

14. Mechanisms for monitoring COVID-19 disruption have been introduced and progressively expanded. These include bi-weekly LFA surveys of PRs, which provide insight on disruption levels in-country as assessed by PRs, and more regular monitoring of key HIV, TB and malaria indicators in priority portfolios.
15. Through these different processes and tools, the Global Fund has mitigated many of the operational risks created by COVID-19 and significantly reduced the impact on Global Fund operations. Looking forward, given the ongoing disruption anticipated, the Secretariat now needs to reflect on how these processes can be matured. C19RM will have a critical role for the foreseeable future and the Secretariat must look for opportunities to strengthen the C19RM process. It needs to continue to be fast and sufficiently flexible to reflect the speed with which the operating environment continues to evolve in-country. This is important at an operational level but also at a strategic level to ensure C19RM continues to represent an effective and relevant investment channel for donors.

The Global Fund's risk profile

16. Assessing the impact of COVID-19 related disruption on the organizational risk profile was challenging for most of 2020. The situation in-country was evolving rapidly, and visibility was limited. The situation continues to remain precarious, but visibility of disruption has improved. Analysis of disruption and gap to programmatic targets and strategic objectives provides a strong indication of the level of risk and enables the Secretariat to better assess where risk trajectories are increasing and where mitigating actions need to be strengthened.
17. Annex 1 contains the Organizational Risk Register (ORR) update for Q4 2020. The update covers all organizational risks. The remainder of this section focuses on some of the key thematic risks that were, or are expected to be, particularly affected by the pandemic.

Program Quality

18. Program continuity has been maintained as a result of efforts by implementers, the Secretariat and a range of partners. However, there have also been significant disruptions. This is reflected in programmatic results.
19. Analysis of programmatic data collected through the monthly surveys of PRs and spot checks highlights a significant decline in utilization of key services such as TB diagnosis, referral and enrollment in second line TB treatment.² Similarly, HIV programs have seen disruption and a negative impact on results, in particular ANC1, HIV referrals and testing for key and vulnerable populations. For malaria programs, similar declines have been noted in case management. The January 2021 results of the LFA bi-weekly survey of PRs show an improving trend in the disruption to grant implementation. However, it is unclear whether this trend will be sustained and how long it will take to start positively impacting programmatic results.
20. Mitigating actions being put in place are likely to reduce the negative impact of COVID-19 related disruption. However, it will take time and the situation in most countries is evolving rapidly and needs to be closely monitored so that timely program adaptations can be implemented in response.

HIV

² Analysis is based on a monthly grant indicator survey of PRs. Data is not LFA verified and is only collected from a subset of countries and grants.

Updates to the risk management framework

Updates to risk management tools at grant level

52. To ensure risks are being properly managed it is essential that risk levels are being accurately assessed. Historically, when grant risk levels have been assessed through the Secretariat's Integrated Risk Management tool (IRM), the focus has been on residual risk levels. This is because inherent risk levels are largely driven by systemic issues and tend to be relatively stable. COVID-19 has introduced unprecedented volatility, even in countries with strong and resilient health systems, and consequently inherent risk levels have increased. This needs to be reflected in how risks are rated.
53. In Q1 of 2021 the Secretariat has prioritized triangulation of risk levels to take into account the impact of COVID-19. The framework for triangulation uses a range of outcome and coverage indicators across different grant-facing risks and includes an assessment of the gap to programmatic targets. This ensures a data driven and robust approach to the assessment of risk levels that reflects current operating realities and the scale of the challenge. Preliminary, updated grant risk ratings will be aggregated to inform updates to organizational risk levels, which will be reported to the Board in May via the Committees.
54. Other priorities for strengthening the risk management framework include a more systematic and bottom-up assessment of the grant level risks relating to human rights and gender equity. This is in line with previous discussions with the Board and Committees.

Updates to risk appetite

55. The negative impact of COVID-19 on programmatic results has increased the gap to target. Closing this gap and delivering on programmatic objectives will require ambitious implementation plans and innovation. In some cases, it will also require the Global Fund to accept additional risk. The current Risk Appetite Framework approved by the Board does not reflect the new environment, either in terms of the impact of COVID-19 on inherent risk levels or the impact on timeframes to reach target risk levels.
56. To effectively support countries as they move forward with implementation, it is important that the organization is clear on the level of risk that may need to be accepted in order to deliver programmatic impact. An up-to-date Risk Appetite Framework also needs to be in place to facilitate operational decision making. Once the Secretariat has completed its bottom-up analysis of risk levels, the focus will shift to developing recommendations for updates to the Risk Appetite Framework.⁴

Leveraging lessons learned to strengthen mitigating actions

57. An evolving risk landscape requires program adaptations and changes to risk mitigations. In parallel with work to review and update risk ratings, the Secretariat has been capturing lessons learned from 2020 on the relative success of different program adaptations. Certain adaptations are already being flagged as successful. As the Secretariat starts to look towards grant revisions and reprogramming, as well as efforts to make up the ground that has been lost in 2020, there must be a systematic review of which adaptations have worked well: this will enable these successes to be built upon and leveraged across the wider portfolio. This analysis will be a cross-Secretariat exercise involving Country Teams and technical teams and will be used to update the tool kit of mitigations and to provide guidance to Country Teams. In addition, updated guidance is being rolled out for Country Teams on how to improve prioritization of mitigating actions, to ensure they target the most critical issues. Root causes will also continue to be updated.

Improved monitoring and decision making

58. Data is central to the robust assessment, monitoring and management of risks. The Global Fund will need to be nimbler in response to a volatile environment where risk levels are subject to rapid change and there

⁴ The current Risk Appetite Framework can be found at: [Risk Appetite Framework, May 2018](#).

01 - Program Quality - HIV		Risk owner: TAP		2020-Q4	Approved by MEC	
Risk Description	Inadequate quality of programs/services funded by the Global Fund, which results in missed opportunities to maximize improvement of measurable outcomes in the fight against the HIV and the effort to strengthen resilient and sustainable systems for health.					
Assessment	<p>Risk Impact: Poor adherence to international standards for prevention, diagnosis and treatment, and poor adherence to treatment regimens, contributing to drug resistance, treatment failure and heightened disease burden. (The impact is exacerbated in high-risk environments that account for a significant portion of Global Fund investments.)</p> <p>Adaptations to existing controls and planned mitigations: Priority for Global Fund during the COVID emergency response was to maintain essential services either through grant flexibilities or funding through C19RM. While this continues to be an underlying principle, new grants have to start implementation to deliver results against targets set. This required adaptation of service delivery to increase access to services during and post-COVID, and some of the key strategies are listed below: Adaptive HIV prevention programming for different risk scenarios including introduction of virtual and technology platforms for outreach / facilitating prevention suite Prioritize HIV testing services, especially self-testing, outreach and community-based testing Maintain early and immediate treatment initiation Maintain people on ART despite less frequent facility visits MMD for key treatment and prevention products and community/pharmacy-based product delivery Ensure commodity security and addressing challenges due to limited subnational stock availability Protection for HCW including community-based outreach workers Expand innovations to deliver community based and community-led services required for service adaptations Ensure availability personal protective masks and gloves for staff and beneficiaries to mitigate reductions in demand for services due to fear of COVID</p> <p>Preliminary Adjustments to Risk and Outlook for the next 6-12 months: Whilst clinical management of COVID has improved, in the absence of any (currently available) therapeutics, limited availability of vaccines and given the current unpredictability of the pandemic and the risk of service disruptions, its impact on the HIV programs will remain high to very high. The mitigation actions described above are being deployed – and best practice will evolve as more data on disruption emerges along with plans and outcomes of effective risk mitigation strategies. This work is undertaken in close collaboration with key HIV partners.</p> <p>Based on the preliminary analysis of extent of disruptions to prevention and treatment programs, and gap to achieving grant target on current levels of program ambitions in 2021, the risk level has moved to top end of 'High'. The direction of travel is increasing, and the risk level is anticipated to remain at the top end of high and may move to 'Very High' over 6-12 months.</p>					
Change since last quarter	No change	Current direction of travel		Increasing	Global Fund ability to mitigate	Moderate
Residual Risk	High					
Preliminary risk adjustment	High (top end)	Risk Appetite	High	Target Risk	Moderate	Target risk timeframe
Key Countries	Angola; Botswana; Cameroon; Côte d'Ivoire; Democratic Republic of the Congo; Eswatini; Ethiopia; Ghana; Kenya; Lesotho; Malawi; Mozambique; Myanmar; Namibia; Nigeria; Rwanda; South Africa; Thailand; Uganda; Ukraine; United Republic of Tanzania; Viet Nam; Zambia; Zimbabwe					
Root Cause	<p>The COVID-19 pandemic has significant implications to programs supported by the Global Fund as it is likely to negatively impact communities affected by HIV, along with the health systems that serve them. Some of the risk drivers include: Disruptions to HIV testing (HT) especially for vulnerable and key populations and contributing to decrease in HIV testing & diagnosis, delayed start to treatment – and limited access to key prevention interventions. Disruptions to KP HIV prevention programs, such as some harm reduction services for PWID including declines in numbers of KP reached as hot spots are closed. The medical components of prevention programs, such as VMMC, are significantly impacted as people cannot access prevention and treatment services due to lock downs and physical distancing policies, or essential commodities for prevention and treatment do not reach clients. AGYW impacted by disruption to movement and access to school and family planning – risk of GBV - unclear if immediate increase in risk of HIV – but long-term impact to fail to reduce incidence is likely. Prisoners and those in detention centers may be at most heightened risk of both transmissions, or if PLHIV acquiring COVID. COVID-19 related restrictions, use of administrative measures and other efforts to control the pandemic have penalized the most vulnerable and marginalized- women and young girls (increase in GBV), sex workers (loss of livelihood, food, shelter or access to care), LGBTI (law enforcement agencies used to harm, harass and arrest) and led to serious avoidance of health facilities. HIV treatment services is mixed, with few countries reporting significant loss of patients from HIV treatment services. HIV treatment and viral load services appear to be mostly resilient unlike treatment initiation which is affected across the board. Children likely to be most hard groups to start ART or continue ART for – and already markedly behind on coverage. More data needed for further analysis. Declines in adherence to ART, could lead to less viral suppression and increased HIV incidence and ultimately AIDS-related deaths. Training, and supervision disruptions are reported with likely impacts on program quality. HR will be diverted to COVID and emergency services. The COVID-19 pandemic is likely to negatively impact communities affected by HIV, along with the health and community systems that serve them. PLHIV are likely higher risk for serious COVID infection and will need to be managed as a priority vulnerable group - pressure on health systems will be most felt by countries with large treatment cohorts (East and Southern Africa).</p>					Related Action
	Interventions and targets not based on programs' context or not addressing National Strategic Plan priorities.					MA-4760
	Key interventions not sufficiently focused on populations most in need of services or include highest impact to reduce new HIV infections and well-linked to achieving program outcomes.					MA-4761 MA-4760 MA-4767 MA-4768 MA-4765 MA-4769 MA-4770
	Guidelines/tools to review quality of services are not available or programs are not routinely reviewed.					MA-4761 MA-4762 MA-4763 MA-4760 MA-4766 MA-4768 MA-4769
	Programs shift national policies to approved national or WHO guidelines quickly but implementation takes an average of 18 months, and often much longer in non PEPFAR countries, or where domestic ART purchase e.g ART optimization including TLD transition and 3 and 6 months MMD.					MA-4763 MA-4764 MA-4767 MA-4765
	Poor quality of health products and unstable drug supply. Mismatch of supply to demand -with supplies sitting in facilities affected by restrictions- testing and therapeutics.					MA-4763 MA-4770
	Inadequate staff capacity working in environments that are often not sufficiently supportive (gaps in training, support and supervision, misaligned incentives, etc.) and inappropriate use of drugs.					MA-4765 MA-4769 MA-4770

Diversion of government and other bilateral financial and human resources to COVID19 response resulting in limited fiscal space for HIV specific programming.		MA-4757
Insufficient and inadequate use of data for the appropriate design of quality and efficient programs aligned with epidemiological context, combined with insufficient monitoring and surveillance.		MA-4762 MA-4764 MA-4767
Current controls & mitigations		Assurances
MA-4758	The Global Fund has made available funding of up to US\$1 billion to help countries fight COVID-19, mitigate the impacts on lifesaving HIV, TB and malaria programs, and support health systems. A portion of this funding made available to mitigate impact on HIV programs and health and community systems.	Project management, M&E
MA-4759	Guidance (internal and from WHO) has been elaborated on how to prioritize continuation of essential HIV programs activities and mitigate the impact of COVID-19 epidemic. External information note on COVID/HIV mitigation published in April 2020 and reviewed in Jan 2021. HIV Advisors supporting countries to look at catch up planning and adaptations. Focus on a subset of countries that face most significant service disruptions	Country evaluations, Thematic reviews
MA-4760	Strengthening review of quality at Secretariat level through country-specific and cross-portfolio reviews by the Portfolio Performance Committee, to identify gaps and opportunities for improvement.	Population based surveys, Prospective Country Evaluations
MA-4761	Refocusing on grant programs' quality and efficiency, within current budget limitations, through strengthening in country review and dialogue with partners to identify opportunities to improve quality and leverage partner technical, financial and political resources accordingly.	Routine Programmatic analysis
MA-4762	Strengthening focus on measurable outcomes that drive impact, enhancing data use for action and improvement, leveraging efficiencies to maximize value for money and strengthening mutual accountability, including roll-out of the Data Use for Action and Improvement framework (DUAP), inclusive of indicators on measuring program quality, which is fully aligned with the 2018 Corporate Priority 4 on Data systems for health and use of data for program quality and efficiency improvement.	National or disease specific reviews (IBBS/ treatment cascade analysis)
MA-4763	Global Fund grants support countries to implement changes to drug policies when necessary, accelerate uptake of innovation and behavior change communication for disease prevention and support programs to improve treatment adherence, including through strengthening of communities.	National Health Facility Assessment
MA-4764	WHO normative guidance regarding appropriate treatment guidelines and protocols in place. Global Fund support for implementation of new WHO guidelines, innovation initiatives including the Innovation 2 Impact Initiative to develop and deliver new vector control products, and development of new and innovative disease management strategies.	Routine monitoring (community/facility)/ DQA-ART
MA-4766	Ongoing dissemination of best practices and practical guidance by Technical Advice and Partnerships, including quality standards and normative guidelines and tailored communication to GMD for acceleration of transition to updated technical partner guidance.	Partner reviews, Program quality spot checks
MA-4767	Aligning program and data quality assurance with overall Risk and Assurance Planning.	Country Portfolio reviews
MA-4770	Leveraging RSSH catalytic funding to strengthen integrated service delivery, human resources for health, governance for cross program efficiency, and scale up of best practices through south-to-south collaboration and peer learning. As at the end of Q3: New methodological approach and tools to monitor results and assess the impact for Human Resources for Health investments developed & piloted; and systematic TA provided across GF grants on RSSH.	Partner reviews, Program quality spot checks

Overall Status	Risk mitigation is on track. There are no material delays.
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Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-4765	Differentiated HIV testing to improve efficiency and effectiveness for first 90 (90-90-90 Global Target). Work with technical partners to improve effectiveness of HIV testing, focus, yield and linkages to treatment for positives and prevention for HIV negative individuals. Scale up differentiated service models in 8 countries.	Underway	30-12-2021	TAP
M-4757	To mitigate the disruptions caused by the pandemic, the Secretariat has used several approaches to maintain HIV prevention and treatment services in face of continued challenges and constraints of the COVID-19 pandemic. These include: Focused support for HIV prevention programs in a subset of countries that face significant disruptions Additional support for gender-based violence services Accelerate differentiated service delivery, with focus on bringing services to the people / community and by increasing use of technology, across prevention, testing and treatment services Expand multi month dispensing (MMD) for treatment and prevention commodities. Ensure commodity security. Additional support to countries which are at maximum risk of treatment disruption. Front load commodity orders where feasible and close monitoring of delivery lead times and in-country stock management			
MA-4768	Strengthening integrated service delivery: Integration of HIV, TB and malaria services into broader service delivery platforms (i.e.-ANC/PNC, PHC, RMNCH) through technical partners and implementers.	Underway	30-06-2021	TAP
MA-4769	Further support for implementation of new guidance and action planning related to ART: Internal technical brief issued by GF (January 2019) to support fast and safe transition to new WHO regimens. ART transition guidance for GMD updated in line with July 2019 treatment guidelines (July 2019, February and March 2020). Partners issued technical note in December 2020 on introduction of 10mg DTG for children to accelerate transition to more effective regimens. Working with sourcing, GMD and partners (such as PEPFAR) on TLD transition and NVP switch in all HIV tier 1 countries with focus on PEPFAR countries. Managing risk of supply interruption leading to stock out end 2020 of 2nd line ARV regimen (LPV/r250) in collaboration with GF SO, WHO and PEPFAR.	Underway	30-06-2021	TAP

