

# **Risk Management Report and Chief Risk Officer's Annual Opinion**

## **49<sup>th</sup> Board Meeting**

GF/B49/16

10 – 11 May 2023, Ha Noi, Viet Nam

### **For Board Information**

Purpose: To provide the Board with an update on the status of the organizations' risk profile, risk management framework, and risk management priorities for 2023, and the annual opinion of the Chief Risk Officer.

# Executive Summary

## Context

There have been two persistent themes throughout 2022: volatility and resilience. The volatility that has characterized the past three years continues. There is a looming global recession, a cost-of-living crisis in many countries, disasters linked to climate change, Russia's ongoing invasion of Ukraine, and conflict, political instability and security threats in a number of countries. However, there is a counterpoint to this worrying outlook, which is the resilience which HIV, Tuberculosis (TB) and malaria (HTM) programs have shown.

Despite the success of programs, the bar is once again being raised in 2023 with the start of the 2023-2028 Global Fund Strategy. Operational pressures on implementers and the Secretariat are also going to be significant in 2023 and the need to effectively prioritize and set realistic milestones and objectives will be more important than ever before. Effective risk management is going to be pivotal to ensure risks are being promptly identified and either contained or mitigated.

## Questions this paper addresses

**External risks impacting the Global Fund's risk profile:** There are a range of external risks which are impacting the Global Fund's risk profile. The nature of these risks means that the Global Fund has limited ability to mitigate their root causes. However, the Secretariat is taking steps, where possible, to mitigate their impact on Global Fund supported programs and its operations.

**Overarching risks to the implementation of the 2023-2028 Strategy:** There are a number of overarching risks to the implementation of the new Strategy including managing the complex but critical investments needed in resilient and sustainable systems for health, implementer capacity and executing C19RM in a volatile environment.

**Impact of global risk events on risk levels relative to risk appetite:** In response to COVID-19 related disruption and the ongoing volatility of the Global Fund's operating environment, a range of measures were implemented. Internally processes, systems and tools were updated to realign with the new context and to enable the organization to switch into crisis-management mode. In-country program adaptations have been introduced alongside new and expanded assurance activities. Despite all these measures, the level of volatility being seen globally has meant that the trajectories for certain risks have not reduced in line with expectations or are increasing.

The target timeframe agreed by the Board for reducing the TB Program Quality risk to High by the end of December 2023 has been met before time, and the M&E risk reached Moderate in line with the target timeframe of the end of December 2022. However, the malaria risk is on the cusp of Very High and the target risk timeframes for the Procurement, Grant-Related Fraud & Fiduciary, and Accounting & Financial Reporting by Countries risks have not been met.

**Recommendations to amend risk appetite statements (refer to [GF/B49/04: Recommendation on adjustments to Risk Appetite](#), for a more detailed discussion):** Following a bottom-up analysis the Secretariat is recommending adjustments to risk appetite for two risks, and extensions to target risk timeframes for three risks:

- i. **TB Program Quality** – risk appetite to be reduced from Very High to High, and the timeframe for reaching a Moderate risk level to be maintained as June 2025.

- ii. **Malaria Program Quality** – risk appetite to be increased from High to Very High, and the timeframes for reducing risk levels back to High and then Moderate to be presented to the Committees in the coming months and submitted for approval at the November 2023 Board meeting.
- iii. **Procurement** – timeframe for reaching a Moderate risk level to be extended by 18 months from December 2022 to June 2024;
- iv. **Grant Related Fraud and Fiduciary** - timeframe for reaching a Moderate risk level to be extended by 18 months from December 2022 to June 2024; and
- v. **Accounting and Financial Reporting by Countries** – timeframe for reaching a Moderate risk level to be extended by 12 months from December 2022 to December 2023.

The Report also provides an **overview of key thematic risks** and summarizes **risk management priorities for 2023**, which include focusing on emerging risks, continued maturation of the second line of defense, enhancements to risk management tools and strengthening monitoring and oversight.

### **Chief Risk Officer's Annual Opinion**

The events of recent years have created many challenges. Responding to these challenges has demanded rapid adjustments to the Global Fund's risk management approach to ensure it remains aligned to the current operating context and fit for purpose. Enhancements made to different internal processes, systems and tools both in response to the COVID-19 emergency and delivering on C19RM, and as part of continuous improvement initiatives, mean that the Global Fund's risk management has further matured.

Despite this progress there is still further work needed to ensure the organization keeps pace with the rapidly changing operational context and that any areas that may be lagging behind from a maturity perspective are prioritized.

2023 will be an extremely challenging year with many competing priorities that need to be delivered against an operating environment that remains volatile and a continually evolving risk landscape. Risk trajectories and the organization's risk profile are not expected to stabilize for at least the next twelve months, and whilst HTM programmatic results have rebounded and are moving in the right direction, the Malaria Program Quality risk is increasing and may exceed the current risk appetite which must be closely monitored. Adaptations will be needed to ensure program operations can be maintained in even in contexts where there are political and security threats, and to actively address biological threats due to drug and insecticide resistance.

