended from time to time.

**BOARD AND COMMITTEE MEMBER
ROLES AND RESPONSIBILITIES**

1. PURPOSE

- 1.1 While constituencies have clear ownership of their internal process for selecting their Board Member, Alternate Member, Communications Focal Point and other representatives (such as nominees for Committee membership), the selection processes should involve broad consultation within their constituency, and be based on competency to serve in the relevant roles.
- 1.2 This document provides guidance on minimum key competencies and responsibilities of Board Members, Alternate Members, Communications Focal Points, Committee Members, and the Chair and Vice-Chair of the Board and the Committees of the Board.
- 1.3 In addition to competency, the Global Fund strongly encourages constituencies to look to diversity in gender, direct experience in implementing programs for the three diseases, and regional experience when selecting representatives of their constituencies. Specifically in regard to the Board Chair and Vice-Chair's role in Committee Chair and Vice-Chair selection, these principles will also be considered alongside demonstrated competency to fulfill these important roles. Gender diversity is also considered in selection of the Board Chair and Board Vice-Chair, and Committee Members.
- 1.4 This document supplements the Operating Procedures of the Board and Committees of the Global Fund (the "Operating Procedures"). If there is any conflict between this document and the Operating Procedures, then the Operating Procedures shall prevail.

2. ACCOUNTABILITY, ETHICS AND INTEGRITY

- 2.1 Each individual serving in a governance related role at the Global Fund ("Governance Official" (defined as an individual serving as a Board Member or Alternate Member, Committee Member, Communications Focal Point, or member of a Board delegation at a Board Meeting) shall remain engaged and diligent in the performance of their respective responsibilities.
- 2.2 Ethical conduct is a hallmark of the Global Fund. Governance Officials have an obligation to embody the organization's core ethical values. As primary representatives of the Global Fund, they set an example for the rest of the organization. This obligation applies even more strongly to Board and Committee Leadership, who are responsible for ensuring their respective bodies sustain high standards of ethical behaviour.
- 2.3 While Board Members, Alternate Board Members and non-independent Committee Members, represent their entire constituency, they have fiduciary responsibilities to act in the best interests of the Global Fund.

- 2.4 Governance Officials are expected to adhere to the core ethical values and expected conduct as set forth in the Governance Official Code, and to comply with the associated procedural requirements regarding declarations of interest, set forth in Articles 38 and 55 of these Operating Procedures.

3. KEY COMPETENCIES AND RESPONSIBILITIES

- 3.1 Tables 1 to 5 below outline key competences and responsibilities expected of individuals that will serve a Board role.

Table 1 – Key Competencies and Responsibilities of Board Members

Key Competencies for the Board Member and Alternate	Responsibilities of the Board Member and Alternate
<ul style="list-style-type: none"> • Recognized leader in constituency with capacity and authority to represent the constituency. • An in-depth understanding of and personal commitment to the Global Fund principles, core values and mission. • An in-depth knowledge of the issues around HIV/AIDS, TB and malaria, international health and/or development, and development financing. • Experience of acting as a representative of a constituency in partnerships and governing bodies with an ability and capacity to network effectively and broadly. • A facilitative and consultative approach—diplomatic with policy and strategic skills. • Strong leadership and management skills gained in a multicultural environment. • High-level judgment in complex situations. • Acute analytical skills. • Ability to act as an ambassador/advocate and to represent this cause at a senior level. • Access to the necessary communication infrastructure to allow the role to be carried out effectively (e.g. telephone, fax, e-mail and mobile phone). • Ability to work in written and spoken English (additional languages a great advantage)⁵. 	<ul style="list-style-type: none"> • Be available to commit 20 – 25% of full working time to the Global Fund including two to three weeks to attend meetings. • Access to adequate staff support for the analysis, networking and consultation required to be an effective constituency representative. • Read all relevant documents and gain an understanding of the topics presented prior to a Board meeting to ensure effective input into the decision-making process. • Seek and ensure input from constituency on issues being considered by the Board prior to its meetings as well as during the Board’s inter-sessional work and consultations. • Participate fully in all meetings and discussions of the Global Fund Board, including Board Member Retreats, teleconferences and other virtual means of communication among Board Members. • Communicate constituency views at Board meetings and report key issues back to the constituency after Board meetings. • Consult with constituency and vote on all necessary electronic Board decisions. • Act as an advocate on behalf of the Global Fund within the constituency and to external stakeholders. • Provide leadership and strategic vision for constituency. • Maintain a focus on issues of interest and importance to the constituency. • Assist with ensuring effective communication and information flows between Board Member, Alternate and Focal Point and the wider constituency,

⁵ English is the working language of the Global Fund.

Key Competencies for the Board Member and Alternate	Responsibilities of the Board Member and Alternate
	<p>particularly prior to and post Board meetings.</p> <ul style="list-style-type: none"> • Act as the custodian of the constituency functioning rules as established (or self-determined) by constituencies including adherence to the constituency’s conflicts of interest policy on selection.

Table 2 – Key Competencies and Responsibilities of Communications Focal Points

Key Competencies of the Communications Focal Point	Responsibilities of the Communications Focal Point
<ul style="list-style-type: none"> • Recognized leader in constituency with capacity and authority to represent the constituency. • Experience of acting as a representative of a constituency in partnerships and governing bodies with an ability and capacity to network effectively and broadly. • An in-depth understanding of and personal commitment to the Global Fund principles, core values and mission. • An in-depth knowledge of the issues around HIV/AIDS, TB and malaria, international health and/or development, and development financing. • Considerable experience of contact management, with relevant information technology skills. • Access to the necessary communication infrastructure to allow the role to be carried out effectively (e.g. telephone, fax, e-mail and mobile phone). • Excellent communication, analysis and synthesizing skills as well as networking skills. • A facilitative and consultative approach. • Have the ability to work in written and spoken English as well as languages relevant to the constituency (additional languages a great advantage)¹. 	<ul style="list-style-type: none"> • Be available to commit 20 – 25% of full working time to the Global Fund including three to five weeks to attend meetings. • Access to adequate staff support for the analysis, networking and consultation required to be an effective constituency representative. • Circulating within the constituency all documents and materials to prepare and support members of the Board and Committees for their respective deliberations and communications on key issues to the constituency. • Develop an extensive network of contacts and maintain distribution lists for these contacts, including designated focal points and sub-focal points within the constituency to ensure that information related to the Global Fund is widely distributed. • Ensure that all communications from the Global Fund Board and Secretariat are distributed to all contacts within the constituency. • Be the catalyst for and the repository of constituency opinions and positions on Global Fund matters by seeking input into deliberations of the Board and Committees of the Board. • Develop a network of expertise and knowledge within the constituency to ensure that all available resources are drawn on in the development of constituency positions related to the Global Fund and in supporting the development of Global Fund policy. • Provide support to the Board Member and Alternate Member as necessary.

¹ English is the working language of the Global Fund.

Key Competencies of the Communications Focal Point	Responsibilities of the Communications Focal Point
	<ul style="list-style-type: none"> • Identify key issues for discussion and positioning, in coordination with the Board Member and Alternate. • Support the active engagement of the constituency on Committees of the Board, and with other constituencies of the Global Fund Board and more globally. • Provide coordination support to the constituency’s delegation at and in between the Board and Committee meetings. • Sharing and communicating decisions from meetings of the Board and Committees of the Board, including implications for the constituency arising from those decisions. • Support adherence to the constituency’s internal conflict of interest policy on selection of representatives within the constituency.

