



Independent observer
of the Global Fund

MAIN DECISIONS MADE AT GLOBAL FUND BOARD MEETING

On 3-4 May 2017, the Global Fund Board held its 37th meeting in Kigali, Rwanda. GFO was present, with observer status. The main decisions made at the meeting, in chronological order, were as follows.

(For precise wording of what the Board agreed, see the decision points document that is available at www.theglobalfund.org/en/board/meetings/37. Background documentation will also, in time, be posted by the Global Fund at the same location.)

Board Chair and Vice-Chair TORs. The Board approved revised terms of reference for the Board Chair and Vice-Chair. The changes from the previous TORs were not significant. [See Decision Point 3.]

New Board Chair and Vice-Chair. The Board appointed Aida Kurtovi? as Chair and Ambassador John Simon as Vice-Chair, both for two-year terms. Kurtovi? was the outgoing Vice-Chair. Further details are provided in a [separate article](#) in this issue. [See Decision Point 4.]

2016 Annual Financial Report. The Board approved the 2016 Annual Financial Report, which included the 2016 Consolidated Financial Statements. The statements were reviewed by KPMG SA, the Fund's external auditor, which said it was "in a position to issue" unqualified audit opinions on the statements. Income for 2016 was \$5.194 billion, more than double income for 2015; the 2016 amount was driven by contribution agreements related to the Fifth Replenishment. Grant expenditures in 2016 were \$3.969 billion. This represents annual grant commitments made for principal recipient and pooled procurement activities, and includes \$307 million in procurement orders processed through wambo.org. Other highlights: Grant disbursements were \$3.59 billion, 8% higher than 2015. Operating expenditures were \$277 million, compared to \$298 million in 2015, a 7% decrease. For the purposes of Swiss law, the Board also approved the Global Fund's 2016 Statutory Financial Statements. (The Global Fund is incorporated as a foundation under Swiss law.) [See Decision Points 5 and 6.]

Administration Agreement with the World Bank. The Board authorized the Secretariat to enter into an Administration Agreement with the World Bank for a performance-based funding project in the Democratic Republic of Congo. There were some special circumstances concerning this agreement. Further details are provided in a [separate article](#) in this issue. [See Decision Point 7.]

Policy on Restricted Financial Contributions. The Board approved the Amended and Restated Global Fund Policy for Restricted Financial Contributions. Revisions were made to the part of the policy dealing with Complementary Restricted Financial Contributions (CRFCs). The objective of these changes is to introduce flexibilities on the level of restriction and the treatment of unutilized portions of CRFCs in order to provide a more conducive framework for private sector resource mobilization efforts. [See Decision Point 8.]

wambo.org. The Board authorized the piloting of a limited number of transactions (10) via wambo.org by current principal recipients using domestic funding. The Board authorized the Strategy Committee to approve additional transactions, also on a pilot basis. Finally, the Board requested that the Secretariat (i) provide the Strategy Committee, by its next meeting, clearly defined draft indicators of success for the pilot; and (ii) report regularly to the Strategy Committee on the operationalization of the pilot, including any lessons learned. Further details are provided in a [separate article](#) in this issue. [See Decision Point 9.]

Membership on the 2017 Executive Director Nomination Committee (EDNC). The Board approved the appointment of nine individuals to serve as members of the EDNC. The Board formally requested the EDNC to start the 2017 recruitment process for the Fund's next E.D. Further details are provided in a [separate article](#) in this issue. [See Decision Point 10.]

Health Situation in Venezuela. The Board called for a coordinated regional response to the health crisis in Venezuela. It said that the Global Fund would continue to engage and, if possible, support the regional response. Further details are provided in a [separate article](#) in this issue. [See Decision Point 11.]

Global Fund Quality Assurance Policy for Diagnostic Products. The Board approved revisions to the existing Global Fund Quality Assurance Policy for Diagnostic Products to reflect new World Health Organization recommendations and guidelines and the Global Fund policy on co-infection and co-morbidities that the Board adopted in 2015. The revised policy delegates authority to the Strategy Committee to make, in future, revisions related to updated guidance. [See Decision Point 12.]

Recognition of Dr Mark Dybul. The Board said that it wished to sincerely thank Mark Dybul for the exceptional leadership, vision, and passion he displayed throughout his tenure as Executive Director. The Board said: "Through his tireless, humble, far-sighted efforts to expand and maximize the impact of the Global Fund partnership, Dr Dybul has inspired all partners to go farther than many thought possible: two successful Replenishments; implementation of a new funding model; shifting operations and attitudes to

embrace a strong focus on impact; strengthening partnerships to deliver our mission; supporting the Board in devising a new Strategy; and developing forward-looking initiatives to better promote sustainability and innovation.” In addition, the Board recognized Dr Dybul’s role in enhancing the relationship between the Board and the Secretariat. The Board stated: “Through strengthening this relationship, he has helped the Global Fund remain targeted on achieving its mission and focused on best serving those affected by the three diseases.” [See Decision Point 13.]

Appreciation of Outgoing Chair and Vice-Chair of the Board. The Board expressed its deep appreciation to Mr Norbert Hauser for his leadership as Chair of the Board. The Board stated: “Over his time working with the Global Fund, he has shown a high degree of personal commitment, willingness to devote his time and energy, and passion for the work of the Global Fund. During his tenure, Norbert has presided over significant and complex deliberations and decisions that will continue to shape the future of the Global Fund.” The Board bestowed on Mr Hauser the honorary title of Chair Emeritus.

The Board also expressed sincere gratitude to Aida Kurtovi? for her leadership as Vice-Chair of the Board. The Board stated: “She has served the Global Fund with dedication and continues to show her personal conviction for the mission of the Global Fund by focusing her efforts as the incoming Chair of the Board. During her tenure as Vice-Chair, Aida has been an active driver of relationship building and collaborations that will have a lasting impact on the Global Fund.”

Of the Board leadership team, the Board said: “Their stewardship of the Board delivered the enhanced governance structure, strengthened ties across Global Fund stakeholders, and helped to guide and direct external relations.”

[See Decision Point 14.]

Editor’s note: This article was altered on 9 May 2017 to correct an error in the section on the 2016 Annual Financial Report.

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