



Independent observer
of the Global Fund

Global Fund Board meeting approves four Decision Points

Dear subscribers

The Global Fund held its 50th Board meeting between 15-17 November 2023 in Geneva, Switzerland. This is our special Board issue of the Global Fund Observer, when we bring you the most important outcomes, the Decision Points, up front and then we take a closer look at the background papers that resulted in the recommendation of those Decision Points to the Board.

While complaining (again!) about the background papers' use of Global Fundspeak, convoluted language, meaningless phrases, sentences which are sometimes impossible to understand even by native English speakers, overuse of words like 'strategic' and lack of putting acronyms in full the first time they are used, we are appreciative of the sheer dedication and passion exhibited by staff, Committee and Board members. And proud to be part of the Global Fund partnership of stakeholders.

In this Editorial, we will not go into the articles except to say that we selected the Board papers that we felt were of most immediate interest and topical relevance to readers (the four Decision Point issues, Country Coordinating Mechanisms and a few others). And what we could not cover in this issue (or you would still be reading it over the weekend) will be discussed in our next one, due out on 13 December: the last issue of 2023.

Just one comment on the Executive Director's speech. It was 30 pages of many competing priorities, with many question marks and even more global challenges affecting the organization's mission than previously. One's overriding impression was one of doubt and concern: is the Global Fund's mission seriously at risk and what can be done to address this?

For now, though, we bring you the Decision Points.

After approving various house-keeping decisions such as the agenda and the rapporteur, the following Decision Points were presented for approval. You'll find a summary of the thematic issues behind each Decision Point, including stakeholder feedback and Board deliberations, in the articles following this one.

Decision on Amendments to the Risk Appetite Statements

Decision Point GF/B50/DP03: Amendments to the Risk Appetite Statements

1. The Board:

- Recalls its ultimate responsibility to the Global Fund's stakeholders for overseeing the implementation of effective risk management;
- Affirms the Strategy Committee's concurrence with the amended Risk Appetite Statement under such committee's oversight, as reported to the Audit and Finance Committee; and
- Further affirms the Audit and Finance Committee's concurrence with the amended Risk Appetite Statement and integration of the Strategy Committee's concurrence, as set forth in Annex 1 to GF/AFC23/8A – Revision 2 and pursuant to decision point GF/AFC23/DP04.

2. Based upon the recommendation of the Audit and Finance Committee, the Board approves the amended Risk Appetite Statement, including risk appetite and timeframes to achieve target risk, as set forth in the table in Annex 1 to GF/B50/03, acknowledging that the target risk level for each risk shall become the revised risk appetite at the target due date, or when earlier achieved.

3. This decision point and the amended Risk Appetite Statement approved by it shall supplement decision point GF/B49/DP04 (May 2023).

Decision on Updated Global Fund Approach to Blended Financing

Decision Point GF/B50/DP04: Framework to Guide the Development, Review, Approval and Implementation of Blended Finance Transactions

Based on the recommendation of the Audit and Finance Committee, the Board approves the blended finance approach set forth in Annex 1 to GF/B50/04: Framework to Guide the Development, Review, Approval and Implementation of Blended Finance Transactions.

Budgetary implications (included in, or additional to, OPEX budget)

- There are no immediate, material budgetary implications for this approval. The only potential budgetary implications could be associated with the due diligence process described in the paper should the Global Fund seek to strengthen its capacity to conduct those due diligence efforts. If necessary, these are expected to be relatively minimal. Outside of this, existing Global Fund resources are sufficient to implement the new approach.
- This said, as highlighted in GF/AFC22/05, the Secretariat does expect that limited resources to seed blended finance transactions will continue to represent a challenge, particularly given constrained GC7 Strategic Initiative (SI) resources and increased reliance on country allocations to finance both Blended Finance transactions and associated fees.

Decision on 2024 Corporate Work Plan and Operating Expenses Budget

Decision Point: GF/B50/DP05: 2024 Work Plan and Budget Narrative and the 2024 Operating Expenses Budget

Based on the recommendation of the Audit and Finance Committee (AFC), the Board approves the following:

1. The 2024 Work Plan and Budget Narrative, as set forth in GF/B50/02A; and
2. The 2024 Operating Expenses Budget in the amount of US\$ 342.2 million (comprising (i) PART A Secretariat Operating Expenses of US\$ 277.9 million, which includes US\$ 15.9 million for the Office of the Inspector General's 2024 Operating Expenses; and (ii) PART B In-Country and Independent Bodies of US\$ 64.4 million), as set forth in GF/B50/02A.

Decision on Quality Assurance Policies

Decision point: GF/B50/DP06: Amended and Restated Global Fund Quality Assurance Policy for Pharmaceutical Products and Amended and Restated Global Fund Quality Assurance Policy for Medical Devices (including In-Vitro Diagnostics) and Core Personal Protective Equipment

Based on the recommendation of the Strategy Committee, the Board approves:

1. The Amended and Restated Quality Assurance Policy for Pharmaceutical Products as set forth in Annex 1 to GF/B50/05;
2. The Amended and Restated Quality Assurance Policy for Medical Devices (including In-Vitro Diagnostics) and Core Personal Protective Equipment, as set forth in Annex 2 to GF/B50/05, which replaces in its entirety the former Quality Assurance Policy for Diagnostics Products; and
3. The delegation of authority to the Secretariat, in consultation with the Strategy Committee Chair and Vice Chair, to make non-material adjustments to the two quality assurance policies referenced above, in line with Annex 3 to GF/B50/05 and to report back to the Strategy Committee and Board on all such changes.

Budgetary implications (included in, or additional to, OPEX budget)

This decision has no budgetary implications.

When you read the related articles do join Aidspace in thanking our dedicated Global Fund staff and partners for their extremely hard work – the circumstances might be easier than in the past (no COVID) but it is still a momentous amount of work to put these meetings together and run the behemoth that is the Global Fund machine.

As ever, Aidspace and our editorial team, under the leadership of Ida Hakizinka, does its best to ensure the accuracy of data and statements in our published articles ? and hence our inclusion of hyperlinks ? but if you, the reader, identify an error or important omission, please notify us and provide us with your data source; and we shall be happy to publish a correction or amendment.

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Don't forget: if you are aware of an interesting development relevant to disease programmes or health systems and that you feel is worthy of global discussion, do let me know together with the name of a person prepared to write about this. Suggestions and comments can be sent to us, Ida Hakizinka or Arlette Campbell White in English, French or Spanish at ida.hakizinka@aidspan.org or acampbell.white@aidspan.org.

The Aidspace Editorial Team

