
Report of the Coordinating Group

44th Board Meeting

GF/B44/10

11-12 November 2020, *Virtual*

Board Information

Purpose of the paper: This report provides a summary update on Coordinating Group activities for the period between the 43rd and 44th Board Meetings (May-October 2020), and overview of decisions taken by the three committees in this period.

Context

1. This report provides an update to the Board on the activities of the Global Fund Coordinating Group (“CG”). As identified in its Terms of Reference,¹ the CG is a mechanism for coordination between the Board and its Committees, to ensure effective collaboration, particularly regarding cross-cutting issues, including risk management and organizational performance, with the overall objective of enabling strategic focus across all governance bodies.
2. The Coordinating Group comprises the Chair and Vice-Chair of the Board, and the Chair and Vice-Chair of each of the Committees of the Board. The composition of the CG changed following the 43rd Board Meeting, and in May 2020, the Board Leadership welcomed Michael Ruffner and Edward Ouko as Chair and Vice-Chair of the Audit and Finance Committee (AFC), Magda Robalo Correia e Silva and Suomi Sakai as Chair and Vice-Chair of the Ethics and Governance Committee (EGC), and Rico Gustav and Gunilla Carlsson as Chair and Vice-Chair of the Strategy Committee. The Board Leadership together with outgoing and incoming committee leaders focused particularly on a smooth leadership transition in May-June 2020.
3. The CG is convening more frequently in the current environment. Since the CG’s last report to the Board, the CG held six virtual meetings from June to October 2020, compared to two meetings in the same period in 2019. Board Leadership continues to exchange regularly with the Chairs and Vice-Chairs of the committees. The Executive Director was invited to CG discussions, to allow consideration of Secretariat perspectives in the strategic discussions of governance leadership.
4. The CG continues to extend its sincere appreciation for the Global Fund Secretariat’s commitment, responsiveness, and flexibility in responding to COVID-19, and the frequent and diligent reporting. Furthermore, the CG recognizes the ongoing effort of the Office of the Inspector General and Technical Evaluation Reference Group to provide independent advice and assurance to the Board, as well as the work of the Technical Review Panel, Grant Approvals Committee and staff to continue work with countries to ensure that the core work of the Global Fund is maintained under the extended challenging conditions.
5. A list of decisions adopted by the standing Committees between the 43rd and 44th Board Meetings (May-October 2020) is included in annex.
6. Current Board and committee work plans will be made available on the Governance Portal.

What were the focus areas for the Coordinating Group?

7. This report summarizes the CG role in the following areas:
 - i. Effective **committee handover and transition**, and onboarding of the new CG;
 - ii. Ongoing attention to the **strategic focus of Board meetings, committee ways of working and the role of the CG**;
 - iii. A focus on **Board and committee priorities**;
 - iv. The **COVID-19** context and Global Fund response, including associated expedited decision-making processes;
 - v. The **strategy development** process, ensuring that the process is open, inclusive and evidence-based;

¹ [Terms of Reference of the Coordinating Group](#).

- vi. The evolving work on the **monitoring and evaluation approach**; and
 - vii. **Risk** oversight.
8. **Effective committee transition and CG onboarding.** The CG convened with outgoing and incoming Committee Chairs and Vice-Chairs in June 2020 to reflect on committee priorities, the role of the CG, and lessons from the 2018-2020 committee term, including with respect to effective ways of working. The onboarding of incoming Chairs and Vice-Chairs included a leadership handbook, handover reports from each outgoing committee leadership, a structured onboarding process for the incoming committees and their leaders, bilateral calls with the Board Leadership, and briefings with Secretariat and OIG staff.
9. **Committee ways of working and the role of the CG.** During the CG transition, CG members reflected on the role of the CG in enabling effective committees in support of a strategic Board, including the following:
- i. The CG's role in enabling prioritization, elevation of discussions, and the importance of clear session and discussion objectives;
 - ii. The value of engaged committee leaders and importance of the neutral leadership role;
 - iii. The importance of dynamic conversation within the CG, including around areas of potential tension or overlap between committees;
 - iv. The potential to improve cross-committee communication, while avoiding overlap, duplication or mandate creep;
 - v. The role of the CG as a forum to explore broad issues to enable constructive Board discussions;
 - vi. The importance of, and commitment to, committees bringing in the views of non-represented constituencies;
 - vii. The need to consider virtual ways of working and how to leverage advantages and mitigate challenges.
10. **Board and committee priorities** remain a core focus of the CG, with a major proportion of meeting time dedicated to exchanging on priorities across the three committees, and cross-cutting matters including risk oversight. The CG guided development of agendas for the committee meetings held in July and October 2020, and the November Board Meeting. With respect to cross-cutting coordination, in addition to risk management and strategic performance, the CG is focusing on monitoring and evaluation, the oversight of the Policy to Combat Fraud and Corruption,² and the respective roles of the AFC and SC around absorption-related matters.
11. **Governance continuity.** Since March, the CG has regularly discussed governance effectiveness and continuity matters, placing renewed emphasis on measures already in place in support of governance efficiency and effectiveness, elevating Board and committee discussions, and leveraging role of committees in support of the Board. In July and October, the CG dedicated time to reflection on areas of focus, noting in particular:
- i. Major risks around **burden** on both governance and Secretariat, including significant risk of staff burnout, and the need for action to streamline and deliver on priorities;
 - ii. Attention to the limited capacity of Governance Officials, leaders, constituencies and staff.
 - iii. The role of **leadership** and the CG to prioritize work plans and discussions, and streamline ways of working; and
 - iv. The impact of the virtual environment on **trust**, on quality of interaction, and reflection on **effective virtual interaction and consultation** approaches;
 - v. And the importance of facilitating virtual access for governance officials to ensure equitable and meaningful participation.
12. **Effective documentation and efficient information flows** are essential for governance continuity, for trust building and to enable better decision making. The CG and the Executive