02 - Program Quality - TB		Risk owner: TAP		2020-Q4	Approved by MEC	
Risk Description	Inadequate quality of programs/services funded by the Global Fund, which results in missed opportunities to maximize improvement of measurable outcomes in the fight against Tuberculosis and the effort to strengthen resilient and sustainable systems for health.					
Assessment	<p>Risk Impact: Poor adherence to international standards for prevention, diagnosis and treatment, and poor adherence to treatment regimens, contributing to drug resistance, treatment failure and heightened disease burden.</p> <p>Adaptations to existing controls and planned mitigations: Priority for Global Fund during the COVID emergency response was to maintain essential services either through grant flexibilities or funding through C19RM. While this continues to be an underlying principle, new grants have to start implementation to deliver results against targets set. This required adaptation of service delivery to increase access to services during and post-COVID, and some of the key strategies are listed below: Guidance (internal and from WHO) has been elaborated on how to continue with TB programs activities and mitigate the impact of COVID-19 epidemic. The guidance/Information Note on Catch Up Plan has been shared with country teams and countries. Multi Month Dispensing initiated in several countries where people take home 1-2 months of TB drugs - follow-up by phone and reporting of adverse reactions by phone and SMS. Closely working with GDF to ensure commodity security The C19 RM and Grant flexibilities supported emergency measures, including procurement of PPE and GeneXpert machines (over 500 additional machines requested)</p> <p>Preliminary Adjustments to Risk and Outlook for the next 6-12 months: Whilst clinical management of COVID has improved - the risk of service disruption and its impact on the TB programs will remain 'High' to 'Very-High'. The risk mitigation actions described above are being deployed – and best practice will evolve as more data on disruption emerges along with plans and outcomes of effective risk mitigation strategies. This work is undertaken in close collaboration with key TB partners.</p> <p>Based on the preliminary analysis of extent of disruptions to prevention and treatment programs, and gap to achieving grant target on current levels of program ambitions in 2021, the risk level has moved to 'Very High'. The direction of travel is increasing, and the risk level is anticipated to remain at 'Very High' over 6-12 months and influenced by the possibility of second wave and consequent lock downs and service disruptions.</p> <p>The mitigation measures are likely to reduce the negative impact of the disruption, but the situation in most countries is evolving rapidly and needs to be monitored very closely and actions adapted accordingly. Countries need to implement catch up/adaptation plans as soon as possible to mitigate the impact on TB/DR-TB notification and treatment outcome. Additional resources and/or reprogramming is required urgently to implement innovative and mitigation approaches.</p>					
Change since last quarter	No change	Current direction of travel		Increasing	Global Fund ability to mitigate	Moderate
Residual Risk	High					
Preliminary risk adjustment	Very High	Risk Appetite	High	Target Risk	Moderate	Target risk timeframe
Key Countries	Bangladesh, Cameroon, Cambodia, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Mozambique, Myanmar, Nigeria, Pakistan, Philippines, South Africa, Tanzania, Uganda, Ukraine, Viet Nam, Zambia					
Root Cause						Related Action
<p>The COVID-19 pandemic has significant implications to programs supported by the Global Fund as it is likely to negatively impact communities affected by TB, along with the health systems that serve them. Disruptions to the diagnosis and treatment of TB/DR-TB cases are the primary drivers of increased TB incidence and deaths and key risk drivers include: Less people accessing health services due to travel restrictions, increased stigma and discrimination due to overlap of TB symptoms and COVID-19. With lockdowns and restrictions on movement due to COVID, disruption of TB services with a consequent decrease in TB notifications (both DS and DR TB). Possible negative impact in treatment outcomes due to treatment interruptions. The vulnerable and marginalized are disproportionately more at risk. GF was on target and to exceed identifying 1.5 million missing TB cases in 13 priority countries by end 2020 (it achieved 1.2 million by Q1 2020), however, is unlikely to be achieved due to COVID related disruptions. Recent spot checks carried out by the Secretariat, in a sample of 14 countries, shows TB case notification had dropped to 68% in Q3 2020 relative to Q3 2019. 3,301 fewer people moved to MDR TB second line treatment in the 9 countries that reported Q3 data (MDR TB-3). Treatment and adverse event monitoring is interrupted which could lead to increase of drug resistance in the long term. Expected increase in TB mortality (due to TB alone and TB/Covid-19 co-infection). Private sector facilities have shut down or scaled back operations and TB Preventive therapy stalled. TB staff deployed for COVID-19 and lab/ MDR TB wards have been repurposed for COVID-19. Delays in procurement and in-country distribution of key anti-TB drugs and supplies including delays and increased costs for shipment of international commodities. TB domestic resources have been diverted/ repurposed to address the pandemic. WHO survey results conducted in June, 2020 show nearly 60% of countries (N=172) reported reallocating resources from TB to C19 and over 35% of countries (N=109) repurposed Xpert machines for COVID-19 diagnosis</p>						MA-4771 MA-4772 MA-4773
Insufficient and inadequate use of data for the appropriate design of quality and efficient programs aligned with epidemiological context, combined with insufficient monitoring and surveillance.						MA-4776 MA-4778
Interventions and targets not based on programs' context or not addressing National Strategic Plan priorities.						MA-4775 MA-4779
Key interventions not sufficiently focused on populations most in need of services, or well-linked to achieving program outcomes.						MA-4777 MA-4779 MA-4778 MA-4782 MA-4783 MA-4784 MA-4785
Guidelines/tools to review quality of services are not available or programs are not routinely reviewed.						MA-4775 MA-4776 MA-4777 MA-4774 MA-4781 MA-4782 MA-4784
Programs do not adhere to approved national or WHO guidelines e.g. medicine formulations, diagnostic tools, laboratory, procurement, patient identification, prevention, care and treatment or adherence to ART or TB treatment, or there is an absence of a clear framework to guide decision making.						MA-4774 MA-4780 MA-4778 MA-4784
Poor quality of health products and unstable drug supply.						MA-4774
Inadequate staff capacity working in environments that are often not sufficiently supportive (gaps in training, support and supervision, misaligned incentives, etc.) and inappropriate use of drugs.						MA-4783 MA-4784 MA-4785
Current controls & mitigations						Assurances
MA-4772	Guidance (internal and from WHO) has been elaborated on how to continue with TB programs activities and mitigate the impact of Covid-19 epidemic. This guidance was shared with country teams.					Country evaluations, Thematic reviews
MA-4773	The Global Fund has made available funding of up to US\$1 billion to help countries fight COVID-19, mitigate the impacts on lifesaving HIV, TB and malaria programs, and support health systems. A portion of this funding will be available to mitigate impact on TB programs including for procurement of additional GeneXpert machines and cartridges.					Program quality spot checks, Prospective Country Evaluations

MA-4774	Global Fund grants support countries to implement changes to drug policies when necessary, accelerate uptake of innovation and behavior change communication for disease prevention and support programs to improve treatment adherence.	Population based surveys
MA-4775	Refocusing on grant programs' quality and efficiency, within current budget limitations, through strengthening in country review and dialogue with partners to identify opportunities to improve quality and leverage partner technical, financial and political resources accordingly.	Routine Programmatic analysis
MA-4776	Strengthening focus on measurable outcomes that drive impact, enhancing data use for action and improvement, leveraging efficiencies to maximize value for money and strengthening mutual accountability, including roll-out of the Data Use for Action and Improvement framework (DUAP), inclusive of indicators on measuring program quality, which is fully aligned with the 2018 Corporate Priority 4 on Data systems for health and use of data for program quality and efficiency improvement.	National or disease specific reviews/ TB Prevalence Survey
MA-4777	Promoting differentiated approaches and integrated service delivery models to achieve impact in diverse country contexts, including at community level, supporting efforts to find missing TB cases.	National Health Facility Assessment
MA-4778	Aligning program and data quality assurance with overall Risk and Assurance Planning.	Partner reviews
MA-4779	Strengthening review of quality at Secretariat level through country-specific and cross-portfolio reviews by the Portfolio Performance Committee, to identify gaps and opportunities for improvement.	Routine monitoring (community/ facility)
MA-4780	WHO normative guidance regarding appropriate treatment guidelines and protocols in place. Global Fund support for implementation of new WHO guidelines, including guidelines in Drug Resistance TB, innovation initiatives including the Innovation 2 Impact Initiative to develop and deliver new vector control products, and development of new and innovative disease management strategies.	
MA-4781	Ongoing dissemination of best practices and practical guidance by Technical Advice and Partnerships, including quality standards and normative guidelines.	
MA-4783	Catalytic funding of USD115m to find an additional 1.5 million missing TB cases in 13 priority countries through:- Identification of gaps in country plans;- Technical assistance to elaborate activities to finding the missing TB cases and;- Development and adaptation of new tools and approaches for finding missing TB cases tailored by countries. These efforts will continue in the next cycle 2020-2022 with expansion of coverage (from 13 to 20) and scope (finding missing people with TB including DS-TB, DR-TB, and TB prevention therapy): US \$ 150 million: Matching Fund for priority countries; US \$ 14 million: TB Strategic Initiative to support implementation of innovative approaches to find and treat missing people with TB through working with Stop TB Partnership and WHO; US \$ 40 million multi-country investment for programs focused on migrants and cross-border issues, the mining sector, refugees, improved laboratory services	
MA-4785	Leveraging RSSH catalytic funding to strengthen integrated service delivery, human resources for health, governance for cross program efficiency, and scale up of best practices through south-to-south collaboration and peer learning. As at the end of Q3: New methodological approach and tools to monitor results and assess the impact for Human Resources for Health investments developed & piloted; and systematic TA provided across GF grants on RSSH.	

Overall Status

Risk mitigation is on track. There are no material delays.

Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-4771	Restore and improve TB diagnosis, treatment and prevention and reverse the losses in diagnosis and treatment of TB to pre-COVID-19 levels in 2021. Return TB diagnosis and treatment to the level planned in UNHLM targets by 2022 and Prepare re-modelling TB programming post-COVID-19. Specifically, this entails: Working on short (6-12 months) and medium term (1-2 years) catch up plans, starting with the high burden countries (20 SI countries). The Secretariat working with partners such as the WHO, Stop TB partnership, USAID, KNCV, Union, Gates Foundation as well as few NTP (invited to input) is working towards a costed plan. Look into innovative approaches to restore diagnosis, treatment and prevention such as, TB/COVID-19 concurrent testing (use the screening apps for both); TB/COVID-19 contact tracing; Provide virtual TB care in community (using NGOs or community workers, digital adherence technologies); Accelerate engagement with private sector for early diagnosis and treatment; CSO/Community facilitated drug delivery and patient support: Home based TPT delivery and integration of TPT delivery in existing MMD strategies etc. Campaign style approach to diagnosis, treatment and prevention - Ensure commodity security. Accelerate use of smart purchasing for TB services (lab, CXR, drug delivery, treatment monitoring). Planning to prevent commodity gap and human resources gap in coming months	Underway	31-12-2022	TAP
MA-4782	Strengthening integrated service delivery: Integration of HIV, TB and malaria services into broader service delivery platforms (i.e.-ANC/PNC, PHC) through technical partners and implementers.	Underway	31-12-2021	TAP
MA-4784	Further support for implementation of new guidance and action planning related to: - TB: Support to countries for implementation of new guidance and action planning related to drug resistance TB through the TB Strategic Initiative. This includes operationalization of the new GLC MoU which was signed in July 2020; supporting countries transition to the new MDR-TB regimens (About 75% (15) of the 20 priority countries will start implementing the new regimens for treatment of patients with DR-TB and about 80% of the countries will receive TA support from rGLCs in 2021.	Underway	31-12-2021	TAP

03 - Program Quality - Malaria		Risk owner: TAP		2020-Q4	Approved by MEC		
Risk Description	Inadequate quality of programs/services funded by the Global Fund, which results in missed opportunities to maximize improvement of measurable outcomes in the fight against Malaria and the effort to strengthen resilient and sustainable systems for health.						
Assessment	<p>Risk Impact: Vector control threatened by inability to achieve or maintain coverage over time. For LLINS specifically, lack of usage may also limit impact even if sufficient ownership. Insecticide resistance to pyrethroids will continue to develop and reversal of transmission reduction due to vector control will occur if mitigating actions not taken. Case management challenged by insufficient access to care and poor-quality services (including lack of parasitological diagnosis, poor adherence to clinical algorithms and accurate reporting and recording)</p> <p>Adaptations to existing controls and planned mitigations: Through grant flexibilities and C19-RM funding, programs have been able to adapt malaria control interventions to the pandemic context including: Meeting demand for PPE for health care workers at facilities and the communities, Novel approaches to implement LLIN, IRS and SMC campaigns and Secure additional antimalarials and RDTs to meet increased demand for fever management. Steps are already been taken by the Secretariat to address the challenges listed above, these have been discussed in the recent PPC.</p> <p>Preliminary Adjustments to Risk and Outlook for the next 6-12 months: Whilst clinical management of COVID has improved, in the absence of any (currently available) therapeutics, limited availability of vaccines and given the current unpredictability of the pandemic and resurgence of malaria cases noted across the globe, the risk of service disruption and its impact on the Malaria programs will remain high to very high. The mitigation actions described above are being deployed – and best practice will evolve as more data on disruption emerges along with plans and outcomes of effective risk mitigation strategies. Based on the preliminary analysis of extent of disruptions to case management and vector control programs, including campaigns, and gap to achieving grant target on current levels of program ambitions in 2021, the risk level has moved to top end of 'High'. The direction of travel is increasing, and the risk level is anticipated to remain at the top end of high and may move to 'Very High' over 6-12 months. The mitigation measures are likely to reduce the negative impacts of the disruption, but the situation in most countries is evolving rapidly and needs to be monitored very closely and actions adapted accordingly.</p>						
Change since last quarter	No change	Current direction of travel		Increasing	Global Fund ability to mitigate	Moderate	
Residual Risk	High	Risk Appetite		High	Target Risk	Moderate	
Preliminary risk adjustment	High (top end)	Risk Appetite		High	Target Risk	Moderate	
Key Countries	Bangladesh, Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Malawi, Mali, Mozambique, Myanmar, Nigeria, Pakistan, Rwanda, , Sudan, Tanzania, Uganda, , Viet Nam, Zambia, Zimbabwe						
Root Cause						Related Action	
	Delays were anticipated in the completion of the few of the actions in the ORR with target completion date at end of the year (namely; acceleration of elimination in the priority countries, distribution of the next generation LLINs in the selected countries)					MA-4786	
	Insufficient and inadequate use of data for the appropriate design of quality and efficient programs aligned with epidemiological context, combined with insufficient monitoring and surveillance.					MA-4791 MA-4793	
	Interventions and targets not based on programs' context or not addressing National Strategic Plan priorities.					MA-4788 MA-4790 MA-4795 MA-4796	
	Key interventions not sufficiently focused on populations most in need of services, or well-linked to achieving program outcomes.					MA-4787 MA-4794 MA-4795 MA-4793 MA-4799 MA-4800 MA-4801 MA-4802	
	Guidelines/tools to review quality of services are not available or programs are not routinely reviewed.					MA-4790 MA-4791 MA-4792 MA-4796 MA-4798	
	Programs do not adhere to approved national or WHO guidelines e.g. medicine formulations, diagnostic tools, laboratory, procurement, patient identification, prevention, care and treatment or adherence treatment, or there is an absence of a clear framework to guide decision making.					MA-4789 MA-4792 MA-4796 MA-4793	
	Poor quality of health products and unstable drug supply.					MA-4789 MA-4792 MA-4801 MA-4802	
	Inadequate staff capacity working in environments that are often not sufficiently supportive (gaps in training, support and supervision, misaligned incentives, etc.) and inappropriate use of drugs.					MA-4796 MA-4802	
	Malaria related deaths are likely to increase due to service disruptions caused by the pandemic. WHO modelling projects 382,000 additional malaria deaths in 2020, compared to 2018, as a result of the pandemic. (This nearly wipes out 20 years of progress in the fight against malaria, with deaths set back to 2000 level.) Significant risks to the malaria program arise from the inability to continue with ITN campaigns (routine or mass), case management and reduced access to effective anti-malarial treatment.					MA-4786	
	Delays in surveillance data is expected. There are challenges in completeness and timeliness of data, as well as in coordinating information from different partners (some using different metrics). Malaria team is working to triangulate and coordinate the information coming from multiple sources (partners and LFA)					MA-4786	
	Early detection and treatment: Case management may be challenging with increased needs of PPEs (to ensure and assure continuation of services) which is a challenge in many countries, reports of stock outs in some countries.					MA-4786	
	Ensuring campaigns remain on track or are accelerated (where possible): ITN, SMC campaigns are generally noted to be on track. Some challenges noted with IRS campaigns, mostly supply chain related issues linked to PPEs and/or insecticides. To note that non-COVID-19 related downstream operational and political challenges (in some countries) have also contributed to the delays in IRS campaigns. There is a multi-partner effort to ensure malaria activities are prioritized and case management classified as essential service.					MA-4786	
Current controls & mitigations					Assurances		
MA-4787	Expanding access to care via appropriate channels (public, community versus private)					Partner reviews	
MA-4788	Sub-national stratification to target vector control tools to maximize impact and efficiency.					Routine Programmatic analysis	
MA-4789	Scale up of synergist LLINs to address pyrethroid resistance					Country evaluations, Prospective Country Evaluations	
MA-4790	Refocusing on grant programs' quality and efficiency, within current budget limitations, through strengthening in country review and dialogue with partners to identify opportunities to improve quality and leverage partner technical, financial and political resources accordingly.					Program quality spot checks, Thematic reviews	
MA-4791	Strengthening focus on measurable outcomes that drive impact, enhancing data use for action and improvement, leveraging efficiencies to maximize value for money and strengthening mutual accountability, including roll-out of the Data Use for Action and Improvement framework (DUAP), inclusive of indicators on measuring program quality, which is fully aligned with the 2018 Corporate Priority 4 on Data systems for health and use of data for program quality and					National or disease specific reviews/ Malaria test treat and track	

	efficiency improvement.	
MA-4792	Global Fund grants support countries to implement changes to drug policies when necessary, accelerate uptake of innovation and behavior change communication for disease prevention and support programs to improve treatment adherence.	Routine monitoring (community/facility)
MA-4793	Aligning program and data quality assurance with overall Risk and Assurance Planning.	National Health Facility Assessment
MA-4794	Enhancing quality of service provision given access.	
MA-4795	Strengthening review of quality at Secretariat level through country-specific and cross-portfolio reviews by the Portfolio Performance Committee, to identify gaps and opportunities for improvement.	Population based surveys/ Malaria Indicator Surveys
MA-4796	Strengthening monitoring of drug and insecticide resistance to ensure optimal choices of interventions for maximum impact and improving surveillance and enhancing entomological capacity at country level (to inform vector control strategies and track their impact on malaria transmission, focusing on the 10 highest burden countries).	
MA-4797	WHO normative guidance regarding appropriate treatment guidelines and protocols in place.	
MA-4798	Ongoing dissemination of best practices and practical guidance by Technical Advice and Partnerships, including quality standards and normative guidelines.	
MA-4802	Leveraging RSSH catalytic funding to strengthen integrated service delivery, human resources for health, governance for cross program efficiency, and scale up of best practices through south-to-south collaboration and peer learning. As at the end of Q3: New methodological approach and tools to monitor results and assess the impact for Human Resources for Health investments developed & piloted; and systematic TA provided across GF grants on RSSH.	

Overall Status	Risk mitigation is on track. There are no material delays.
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Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-4786	To mitigate the disruptions caused by the pandemic, the Secretariat has used several approaches to further reduce malaria transmission in face of the potential continued challenges and constraints of the COVID-19 pandemic. Essential services and implementation continues to be supported using Portfolio Optimization, C19RM and flexibilities within existing grants. Specific measures include: <u>Vector control</u> : Prioritize filling gaps in vector control coverage of current geographic areas and upgrade tools (Pyrethroid-only ITNs to pyrethroid-PBO ITNs) where feasible and applicable. Shifting to upgraded-tools has been prioritized with W1-W3 funding request submissions and approved by the TRP within the confines of available budget. <u>Seasonal Malaria Chemoprevention (SMC)</u> : Prioritize filling gaps in current geographic areas and expanding geographic coverage to areas identified through stratification exercises and incorporated into funding requests for Window 1-3 (full scale up of SMC following WHO criteria is expected in 2021 onwards, subject to TRP approval). <u>Work with manufacturers</u> to maximize product availability in view of advance procurement and increased need for health products: This applies to PPEs, ACTs/RDTs, ITNs, insecticides and SMCs drugs. For some products such as for SMC manufactures' capacity for expansion beyond 2021 campaigns may be limited. Market entry for additional manufacturer is subject to ERP approval, which may bring additional capacity. <u>Partner mobilization and collaboration</u> to prompt mass campaigns to be adapted to the COVID-19 context enabling most scheduled campaigns to proceed and LLIN distribution volumes to be achieved. <u>Coordinating with partners</u> to triangulate information on stock-out situation (based on partner data/LFA survey etc.) and improve health product demand forecast (12-18months outlook).	Underway	30-12-2021	TAP
MA-4799	Supporting sub-national stratification to target vector control tools and other interventions to maximize impact through modeling under STC SI in support of HBHI initiatives. 4 of 11 HBHI countries submitted funding requests in Window 1 based on outcomes of modeling and sub national stratification.	Underway	30-06-2021	TAP
MA-4800	Accelerating elimination of malaria in 20 countries, through technical assistance and the use of catalytic funding of USD 7m. As at the end of Q3: 4/21 E2020 countries have been certified malaria-free, of which 3 are Global Fund supported. 9 additional countries remain on track to reach zero indigenous cases by 2020. Q4 report will be available with the submission of the end of year report from GMP expected mid-February 2021	Underway	31-03-2021	TAP
MA-4801	Catalyzing market entry of new LLINs through pilots in a number of high burden countries in Western Africa which have intense pyrethroid insecticide resistance. Includes USD35m in catalytic funding. As at the end of Q4 the SI had supported the cost differential of 21.3M new nets for deployment in 5 countries with critical insecticide resistance concerns.	Underway	30-12-2021	TAP
MA-5156	Other exceptional measures include: - Minimize (and prevent) risk of potential stock outs of ACTs/RDTs by ensuring adequate buffer stocks are maintained at the central level, including flexibilities on levels of buffer stocks. Looking into the flexibilities and country readiness to advance ITN campaigns based on country context and programmatic justification (one-time intervention only). Provide TA if needed.	Underway	30-12-2021	TAP

