

“For there to be any hope of success in the fight against HIV/AIDS, the world must join together in a great global alliance.”

Kofi Annan, former U.N Secretary General

This is probably the last opportunity which I as Chair will have to address this Board in a formal manner and so would want to spend a few minutes to place on record a few of my thoughts.

On March 6th this year in Oslo, the Government of Norway graciously hosted the first meeting in the second cycle of Replenishment. Their government's stated commitment to this Fund and to multi-year funding was one of the many important outcomes from that Meeting. The Reports presented, in particular the “Partners in Impact Results Report” (pink document) were all well received by the meeting.

At that meeting, I conveyed to the Vice Chair of the Replenishment Cycle, Sven Sandstrom, who chaired that meeting, this Board's appreciation for the confident and competent manner in which he continues to lead this process.

In my opening statement there, I placed on record, the congratulations of the Board to Sir Richard Feachem on his recent Knighthood as well as our appreciation of his leadership as the Fund's first Executive Director.

Sir Richard, officially completed his duties on March 31, 2007. I had invited him to attend this meeting so that as a fully convened Board, we could formally say goodbye to him and signal our appreciation of his immense contribution in establishing the Global Fund as an innovative financial institution. He was unfortunately not able to be with us this week.

I, therefore, would wish to take this opportunity to record formally the appreciation of this Board for his significant contribution to the success of the Global Fund over the first five years, building on its core principles which he frequently cited and for his enduring legacy, "*Raise it, Spend it, Prove it*".

During the two years in which I have served as Chair of this Board, we have had many successes but also our challenges, none of which should be forgotten as all should be instrumental in charting the way forward.

The three most prominent in my mind are the internal investigation carried out by the Office of Internal oversight (OIS), the challenges associated with the IG's resignation and its impact on the Secretariat and the now infamous Guatemala Board meeting.

Throughout all of these difficult processes, we as a Board remained committed to the core principles of this Fund while seeking always to be adaptable and innovative in our solutions. Ultimately, particularly in the process of the selection of our new Executive Director, we have proven that we are indeed a mature Board with the ability to achieve consensus on issues that have the potential to divide.

I should like to thank the Board for the confidence placed in me as the representative of the constituency of Latin America and the Caribbean when you elected me as Chair two years ago. I would like to recognize the two Vice Chairs with whom I worked, Michel Kazatchkine and Lieve Fransen.

In our agreed distribution of labour, Michel and subsequently Lieve, assumed responsibility for matters relating to the re-organization of Committees and subsequently the co-ordination and harmonization of the output of Committees, while I assigned to myself, responsibility for broader

engagement of the Private sector as well as matters relating to the Secretariat.

I joined this Board in April 2004 enthused by all that the Fund's model represented and in particular the idealism of having all the partners at one table, with equal votes and voices.

I appreciated then, as I do now, the creation of a forum where the imbalance between the North and South could be meaningfully addressed. This Board has the golden opportunity to continue to uphold this as I would hope this is as sacred to the North as it is to the South. We can only build on this if, as a Board we are vigilant to detail in little things, inasmuch as to the larger details.

The South must be fearless in articulating their concerns and ensuring that processes are in fact equitable and in the spirit of the Framework Document of this Fund.

I will demit office as Chair somewhat saddened that as a Board, I do not believe that we have done justice to North – South equity in having perpetuated the label of this Southern block as "*Recipients*". I am equally uncomfortable with shifting the label from that of 'Recipient' to that of "*Beneficiary*" as this is simply a question of semantics.

Inasmuch as it may not be accurate to label this block “*Developing Countries*”, it is equally inaccurate to label it as “*Recipients*”. This block now includes the emerging economies of India, China and Russia as well as many countries who though grant recipients have also made contributions to the Fund.

I would hope that the next Chair would be able to engage the Board seriously as to a change in name which addresses fundamental perceptions.

Let me recognize formally, the generous contributions and strong political will of the Donors who have filled the gap for each Round of funding. This has been a signal achievement for us as a Board but is particularly so for the countries where Global Fund grants are saving thousands of lives.

It is however, the performance of the Recipients in the implementation of grants which has enabled us to maintain the principle of performance-based funding.

Earlier this year, I had the privilege of visiting two countries in Africa, Senegal and Rwanda in my capacity as Chair of the Board. On both of these visits I was able to see first hand the best of the Global Fund principles - country-owned processes meeting performance targets in the most impressive fashion.