In a volatile and resource-constrained environment difficult but informed risk trade-off decisions will need to be made. The organization needs to leverage the relevant data and tools, including risk appetite, at its disposal to enable this to happen.

# Risk Management Report

## Background

1. There have been two persistent themes throughout 2022: volatility and resilience. The volatility that has characterized the past three years continues. There is a looming global recession, a cost-of-living crisis in many countries, disasters linked to climate change, Russia's ongoing invasion of Ukraine, and conflict, political instability and security threats in a number of countries. However, there is a counterpoint to this worrying outlook, which is the resilience which HIV, Tuberculosis (TB) and malaria (HTM) programs have shown.
2. Countries and implementers, along with the Global Fund partnership, have risen to the challenge time and again to ensure the continuity of programs, resulting in lives saved and deaths averted. The [2022 Results Report](#) demonstrates this resilience: HIV testing services for groups in greatest need recovered in 2021; approaches to identify and treat more "missing" people with TB have been accelerated; and, malaria programs have recovered from previous declines, with testing and treatment now registering gains.
3. Despite the success of programs, the bar is once again being raised in 2023 with the start of the new 2023-2028 Strategy. The Strategy places an increased focus on resilient and sustainable systems for health, as well as pandemic preparedness and response, which will demand more complex interventions. Further, whilst the recent Seventh Replenishment can be considered a success, particularly given fiscal pressures on donor countries, resources compared to the level of ambition will be constrained during the strategy period. This will require the partnership to find innovative solutions, which will inevitably involve risk trade-offs.
4. Operational pressures on implementers and the Secretariat are also going to be significant in 2023. In addition to the broader contextual challenges facing many implementers, 2023 also brings the combined pressures of continuing to implement in the final year of the Sixth Replenishment Grant Cycle (GC6), grant-making for the Seventh Replenishment Grant Cycle (GC7), and implementing the extension to the COVID-19 Response Mechanism (C19RM).
5. The need to effectively prioritize and set realistic milestones and objectives will be more important than ever before. Effective risk management is going to be pivotal to ensure risks are being promptly identified and either contained or mitigated, and that informed risk trade-off decisions are being made. The fact that risk management is already embedded into the Global Fund's business processes and operating model ensures there is a strong foundation. Nonetheless, continuing to strengthen the second line of defense and ensuring tailored and targeted monitoring and oversight supported by the right systems, tools and processes, must be a priority for 2023.

## External risks impacting the Global Fund's risk profile

6. There are a range of external risks which are impacting the Global Fund's risk profile. The nature of these risks means that the Global Fund has limited ability to mitigate their root causes. However, the Secretariat is taking steps, where possible, to mitigate their impact on Global Fund supported programs and its operations.

### Russia's invasion of Ukraine

7. Russia's ongoing invasion of Ukraine has far-reaching implications. Globally, the impact on energy costs, food security and the economy is pushing already vulnerable populations further into poverty, and negatively impacting the ability of implementing governments to maintain investments in health

programs and of donor governments to support previous levels of official development assistance (ODA).

8. At a national level, millions have been displaced and parts of the country have become difficult to reach. Nonetheless, the valiant efforts of the Ukrainian people, civil society and health service providers has meant that despite the immense challenges, services continue to be provided to the millions in need of treatment and preventative services. The Global Fund's Emergency Fund and C19RM have helped facilitate adaptations to respond to the evolving context.

#### Health finance and macroeconomic risk

9. Domestic financing is critical to achieving Global Fund strategy targets. As per the [Investment Case for GC7](#), domestic financing is projected to be the major source of funding for Global Fund supported programs, with 45% of funding needs across the portfolio anticipated to be met by country resources. However, macro-economic and fiscal constraints in implementing countries, exacerbated by the pandemic, present severe challenges.
10. The World Bank's latest Global Economic Prospects report (Jan 2023) indicates global growth is slowing sharply. Given fragile economic conditions, any new adverse development could push the global economy into recession.
11. The high level of public debt in a context of rising global interest rates and slow growth will further complicate the health-financing picture for many countries. In GC6, a significant material risk that co-financing commitments would not be realized was identified for 28% of disease components, during the grant approval process.
12. Embedding the domestic health financing risk into Global Fund risk management processes will enable more proactive risk identification and management.

#### Political instability and security risk

13. Beyond Ukraine, communities in other Global Fund supported countries are also suffering the often devastating impacts of political instability and security risks. In 2022, the External Risk Index showed a slight upward shift and a worsening risk rating for ten countries, with five now falling into the Very High or High risk categories.
14. A key means of ensuring program continuity in these challenging operating environments is through differentiated approaches tailored to the country-specific context. Country Teams also closely monitor evolving political situations to ensure the Secretariat has early warning of, and can quickly respond to, further or emerging signs of de-stabilization in any given country.