² Updates provided by the Ethics Officer to both AFC and EGC at the 14th committee meetings in October 2020. See [GF/EGC14/07 – Ethics Progress Update](#).

Director have discussed how to balance these imperatives with the Secretariat's capacity to support governance bodies. Recognizing this, CG requested:

- i. Renewed attention to **concise and effective Board and committee documentation**, presenting accurate, relevant and timely information required to support the Board and committees in their oversight roles; and
- ii. Exploration of **more efficient methods of information-sharing**, such as dashboards and standardized templates and formats for financial and performance data, requested by AFC.

The CG will be monitoring progress on documentation and information flows, as well as seeking feedback from governance officials and management on examples of good practice.

13. **COVID-19 and the CG role.** The CG remains committed to ongoing support to, and engagement on, the Global Fund's response to the pandemic. Following the development of the expedited decision-making process in March 2020,³ the CG has welcomed the frequent and detailed reporting to the Board and committees through written updates, situation reports, and regular calls with the Executive Director. Since the last CG Report to the Board, the CG has considered two exceptional proposals and supported the use of the expedited decision-making process to enable swift Board consideration of exceptional arrangements directly linked to the COVID-19 response. Specifically, the CG reviewed and provided feedback on the following:

- i. **Extending the wambo.org pilot to include COVID-19 products.** CG discussion noted the clear rationale for leveraging the wambo.org platform in support of enabling access to COVID-19 products, and expressed support for the partnership-based approach. The CG sought and received clarification regarding financing arrangements, volume guarantees, allocation methods, assurance, and risk considerations, including reputational risk. The CG emphasized the significant needs in eligible countries, particularly for diagnostics, and urged continued collaboration and coordination with partners in the operationalization, allocation and funding of COVID-19 procurements, while stressing the importance of the documented risk mitigation measures. In addition, the CG recognized the opportunity to generate additional learnings for the wambo.org pilot beyond HIV, tuberculosis and malaria transactions.⁴
- ii. **Extension of C19RM Timeline and Operational Flexibility for COVID-19** for a further six months to enable continuity of the response. The CG recognized the Global Fund's role in the COVID-19 response, reflected on implications for the next replenishment, explored implications relating to monitoring C19RM funding, and reemphasized the need for reflection on lessons learned. The CG recognized that the Global Fund is taking, and mitigating, risks. The group noted comfort with the exceptional expedited decision-making route in order to ensure continuity, and with the six-month extension to align with committee meeting schedules, noting that any future decisions would be considered via the relevant committee(s).⁵

14. **Strategy development.** Following the adaptation of the strategy development process to the virtual context under the guidance of the SC, the CG discussed the approach at its August, September and October meetings. Recognizing the challenges of the evolving global health context, as well as the working environment, CG collectively emphasized the need for a transparent, inclusive process, where all voices are heard, based on a clear and evidence-based