04 - M&E		Risk owner: MECA		2020-Q4		Approved by MEC	
Risk Description	Poor quality and/or unavailability of program data due to weak in-country M&E systems that do not lead to proper planning decisions and efficient investments and therefore hamper programs' ability to reach their targets and health impact.						
Assessment	<p>Risk Impact: Poor quality data can impede implementers' management of quality programs and the Global Fund's ability to assess their impact. This can result in programs with improper focus on relevant interventions and beneficiary populations and failure to achieve desired public health impact.</p> <p>Adaptations to existing controls and planned mitigations:</p> <ul style="list-style-type: none"> Implemented the LFA COVID-19 bi-weekly monitoring survey and Monthly monitoring of key disease indicators across 38 high burden portfolios launched to monitor the impact of COVID and disruptions on programs and Global Fund grants. To ensure continuity in the implementation of planned strengthening measures for HMIS routine health information systems/HMIS and use of data for decision making, shifts in many organizations and countries to utilizing remote mechanisms for TA, QA related activities, digital HMIS training etc were expanded. Lack of meaningful internet connectivity many places in countries is still a significant barrier. Some of the planned facility surveys, reviews and evaluations were rescheduled or de-prioritized as a consequence of the pandemic; and non-availability of some partners to support implementation, due to country-specific covid-19 travel protocols. Partnership with UiO/DHIS2 through the Data-Strategic Initiative to support deployment of DHIS2 COVID-19 surveillance and contract tracing modules. <p>Preliminary Adjustments to Risk and Outlook for the next 6-12 months: The mitigation actions will be continued during 2021 to increase availability of data to measure the extent of disruptions and its impact on program results and changes over time. The demand for more granular data (on few prioritized indicators) and at increased periodicity to adequately prepare and manage COVID-19 impact on the three diseases significantly increases expectation of a functional HMIS system in the countries supported by the Global Fund.</p> <p>Based on the preliminary analysis of extent of disruptions to routine HMIS reporting, the current risk level is at the low end of High and as the situation in most countries remains fragile, the direction of travel is increasing. It is anticipated that the risk level will remain at 'High' over the next 6-12 months. Additional information looking into impact of COVID on the quality of data, and the level of ambition on recency and use of data to inform program adaptations, and ability to rapidly deploy SI will inform the risk assessment moving forward.</p>						
Change since last quarter	No change	Current direction of travel	Increasing	Global Fund ability to mitigate	Moderate		
Residual Risk	High	Risk Appetite	High	Target Risk	Moderate	Target risk timeframe	01-06-2021
Key Countries	Bangladesh, Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Malawi, Mali, Mozambique, Myanmar, Nigeria, Pakistan, Rwanda, South Africa, Sudan, Tanzania, Uganda, Ukraine, Viet Nam, Zambia, Zimbabwe						
Root Cause							Related Action
The COVID-19 pandemic has significant implications to programs supported by the Global Fund along with the health systems that serve them. Disruptions due to COVID have impacted HMIS at large, including timeliness and completeness of reporting, and potentially on the quality of data and use of data. Some of the key risk drivers affecting M&E include:							
<ul style="list-style-type: none"> Level of COVID-19 disruption as it relates to: - Country level mitigation to strengthen DQ/HMIS routine reporting activities including training, supervision, TA, etc. are affected by travel bans and covid-19 prioritizations. <ul style="list-style-type: none"> The results from the bi-weekly LFA COVID-19 monitoring survey data indicate declining trends disruption of HMIS reporting rates across the majority of GF countries. Reports of 1 February 2021 indicate disruption in the HMIS reporting is low in 69% (70 countries) and moderate in another 23% (23 countries). HMIS data at the end 2020, result is 76% (avg) for Reporting Timeliness at national level. Routine data quality checks and supervisions are mostly suspended in countries, despite some verification by phone calls or virtually. Delays in conduct/postponement of planned data quality reviews, studies, surveys, evaluations or program reviews impacts timeliness and quality of NSP development, GF funding requests, grant course correction (if needed) etc. 							
Insufficient human and financial resources and infrastructure							MA-4803
Weak management at country level							MA-4805 MA-4806 MA-4812 MA-4821
Inadequate supervision							MA-4806 MA-4807 MA-4812
Poor analytical capacity							MA-4807
Sub-optimal access to and use of program data							MA-4809 MA-4810
Inadequate national M&E and HMIS Strategy with costed work plans							MA-4808 MA-4807 MA-4820
Incomplete, multiple or non-functional in-country data systems and data sources							MA-4808 MA-4809 MA-4812 MA-4814 MA-4815
Fraud of program and performance data							MA-4805 MA-4812 MA-4819
Disruptions in routine HMIS reporting contributed by staff availability and capacity, and repurposing of M&E staff for COVID-19 response and reporting							MA-4805 MA-4806 MA-4808 MA-4810
Disruption in the implementation of some planned systems strengthening activities, including roll out of HFAs, DQRs, surveys, thematic reviews or evaluations are due to travel restrictions which prevent the QA/TA providers, including international service providers and from visiting the country and the in-country movement restrictions which prohibit any field-based visits to sites.							MA-4803
Delays in coordination activities with in-country stakeholders delayed due to prioritization of COVID-19 response activities							MA-4803
Current controls & mitigations						Assurances	
MA-4804	Methodology for monitoring the impact of COVID on grant performance and portfolio results developed and Covid-19 monitoring tool in place.					Health facility assessments, Review of laboratory system	
MA-4805	Grant supported investments for strengthening of in-country M&E systems, including routine monitoring of facility and community systems rollout and maintenance.					Country/ Portfolio Evaluations	
MA-4806	Developed Global Fund Data Use for Action and Improvement Framework for 2017 – 2022 and operational guidance to guide how the Global Fund supports countries in strengthening their data collection and analysis capacity in order to ensure good quality data and analyses are available at country level and used for decision making during all stages of the program cycle, and the use of identified 3rd party service providers for data quality assurance.					National Data Quality Reviews (DQR)	
MA-4807	Through Catalytic Funding for Data Systems, development of a pool of providers to increase availability of Technical Assistance for M&E. Consultants in the pool (143) for deployment in 50 countries have been recruited and trained. 82 demand driven M&E TA deployed across 10 technical areas in 43 countries, additional 8 at initial planning stages.					Routine Programmatic analysis (use for Data Quality triangulation)	
MA-4808	Through Catalytic Funding/MECA operations for Data Systems, agreements with partners on outcome deliverables to ensure: (i) availability of normative M&E tools and guidance, (ii) integration of disease reporting within countries' national HMIS with epi-based analytical dashboards with integration achieved in 20 countries to date, and (iii) inclusion of new functionalities / software applications into countries' national HMIS to more readily assess data quality (e.g. WHO Data					Data quality spot checks	

	Quality Review app for DHIS2).	
MA-4809	Through Catalytic Funding /MECA operations, joint plan established on strengthening HMIS systems with HISP University of Oslo (DHIS) and WHO through the Strategic Initiative funding for Country Data Systems	Review of data systems (community/facility)
MA-4810	Through Catalytic Funding for Data Systems, development of a pool of universities and local institutions to strengthen analytical capacity using local network of universities: workplan for strengthening analytical capacity done in 11 countries.	National or Disease Specific Program Reviews
MA-4811	Systematic roll-out of evaluations in most focus portfolios. As of the end of 2020, 73 focused country evaluations and 2 evaluations of regional programmes have been completed/conducted, with 9 additional country evaluations cancelled. Two thematic reviews are delayed and deferred to be completed in Q1 2021. Added a module in the evaluation protocol on COVID-19 disruptions and mitigations for upcoming evaluations	Partner reviews
MA-4812	Guidance and Resources: Developed GF internal M&E guidance and resources in the COVID-19 context and disseminated to Country Teams; includes digital health information systems guidance. It also supports adapting M&E global goods, normative guidance and tools to virtual versions and e-learning training courses.	Prospective Country Evaluations
MA-4813	Rigorous assessment of key population service coverage in 65 countries, with in-depth review in 32 countries and desk reviews for 33 countries completed. Recommendations for systems improvement being put in place.	Thematic Reviews, Population-based surveys
MA-4814	Systematic tracking of KPI6d (% of countries with fully deployed and functional HMIS) and provision of support through Data SI and through MECA team staff to countries in need.- KPI6d affected by covid-19, but generally on track with 22/51 (or 57% of 2022 target) countries with fully deployed and functional HMIS by end of 2020; Number of countries with all 3D aggregate reporting integrated into the national HMIS (i.e. not in siloed systems) is 41/51 (increased from 31 to 41 from end 2018 to end 2019); Data Quality: average Reporting Completeness across all 51 countries across all 3D increased slightly from 90% to 91% from 2019 to 2020; Reporting Timeliness decreased slightly from 77% to 76%	KPI Reports

	Overall Status	Risk mitigation is on track. There are no material delays.
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Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-4803	<p>Expand and continue implementation of the actions initiated by the Global Fund in response to COVID including</p> <ul style="list-style-type: none"> LFA COVID-19 bi-weekly monitoring survey – initiated in May 2020 intended to provide regular up-to-date information of the unfolding situation to support decision-making and rapid response, and to identify risks that may lead to medium to longer-term secondary impacts. Monthly monitoring of key disease indicators across 38 high burden portfolios launched, which together with other Global Fund and partner data will help in understanding where resilience and adaptations are working well and where a more focused effort on program adaptations is required. Continued collaboration with WHO M&E groups (for the 3D and across systems), the University of Oslo/DHIS2 and the DHIS2 investment partners have allowed rapid HMIS strengthening activities in the context of COVID-19. Partnership with UiO/DHIS2 through the Data-Strategic Initiative to support deployment of DHIS2 COVID-19 surveillance and contract tracing modules in countries' national HMIS. These COVID-19 DHIS2 modules are now operational in 33 GF countries and in development in additional 158 GF countries. Coordination with other Partner's COVID-19 monitoring (e.g. ACT-A, WHO, UNAIDS, PEPFAR, Modelling Consortium, etc.) to minimize any duplication/reporting burden on countries while also ensuring GF has the information needed for the three diseases (3D) and its mission to react quickly during this pandemic. • Active coordination of results with GF PHMEs and Technical Partner - both to monitor results and to address risks in coordinated way, e.g., active participation on the global Health Data Collaborative; COVID-19 Spot checks/verification of implementation to monitor service continuity in the KPI-2 countries; for M&E Systems/DQ, monitoring of facility timely submission of monthly reports and supervision <p>As part of monthly reporting, successful proof of concept jointly with IT of direct programmatic results reporting for a subset of indicators from the countries digital system to GF systems - in 4 countries.</p>	Underway	31-12-2021	MECA
MA-4815	HMIS/LMIS interoperability key goals and components defined; Joint TA and support for related global goods coordinated between the new Data-SI and the new PSM-SI.	Underway	31-12-2021	MECA
MA-4819	(i) M&E framework for AGYW is completed and disseminated. (ii) Assessment on M&E system to report on interventions for AGYW is completed in 15 countries. (iii) Thematic review to collect additional missing behavioral indicators planned is underway. Thematic review results scheduled to be available in Q4 2020.	Underway	31-08-2021	MECA
MA-4820	Conduct the external QA of surveys beyond HFA and DQR for selected number of countries (e.g. IBBS, HIV treatment cascade, Malaria Indicator Survey, TB Prevalence Survey) in 2020+9. Use a risk-based approach, countries selected. 35 QA activities initiated; 10 completed with 5 delayed due to COVID-19.	Underway	31-12-2021	MECA
MA-4821	Thematic reviews to provide information on progress of specific cross-cutting areas supported by GF strategy, e.g. ICCM, intervention packages for KPs, factors contributing to favorable MDR-TB treatment outcomes etc.: At the end of Q4 2020 10 Thematic reviews commissioned; 8 to be completed in Q1, 2 to complete in Q2 of 2021 respectively.	Underway	30-06-2021	MECA

	Partner Organizations, include key performance indicator metrics (such as On-Time-In-Full (OTIF)) setting and monitoring.	quarterly review of exceptions report.		
MA-4826	Rapid Supply Mechanism (RSM) managed by the Supply Operations Department available to all PRs that responds to emergency needs of countries and addresses stock out situations for key health products.	Only QA compliant products are available on wambo.org		
MA-4827	Grant budgeting guidance requiring use of PPM reference prices as a budget price for all PRs (Guidelines for Grant Budgeting).			
MA-4829	Regular coordination with other big buyers (e.g., USG, South Africa, etc.)			
MA-4818	Implementing the Board approved Market Shaping Strategy (2016-2022), leveraging PPM volumes.			
MA-4822	Requirement for health product procurement to be compliant with Global Fund Quality Assurance (QA) policies.			
MA-5189	Collaboration within the Secretariat and with partners (USG/ UNICEF/ WHO) to identify and address critical supply challenges.			
MA-5190	Ongoing due diligence process to assess the supply risk and price increase requests.			
MA-5191	Improved demand verification process to correct inflated demand and mitigate major swings in inventory/inefficiencies, leveraging PR Services team engagement with HPMs and country stakeholders;			
MA-5192	Monitor unutilized budget and PO closure to maximize available funds for current grants, as well as heightened follow up with PRs for on-time order placement.			
MA-5193	Increase and expand alternative products and supply options, such as determining possible product and supplier shortlists in case alternate supply is required (MRDT, 2nd line ARVs, PBO LLINs).			
MA-5194	Communicate Global Fund supply risk assessment, revised lead-times and reference prices on the external website.			
MA-5196	Mobilize resource internally through surge staff and externally through PSAs.			
MA-5197	Conduct scenario planning to understand implications of prolonged supply chain interruption, as and when required. (Avoid the supply chain risks)			
MA-5195	New supply channel for key PPE products and medical equipment to permit PRs with approved funding for PPE under grant flexibilities or C19RM to order approved products through the wambo.org platform.			
MA-5199	Improve processes and tools to support better planning and reduce demand fluctuations, including channeling COVID-19 diagnostic and PPE procurement through wambo.org.			
		Overall Status	Risk mitigation is on track. There are no material delays.	
Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-4835	Design and implement a fit-for-purpose demand management process to maximize value (delivery performance, savings, secure the supply, etc.)	Underway	30-09-2021	SSC
MA-4836	Continued expansion of procurement by country organizations using non-grant funding to reach an additional US\$50 million spend (orders with a value of US\$20.7m have been placed since 14 November 2019 to-date), subject to further revision by the Strategy Committee.	Underway	31-12-2022	SSC
MA-5200	Improve the due diligence process that assesses the supply risk and price increase requests.	Underway	30-06-2021	SSC
MA-5201	Define and deploy a cross-function supply chain operational risk management forum in response to major risk areas.	Underway	30-06-2021	SSC

07 - Financial and Fiduciary		Risk owner: F&A		2020-Q4	Approved by MEC	
Risk Description	Misuse of funds due to wrongdoing and inadequate financial/fiduciary control, including for procurement practices and incomplete, incorrect, delayed or inadequately supported financial records by PRs or SRs due to inadequate financial management systems.					
Assessment	<p>Risk Impact: Fraud and weaknesses in internal control environments can result in financial losses that affect value for money and lead to inadequate program coverage, execution and suboptimal impact against the diseases, as well as causing reputation damage. Misallocation of resources; reduced grant coverage, performance and impact.</p> <p>Adaptations to existing controls and planned mitigations: Many existing controls and mitigations continued to operate with low to moderate disruption, including: Oversight and monitoring of grant-level financial assurance plans across the portfolio Fiduciary/Fiscal Agents continued delivering on their mandate while maintaining remote HQ oversight capabilities. Most portfolios at country level were able to source TA However, some mitigations have experienced a high level of disruption due to COVID-19: - Given the remote working and BCP flexibilities, outcomes of assessment of implementers in financial management (via the FMIR tool targeting High Impact and Core countries) through FMIR semester reporting was de-prioritized and changed to once a year. - BCP flexibilities granted to standard policies and procedures, some of which can increase the financial risks on the grants (delayed submissions, use of scanned copies versus originals as supporting documentation etc.). - Revised financial audit Terms of Reference emphasizing risk-based assessment of PR internal controls, which had an impact on external and internal audit assurance work. 2020 audits, which are due from June 30, 2021 will provide visibility of the internal control environment relating to global pandemic. Delays of capacity strengthening and in-country risk reviews due to international travel restrictions Some planned mitigating actions are experiencing delays due to COVID-19 disruptions, including: - Delays by up to 6-12 months in developing and implementing the anti-Fraud Risk Guidelines to provide guidance to Country Teams on how to manage fraud. - Significant delays in Co-Link initiative action plans due to PRs' reduced ability to source the required local and international technical assistance/support and focus on country dialogue and grant-making.</p> <p>Preliminary Adjustments to Risk and Outlook for the next 6-12 months: The current risk level is 'Moderate', and the direction of travel is increasing. 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 ability of various risk mitigation measures to be effective and assurance providers to undertake reviews are expected to be reduced. The 'Financial and Fiduciary' risk consists of two components 'Grant-Related Fraud & Fiduciary' and 'Accounting & Financial Reporting by Countries'. Based on the preliminary analysis of extent of disruptions and depending on the duration and the extent of economic impact, the risk level has moved to the low end of 'High' for the next 6-12 months.</p>					
Change since last quarter	No change	Current direction of travel		Increasing	Global Fund ability to mitigate	Moderate
Residual Risk	Moderate	Risk Appetite	Moderate	Target Risk	Moderate	Target risk timeframe
Preliminary risk adjustment	High (low end)					Not Applicable
Key Countries	Bangladesh, Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Malawi, Mali, Mozambique, Myanmar, Nigeria, Pakistan, Rwanda, South Africa, Sudan, Tanzania, Uganda, Ukraine, Viet Nam, Zambia, Zimbabwe					
Root Cause						Related Action
Main disruption linked to travel and movement restrictions, and remote working requirements, which resulted in: • Difficulties and in some instances delay in SR monitoring, and PR reporting. LFA assurance activities have largely continued but there has been some disruption and delay. • Reduced ability of the Fiduciary and Fiscal Agents to obtain suitable supporting documentation, oversight on procurement activities, and execution of in-field verifications and spot checks of SRs. Timely access to people and supporting documentation by assurance providers Disruption of PR's ability to adequately monitor SRs Difficulties for PR staff and TA consultants in executing capacity strengthening initiatives Delays in routine monitoring (FMIR) and in-country deep dive/diagnostic review missions Up to 6- 12 months delays of Grant-related work on PCFC At a macro-economic level in-country, foreign exchange risk, bank default risk, inflation and economic disruptions have all increased due to the COVID-19 disruptions, which may cause changes to banking and treasury operations at the micro-level.						MA-4851 MA-4850
Grant-Related Fraud & Fiduciary: Budget with presence of significant activities prone to misuse						MA-4852 MA-4853 MA-4863
Grant-Related Fraud & Fiduciary: Weak PR management						MA-4854 MA-4859
Grant-Related Fraud & Fiduciary: Weaknesses in PR and SR internal control frameworks						MA-4854 MA-4862
Grant-Related Fraud & Fiduciary: Weak bank and cash management procedures						MA-4855 MA-4858
Grant-Related Fraud & Fiduciary: Weak SR oversight						MA-4856 MA-4857
Grant-Related Fraud & Fiduciary: Weak ethical environment						MA-4860 MA-4861
Accounting & Financial Reporting by Countries: Inadequate human resource capacity						MA-4868 MA-4864
Accounting & Financial Reporting by Countries: Financial management strengthening initiatives result in action plans put in place and achieving an 80% completion rate for actions due, in 54 cumulative targeted countries (i.e. 32 cumulative by 31st December 2020 and 10 new countries by 31st December 2021). Target split per initiative, based on RSSH's SO-2g KPI 6c, are as follows: - For routine financial management strengthening, 46 cumulative targeted countries achieve 80% action plan implementation (i.e. 36 cumulative by 31st December 2020 and 10 new countries by 31st December 2021) - For use of country or donor-harmonized system for financial management, 8 countries cumulatively demonstrate using country or donor-harmonized systems						MA-4865 MA-4872
Accounting & Financial Reporting by Countries: Weak or nonexistent financial management systems						MA-4866 MA-4867
Current controls & mitigations						Assurances
MA-4852	Grant-Related Fraud & Fiduciary: Provision of oversight and monitoring of grant-level financial assurance plans across the portfolio by the Regional Finance Managers and Financial Risk Team.					LFA Reports
MA-4853	Grant-Related Fraud & Fiduciary: Strengthening of fiduciary controls including over procurement such as the use of Pooled Procurement Mechanism or outsourcing of procurement to third-party procurement agents for Non-Health and Health Products procurement during grant design and implementation.					OIG Reports
MA-4854	Grant-Related Fraud & Fiduciary: Use of Fiduciary/Fiscal Agents in selected high-risk countries at PR and/or SR levels including fraud specialist and monitoring the performance of the Fiscal Agent by the Regional Finance Manager and Financial Risk Team.					External & Internal Audit Reports