#### Climate change

15. The risks associated with frequent and extreme weather events are increasing, negatively impacting food and water security, health infrastructure and leading to changes in disease transmission patterns.
16. The Global Fund's Strategy recognizes the need to take a holistic approach to addressing the negative impacts of climate change with a renewed focus on adapting to climate change through investments in health systems strengthening. The Strategy commits to maximizing the engagement and leadership of communities to support sustainable approaches to delivering health outcomes, especially for the most marginalized and vulnerable communities in society.

## Overarching risks to the implementation of the 2023-2028 Strategy

### Resilient and Sustainable Systems for Health (RSSH)

17. COVID-19 has tested the resilience of countries to respond to and actively mitigate the impact of the pandemic on essential health services. Some of the key factors contributing to effective mitigation of the impact of COVID-19 include health workforce capacity, especially of community health service delivery, Health Management Information Systems (HMIS) and surveillance, laboratory systems, and supply chain functionality and last-mile delivery.
18. However, the pandemic has also exposed critical gaps including management of acute respiratory care, effective infection prevention control (IPC) and access to waste management systems to dispose of bio-medical wastes.
19. As countries aim for Universal Health Coverage, countries and partners must build on and consider institutionalizing public health standards to periodically assess the maturity of systems and collect data on essential health service availability and functionality. Governments and partners must also build on the active engagement of formal and informal community healthcare workers and community based and led organizations in service delivery.

### Implementer capacity and bandwidth

20. 2023 is going to put considerable strain on the bandwidth of implementers. The majority of GC6 grants, approximately 180, are moving into their final year of implementation and are expected to submit funding requests and negotiate grants for GC7. Over US\$3.7 billion is anticipated to be disbursed across the portfolio and US\$9 billion of allocations awarded and signed. In addition, implementers will also need to integrate funds awarded through portfolio optimization for C19RM and re-profile reinvestments for the C19RM extension. The Secretariat is exploring options to integrate funds awarded through the World Bank's [Financial Intermediary Fund for Pandemic Prevention, Preparedness and Response](#) into selected Global Fund grants, subject to relevant policy approvals.
21. Significant effort is being directed within the Secretariat to help maximize the efficiency and effectiveness of the processes associated with grant-making and grant revisions, and towards providing implementers with the support and guidance that they need to navigate these different priorities. Nonetheless, the pace and volume of work is considerable and creates a risk that the ability of implementers to deliver on programmatic priorities for the final year of GC6 could be negatively impacted.

### Executing C19RM in a volatile environment

22. C19RM has proven to be agile in responding to the changing nature of the pandemic and to shifting funding needs, issuing updated guidelines to streamline operations, driving reinvestment and launching portfolio optimization to shift investment profiles away from emergency response towards longer term systems strengthening. Despite the successes this evolution, and the need for implementers and the Secretariat to continue to pivot, creates challenges. Thoughtful reprioritization and reinvestment and implementation of funds requires time, particularly when the shift in investment is towards longer term and more complex interventions.
23. A revised C19RM Monitoring and Evaluation Framework has been developed to help support timely and transparent reporting. The framework focuses across the results chain from upstream inputs through to downstream outcomes. However, new and adjusted data collection tools will not be in place from the outset and reporting will need to be allowed to evolve over the course of 2023, which will have implications for visibility of implementation progress of investments in systems strengthening, and monitoring and oversight, in the short term.

## Impact of global risk events on risk levels relative to risk appetite

24. In response to COVID-19 related disruption and the ongoing volatility of the Global Fund's operating environment a range of different measures were implemented. Internally, processes, systems and tools were updated to realign with the new context and to enable the organization to switch into crisis-management mode, and in-country program adaptations have been introduced alongside new and expanded assurance activities. Despite all these measures, the level of volatility being seen globally has meant that the trajectories for certain risks have not reduced in line with expectations.
25. In recognition of the impact of COVID-19 on the risk landscape and risk levels, in November 2021 the Board approved<sup>1</sup>:
- Temporary increases to risk appetite for four out of eleven grant-facing risks (Program Quality - TB, Procurement, Grant Related Fraud & Fiduciary, and Accounting & Financial Reporting by Countries); and,
  - Extended timeframes for reaching target risk levels for five out of eleven grant-facing risks (Program Quality – HIV, Program Quality – TB, Program Quality – Malaria, Monitoring and Evaluation, and- In-country Supply Chain).
26. The HIV Program Quality and In-Country Supply Chain risk levels are High and the In-Country Governance and Quality of Health Product risks remain at Moderate. This is in-line with Board approved risk appetite (see table below).
27. The TB Program Quality risk has reduced to the upper end of High in early 2023, ahead of the December 2023 timeline, and is on track to reach Moderate by June 2025. This reflects ongoing program adaptations supported under C19RM and catch-up plans in place. **In view of the progress made to date, the Secretariat is recommending to reduce risk appetite from Very High to High, and maintain the target risk timeframe for reaching Moderate as June 2025.**
28. The malaria Program Quality risk is on the cusp of moving to Very High which is driven by a number of factors over which the Global Fund has very limited influence. To ensure the Secretariat has the flexibility to make the difficult trade-off decisions necessary to maintain program continuity, and to help generate the desired level of attention and call to action from all key stakeholders needed to address the emerging threat, **the Secretariat recommends increasing risk appetite to Very High. A recommendation on the target time frame for reducing the risk level back to High and then to Moderate will be presented to the Committees in the coming months and submitted for approval at the November 2023 Board meeting.**
29. The M&E risk has now reached the target risk level of Moderate. As per the November 2021 Board-approved risk appetite statement, the target risk level is to become the revised risk appetite level at the due date. The risk appetite is therefore now revised to Moderate, and a target risk timeframe is no longer applicable since the residual risk is the same as risk appetite.
30. The target timeframes of December 2022 agreed by the Board for the Procurement and two financial risks, Grant Related Fraud and Fiduciary, and Accounting and Financial Reporting by Countries, have not been met. This reflects the fact that when the Board approved these timeframes, in November 2021, COVID-19 was the only external factor impacting risk levels and the estimated trajectories reflected the likelihood of mitigating the impact of COVID-19 including the availability and roll-out of effective vaccines and novel therapeutics. With the invasion of Ukraine, the situation has changed materially and the root causes driving increased risk levels have been magnified.

