Electronic Report to the Board

Appointment of the Board Leadership Nomination Committee Membership

GF/B39/ER13

19 October 2018

Board Electronic Decision

Purpose of the paper: This paper sets forth the recommendation of the Ethics and Governance Committee for the membership of the Board Leadership Nomination Committee.

The paper proposes one electronic decision point as follows:

- GF/B39/EDP16: Appointment of the Board Leadership Nomination Committee Membership

Decision

> ***GF/B39/EDP16: Appointment of the Board Leadership Nomination Committee Membership***
>
> 1. ***The Board notes the recommendation of the Ethics and Governance Committee, as set forth in GF/B39/ER13, relating to the membership of the Board Leadership Nomination Committee ("Nomination Committee").***
>
> 2. ***Accordingly, the Board appoints the following individuals to serve as members of the Nomination Committee in accordance with the terms of reference of the Nomination Committee approved under electronic decision point GF/B39/EDP08 and set out in Annex 4 to GF/B39/ER07:***
>
>   a. ***Stéphanie Seydoux, Chair of the Nomination Committee;***
>
>   b. ***Vikas Sheel, Vice-Chair of the Nomination Committee;***
>
>   c. ***Paul Schaper, Member;***
>
>   d. ***Rachel Ong, Member;***
>
>   e. ***Sherwin Charles, Member;***
>
>   f. ***Olaitan Tajudeen Ibrahim; Member and,***
>
>   g. ***Minghui Ren, Member.***

A summary of relevant past decisions providing context to the proposed Electronic Decision Point can be found in Annex 1.

Executive Summary

Context

The Board approved in August 2018 a revised selection process for the Board Chair and Vice-Chair (together referred to as "Board Leadership"). The process provides for a Board Leadership Nomination Committee ("BLNC"), which is tasked with reviewing and submitting to the Board for approval the final pair of candidates for Board Chair and Vice-Chair. Selecting the new Board Leadership is a key task of the Board and is intrinsically linked with the Global Fund's Strategy.

Questions this paper addresses

- A. *Why the need to appoint the membership of the BLNC?*
- B. *What is the proposed BLNC membership?*
- C. *What are the next steps?*

Conclusions

- A. Following the approval of the revised process and the terms of reference of the BLNC, the membership of the BLNC should be appointed by the Board so as to enable the launch of the selection process.
- B. The list of the proposed members of the BLNC, together with the Chair and Vice-Chair of the BLNC, as recommended by the Ethics and Governance Committee (the "EGC"), are set forth in the proposed electronic decision point on page 2.
- C. The EGC is also considering in parallel some revisions to the Board Leadership Terms of Reference. The Board may be invited to also approve revised Board Leadership Terms of Reference following the EGC consideration of the matter. Once its membership is approved, the BLNC will be in place and the selection process for the next Board Leadership may be officially launched at the 40th Board Meeting in November 2018.

Input Sought

The Board is invited to approve, as recommended by EGC, the decision point set out on page 2 of this report.

Input Received

- The EGC reviewed at its 8th meeting on 1-2 October 2018, the nominations for the BLNC membership and adopted a recommendation to the Board (see Decision Point: GF/EGC08/DP02).

Why the need to appoint the membership of the BLNC?

1. The Board approved a revised Board Leadership selection process in August 2018. Given that the terms of the incumbent Board Chair and Vice-Chair will expire in May 2019, the incumbent Board Leadership should, as provided for under the amended provisions of the Operating Procedures of the Board and Committees, announce the selection process (Art. 30.3. BCOP) at the upcoming 40th Board Meeting, which will be held on 14-15 November 2018.[1] Likewise, the revised process calls for the establishment of a BLNC by the Board at least six months prior to the expiry of the incumbent Board Leadership's term (Art. 30.1. BCOP).

What is the proposed membership?

2. In accordance with the recommendation set forth in its decision GF/EGC08/DP02, the EGC recommends the following members of the BLNC to be approved by the Board:

   a. Stéphanie Seydoux, Chair of the Nomination Committee;

   b. Vikas Sheel, Vice-Chair of the Nomination Committee;

   c. Paul Schaper, Member;

   d. Rachel Ong, Member;

   e. Sherwin Charles, Member;

   f. Olaitan Tajudeen Ibrahim; Member and,

   g. Minghui Ren, Member.

What are the next steps?

3. The key next steps, starting with the official launch of the selection process at the 40th Board Meeting in November 2018, are outlined in the overview below.

