
Recoveries Report for the period ended 31 December 2020

45th Board Meeting

GF/B45/12

11-12 May 2021, *Virtual*

Board Information

Purpose of the paper: This report is provided to the Board for information. It provides background information and updates on the status of non-compliant expenditures identified by the Office of the Inspector General (“OIG”) as at 31 December 2020, as well as recoverable amounts identified in the course of grant management operations. The OIG reports independently to the Board on the Secretariat’s progress on matters related to recoveries.

Executive Summary

Context

This information paper provides a report on the status and trends of non-compliant expenditures and recoveries for the period ended 31 December 2020.

This report was previously submitted to the Audit & Finance Committee at its 15th meeting (March 2021).

The Global Fund maintains a zero-tolerance approach to fraud and corruption. Where irregularities or misuse have materialized, swift and appropriate action is taken to address the underlying weaknesses and seek recoveries as appropriate.

Input Sought

This is an information paper and there are no specific actions required for the Board, Board Committees, Secretariat and OIG.

Questions this paper addresses

i. On-going recovery efforts and recoveries context (OIG recoverables)

During the second half of 2020, the total outstanding OIG recoverable balance, net of written commitments to repay, increased from US\$ 0.45 million to US\$ 1.0 million. The US\$ 1.0 million total outstanding recoverable balance, net of written commitments to repay, demonstrates resolution of 99% of the aggregate recoverable amount since the inception of the recoveries process. The 99% results from an increase in resolution of recoveries cases and is of particular interest for the period under review given the increased challenges faced by many countries to reimburse the Global Fund (ref. COVID-19).

ii. On-going recovery efforts and recoveries context (non-OIG recoverables)

The non-OIG aggregate outstanding balance, net of written commitments to repay, increased from US\$ 17.7 million to US\$ 20.3 million.

iii. Turnaround times for new cases

Turnaround times for new cases continue to improve compared to 'legacy' cases, i.e., pre-2014. Of the 3 open OIG cases, only 1 case dates to pre-2014. The improvement with respect to legacy cases reflects the more rigorous approach to recoveries referred to in previous reports, with the Global Fund seeing considerable benefits: recoverable funds are being returned more quickly than was the case pre-2014.

Report

01 Introduction

1. The Global Fund is fully committed to the principles of transparency and accountability. To fulfill this commitment, the Global Fund works, through its risk management and assurance processes, to expose irregularities and misuse of resources. Key measures are dedicated towards prevention but where irregularities or misuse have materialized, action is taken to address the underlying weaknesses and seek recoveries as appropriate.
2. The Global Fund maintains a zero-tolerance approach to fraud and corruption and aims to take swift and appropriate action when cases of misuse of funds are identified. The Global Fund will continue to ensure that all identified irregularities are communicated responsibly and in a timely manner to the Board and to other stakeholders.
3. Reports on amounts identified as a result of various compliance issues and on the Secretariat's efforts to seek refunds from recipients should be read in full awareness of the context and broad environment within which the Global Fund operates. Specifically, the Global Fund works in countries where governance, programmatic and oversight capacities are often weak, which carries inherent financial and programmatic risks.
4. Annex 1 presents the detailed country-by-country data for OIG-reported open cases as of 31 December 2020.
5. Annex 2 presents a summary of recoverable amounts identified in the due course of grant management as of 31 December 2020.
6. Annex 3 presents a summary of OIG audit and investigation reports as of 31 December 2020 in which supporting documentation at the time of the reports was deemed insufficient to arrive at final recoverable amounts and follow-up work is still ongoing to determine such amounts.