MA-4855	Grant-Related Fraud & Fiduciary: Financial Control Environment Review pilot recommendations and cross cutting Agreed Management Actions jointly monitored by Risk Department and FISA.			
MA-4856	Grant-Related Fraud & Fiduciary: Effective implementation of Financial Guidelines (e.g. Financial risk management, Budgeting and Financial reporting guidelines) for Country Teams and implementers.			
MA-4857	Grant-Related Fraud & Fiduciary: Revised financial audit Terms of Reference emphasizing risk-based assessment of PR internal controls, and updated guidelines for grant audits.			
MA-4858	Grant-Related Fraud & Fiduciary: Support to implementers in the optimization and use of innovative cost-efficient technological approaches, such as mobile money and mobile device solutions, for financial management risk mitigation.			
MA-4860	Grant-Related Fraud & Fiduciary: Pre-qualification of professional service providers for technical assistance toward effective capacity building and fraud risk management at the implementer level.			
MA-4864	Accounting & Financial Reporting by Countries: Integrated approach to capacity strengthening and in-country risk reviews instituted through joint assessments/deep dives of implementers by Co-Link, Risk Department and Financial Risk & Assurance Teams with an objective to assess root causes and effectiveness of mitigating measures at country level.			
MA-4866	Accounting & Financial Reporting by Countries: Continuous monitoring of outcomes of assessment of implementers in financial management (via the FMIR tool targeting High Impact and core countries) and reporting on improvements, or otherwise, across 6 key financial management areas including financial absorption as part of supporting optimal grant management by implementers.			
MA-4872	Accounting & Financial Reporting by Countries: A transversal team has been set up in Program Finance and Controlling to continue performing quality assurance, monitor timely validation, and improve the overall reconciliation and closure process.			
		Overall Status	Risk mitigation is progressing but there are also some material delays.	
Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-4850	Most of the HI and Core countries have or are planning to put into place additional mitigating actions to address the additional risks and challenges to core financial processes due to COVID-19. Example of these include: - LFA review of the procurement processes for all major non-health procurements - Increased use of mobile payments and indirect cash transfers - Pooling of PPE procurements - Increased LFA oversight of SRs - Revision of the FM manual to document new controls aimed at addressing challenges associated with the new COVID-19 environment - Inclusion of fraud experts in the LFA teams - Increased information sharing on payments and markets operations affected by COVID-19 in countries	Underway	31-12-2021	PFC
MA-4851	For in-country capacity strengthening, the performing of desk reviews (as opposed to in-country diagnostic travel missions) will continue to be explored in order to maximize coverage on countries for in-country capacity strengthening. This will be applicable to the new cohort of countries for 2021 as per SO-2g KPI 6c targets. Other mitigating actions include further exploring the deferral of implementation of information-system related actions to 2022 in recognition of the heavier reliance on external TA/support to achieve these by in-country implementers.	Underway	31-12-2021	PFC
MA-4859	Grant-Related Fraud & Fiduciary: Enhance the governance and oversight in the process to change implementers (PRs) and the financial risk and assurance model for IOs/INGOs in order to enhance the financial assurance and effectiveness of mitigating measures.	Underway	31-12-2021	PFC
MA-4861	Grant-Related Fraud & Fiduciary: Develop, update and implement anti-Fraud Risk Guidelines to provide guidance to Country Teams on how to manage fraud. Senior management in Program Finance, Risk and Ethics department are currently reviewing whether the guidelines should be expanded to all areas related to the risk of fraud (procurement, programmatic data, etc.) or remain a standalone document dealing with financial fraud. This dialogue is taking place within the context of wider discussions on implementation of the Policy to Combat Fraud and Corruption (PCFC), consistent with AMA 5 of the OIG Audit on Ethics. (The Ethics Office leads on fraud and corruption, covering all prohibited practices as defined in the PCFC.)	Underway	31-12-2021	Ethics
MA-4862	Grant-Related Fraud & Fiduciary: Assess effectiveness of the fiscal agent model and develop a robust transition approach (including impact analysis) for removal of fiscal agents based on the recently approved risk appetite framework.	Underway	31-12-2021	PFC
MA-4863	Grant-Related Fraud & Fiduciary: Develop systems-generated reports linking recoveries and PUDR-reported ineligible.	Underway	30-06-2021	Treasury
MA-4865	Financial management strengthening initiatives result in action plans put in place and achieving an 80% completion rate for actions due, in 54 cumulative targeted countries (i.e. 32 cumulative by 31st December 2020 and 10 new countries by 31st December 2021). Target split per initiative, based on RSSH's SO-2g KPI 6c, are as follows: - For routine financial management strengthening, 46 cumulative targeted countries achieve 80% action plan implementation (i.e. 36 cumulative by 31st December 2020 and 10 new countries by 31st December 2021) - For use of country or donor-harmonized system for financial management, 8 countries cumulatively demonstrate using country or donor-harmonized systems	Underway	31-12-2021	PFC
MA-4867	Accounting & Financial Reporting by Countries: Optimization of the cash management processes and foreign exchange risk exposure through the roll-out of a Foreign Exchange in Grants framework (as approved by MEC in November 2018) for grant implementation including PPM charge back to manage FX on cross-currency grant disbursements.	Underway	30-06-2021	PFC
MA-4868	Accounting & Financial Reporting by Countries: Expansion of the Ecobank project on knowledge management and experience-sharing among grant implementers in selected Anglophone and Francophone countries. The next training is scheduled for 2020 after an amendment of the contractual framework is completed.	Planned	31-12-2021	PFC

MA-4875	Grant implementation monitoring focusing on oversight and supervision done by government entities and national disease programs respectively.	Joint programmatic, supply chain and financial spot checks		
MA-4876	Financial Risk and Assurance Plans for all High Impact and Core countries completed.			
MA-4877	Comprehensive assurance plans developed for all High Impact and Core portfolios highlighting agreed upon mitigating actions to address national program governance and grant oversight.			
MA-4878	Updated Operational Policy Notes released for differentiated risk management across the grant lifecycle; strengthened assurances with additional resources made available to country teams allowing improved Global Fund oversight and compliance monitoring.			
MA-4879	Integrated Risk Management Module rolled out to ensure better analysis of PR oversight and management of risks and the identification and roll out of mitigating actions to improve overall implementer capacity as well as national program governance.			
		Overall Status	Risk mitigation is on track. There are no material delays.	
Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-4869	<ul style="list-style-type: none"> - Various actions are being taken to mitigate this risk and ensure that the new risk drivers will not have long term consequences to Global fund grants: - Through the COVID-19 country monitoring tool (systemized survey tool administered by LFAs), the Secretariat will consistently monitor how the situation is unfolding across the portfolio in order to recognize when grant flexibilities and GF intervention is needed to try and mitigate downstream risk impact - The Secretariat has developed several Business Contingency flexibilities for the Grant Life Cycle processes in response to the COVID-19 disruptions, and to lower the burden on in-country partners including e.g. on capacity assessments for new implementers, Funding Request development, grant-making etc. Processes are also in place for close follow-up to ensure compliance. - An enhanced framework for assessment of in-country governance risks has been developed and approved by MEC, instead of the current 3 risks that make up this ORR risk, the new framework delineates 5 levels of in-country governance and allows for better analysis of the coordination, management and oversight issues in the broader health sector, the national disease programs, the CCM and PR/SR level implementation effectiveness relationships and risks. - Encouragement to implementers to continue remote meetings and shifting planned trainings and cross-learning events to online format where appropriate - Alternative approaches for providing assurance including higher reliance on use of partners or communities to provide assurance - Grant flexibilities approved to enhance IT infrastructure for PRs and SRs - Country Teams are maintaining regular communications with in-country stakeholders to assess the national COVID-19 responses and facilitate/ support PRs to develop contingency plans to ensure continuity of services and safeguard GF assets 	Underway	31-12-2021	GMD-CT
MA-4880	Roll out of CCM Evolution to strengthen CCM capacity in all High impact, core and focused portfolios.	Planned	01-12-2023	GMD (GPS)
MA-4881	Develop, test and implement initiatives aimed at improving implementer capacity, internal controls, risk management and overall PR management processes for improved grant oversight.	Planned	01-12-2022	GMD (GPS)
MA-4882	Development and roll out of front-line risk management approach (aligned to the roll out of CCM evolution).	Planned	01-12-2023	Risk
MA-4884	See 'In-country Conduct & Ethics' risk MA-3837 and MA-3838 for Integrity Due Diligence mitigation action.	Underway	01-12-2021	Ethics

09 - Quality of Health Products		Risk owner: QA Team		2020-Q4	Approved by MEC	
Risk Description	Patients exposed to health products of substandard quality; i.e. health products (purchased by Global Fund-supported programs) that are not safe, effective and/or of good quality.					
Assessment	<p>Risk Impact: Substandard quality resulting in poor health outcomes for patients, including death or morbidity; increased drug resistance; and reduced impact of Global Fund investments.</p> <p>Adaptations to existing controls and planned mitigations: - Implementation of the Global Fund Quality Assurance policy is a key existing mitigation. As a result of COVID-19, the Board has approved certain flexibilities to the QA policy to mitigate risk of delays in delivery of key health products for programs. The Health Product Risk committee (HPRC) was established in April 2020 to make risk-based decisions on a case to case basis to potentially waive some of the mandatory pre-shipment testing requirements. The Secretariat has established a mechanism to document and monitor such waivers. - Following the HPRC's establishment for this purpose, the Global Fund Secretariat recognized the value of a forum where risks related to the quality of health products can be considered holistically, beyond just pre-shipment testing issues. HPRC TORs were updated in December 2020 with a broader scope to consider health product quality-related risks for Global Fund funded health products, and associated risks related to supply, programmatic, end-user and/or institutional risks. Interim Quality Assurance Requirements for the Procurement of COVID-19 Diagnostic Products remain in place. - Procurement of program commodities through wambo.org/PPM (~59% of the HP spend) is a long-standing approach that increases assurance that products meet internationally recognized standards of quality. This platform has been leveraged to support procurement in the current context. Because PPE was an entirely new product category, PPE was procured directly for several months before quality assured sources could be identified and procurement shifted to wambo.org. - Country Teams reviewed planned activities, including grant-financed efforts to support national QA systems, considering COVID-19 disruptions. Many grants have adjusted their activities in response to disruptions, but several activities remain ongoing, such as strengthening storage and distribution to better ensure product quality in-country. - Investigations of non-compliance and management of out-of-Specification results have continued to be prioritized, leveraging the existing non-compliance database. Continued tracking of out-of-specifications rate will likewise help to identify potential changes in application of QA requirements. - Ongoing engagement with partners and other donors to ensure alignment of quality standards has been prioritized and deepened as part of the Global Fund response to COVID-19. When needed, coordination with partners, manufacturers, and stringent regulatory authorities to issue information notes on quality or safety issues related to products that have been procured with Global Fund funds will also continue. - Some longer-term mitigations have been delayed so that resources could be allocated to urgent response efforts. As detailed in the mitigating action section, these mitigating actions have now been restarted, though resources remain focused on addressing urgent needs.</p> <p>Preliminary Adjustments to Risk and Outlook for the next 6-12 months: The scope of the Global Fund interventions increased in response to COVID-19 and entirely new product categories (i.e. PPE, oxygen therapy, etc.) are introduced, however the Global Fund has more control over these upstream operations. Although the risk level is expected to remain 'Moderate-Low', the direction of travel is increasing, due to introduction and rapid scale up of new categories of health commodities and in-country volatility.</p>					
	Change since last quarter	No change	Current direction of travel	Increasing	Global Fund ability to mitigate	Moderate
Residual Risk	Moderate-Low	Risk Appetite	Moderate	Target Risk	Moderate	Target risk timeframe
Preliminary risk adjustment	Moderate-Low					
Key Countries	Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, Guinea, India, Kenya, Malawi, Mozambique, Myanmar, Nigeria, Pakistan, Sudan, Tanzania, Uganda, Ukraine, Viet Nam, Zambia					
Root Cause					Related Action	
Weaknesses in the upstream HP lifecycle (incl. limitations in market authorization mechanisms), leading to increased risk of entry of inadequate HPs in the market. Of current note, COVID-19 has reduced workforce capacity and mobility of sampling and Quality Control service providers to conduct timely pre-shipment sampling and testing.					MA-4888 MA-4890 MA-4893	
Procurement of substandard health products i.e. procurements outside the list of commodities which are WHO prequalified I/ Expert Review Panel (ERP) recommended. Of note, limited quantities of quality assured COVID-19 focused commodities (namely PPE) on the global market has the potential to encourage direct procurement of commodities of non-assured quality.					MA-4896 MA-4886 MA-4893 MA-4897 MA-5174 MA-5175 MA-5176	
Weak supply chain systems that store, transport, distribute, control, monitor and maintain product quality throughout the in-country supply chain.					MA-4887 MA-4889 MA-4890 MA-4883 MA-4893 MA-4894 MA-4898 MA-4899 MA-4900 MA-4903	
Weaknesses in downstream in-country QA mechanisms, including gaps in national pharmacovigilance and post-market surveillance.					MA-4887 MA-4889 MA-4890 MA-4883 MA-4893 MA-4894 MA-4898 MA-4899 MA-4900 MA-4903	
Lack of implementation of good dispensing practices.					MA-4890 MA-4893 MA-4896 MA-4898 MA-4899	
Current controls & mitigations					Assurances	
MA-4888	ERP process to support introduction of new TB molecular testing technologies established in collaboration with StopTB and WHO.				Review of in-country quality monitoring activities	
MA-4896	Implementation of Global Fund Quality Assurance (QA) policies for pharmaceutical and diagnostic products, which includes use of Expert Review Panel (ERP) to determine approach to products not yet SRA or WHO-prequalified. And continuous improvement of the QA Policy based on evolving needs, including issuance of Interim Quality Assurance Requirements for the Procurement of COVID-19 Diagnostic Products procured with Global Fund resources. PSM guide has been revised and published to consider PPE QA requirements, with updates to be implemented as of end of transitional period (May 2021).				Other relevant activities from the 15 supply chain assurance activities outlined in Risk and Assurance toolbox	
MA-4897	Procurement through PPM (~59% of the HP spend), and UN agencies (~21%), providing increased assurance that products meet internationally recognized standards of quality as centralized procurement facilitates QA compliance monitoring by GF.				Verification of product eligibility within procurement transactions through PQR	
MA-4886	Ongoing engagement with partners and other donors to ensure alignment of quality standards.					
MA-4887	Enhanced non-compliance database is regularly updated to track and consolidate instances of non-compliance with the Global Fund QA policy and outcomes.					
MA-4898	Implementation of country-specific Quality Assurance/Quality Control plans using grant funds to monitor product quality throughout the in-country supply chain as per grant requirements.					
MA-4899	Many grants support supply chain strengthening and logistics operations, in particular storage and distribution which indirectly contribute to maintaining product quality by ensuring compliance with best practices.					
MA-4900	Targeted RSSH investments for strengthening selected countries' pharmacovigilance systems in order to identify and take appropriate action in response to adverse reactions.					

MA-4903	Coordination with partners, manufacturers, and stringent regulatory mechanisms to issue information notes on quality or safety issues related to products that have been procured with Global Fund funds for dissemination to countries/users.				
MA-5174	The Health Product Risk Committee (HPRC) established to review risks related to the quality of health products, with authority to approve on a case-by-case basis specific flexibilities authorized by the Board, as well as review and decide on situations where health products ordered by implementers do not meet the expected specifications with respect to quality or other characteristics.				
MA-5175	UNICEF as procurement lead for Dexamethasone; UNICEF QA requirements includes adequate specifications. Product available for procurement by PRs via wambo.org order platform.				
MA-5176	MOU with UNICEF and SOP with i+ Solutions as procurement leads for PPE includes adequate QA specifications. Critical PPE products available on wambo.org to all PRs.				
		Overall Status	Risk mitigation is progressing but there are also some material delays.		
Controls & mitigations in development or planned			Status	Target completion	Action owner
MA-4883	Strengthen regulatory capacity to authorize and monitor pharmaceutical products, with focus on countries that manufacture products for LMICs for local supply (including support for transitioning countries).	Underway	31-12-2020	SSC	
MA-4890	Clarify the Secretariat's Quality Assurance mandate, including the necessary activities, roles and responsibilities, in turn supporting implementation of actionable quality assurance plans.	Underway	30-06-2021	SSC	
MA-4893	Develop guidance and tools that support implementers to comply with quality control testing reporting requirements for LLINs	Underway	30-04-2021	SSC	
MA-4894	Development of procedures to investigate and support countries to identify and remove ineffective or dangerous products from the market.	Underway	30-06-2021	SSC	
MA-5178	Strategic Initiative funding to strengthen WHO capacity to review new health products (3 diseases and COVID), including development of well-defined PQ processes for medical devices and PPE that are essential to the COVID response; no PQ process currently exists for these products, complicating procurement guidance to countries and enforcement of standards. This will permit more products to achieve pre-qualification status and become eligible for procurement with GF-funding.	Planned	30-12-2023	SSC	
MA-5177	Ongoing support via Strategic Initiatives to the Expert Review Panel (ERP), coordinated by the WHO, to accelerate access to innovative diagnostics and medicines, permitting more innovative products to be eligible for procurement with GF-funding sooner, including COVID-19 related products.	Underway	30-12-2023	SSC	
MA-5179	Strategic Initiatives funding to support pharmacovigilance (PV) for innovative medicines by building in-country PV capacity in selected pilot countries to improve surveillance on patient outcomes from innovative medicines.	Planned	30-12-2023	SSC	