---

<sup>1</sup>See [GF/B46/06 Recommended Updates to Risk Appetite](#) for more details..



31. Following a bottom-up analysis of each risk, **the Secretariat is recommending that target risk timeframes be adjusted as follows:**

- i. **Procurement** – timeframe for reaching a Moderate risk level to be extended by 18 months from December 2022 to June 2024;
- ii. **Grant Related Fraud and Fiduciary** – timeframe for reaching a Moderate risk level to be extended by 18 months from December 2022 to June 2024; and
- iii. **Accounting and Financial Reporting by Countries** – timeframe for reaching a Moderate risk level to be extended by 12 months from December 2022 to December 2023.

32. The Risk Appetite Recommendations paper<sup>2</sup> sets out more fully the methodology underpinning the supporting analysis and assumptions that have informed the recommendations to the Board.

33. The table below provides a summary of the current and recommended risk appetite and target risk timeframes for all grant-facing risks for which risk appetite has been set.

Risk name	Purview	Board Approved Risk Appetite (Nov 2021)				Recommended		
		Residual Risk	Risk appetite	Target risk	Target risk timeframe	Risk Appetite	Target Risk*	Target risk timeframe
Program Quality - HIV	SC	High	High	Moderate	Jun 2024	High	Moderate	Jun 2024
Program Quality - TB	SC	High	Very High	High	Dec 2023	High**	Moderate	Jun 2025
				Moderate	Jun 2025			
Program Quality - Malaria	SC	High	High	Moderate	Jun 2024	Very High**	High	TBD**
							Moderate	TBD**
M&E	SC	Moderate	High	Moderate	Dec 2022	Moderate	Moderate	Within target risk level
Procurement	SC	High	High	Moderate	Dec 2022	High	Moderate	Jun 2024**
In-country Supply Chain	SC	High	High	Moderate	Jun 2024	High	Moderate	Jun 2024
Grant Related Fraud & Fiduciary	AFC	High	High	Moderate	Dec 2022	High	Moderate	Jun 2024**
Accounting & Financial Reporting by Countries	AFC	High	High	Moderate	Dec 2022	High	Moderate	Dec 2023**
In-country Governance	AFC	Moderate	Moderate	Moderate	Not Applicable	Moderate	Moderate	Within target risk level***
Quality of Health Products	SC	Moderate	Moderate	Moderate	Not Applicable	Moderate	Moderate	Within target risk level

\*The target risk level will become the revised risk appetite at the target due date, or when the risk level reduces to the target risk level, whichever is earlier.

<sup>2</sup> [GF/B49/04 Adjustments to Risk Appetite](#)



\*\*Recommended revisions to risk appetite and target risk timeframes.

\*\*\*Although the risk trajectory for the In-Country Governance risk is increasing the expectation is that the risk level can be maintained within the Board approved target risk level of Moderate.

## Overview of key organizational risks: drivers and mitigations

34. This section provides an overview of key thematic risks. The Organizational Risk Register (ORR) for Q4-2022 contains details of each risk managed by the Global Fund and can be found in Annex 3.