Table 3.A – Minimum Key Competencies and Responsibilities of Committee Membership

Key Competencies for Committee Members and any Alternate Committee Member	Responsibilities of Committee Members and any Alternate Committee Member
<ul style="list-style-type: none"> • Recognized leader in constituency with capacity and authority to represent the constituency. • An in-depth understanding of and personal commitment to the Global Fund principles, core values and mission. • An in-depth knowledge of the issues around HIV/AIDS, TB and malaria, international health and/or development, development financing, operations, governance or strategy. • Experience of acting as a representative of a constituency in partnerships and governing bodies with an ability and capacity to network effectively and broadly. • A facilitative and consultative approach—diplomatic with policy and strategic skills. • Strong leadership and management skills gained in a multicultural environment. • High-level judgment in complex situations. • Acute analytical skills. • Access to the necessary communication infrastructure to allow the role to be carried out effectively (e.g. telephone, fax, e-mail and mobile phone). • Have the ability to work in written and spoken English (additional languages a great advantage)² 	<ul style="list-style-type: none"> • Be available to commit 20 – 25% of full working time to the Global Fund including three to four weeks to attend committee meetings. • Access to adequate staff support for the analysis, networking and consultation required to be an effective constituency representative. • Read all relevant documents prior to a Committee meeting to ensure effective input into the decision-making process. • Seek input from constituency on issues being considered by the Committee prior to its meetings as well as during the Committee’s inter-sessional work and consultations. • Participate fully in all meetings of the Board and Committee, including teleconferences and other virtual means of communication among Committee Members. • Communicate constituency views at Committee meetings and report key issues back to the constituency after Committee meetings. • Consult with constituency and vote on all necessary electronic Board decisions. • Adherence to the constituency’s internal conflict of interest policy on selection.

² English is the working language of the Global Fund.

Table 3.B – Expected Minimum Key Competencies and Responsibilities to be reflected among Members of each of the Standing Committees of the Board

Key Competencies of Strategy, Committee Members	Key Competencies of Audit and Finance Committee Members	Key Competencies of Ethics and Governance Committee Members
<ul style="list-style-type: none"> • Understanding of and experience in the preparation, implementation and evaluation of strategic policies. • Experience in the preparation, implementation and evaluation of investment and funding policies and criteria. • Capacity and experience in conducting financial due diligence in public- or private-sector environments. • Understanding of and experience in the analysis and evaluation of health, medical, scientific and epidemiological statistics, data and research. • Academic and professional qualifications or certifications in the fields relevant to the work of the Committee including finance, medicine, epidemiology, pharmacology or public policy. 	<ul style="list-style-type: none"> • Experience in the banking, accounting and financial sectors. • Experience in preparing, auditing, analyzing or evaluating financial statements. • Experience with setting, approving, and monitoring annual budgets that present issues of comparable breadth and complexity to those presented by the annual budgets of the Global Fund and other major international financing institutions. • Designed, implemented or executed fundraising strategies for public- and private-sector donors. • Experience in managing human resource strategies, policies and procedures. • Experience in setting and monitoring internal operations of large organizations comparable to those carried out at the Secretariat • Academic and professional qualifications or certifications in the field of accounting, business, finance or management. 	<ul style="list-style-type: none"> • Relevant experience or background overseeing ethics or standards of conduct and integrity. • Experience with reviewing allegations or complaints and conducting inquiries in relation to ethics, conflicts of interest or integrity concerns. • Knowledge and Experience working in large governing bodies or organizations comparable to the Global Fund including development, implementation and oversight of relevant operating procedure. • Understanding of (1) the governance structures and roles at the Global Fund and (2) rules and regulations binding the operations and performance of the Global Fund. • One independent member with academic qualifications or demonstrated professional experience in the field of ethics.

Key Competencies of Strategy, Committee Members

Key Competencies of Audit and Finance Committee Members

Key Competencies of Ethics and Governance Committee Members

- One independent member with financial audit experience, with professional accreditation in financial accounting
- One independent member with forensic investigation experience.
- Previous responsibility or oversight in regard to financial audits and/or forensic investigations of financial expenses, internal controls, or other oversight duties.

Table 4 – Key Competencies and Responsibilities of the Board Leadership

Key Competencies for the Board Leadership	Key Responsibilities of the Board Leadership
<ul style="list-style-type: none"> • An in-depth understanding of and personal commitment to the Global Fund principles, core values, mission, operations and governance mechanisms. • An in-depth knowledge of the issues around HIV/AIDS, tuberculosis and malaria, international health and/or development, operations, governance or strategy. • Experience acting as a representative and leader in partnerships and large governing bodies with an ability and capacity to network effectively and broadly. • Knowledge and experience in corporate governance mechanisms of large organizations. • A facilitative and consultative approach—diplomatic with policy and strategic skills. • Strong leadership and management skills gained in a multicultural/multi-stakeholder environment. • High-level judgment in complex situations. • Acute analytical skills. • Ability to act as an ambassador/advocate and to represent the Global Fund at a senior level. • Access to the necessary communication infrastructure to allow the role to be carried out effectively (e.g. telephone, fax, e-mail and mobile phone). • Ability to work in written and spoken English (additional languages a great advantage)³. 	<ul style="list-style-type: none"> • Be available to commit 25 – 50% of full working time to the Global Fund including four to six weeks to attend meetings. • Access to adequate staff support for the analysis, networking and consultation required before, during and after meetings. • Provide strategic leadership to enable the Board to perform its core functions; ensure governance stewardship; oversee institutional performance and maintain procedural order during board meeting and intersessional work in accordance with the Global Fund Bylaws and other governance regulations and policies. • Collaborate with the Coordinating Group and Secretariat to set agendas for Board meetings. • Chair all Board meetings, including ensuring correct procedures, adherence to the agenda while allowing adequate time for discussion, reaching clear decision and overseeing a vote if consensus is not reached. • Encourage active and effective contributions by all members of the Board. • Communicate with Board Members and Committee Leadership during inter-sessional meetings, teleconferences or other virtual means of communication. • Recommend to the Board, the membership of the Board Committees. • Act as an advocate and principal spokesperson on behalf of the Global Fund with Board Members, constituencies and to external stakeholders. • Ensure that the performance of the Executive Director and Inspector General is conducted each year in accordance with a transparent, best practice methodology. • Take action on behalf of the Board during inter-sessional periods where standard meeting and communication procedures

³ English is the working language of the Global Fund.

Key Competencies for the Board Leadership

Key Responsibilities of the Board Leadership

cannot accommodate the urgent need for a decision with a full report to the Board.

Table 5 – Key Competencies and Responsibilities of Committee Leadership

Key Competencies for Committee Leadership	Key Responsibilities of Committee Leadership
<ul style="list-style-type: none"> • An in-depth understanding of and personal commitment to the Global Fund principles, core values, mission, operations and governance mechanisms (experience as a Board Member or Alternate Member an advantage). • An in-depth understanding of and personal commitment to the Global Fund principles, core values and mission. • An in-depth knowledge of the issues around HIV/AIDS, tuberculosis and malaria, international health and/or development, operations, governance or strategy. • Experience in being part of governing bodies with an ability and capacity to network effectively and broadly. • A facilitative and consultative approach—diplomatic with policy and strategic skills. • Strong leadership and management skills gained in a multicultural/multi-stakeholder environment. • High-level judgment in complex situations. • Acute analytical skills. • Access to the necessary communication infrastructure to allow the role to be carried out effectively (e.g. telephone, fax, e-mail and mobile phone). • Have the ability to work in written and spoken English (additional languages a great advantage)⁴ 	<ul style="list-style-type: none"> • Be available to commit 25 – 35% of full working time to the Global Fund including four to six weeks to attend meetings. • Be self-sufficient with respect to staff support needed for the analysis, preparation and consultation before, during and after meetings. • Attend all Board and Committee meetings and present Committee recommendations to the Board. • Chair all Committee meetings with neutrality, including ensuring correct procedures, adherence to the agenda while allowing adequate time for discussion, reaching clear decision and overseeing a vote if consensus is not reached. • Facilitate active and effective contributions by all members of the Committee for effective decision making. • Participate actively with the Coordinating Group including development of committee annual work plans in alignment with the committee mandate, communicating Committee’s decisions, recommendations and oversight activities. • Maintain inter-sessional communication with the Coordinating Group and members of the Committee. • Collaborate with the Secretariat to develop annual and meeting agendas for the Committee and review supporting background documentation used as basis for discussion and decision making. • Ensure appropriate delegation of responsibilities between the Board, Committee and the Secretariat.