10 - Human Rights & Gender Inequality		Risk owner: CRG		2020-Q4		Approved by MEC		
Risk Description	Human rights and gender related barriers, including stigma and discrimination, and insufficient investment in programs to reduce those barriers, limit access to health services							
Assessment	<p>Risk Impact: Failure to address human rights and gender related barriers can result in failure to achieve impact through Global Fund investments, inasmuch as they hinder access to and retention in services for key and vulnerable populations.</p> <p>Adaptations to existing controls and planned mitigations: Providing TA to (1) ensure the safety and security of service users and providers, and (2) ensure human rights programming can continue and is adapted to COVID-19 related needs, has been prioritized. There has also been a focus on the continued implementation of the BDB initiative and on starting to mainstream lessons learned to other "big bet" portfolios and implementing plans to strengthen performance on reducing human rights-related barriers to TB, and to ensure sustainability of efforts.</p> <p>Outlook for the next 6-12 months: The current risk level is 'High', and the direction of travel is increasing. It is anticipated that the risk level will remain 'High' through the next 12 months.</p>							
Change since last quarter	No change	Current direction of travel		Increasing	Global Fund ability to mitigate	Minor		
Residual Risk	High	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable	
Key Countries	Adolescent Girls and Young Women: Lesotho, Tanzania, Mozambique, Swaziland, Uganda, Malawi, Botswana, Kenya, South Africa, Namibia, Cameroon, Zambia, Zimbabwe. Human Rights: DRC, Mozambique, Uganda, Botswana, Kenya, South Africa, Indonesia, Côte d'Ivoire, Honduras, Jamaica, Cameroon, Senegal, Benin, Nepal, Philippines, Kyrgyzstan, Tunisia, Sierra Leone, Ukraine, Ghana							
Root Cause							Related Action	
COVID-19 has resulted in increased human rights violations, including a spike in gender-based violence and in police violence against criminalized and marginalized populations. Disruptions have also limited the engagement of communities in programs and Global Fund processes. COVID-19 related restrictions, use of administrative measures and other efforts to control the pandemic have penalized the most vulnerable and marginalized- women and young girls (increase in GBV), sex workers (loss of livelihood, food, shelter or access to care), LGBTI (law enforcement agencies used to harm, harass and arrest) and led to serious avoidance of health facilities and disrupting and/or delaying the delivery of programs to reduce human rights and gender-related barriers to services and programs for key and vulnerable populations. Need for further work to articulate what gender-responsive program adjustments should look like, and very few C19RM proposals and grants include specific provisions to address increased human rights- and gender-related barriers.							MA-4904	
Harmful and / or discriminatory social and cultural practices place key and vulnerable populations at increased risk of contracting HIV, TB and malaria and limit their access to health services.							MA-4906 MA-4909 MA-4910 MA-4907 MA-4913 MA-4918	
Limited political will and leadership to address human rights and gender related barriers prevents appropriate interventions from being incorporated into programs, and their implementation.							MA-4906 MA-4908 MA-4909 MA-4910 MA-4907 MA-4911 MA-4913 MA-4915 MA-4918	
Harmful laws, regulations, policies, or practices hinder access to services for key and vulnerable populations.							MA-4906 MA-4909 MA-4910 MA-4907 MA-4913 MA-4918	
Limited recognition of the specific and unique expertise key and vulnerable populations have in contributing to effective programming.							MA-4916	
Country capacity and/or unwillingness to collect and analyze gender and age disaggregated data, and data on key and marginalized communities, hinders the development and implementation of interventions that act to remove barriers for these communities.							MA-4908	
Gender and age often impact on risk to disease, ability to access services, and the quality of services provided. If services do not address gender and age-related risks and barriers, they will be less effective and result in poorer health outcomes.							MA-4920 MA-4917	
Limited understanding of how failure to address barriers reduces the impact of the response, and which programs are effective at reducing barriers, prevents incorporation of programs to reduce these barriers.							MA-4920 MA-4921	
Current controls & mitigations							Assurances	
MA-4917	GI: Data: Matching funds to improve data quality, including sex and age disaggregated data capacity combined with direct technical support for country programs, approved. Revised goals model (using sex/age disaggregation) piloted in 2 countries with positive results. Model presented at NAC and 3 more countries are requesting its use, which is being coordinated by UNAIDS with the GF. Countries to report and use sex and age disaggregated data; 50% of countries are reporting all required disaggregation's up from 43% in the last reporting cycle. Consolidated CRG assessment tools with Stop TB is being rolled out in 11 countries. RBM has adopted the Malaria Matchbox. UNAIDS is implementing gender assessments for HIV in most of the 22 fast-track countries.					Regular reporting on progress on KPIs 5, 8 and 9; KPI 8 reporting includes a qualitative review of 2017-2019 funding applications and the most recent reporting on KPI 8 indicators; all updated technical briefs are published and on-line;		
MA-4908	Human Rights programing: Intensive support and matching funds to 20 countries to scale-up evidence-based programming to reduce human rights related barriers to HIV, TB and malaria services. Funds are cross-cutting (for interventions across the three diseases) and programmatic conditions are in place for accessing funds. Independent mid-term assessments of results and impact completed. Funding for end-term assessments secured through Human Rights SI.					OIG country audits, OIG advisory on human rights		
MA-4909	Human Rights reporting and monitoring: OIG human rights complaints procedure in place for reporting on violations in context of GF investments. Secretariat human rights crisis response protocol in place. Pro-active safety and security assessment of service providers and clients (in context of COVID-19) commissioned. Plans are being discussed for future risk-based assessments, with funds reserved in grants to implement recommendations.							
MA-4916	Meaningful Engagement: Direct investment in long term capacity development programs for networks and organizations of key and vulnerable populations, including HER Voice fund giving more than 200 small grants for AGYW engagement; coordination and funding of TA program specifically focused on supporting key and vulnerable populations to access short term expertise via CRG Strategic initiative.							
MA-4918	Implementation of the 'Accelerate' initiative to transform CRG's operating model to enable a more systematic and rigorous approach to partnering with Country Teams.							
MA-4920	GI programming: AGYW SI for NFM 3 approved to provide support in improving national strategies for AGYW including integration of HIV prevention into SRHR services, and technical assistance to PRs and SRs to improve grant implementation. The Global Fund is launching a "precision prevention" initiative in order to improve the coverage and quality of prevention interventions in focus countries, including the AGYW portfolio.							
MA-4921	Internal capacity: Transformation of CRG operating model and introduction of a differentiated approach to ensure technical support is focused on priority countries including KPI cohorts further to the Breaking Down Barriers and CRG Accelerate initiatives. Increased AGYW technical capacity. Strengthened use and analysis of grant level risk data to improve risk assessments and drive operational planning.							
					Overall Status		Risk mitigation is progressing but there are also some material delays.	
Controls & mitigations in development or planned						Status	Target completion	Action owner

	implementation in the 2020-2022 cycle;			
MA-4929	Embedding STC Principles and Practice through the operationalization of the STC policy, in collaboration with Health Finance Department - Systematic review of STC considerations and co-financing compliance for remaining portfolio grants to be approved in 2021; advancing key STC priorities and maintaining focus in the new Global Fund strategy; continued support for cross-Secretariat coordination through the STC Steerco; integration of STC focus into the new Health Financing Department, a major Secretariat initiative to step up the Global Fund Secretariat's engagement in health financing.	Underway	31-12-2021	GMD
MA-5138	Implementation of STE-SI -- Implementation of the GAC approved Sustainability, Transition & Efficiency Strategic Initiative for the 2020-2022 cycle, with a continued focus on (but not limited to): i) advancing robust national (and regional) transition planning, including in portfolios beyond the transition preparedness cohort to enhance focus on early, robust planning in line with joint recommendations; ii) provision of TA to address transition bottlenecks, including those related to RSSH challenges; iv) strengthening public financing of CSO service delivery (i.e., 'social contracting'); v) country level capacity building initiatives to enhance focus on sustainability and manage transitions; vi) ongoing efforts to enhance expenditure tracking across Global Fund portfolio; vii) ongoing efforts to enhance efficiency across Global Fund portfolio.	Underway	31-12-2021	HFD

12 - Drug & Insecticide Resistance		Risk owner: TAP		2020-Q4		Approved by MEC	
Risk Description	Increased resistance to drugs and insecticides used to fight the three diseases can lead to increased morbidity and mortality. Inconsistent treatment regimens, low quality pharmaceuticals, and interruptions in health product supply foster drug resistance that threatens public health. Insecticide resistance on the other hand is the risk that the effectiveness of existing insecticide-based vector control tools are undermined by the increasing development of mosquitoes' resistance to insecticides used in long-lasting treated nets (LLINs) and indoor residual spraying (IRS)						
Assessment	<p>Risk Impact: Drug resistance can lead to treatment failures and heightened disease burdens across portfolios, negatively impacting the Global Fund mission and investments. The development of resistance to insecticides used in LLINs and IRS diminishes the effectiveness of vector control tools which have been critical in interrupting transmission and can negatively impact investments in Malaria control.</p> <p>COVID Assessment is reflected in Program Quality Risks</p>						
Change since last quarter	No change	Current direction of travel		Steady	Global Fund ability to mitigate	Moderate	
Residual Risk	High	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
Key Countries	Top countries by allocation amount and catalytic investments* (new LLINs) : Nigeria,Tanzania,DRC,Mozambique*,India,Zimbabwe,Uganda,Malawi,Ethiopia,Benin*,Kenya,South Africa, Zambia, Myanmar, Indonesia, Côte d'Ivoire, Rwanda*, Pakistan, Ghana, Cameroon, Bangladesh, Burkina Faso*, Sudan, Viet Nam, Ukraine, Mali*						
Root Cause						Related Action	
Root Causes of Drug Resistance include: (a) insufficient financing for effective response activities; (b) inadequate diagnostics and poor treatment adherence; (c) poor quality health products; (d) instability of drug supply; (e) undertrained public health workers and inappropriate use of drugs						MA-4945 MA-4946 MA-4949 MA-4950 MA-4951 MA-4956 MA-4952 MA-4958 MA-4960	
Root Causes of Insecticide Resistance include: (a) insufficient financing to procure new vector control tools; (b) inadequate and inconsistent insecticide resistance monitoring and surveillance; (c) insufficient data on IR and in-country capacity to collect and analyze data; (d) lack of a clear framework to define and guide how and what is sufficient capacity for entomology and vector control monitoring and implementation						MA-4946 MA-4947 MA-4948 MA-4949 MA-4950 MA-4956 MA-4957 MA-4959	
The COVID-19 pandemic has significant implications to programs supported by the Global Fund as it is likely to negatively impact communities affected by HIV, along with the health systems that serve them. Key and vulnerable populations and AGYW are likely to be affected disproportionately more than others, particularly with regards to HIV risk. The operation of prevention programs, such as VMMC, could be impacted as they may be considered non-essential, or people cannot access prevention and treatment services due to lock downs and physical distancing policies, or essential commodities for prevention and treatment do not reach clients. Probable outcomes and impact of COVID: decrease in HIV testing & diagnosis, limited access to key prevention interventions, drop in adherence to ART, potentially leading to increased HIV incidence and AIDS-related deaths						MA-4942 MA-4943	
Vector control threatened by inability to achieve or maintain coverage over time. For LLINs specifically, lack of usage may also limit impact even if enough ownership. Insecticide resistance to pyrethroids will continue to develop and reversal of transmission reduction due to vector control will occur if mitigating actions not taken. Case management challenged by insufficient access to care and poor-quality services (including lack of parasitological diagnosis, poor adherence to clinical algorithms and accurate reporting and recording) (The impact is exacerbated in high-risk environments that account for a significant portion of Global Fund investments.						MA-4944	
Current controls & mitigations						Assurances	
MA-4942	The Global Fund has made available funding of up to US\$1 billion to help countries fight COVID-19, mitigate the impacts on lifesaving HIV, TB and malaria programs, and support health systems. A portion of this funding will be available to mitigate impact on HIV programs.					WHO Insecticide resistance 'threats maps'	
MA-4943	Guidance (internal and from WHO) has been elaborated on how to prioritize continuation of essential HIV programs activities and mitigate the impact of COVID-19 epidemic. This guidance was shared with country teams and an external information note on COVID/HIV mitigation published in April 2020.					Therapeutic efficacy studies (with Global Fund resources and/or other sources of funding)	
MA-4944	Sub-national stratification to target vector control tools to maximize impact and efficiency Expanding access to care via appropriate channels (public, community versus private) Enhancing quality of service provision given access Scale up of synergist LLINs to address pyrethroid resistance					Five in-country deep-dives designed to validate country supply chain segmentation	
MA-4945	Global Fund Quality Assurance policies for finished pharmaceutical products & diagnostics help ensure products meet efficacy standards; this reduces the risk of drug resistance.					Reports from LFA spot checks	
MA-4946	WHO normative guidance regarding appropriate treatment guidelines and protocols in place; Global Fund support for implementation of new WHO guidelines regarding Drug Resistant Tuberculosis and for the development of national insecticide resistance management strategies.					Supply chain diagnostics in twenty prioritized countries to gain insight into stability of drug supply	
MA-4947	Regional Artemisinin Resistance (RAI) program in the Greater Mekong Sub-region, working towards malaria elimination in the region.					Technical partner reports	
MA-4948	Global Fund support for the WHO Innovation to Impact (I2I) Initiative; I2I works to develop and deliver new vector control products to stay ahead of resistance.					Drug resistance surveillance reports	
MA-4949	Significant ongoing attention to ensure the quality and efficiency of grant-funded services (within current budget limitations and leveraging partners as needed); effective treatment and prevention reduce opportunities for drug and insecticide resistance to develop.						
MA-4950	Global Fund grants support countries to implement changes in drug policy when necessary; accelerated uptake of innovation to maximize value for money (e.g. change to DTG for treatment of HIV, shorter TB regimens, next generation of bed nets).						
MA-4951	Global Fund grant support for behavior change communication, fixed dose combination therapies and support programs to improve patient adherence to antimalarial treatment.						
MA-4952	Global Fund support for implementation of new WHO guidelines for drug-resistant TB, including short regimens for multidrug-resistant TB (MDR-TB) and new drugs; updated Green Light Committee (GLC) MoU for MDR-TB (new simplified and central payment mechanism for GLC payments from TB grants); and support for the scale-up of new diagnostics for rapid detection of TB/DR-TB cases, as well as new drugs.						
MA-4956	Global Fund grant support for work with local communities and private sectors to find missing TB cases and ensure funding requests include insecticide resistance monitoring.						
MA-4957	Improving surveillance and enhancing capacity for public health entomology in malaria endemic countries to inform vector control strategies and track their impact on malaria transmission across the portfolio, focusing on the 10 highest burden countries.						
MA-4958	Catalytic Investment initiative to support identification of missing cases (prompt and effective treatment helps reduce the risk of resistance), including: o US\$115 million in matching funds to support country-led programs to find missing cases; o US\$10 million Strategic Initiative to help technical partners develop tools based on best practices; o US\$65 million multi-country investment for programs focused on migrant and cross-border issues, the mining sector, refugees, improved						

13 - In-country Conduct & Ethics		Risk owner: Ethics Office		2020-Q4		Approved by MEC		
Risk Description	Implementers, suppliers and other in-country partners act in contravention of the Global Fund's corporate values, its Codes of Conduct or applicable policies on ethical behavior and conduct.							
Assessment	<p>Risk Impact: Poor decision-making, potential fraud, financial loss, and / or reputation damage limits the organization's ability to deliver on its Strategic Objectives and maximize impact against the three diseases.</p> <p>Adaptations to existing controls and planned mitigations: Approval for a higher degree of risk acceptance is addressed in the relevant Business Continuity Plans. We will also remediate cases as business returns to normal. Except from a delay on implementation of specific mitigating actions (IDD, PCFC) during the Covid-19 business disruption, changes to mitigating actions are not anticipated to be needed.</p> <p>Outlook for the next 6-12 months: The risk is increased in the short term: Implementers and Global Fund assurance providers will be less able to oversee programs and business conduct, and at the same time the Covid-19 response requires rapid decision making. This may lead to prohibited practices and poorer decision-making which fails to adequately consider ethical implications. The near-term impact is expected to be 'Low-Moderate' with an increasing direction of travel.</p>							
Change since last quarter	No change	Current direction of travel	Increasing	Global Fund ability to mitigate	Moderate			
Residual Risk	Moderate	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable	
Key Countries	N/A							
Root Cause						Related Action		
Existing conflicts of interest and competing agendas						MA-4969 MA-4971 MA-4974 MA-4975		
Inadequate due diligence of new implementers, suppliers and contracts						MA-4969 MA-4972 MA-4973 MA-4974		
Inadequate implementer, supplier or partner people management capability limiting ability to drive behavioral change						MA-4969 MA-4971 MA-4975		
Inadequate grant oversight by PRs, CCMs, LFAs and the Secretariat						MA-4969 MA-4970 MA-4974 MA-4975		
Current controls & mitigations						Assurances		
MA-4962	Ethics and Integrity Framework and Ethics Policy, including Conflicts of Interest, in place, underpinned by processes for Ethics case management and conflict of interest reviews					3rd Line OIG audit/investigation and annual reports.		
MA-4963	Codes of Conduct in place for grant recipients, suppliers and LFAs					LFA spot checks and reviews		
MA-4964	Policy to Combat Fraud & Corruption (PCFC) was approved by the Board in November 2017					Board approved the update Conflict of Interest Policy in June 2020. Board training completed in October 2020. CoI management process for Governance and Secretariat now embedded.		
MA-4965	Capacity assessment of new implementers include assessment of control environment							
MA-4966	Ongoing grant implementation monitoring by Country Teams							
MA-4967	LFA and partner engagement in procurement and recruitment processes							
MA-4968	Ongoing monitoring through OIG Whistleblower reporting and OIG investigations							
MA-4969	Enhancement of Conflict of Interest management process, including approval and launch of an updated CoI Framework.							
						Overall Status	Risk mitigation is progressing but there are also some material delays.	
Controls & mitigations in development or planned						Status	Target completion	Action owner
MA-4961	Develop a framework related to harassment, including sexual harassment, bullying and abuse of power in the context of Global Fund programs; Corresponds to AMA 3 of the 2019 OIG Audit of Global Fund Human Resources Management Processes. i) Review of code contents and plan implementation.					Underway	17-12-2021	Ethics
MA-4970	PCFC implementation development of risk-based implementation plan for PCFC operationalization (including lessons learned from 3 fraud risk assessment pilots). Corresponds to AMA 3 of the 2019 OIG Audit of Ethics & Integrity.					Underway	30-06-2021	Ethics
MA-4971	Ethics Office review of Codes of Conduct and Policies within the Ethics and Integrity Framework. Corresponds to AMA 4 of the 2019 OIG Audit of Ethics & Integrity					Underway	26-02-2021	Ethics
MA-4972	Roll out of the Integrity Due Diligence framework. i) (Exc. GMD) The framework is already up and running in Governance, PSE and Direct Procurement. Indirect procurement and HR are the remaining areas to finalize. Corresponds to AMA 6 of the 2019 OIG Audit of Ethics & Integrity.					Underway	31-03-2021	Ethics
MA-4973	Roll out of the Integrity Due Diligence framework. ii) (GMD) Complete roll-out with risk-based approach applied to all categories of implementers. (Pilot due diligence assignments already running at request of countries. Focus is now in defining approach for the implementer base.) Corresponds to AMA 6 of the 2019 OIG Audit of Ethics & Integrity.					Underway	31-03-2021	Ethics
MA-4974	Roll out Code of Conduct for CCM Members in collaboration with CCM Evolution. i) 12 country engagements over 3 years for enhanced due diligence of key implementer staff and key assurance providers. Part of the ongoing CCM Code of Conduct Strategic Initiative.					Underway	17-12-2021	Ethics
MA-4975	Roll out Code of Conduct for CCM Members in collaboration with CCM Evolution. ii) Roll out Code of Conduct for CCM Members (including enhancement of COI process for CCMs), with performance-based enforcement mechanism. Part of the CCM Code of Conduct Strategic Initiative.					Underway	17-12-2021	Ethics