### Program Quality

35. HTM programs have demonstrated resilience and successfully bounced back from the disruptive impact of COVID-19 and related lockdowns. Starting from late 2021, and further confirmed through 2022 semi-annual results and quarterly Pulse Checks, results continue to rebound for people on ART, key populations reached through preventive programs, TB notifications, and suspected cases tested for malaria and receiving antimalarials. **TB and HIV Program Quality risks are on track to reach target risk levels within the agreed timeframes, while the trajectory for the malaria Program Quality risk is increasing and being closely monitored.**

36. While the number of people on ART has risen and there has been a successful roll out of multi-month scripting, there is a growing uncertainty around the number of people retained on treatment and loss to follow-up, which has both upstream and downstream implications. The antenatal care coverage and consequently PMTCT trends need to be closely monitored to assess any far-reaching consequences of COVID-19 disruptions on health seeking behaviors and or access. The pandemic has also exposed the fragility of the AGYW and key population service delivery models and need for greater integration of informal civil society organizations and community led services into the wider health service systems.

37. TB programs have rebounded particularly strongly in 2022 with the majority of countries expected to have reached pre-COVID levels of TB notifications by end 2022. As a result, the risk level for TB has reduced from Very High to High at the time of this report<sup>3</sup>. Treatment outcomes have been largely maintained during the course of the pandemic through the roll-out of multi-month dispensing and support for community monitoring and support interventions. Effective advocacy has helped ensure adequate prioritization of TB mitigation plans under C19RM, and investments in multi-disease molecular testing platforms like Xpert and Truenat and digital x-rays have expanded. However, there are risks associated with this rapid expansion, which need to be managed, including timeliness of procurements, availability of human resources for operationalization, availability of diagnostic cartridges and more importantly channeling efforts towards integrated laboratory systems harmonization to ensure return on investment and value for money.

38. Malaria programs have ensured campaigns (LLINs and / or Seasonal Malaria Chemoprophylaxis) largely remain on track. The risk of stock-outs in most countries has been actively mitigated in spite of increasing demand, and program adaptations have been supported, in particular ensuring the availability of infection prevention control material to service providers. However, the malaria Program Quality risk is on the cusp of moving to Very High. This is driven by a combination of factors: political and security threats in several countries impacting programs; changes to epidemiology and transmission trends due to climate change, which are often most severe in countries with larger populations thereby placing further pressure on malaria prevention budgets; the introduction of new vectors in Africa; and evolving drug and insecticide resistance patterns.

---

<sup>3</sup> By end Q4 2022 (Q4 ORR), the TB Program Quality risk was just over the threshold at Very High. Additional portfolios reviewed in Jan and Feb 2023 and provisional end 2022 results has reduced the aggregate portfolio risk for TB program Quality to High.

- i. **Increasing drug resistance** is largely attributed to insufficient access to care, poor quality health services, and a reliance on a limited range of more affordable drug types, in place of other pre-qualified options. This is threatening a reduced efficacy over time and new strategies are needed to safeguard the effectiveness of this drug into the future. Besides the observed drug resistance in Greater Mekong region, partial resistance has been confirmed in a few African countries viz., Eritrea, Rwanda, Uganda and Tanzania. There is a need for immediate attention to operationalize the WHO recommended strategy to strengthen surveillance and to optimize and better regulate the use of diagnostics and therapeutics to limit drug pressure through pre-emptive measures.
  - ii. **Insecticide resistance is also evolving**, with twenty-seven countries having confirmed a 'high intensity' of resistance. The increasing resistance to insecticides is attributed to many factors, including the limited number of insecticide classes used in vector control, and an inability to complete vector control programs due to supply and cost constraints.
39. The higher costs of introducing and delivering new malaria tools (diagnostics, LLINs, insecticide, ACTs etc.) in the context of reducing fiscal space results in some difficult and challenging trade-offs between maintaining coverage and driving impact. There is a pressing need to reinvigorate both political and technical leadership at the highest level to actively address the increasing risks.

#### Monitoring and Evaluation

40. Although COVID-19 initially disrupted health services and data reporting, the need to leverage existing DHIS and surveillance systems to monitor COVID-19, and additional investments in M&E and surveillance systems during the pandemic have seen the risk level start to gradually reduce. **Despite variable data quality and data use, as of the end of Q4 2022 the M&E risk<sup>4</sup> has reached the Board approved target risk level of Moderate.**
41. Through sustained investments in M&E systems, the majority of countries now have sufficient programmatic data available, to inform national strategies and policies, monitor program performance, and support more data-driven decision-making. Quality is also improving. One or more data quality reviews have now been completed in the last five years for 44 out of 56 High Impact and Core portfolios with data quality rated as 'good' in nearly two-third of reviews undertaken. However, significant variations noted across the 3 diseases, with malaria programs reporting higher levels of data quality issues. Therefore, whilst there are undoubtedly still significant challenges with data quality, particularly data accuracy at Health Facility level progress is being made. Nonetheless, this needs to be an ongoing area of focus, along with driving up the quality of data analytics and use for decision-making.
42. As programs mature M&E needs will increase in parallel, including the need for more granular and frequent data, expanded case-based reporting tools, digitization of community reporting systems and outreach and campaign operations, and greater inter-operability between health management information systems.
43. M&E systems will continue to be strengthened as part of the new Strategy, to ensure program decisions are informed by quality and timely data, disaggregated by age, gender, geography, population groups and strengthened use at national and sub-national levels. There is also a need to strengthen assurance through expansion of uptake of data quality reviews, and improved assessment of controls of various IT platforms in the context of cyber security and data fraud.

