Thirty-Third Board Meeting

Transitional Governance Committee Report to the Board

PURPOSE: This report provides a brief overview of the activities undertaken by the Transitional Governance Committee from January to March 2015

The Global Fund

Introduction

1.   At the Thirty-First Board Meeting in March 2014, the Board leadership introduced a proposal for the establishment of an Ad-Hoc Working Group on Governance (WGG) (GF/B31/18). From May to October 2014 the WGG conducted a review aimed to "identify and recommend for Board consideration possible changes in Global Fund governance systems". The WGG presented its final recommendations in the Governance Plan for Impact ("the Governance Plan") which was approved at the November 2014 Board Meeting (GF/B32/DP04).

2.   The Governance Plan recommended the creation of a transitional committee. The purpose of the Transitional Governance Committee (TGC) is to implement the recommendations outlined in the Governance Plan with the intention of improving the efficiency, effectiveness and consistency of the affairs of the Global Fund Board and its committees. During this transitional period, this committee will have the same standing in the governance system as the current committees.

Focus and Key Responsibilities

3.   The Transitional Governance Committee will focus on the implementation of the recommendations from the Governance Plan and will have five key responsibilities:

  I.   Oversee the key governance functions that were identified in the Governance Plan as missing or not currently being performed under the existing structures and needing to be addressed in the upcoming period and advise the Board thereon.

  II.   Develop a Performance Assessment Framework and oversee the process of performance assessments of the Board and committees.

  III. Finalize the Enhanced Governance Structure for Board approval, including updated roles and responsibilities under the re-configured three-committee structure based on the preliminary model provided in the Governance Plan.

  IV.   Develop the key components of a comprehensive Governance Framework for Board approval, to ensure that the Global Fund has the correct systems, processes and guidance to facilitate effective governance including guidelines for effective lifecycle and constituency management.

  V.   Through a consultative process, develop proposals on the Board's future size and composition.

4.   The Transitional Governance Committee was constituted as a temporary committee commencing its mandate following the Thirty-Second Board Meeting. It will conclude its mandate upon the full constitution and implementation of the enhanced governance structure outlined in the Governance Plan, which is anticipated to be the end of March 2016.

Committee Selection and Membership

5.   On 3 December 2014, the Chair and Vice-Chair of the Board (Board Leadership) launched the nomination process for the membership of the Transitional Governance Committee. Under its terms of reference, the Transitional Governance Committee is comprised of six voting members — three nominated by the implementer constituencies of the Board and three nominated by the donor constituencies of the Board. Representatives of the two constituency groups, donor and implementer, were asked to coordinate an open and transparent process among their respective constituencies so that three candidates from each constituency group would be nominated for consideration.

6.   Nominations were received by 10 December 2014 and reviewed by Board Leadership, in collaboration with the Coordinating Group. Among other considerations, the evaluation of nominees took into account whether candidates had current or prior experience as a Board Member, Alternate, Communications Focal Point, Committee Member or other role within a Board constituency. Experience and knowledge in the field of governance, particularly with respect to reform and performance assessment, were also taken into consideration.

7.   The proposed membership of the Transitional Governance Committee was approved via electronic Decision Point (GF/B32/EDP04) on 22 December, 2014.

GF/B32/EDP04: Membership of the Transitional Governance Committee

1. **The Board notes its decision to establish the Transitional Governance Committee (GF/B32/DP04) under terms of reference set forth in Annex 1 to GF/B32/ER05 (the "Terms of Reference") and acknowledges the recommendations on membership of the Transitional Governance Committee presented in GF/B32/ER05.**

2. **Accordingly, the Board approves the appointment of the following individuals to serve on the Transitional Governance Committee for a term that will expire upon the conclusion of the Transitional Governance Committee's mandate, as outlined in the Terms of Reference:**

   a. **Ton Coenen;**
   b. **Marina Hue;**
   c. **Jimmy Kolker;**
   d. **Jorge Saavedra;**
   e. **Viorel Soltan; and**
   f. **Carsten Staur.**

3. **The Board acknowledges that members of the Transitional Governance Committee shall serve in their independent, personal capacity. As such, membership on the Transitional Governance Committee shall not apply towards the rule that each Board constituency may participate in a maximum of two committees.**

Part 1: Decisions recommended to the Board

8.   There have been no decisions recommended to the Board by the Transitional Governance Committee

Part 2: Decisions taken by the TGC pursuant to its delegated authority

9.   There have been no decisions taken by the Transitional Governance Committee pursuant to its delegated authority

Part 3: Matters addressed by the TGC as part of its oversight and advisory functions in accordance with its charter

Committee Activities

10.   Since its inception in January 2015, the Transitional Governance Committee has held three virtual meetings via video conference. (*Virtual meeting were held using the new Zoom video meeting format being introduced by the Office of the Board Affairs to enable the needed frequency of meetings while remaining cost effective*).