14 - Future Funding		Risk owner: ERCD / HFD		2020-Q4		Approved by MEC	
Risk Description	Failure to meet the Global Fund's financial target for the Sixth Replenishment, and following the Sixth Replenishment failure to convert pledges, due to loss of donor support and confidence, major reputational damage, or external factors outside of the Global Fund's control. Failure to mobilize adequate levels of sustainable domestic funding and/or effectively use existing resources to fight HIV, tuberculosis and malaria and build more resilient and sustainable systems for health.						
Assessment	<p>Risk Impact: Inability to mobilize a robust pool of new funding for country allocations for the 2020-2022 allocation period to sustain Global Fund-supported programs and inability to maximize and sustain health and disease outcomes, particularly for key and vulnerable populations.</p> <p>Adaptations to existing controls and planned mitigations: - The existing controls/mitigations defined in the Organizational Risk Register remain relevant and are operating as scheduled. However, controls and mitigations on pledge conversions have been tightened given the risks associated with the impact of COVID-19 on the economies of donor countries. Similarly, new measures have been introduced as part of the Division's business contingency plan to position the Global Fund in the current context—they include, for example, the Unite to Fight call to action, and the messaging and resource mobilization efforts around the COVID-19 response mechanism approved by the Board and the Global Fund's role in the Access to COVID -19 Tool Accelerator (ACT-A). While formal work around the seventh replenishment is expected to kick off in 2021, ERCD continues to shape key conversations on the future positioning of the Global Fund in a radically different environment and evolving global health architecture. - Planned mitigating actions have progressed without much disruption. Maturing performance and accountability processes based on lessons learned from the sixth replenishment have progressed as planned. The Secretariat has been gradually repositioning the Global Fund to remain relevant in the current context and gradually setting the stage for the seventh replenishment, emphasizing the role of the partnership in the global health security and health system strengthening spaces.</p> <p>Outlook for the next 6-12 months: While most disruptions that were due to COVID-19 were successfully mitigated, uncertainty continues in the following areas: - Global positioning of the organization, donor fatigue, pressure on budgets in major donor countries and interplay with other relevant actors could potentially impact future replenishment results and efforts to mitigate the impact of COVID-19 on the three diseases. - While additional monitoring has been strengthened, risks related to pledge conversion remain important in the current context, including for private sector, for which uncertainty in the timing of payments remains a concern. - The devastating impact of COVID-19 on the three diseases in challenging contexts, reprioritization of domestic health spending and shrinking fiscal space, particularly in Africa, Latin America and Asia, is expected to increase demand for greater engagement and financial support. This, in turn, will drive a redefinition of the strategy with which the Global Fund approaches domestic health financing. The current risk level is 'Moderate', and the direction of travel is increasing. It is anticipated that the risk level will remain 'Moderate' through the next 12 months.</p>						
Change since last quarter	No change	Current direction of travel		Increasing	Global Fund ability to mitigate	Moderate	
Residual Risk	Moderate	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
Key Countries	N/A						
Root Cause						Related Action	
A negative shift in sentiment towards the Global Fund among major donors, whether due to shifts in national politics or international priorities, fatigue with the three diseases, re-prioritization of health versus other SDG priorities, or reductions in ODA more generally as a result of budgetary pressures.						MA-4932 MA-4933 MA-4934 MA-4953 MA-4954 MA-4940 MA-4936 MA-4937	
Competition for resources with other institutions or new priorities, and failure to coordinate with partners and organizations working in the global health space to demonstrate complementarity and respective roles/contributions towards the achievement of SDG3 and in the broader health and development context						MA-4932 MA-4933 MA-4934 MA-4953 MA-4938 MA-4939 MA-4940 MA-4937	
Perceived under-performance of the Global Fund, particularly with relation to the investment case for the Sixth Replenishment, the new grant cycle, and/or misunderstanding and misperceptions related to the Global Fund model						MA-4932 MA-4933 MA-4934 MA-4953 MA-4954 MA-4939 MA-4940 MA-4941 MA-4936 MA-4955 MA-4937	
Perceived de-prioritization or lack of responsiveness by the Global Fund to issues of concern/priority to donors (for example, RSSH, gender equality, geographic focus areas, etc.)						MA-4933 MA-4953 MA-4954 MA-4940 MA-4937	
Failure to meet donor expectations, criteria or conditions for continued funding or technical/in-kind support, including under-delivery in innovation and catalytic investment-related partnerships						MA-4934 MA-4953 MA-4954 MA-4939 MA-4940 MA-4941 MA-4936 MA-4955 MA-4937	
Underinvestment in external relations activities leading to inadequate engagement of key decision-makers and influencers, a lack of adequate visibility in key donor markets, or weak advocacy through civil society or the media						MA-4934 MA-4937	
The current COVID-19 context may gradually shift the attention towards emerging issues such as global health security and immunization, thereby reducing the profile of the Global Fund diseases and impacting funding						MA-5155 MA-4955 MA-5154 MA-4937	
COVID-19 has affected the economies of donor countries, which could potentially impinge on pledge conversion schedules and impact domestic resource mobilization as governments will be unable to effectively invest in their own health systems						MA-4936 MA-5153	
Travel to donor countries, missions focused on resource mobilization and other advocacy events/political fora have been cancelled, postponed or in some cases turned virtual						MA-5153	
Inability or lack of political willingness to increase sectoral spending						MA-5159 MA-5205	
De-prioritization of the health sector in face of economic downturn, political or social instability and/or competing priorities; Inability to borrow, spend.						MA-5157 MA-5158 MA-5161	
Inefficient use of available resources including ineffective Public Financial Management, fragmentation of financing (particularly in decentralized settings)						MA-5160	
Lack of data and systems to reliably measure co-financing commitments in a standardized manner on a routine basis; Constraints in tracking expenditure through existing country systems and processes						MA-5159 MA-5187	
Organizational deficiencies in the coordination of and financing of the health system						MA-5159 MA-5206 MA-5187	
Failure to adequately finance and purchase critical commodities with domestic funds, for a variety of reasons - technical, financial, legal, or structural						MA-5160 MA-5207 MA-5187	
Current controls & mitigations						Assurances	
MA-4932	Continue leading advocacy efforts around domestic resource mobilization through the influencing of political/parliamentary debates and the support to civil society advocacy					Quarterly P&A reporting and metric refinement	
MA-4935	Engaging with Board stakeholders around political and governance issues, ensuring that additional public donors continue to be part of key conversations					Internal discussions with LGD to ensure the accommodation of new donors who may leave the Board if not provided with relevant governance roles. Pressure from new donors themselves.	

MA-4936	Ongoing monitoring to ensure the Global Fund meets agreed terms and conditions in donor contribution agreements to ensure payments as scheduled; regular meetings between the Donor Relations and the Private Sector Engagement departments and Treasury on donor payments versus forecast to facilitate proactive ALM; and active foreign exchange management by Treasury to minimize the impact of exchange rate volatility on Global Fund resources.	Regular resource mobilization updates to MEC and Global Fund governance bodies and regular monitoring process on visibility of Global Fund messaging through traditional and social media
MA-4937	Sustaining and strategically expanding advocacy support base	Interdependency and close work with Global Fund Advocacy Network chapters and other critical stakeholders, regular monitoring process on visibility of Global Fund messaging through traditional and social media, and provision of updates and organization of informative townhalls
MA-4938	Monitoring of developments in relation to other replenishment exercises and fundraising efforts in global health planned over 2020-2022, and relevant coordination	Board-monitored partnerships with key actors who function under replenishment models
MA-4939	Continuing and strengthening internal processes for screening, due diligence and risk management in relation to private sector partnerships, including the operationalization of policies around private sector engagement	Ongoing engagement of the Private Sector Engagement Risk Committee, an inter-divisional/departamental body overseeing risk management tasks associated with private sector partnerships
MA-4941	Strengthened oversight of performance to ensure delivery of results through enhanced monitoring across the grant lifecycle, including through regular reporting, Portfolio Performance Committee, KPI reporting, and the Performance and Accountability Framework	Pressure from civil society platforms for governments to increase national health budgets and Sixth Replenishment multi-stakeholder evaluation exercise
MA-4953	Monitoring of budgetary processes and mobilization of political and civil society advocacy partners as well as high-level influencers, particularly where pledge conversion is at risk or where opportunities for an increased pledge has been identified	Donor government budgets reflect commitments to the Global Fund and regular resource mobilization updates to MEC and the Global Fund governance bodies
MA-4954	Close monitoring of political transitions and building strong cross-party support for Global Fund in key donor countries to address increasingly challenging political landscape	KPI reporting, Sixth Replenishment multi-stakeholder evaluation exercise and corporate strategy design process and bodies, including engagement in partnership fora discussions
MA-5157	Consistent implementation of the Sustainability, Transition and Co-financing (STC) policy to strengthen overall health spending and financing of specific disease interventions;	A2F guidance and GAC Recommendation of Grants
MA-5158	Use of alternative financing mechanisms to strengthen DRM, including Debt2Health, leveraging WB framework agreement for joint financing	Internal Steering Committee oversight;
MA-5160	Identification of at-risk countries during grant approval and incorporation of mitigation actions in grant agreements. Use of grant flexibilities on a country by country basis in exceptional circumstances.	Grant approvals and grant agreements
MA-5159	Implementation of the GAC-approved Strategic Initiative on Sustainability, Transition and Efficiency to support countries with technical assistance on health financing, strengthen resource tracking, and improve value for money	STE Management oversight; External evaluation
Overall Status		Risk mitigation is on track. There are no material delays.

Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-4933	Facilitating the engagement of donors and other key stakeholders in the design of the upcoming Global Fund strategy and the new grant cycle, thereby increasing their ownership and involvement in the definition of the organization's programmatic aspirations	Underway	31-12-2021	ERCD
MA-4934	Maturing performance and accountability processes based on lessons learned from the Sixth Replenishment, setting the foundations and paving the way for a successful Seventh Replenishment	Underway	31-12-2021	ERCD
MA-4940	Co-leading the redefinition of the Global Fund brand, building on the impact of the Step Up the Fight Campaign to continue increasing the visibility of the organization's mandate and results	Underway	31-12-2021	ERCD
MA-4955	Continuation of resource mobilization efforts across different markets to increase funding for the Sixth Replenishment, including coordination with France, the Bill and Melinda Gates Foundation, and Bono to raise additional USD 100 million, as committed in the Lyon pledging conference	Underway	31-12-2022	ERCD
MA-5152	Supporting the engagement of the Global Fund in the Access to COVID-19 Tools Accelerator (ACT-A), particularly on the diagnostics and therapeutics pillars and health system connector, and launching the Unite to Fight call to action, which provides the Global Fund with an opportunity to position itself as a key actor in the pandemic response and in the global health landscape and to mobilize additional resources	Underway	31-12-2021	ERCD
MA-5153	Increasing interactions with donors, partners and advocates to ensure the Global Fund's effective positioning in the new context, and to monitor and protect financial commitments.	Underway	31-12-2021	ERCD
MA-5154	Devising new ways of working with civil society groups and communities, including increasing financial support to the Global Fund advocacy networks, providing connectivity tools to maintain the right levels of communications across partners, and creating the right messaging to maintain key stakeholders informed on international action to fight COVID-19	Underway	31-12-2021	ERCD
MA-5155	Establishing new partnerships in the context of the pandemic, including with private sector actors, creating new opportunities for collaboration, resource mobilization and advocacy.	Underway	31-12-2021	ERCD
MA-5161	Strategic use of the Innovative Finance Strategic Initiative to approve additional joint investments and strengthen alternative sources of DRM.	Underway	31-12-2021	HFD
MA-5187	Strengthened Global Fund Secretariat efforts to enhance capacity to support country teams / countries and leverage partners through the creation of a Health Financing Department	Underway	31-12-2021	HFD
MA-5206	Implementation of Sustainability, Transition, and Efficiency (STE) & Strategic Initiative (SI)	Underway	31-12-2021	HFD
MA-5205	Leveraging partners via the Sustainable Financing for Health Accelerator (SFHA) to enhance DRM, VfM, and more effective development assistance	Planned		HFD
MA-5207	Enhancement of systems and tools to pro-actively manage risk, incl. to track domestic procurement	Underway	31-12-2021	HFD

15 - Internal Operations		Risk owner: IT/SO/F&A		2020-Q4	Approved by MEC		
Risk Description	Risks affecting the smooth operation of the Secretariat, reflecting key enterprise level operations at the Secretariat, including enterprise-wide projects, Information Technology (IT), sourcing (indirect procurement), administration and financial controlling.						
Assessment	<p>Risk Impact: Decreased ability of the Global Fund to operate effectively to deliver on its mission.</p> <p>Adaptations to existing controls and planned mitigations: Existing controls/ mitigations for FX, FC, Admin and Sourcing Internal Operations not affected IT: Limited disruption to existing controls/ mitigations, all key IT systems/applications/infrastructure managed by service providers with high availability. All planned mitigating actions for FC, Admin and Sourcing Internal Operations are progressing with limited disruption FX Internal Operations: All planned mitigating actions have been slightly delayed but are on track to be completed. IT Internal Operations: Due to limited disruption, most mitigating actions are progressing as planned, including: Development and implementation of a Business Continuity Management System (BCMS) in conformity with the ISO-22310 standard. Expansion of the scope of the Global Fund's ISO-27001-compliant ISMS to the OIG and Ethics for certification. Establishment of a Vendor Management Office to enhance governance, risk management and control implementation around vendors. - Monthly project reviews with project managers, delivery managers and business partnering managers, and quarterly project reviews with business representatives. With schedule adjustments to the following, reprioritized due workload: Development and implementation of a Business Continuity Management System (BCMS) in conformity with the ISO-22310 standard.</p> <p>Outlook for the next 6-12 months: - FX Internal Operations: The next 12 months the risk will remain at moderate/low, however due to increased market volatility the direction of travel is going to increase. - Sourcing Internal Operations: With BCP's in place and planned mitigating actions scheduled to be complete soon, the disruption will continue to be low and the risk level will remain at 'Moderate' with a steady direction of travel - Admin: The impact of COVID-19 on Administration was successfully mitigated and the risk is expected to remain 'Moderate'. The current sanitary situation and its evolution do not allow us to have a clear view on the direction of business travel for the next 12 months. - FC Internal Operations: Workload may increase as COVID pandemic continues and even more with potential mandate expansion and additional funding for C19RM. However, the risk level is expected to continue to be at 'Moderate'. - IT Internal Operations: IT has responded in a quick and agile way as a result mitigating the main drivers caused by the COVID-19 disruption. As a result, the risk is expected to remain 'Moderate' with a 'Steady' direction of travel.</p>						
	Change since last quarter	No change	Current direction of travel	Steady	Global Fund ability to mitigate	Significant	
Residual Risk	Moderate	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
Key Countries	N/A						
Root Cause						Related Action	
IT: Operational Risk: System performance and reliability failures, data unavailability, data loss recoverability and reliability driven by day-to-day IT operations with reduced backup, restoration and data retention periods						MA-4991 MA-4994 MA-4995 MA-5002	
IT: Vendor Risk: Poor contract oversight and supplier performance						MA-4996	
IT: Solution (Project) Risk: Lack of scope control, cost overruns, quality issues & timeline failures						MA-4997 MA-4992 MA-4998	
IT: Information Security Risk: Cyber security incident, accidental or malicious loss of sensitive Global Fund information						MA-4999 MA-5000	
FC: i. OPEX: Underspend at Secretariat level related to delays in hiring, cancellations of conferences/meetings and travel ban enforced since Mid-March except for new joiners. Similar challenges faced by Strategic Initiatives budget holders. FC: ii. Grant forecasting accuracy might be impacted as full impact of COVID-19 on in country activities is captured with a lag time through PR expenditure reporting.						MA-4984	
FC: Value for money of HR 'investment' (provisions for MAS/VES, talent pool) for the organization in the absence of structured Strategic Workforce Planning process						MA-4987 MA-5143 MA-4986	
FC: Improper/incomplete reconciliation of grant portfolio to optimize portfolios moving into a new allocation period						MA-4988	
FC: Closing of SI 2017-2019 cycle						MA-4990 MA-5144	
FC: Low absorption level for implemented grants						MA-4985	
FC: Misalignment between Secretariat OPEX for current and next allocation period and GF ambition						MA-5146 MA-5145 MA-5147	
Sourcing: Delay in non-critical RFPs and upturn in COVID related procurements and items for the GHC							
Sourcing: The Global Fund issues solicitations or contracts that fail to protect the Organization's commercial interests and operations						MA-4977 MA-4978 MA-4979 MA-4980 MA-4981 MA-4982 MA-4983	
FX: Due to increased market volatility caused by COVID-19, FX liquidity for currencies may create issues when rolling over hedges, similarly, some banks may show bigger spreads, which may impact FX settlements. In addition, counter party credit risk may increase due to the economic environment						MA-5020	
FX: Foreign Exchange (Fx) market volatility						MA-5021 MA-5022 MA-5024 MA-5025	
FX: Assets and Liabilities Management (ALM) changes (i.e. donor pledges or grant commitment changes leading to different FX exposures).						MA-5022	
FX: Poor internal Fx limit management (Fx Policy)						MA-5022 MA-5024	
FX: Internal and external poor Fx execution						MA-5022 MA-5026	
FX: Internal operational risk for Model risk						MA-5022 MA-5027	
Admin: Facility/Security: Technical building failure and/or security incidents at the Global Health Campus (GHC)						MA-5016 MA-5017	
Admin: Lack of business continuity management systems, staff compliance with existing security procedures and frameworks and lack of or partial asset reconciliation						MA-5014 MA-5019, MA-5013, MA-5015	
Admin: Enhancement of GHC operational guidance and clarification on roles and responsibilities (Gavi/GF vs. subtenants)						MA-5009	
Admin: Impact of Covid-19 on staff travel and GHC building operations						MA-5012	
Current controls & mitigations						Assurances	
MA-4991	IT: Key IT systems/applications/infrastructure managed by service providers with high availability and disaster recovery capacity at the Global Health Campus.					Annual ISO internal and surveillance audits	
MA-4992	IT: Remediation action plan to address late projects and IT Operational issues in place.					OIG audits	
MA-4994	IT: All key Secretariat applications migrated to the "cloud" or external high availability service providers reducing GHC Data Center requirements to a bare minimum.					Quarterly reporting to the Audit and Finance Committee (AFC)	

MA-4995	IT: Monthly IT operations and project performance review by CIO and IT Leadership Team	Treasury Dashboard
MA-4996	IT: Vendor governance framework applied for Global Fund's Software as a Service (SaaS) providers	
MA-4997	IT: Project management training delivered to IT Staff and key project teams; regular review by CIO.	
MA-4998	IT: Establishment of an IT transformation & Vendor Management office to ensure alignment of projects with the Global Fund's Strategy and the implementation of a standardized project management and delivery model as well as enhanced governance, risk management and control implementation around vendors.	
MA-4999	IT: New information security, technology acceptable use and access control regulations approved and rolled out across the organization	
MA-5000	IT: Mandatory on-line information security awareness trainings rolled out to Secretariat staff. As well as focused and targeted trainings for high risk individuals as it relates to cyber-attacks / fraud / phishing / social engineering	
MA-5001	IT: The Global Fund's ISMS for Treasury cash payments data & processes, OIG and Ethics, as well as all the related IT operational management processes and facilities of its offices in Geneva have received ISO-27001 certification.	
MA-5005	IT: Reinforced IT governance, including new "control gates" for demand review, project approval and operations acceptance, defined and pending finalization.	
MA-5006	IT: Monthly project reviews with project managers, delivery managers and business partnering managers, and quarterly project reviews with business representatives.	
MA-5170	IT: Service Level Agreement monitoring are in place for all tickets and reviewed daily to avoid delay in the processing of user's tickets.	
MA-5171	IT: BCP's in place, regular updates are done on BCP status and flexibilities being used	
MA-4985	FC: Quarterly grant re-forecast including when available update on absorption shared with MEC and AFC to ascertain impact of Covid-19 on GF program. Identification of funds available for Portfolio Optimization or reallocation to C19RM fund.	
MA-4986	FC: Monitoring, tracking and integration of multi-year OPEX contracts in the OPEX budget approval process.	
MA-4987	FC: Initial roll out of Strategic Workforce Planning under the leadership of HR with outcome integrated into 2020 OPEX Budget. HR Controller function operational since September 2019.	
MA-4988	FC: Monthly Monitoring Meeting within Program Finance and reporting to MEC and AFC on closure.	
MA-5143	FC: Involvement of Financial Controlling in reorg memo drafting in terms of modeling, determination of budgetary impact, and alignment with new budgeting framework	
MA-4977	Sourcing: All procurement activities must be conducted in the GFS ERP system in accordance with the Global Fund's Procurement Policy and Procurement Regulations, which require that the Global Fund: obtains value for money (VFM), ensures that goods or services are procured competitively where required and applies the principles of efficiency, effectiveness, impartiality, transparency, accountability and procurement ethics.	
MA-4978	Sourcing: The Supply Operations Department and Technical Evaluation Committee (TEC) ensure that selection memoranda reflect the Global Fund's Procurement Policy and Regulations.	
MA-4979	Sourcing: An exception report is generated and shared on a monthly basis with the CRO and the Head of Supply Operations for all procurement transactions above US \$1,000,000.	
MA-4980	Sourcing: ERC subcommittee reviews proposed contracts that incorporate non-standard terms and conditions.	
MA-5020	FX: Close monitoring of the FX and regular reporting on 'rolling of hedges'	
MA-5021	FX: Global FX Management Framework in place to ensure that contribution agreements are consistently hedged.	
MA-5022	FX: Revised and approved Treasury, Cash and FX Management Procedure to include ALM cross reference and rebalancing process.	
MA-5023	FX: Conservative Fx limit established that limits exposure well within the limit, 6th Replenishment positions fully hedged.	
MA-5024	FX: Regular update to AFC on hedging position	
MA-5025	FX: Fx risk has been significantly reduced with a systematic hedging strategy with a VaR utilization ratio of 45.7% at the end of Q4-20, absolute VaR hedges standing at US \$5.2m	
MA-5026	FX: Multi-currency disbursements are ongoing and are implemented on a need basis with 1 country already executing multi-currency disbursements and more countries are under review / benchmarked.	
MA-5008	Admin: Situation Response Team (SRT) set up to monitor the situation and initiate early responses as needed	
MA-5012	Admin: Establishment of Covid 19 steer-co with reporting/recommendations provided to senior management on staff travel and GHC operations	
MA-5013	Admin: Physical check and financial reconciliation of assets was completed to ensure compliance with TGF rules and regulations.	
MA-5014	Admin: Dedicated Senior Security Officer (SSO) and team overseeing security policy and procedures.	
MA-5015	Admin: Global Fund-GAVI Partnership Agreement defines responsibilities for governance of GHC.	
MA-5016	Admin: GHC - Maintenance/repairs contracts are in place with a dashboard and annual schedule for all maintenance contracts.	
MA-5017	Admin: Robust security framework, travel security policy, asset management framework, procedures and SOPs are in place	
MA-5019	Admin: GF Crisis Management Plan endorsed by MEC	