02 OIG Recoverable Amounts

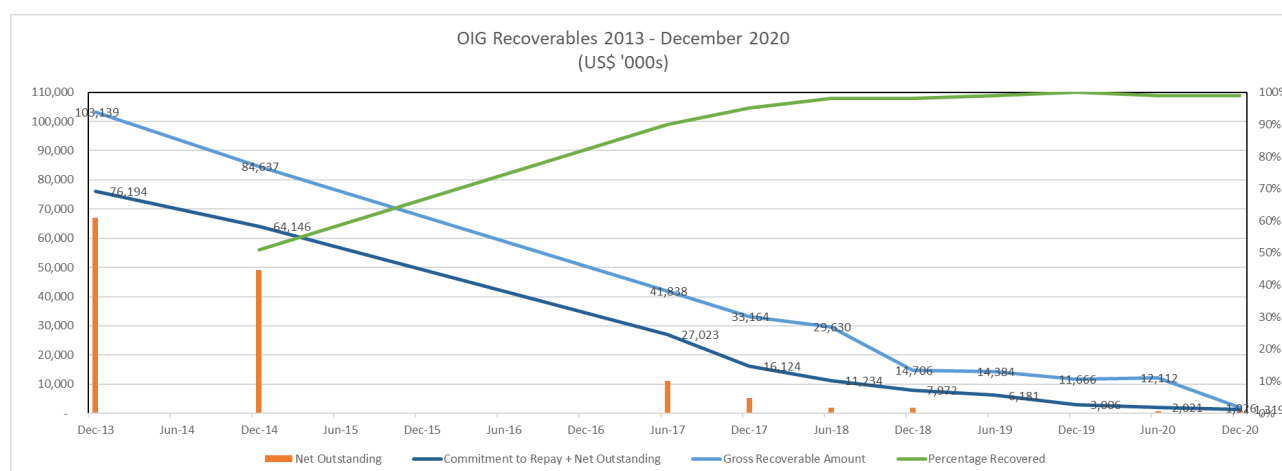
7. When the OIG publishes audit or investigation reports that include the identification of non-compliant expenditures, the Secretariat identifies an appropriate amount to recover, taking into account the Global Fund's legal right to recover, Global Fund policies and procedures, the financial loss to the program, relevant business and political implications, and the specific facts of the case, and engages in a process to seek recovery of such amount. All OIG recoverable amounts are approved by the Executive Director, upon the recommendation of the Recoveries Committee.
8. With respect to open OIG investigation reports, which are reflected in the amounts in Table 1, the Secretariat uses as a starting point the proposed recoverable amount indicated by the OIG in the investigation reports rather than the total non-compliant amount, given that the total non-compliant amount includes amounts that may not be recoverable because, for example, the associated services or goods have been delivered to the grants. The historical difference between total non-compliant expenditures and the proposed recoverable amounts identified in OIG investigation reports from March 2009 through 31 December 2020 amounted to US\$ 61.2 million (unchanged from the period ending 30 June 2020).
9. As OIG audit reports typically do not include a proposed recoverable amount; the Secretariat, with input from the OIG, determines the appropriate recoverable amount based on the content of the OIG

audit report. This recoverable amount is then presented for the Recoveries Committee’s review and subsequent recommendation to the Executive Director for approval.

10. The total outstanding recoverable balance, net of written commitments to repay, increased from US\$ 0.45 million to US\$ 1.0 million.

11. Written commitments to repay amount to US\$ 0.2 million are wholly related to Central African Republic. Despite occasional short delays in transferring funds as per a country’s contractual obligations to the Global Fund, the repayments are largely on track. Nonetheless, it should be noted that there is still residual credit risk until such time as the amounts due are fully settled.

12. Graph 1 below illustrates the evolution of the total gross amount deemed recoverable (all cases), the net recoverable outstanding amounts, and the percentage recovered for the previous seven years.



13. Turnaround times for new cases continue to improve compared to ‘legacy’ cases, i.e., pre-2014. The improvement with respect to legacy cases reflects the more rigorous approach to recoveries referred to in previous reports and the Global Fund is seeing considerable benefits as recoverable funds are being returned more quickly than was the case pre-2014.

14. Recoverable amounts are recorded in the Global Fund’s financial statements in accordance with International Financial Reporting Standards (IFRS). The net recoverable amounts in this report may be different from those presented in the financial statements due to the accounting method adopted to comply with the requirements of IFRS. For example, the OIG may release a report that is promptly reflected in this report but converting the findings into a demand letter (which is then booked in the financial statements) may not take place until after the reporting period and may also reflect adjustments based on recommendations by the Recoveries Committee and approval by the Executive Director. It should be noted that the financial statements reporting on losses and recoveries uses the exact same underlying data as that presented within the tables below, and that a formal reconciliation process is implemented and validated through the Recoveries Committee.