#### In-country Supply Chain

44. The In-Country Supply Chain risk remains High with a steady direction of travel. However, **if the risk level is going to reach Moderate by June 2024 there is a need to significantly step-up**

---

<sup>4</sup> M&E risk is assessed across 3 sub-risks – a) Data governance and management; b) Data generation, availability and quality; and c) Data analysis and use

**investments** to drive greater accountability, transparency and efficiency, and ensure alignment across the Global Fund partnership on in-country supply chain priorities, and to leverage the private sector where appropriate.

45. Key drivers of the In-Country Supply Chain risk are significant budgetary constraints impacting storage and distribution capacity, quality and sustainability of operations, sub-optimal or ineffective processes, systems and controls and inadequate ownership and governance oversight of the national medical stores or equivalent by Ministries of Health or respective Boards. The development of comprehensive costed national supply chain strategies, renovation of storage spaces to ensure the quality of health products, enhancements needed to data systems, and 'last mile' distribution interventions are anticipated to be the most severely affected for as long as fiscal pressures persist.
46. The Global Fund is supporting countries to strengthen the resilience and efficiency of in-country supply chains to address the current challenges, whilst also investing in longer-term capability building both through grant funds and use of SI investments.

#### Procurement

47. The Procurement residual risk remains High, which means that it has not reached Moderate in line with the target risk timeframe of December 2022. **A range of evolving external and internal factors are driving the risk level, but it is expected to reach Moderate by June 2024.**
48. The pandemic increased lead times for health product procurement, linked to manufacturing, freight forwarding and clearance delays, and increased production and freight costs. Russia's invasion of Ukraine has further increased the cost of production and / or the cost of key ingredients. Any increase in unit costs (product and/or freight cost) can negatively impact the ability of countries and of Global Fund grants to meet the procurement needs of countries, with a potential risk of commodity shortages and stock outs. COVID-19 disruptions due to lockdowns and supply-side constraints have also resulted in inefficient, non-competitive procurement practices, which in turn have negatively impacted both the quality and price of products and increased instances of opportunistic fraud.
49. The Global Fund's ability to mitigate these risk drivers varies significantly. The mitigating measures being put in place include the ability for proactive reprioritization of PPM orders to reflect national stock levels, redirection of strategic and high value commodities through PPM/wambo.org, use of Rapid Supply Mechanisms (the emergency procurement mechanism of the Global Fund) for core health products for HIV and malaria, and investment in capacity building and provision of technical assistance to strengthen quantification and forecasting and enhanced mandatory minimum assurances such as pre-award procurement reviews to identify and mitigate procurement related fraud.

#### Grant Related Fraud & Fiduciary

50. The Grant Related Fraud & Fiduciary residual risk remains High, which means that it has not reached Moderate in line with the target risk timeframe of December 2022. **The direction of travel is steady and if the current trajectory is maintained the risk level is expected to reach Moderate by the end of June 2024.**
51. The economic outlook remains volatile, and challenges and disruptions at the macro and portfolio level continue to create an environment which provides more opportunities and incentives for fraud.
52. Efforts to adapt to the evolving environment continue. Additional assurances have been commissioned, including mandatory assurances of COVID-19 activities. Fraud risk assessments are being undertaken and ongoing initiatives to strengthen the cross-functional approach to fraud mitigation are being put in place in line with the Policy to Combat Fraud and Corruption. These different measures will be anchored through the implementation of the recommendations from the Fraud Risk

Maturity Assessment throughout 2023, and the strengthening of fraud mitigation in other functional areas beyond finance.

#### Accounting & Financial Reporting by Countries

53. The Accounting & Financial Reporting by Countries risk remains High, which means that it has not reached Moderate in line with the target risk timeframe of December 2022. **The direction of travel is steady and if the current trajectory is maintained the risk is expected to reach Moderate within twelve months, by the end of December 2023.**
54. COVID-19 related disruption to the ability of implementers, assurance providers, and other stakeholders to conduct routine accounting and financial reporting is continuing. However, as travel restrictions have eased and routine practices have resumed, the quality of reporting has improved. Recent Pulse Check data and Progress Updates were mostly received on time and to an acceptable level of quality, and the expectation is that this standard will continue into the future. Efforts to build capacity and improve financial reporting continue and it is anticipated that the risk will be mitigated to a large extent through provisions outlined in Global Fund grants.
55. Continuous monitoring of financial outcomes by implementers is also in place, with a focus on High Impact and Core portfolios. Routine reporting on improvements is required across key financial management areas to ensure processes are continuously strengthened and embedded.

