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of the Global Fund

GLOBAL FUND BOARD APPROVES CHANGES TO THE RULES GOVERNING COMMITTEES

The Global Fund Board has approved changes to the composition of its three standing committees – the Strategy Committee (SC); the Audit and Finance Committee (AFC); and the Ethics and Governance Committee (EGC). The Board also approved changes to the selection processes for both the leadership and the membership of the committees.

Some of the changes were adopted by electronic vote on 11 November, prior to the Board's 42nd in-person Board meeting in Geneva. Other changes were adopted at the in-person meeting itself when the Board went into executive session to discuss the proposed changes.

Highlights of the changes

The main changes adopted by the Board were as follows:

- The size of each of the standing committees will be increased by two voting members;
- Two items were added to the list of competencies for committee leadership positions;
- Two items were added to the selection criteria for committee leadership positions;
- Several changes were made to the process for selecting committee leadership;
- A list of guiding principles for the selection of committee members has been prepared;
- The due diligence review process for appointments to committee leadership and membership positions has been strengthened and is now codified in the Operating Procedures for Board and Committees.
- There is no set rotation of Committee Members (an electronic decision point on 11 November had initially adopted a set rotation for the EGC by amending the EGC charter). At the 42nd Board

meeting, on 14 November, the Board decided to follow a principles-based approach for the selection of members for all Committees (see decision point GF/B42/DP06).

To implement the changes, the Board approved amendments to the [Operating Procedures of the Board and Committees of the Global Fund](#), effective immediately; and to the charters of the standing committees, effective upon the expiry of the two-year terms for the members of current committees in May 2020.

Background

A paper provided to the Board (Document GF/B41/ER11) described the governance of the Global Fund as “robust,” but it said that external advisory reviews, assessments and lessons learned have revealed challenges associated with the existing processes, including: a perceived lack of transparency; questions regarding trust in the process; questions regarding representation; limited candidate pools; adequateness of the due diligence; and the need to balance continuity and membership renewal.

At its 39th meeting in May 2018, the Board instructed the EGC to undertake a review of the existing processes and make recommendations on potential revisions. The recommendations were to be developed through broad consultation.

The EGC formed a working group to coordinate the consultations and to recommend changes to the full committee ([see article from GFO 346](#)). Consultations with constituencies about the proposed changes took place at the 40th Board meeting in November 2018, on the sidelines of the 41st Board meeting in May 2019, and in the months leading up the 42nd Board meeting.

The changes in detail

Committee leadership selection process

The Board approved changes to the committee leadership selection process in four areas: competencies of candidates; selection criteria; succession planning and continuity; and roles and responsibilities.

Competencies of candidates

Two items were added to the list of competencies in the Operating Procedures – (a) strong facilitation and chairing skills; and (b) good understanding of the Board’s role. See Table 1 (below) for a complete list of competencies; the additions are shown in bold.

Table 1: Key competencies for committee leadership

- An in-depth understanding of and personal commitment to the Global Fund principles, core values, mission, operations and governance mechanisms (experience as a Board Member or Alternate Member an advantage).
- Good understanding of the Board's role.
- An in-depth understanding of and personal commitment to the Global Fund principles, core values and mission.
- An in-depth knowledge of the issues around HIV/AIDS, tuberculosis and malaria, international health and development, operations, governance or strategy.
- Strong facilitation and chairing skills. Experience in chairing other, non-Global Fund–related committees an advantage.
- Experience in being part of governing bodies with an ability and capacity to network effectively and broadly.
- A facilitative and consultative approach – diplomatic with policy and strategic skills.
- Strong leadership and management skills gained in a multicultural/multi-stakeholder environment.
- High-level judgement in complex situations.
- Acute analytical skills
- Access to the necessary communication infrastructure to allow the role to be carried out effectively (e.g. fax, e-mail and mobile phone).
- Have the ability to work in written and spoken English (additional languages a great advantage).

Source: Board Document GF/B41/ER11

The Board also said that complementarity between the skills of the chair and vice-chair of a committee should be ensured.

Selection criteria

The Board added two items to the selection criteria described in the Operating Procedures, as follows:

- Working towards variety in constituency representation in committee leadership positions over time; and
- Aiming to establish committee leadership across the three standing committees that is balanced in terms of gender.