⁴ English is the working language of the Global Fund.

Key Competencies for Committee Leadership	Key Responsibilities of Committee Leadership
	<ul style="list-style-type: none"> Identify areas of need for the Committee to enhance the effective performance of its functions and mandate.

Annex 7

**Change Log to the amended and restated Operating Procedures of the
Board and Committees**

Change Log for Operating Procedures

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
<p>A. Board Member Representation</p> <ol style="list-style-type: none"> 1. Board Member 2. Alternate Member 3. Communications Focal Point 4. Additional Delegates, Advisers, and Observers; Invited Guests 5. Notification of Representation and Selection Processes 	<p>A. Board <u>Composition and Membership</u></p> <ol style="list-style-type: none"> 1. <u>Board Composition</u> 2. <u>Board Chair and Vice-Chair</u> 3. Board Members 4. Alternate Members 5. Communications Focal Points 6. Additional Delegates, Advisers, and Observers; Invited Guests 7. Notification of Representation and Selection Processes <u>of Board Constituency Roles</u> 8. <u>Disputed Board Seats</u> 9. <u>Vacancies on the Board</u> 	<p><i>In the “Board Composition” section, reference is made to the section of the Bylaws that outlines the Board constituencies. The definitions of “Donor Voting Bloc” and “Implementer Voting Bloc,” which appeared much later in the document have been moved to the start, and modified to “Donor Voting Group” and “Implementer Voting Group”.</i></p> <p><i>Sections describing the Board Chair and Vice-Chair roles, previously found in a later section, have been moved into this section.</i></p> <p><i>With the shift of existing text on constituencies and the process of selecting representatives, which had been compressed in the “Board Members” section, into standalone sections, the “Board Members”, “Alternate Members” and “Communications Focal Points” sections have been simplified.</i></p> <p><i>The newly titled section “Participants of Board Meetings” remains mostly unchanged except for the removal from the title of a variety of participant types, none of which were every defined or clarified elsewhere in the document. The maximum allowed of 10 participants per Board constituency per Board</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>meeting is both emphasized and stated more clearly, including encouragement to include members of the standing committees as part of these delegations to the Board meeting. Further clarification has been added to require constituencies to provide the Secretariat with the name of any constituency member, other than the Board Member or Alternate Member, that will speak on an agenda item, as early as possible in advance but no later than one hour ahead of the scheduled start of the relevant session.</i></p> <p><i>The section on “Selection of Board Constituency Roles” consolidates text that had been repeated in each of the “Board Members,” “Alternate Members” and “Communications Focal Points” sections into a single section.</i></p> <p><i>The sections on “Disputed Board Seats” and “Vacancies on the Board” have been relocated to this portion of the Operating Procedures. With regard to disputed Board seats, when trying to identify candidates within a constituency, if the matter is not resolved it could be settled by the Board—as is the current procedure—in consultation with the new committee mandated with governance responsibilities.</i></p>
<p>B. Calling Board Meetings 6. Regular Board Meetings 7. Emergency Board Meetings</p>	<p>B. Calling Board Meetings 10. <u>Regular Board Meetings</u></p>	<p><i>The section on emergency board meetings, and existing clauses related to urgent board decisions have been merged under one section called “emergency</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
8. Communications	11. Emergency Board Meetings and Urgent Board Decisions Communications	<p><i>board meetings and urgent board decisions” since the procedure to follow are directly linked or very similar in such event.</i></p> <p><i>Under “Regular Board Meetings”, a new clause has been introduced for the Board to approve the location of Board meetings and the meetings of any other governing body held outside of Geneva, Switzerland. Hence this requirement to obtain Board approval shall apply to meetings of the Partnership Forum as well. A similar provision has been included for the Standing Committees. Whereas the minimum two meetings per year had to be divided between Geneva, Switzerland and a country with grants financed by the Global Fund, the provision has been amended to only require that one of the two minimum meetings per year has to take place in Geneva, Switzerland, which provides for the possibility of meeting in both, donor and implementer countries.</i></p> <p><i>Place and dates of regular board meetings should be announced 90 instead of 40 days ahead of the commencement of each board meeting.</i></p> <p><i>Clauses related to developing and sharing the Board agendas and background documents have been moved under a separate section that consolidates provisions on agendas and background documentation.</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>“Emergency Board Meetings,” aside from non-material alignment with the other edits, remain the same.</i></p> <p><i>Previous details on “Communications” have been moved and consolidated with repeated provisions in the section on “Inter-sessional Deliberations of the Board”, along with non-material edits to better define and delineate the interactions between the board leadership, the board and coordinating group and the Secretariat.</i></p>
<p>C. Conduct of Board Meetings</p> <p>9. General Conduct at Board Meetings</p> <p>10. Attendance at Board Meetings</p> <p>11. Agenda of Board Meetings</p> <p>12. Advanced Preparation of Decisions for Board Meetings</p> <p>13. Motions of the Board</p> <p>14. New Motions or Decision Points</p> <p>15. Decision-making of the Board</p> <p>16. Quorum of the Board</p>	<p>C. Conduct of Board Meetings</p> <p>12. <u>Quorum of the Board</u></p> <p>13. <u>General Conduct at Board Meetings</u></p> <p>14. Attendance at Board Meetings</p> <p>15. Agenda of Board Meetings <u>and Background Documentation</u></p> <p>16. <u>Rapporteur</u></p> <p>17. <u>Advanced Preparation of Decisions for Board Meetings</u></p> <p>18. Motions of the Board</p>	<p><i>To better identify the quorum provision, previously embedded within the document, the unchanged provision now has a more prominent position at the start of this section.</i></p> <p><i>Some of the overly detailed language was cut out for the “General Conduct at Board Meetings” section for simplicity (e.g., calling board members seated at the table by their names).</i></p> <p><i>The newly combined “Agenda of Board Meetings and Background Documentation” section retains current practice and timelines around pre-meeting distribution of information and documents, but have been consolidated into this section rather than having</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
<p>17. No-Objection Process for Board decisions</p> <p>18. Languages</p> <p>19. Closed Sessions of the Board</p> <p>20. Transparency</p>	<p>19. New Motions or Decision Points</p> <p>20. Decision-making and voting procedures of the Board</p> <p>21. <u>Languages</u></p> <p>22. Closed Sessions of the Board</p> <p>23. Transparency</p>	<p><i>this information spread in different, less logical sections in the current document.</i></p> <p><i>The definition of the “Rapporteur” role has been moved, unchanged, to this section to reflect when it happens in the sequence of events. Since it is the Board – rather than the Board Chair – who appoints a rapporteur by a decision point at the beginning of each board meeting, this process has been further clarified.</i></p> <p><i>The “Advanced Preparation of Decisions for Board Meetings” maintains the current process for suggesting amendments, with the following changes: (i) prior notice must be at least 48 hours before the start of the Board meeting rather than relevant session within the Board meeting agenda; (ii) clarify previous in-document inconsistency that said Committee Leadership as well as the full Committee would determine whether an amendment is “friendly” or consistent with Committee intent by putting this determination in the power of the Committee Leadership, in consultation with the Committee, which reflects what is more feasible in practice; and (iii) clarifies the language for how a further motion can be raised to consider a proposed amendment deemed as not “friendly”, which is not a material change from the existing process and practice.</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>The “Decision-making and voting procedures of the Board” section has been significantly shortened removing the examples of how the Board Leadership can drive towards a consensus decision, retaining the current principle that all efforts should be made to reach consensus and voting procedures regarding the required number of votes for a motion to pass and how votes should be entered into the records. Previous provisions that mixed electronic voting and the emergency powers of the Board Chair and Vice-Chair with standard Board Meeting procedures have been moved to their separate section in “Inter-sessional Deliberations of the Board”.</i></p> <p><i>With respect to “Languages”, interpretation may be provided in any of the 6 UN languages at Board meetings upon request, rather than current practice by which interpretation is automatically provided in all 6 UN languages. Whereas past provisions indicated that the Secretariat would undertake reasonable efforts based upon available budget to translate certain materials or documents essential for deliberations, the provision is now simplified to note that the Secretariat may provide translations for certain materials or documents.</i></p> <p><i>Constituency interventions should be limited to 3 minutes instead of 5 minutes.</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>With respect to executive session participation, the current practice of permitting only Board Members and Alternate Members of the voting constituencies of the Board remains. The language has been clarified that “other participants” that can be invited by the Board Chair to participate include the Board Members and Alternate Members of the non-voting constituencies of the Board, as well as the Chairs and Vice-Chairs of the committees, depending on the matters discussed.</i></p>
<p>D. Inter-sessional Deliberations of the Board 21. Communications</p>	<p>D. Inter-sessional Deliberations of the Board 24. Communications 25. <u>Electronic Decision-making of the Board</u> 26. <u>No Objections Process for Board decisions</u> <u>Urgent Board decisions</u></p>	<p><i>As noted above, an expanded section on “Electronic Decision-making of the Board” has been added to clarify the same voting thresholds for in-person voting apply in these types of decisions. Reference is also made to possible extension of voting periods by the Chair and Vice-Chair of the Board prior to deadlines to align with existing practice. Recent clarifications to electronic voting process, as communicated to the Board in each electronic decision request, have also been incorporated (e.g., hitting “reply all” when sending comments).</i></p> <p><i>Furthermore, the voting period for electronic votes has been changed from 10 days to a minimum of 10 working days as to allow for sufficient consultation within the constituencies. The text now captures</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>current practice around presenting a summary of all inter-sessional board decisions.</i></p> <p><i>For the section on “No Objections Process for Board decisions,” previous language that was specific to the rounds-based system (i.e., Phase 2) has been removed so the provision is fully aligned with current funding approvals taken by the Board under the allocation-based funding model.</i></p> <p><i>The emergency powers of the Board Chair and Vice-Chair remain unchanged, only re-located to this section of inter-sessional deliberations.</i></p>
<p>E. Roles and Responsibilities</p> <p>22. Officers</p> <p>23. Rapporteur</p> <p>24. Other Officers</p> <p>25. Executive Director</p> <p>26. Secretariat</p>	<p>E. Roles and Responsibilities</p> <p>Officers</p> <p>Rapporteur</p> <p>27. Other Officers</p> <p>28. Executive Director</p> <p>29. Secretariat</p>	<p><i>These sections remain unchanged aside from the movement of the “Officers”, which covered the description of the Board Chair and Vice-Chair, and “Rapporteur” sections to more logical places earlier in the document.</i></p> <p><i>It is now further specified that the IG’s term for a non-renewable 6 year period, in accordance with the IG TORs.</i></p>
<p>F. Election Procedures for Board Chair and Vice-Chair</p> <p>27. Timing of Elections and Commencement of Terms</p>	<p>F. Election Procedures for Board Chair and Vice-Chair</p> <p>30. Timing of Elections and Commencement of Terms</p>	<p><i>A provision regarding the Board Leadership’s role in the nomination of Committee Leadership and Committee Members has been removed to align with the Transitional Governance Committee’s recommendations regarding the responsibilities of the Ethics and Governance Committee, and also to</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
<p>28. Nominations Process and Eligibility to Stand for Board Chair or Vice-Chair</p> <p>29. Voting Process</p> <p>30. Chair and Vice-Chair Transition</p>	<p>31. <u>Nominations Process and Eligibility to Stand for Board Chair or Vice-Chair Secretariat</u></p> <p>32. Voting <u>Appointment</u> Process</p> <p>33. <u>Chair and Vice-Chair Transition</u></p>	<p><i>consolidate repeated provisions particularly with respect to the Committee Membership nominations and appointment process. Accordingly, the Ethics and Governance Committee will (a) conduct a preliminary review of the nominations provided by Board constituencies against a set of key factors outlined in the operating procedures (par 42.2) and advise the Board Leadership on its presentation of candidates to serve as Chairs and Vice-Chairs, as well as members, of the Standing Committees to the Board and (b) oversee the overall process to nominate and select Committee Members.</i></p> <p><i>Furthermore, the role of the Ethics and Governance Committee in the nomination and selection process of incoming Chairs and Vice-Chairs of the Board has been incorporated; that is the new Ethics and Governance Committee will review and advise the outgoing Board Leadership on the nominations submitted by Board Constituencies. The selected candidates will then be presented to the full Board by the outgoing Board Chair and Vice-Chair for approval as per current practice.</i></p>