03 Non-OIG Recoverable Amounts

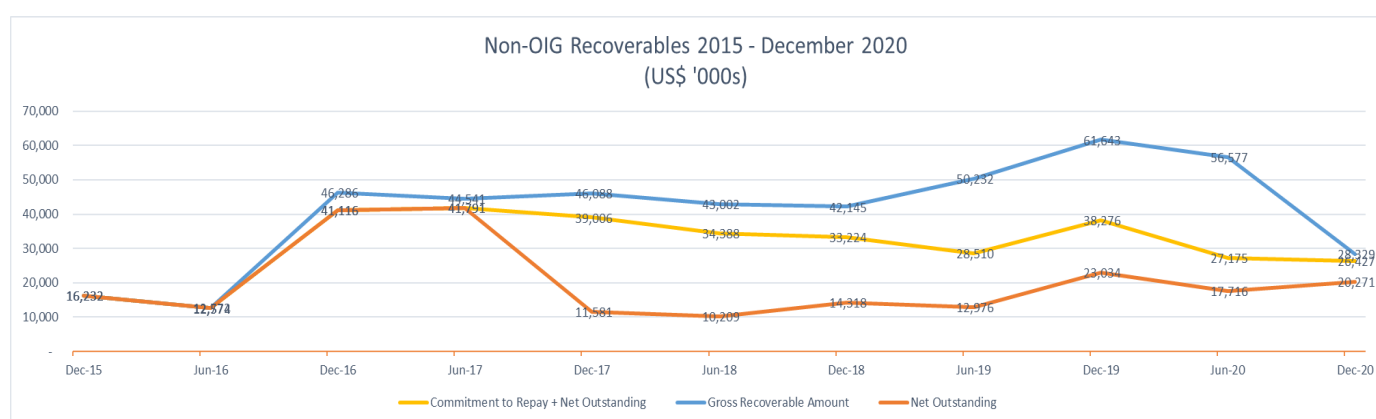
15. Non-OIG recoverable amount data is collected each quarter from Country Teams and offers a snapshot of a rolling total. In the event that they are not resolved within specified timeframes these instances are reported to the Recoveries Committee for their review and recommendation in accordance with guidance provided to Country Teams.

As of 31 December 2020, the non-OIG aggregate outstanding balance, net of written commitments to repay, amounted to US\$ 20.3 million.

16. Of this US\$ 20.3 million, there are five Principal Recipients that account for approximately 55% of the total net outstanding amount due, as follows:

a) Cameroon – MOH:	US\$ 863,984
b) Chad - FOSAP:	US\$ 1,017,245
c) Guinea - CNLS:	US\$ 4,610,697
d) Mozambique – MOH :	US\$ 2,080,324
e) Nigeria – NACA:	US\$ 2,639,828

17. Graph 2 below illustrates the evolution of the total gross amount deemed recoverable (all cases), the sum of all open commitments to repay and the net recoverable outstanding (represents the total amount still to be recovered), and the net recoverable outstanding amounts for the previous five years.



04 2:1 Allocation Reduction

18. The second half of 2020 saw three further application of the so-called “2-for-1 allocation reduction” method to resolve particularly difficult cases, where all reasonable recovery approaches have failed to produce results. Allocation reductions represent a means available to the Secretariat of resolving exceptionally difficult cases where all means of recovery have been considered exhausted. Upon approval by the Executive Director the country’s allocation is reduced by a factor of 2:1, being two units of allocation reduction for every one unit of recoverable amount.

19. There are a number of reasons why the allocation reduction approach is only applied as a last resort. For one, there is a negative impact on the country’s available budget to fight the three diseases. Additionally, the misused funds with respect to which the reduction is applied are not actually recovered. As a result, there may be less accountability and ‘consequence’ for an implementer who misspent funds.

20. Accordingly, it is important that there is adequate visibility for the cases in which it was concluded that there was no better option but to apply the 2-for-1 allocation reduction approach, which is why the allocation reductions that occurred during the period ended 31 December 2020 are described in the following paragraphs.

21. Tajikistan (Non-OIG)

In 2018 the CT identified US\$ 40,465 worth of expenditures as non-compliant. The PR has refunded to the Global Fund the amount of US\$ 4,250. For the remaining amount of US\$ 36,215, the PR proposed to reimburse the Global Fund in-kind, which was approved by the Recoveries Committee on 8 February 2019.

The CT stated that it has exhausted any reasonable avenues for obtaining the supporting documentation from the NTP and as result, suggested to apply 2:1 reduction for the total amount of US\$ 72,430 to the next TB allocation cycle (US\$ 10,754,493 for 2020-2022).

The Committee considered the attempts to resolve this matter, as detailed by the CT. In light of the change in PR, the limited options to exert further leverage and other contextual factors, the Recoveries Committee agreed with the CT recommendation to reduce the next allocation (2020-2022) by US\$ 72,430.

22. Albania (Non-OIG)

The CT proposed a 2:1 allocation reduction for the resolution of a recoverable amount for the previous implementation period (1 January 2017 to 31 December 2019). The total amount of non-compliant expenditures is US\$ 2,521: (i) the VAT to be reimbursed by the Albanian Association of PLWHA a former SR; and, (ii) the cost of the computer procured by the Association in breach of the Global Fund's Grant Regulations and Budgeting Guidelines.

