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GLOBAL FUND ADVANCES ITS GOVERNANCE REFORM AGENDA

Areas of responsibility defined for each committee

New Market Dynamics Advisory Group established

As reported in the [GFO article](#) summarising the decisions taken at the Accra Global Fund Board meeting, the Board approved charters for the three new standing committees of the Board, and approved certain other governance-related documents. This article provides additional information.

Each committee will be responsible for providing advice on, and for monitoring, specific areas of the Global Fund. In some instances, the committees will have the power to make decisions (see below). The areas of responsibility for the new Strategy, Investment and Impact Committee (SIIC) are the strategic direction of the Fund, the investment impact of Fund resources, and evaluation strategies. This includes the Global Fund's policies on eligibility, counterpart financing and prioritisation; implementation of the grant portfolio; key performance indicators for the grant portfolio; and forecasts of demand for Global Fund financing.

The areas of responsibility of the new Finance and Operational Performance Committee (FOPC) cover the financial health of the Global Fund and the operations of the Secretariat. This includes the Secretariat's key performance indicators; the country risk stratification matrix; the Fund's resource mobilisation strategies; financial risk management and fiduciary controls; and strategies for enhancing value for money.

For the new Audit and Ethics Committee (AEC), the areas of responsibility cover the Global Fund's internal and external audit functions, and ethical standards and procedures. This includes the operations of the Office of the Inspector General (OIG).

Each of the standing committees will have some decision-making authority in areas specifically delegated by the Board. For example, the SIIC will have the authority to decide which key indicators will be used for measuring performance of the grant portfolio.

At its Accra meeting, the Board appointed the Chairs and Vice chairs of the SIIC and the FOPC, and some members of the AEC. (See [GFO article](#) on Board decisions.)

One of the reforms being made to the way the Global Fund Board operates is the establishment of a Coordinating Group. This group will coordinate the activities of the three standing committees, particularly with respect to those areas where the committees' mandates overlap (such as performance and impact indicators). The Coordinating Group will also support the Board in assessing the performance of the Fund's governance bodies, the Executive Director and the Inspector General.

A new Market Dynamics Advisory Group (MDAG) will assume the responsibilities of two existing ad-hoc committees that are being discontinued: the Market Dynamics and Commodities Ad-Hoc Committee and the Affordable Medicines Facility-malaria Ad-Hoc Committee. The MDAG will report to the SIIC.

The Global Fund Board adopted charters (the Board's term for "terms of reference," or "TORs") for each of the standing committees, and TORs for the Coordinating Group. The SIIC will develop TORs for the MDAG.

At its meeting in Accra, the Global Fund Board adopted a 37-page operating procedures document. The document describes procedures for both the Board and its standing committees.

The decisions made at the Board meeting complete Phase 1 of the governance reform process. Phase 2 will focus on assessing Board composition (including the bloc structure, constituency size and composition), reviewing the role of the non-voting seats, and reviewing the roles of other governance, administrative and evaluative bodies such as the Technical Review Panel (TRP) and the Partnership Forum.

The paper outlining the governance reforms should be available shortly at www.theglobalfund.org/en/board/meetings/twentyfifth/. See GF/B25/5. The charters of the standing committees, the TORs of the Coordinating Group and the operating procedures are available as separate documents at the same location (see Attachments 2-5, and Attachment 6).

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