<p>G. Procedures for Appointment and Assessment of the Executive Director and Inspector General</p>	<p>G. Procedures for Appointment and Assessment of the Executive Director and Inspector General</p>	<p><i>This section has been changed to clarify one of the headings, but also to amend previous references to a combined version of the Inspector General's Terms of Reference and the Office of the Inspector General's Charter, which were separated and approved as</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
<p>31. Appointment of the Executive Director</p> <p>32. Appointment of the Inspector General</p> <p>33. Nomination, Recruitment and Appointment Process</p> <p>34. Assessment of the performance of the Executive Director and Inspector General</p>	<p>34. Appointment of the Executive Director</p> <p>35. Appointment of the Inspector General</p> <p>36. <u>Nomination, Recruitment and Appointment Process of the Executive Director and Inspector General</u></p> <p>37. <u>Assessment of the performance of the Executive Director and Inspector General</u></p>	<p><i>separate documents by the Board in 2013. Furthermore, the Standing Committee responsible for governance is now supporting the Board Leadership in the process to nominate, recruit and appoint the Executive Director or Inspector General, rather than the Coordinating Group. Particularly, such committee will support the Board Leadership in the establishment of a Nominations Committee. Similarly, the Standing Committee responsible for governance matters will support the Board Chair and Vice-Chair in a) reviewing the terms of reference of the ED and IG, if necessary, and b) ensuring annual performance assessments of the Executive Director and Inspector General are conducted by the Board building on good practice and relevant consultation. Other minor editorial clarifications have been made.</i></p>
<p>Left Blank Intentionally</p>	<p>H. <u>Ethics and Integrity</u></p> <p>38. <u>The Ethics framework and policy on ethics and conflict of interest</u></p>	<p><i>Based on the Ethics and Integrity Framework approved by the Board in November 2014 and the Code of Ethics Conduct for Governance Officials approved by the Board in April 2015, this new section also makes reference to relevant frameworks, policies and codes applicable to all Governance Officials. It combines provisions previously disbursed throughout the Operating Procedures.</i></p>
<p>H. Miscellaneous Board Matters</p> <p>35. Delegation of Authority</p>	<p>I. Miscellaneous Board Matters</p> <p>39. Delegation of Authority</p>	<p><i>These sections remain unchanged, though a part of the “Certain Expense Reimbursement” section that pertained solely to committees has been moved to the</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
36. Certain Expense Reimbursements 37. Conflict of Interest 38. Disputed Board Seats 39. Vacancies on the Board	40. Certain Expense Reimbursements Conflict of Interest Disputed Board Seats Vacancies on the Board	<i>committee part of the document. The section on Conflict of interest has now been merged and moved to a new separate section on Ethics and Integrity matters (see Article H.38 above). Provisions on Disputed Board Seats and Vacancies on the Board remain unchanged, but have been relocated to Article A, under Board Composition and Membership.</i>
I. Committee Operating Procedures 40. General 41. Committee Leadership	J. Committee Operating Procedures <u>General</u> 41. <u>Establishment of Committees</u> Committee Leadership	<i>For logical sequencing, the committee part of the document starts with a new “Establishment of Committees” section that notes how committees may only be established by the Board under an approved Charter. Previous references to work methods and possibilities for sub-committees or advisory groups have been re-located in subsequent sessions to pair with more relevant neighboring sections. As with meetings of the Board and Partnership Forum that are held outside of Geneva, Switzerland, meetings of the Standing Committees held outside of Geneva, Switzerland must be approved by the Board.</i>
E. Committee Membership 42. Selection, Balance and Continuity 43. Committee Accountability 44. Size of Committees	K. Committee Membership <u>42. Committee Leadership</u> <u>43. Selection, Balance and Continuity of Committee Members</u> <u>44. Independent Committee Members</u>	<i>The “Committee Leadership” section has been reorganized to consolidate provisions on qualifications, responsibilities and selection process that had previously been spread throughout the document. With respect to the nomination of Committee Leadership, as noted above the responsibility that previously belonged to the Board Leadership, in consultation with the Coordinating</i>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
	<p><u>45. Committee Observers</u> <u>46. Committee Accountability</u> <u>Size of Committees</u></p>	<p><i>Group, has been revised to the Board Leadership, in consultation with the Ethics and Governance Committee, which aligns with further amendments to Coordinating Group Terms of Reference and the new Ethics and Governance Committee's Charter. The Ethics and Governance Committee will conduct an initial review of the nominations for Committee Leadership roles in accordance with the key factors outlined and ordered in the Operating Procedures based on their relevance (par 42.2). The Board Leadership continues to present candidates to the Board for appointment based on the Ethics and Governance Committee's advice following its initial review.</i></p> <p><i>Furthermore, the Chairs and Vice-Chairs of the committees are not linked to nominees from a particular Voting Group (i.e., Implementer or Donor); instead, they alternate each term, provided that the Chairs of the Audit and Finance Committee and the Strategy Committee are nominated by different Voting Groups each term.</i></p> <p><i>Moreover, the Ethics and Governance Committee will oversee the process to nominate and select Committee Members. This Standing Committee will also advise the Board Leadership conducting an initial review of</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>the nominations submitted, same as for the Committee Leadership roles. Last, in line with current practice, the Board Leadership will consult with the Coordinating Group ahead of presenting a list of candidates along with a brief summary of their qualifications for Board approval.</i></p> <p><i>Provisions that prohibited observers have been removed. Provisions have been added to note that either the Board Member or the Alternate Board Member of a constituency may attend a committee meeting as an observer, in person or via other means that allow for the observer to follow in real time. Observer status has also been clarified to be non-voting and non-speaking. Furthermore, in accordance with provisions on closed sessions, observers shall be excluded from attendance or access with respect to such sessions. Where the Board Member and Alternate Member of a constituency that is not formally represented on committee is unable to attend due to illness, injury or bereavement, or constraints due to geography, the Committee Leadership may permit another designated member of the constituency to attend as an observer. Such cases should be treated as an exception and appropriate alternatives explored.</i></p> <p><i>Also, in response to the results of Board survey question #2, it is clarified that any qualified member of the relevant Board constituency groups may serve as</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>Committee Leadership. To address question #8 of the Board survey, the criteria and order of relevance in selecting Committee Leadership (i.e., priority for qualifications, skills and experience) is incorporated. Because recent committee appointments have raised questions on the review process, and given the competency-based process, it is clarified that the Board Leadership will present the Board with their recommended candidates' qualifications when seeking an appointment decision. To address question #7 of the Board survey, the process for mid-term Committee Leadership replacements is the replacement is selected from qualified candidates from the relevant constituency group (donor or implementer) that nominated the outgoing Committee Leadership.</i></p> <p><i>With respect to Board survey question # 4, Committee Leadership continues to not count towards a constituency's maximum (i.e., two) and minimum (i.e., one) limits on committee participation.</i></p> <p><i>The "Selection, Balance and Continuity of Committee Members" section consolidates provisions on qualifications, responsibilities and selection process that had previously been spread throughout the document. Also, in response to the results of Board survey question #3, it is clarified that any qualified member of the relevant Board constituency groups may serve as Committee Members. To address</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>question #8 of the Board survey, the criteria and order of relevance in selecting Committee Members (i.e., priority for qualifications, skills and experience) is incorporated. Because recent committee appointments have raised questions on the review process, and given the competency-based process, it is clarified that the Board Leadership will present the Board with their recommended candidates' qualifications when seeking an appointment decision. In response to the results of Board survey question #5, there are now explicit references to each constituency being represented in at least one committee, but no constituency can participate in more than two committees. This is consistent with current practice. To address question #6 of the Board survey, the process for mid-term Committee Member replacements is now such that a qualified candidate from the outgoing member's constituency may be put forward directly for Board appointment.</i></p> <p><i>With respect to questions # 10 and 11 of the Board survey, the "Committee Leadership" and "Committee Member" sections confirm the current two-year committee year terms, which are not staggered (i.e., Committee Leadership and Members each serve coinciding terms, with any in-term replacements serving out the remainder of their predecessor's term.</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>An “Independent Committee Member” section has been added to identify the criteria for independence, which remains unchanged from the criteria used currently for independent members of the AEC. Independent members are reflected as having non-voting status in line with Board input during the October 2015 consultation. Also, some language has been added around the definition “personal capacity”. Committee Members serving in a personal capacity bring their personal expertise and judgment to the committee deliberations, and like independent members, shall not seek or accept instructions in regard to their performance on the Committee from any constituency of the Global Fund Board, including any government, organization or other authority, other than through action by the Board, which aligns with existing provisions regarding independence.</i></p> <p><i>The “Committee Accountability” section has been reduced significantly as much of the existing task, whether with respect to the committee or individual members, referenced performance assessments that are now outdated given the Transitional Governance Committee’s recommendations to the Board on Performance Assessments of the Board, Committees and Advisory Groups. As such, all related sections have been replaced with a reference to the relevant Board-approved performance assessment framework.</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>The “Size of Committees” section has been removed and reserved for definition in each respective committee charter.</i></p>
<p>J. Committee Work Methods</p> <p>46. Committee Processes</p> <p>47. Use of Independent External Experts by Committee</p> <p>48. Inter-sessional Deliberations of the Committees</p> <p>49. Role of the Secretariat and Committees</p> <p>50. Miscellaneous</p>	<p>L. Committee Work Method</p> <p>47. Committee Processes</p> <p>48. <u>Quorum</u></p> <p>49. <u>Committee decision making</u></p> <p>50. <u>Closed sessions of the committees</u></p> <p>51. Use of Independent External Experts by Committee</p> <p>52. Inter-sessional Deliberations of the Committees</p> <p>53. Role of the Secretariat and Committees</p> <p>54. <u>Certain Expense Reimbursements</u></p> <p>55. <u>Ethics and Integrity Matters</u></p>	<p><i>The “Committee Processes” section now houses unchanged provisions previously listed in the opening part of the committee section of this document regarding the Committee’s ability to set up advisory groups or sub-committees. Provisions previously linked to performance assessments have been removed in deference to a general reference to the Board-approved performance assessment framework to minimize cross-document inconsistency when duplicating or paraphrasing provisions.</i></p> <p><i>To date, quorum has been a majority of Committee members without specifying what type of majority. In practice, it has been applied as a simple majority of members. This has now been clarified as a “simple majority”. The existing voting-threshold provisions remain unchanged, but rather than embed them in a general section with several committee processes, they have now been pulled out into their separate standalone sections, “Quorum” and “Committee decision making”, respectively. Also included in this section, with the same voting thresholds, is the analog to the provisions in the Board section of this document that provide for electronic decision making. This</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>previously was not explicitly stated for committees, so this addition is to clarify and confirm existing practice.</i></p> <p><i>The “Use of Independent External Experts by Committee” section remains unchanged, except for an updated reference to the definition of independence, which is no longer linked to the AEC Charter and its independent membership, but incorporated within this committee section of the document.</i></p> <p><i>The “Certain Expense Reimbursement” section contains provisions for committee matters previously embedded in the Board section of this document. They have now been moved in their entirety to this Committee section of the document. They have been clarified so that costs related to meeting attendance are provided only to committee members representing an implementer constituency. Furthermore, the Global Fund will not cover the costs for any Committee observer attending a Committee meeting.</i></p> <p><i>Non-material edits to the “Inter-sessional Deliberations of the Committees”, “Role of the Secretariat” and “Miscellaneous” sections consist of updates to terminology and removal of redundant provisions.</i></p>