The CT has explored if the non-compliant expenditures, or a portion of them, could be paid in kind by the PR or the Association but this was not found to be a possible solution.

The Recoveries Committee applied a 2:1 allocation reduction and deducted US\$ 5,042 from the current allocation.

23. Ghana (non-OIG)

Recoveries related to management of grants

The CT issued Demand Letters for US\$ 772,581.98 for non-OIG recoverable expenditures with a final deadline of 31 October 2020 for refund to the Global Fund. Of the US\$ 772,582, US\$ 330,403 pertained to unrecovered taxes and US\$ 442,179 to unsupported and other types of non-compliant expenditures across several Global Fund grants.

Given the failure of the Republic of Ghana to provide justification for the expenditures or refund the non-compliant amounts despite multiple written requests and face-to-face meetings, the CT recommended that the sum of US\$ 772,581.98 for other recoverable expenditures due as of 31 October 2020 be bundled with the outstanding Agreement milestones of US\$ 4,000,000 to reach one comprehensive resolution.

Recoveries related to the Fire Agreement

There is an outstanding balance of US\$ 1,728,105 on the Ghana Central Medical Store Fire Agreement. The CT issued a letter summarizing outstanding debts and obligations on 16 September 2020, which included the reminder to repay US\$ 1,728,015.07. The final deadline for refund to the Global Fund was extended to 31 October 2020.

In the context of Ghana's 3 December 2020 Grant Approvals Committee review, the CT proposed the conditional approval of a 2: 1 reduction of the 2020-22 Allocation to Ghana by US\$ 5,001,194 to clear the outstanding total debts of US\$ 2,500,597 due on 31 October 2020, should the refund not arrive in Global Fund account by 31 December 2020.

The Recoveries Committee agreed with the CT's recommendation to apply a 2:1 allocation reduction and deduct US\$ 5,001,194 from Ghana's 2020-2022 allocation, as the refund was not received by 31 December 2020.

05 Significant events occurring or expected after 31 December 2020

24. In March 2020, the OIG published an audit report on the Global Fund recovery process, with the primary focus on non-OIG recoveries. The OIG rated the effectiveness of the Secretariat's processes and controls to identify, resolve, monitor and report on amounts recoverable as "Partially Effective". The audit sought to provide reasonable assurance on the effectiveness of processes and controls to identify, resolve, monitor and report on recoverable amounts. The report noted that the Global Fund's recoveries process has improved over the past five years but that several exceptions exist in the identification and notification of potential recoverable amounts, impacting the accuracy and completeness of the Global Fund's recoveries account. The OIG audit did not identify actual losses as a result of the noted control weaknesses due to the additional compensating control as part of the grant closure processes. The Secretariat and the OIG have agreed one management action for improvement, and the Secretariat has initiated process and systems improvements.

25. Potential risk of higher recoverables: The COVID-19 pandemic has increased the inherent risk for fraud given the significant economic impact in the implementing countries. Many existing controls and mitigation actions continue to operate with low to moderate disruption, including:

- Oversight and monitoring of grant-level financial assurance plans across the portfolio,
- Fiduciary/Fiscal Agents continue delivering on their mandate while maintaining adequate HQ oversight (including remote oversight during lockdown or travel bans periods).

However, given the unique challenges posed by the COVID-19 pandemic and the potential impact on grant implementation processes and procedures, the Secretariat recognizes that the effectiveness of various risk mitigation measures can be impacted in the next six to twelve months. The higher inherent risk, combined with the potential weakening in the internal control environment, could lead to greater misuse of funds.

26. In addition, with the increased stress on domestic financial resources in many countries, it is likely that the process of recovering losses may be more difficult and protracted.

Annexes

Annex 1: Recoveries Committee OIG cases with outstanding recoverable amounts as of 31 December 2020

Row Labels	Expenditures compromised by prohibited practices (USD)	Unsupported expenditures (USD)	Expenditures incurred outside of the scope or period of the grant (USD)	Expenditures relating to other types of non-compliance or mismanagement of grant funds (USD)	Uncategorised Expenditures (USD)	Management Adjustments (USD)	Gross Recoverable Amount (USD)	Written off (USD)	Allocation reduction (USD)	Recovered (USD)	Net Amount still to Recover (USD)	Commitment to repay (USD)	Net After Commitments (USD)
CT Central African Republic													
CAF-202-G01-H-00P01	-	-	-	-	-	-	-	-	-	-	-	-	-
CAF-708-G05-HP03	-	861,599	-	-	-	-	861,599	-	-	715,492	146,107	146,107	-
CAF-M-WVIP01	-	-	-	-	-	-	-	-	-	-	-	-	-
CT Haiti													
HTI-C-PSIP01	-	-	-	117,928	-	-	117,928	-	-	-	117,928	-	117,928
CT Sierra Leone													
SLE-H-NASPO3	704,887	-	-	-	-	-	704,887	-	-	38,282	666,605	-	666,605
SLE-Z-MOHSP01	241,839	-	-	-	-	-	241,839	-	-	-	241,839	-	241,839
Totals	946,726	861,599	-	117,928	-	-	1,926,253	-	-	753,775	1,172,479	146,107	1,026,372