Selection planning and continuity

The Board decided that between the chair and the vice-chair of a committee, at least one should have “a certain level of knowledge and familiarity” with the Global Fund and its governance, ideally having served on the committee in question and having a track record of effective committee participation. The Board said that this person should have at least 3-5 years of recent experience with the Global Fund. Ideally, the Board said, the person selected for the other leadership position will have good knowledge of the Global Fund as well, “but in the interest of attracting new talent this is not essential.”

Finally, the Board said that the vice-chair of a committee may be nominated as chair of the committee for the next term, but an appointment is not automatic.

Roles and responsibilities

The changes in this area were not significant; some existing practices were formalized in the Operating Procedures.

Due diligence

The Ethics Officer performed due diligence reviews of the candidates the last time committee leaders and members were selected (in 2018). At the time, the Operating Procedures did not spell out any process for due diligence.

With the latest changes, the due diligence process has been strengthened and will be codified in the Operating Procedures.

The new process has three phases, as follows:

- Phase 1: Constituencies carry out an initial due diligence for all nominees before they are nominated based on guidance from the Ethics Officer. This enables the nominating constituency to affirm that they have confidence that their nominee is able to fully comply with the [Code of Conduct for Governance Officials](#), shares the Global Fund's values and would not expose the Global Fund to reputational risks.
- Phase 2: The Ethics Officer carries out due diligence for all nominees. The EGC considers any sensitive information identified by the Ethics Officer; and
- Phase 3: The Ethics Officer carries out an additional level of due diligence with trusted source enquiries for the finalist candidates for committee leadership and for committee membership candidates if, in the opinion of the Ethics Officer, the previous phases of due diligence raised concerns.

The Board said that the due diligence process is strengthened by the additional guidance outlined above, the diversification of sources, and the shared responsibility between the nominating constituency, the Ethics Officer and the EGC. The aim is to identify and resolve concerns before a list of candidates is published. That said, concerns raised after publication of the list of candidates will be considered by the Ethics Officer under the oversight of the EGC on a case-by-case basis.

Size and composition of the committees

The number of voting members on each committee will increase by two (see Table 2 below).

Table 2: Composition of the standing committees

	No. of voting representatives of constituencies from the implementer group		No. of voting representatives of constituencies from the implementer group	
	Current	New (as of May 2020)	Current	New (as of May 2020)
Strategy Committee (SC)	5	6	5	6
Audit and Finance Committee (AFC)	5	6	5	6
Ethics and Governance Committee (EGC) 1	3	4	3	4

Note: All EGC members will serve in their personal capacity, as at present. This is different from the SC and the AFC where voting members represent their constituencies

Currently, the EGC has six voting members, three nominated by donor constituencies and three by implementer constituencies. Nominations for the two new voting members will follow the same pattern – i.e. one will be nominated by the donor constituencies and the other by the implementing constituencies. The change will take effect when the next EGC is constituted in May 2020.

The rationale for this change, as described in the paper prepared for the Board meeting, is to enable the EGC to respond to a growing mandate, including possibly playing a role in the selection of members of the other standing committees.

To complement the expertise in the Office of Board Affairs, a roster of governance experts will be prepared. This will enable the EGC to quickly identify and draw on this expertise should the need arise.

Selection of committee members

The EGC said that there has been significant interest and exchange among Board and committee members concerning the selection processes for both the leadership and the membership of committees. As a result, the initial goal of concluding these conversations in early 2019 could not be met. The launch of the selection of the committee selection processes is therefore already significantly behind the timeline followed in past processes. For the current two-year terms, the process was started in August 2017 in order to ensure that the final committees were in place by May 2018.

The Secretariat was expected to launch the committee leadership selection process for the next two-year terms by mid-November, with the membership selection process to follow. The Office of Board Affairs informed the GFO that the launch of the process for nominating committee leadership selection will be undertaken at the end of November, and for committee membership selection, in mid-December. They said that detailed information on the process will be shared with constituencies shortly.

The information in this article is based on GF/B41/ER11 “Electronic Report to the Board: Proposal by the EGC on Committee Leadership Selection Process, Due Diligence Processes and EGC size and composition,” which should be available shortly at <https://www.theglobalfund.org/en/board/decisions>.

Further reading:

- [OIG Advisory Report – Governance Review: Proposed improvements for the Board and its committees](#), GF-OIG-17-09, 28 April 2017.
- [Global Fund Observer – Global Fund releases report on the 2017 OIG advisory review on governance](#), Issue 344, 17 October 2017.

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