Current Operating Procedures	Revised Operating Procedures (edits, new or relocated sections where bolded and underlined)	Summary of Change
		<p><i>A section for “Closed Sessions of the Committees” has been added to mirror the provisions for closed, executive sessions of the Board.</i></p> <p><i>Also added is a section that mirrors the Article H.38 that integrates the Ethics and Integrity Framework and Code of Ethical Conduct of Governance Officials into the procedures and rules applicable to Committee Members, particularly with respect to ethics and conflicts of interest matters.</i></p>
<p>Annex 1 – Board and Committee Member Roles and Responsibilities</p> <p>Purpose</p> <p>Accountability, ethics and conflict of interest</p> <ul style="list-style-type: none"> • Table 1 • Table 2 • Table 3A • Table 3B • Table 4 • Table 5 	<p>Annex 1 – Board and Committee Member Roles and Responsibilities</p> <p>Purpose</p> <p>Accountability, ethics and <u>integrity</u></p> <ul style="list-style-type: none"> • Table 1 • Table 2 • Table 3A • Table 3B • Table 4 • Table 5 	<p><i>Now the section on accountability and ethics also covers integrity matters; this section has been revised to align it with current related frameworks, policies and codes arising from the Board-approved Ethics and Integrity Framework.</i></p> <p><i>Minor edits to align terminology with other revisions throughout the document. Furthermore, the distribution of skills, experience and competencies have been reorganized across the standing committees to align membership competencies and responsibilities with the new committee functions and responsibilities. Access to necessary staff support for the preparatory, analytic and consultative work has been moved under responsibilities rather than competencies, as originally placed.</i></p>