Annex 2: Recoverable amounts identified and submitted to the Recoveries Committee in the ordinary course of grant management operations outstanding as of 31 December 2020

Row Labels	Expenditures compromised by prohibited practices (USD)	Unsupported expenditures (USD)	Expenditures incurred outside of the scope or period of the grant (USD)	Expenditures relating to other types of non-compliance or mismanagement of grant funds (USD)	Uncategorised Expenditures (USD)	Management Adjustments (USD)	Gross Recoverable Amount (USD)	Written off (USD)	Allocation reduction (USD)	Recovered (USD)	Net Amount still to Recover (USD)	Commitment to repay (USD)	Net After Commitments (USD)
CT Afghanistan													
AFG-708-G04-HP02	-	80,099	-	-	-	-	80,099	-	-	-	80,099	-	80,099
CT Angola													
AGO-911-G05-TP02	-	-	-	6,177	-	-	6,177	-	-	-	6,177	-	6,177
AGO-M-MOHP01	-	-	-	961	-	-	961	-	-	-	961	-	961
AGO-M-WVIP01	-	-	6,311	-	-	-	6,311	-	-	6,311	-	-	-
CT Burundi													
BDI-H-PNLSPO1	30,978	46,430	-	48,729	-	-	126,137	-	-	-	126,137	-	126,137
BDI-M-SEPCNLSPO1	-	-	-	-	-	-	-	-	-	-	-	-	-
BDI-T-PNITP01	-	-	-	10,533	-	-	10,533	-	-	-	10,533	-	10,533
CT Cameroon													
CMR-M-MOHP01	-	-	-	863,984	-	-	863,984	-	-	-	863,984	-	863,984
CMR-M-MOHP02	-	-	-	-	-	-	-	-	-	-	-	-	-
CT Central African Republic													
CAF-708-G05-HP03	-	111,253	-	-	-	-	111,253	-	-	-	111,253	111,253	-
CT Chad													
TCD-810-G04-HP01	-	-	176,833	31,610	-	-	208,443	-	-	28,843	179,600	179,600	-
TCD-810-G05-HP02	-	-	-	-	443,752	-	443,752	-	-	-	443,752	-	443,752
TCD-810-G07-TP02	-	-	-	-	15,691	-	15,691	-	-	-	15,691	-	15,691
TCD-M-UNDP01	-	253,425	-	-	-	-	253,425	-	-	-	253,425	-	253,425
TCD-T13-G09-MP01	-	-	-	-	1,017,245	-	1,017,245	-	-	-	1,017,245	-	1,017,245
CT Comoros													
COM-810-G03-MP02	-	-	-	-	5,676	-	5,676	-	-	-	5,676	-	5,676
COM-H-DNLSPO1	-	-	-	-	50	-	50	-	-	-	50	-	50
CT Congo (Democratic Republic)													
COD-M-MOHP02	-	156,247	-	-	-	-	156,247	-	-	-	156,247	-	156,247
CT Côte d'Ivoire													
CIV-910-G13-HP02	-	32,796	-	-	-	-	32,796	-	-	-	32,796	-	32,796
CIV-M-MOHP01	-	41,679	-	-	-	-	41,679	-	-	-	41,679	-	41,679
CIV-T-ACIP01	-	17,124	-	-	-	-	17,124	-	-	-	17,124	-	17,124
CT Fiji													
FJI-T-MHMSPO3	-	139,143	-	-	-	-	139,143	-	-	79,466	59,677	268	59,409
CT Guinea													
GIN-H-CNLSPO2	-	-	-	4,713,042	-	-	4,713,042	-	-	102,345	4,610,697	-	4,610,697
CT Indonesia													
IND-H-IPPA01	-	-	-	27,418	-	-	27,418	-	-	27,418	-	-	-
CT Kenya													
KEN-H-TNTP04	-	-	-	-	26,244	-	26,244	-	-	-	26,244	-	26,244
KEN-M-TNTP01	-	50,908	-	-	-	-	50,908	-	-	-	50,908	-	50,908
KEN-M-TNTP02	28,182	13,843	-	18,484	-	-	60,509	-	-	-	60,509	-	60,509
KEN-T-TNTP03	-	5,351	-	-	-	-	5,351	-	-	-	5,351	-	5,351