#### Human Rights and Gender Inequality

56. **The Human Rights and Gender Inequality risk remains high. However, the direction of travel is steady.** The Secretariat is adopting a more ambitious and systematic approach to addressing human rights and gender related barriers in GC7, through new funding request requirements, technical assistance, program essentials, new technical briefs, thematic evaluations, and KPIs measuring engagement and grant performance. Various measures are also currently being implemented by the Secretariat to improve data-driven decision making and improve grant investments in human rights and gender equality. Ongoing efforts to strengthen the management of the Human Rights and Gender Inequality risk are paying off. There is a deeper understanding of the root causes of the risk, which is resulting in the design of more tailored mitigating actions and assurance activities, and core risk management tools are now being more effectively leveraged.
57. Improving human rights and gender-responsive programming through Strategic Initiatives (SIs), technical assistance (TA) and data driven decision making will take time to take effect. However, as progress is made in implementing mitigating actions, the expectation is that the risk level will start to reduce.

#### Sexual Exploitation, Abuse & Harassment (SEAH) and Misconduct

58. **The SEAH risk remains High with a steady direction of travel.** The macro and country specific pressures highlighted throughout this report are also continuing to disrupt services, impact the availability of personnel who support and safeguard vulnerable populations, and contribute to an increased risk of prohibited behavior.
59. A number of measures are being rolled out to mitigate the SEAH risk. These includes a grant level SEAH Risk Analysis and Mitigation Tool to raise awareness among in-country stakeholders and contribute to safer programming. The tool was piloted in South Africa in December 2022 with a further six pilots planned. Implementer compliance self-assessments, to verify that PSEAH provisions in the Codes of Conduct are being integrated with PR existing guidelines or codes, were initiated in November 2022 and content for implementer PSEAH capacity assessments is being developed ready for the tool to be rolled out from March 2023.

60. Although progress has been made in implementing mitigation actions, building implementer capacity to mitigate PSEAH risks will take time. As progress is made on implementation of mitigating actions the expectation is that the risk level will start to stabilize.

### In-Country Governance

**The In-Country Governance risk remains Moderate but with an increasing direction of travel.** In-country governance covers health sector and disease program governance, PR governance and implementation effectiveness, and CCM governance. As with other risks, the risk trajectory is being negatively impacted by a highly volatile operating environment, as well as competing and outstretched implementer capacity, and an increased risk of ethical misconduct, including fraud and SEAH, all against the backdrop of an ambitious strategy. The tone from the top, especially the governance leadership, to set and institutionalize a proactive risk management culture, is going to be critical. The wider partnership will need to continue to support and strengthen CCMs, actively support community and constituency engagement and build awareness to manage current and evolving risks to Global Fund supported programs. As previously highlighted, although the risk trajectory for the In-Country Governance risk is increasing the expectation is that the risk level can be maintained within the Board approved target risk level of Moderate. Nonetheless, the risk trajectory will continue to be closely monitored.

61.

### **Risk management priorities for 2023**

62. A number of areas are being prioritized for 2023 to ensure the continuous improvement of the Global Fund's risk management framework, building on and further embedding work started in 2022.

### Focus on emerging risks

63. The volatility of the past three years has demonstrated the need for the organization to remain alert to emerging threats and risks that could disrupt program continuity and internal operations. In the current context, the most significant of these include the risk of reduced domestic health financing and co-financing and the ability of countries to sustain their support to ongoing programs and achieve universal health coverage (UHC) goals.

64. Other risks events that also need to be proactively planned for include the next respiratory or zoonotic pathogen outbreaks, disasters and man-made humanitarian crisis (political and security), and cyber security breaches.

### Continued maturation of the second line of defense

65. A key component of further strengthening risk management is maturation of second line technical team engagement in core risk management processes. Over the course of 2022 the roles and responsibilities of second line teams have been clearly articulated across all grant facing risks. Internal risk management processes have been enhanced to embed strengthened second line monitoring and oversight by functional teams across the grant life cycle process, and change management initiatives have been rolled out to support capacity building.

### Enhancements to risk management tools

66. In 2021, a project was initiated to redesign the Integrated Risk Management (IRM) tool to better support risk management activities and align with the new strategic priorities. The new tool was successfully deployed in November 2022 and the focus is now on the final stages of change management.

67. In addition to the roll-out of the new IRM tool risk management documents are being overhauled to ensure they reflect the continuous improvements being made to risk management processes, systems and tools and that they provide clear guidance to first and second line teams. The Organizational Risk Register (ORR) has also been enhanced, with improved integration to Agreed Management Actions (AMAs) and assurances. This is to correspond with the new IRM tool but also to reflect the risks associated with the implementation of the new Strategy.

#### Strengthening monitoring and oversight

68. The extension of C19RM provides an opportunity to build on lessons learned from 2021 and 2022 and further strengthen monitoring and oversight for C19RM and ultimately HTM grants. This involves reflecting on how best to leverage different reporting tools to strike the right balance between ensuring transparency and a culture of proactive performance management, with the need to drive country ownership. It also involves looking at how internal processes can be strengthened to improve the accessibility of and use of data for decision-making.

