

Annex 3

Charter of the Strategy Committee

CHARTER OF THE STRATEGY COMMITTEE

November 2015

A. Purpose

1. The purpose of the Strategy Committee (the “Committee”) of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the “Global Fund”) is to (i) provide oversight of the strategic direction of the Global Fund; and (ii) ensure the optimal impact and performance of its investments in health.

B. Functions

2. The Board has delegated its authority to the Committee to exercise the following powers and perform the following functions.

Decision-Making Powers

- 2.1 The Committee shall exercise the following decision-making powers:
 - a. Approval of and/or modifications to frameworks for the implementation of strategic funding policies and initiatives adopted by the Board, including reprogramming of grant programs and funding in order to align investment decisions with strategic funding policies and optimize operational impact.
 - b. Approval of and/or modification to the Terms of Reference for the Technical Review Panel (the “TRP”) and Technical Evaluation Reference Group (the “TERG”), or any other advisory bodies of the Global Fund under the oversight of the Committee, in accordance with the Board-approved mandate for such bodies.
 - c. Appointment of members to the TRP and TERG, or any advisory bodies of the Global Fund under the oversight of the Committee.
 - d. Approval of the guidelines, evaluation criteria, processes, work plan and procedures of the TRP and TERG.

Advisory Functions

- 2.2 The Committee shall advise and make recommendations to the Board on the following:
 - a. Key performance indicators—methodology and targets—to assess the Global Fund’s performance with respect to the strategy and grant portfolio.
 - b. Development and review of the institutional strategy of the Global Fund.

- c. Modifications to the Board-approved policies governing the grant portfolio operations and other strategic initiatives of the Global Fund, based upon assessment of the performance of the Global Fund's grant portfolio and initiatives, and taking into consideration advice and recommendations received from the other committees of the Board.
- d. Modifications to Board-approved strategic funding policies and initiatives.
- e. Strategies for enhancing investment impact and value for money, taking into consideration issues such as epidemiological trends, technological developments, and market-shaping interventions.
- f. Adoption of, and modifications to, strategic policies on market dynamics matters such as market-shaping interventions and the sourcing of quality-assured pharmaceuticals, devices and other health products.
- g. Modifications to Board-approved funding policies on eligibility, prioritization and counterpart financing.
- h. Material modifications to the mandate of the TRP, TERG or any other advisory bodies of the Global Fund under the Committee's oversight.
- i. Areas of risk that affect strategic objectives, goals and targets or other risk matters assigned by the Coordinating Group.

Oversight Functions

2.3 The Committee shall have responsibility for oversight and review in the following areas:

- a. The implementation of the strategy through the grant portfolio and related initiatives of the Global Fund, making use of assessments based upon relevant key performance indicators adopted by the Board, internal and external evaluations, reports of the advisory bodies of the Global Fund, and the advice and recommendations of the other committees of the Board.
- b. Oversight of the TRP, TERG and other advisory bodies of the Global Fund designated as being under the oversight of the Committee, including review of evaluations and recommendations of such bodies, and annual performance assessments of such bodies in accordance with the performance assessment framework adopted by the Board.
- c. The implementation of the strategic policies of the Global Fund, taking into consideration issues such as changes in the disease landscape, forecasted demand for Global Fund financing, and the overarching principles, objectives and enablers of the institutional strategy.

- d. The overall impact and effectiveness of Global Fund investments in health, including its market-shaping strategy, partnerships and strategic funding decisions.
- e. Developments and trends in the disease landscape, taking into consideration issues such as epidemiological trends and the activities of partner organizations.
- f. Forecasted demand for Global Fund financing, based upon epidemiological trends and analyses presented by partners, advisory bodies of the Global Fund and the Secretariat.
- g. Identification and analysis of risk implications of the strategic policies and initiatives of the Global Fund, which may impact its strategic objectives and investments, and implementation of related mitigation measures.

C. Composition

3. The Committee shall be comprised of the following members:¹
 - i. Five voting representatives of constituencies from the implementer group;
 - ii. Five voting representatives of the constituencies from the donor group;
 - iii. One non-voting, neutral Chair;
 - iv. One non-voting, neutral Vice-Chair;
 - v. Two representatives of the non-voting, ex-officio members of the Board, each acting in a non-voting, ex-officio capacity;
 - vi. The Chair of the Technical Review Panel, acting in a non-voting, ex officio capacity; and
 - vii. The Chair of the Technical Evaluation and Reference Group, acting in a non-voting, ex officio capacity.
4. Nomination and appointment of the members of the Committee shall be according to the Operating Procedures of the Board and Committees.
5. The Chair and Vice-Chair of the Committee will alternate between individuals nominated by donor and implementer constituencies each term, provided that the Chairs of the Committee and the Audit and Finance Committee are selected from nominations by different constituency groups each term.
6. Committee Members shall have: (i) qualifications and expertise in senior positions in the key areas of work and mandate of the Committee; and (ii) the key competencies of

¹ The constituencies contained within the implementer group and donor group are identified based upon the description of the Board within the Bylaws (Article 7). The implementer group consists of the group encompassing the seven developing country seats, the two non-governmental organization seats, and the representative of a non-governmental organization who is a person living with HIV/AIDS or from a community living with tuberculosis or malaria. The donor group consists of the group encompassing the eight donor seats and the private foundation and private sector seats.

committee members set forth in the Operating Procedures of the Board and Committees.

D. Term of Office

7. The members of the Committee shall serve coinciding two-year terms, or until the appointment of his or her respective successor. The Chair and Vice-Chair of the Committee shall serve coinciding two-year terms, or until the appointment of their respective successors.

E. Reporting and Communication

8. The Committee will develop its activity in accordance with the committee work methods outlined in the Operating Procedure of the Board and Committees.
9. The leadership of the Committee shall interact regularly with and report to the Coordinating Group on the results of the Committee's deliberations, as well as any issues relevant to its discussions.
10. The Chair and Vice-Chair of the Committee shall prepare a report of its work after each committee meeting and submit a report summarizing the Committee's work for each meeting of the Board. The Committee may also prepare ad-hoc reports as requested by the Board and/or Coordinating Group, which may relate to the inter-sessional activities of the Committee and its members.

F. Rules of Procedure, Member Roles and Responsibilities

11. The rules of procedure of the Committee, including procedures for quorum and voting, and the roles and responsibilities of Committee members shall be as set forth under the Operating Procedures and the Board and Committee Member Roles and Responsibilities, respectively.

G. Review of the Strategy Committee

12. The Committee and its members are held accountable by the Board. The Committee will undergo a performance self-assessment against its mandate based on the performance assessment framework approved by the Board.
13. This Charter may be amended from time to time by the Board.