Annex 2 (continued): Recoverable amounts identified and submitted to the Recoveries Committee in the ordinary course of grant management operations outstanding as of 31 December 2020

Row Labels	Expenditures compromised by prohibited practices (USD)	Unsupported expenditures (USD)	Expenditures incurred outside of the scope or period of the grant (USD)	Expenditures relating to other types of non-compliance or mismanagement of grant funds (USD)	Uncategorised Expenditures (USD)	Management Adjustments (USD)	Gross Recoverable Amount (USD)	Written off (USD)	Allocation reduction (USD)	Recovered (USD)	Net Amount still to Recover (USD)	Commitment to repay (USD)	Net After Commitments (USD)
CT Lao (Peoples Democratic Republic)													
LAO-H-GFMOHP03	-	4,591	-	-	-	-	4,591	-	-	4,591	-	-	-
LAO-H-GFMOHP04	-	803	-	-	-	-	803	-	-	803	-	-	-
LAO-M-GFMOHP01	-	5,259	-	-	-	-	5,259	-	-	5,259	-	-	-
CT Liberia													
LBR-S10-G07-HP02	-	-	209,697	-	-	-	209,697	-	-	-	209,697	-	209,697
LBR-C-MOHP01	55,193	-	-	297,493	-	-	352,686	-	-	53,585	299,101	-	299,101
LBR-M-MOHP02	-	18,394	-	-	-	-	18,394	-	-	-	18,394	-	18,394
LBR-M-MOHP03	-	2,200	-	-	-	-	2,200	-	-	-	2,200	-	2,200
LBR-M-MOHP04	-	-	-	9,875	-	-	9,875	-	-	-	9,875	-	9,875
CT Madagascar													
MDG-H-SECNLSPO1	-	-	26,812	-	-	-	26,812	-	-	-	26,812	-	26,812
MDG-H-SECNLSPO2	-	783	-	-	-	-	783	-	-	-	783	-	783
MDG-M-MOHP01	-	98,362	-	-	-	-	98,362	-	-	-	98,362	-	98,362
CT Montenegro													
MNE-H-MOHP01	-	361	-	-	-	-	361	-	-	-	361	-	361
CT Mozambique													
MOZ-809-G08-SPO2	-	248,221	-	448,369	-	-	696,590	-	-	182,161	514,429	-	514,429
MOZ-C-CCSP01	-	-	-	546,743	-	-	546,743	-	-	-	546,743	-	546,743
MOZ-C-FDCP01	-	-	-	457,076	-	-	457,076	-	-	-	457,076	-	457,076
MOZ-H-FDCP01	-	52,100	-	232,246	-	-	284,345	-	-	-	284,345	-	284,345
MOZ-H-MOHP01	-	262,282	-	-	-	-	262,282	-	-	-	262,282	-	262,282
MOZ-H-MOHP02	-	273,299	-	144,445	-	-	417,744	-	-	-	417,744	-	417,744
MOZ-M-MOHP01	-	18,486	-	71,521	-	-	90,007	-	-	-	90,007	-	90,007
MOZ-M-MOHP02	-	384,595	-	199,434	-	-	584,029	-	-	-	584,029	-	584,029
MOZ-M-WVPO1	-	-	-	1,027,950	-	-	1,027,950	-	-	-	1,027,950	-	1,027,950
MOZ-M-WVPO2	-	-	-	446,454	-	-	446,454	-	-	-	446,454	-	446,454
MOZ-T-MOHP01	-	148,562	-	342,639	-	-	491,201	-	-	-	491,201	-	491,201
MOZ-T-MOHP02	-	149,494	-	85,567	-	-	235,061	-	-	-	235,061	-	235,061
CT Multicountry CAF ALCO													
QPE-H-ALCOPO1	-	-	-	-	230,610	-	230,610	-	-	229,112	1,498	-	1,498
CT Multicountry HIAF1 WBC													
QPA-T-WHCP01	-	213,276	-	-	-	-	213,276	-	-	213,276	-	-	-
CT Multicountry HIAS RAI													
QSE-M-UNOISP02	-	-	-	79,724	-	-	79,724	-	-	-	79,724	-	79,724
QSE-M-UNOISP03	-	-	-	30,691	-	-	30,691	-	-	-	30,691	-	30,691
CT Multicountry SEAS HIVA													
QSA-H-IHAAP01	-	52,172	-	-	-	-	52,172	-	-	-	52,172	-	52,172
CT Multicountry WAF AMCS													
QPE-C-ANCSPO1	-	-	-	-	494,221	-	494,221	-	-	-	494,221	-	494,221
CT Myanmar													
MNR-T-UNOISP03	-	-	-	9,136	-	-	9,136	-	-	-	9,136	-	9,136
CT Namibia													
NMB-202-G07-HP02	-	31,760	-	-	-	-	31,760	-	-	-	31,760	31,760	-
CT Nepal													
NEP-H-NCASCP01	-	-	-	278,568	-	-	278,568	-	-	83,002	195,566	-	195,566
NEP-M-EDCDP01	-	-	-	55,411	-	-	55,411	-	-	3,732	51,679	-	51,679
NEP-T-NTCP02	-	-	-	62,720	-	-	62,720	-	-	19,075	43,645	-	43,645