I am grateful to the Cluster Leader for West and Central Africa, Mabingue Gnom, for his facilitation of my visit to Senegal and to the respective Governments for their gracious hospitality.

My visit to Rwanda was primarily to attend the launch of Friends of the Fund Africa. Friends globally have been important to the Fund but I consider the launch of this chapter of Friends of the Fund as an important and historic milestone - important because of the size and economic potential of the continent of Africa but historic because it marks countries broadly categorized by this Fund as Recipient countries, galvanizing support across their continent - Africa, to ensure meaningful advocacy at the highest levels and attract major financial support.

As a representative of the South on this Board, the engagement of partners across the Board at country level, led by UNAIDS, WHO, World Bank and partners like the U.S Office of Global AIDS Coordination, PEPFAR, DFID, USAID and CIDA to name a few – has been of critical importance to us. This engagement often determines the success of grants.

It also builds critical capacity at country level in an enduring and sustainable fashion, particularly in the areas of technical assistance and in ensuring better harmonization and alignment with national priorities and goals.

The broader engagement of the Private Sector was an area which I identified as a priority in my area of responsibility. I welcome the Report of the Task Team on Resource Mobilization whose recommendations will facilitate the shifting of private sector membership of the Board to another level both in funding and analysis.

The Private Sector contributions sometimes are not readily quantifiable as they include aspects often difficult to measure like product and service contributions particularly in the area of policy development, co-investments, integrated partnerships and consumer contributions through corporate partners. I certainly look forward to the roll out of the Corporate Champions program, the Global Corporate Advisory Council of CEO's as well as the other innovative funding mechanisms currently in train. I thank the Global Business Council for their increasing role as Focal Point to the delegation.

Today the PSC will present to the Board another large chunk of the 2007 – 2010 Policy document for approval and the Five Year Evaluation is in train.

These two major pieces of work as well as the other important issues being dealt with by all four of the Board Committees is something which we as a Board can be proud of but even more importantly, for which we as a Board owe a tremendous debt

of gratitude to the Chairs and Vice Chairs of these Committees.

Maintenant, je parle français :

Le poète Keats disait que « l'ancien cède au nouveau ». Aujourd'hui, nous sommes témoins de la mise en place d'un ordre nouveau ; je voudrais donc souhaiter la bienvenue à notre nouveau Directeur exécutif. Je n'ai guère besoin de m'appesantir à son égard, en vue de son intime association avec le Fonds, et cela depuis sa création. A cet égard, il a joué de multiples rôles, le dernier desquels fut d'assurer la Vice présidence du Conseil en 2005.

Professeur Kazatchkine, nous vous souhaitons la bienvenue en tant que Directeur exécutif. Je tiens, au nom du Conseil, à vous remercier de nous avoir fait connaître les éléments des axes prioritaires de votre action qui ont été dévoilés en conjonction avec votre équipe de transition dont les travaux ont pris fin la semaine dernière. C'est donc avec confiance et optimisme que nous accueillons votre direction.

I would like to thank all of the members of the Secretariat for their commitment to the ideals of the Fund and their quite extraordinary work ethic. I must single out the Executive Director *ad interim*, Helen Evans who served as the Transition

Focal Point between Richard and Michel and subsequently acted as Executive Director for the three weeks since March 31, 2007 when Richard's contract was completed.

In her relatively short two years at the Fund, Helen has had to serve as Acting Chief Operations Officer, Business Service Manager and most recently Executive Director ad interim. Thank you Helen for your generosity of spirit and your willingness as well as your competence to serve in almost any capacity in order to ensure the smooth running of this Fund.

I complete my term as Chair delighted to see that you will now be able to serve in the capacity for which you applied to work with the Fund, that of Deputy Executive Director. I know that Michel and you will work closely together as together you lead a Secretariat which we all recognize as the lifeblood of the Fund.

Let me wish this Board well as we learn from our challenges and engage in meaningful consensus building on the way forward under new leadership for the Global Fund.

Let us as a Board recommit to the process of civility in our relations with each other, to equal participation, to performance-driven assessments at every level rather than to political expediency and to transparency and accountability in our search for consensus.

This Fund has an important role to play if the health related Millennium Development Goals are to be realized. The world continues to watch us and millions of lives are at stake.

The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith.

Franklin Delano Roosevelt

Closing...

Allow me to say what an honour it has been for the LAC Region to have been allowed to serve as Chair of this incredibly challenging, innovative and productive Board and to

my constituency would want to commit to on-going meaningful participation in the process of governance of the Global Fund.