Annex 8

December 2015 Consultation Comments and Responses

Consultation Feedback

Source of Feedback	Feedback	Response
1. AEC Vice-Chair	<p>I still wonder how the EGC may be able to make "<i>an initial review by the Committee mandated with governance responsibilities of the names of individuals Board constituencies wish to nominate for Committee membership</i>" when the nomination is for the EGC itself (operating procedures 43.2).</p> <p>In the same way, I still wonder how the EGC may be consulted to "<i>review nominations submitted by Board constituencies to serve as Committee Leadership</i>" when the nomination is for the EGC's leadership itself (operating procedures 42.2 and 42.3).</p> <p>Furthermore, how the EGC may review the nominations for Board leadership in case a member of the EGC is nominated by his/her constituency (operating procedures 31.2).</p> <p>I think the EGC could deal with the processes of nominations, but not with the candidates themselves.</p>	<p>During Board discussions, it was raised that as the Global Fund would now have a Governance committee, all governance items should be included in its Charter. Governance functions include all the elements of membership selection.</p> <p>During the screening process to identify committee leadership/membership – the role of the EGC will mainly focus on ensuring this is a competency based exercise.</p> <p>Final recommendation of the Committee leadership and membership will be made by Board Leadership to the Board.</p> <p>The shifting of such functions from the Coordinating Group to the Ethics and Governance Committee was also in line with the Board's expressed wish for the Coordinating Group to focus on (i) collaboration between the Board and its standing committees overall committee coordination, and (ii) collaboration across the committee on cross-cutting areas of work.</p>
2. Developing Country NGO	1) During the recently concluded Global Fund Board meeting, our Delegation explicitly requested that the new Ethics and Governance Committee (EGC) be in charge of receiving any reports on governance and conflict of interest	The Charter of the Ethics and Governance Committee (EGC) captures various ways in which the EGC will have decision-making, advisory and oversight responsibilities with

Source of Feedback	Feedback	Response
	<p>issues related with CCM, mainly the ones involving Board Members or Alternates that are also members or Chairs or Vice-Chairs of CCM. Allowing the Ethics Officer to report all CCM concerns directly to the Secretariat rather than to the relevant committee, puts people in a clear conflict of interest of being under the supervision of the secretariat at the Country Level and also be members of a Body that oversees the Secretariat at the Board level. This peculiar situation will need to be clearly addressed.</p>	<p>respect to the implementation of the relevant ethics and integrity policies, frameworks and requirements. The Charter outlines entry points for how the Ethics Officer will engage and report to the EGC. Given the various stakeholders and actors involved in governance, operations and grant implementation matters of the Global Fund, there will be occasions where certain individuals act in different capacities, depending on the context, such as the example provided. They will be addressed according to the relevant policies, frameworks and requirements (e.g., Ethics and Integrity Framework, Code of Ethical Conduct for Governance Officials, Ethics Officer Terms of Reference). The Charter is not intended to capture each of these detailed examples of how policies, frameworks and requirements are operationalized. Instead, it delegates responsibilities to the EGC to oversee and engage appropriately with respect to the adequacy, efficiency and effectiveness of such systems and processes.</p>
<p>3. Developing Country NGO</p>	<p>2) The new EGC will have different kinds of members: six in a personal capacity (three from Donors and three from Implementers), Independent, from Partners and ones to be the Chair and Vice-Chair that are called "Neutral". Our question is: If the ones coming from constituencies are to serve on a personal capacity not receiving instructions from their constituencies, what would be the difference with the</p>	<p>The Chair and Vice-Chair, which alternate between nominees from donor and implementer constituencies, are neutral because they do not vote while overseeing and facilitating committee discussions and deliberations. This remains unchanged from the existing Operating Procedures. With</p>

Source of Feedback	Feedback	Response
	<p>"neutral ones, serving at the the Leadership of the Committee"? Are the neutral ones also coming one from Donors and one from Implementers? Are the neutral members supposed not to express opinions in favor or against a proposal coming from the members irrespective if they originally are from donors or implementers?</p>	<p>respect to voting members, there will be Constituency-nominated members serving in their personal capacity (e.g., they don't consult with the respective constituencies that nominated them for EGC membership) that continue to deliberate, express their views, and vote on matters. The independent member with ethics expertise will not have voting power, but will continue to contribute to discussions.</p>
<p>4. Developing Country NGO</p>	<p>3) We would also like to share the concern raised by [Vice-Chair of the AEC] in terms of conflict of interest of members and leadership of the EGC to be selected by the same EGC. We believe that the process in order to avoid this situation is to request that all the processes of nominations of all candidates for all the Committees be clear and transparent. Clear and transparent selection and decision making process of all the future committee leadership and members should be shared with the board. In the Implementer group, the leadership provided selection criteria and scoring which were shared with all implementers when selecting members to certain standing committees, this is a practice that we recommend should be adopted. Further when a member of the same constituency of a candidate is involved, the Member of the EGC needs to abstain not just from voting but also abstain form expressing his/her opinion.</p>	<p>See "Response" to comments raised by the Vice-Chair of the AEC.</p> <p>Furthermore, Board Leadership still makes the recommendation to the Board on Committee appointments.</p> <p>The EGC will advise the Board Leadership during this process by reviewing candidate profiles against the skills and competencies for each role and providing a report to the Board Leadership on such analysis. The Board Leadership will factor in this analysis by the EGC to make its determination of which candidates to nominate for Board approval. Articles 42.2, 42.3, 43.2 and 43.3 of the Operating Procedures have been amended accordingly.</p>
<p>5. Developing Country NGO</p>	<p>4) Kindly advice on the status of performance evaluation of Office of Board Affairs as it seems to be missing in the current functions of the EGC. It is our view that this</p>	<p>The Office of Board Affairs is part of the Secretariat. As such, its evaluation is outside the scope of the Board and Committee</p>