Table 2 (continued): Recoverable amounts identified and submitted to the Recoveries Committee in the ordinary course of grant management operations outstanding as of 31 December 2020

Row Labels	Expenditures compromised by prohibited practices (USD)	Unsupported expenditures (USD)	Expenditures incurred outside of the scope or period of the grant (USD)	Expenditures relating to other types of non-compliance or mismanagement of grant funds (USD)	Uncategorised Expenditures (USD)	Management Adjustments (USD)	Gross Recoverable Amount (USD)	Written off (USD)	Allocation reduction (USD)	Recovered (USD)	Net Amount still to Recover (USD)	Commitment to repay (USD)	Net After Commitments (USD)
CT Nigeria													
NGA-H-NACAP02	-	-	-	732,723	-	-	732,723	-	-	-	732,723	-	732,723
NGA-H-NACAP03	-	-	1,907,105	-	-	-	1,907,105	-	-	-	1,907,105	-	1,907,105
NGA-M-NMEPP01	-	-	205,828	-	-	-	205,828	-	-	-	205,828	-	205,828
CT North Macedonia													
MKD-011-GM-TP02	-	-	19,880	-	-	-	19,880	-	-	-	19,880	-	19,880
MKD-H-MOHP02	-	-	8,610	-	-	-	8,610	-	-	-	8,610	-	8,610
CT Pakistan													
PAK-H-NACPP02	-	-	19,534	-	-	-	19,534	-	-	1,048	18,486	-	18,486
PAK-M-DOMCP01	-	-	6,994	-	-	-	6,994	-	-	5,815	1,179	-	1,179
PAK-T-NTPP01	-	-	58,921	6,258	-	-	65,179	-	-	4,865	60,314	-	60,314
PAK-T-NTPP02	-	-	59,825	-	-	-	59,825	-	-	8,244	51,581	-	51,581
PAK-T-NTPP03	-	34,829	6,711	29,714	-	-	71,254	-	-	935	70,319	-	70,319
PAK-T-TIHP01	-	-	463,395	-	-	-	463,395	-	-	444,097	19,298	3,955	15,344
PAK-T-TIHP02	-	-	-	-	-	-	-	-	-	-	-	-	-
CT Senegal													
SNG-H-DISIP02	-	141,141	-	-	-	-	141,141	-	-	3,099	138,041	-	138,041
CT Serbia													
SER-809-G05-HP01	-	-	-	-	-	-	-	-	-	-	-	-	-
SRB-H-MOHP01	-	2,483	-	-	-	-	2,483	-	-	-	2,483	-	2,483
CT Sierra Leone													
SLE-H-NASP03	-	-	-	245,833	-	-	245,833	-	-	50,112	195,720	-	195,720
SLE-M-MOHSP02	-	9,053	109,616	-	-	-	118,670	-	-	-	118,670	118,670	-
SLE-Z-MOHSP01	32,450	3,505	-	316,282	-	-	352,237	-	-	-	352,237	352,237	-
CT Sudan													
SDN-M-MOHP01	-	85,222	-	-	-	-	85,222	-	-	-	85,222	-	85,222
SDN-S-FMOHP01	122,714	163,454	-	146,674	-	-	432,842	-	-	-	432,842	-	432,842
CT Tanzania (United Republic)													
TNZ-405-G06-HP03	-	-	-	653,717	-	-	653,717	-	-	270,514	383,202	383,202	-
TZA-C-STCP01	-	-	-	53,671	-	-	53,671	-	-	-	53,671	-	53,671
TZA-H-MOFP02	-	167,615	-	-	304,122	-	471,737	-	-	1,415	470,323	4,350	465,972
TZA-M-MOFP04	-	342,180	-	-	61,742	-	403,922	-	-	-	403,922	-	403,922
TZA-T-MOFP02	-	-	-	-	-	-	-	-	-	-	-	-	-
CT Thailand													
THA-C-DDCP01	-	-	-	406,535	-	-	406,535	-	-	-	406,535	-	406,535
CT Timor-Leste													
TLS-H-MOHP03	-	-	-	-	-	-	-	-	-	-	-	-	-
TLS-M-MOHP02	-	10,268	-	-	-	-	10,268	-	-	-	10,268	-	10,268
TLS-T-MOHP01	-	1,138	-	-	-	-	1,138	-	-	-	1,138	-	1,138
CT Uganda													
UGA-C-TASOP01	-	-	-	387,647	-	-	387,647	-	-	325,467	62,180	62,180	-
UGA-M-MoFPEDP01	-	-	-	23,497	-	-	23,497	-	-	22,287	1,210	1,210	-
CT Ukraine													
UKR-C-AUAP02	-	-	-	95,130	-	-	95,130	-	-	-	95,130	-	95,130
UKR-C-AUNP02	-	-	-	12,738	-	-	12,738	-	-	-	12,738	-	12,738
UKR-C-PHCP02	-	-	-	9,084	-	-	9,084	-	-	-	9,084	-	9,084
CT Viet Nam													
VN-M-H-VAACP04	-	-	-	128,370	-	-	128,370	-	-	112,246	16,124	16,124	(0)
CT Zambia													
ZAM-H-UNDP01	4,638,025	-	-	-	-	133,269	4,504,756	-	-	2,691,221	1,813,535	1,813,535	-
Totals	4,907,542	3,874,188	3,286,072	13,794,870	2,599,353	133,269	28,328,756	-	-	4,980,345	23,348,411	3,078,345	20,270,066