Overview of Main Steps from Launch of BL Selection Process to May 2019
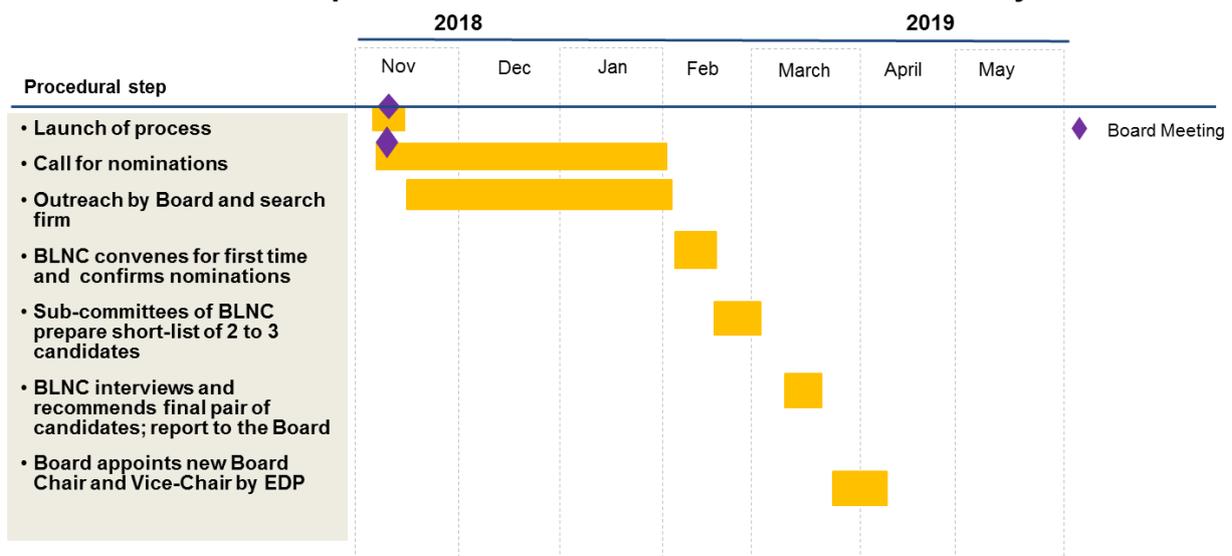
* Please note the above timeline is indicative - to be confirmed once the BLNC is established.

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[1] As amended by GF/B39/EDP08: *Terms of Reference for the Board Leadership Nomination Committee and Corresponding Amendments to the Core Governance Documents*, as approved by the Board by electronic decision on 8 August 2018.

<u>What will the Board/Committee have to do next?</u>

4. As highlighted above, once the membership of the BLNC is appointed, the selection process for the new Board Chair and Vice-Chair may be launched. At the same time, a call for nominations for candidates for Board Chair and Vice-Chair will be issued, which should be open for at least two months. The anticipated deadline for the close of nominations will be 31 January 2019, providing ample time for constituencies to undertake a board outreach for candidates.

<u>What would be the impact of delaying or rejecting the decision to progress?</u>

5. Delaying or not approving the membership of the BLNC would likely result in deferring the launch of the Board Leadership selection process.

Recommendation

6. The Board is invited to approve the EGC recommendation for the appointment of the BLNC membership as set forth in the electronic Decision Point presented on page 2.

Annex 1 – Relevant Past Decisions

Relevant Past Decision Points	Summary and Impact
GF/B39/EDP08, Terms of Reference for the Board Leadership Nomination Committee and Corresponding Amendments to Core Governance Documents (August 2018)	On 8 August 2018, the Board approved by electronic decision a revised process for Board Leadership selection and corresponding revisions to the BCOP and EGC Charter to implement the new process.
GF/B39/DP12, Strengthening the Board Leadership Selection Process (May 2018)	On 10 May 2018, the Board acknowledged the need to strengthen the current selection process for Board Leadership and approved in principle the revised process as detailed in Section II of GF/B39/05 – Revision 1.

Annex 2 – Relevant Past Documents & Reference Materials

Past reports and reference materials:

- o Consultation Package, *Board Leadership Selection Process*, EGC Consultation (17 September 2018)

- o Board Consultation Package, *Proposal for Strengthening the Board Leadership Selection Process*, EGC (26 March 2018)

- o GF/EGC06/07, *Strengthening the Board Leadership Selection Process: Summary and Discussion of Consultation Input* (March 2018)

- o Board Consultation Package, *Strengthening the Board Leadership Selection Process*, EGC (2 February 2018)

- o GF/B38/22, *Strengthening the Board Leadership Selection Process* (November 2017)

- o GF/EGC05/08, *Revised Board Leadership Selection Process: Key Points for Discussion* (October 2017)

- o J. Dubinsky, *Over-arching principles for proposing a new selection process for Board Leadership at the Global Fund* (August 2017)

- o GF/EGC04/04, *Board Leadership Selection Lessons Learned – Initial Findings* (July 2017)

- o Egon Zehnder and Office of Board Affairs, *Principles to Guide Changes to Board Leadership TORs and Selection Processes* (February 2017)