Source of Feedback	Feedback	Response
	evaluation needs to be implemented at the committee level and not secretariat level.	performance assessment framework adopted by the Board, which the Ethics and Governance Committee oversees. Certain questions in those performance assessment surveys may relate to support provided by the Office of Board Affairs.
6. Developing Country NGO	5) Kindly explain the rationale on why a Constituency needs to inform the Secretariat in advance of a Board Meeting on who is going to speak during a Board meeting on a specific topic. Why is this relevant? Why can't the Constituency select it's best candidate to speak on an specific topic, Why can a constituency not change the name of the person who is going to speak if it is decided one day or one hour in advance? If the request is that the name be notified one hour in advance to the Office of Board Affairs, then we are ok in order to properly register the name on the records.	The rationale for this provision is to ensure there is a record of those duly authorized by the Constituency to speak or vote on its behalf. Experience has shown advance notice is beneficial to avoid potential confusion at the time a discussion begins, which is why the provision notes the submission of names prior to the start of the meeting. It may be that such assignments change, and in those instances, updates may be provided by the constituency, though the aim is to do this as far in advance as possible. Article 6.3 of the Operating Procedures has been amended accordingly (with highlighted text marking the edits since the TGC's December 2015 consultation) to establish flexible parameters that also signal the benefit of coordinating and organizing this information as far in advance as possible.
7. Developing Country NGO	6) On The Operating Procedures, we had requested that on those cases of a Constituency not represented on an specific Committee, the decision on who can attend as an Observer be left to the decision of that Constituency and do not impose a decision that it needs to be the Board Member or the Alternate only. Can this be factored in?	The TGC presented updated documents for consultation based on the November 2015 Board discussion where there was support for: i) permitting either the Board Member or Alternate Member from each constituency to attend all committee meetings as an observer, regardless of whether an individual

Source of Feedback	Feedback	Response
		<p>from their respective constituencies is already a member of the committee; and ii) identifying certain circumstances for those constituencies that do not have an individual from their constituency on the committee as a member to present another member of the constituency as an observer. In such instances, the committee Chair would decide on allowing the identified person to attend the committee meeting. The criteria for such circumstances was limited to cases involving injury, illness or bereavement. The TGC discussed the feedback from Board constituencies and agreed that observer attendance by an individual other than the Board Member or Alternate Member should be an exception, but noted that there could be circumstances where it would be appropriate. Some examples of those circumstances would be where there would be injury, illness or bereavement, but could also be due to the challenges of physically traveling long distances or significant time differences that could add to the challenge of real-time observation via alternative mechanisms (e.g., teleconference). To address concerns the TGC is presenting Operating Procedures that have been modified to note an indicative list of scenarios where a member other than the Board Member or Alternate Member may attend a committee meeting as an observer,</p>

Source of Feedback	Feedback	Response
		and that any rationale for such observation would need to be first presented to and agreed by the Committee Leadership. To avoid confusion, the provisions continue to make this available only to those constituencies without individuals already serving as members on the relevant committee. Article 45.2 of the Operating Procedures has been amended accordingly.
8. Developing Country NGO	7) If an Observer during a Committee meeting, is explicitly requested by the Committee Chair, to say and share his/her opinion on an specific topic, the Observer should be allowed to answer the question or provide the specific comment he was requested for. This is situation should be envisioned, to allow the chair of the committee to use his discretion appropriately. At times some observers may have expertise in certain subject matters that may be relevant to the respective committee.	Article 45 of the Operating Procedures was drafted to respond to the Board’s request to clarify that observers can attend, but do not otherwise participate (i.e., speak or vote) during committee meetings. Committee Leadership have certain discretion in managing meeting discussions. The rules do not prohibit an observer from responding to a direct request by the Committee Leadership. Nevertheless, observers formally attend to observe discussions in a non-speaking and non-voting capacity.
9. Developing Country NGO	8) By explicitly banning all the Observers from receiving any kind of financial support to attend committee meetings, the Global Fund will create inequities hurting primarily Observers from the Implementers group not represented at that specific committee. Perhaps we can consider a change in the travel policy to economy flights only if we seek to make the attendance of observers less costly.	The TGC modified its initial recommendation during the Board meeting to allow observers to attend Committee meetings, noting that attendance could be in-person, but also through other means such as tele- or video-conference. While acknowledging the importance of engagement, the TGC also notes implementer constituencies already receive

Source of Feedback	Feedback	Response
		constituency funding and may choose to use such funding for observers to attend Committee meetings.
10. Developed Country NGO	We echo the questions/concerns raised by Allan from the Developing Country NGO delegation and would like to seek clarity on the below points. We are also very adamant to allow observers from constituencies not represented on the official committees (be it the BM, ABM or someone else) to be part of the respective committee meetings. We would like to see a mechanism for regular attendance by a designated constituency member, which is up for the constituencies to decide. There is a true value in an informed Board and the Global Fund should invest in the knowledge capacity of its constituencies, especially in the Implementer's Group. It is only a fair amount of money, which we believe is worth investing in.	See related responses to the Developing Country NGO feedback.
11. UK	Observers: We wish to reiterate that we see the value of observers as ensuring the join-up between the Committees and the Board. We therefore support the TGC's proposals to restrict observer status to Board Members and Alternates only. However, we do also recognise the concerns raised by Canada-Australia-Switzerland regarding the time difference and how this would impact on their ability to observe Committee meetings. We would therefore be open to wording that also recognises some other rare exceptional circumstances under which a Board Member and Alternate could delegate their observer status in advance to another named member of the constituency.	Please refer to the response above to "7. Developing Country NGO".

Source of Feedback	Feedback	Response
	<p>However, we would stress that these circumstances should indeed be rare and exceptional.</p>	
<p>12. UK</p>	<p>Role of EGC in nominating and appointing the ED, assessing the ED and IG’s performance, and appointing Committee members</p> <p>The UK expects the EGC to play a leading role in these processes, responding to the concerns raised in previous reviews around the need for consistency. I gather from the call that this is very much the plan, but the wording (“supporting the Chair and Vice-Chair of the Board” etc) does not make this clear. We would be grateful to have the wording reflect this better.</p>	<p>The wording in the Operating Procedures (i.e., Articles 36.2, 36.3 and 37.1), as well as the Charter of the EGC (i.e., Articles 2.2.j., 2.3.e., 2.3.f., and 2.3.h.), have been modified and aligned to clarify that the EGC will have an active role in reviewing and advising on the various steps and elements to the recruitment as well as performance-assessment processes that the Board Leadership coordinates on behalf of the Board. In particular: (i) Article 37.1 of the Operating Procedures now reflects language previously found in the Coordinating Group’s Terms of Reference and later relocated to the Charter of the EGC; (ii) the EGC’s responsibilities with respect to Committee Leadership and Member appointments has been consolidated under its “Oversight” functions to avoid confusion that final nominees recommended to the Board by the Board Leadership based on review and advice from the EGC (i.e., Article 2.2.j. of the EGC Charter has been deleted and moved, in amended form, to new Article 2.3.h. of the EGC Charter; and (iii) language taken directly from the Coordinating Group Terms of Reference with respect to the performance assessments of the Executive Director and Inspector General have been</p>

Source of Feedback	Feedback	Response
		<p>removed from the EGC Charter and now refer to the details set forth in Article 37.1 of the Operating Procedures, while Articles 2.3.e. and 2.3.f. of the EGC Charter have been amended to align with how these functions are described in the Operating Procedures.</p> <p>Please also refer to the response above to “4. Developing Country NGO”.</p>
13. Canada, Switzerland and Australia	<p>Observers: We agree that observers should be allowed to attend committee meetings on the basis of the observer being the Board Member, the Alternate Board Member OR a member of the constituency nominated by the BM/ABM. We would wish to see only one observer attend the committee from the constituencies that are not represented on the Committee.</p>	<p>Please refer to the response above to “7. Developing Country NGO”.</p>
14. Canada, Switzerland and Australia	<p>Operating Procedures: In clause 43.5 ‘Where demand for committee seats exceeds the maximum, priority will be given to those nominees having the required set of skills based on the mandate and Board and Committee Member Roles and Responsibilities, as set forth in Annex 1 to these Operating Procedures, as well as ensuring balance of donor countries, implementing countries, NGOs, the private sector and foundations.’ As this clause (as currently worded) does not consider previous membership, we would ask the TGC if this would mean that priority should be given to those who didn’t previously serve as a member on a certain committee? Prioritising lack of prior</p>	<p>The current provisions regarding the criteria, and relative priority of such criteria, for the selection of Committee Leadership and Membership follows the results of the July 2015 Board survey, which were presented to the Board at its July 2015 retreat. The TGC discussed matters related to the feedback received and agreed to maintain the explicit criteria as presented for consultation.</p>

