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THE GLOBAL FUND'S 42ND BOARD MEETING CONFIRMS 2020-2022 ALLOCATIONS, COMMITTEE SELECTION PROCESSES, AND EXPANSION OF WAMBO.ORG

On 14-15 November 2019, the Global Fund Board held its 42nd meeting in Geneva, Switzerland. A 'pre-day' of information, discussion and interactive sessions was held on 13 November. Aidspan and the GFO/OFM were present, with observer status. The main decisions made at the meeting, in chronological order, are described below. (For precise wording of what the Board agreed, see the decision points document that is available at <http://www.theglobalfund.org/en/board/meetings/42>. Background documentation will also, in time, be posted by the Global Fund at the same location.)

The Board tabled six decision points (including the pro-forma Agenda and Rapporteur approval points) and approved all of them. An additional four decisions were approved in advance of the meeting by electronic voting. The remainder of the meeting's agenda included four items of information, six items related to strategy development, and four items related to governance oversight.

Apart from approving the meeting's Agenda (GF/B42/02) and Rapporteur (Mary Isaac of the Latin America and Caribbean constituency; GF/B42/DP01), the main decision points approved by the Global Fund Board were:

Sources and Uses of Funds for the 2020-2022 Allocation Period. On Day 1 of the Board Meeting (Thursday, November 14), based on the recommendation of the Audit and Finance Committee (AFC), the Board approved Decision Point on Allocations for 2020-2022, containing four points:

1. The amount of sources of funds for allocation for the 2020-2022 allocation period to be \$13 billion. This is made up of (i) \$13.25 billion from the Sixth Replenishment's \$14.02 billion, net of certain

adjustments, (ii) \$0.65 billion of forecasted unutilized funds from the 2017-2019 allocation period, (iii) to which a reduction of \$0.9 billion will be applied, of forecasted operating expenses for the 2020-2022 allocation period.

2. The Decision Point also included the approval of the use of an additional \$0.09 billion (\$90 million) for the 2020-2022 allocation period's catalytic investments, bringing the total amount for catalytic investments for this period to \$0.89 billion [see Annex 1 of GF/B42/02].
3. To help ensure the maximum amount of impact and use of funds over the 2020-2022 allocation period, the Board requests that the Secretariat include an additional \$0.60 billion in the amount used to determine country allocations (pursuant to the Allocation Methodology for 2020-2022 [see GF/B41/DP03]).
4. The final amount of sources of funds for country allocation for the 2020-2022 allocation period is \$12.11 billion, to which \$0.60 billion will be added before determining country allocations.

[See Decision Point GF/B42/DP03, and see separate article in this issue on supply chain and wambo.org]

2020 Work Plan and Budget Narrative and 2020 Operating Expenses Budget. On Day 1 of the meeting the Board approved at the same time the Global Fund's 2020 work plan and its 2020 operating expenses budget. Based on the recommendation of the Audit and Finance Committee, the Board approved (1) the 2020 Work Plan and Budget narrative (as set out in GF/B42/03A) and (2) the 2020 Operating Expenses Budget in the amount of \$305 million, (as set out in GF/B42/03B, the "2020 Opex Budget"), which includes \$15.24 million for the Office of the Inspector General's operating expenses.

[See Decision Point GF/B42/DP04.]

Evolving the wambo.org pilot for non-Global Fund-financed orders. On the second day of the Board meeting (Friday, November 15), the Board approved a revised decision regarding the expansion of wambo.org, based on the recommendation of the Strategy Committee (SC). The decision (i) reaffirms the importance of wambo.org and supports evolving the wambo.org pilot, (ii) decides that wambo.org may be made available for non-Global Fund-financed orders by governments and non-government development organizations in Global Fund-eligible and -transitioned countries, for all products, services and functionalities as they become available on wambo.org, up to a cap of \$50 million for all transactions within the scope of the decision point, and (iii) instructs the Secretariat to undertake consultations early in 2020, and evaluation of the wambo.org pilot in 2022, and bi-annual reporting on the progress of the pilot to the SC.

In addition, the Board delegated to the SC the authority to (i) approve a higher cap for transactions via wambo.org before the 2020 consultations, and (ii) establish the future parameters of the wambo.org pilot, based on the outcome of the 2020 consultations.

Finally, the Board also requested the Secretariat to include the results of the 2022 evaluation of wambo.org in the development of a strategy for the future advancement of wambo.org.

There are no budgetary implications related to this decision.

[See Decision Point GF/B42/DP05.]

Revisions to the selection process of the members of the Board Standing Committees and to the Charters of the Board Standing Committees. The Board, "cognizant of the overarching desire of fostering the further participation of constituencies across the Board Standing Committees, and mindful that the composition of the Board Standing Committees should reflect the broad partnership that brings together representatives from donor and implementer governments, communities, civil society, the private sector,

the private foundations and technical partners” approved a decision point with numerous adjustments to the representation of constituencies on committees.