³ In March 2020, the Board Leadership, in consultation with the CG, and following calls with constituencies, agreed to an expedited decision-making process, in the context of the urgency of seeking Board consideration of exceptional proposals from the Secretariat in response to COVID-19. Under this expedited process, urgent and exceptional decisions are brought directly to the Board for consideration and electronic decision, following consultation with the CG on the proposal, and with expedited voting periods where needed. The approach is intended to enable the Global Fund to remain agile, rapid and responsive, and to ensure the full Board's involvement in time-sensitive decision-making. "Urgent and exceptional decisions" are those directly related to the COVID-19 context, including flexibilities or measures required to safeguard the Global Fund's core business and strategic objectives; and exceptional measures to enable the Global Fund to effectively support the COVID-19 global response. The CG noted the importance of transparency in such situations. The Secretariat reports to the relevant committee(s) and Board on implementation of exceptional decisions approved by the Board.

⁴ <https://www.theglobalfund.org/board-decisions/b43-edp07/> and document [GF/B43/ER07](#)

⁵ <https://www.theglobalfund.org/board-decisions/b43-edp12/> and document [GF/B43/ER11](#)

articulation of issues, and which enables bold and constructive exchange leading to a clear strategic direction for the organization. The CG is committed to close involvement in the ongoing consultations.

15. **Monitoring and evaluation (M&E).** CG members continue to engage with development of the M&E framework that will be considered by the Board alongside the next Strategy. An informal working group is currently under formation, with representation from all three committees, aimed at strengthening the SC's steer and input into near-term M&E discussions (including options for Secretariat reviews of TERG recommendations and the future of country-level evaluations) and the broader M&E framework (including options for strong, independent evaluation and defining the role of the TERG). The working group will review reports, papers and outputs of M&E workstreams, prepare analysis and recommendations to the SC and/or SC leadership, and facilitate SC input to the Secretariat and the TERG.
16. **Risk oversight.** In August 2020, the CG engaged with the Chief Risk Officer ahead of the Risk Management Report to the committees and Board, in a discussion focusing on management of risk oversight at the October committee meetings. The CRO informed the CG that existing risk management tools and processes have been adapted to the crisis setting, including through business continuity plans, with tools to be adapted according to lessons learned from the crisis period. In addition, the CG noted that the Global Fund is currently outside of risk appetite, with review of risk appetite to be a focus area through late-2021.

How will the Coordinating Group support Board priorities into 2021?

17. CG attention will remain focused on enabling strategic focus at Board and committee level overall, in line with Board and committee work plans. Particular attention is expected regarding:
 - i. **Preparing for the next Strategy.** The CG will continue to focus on how governance bodies are prepared for the critical discussions and decisions ahead in 2020-2022, strategy development in a virtual environment, including the **Partnership Forums**. CG members will play a role through participating in strategy development consultations and providing a feedback loop to the AFC and EGC, as well as supporting the Strategy Committee in their stewardship of this process.
 - ii. **Enabling strategic discussion**, with focus on partnership both globally and at country level, in context of the SDGs, the next Global Fund Strategy, and the increasing attention to global health security. In particular, the CG is attentive to the impact of the COVID-19 crisis on domestic financing, as well as underlining the opportunity to leveraging the linkages between investment in health and economic stability. The Board Leadership remains committed to keeping sight of key strategic themes.
 - iii. **Continuing to adapt** to the global context, from enabling effective governance, and adapting ways of working, to continuing to ensure effective oversight of the Global Fund's COVID-19 response.
 - iv. **Risk oversight**, including dedicated attention to evolving and emerging risk areas, the effective coordination of risk oversight by the committees and Board, and the review of the Global Fund's risk appetite approach. In addition, the CG anticipates focusing on ethics and governance risks as well as the balance between fiduciary and programmatic risk.
 - v. Facilitating Board consideration of the Global Fund's overall **monitoring and evaluation approach**, linked to broader conversations on the Global Fund model, and supported by appropriate oversight and assurance structures, following thorough discussion at the Strategy Committee.
 - vi. **Governance Culture.** Led by the EGC, the CG recognizes the collective attention needed to lead and embed the work on enhancing trust. Furthermore, the CG will play a role in the EGC's 2021 workstream on *Simplifying Roles and Responsibilities*, aimed at reviewing and

enabling clarity of mandates across the three committees, and between committees, the Board, and the Secretariat.

- vii. **Governance Performance Assessment.** The CG looks forward to the outcomes of the Governance Performance Assessment and to supporting consideration and implementation of associated recommendations across the governance bodies, under the leadership of the EGC and the Board.

Annex 1: Committee Decisions adopted between the 43rd and 44th Board meetings (available on the [Portal](#)).