



Independent observer
of the Global Fund

MAIN DECISIONS MADE AT BOARD MEETING

On 20-21 November 2014, the Global Fund Board held its 32nd meeting in Montreux, Switzerland. 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 has been posted [here](#). Background documentation will also, in time, be posted by the Global Fund at the same location.)

2015 workplan and budget. The Board approved a corporate workplan and budget narrative for 2015. It also approved the 2015 operating expenses budget in the amount of \$299.8 million, which includes \$16.4 million for the Office of the Inspector General. [See DP03.] See also separate GFO article [here](#).

Governance. The Board approved several changes in governance arrangements, including establishing a transitional governance committee and introducing measures to make Board and committee votes more transparent. The Board also approved in principle a reconfiguration of its existing standing committees, though these will not take effect until April 2016. [See DP05.] See also separate GFO article [here](#).

Risk management. The Board approved a new risk management policy to replace the risk management framework that has been in place since 2009. The Board approved a new risk differentiation framework. [See DP11 and DP12.] See also separate GFO article [here](#).

Losses and recoveries reports. The Board assigned to the Secretariat the responsibility for preparing reports semi-annually on losses and recoveries. Previously these reports had been prepared jointly by the Secretariat and the Office of the Inspector General (OIG). The OIG argued that this was inconsistent with its role as an independent auditor of Secretariat processes. The OIG will still report on the Secretariat's progress on recoveries as part of the OIG's regular progress reports. [See DP04.] See also separate GFO article [here](#).

Ethics and integrity initiative. The Board adopted a new ethics and integrity framework. It also established a dedicated ethics function and approved a set of principles related to a code of ethical conduct for governance officials. [See DP09.] See also separate GFO article [here](#).

Privileges and immunities. The Board has been concerned for many years that the failure to accord to the Global Fund privileges and immunities normally granted to international organizations exposes the Fund's resources, staff and mission to serious risks and challenges. Limited progress has been made on this front. Consequently, the Board directed the Secretariat to devote dedicated resources to the task of acquiring privileges and immunities. It also asked its Finance and Operational Performance Committee and its Audit and Ethics Committee to oversee the process and to report annually to the Board on which countries have failed to grant privileges and immunities. Finally, the Board asked its chair and vice-chair to put together a group of donor and implementer representatives to advocate for the acquisition of privileges and immunities. [See DP06.]

Restricted financial contributions. The Board amended its restricted financial contributions policy to bring it in line with developments under the new funding model. Specifically, donors that wish to provide funding for a specific initiative in the register of unfunded quality demand may now do so. [See DP13.]

Market shaping. The Board decided to abolish the Market Dynamics Advisory Group. The Secretariat will be responsible to develop and implement strategic policies and initiatives on matters related to market dynamics. Responsibility for oversight will be split between the Strategy, Investment and Impact Committee and the Finance and Operational Performance Committee. [See DP08.] See also separate GFO article [here](#).

Funding for hepatitis C (HCV). The Board decided that where there is currently an approved budget for HCV treatment within an existing Global Fund grant, the Fund may continue to fund such treatment up to the approved budget amount. This is an interim measure. The Strategy, Investment and Impact Committee is developing recommendations on the role of the Global Fund in financing treatment of co-infections and co-morbidities of the three diseases. The Board also called on partner organizations to put more money into financing HCV treatments, including within Global Fund grants. [See DP07.]

Corporate KPIs. The Board approved an updated corporate KPI framework and a number of performance targets for 2015. The remaining 2015 performance targets will be presented to the Board for approval at its first meeting in 2015. [See DP10.] See also separate GFO article [here](#).

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