11.   The virtual meetings were held as follows:

   a.   1st Virtual Meeting: 26 January 2015
   b.   2nd Virtual Meeting: 10 February 2015
   c.   3rd Virtual Meeting: 3 March 2015

12.   The Vice-Chair of the Board joined in the first two meetings of the Transitional Governance Committee as an observer.

13.   The first in-person meeting of the Transitional Governance Committee will be held on 27 March 2015 in Geneva, Switzerland.

14.   As per clause 17 of its Terms of Reference, the Transitional Governance Committee nominated a Chair from amongst its members. This nomination was approved by the Board Leadership and on 10 February 2015, Viorel Soltan was confirmed as the Chair of the Transitional Governance Committee.

15.   As a primary activity, the Transitional Governance Committee developed a draft workplan based on the mandate received through its Terms of Reference (attached as annex 1). The workplan identifies the key workstreams and deliverables anticipated to be completed by the Transitional Governance Committee within its term. It also clearly outlines the monitoring and oversight role of the committee. This document remains a draft live document and will continue to evolve as the work of the committee moves forward.

16.   Giving consideration to the wide scope of Transitional Governance Committee, each workstream was assigned a Workstream Lead that will be responsible for the overall coordination of the workstream and its deliverables. The Workstream Lead will be supported by the members of the committee, as well as relevant members of the Secretariat. The Transitional Governance Committee may reach out and use the services of external experts to inform and support its work.

Committee Workstreams and Key Deliverables

17.   A summary of the workstreams and their key deliverables is provided below. Further information is available in Annex 1.

Workstream	Key Deliverable	Work stream Lead
1. Develop Performance Assessment Framework and oversee the process of assessment	▪ Performance Assessment Framework for Global Fund Board and committees, including overall assessment of governing bodies and their leadership. ▪ Oversee the process of performance assessments of the Board and committees and their leadership for presentation to the Board.	Jimmy Kolker
2. Finalize enhanced governance structure for Board approval in November 2015	▪ Finalized enhanced governance structure with re-aligned roles and responsibilities for Board approval ▪ Support the process of identifying and nominating committee members for the enhanced committee structure for Board approval	Ton Coenen
3. Develop proposals on the Board future size and composition	▪ Pending March 27 in-person meeting	Carsten Staur
4. Oversee CCMs matters	▪ Review results from the 2015 OIG Review on CCMs and provide recommendations to the Board.	Marina Hue
5. Develop key components of the Governance Framework for Board approval	▪ Guidelines and tools on-boarding and off-boarding of Board and committee leadership, Board and committee members. ▪ Proposal for secure livestreaming of Board Meetings ▪ Guidelines and best practices for constituency management ▪ Implementer Group to present Strategic Roadmap to enhance Implementer engagement, including any updates to the Board for endorsement including a workplan and budget for support.	Jorge Saveedra
6. Monitoring and Oversight activities	▪ Monitor production of Institution Memory management tools by Office of Board Affairs (quarterly report) ▪ Review of Governance documents (as needed) ▪ Oversee legal status issues ▪ Monitoring Implementation of Governance Plan recommendations	Marina Hue/Viorel Soltan

18.   To further develop the workstreams and their associated the Transitional Governance Committee will use a wide variety of methods and approaches including (but not limited to):

a.   Broad consultations with Board Members, Board Constituencies and other key stakeholders including the Secretariat involving both surveys and in-person or virtual consultations.

b.   Desk reviews of existing and past tools and reviews

c.   Benchmarking against other organizations and best practices

      d.   Reaching out to experts within the Global Fund network and beyond

19.   Recognizing the significance of the work being undertaken by the Transitional Governance Committee to the Board, the Chair of the Board will provide the Board with regular electronic updates at a minimum quarterly throughout the period of activity of the Transitional Governance Committee.

Part 4: Decisions recommended by TGC and approved by the Board via electronic vote

20.   There have been no electronic decision points recommended to the Board by the Transitional Governance Committee