Source of Feedback	Feedback	Response
	membership would promote movement and potential for new members to bring new ideas to committees.	
15. UNAIDS	Board members or Alternates should be allowed to delegate attendance to a Committee meeting to a member of their constituency if they are unable to participate as observer. It should not be rigidly restricted to only the Board member or Alternate.	Please refer to the response above to “7. Developing Country NGO”.
16. UNAIDS	A discrete time-to-comment should be set aside towards the end of each Committee meeting to allow Board observers to offer verbal comments. It thus preserves the opportunity for Committee members to hear the Committee of the Whole views while not disturbing the flow of the meeting.	Article 45 of the Operating Procedures was drafted to respond to the Board’s request to clarify that observers can attend, but do not otherwise participate (i.e., speak or vote) during committee meetings. The Board’s decision at the November 2015 meeting included removal of language that suggested any other type of participation by observers.
17. France	We fully agree with the comment made by the developing country NGO constituency, according to which: “ If an Observer during a Committee meeting, is explicitly requested by the Committee Chair, to say and share his/her opinion on a specific topic, the Observer should be allowed to answer the question or provide the specific comment he was requested for.	Article 45 of the Operating Procedures was drafted to respond to the Board’s request to clarify that observers can attend, but do not otherwise participate (i.e., speak or vote) during committee meetings. Committee Leadership have certain discretion in managing meeting discussions. The rules do not prohibit an observer from responding to a direct request by the Committee Leadership. Nevertheless, observers formally attend to observe discussions in a non-speaking and non-voting capacity.
18. France	We also agree with the comment made by the UK constituency, according to which observer status should be restricted to Board members and Alternates, while	Please refer to the response above to “7. Developing Country NGO”.

Source of Feedback	Feedback	Response
	recognising some other rare and exceptional circumstances under which a Board Member and Alternate could delegate their observer status in advance to another named member of the constituency.	
19. France	Regarding the EGC role in the selection of committee members, committee leadership and also board chair and vice-chair, we think that the wording could be made more accurate, so that the “review” by the EGC of the nominations/candidates should not consist in a pre-selection of the candidates, but should be seen as an advisory task by which the EGC gives an advice or recommendation to the board leadership as to the qualifications of the candidates, without preventing any of the initial candidacies from being presented to the board leadership.	Please refer to the response above to “4. Developing Country NGO”.
20. Private Sector	We support the U.K. delegation's comments on recognizing additional exceptional circumstances under which a Board Member and Alternate could delegate their observer status in advance to another named member of the constituency.	Please refer to the response above to “7. Developing Country NGO”.
21. Private Sector	The Private Sector does not feel that observers should be eligible for compensated travel costs. Expense reimbursements would not be a sound investment as observers will not be granted speaking privileges during committee meetings, and will be able to participate in committee observation via video-or tele-conference.	As noted in the response to the Developing Country NGO’s comment regarding financial support, the TGC’s recommendation is that the Global Fund does not provide additional funding to constituencies that send observers to attend Committee meetings in person. Where constituency funding is available, each constituency may decide to apply such funding towards the cost of sending an observer to a Committee meeting.

Source of Feedback	Feedback	Response
22. Private Sector	We would like to echo the concerns that several constituencies have raised on the role of the Ethics and Governance Committee (EGC) in the committee membership selection process. We ask that the revised language clearly indicate that the role of the EGC should be to advise the Board Leadership, not go so far as to recommend membership.	The role of the EGC is to consult with and advise the Board Leadership, which remains responsible for recommending Committee Leadership and Membership to the Board for approval. Please also refer to the response above to “4. Developing Country NGO”.
23. USA	We want to send a brief note expressing the U.S. constituency’s support for the revised governance documents. We are in agreement with the updates to the operating procedures and other documents	No further responses.
24. Communities	We support the notion that the BM/AM should ideally be the observer to attend the committee meetings, but we echo the written concerns raised by the Developed Country NGO delegation, Developing Country NGO delegation and Canada/Switzerland/Australia during the Board meeting, on being able to identify the representing member to the relevant committee ahead of time.	Please refer to the response above to “7. Developing Country NGO”.
25. Communities	We seek more clarity on para 45.4 to understand the intent. We support that observers would be excluded to attend closed sessions of committees and seek intent on the criteria and/or process <i>to restrict meeting attendance or information access by observers, as deemed appropriate</i> . We would like more clarity if this is specific only to closed sessions, as we understand that all documents and information discussed outside of closed sessions should be privy to the entire Board.	Documents and information discussed in closed session will not be available to observers. As such, the restrictions that Committee Leadership may apply could go beyond just excluding in-person attendance of such sessions, but also include restrictions on documents and the use of alternative means of attending meetings such as tele- or video-conferencing. Committee Leadership retains some discretion to apply additional restrictions depending on the sensitivity or nature of a discussion, as part of their role in

Source of Feedback	Feedback	Response
		managing Committee deliberations. Article 45.4 has been slightly modified to clarify.
26. Communities	We also echo concerns raised by others regarding the clarity of the role/responsibilities of thee EGC and would like for further specification as raised by the UK, as well as the Developing Country NGO delegation.	Please refer to the response above to “4. Developing Country NGO” and “12. UK”.
27. WHO	We concur with UNAIDS. We trust that the current practice of accepting written inputs from agencies participating as observers will continue.	Committee Leadership may continue the practice of seeking input from all constituencies prior to Committee meetings and introducing their comments during the Committee discussions and deliberations.
28. WHO	We fully agree with the comment made by France and the Developing Country NGO constituency, accord to which: “If an observer during a committee meeting, is explicitly requested by the Committee Chair, to say and share his/her opinion on a specific topic, the observer should be allowed to answer the question or provide the specific comment he was requested for.”	Article 45 of the Operating Procedures was drafted to respond to the Board’s request to clarify that observers can attend, but do not otherwise participate (i.e., speak or vote) during committee meetings. Committee Leadership have certain discretion in managing meeting discussions. The rules do not prohibit an observer from responding to a direct request by the Committee Leadership. Nevertheless, observers formally attend to observe discussions in a non-speaking and non-voting capacity.
29. Western and Central Africa	During the Board Meeting, we made it clear that the two constituencies have the highest burden in all the diseases. This is further compounded by the diverse socio-cultural barriers and multiplicity of lingual franca which made communication and interaction difficult particularly in WCA Constituency. It is therefore paramount to create additional Constituency in order not to disenfranchise some section. This request has become necessary if we really want to encourage regional collaboration.	As discussed, these important points are more suited for the discussion on Board composition, which is a separate work stream under the TGC’s oversight.

Source of Feedback	Feedback	Response
30. Western and Central Africa	Clearly, grant management and micro-management is eroding the much orchestrated Country Ownership as exemplified by Paris Declaration. CCMs must be encouraged and allowed to take decisions and be responsible for its decision on the grants based on country interest rather than The Global Fund Country Team approving all issues concerning day to day running of the grant. This approach is slowing things down and eroding trust, thus creating southern movement in the grant management leading to poor absorption. I believe there must be a clear communication protocol on the grant management. There is need for trust and understanding between the CCMs and Global Fund CT.	These issues are outside of the scope of the enhanced governance structure work stream of the TGC.