[See Decision Point GF/B42/DP06]

ELECTRONIC DECISION POINTS CONFIRMED

Just prior to the Board meeting in Geneva, the Board made four decisions through electronic voting: Second Exceptional Funding Request to Address the Health Crisis in Venezuela. On November 7, the Board unanimously approved a second exceptional funding request to respond to the continued health and economic crisis in Venezuela, as recommended by the Secretariat and the Strategy Committee (SC) at the SC meeting on 17-18 October 2019, in line with the Board-approved approach to non-eligible countries in crisis (GF/B39/03- Revision 1). Venezuela had been exceptionally made eligible for malaria funding for the 2020-2022 allocation period (GF/B41/EDP06) but it remains ineligible for HIV and tuberculosis funding.

The decision point approves the investment of an additional \$6 million for the year 2020, to support the procurement of critical HIV, TB and malaria health products for Venezuela, and for social monitoring of the investment. The decision point also recognizes that “the emergency circumstances in Venezuela continue to require unique implementation and management arrangements, which differ substantially from the standard Global Fund funding model and applicable policies” (GF/B41/ER10 and Annex 1). The funds will be provided through sources of funds identified by the Audit and Finance Committee.

[See Decision Point GF/B41/EDP14]

Revisions to the Committee Leadership Selection Process, the Due Diligence Process and the EGC Size and Composition. On Monday, November 11, the Board approved a decision on a strengthened Committee leadership selection process, an enhanced due diligence process for both Committee leadership and membership selection processes, as well as on EGC size and composition. The decision was not unanimous: there was one vote against (Private Sector Delegation) and three abstentions from the Implementer Group (Communities, Developing Country NGOs, and Latin America and the Caribbean).

The Board discussed the decision further in an Executive Session held on Day 1 of the Board meeting (November 14). Aidspan is still pending to receive additional information on this.

This decision point had originally been tabled at the 41st Board meeting, in May 2019, but was moved to the 42nd Board meeting after the Ethics and Governance Committee (EGC) and the EGC Working Group received extensive feedback and comments on the proposed decision, including objections from the United States and Developed Country NGO delegations. As a result, the EGC and the EGC Working Group decided to dedicate more time for further consultation and consideration.

The background to this decision point is that in May 2018, the EGC made a recommendation to the Board on principles and actions to guide the selection process, on standards and processes for due diligence, and on the size and composition of the EGC.

The revised processes initially up for decision at the 41st Board meeting were intended to improve transparency, rotate the representation of constituencies, and promote relevant experience, institutional memory, gender equality, and proper due diligence processes. The processes include a set membership rotation, selection focusing on competence and diversity, and improved due diligence. The recommendation was developed using input from 17 constituencies, solicited by the five-person EGC Working Group on Committee Selection Processes.

[See Decision Point GF/B41/EDP15]

Indicator Revision and Target for Key Performance Indicators 1, 12a, 12b. On Wednesday, 13 November, the Board approved a decision on a number of Key Performance Indicators (KPIs): (1) the wording revision for KPI 10 (Resource Mobilization); (2) the indicator revision and performance target for KPI 12a (Availability of affordable health technologies: Availability) as presented in GF/B41/ER12; (3) the 2020 performance target for KPI 12b (Availability of affordable health technologies: Affordability) as presented in GF/B41/ER12. The decision has no budgetary implications.

Details of this decision point are available in the Electronic Report to the Board (GF/B41/ER12).

[See Decision Point GF/B41/EDP16]

OTHER TOPICS

Some of the other topics discussed at the Pre-Day sessions and at the Board meeting, for which there were no associated decision points, included:

The Global Fund and the SDG3 agenda. This was a very stimulating discussion, launched by Peter Piot, Director of the London School of Hygiene & Tropical Medicine, who gave his personal reflections on global health, equity and social justice, and the Global Fund's ambitions. This session offered a crucial opportunity to analyze the Global Fund's objectives in the broader context of the Sustainable Development Goals (SDGs). The Board members acknowledged the fact that achieving the SDGs, in particular SDG3, required a change of mindset, innovative measures and an appetite to work differently. The process of the development of the Global Fund's new strategy will open additional opportunities to analyze the ecosystem, identify the challenges and propose new pathways to accelerate the response to the epidemics.

OIG Advisory report on West and Central Africa. A special session was organized on Wednesday, November 13, on the 'pre-day' to the official Board meeting, in order to update the delegations and the Secretariat on the decisions made regarding the follow up of [the OIG report](#). The report was published on 31 May 2019 (GF-OIG-19-013) and triggered a Secretariat Action Plan to overcome identified barriers and enhance grant performance in the region. The methodology of the country assessments currently conducted by the Secretariat was presented, as well as the objectives of the Action plan. The preliminary remarks about the first country visits (Senegal and Guinea) were shared by Senegalese and Guinean colleagues, and additional examples of the simplification of measures were given by the Permanent Secretary of Chad. The presentation and discussion raised many questions and remarks from the delegations, and interest is high among the constituencies to the Board to follow the initiative closely, especially from the WCA constituency. Some concerns were raised about the methodology, in particular the involvement of the in-country actors and their participation in the "evaluation process," which, some expressed, should not be a top-down exercise. Other doubts came from the limited timeline, which may not enable all the countries involved to have the results of the assessments in time to integrate the findings in the concept notes for new grants.

Christelle Boulanger contributed additional reporting for this article from Geneva.

The official document containing the Decision Points from the Global Fund's 42nd Board Meeting is available [on the Global Fund website](#) at https://www.theglobalfund.org/media/8456/bm41_decisionpoints_report_en.pdf.

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