Annex 3: OIG audit & investigation reports pending for the Recoveries Committee as of 31 December 2020

This table reconciles and provides supporting explanations for amounts reported by the OIG, but which require additional work in order to arrive at a final recoverable amount.

AUDITS						
Country	Report Issue Date	OIG Initial ReportedAmount	Reclassified Amount	Current Recoverable Amount	Amount Still Under Review	Status
DRC - PSI	04-May-20	US\$ 6,200,000	TBD	TBD	TBD	Additional follow-up work currently being undertaken by the Secretariat
INVESTIGATIONS						
Country	Report Issue Date	OIG Initial ReportedAmount	Reclassified Amount	Current Recoverable Amount	Amount Still Under Review	Status
N/A						

Reclassified amount: The amount of expenditures previously identified as non-compliant that have been reclassified as compliant following further review by the Secretariat in conjunction with the LFA and OIG.

Current recoverable amount: The amount of expenditures previously identified as non-compliant that are confirmed as non-compliant following further review by the Secretariat in conjunction with the LFA and OIG.

Notes to Annexes:

- (1) Each OIG report leading to a recoverable amount is counted as a separate case, even if multiple reports apply to the same country.
- (2) A written commitment is recognized as such once signed by a competent authority, in practice usually the Ministry of Health with co-signature by the Ministry of Finance.
- (3) Adjustments by management include changes to the OIG-reported figures based on additional considerations, which may include review of additional supporting documentation, retroactive approval of expenditures reported by the OIG as non-compliant where sound rationales exist, an evaluation of the Global Fund's available legal rights and remedies, and amounts identified by the Secretariat as recoverable in addition to the amounts reported by the OIG. Such adjustments are made in consultation with the OIG.
- (4) The amount deemed recoverable represents the maximum amount to be recovered based on the deliberations of the Recoveries Committee and the Executive Director and latest information available. The amounts include considerable sums which are subject to further analysis or explanation by the Secretariat and validation by the OIG. Part or all such amounts may be shifted to the management adjustments column following further deliberations of the Recoveries Committee and the Executive Director. For cases not yet fully resolved, the amounts in the 'written off', 'recovered' and 'commitment to repay' columns may not fully represent the amount ultimately recovered, as recovery work is still ongoing on a portion of the amount shown as 'net deemed recoverable'.
- (5) Allocation reductions represent a means of resolving exceptionally difficult cases where all means of recovery have been exhausted. Upon approval by the Executive Director, a country's allocation may be reduced by a factor of 2:1, being two units of allocation reduction for every one unit of recoverable amount. The amounts in the table represent the recoverable amounts written off as a result of the application of allocation reductions.