Overall Status	Risk mitigation is on track. There are no material delays.
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Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-5002	IT: Development and implementation of a Business Continuity Management System (BCMS) in conformity with the ISO-22310 standard.	Underway	30-09-2021	IT
MA-4984	FC: BCP's were developed for all finance processes, however, none of the flexibilities were triggered. Additionally, close monitoring of BCP is performed on a regular basis to make sure smooth operations	Underway	30-06-2021	PFC
MA-5144	FC: Initiation of 1st Formal closure process for SI	Underway	30-09-2021	PFC
MA-5145	FC: Development and implementation of new budgeting framework	Underway	30-09-2021	PFC
MA-5146	FC: AFC narrative on need to revise OPEX cap for the 2020-2022 period	Underway	30-09-2021	PFC
MA-5147	FC: Development of costing methodology for the new GF strategy	Planned		PFC
MA-4981	Sourcing: Review of the design and operating effectiveness of the Procurement Review Committee.	Underway	30-09-2021	SSC
MA-4982	Sourcing: Sourcing will issue guidance to control and maintain the Preferred Supplier List and the list of Direct Suppliers.	Planned	30-09-2021	SSC
MA-4983	Sourcing: Update of Procurement Procedures.	Underway	30-09-2021	SSC
MA-5027	FX: Fully automated dashboard in Tableau to monitor net FX exposure, including Bloomberg VAR calculation. The project is in production, being verified and running in parallel to existing model.	Underway	30-06-2022	Treasury
MA-5009	Admin: Amendment of sublease contract to align with the recently approved Operational Governance Framework.	Underway	31-03-2021	Admin

16 - Integrated Grant Policies, Processes, Systems & Data		Risk owner: GMD-GPS		2020-Q4		Approved by MEC		
Risk Description	Lack of integrated policies, processes, systems and data to manage programs throughout the grant life cycle.							
Assessment	<p>Risk Impact: Weaknesses in grant and risk management, inefficiency and high transaction costs in managing grants, and weakened internal controls.</p> <p>Adaptations to existing controls and planned mitigations: Crisis response requires quick turnaround on development of revised/new procedures, mechanisms (C19RM) and exceptions (flexibilities) and consequently requires careful implementation, support and oversight, thus distracting a significant part of OE/GPS resources from planned activities. As of Q4 2020, the following have been developed and issued: - Operational flexibilities covering grant life cycle processes as part of Business Contingency Planning (valid until 31 March 2021 and may be extended); - Guidance on use of savings/reinvestment of grant funds for COVID-19 (valid until IP end date for grants financed under the 2017-2019 allocation); C19RM Operational Procedures (valid until 30 June 2021 and work is ongoing for the second phase of C19RM). These new flexibilities and C19RM activities went through the appropriate levels of scrutiny and robust approval processes. Change management both for operationalizing flexibilities/mechanisms and reversing them back when Global Fund reverts to normal operations is and will be carefully managed and requires continued adequate resourcing as well.</p> <p>Outlook for the next 6-12 months: Work on operational launches and process improvements continued albeit with adjustments to scope and timelines due to COVID-19 and other challenges. COVID-19 will continue to have an impact on this risk in 2021. The near-term impact is expected to be 'Moderate'</p>							
	Change since last quarter	No change	Current direction of travel	Steady	Global Fund ability to mitigate	Significant		
	Residual Risk	Moderate	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
Key Countries	N/A							
Root Cause						Related Action		
Limited assessment of the operational feasibility and implications of Board-approved policies.						MA-5032		
Limited internal capacity to assess and implement changes to grant management systems resulting from new business requirements.						MA-5028 MA-5032		
Frequent changes to processes that limit the Secretariat's ability to maintain up to date policies, procedures systems and data.						MA-5031 MA-5032		
Nascent change control structures to identify and manage interdependencies between systems, processes and data.						MA-5031		
Limited monitoring of business process controls.						MA-5029 MA-5033		
Lack of standards and guidance on data management, and limited data availability.						MA-5030 MA-5034		
Current controls & mitigations						Assurances		
MA-5028	Most processes throughout the grant lifecycle have been automated and integrated in the Grant Operating System (GOS), including Funding Request, Grant Making, Grant Implementation (incl. PR reporting), Annual Funding Decisions & Disbursements, Grant Revisions and Grant Closures. Cross-functional modules such as Master Data, Differentiation, TPR & GAC events management and Risk Management are included as well. Integrated Files Handling is deployed as part of every new launch (currently available for Funding Request and Grant Making GOS modules).					Monitoring of business process controls		
MA-5029	Exception reporting for monitoring of select key business process performance.					OIG audits		
MA-5030	Data Governance Committee established, and program of work agreed, to review and implement improvements to the Secretariat's approach to data management.							
MA-5031	Creation of four permanent Specialists OE positions to help identify and manage interdependencies between systems, processes, policies and data.							
MA-5032	Implementation of the Operational Launch Planning (inclusive of proposed changes reviewed by the Operational Change Group) enhancing the Secretariat's ability to maintain up to date processes, systems and data.							
						Overall Status	Risk mitigation is progressing but there are also some material delays.	
Controls & mitigations in development or planned						Status	Target completion	Action owner
MA-5033	Development of a comprehensive suite of dashboards for monitoring performance: programmatic, financial, operational and effectiveness of processes. (All DnA dashboards have been built and rolled out except for the Funding Request and Grant-making dashboard, which have been largely rolled-out, but will undergo final enhancements)					Underway	01-06-2021	IT
MA-5034	Implementation of the Data Governance Program, currently focused on developing data lifecycle regulations.					Underway	30-04-2021	IT

17 - Risk Management & Internal Controls		Risk owner: Risk		2020-Q4		Approved by MEC	
Risk Description	Weaknesses in identification of key risks, corresponding controls, assessment of impact, and prioritization and monitoring of controls and mitigating actions for both grant-facing and internal risks.						
Assessment	<p>Risk Impact: Divergent understanding of risks leading to ambiguity in accepting or managing risks, and inconsistency of responses across the first and second lines of defense. Inadequate risk management and internal control gaps resulting in the Global Fund not meeting its objectives.</p> <p>Adaptations to existing controls and planned mitigations: - As part of the Business Contingency Plans (BCP), certain ongoing activities to strengthen risk management across grant life cycle were reprioritized. BCPs on assurance activities, review of Funding Requests and grants being signed, and Annual Funding Decisions were prioritized. The country portfolio discussions at the Portfolio Performance Committee or development of detailed Country Risk Management Memoranda and monitoring status of implementation of Key Mitigating Actions were put on hold from Q2-2020 and planned to be reinitiated from Q2 2021 . - Adjustments were made to the plan for Key Business Process Reviews and to monitoring and reporting organizational risks (Organizational Risk Register) with no major impact. - Delays are noted in the execution of planned key mitigating actions to address key country portfolio risks, Secretariat led review of the effectiveness of internal controls and assurance arrangements with iNGOs, or 2nd line oversight function as part of overall efforts to strengthen risk management. While delays are experienced, most planned mitigation actions are still progressing and there are no major shifts in deadlines.</p> <p>Outlook for the next 6-12 months: The Global Fund partnership is operating in a new environment. Therefore, whilst the Secretariat has an effective and comprehensive risk management framework in place, changes are required to risk management tools and approaches. The direction of travel is increasing. However, we expect the risk level to remain at moderate for the next 6 to 12 months.</p>						
Change since last quarter	No change	Current direction of travel	Increasing	Global Fund ability to mitigate	Significant		
Residual Risk	Moderate	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
Key Countries	N/A						
Root Cause							Related Action
	Risk management not adequately embedded into Global Fund operations, and decision-making processes						MA-5036 MA-5038 MA-5045 MA-5047 MA-5050 MA-5052
	Variable understanding of risk management responsibilities across the first two lines of defense						MA-5036 MA-5053
	Limited operationalization of key policies, processes and tools						MA-5037
	Inadequate implementation and follow up of prioritized risk mitigations, and quality and timely assurances						MA-5038 MA-5042
	Lack/non-use of standardized risk approaches and tools for decision making and risk acceptance						MA-5038 MA-5039 MA-5040 MA-5046 MA-5049
	Rapid change of the external and internal operating environment resulting in the need to continually evolve risk management tools and processes and simultaneously adapt second line oversight over changing operations and new Secretariat activities introduced in response to COVID-19.						MA-5214 MA-5215 MA-5212 MA-5035
	Reduced cooperation between the second line oversight and first line of defense. In-country disruptions, especially travel restrictions, are also contributing to delays or inability to undertake planned assurance activities.						MA-5215 MA-5212
	De-prioritization of certain risk management activities to free capacity to design and implement activities for second line assurance over modified or new Secretariat activities.						MA-5212 MA-5035
	Weakness in the control environment including inadequate standards, processes and structures that provide the basis for internal controls.						MA-5127 MA-5128 MA-5140 MA-5139 MA-5142 MA-5141
Current controls & mitigations							Assurances
MA-5035	Secretariat developed Business Contingency Plans for 52 Global Fund processes. BCPs allow an informed and graded risk-based response to the various scenarios of disruptions, with defined flexibilities across processes including delivery of grants and standards of assurance across various defined scenarios of disruptions. These are being monitoring every quarter.						Chief Risk Officer's Annual Opinion and Semi-Annual Risk Management Report
MA-5036	Proactive risk management across the grant life cycle, with clear roles and responsibilities of the first and second lines of defense with respect to differentiated risk assessments for High Impact, Core and Focused portfolios, risk identification, prioritization and mitigation, capacity assessments, comprehensive assurance planning and monitoring, in-country validation and reporting, and related activities.						OIG Annual Report and Opinion on Governance, Risk Management and Internal Controls of the Global Fund
MA-5037	Use of Integrated Risk Management module to facilitate improved and streamlined risk identification/planning of mitigations, assurances and follow up						Integrated Risk Module
MA-5038	Portfolio Performance Committee driving greater focus on key risks and mitigations linked to objectives in prioritized countries. Use of Country Risk Management Memorandum to facilitate structured approach to risk trade-offs and risk acceptance with a focus on key mitigating and assurance actions for Core and High Impact portfolios.						Organizational Risk Register
MA-5039	Ongoing application of CoE flexibilities to improve program delivery in contexts with high external risks.						
MA-5040	Active risk management undertaken by Secretariat business units through selected use of departmental risk registers to structure risk assessment and mitigation, and exception reporting for monitoring of select key business process controls.						
MA-5045	Ongoing risk oversight of funding requests, grant-making and approvals, and annual funding decisions and disbursements to ensure effective embedding of risk management across the grant lifecycle.						
MA-5046	Ongoing Global Risk Owner engagement in risk rating validations using outcome indicators, prioritization of mitigation actions and assurance to ensure improved alignment across second line of defense functions.						
MA-5047	Matured Enterprise Risk Committee process driving improvement in managing key organizational risks with greater focus on mitigating actions and ensuring linkages with strategic goals.						
MA-5048	Finance and Controlling risk monitoring, management and exception reporting for key external and internal controls, to strengthen the control environment through an active feedback loop focused on improvement.						
MA-5049	Risk measurement framework in place to ensure standardized and objective risk assessment across the portfolio and to facilitate ongoing Risk Appetite-based decision making for 9 key organizational risks.						
MA-5213	Secretariat developed and rolled out the COVID-19 Country Monitoring Survey to allow timely assessment of in-country disruption levels as a result of the pandemic. The survey is based on in-country stakeholder views collected by the Local Fund Agent every two weeks and on key service delivery indicators every quarter. The survey findings provide timely insight into disruptions across the Global Fund portfolio and are used to enable and inform the Secretariat actions.						
MA-5214	Process is developed for review and approval of additional funding through the COVID-19 Response Mechanism(C19RM). The award is considered at appropriate management level by the Investment Approval Committee and the approval process includes articulation of any risk acceptance decisions. In addition, an end to end deep dive of the process was undertaken to assess control gaps and inform process enhancements.						

MA-5127	Implement improvement action plans to strengthen internal controls in line with the COSO framework for key business processes.	
MA-5139	Performance & Accountability framework, including Business Process Model, in place to drive process performance and accountability across the Secretariat, with clear roles and responsibilities, decision-making authorities, and key controls. Routine monitoring of process efficiency and effectiveness metrics through reporting to Management Executive Committee.	
MA-5140	Active risk management undertaken by Secretariat business units through selected use of departmental risk registers to structure risk assessment and mitigation, and exception reporting for monitoring of select key business process controls	
MA-5142	Control monitoring, including exception reporting and handling for selected key controls, to strengthen the control environment through an active feedback loop focused on improvement.	

Overall Status

Risk mitigation is on track. There are no material delays.

Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-5042	Routine monitoring of key mitigating actions and assurance activities to drive greater progress and completion.	Underway	31-12-2021	GMD
MA-5050	Conduct review of key risks and effectiveness of key mitigation measures, internal controls and assurance arrangements with international non-governmental organizations by a cross functional team to identify changes needed to strengthen assurance arrangements and/or framework agreements.	Underway	30-06-2021	Risk
MA-5052	Improve coordination, embed risk management and improve internal controls in the Supply Operations Department.	Underway	31-12-2021	SSC
MA-5053	Develop framework and associated policies and procedures for coordination of second line oversight and risk management, to improve consistency and efficiency across all second line functions, based on an assessment of the current state and opportunities for improvement.	Underway	30-06-2021	Risk
MA-5215	The Secretariat is considering adjustments to risk management tools and processes to be applied at the moment it is deemed appropriate to shift from crisis response to the new business as usual, which includes revision to risk ratings, risk appetite, root causes, mitigations and assessment of PR capacity.	Underway	31-12-2021	Risk
MA-5128	Completion of new and/or updated Key Business Process Reviews to assess the system of internal controls for prioritized processes in line with business needs and operational launch planning for the grant lifecycle.	Underway	30-12-2021	Risk
MA-5141	Implement action plans to advance maturity of Secretariat business processes to drive process improvement and quality and effectiveness of controls.	Underway	30-12-2021	MEC

18 - Legal		Risk owner: LGD		2020-Q4		Approved by MEC	
Risk Description	1.Contract risk: exposure to counterparty risk and assumption of legal obligations to counterparties. 2.External legal risk: exposure to local laws, regulatory and judicial processes and compliance costs. 3.P&I risk: absence of legal protections vis-à-vis countries where Global Fund is active (e.g. grant management, audits/investigations, procurement, financial transactions) or has assets, including where certain activities may be outside the scope of P&Is granted in certain countries. 4.Internal legal risk: failure to observe Global Fund policies, rules and procedures; inconsistencies and/or overlap among policies, rules and procedures.						
Assessment	<p>Risk Impact:</p> <p>1.Contract risk: business teams' acceptance of terms that provide less protection, oversight and/or assurance of Global Fund resources and interests; authority and enforceability issues; contract obligations inconsistent with Global Fund policies, regulations and procedures.</p> <p>2.External legal risk: compliance costs; potential violation of local laws by Global Fund or implementers; potential inquiry, investigation and/or enforcement by external authority.</p> <p>3.P&I risk: limited ability to protect and maximize impact of Global Fund resources; conduct resource mobilization; protect governance officials and staff; deliver life-saving commodities; protect data and information assets; pursue recoveries.</p> <p>4.Internal legal risk: weak foundation for governance and internal controls; decisions, exceptions and waivers approved by function without authority to do so; transaction inefficiencies; framework not in place for new initiatives/business evolution.</p> <p>Adaptations to existing controls and planned mitigations:</p> <p>1. Contract risk: Grant agreements, COVID-related procurement, contribution agreements, and contracts of strategic importance are prioritized (whether new or amended). Non-urgent grant-related or corporate contracts may be correspondingly de-prioritized in line with key clients' or the Legal and Governance Department's Business Contingency Planning memoranda. Furthermore, COVID may also affect counterparties' ability to negotiate, amend, execute or deliver on their contractual obligations, whether due to restrictions on activities, decreased financial or operational capacity, increased costs, supply chain issues or otherwise. This may increase the potential for contract claims or re-negotiations.</p> <p>External legal risk: Legal anticipates continuing to advise on identified external risks (sanctions) in the ordinary course.</p> <p>3. P&I risk: Negotiation of P&Is in 2020 have been, and in 2021 will continue to be, affected in implementing countries, in order to ensure delivery of core grant-related objectives.</p> <p>4. Internal legal risk: New flexibilities and exceptions introduced as urgent responses to ensure continuity of essential activities, if not appropriately communicated and applied may give rise to weaknesses in internal controls and compliance.</p> <p>Outlook for the next 6-12 months:</p> <p>Mitigating actions include rationalizing C19RM processes considering lessons learnt from 2020, ongoing coordination and monitoring of BCP measures through the PDT and SRT and leveraging procurement services agents' contracts for the procurement of certain COVID-related health products. Additionally, the in-country environment has become increasingly challenging and certain timing and counter-party constraints may make it difficult to enter into, or to fulfil, contractual arrangements as usual. Therefore, Legal has worked with stakeholders to (i) find mechanisms for expedited implementer approvals, (ii) develop modified/simplified forms for agreements, as necessary and (iii) defer due dates for full execution of certain legal agreements. These approaches may increase the level of associated risk. COVID is anticipated to have a 'Low-moderate' impact on Legal risk in the near term.</p>						
Change since last quarter	No change	Current direction of travel	Steady	Global Fund ability to mitigate	Moderate		
Residual Risk	Moderate	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
Key Countries	Contract risk: countries where counterparties are organized and/or active. External legal risk: countries where the Global Fund is active or has assets. P&I risk: There are 21 signatories to the P&I Agreement (of which 13 have ratified or otherwise approved, indicated by *): Afghanistan*, Burkina Faso*, Burundi, Côte d'Ivoire, Eswatini*, Ethiopia*, Gabon, Georgia*, Ghana, Kenya*, Liberia*, Malawi*, Moldova*, Montenegro, Mozambique*, Niger, Rwanda*, Senegal*, Togo*, Uganda*, and Zimbabwe*.						
Root Cause	Contract risk: inconsistent use by business teams of standard terms and templates results in Global Fund accepting legal obligations, incurring compliance costs, and not being entitled to appropriate protections in contracts with grant implementers, suppliers, partners, licensees and other third parties.						Related Action
							MA-5054
	External legal risk: claims against or involving the Global Fund; compliance costs; potential violation of local laws by Global Fund or implementers; potential inquiry, investigation and/or enforcement by external authority.						MA-5056
	P&I risk: limited ability to dismiss claims; protect and maximize impact of Global Fund resources; conduct resource mobilization; protect governance officials and staff; deliver life-saving commodities; protect data and information assets; pursue recoveries.						MA-5057
	Internal legal risk: lack of centralized knowledge management system for Global Fund policies, rules and procedures; decentralized rulemaking, implementation and training/communication; no formal compliance structure.						MA-5058 MA-5060
Current controls & mitigations						Assurances	
MA-5054	Contract risk: Legal advice to business teams on use of Global Fund standard terms and templates; further revision of Delegations of Signature Authority providing for risk-tailored contract clearance (e.g. legal, finance, business, OIG and escalated EGMC / ERC members' review as appropriate); Legal review of BCP flexibilities and updates to rules for procurement contracts.					Legal acts as independent advisor to Board, Committees, Secretariat and OIG on internal policies, rules and procedures	
MA-5056	External legal risk: engagement with Swiss mission on legal status; assertion of P&Is (where available); advice of local counsel in certain areas (where external risks identified); contractual limitations of liability (where standard terms and templates are used); updated guidance on arbitration and governing law provisions; streamlined process to engage external legal advisers; monitoring of sanctions and obtaining licenses (where appropriate); personal data privacy clauses included in grant confirmations and procurement terms and conditions as standard.					Signed and ratified country-specific P&I Agreements. Entry into force of P&I Agreement. P&Is under domestic laws in certain countries	
MA-5057	P&I risk: new PIAG met in July 2019 and GF management agreed on the need to take a prioritized and targeted approach focusing on selected countries. External legal advice on impact of the US Supreme Court's Jam v. IFC decision: as a general matter, the Global Fund's overall exposure to litigation in the U.S. is limited to certain areas even after the Jam decision; however, it is important for business teams to consult with the Legal Department prior to engaging in any planned activity – especially any new initiatives – which may have a connection to the United States. Further leveraging engagement of governance and high-level officials of the GF with heads of States, heads of Governments and Ministers of Foreign Affairs has proved to be highly effective in the past.					Tracking of selected contract deviations presented by business teams; escalation mechanism for acceptance of counterparty contract terms	
MA-5058	Internal legal risk: ED approval of internal Legal Framework and ongoing updates to, and maintenance of, maps of Global Fund policies, rules and procedures; EGMC approval of Operational Policy Framework and Operational Change Group Terms of Reference; Legal clearance of decisions and policies presented to the Board and its standing Committees; embedded Legal Counsels advise CTs; Legal development of policy maps showing currently effective policies, rules and procedures.					Protection of P&Is (where granted) in countries where the Global Fund is active or has assets; legal opinions of local counsel	
						Overall Status	Risk mitigation is on track. There are no material delays.

Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-5060	Internal legal risk: Implementation of clearer documentation and communication of ED decisions and MEC deliberations. Review of delegated authority and potential streamlining of internal governance bodies. Potential revisions to current Terms of Reference contingent upon ED decision and MEC deliberation.	Underway	01-12-2021	Legal

19 - Governance & Oversight		Risk owner: LGD		2020-Q4		Approved by MEC	
Risk Description	Structures and processes to take decisions and conduct oversight, in pursuit of the organization's mission and strategic objectives, are not effective.						
Assessment	<p>Risk Impact: Weaknesses in governance limit Board's ability to provide clear direction, to undertake an effective oversight role, and to take informed, timely and strategic decisions in the best interests of the Global Fund.</p> <p>Adaptations to existing controls and planned mitigations:</p> <ul style="list-style-type: none"> • Overall, Board and Committee Operating Procedures are sufficiently flexible to enable online ways of working for governance continuity and define procedures by which key leadership roles would be filled in the event of a vacancy. Existing controls/ mitigations embedded in the Operating Procedures have therefore not been affected by the crisis. • Flexibilities and contingency approaches for the continuity of governance operations, engagement of constituencies, facilitation of electronic, expedited and urgent decision-making processes, and leadership continuity have been developed. • The approaches to Committee and Board meetings aim to ensure continuity of oversight of core issues under Committee and Board oversight, through verbal exchanges or at a minimum in writing. Board and Committee agendas are prioritized to adapt to the reduced length of meeting in virtual settings. <p>Sustained attention is needed to enable effective delivery of key Board-level priorities and governance activity in a continuing crisis environment. Including:</p> <ul style="list-style-type: none"> • Additional Board and Committee meetings on strategy development. • Additional time and resources to enable inclusive and meaningful engagement of all participants to the Partnership Forums. • Flexibilities in Constituency Funding to support continuous engagement by implementer constituencies. • Continuation of work to adapt governance support functions, tools and technology. • Continuation of governance continuity workstream at EGC and CG level, including focus on communications and trust. • Dedicated workstream to renew attention to simplify and reduce the volume of Board and committee documentation <p>Adjustments made to the Governance Action Plan in 2020. Some planned mitigations delayed such as review of Board composition and review of governance term lengths. The focus will be on ongoing attention to elevating Board discussions and leveraging role of committees; Roles and Responsibilities; and Trust/Culture.</p> <p>Note: the 2020-2021 Governance Performance Assessment will result in a Governance Action Plan v.2.0, which is likely to lead to adjustments to planned mitigating actions. To be defined in Q1-2 2021 and reflected in future Risk Registers.</p> <p>Outlook for the next 6-12 months: The current risk level is 'Moderate', and the direction of travel is increasing. With implementation of new/ modified mitigation measures it is anticipated that the risk level will remain 'Moderate' through the next 12 months.</p>						
Change since last quarter	No change	Current direction of travel	Increasing	Global Fund ability to mitigate	Significant		
Residual Risk	Moderate	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
Key Countries	N/A						
Root Cause							Related Action
Board size, structure and composition in a changing landscape: Global Fund governance structure, composition and operations remain largely unchanged since its inception despite significant changes in global health architecture							MA-5066 MA-5078
Managing Board-related conflicts of interest							MA-5067
Elevate Board Discussions & Leverage the role of committees: Challenges in aligning Board and committee agendas, linked to strategic objectives and work-plan or other pressing priorities, at the appropriate level for discussion and decision making for the governing bodies. Need for alignment on management of cross cutting issues by the Board, its leadership, Coordinating Group and Committees. Large volume of information hampers oversight and decision making							MA-5068 MA-5070 MA-5071 MA-5074 MA-5218 MA-5217
Trust and accountability: Instances of lack of trust between Board, Committees and Secretariat may lead to a culture of over-consultation, insufficient delegation, large volume of information and a resulting lack of focus on strategic issues and hampering of oversight and decision-making processes. Lack of clarity around roles and responsibilities.							MA-5070 MA-5219
Continuity & Institutional Memory: Term lengths for Board Leadership and Committee members require frequent, resource-intensive selection processes, resulting in governance burden, and challenges to continuity. Committee selection processes have historically faced perceived or actual challenges around balanced representation, transparency, candidate pools, diversity, technical skills and procedural clarity.							MA-5062 MA-5065 MA-5076
Constituency engagement: Inconsistent levels of engagement by Board constituencies, including differing levels of capacity to engage							MA-5069 MA-5072 MA-5075
Governance continuity in crisis setting: COVID-19 impacts on usual ways of working and requires the Board and committees to adapt to ensure governance continuity, delivery of key governance priorities, and consideration of exceptional decisions. Risk of reduced engagement or increased membership turnover due to capacity constraints. Virtual environment impacts on efficiency and trust.							MA-5064 MA-5216
Overarching: Assessment of Governance Performance							MA-5221 MA-5220
Current controls & mitigations						Assurances	
MA-5064	<ul style="list-style-type: none"> - BCOP define procedures for delegation of authority and provide for how key leadership roles would be filled in the event of a vacancy. - Flexibilities and contingency approaches developed for the continuity of governance operations, engagement of constituencies, and leadership continuity. - Expedited decision-making processes for the adoption of urgent decisions required to enable the COVID-19 response and safeguard the GF mission, with ongoing transparent and regular reporting. - Adapted processes to enable governance priorities to continue in virtual environment (Partnership Forums, IG selection process, etc.) 					Governance Performance Assessment Framework (external review of Board, Board leadership and Committee performance)	
MA-5065	Strengthened Committee Selection Process reflecting several best practice principles adopted by the Board, adopted in 2019 and implemented successfully, with enhanced attention to skills and competencies in the selection of committee members						
MA-5066	Additional Public Donors Constituency allows routes for additional donors. Revised Donor Group Framework provides routes for voluntary and guaranteed integration of additional donors into the voting donor constituencies of the Board. Board Leadership role to support resource mobilization efforts.						
MA-5067	<ul style="list-style-type: none"> - Ethics and Integrity Framework and Code of Conduct for Governance Officials guides behaviors in decision-making. - Ethics training is part of standard onboarding of Governance Officials. - Updates to Codes of Conduct to reflect (1) key findings from the Governance Culture initiative (2020) and (2) international standards on SEAH (Feb 2021) - Routine annual Declarations of Interest. 						

MA-5068	Criteria for agenda development and work planning in place for Board and committees. Strategic agenda setting is a focus of the CG and Board Leadership. Continuous attention to leveraging the role of committees to enable strategic discussions at Board level.	
MA-5069	- Onboarding Framework endorsed by EGC in 2018 and now in routine implementation for Board and committees. - Onboarding program for Board leadership and Committee leadership. - Governance Team offers dedicated on-boarding and ongoing advisory support to constituencies.	
MA-5071	Board documents adapted to focus on strategic input needed for decision making. Secretariat writers trained in writing for Board. Enhanced quality assurance by Legal and Governance Department.	
MA-5072	- Updated Constituency Management Guidelines endorsed by EGC and issued to Board, providing best practice guidance on constituency management (Mar 2019). - Guidance Note for Constituency Dispute Resolution endorsed by EGC (March 2018) (provides guidance and an escalation mechanism in case of dispute within a constituency). - Support to constituencies on routine review and continuous improvement of internal practices, in line with new Constituency Management Guidelines.	
MA-5074	- Strengthened role of Coordinating Group, facilitating coordination between the Board and the committees on cross-cutting issues. - Risk Management as is a standing item on Board and committee agendas. at committees and Board. - Lead committees identified on cross-cutting matters (including Risk Management, KPIs).	
MA-5075	Funding provided to Implementer Constituencies to support their effective engagement at the governance level, with increased funding envelope approved by EGC for next 3-year cycle (2020-2022).	
MA-5084	Governance culture initiative initiated by EGC; action plan developed for EGC to take forward.	
MA-5218	Board/Committee and Secretariat Leadership consultations to ensure 2021 meetings are strategically focused, with (1) prioritized work plans and agendas; (2) effective documentation; (3) management of cross-cutting matters; and (4) effective consultation and information-sharing	
MA-5220	- Revised Governance Performance Assessment Framework adopted by the Board in Q3 2019 and implemented to routinely assess governance effectiveness. - Implementation of Governance Action Plan, which defines a suite of governance-strengthening initiatives, and serves as a monitoring and accountability tool.	

Overall Status

Risk mitigation is on track. There are no material delays.

Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-5062	Planned consideration at EGC of governance term lengths, in line with strategic cycles and priorities, and principles of balance, continuity and renewal	Underway	31-12-2021	Legal
MA-5070	Placeholder: 2020 Governance Performance Assessment recommendations to be considered.	Planned	31-12-2021	Legal
MA-5078	Discussion at EGC/Board of observations and recommendations regarding Board size and composition. To be informed by the 2020-2021 Governance Performance Assessment.	Planned	31-12-2021	Legal
MA-5216	Ongoing Governance Continuity initiatives by Governance Team, with EGC and CG, focused on governance effectiveness in context of virtual working modalities (tools communications, streamlining agendas, enabling engagement and trust, adapting modalities for engagement on priority work streams).	Underway	31-12-2021	Legal
MA-5217	- Renewed attention to concise documentation, more prominently leveraging the role of the committees. - Dedicated governance staff to continuous improvement, streamlining, and simplification, as well as alternative methods of information-sharing (e.g. Financial Dashboard 2021)	Underway	31-12-2021	Legal
MA-5219	Implementation of workstreams on Trust and Roles and Responsibilities, including review of committee mandates for clarity of roles, to avoid overlap, and to ensure appropriate levels of delegation from Board to committees.	Planned	31-12-2021	Legal
MA-5221	Note: Governance Action Plan v.2.0 to be developed in Q1-2 2021, in response to 2020-2021 Governance Performance Assessment. Anticipate subsequent review of Governance Risk Register and planned mitigations across categories below.	Planned	31-12-2021	Legal

21 - Workforce Capacity, Efficiency & Wellbeing		Risk owner: HR		2020-Q4		Approved by MEC	
Risk Description	Lack of work planning and resource prioritization, over commitment at Division / Department level, inefficient business processes and in some cases supervisory weakness, create conflicting priorities, workload pressures and have a negative impact on staff health and wellbeing.						
Assessment	<p>Risk Impact: Unable to deliver on organizational objectives because of inadequate work planning, inadequate prioritization, process inefficiency, and poor staff management. This results in some employees being overstretched, which has a negative impact on the ability of the organization to deliver on its objectives and, in some cases, a negative impact on personal well-being and the well-being of team members, who are required to take on additional work.</p> <p>Adaptations to existing controls and planned mitigations: - As most mitigation activities are already embedded in business-as-usual processes they were only moderately impacted by the crisis and effort was made to compensate this with crisis response measures. A lot of activities shifted online, such as virtual hiring and onboarding of employees, learning and development workshops shifted to online format and the attendance slightly dropped due to overall Secretariat workload. - While no processes were de-prioritized and alternatives have been deployed as required, a couple of projects were deprioritized, such as, Workforce planning, and Organizational culture.</p> <p>Outlook for the next 6-12 months: The current risk level is 'Moderate', and the direction of travel is increasing. While many new mitigating actions have been implemented to address the new drivers caused by COVID-19 crisis, the risk level is anticipated to be at the top end of 'Moderate' and may increase to 'High' in the next 6-12 months due to increased need for corporate planning in a volatile environment. The desired effect of investment in building manager and employee capability may be delayed due to increased workload and changes in the teams (surge capacity). Similarly, HR will need to balance increasing complexity of international recruitment (due to travel restrictions) with equally urgent need to secure surge resources. Work is ongoing to map and address regulatory and management implications of remote working which is likely to be more prevalent than in the pre-crisis period. Finally, there is still an increased organizational risk from staff burn-out and productivity loss due to the COVID-19 impact and tensions between managing workload, increased work and home demands, along with family and health constraints. This is being closely monitored and managers and staff are supported to actively address work-life balance as the situation moves from crisis to what will be the new operating environment in the longer term.</p>						
Change since last quarter	No change	Current direction of travel	Increasing	Global Fund ability to mitigate	Significant		
Residual Risk	Moderate	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
Key Countries	N/A						
Root Cause							Related Action
Possibility of delays in long-term activities planned due to reduced capacity of Secretariat, as teams are engaged in crisis response and take on additional activities.							MA-5126 MA-5131 MA-5133
Overly ambitious workplans, lack of work prioritization and inability to plan resources (Human and Financial) have led to uneven, ad hoc and unsustainable workloads.							MA-5111
Inefficient business processes driving down productivity.							MA-5122
Inadequate people management capability to drive performance and support talent development.							MA-5114 MA-5118
Lack of alignment between performance management, rewards strategy, target culture and targeted efficiency levels.							MA-5119 MA-5124
Significant organizational change and shifting priorities, in combination with a lack of staff resilience, leading to change fatigue and loss of motivation / engagement.							MA-5113 MA-5115 MA-5116 MA-5117 MA-5120 MA-5125
Budgetary pressures combined with an ambitious Strategy and implementation plan.							MA-5123
Changing restrictions by the Swiss and neighboring governments impacting the business continuity of the Global Fund.							MA-5131 MA-5132 MA-5133 MA-5134
Increased risk of staff burnout and productivity loss due to COVID-19 impact on employees or their family members; employees not taking time to rest, shift to home working including need to balance family needs at times when no childcare was available; lack of daily face-to-face interaction with colleagues and blurring between home and work - all combined with increased workload due to grant making year and additional activities introduced in response to the COVID-19 pandemic.							MA-5132 MA-5133 MA-5134 MA-5135 MA-5136
Current controls & mitigations							Assurances
MA-5111	Integrated organizational planning and workforce planning for 2021 was conducted encompassing, organizational priorities, aligned workforce requirements and budget requirements.						OIG functional Audit
MA-5113	Implementation of annual wellness strategy inclusive of Workday manager dashboard launch providing managers with an effective tool for managing their teams / departments / divisions.						Staff Council and OHS provider
MA-5114	Manager and employee capability development programs aligned to organization strategy and needs have been articulated and being delivered as part of Learning and Leadership Development Strategic Initiative.						Reporting on medical leaves
MA-5115	Targeted team interventions to proactively tackle staff wellbeing issues.						
MA-5116	Occupational Health Advisor facilitating return to work in cases of long-term absence.						
MA-5117	Ombudsman, Staff Council and Staff Counsellor in place for staff support.						
MA-5118	Delivering capability development training to managers on the Global Fund leadership profile.						
MA-5119	Total rewards review was implemented in 2019 and launched in January of 2021 for all employees. The rewards philosophy has been articulated reflecting aspects of our aspirational cultural values.						
MA-5120	As part of workforce planning 2020, additional surge capacity allocated to department, mostly linked to grant making.						
MA-5122	Performance and Accountability reporting done on quarterly basis focusing on areas for efficiency / effectiveness.						
MA-5124	New performance & development cycle implemented as well as the recognition framework						
MA-5132	A Business Contingency Plan developed for the Human Resources function which includes risk-based plans for de-prioritization of activities in key processes based on possible levels of disruption. This ensures key activities in the HR processes (e.g. recruitment, payroll, employee relations, performance and development) will take place and support the organization even in crisis.						
MA-5133	A dedicated governance structure has been set up to manage the crisis, including a Situation Response Team (SRT) that has regularly throughout the crisis to allow rapid decision making in alignment with the Global Health Campus (GHC) Partners. The SRT also set up dedicated cross functional working groups responsible for promptly crafting and operationalizing COVID-19 related policy changes, across core Global Fund operations and critical enabling functions.						
MA-5136	Annual leave has been proactively managed through an extension of the annual leave period until January 2021 for employees to consume their 2020 leave balance and employees taking leave encashment of up to a maximum of 7.5 days in November 2020.						
						Overall Status	Risk mitigation is on track. There are no material delays.

Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-5123	To support operational workforce planning, position management is under implementation. Incremental implementation of workforce planning processes (Strategic) is planned to ensure manager capability development and organizational readiness.	Underway	31-12-2021	HR
MA-5125	Organizational Change Management: Training to strengthen organizational internal capability to plan, drive and adopt change effectively being offered to employees.	Underway	31-12-2021	HR
MA-5126	Continued monitoring of workforce needs across the organization, with redeployment or, if required, recruitment of resources being done to meet the business needs. Continue to work on identifying and addressing legal and tax implications for employees working from other countries. As well as assess risks for pension funds, social security, contributions when onboarding people outside of Switzerland.	Underway	31-12-2021	HR
MA-5131	Along with the GHC Partners, the Secretariat liaised with relevant Swiss authorities and adapted its response to the Swiss government guidance and regulations (e.g. mandatory working from home, travel cancellation) keeping the staff always informed.	Underway	31-12-2021	HR
MA-5134	Regular two-way communication is in place: regular (and well-attended) Townhalls were held throughout the crisis and managers are encouraged to proactively reach out to their teams to compensate for lack of interaction at workplace. Similarly, employees have been regularly responding to a quick pulse survey on their capacity, ability to cope with the disruption and their expectations from management.	Underway	31-12-2021	HR
MA-5135	Activities to support wellbeing such as increased Staff Counsellor hours and panel discussions for mental health support were introduced.	Underway	31-12-2021	HR