69. The roll out of the Global Fund's new M&E Strategy in combination with the set-up of the Programmatic Monitoring Department (PMD) will be used to systematically respond to these challenges with the ultimate focus of driving greater data-use for decision-making. Specific initiatives being prioritized for 2023 include more systematic segmentation of the data and analytical needs of different user groups, creating clear linkages with analytical products and decision-making platforms, improving data quality, and improving user interfaces and access.

## Chief Risk Officer's Annual Opinion

70. As with previous years, a number of different sources have been used to inform the Chief Risk Officer's annual opinion, including a survey of the Secretariat's leadership team, which sought their perspectives on the key challenges facing the organization and implementers moving into the new Strategy period and risk management maturity.
71. The events of recent years have created many challenges. Responding to these challenges has demanded rapid adjustments to the Global Fund's risk management approach to ensure it remains aligned to the current operating context and fit for purpose.
72. Enhancements made to different internal processes, systems and tools both in response to the COVID-19 emergency and delivering on C19RM, and as part of continuous improvement initiatives, mean that the Global Fund's risk management has further matured. The organization's risk culture has evolved, there is improved monitoring and oversight of grants and operational performance, and there is strengthened management and mitigation of risks. Notable developments include:
- i. Clearer roles and responsibilities for 2<sup>nd</sup> line teams, which are driving greater accountability for, and engagement with core risk management processes;
  - ii. Continued improvement in decision-making on risk acceptance and risk trade-offs, leveraging cross-organizational platforms including the Secretariat's Portfolio Performance Committee;
  - iii. An increase in execution of key mitigating actions, after a lull linked to the COVID-19;
  - iv. The introduction of Pulse Checks, a new PUDR and the launch of new modules in the Grant Operating System (GOS), including Funding Requests (launched) and Grant-Making (in development); and,
  - v. Structured and routine internal performance reporting on core Secretariat processes through the Performance and Accountability Framework.
73. **The Global Fund continues to progress along the maturity spectrum in the context of risk management, internal controls and governance from the Embedded level of maturity achieved by the end of 2019** (see Annex 2 for methodology). Progress has been made on some of the priorities identified in the Annual Report of 2020 to advance the organizational maturity, including but not limited to strengthening governance processes, advancing the use of risk appetite, establishing second line oversight, and building out the internal monitoring and control environment over key grant management processes. As a result, in the context of an uncertain operating environment the risk management framework is achieving its purpose, as it provides a common language and structure for thinking about and making trade-off decisions, in a more evidence-based and timely manner.
74. Despite this progress there is still further work needed to ensure the organization keeps pace with the rapidly changing operational context and that any areas that may be lagging from a maturity perspective are prioritized accordingly. This includes further maturing the risk culture so that the organization is better positioned to respond quickly and proactively to emerging risks, and ensuring more consistency in risk management and second line oversight across first and second line teams. It also involves a cross-organizational effort to strengthen feedback loops and ensure that the collective wealth of insight and information coming into the organization translates into shared problem-solving and learning.
75. Irrespective of the progress being made in maturing risk management, 2023 will be an extremely challenging year with many competing priorities that need to be delivered against an operating environment that remains volatile and a continually evolving risk landscape. As a consequence, risk



trajectories and the organization's risk profile are not expected to stabilize for at least the next twelve months, albeit that HTM programmatic results have rebounded and are moving in the right direction. The Malaria Program Quality risk is also on the cusp of moving to Very High and must be closely monitored. Adaptations will be needed to ensure program operations can be maintained even in contexts where there are political and security threats, the impact of climate change events are being felt, and to actively address biological threats due to drug and insecticide resistance.

76. Ensuring a greater focus on emerging risks as well as continuing to strengthen the second line of defense and build-out monitoring and oversight is going to be essential. Collective prioritization is also going to be key. As already highlighted in this report the new Strategy is ambitious. Ambition is obviously essential if the Global Fund partnership is going to succeed in its mission to end the three diseases, but the greater the ambition the greater the risk in achieving it. Implementers, the Secretariat and the wider partnership will need to manage a range of competing priorities in the coming twelve months and beyond. There will also need to be a careful and continuous assessment of when activities can be de-prioritized and the risk trade-offs that any de-prioritization will involve. The burden of operational processes and reporting on implementers, and the Secretariat, is a persistent area of concern, but so is the adequacy of monitoring and oversight and the need for greater transparency in our reporting to the Committees, the Board and donors. These tensions can be healthy but at a time when resources are stretched they need to be tackled head-on and through cross-organizational and collective problem-solving.
77. In a volatile and resource-constrained environment difficult but informed risk trade-off decisions will need to be made. The organization needs to leverage the relevant data and tools, including risk appetite, at its disposal to enable this to happen.

# Annexes

The following items can be found in the Annex:

- Annex 1: Enterprise Risk Management Framework
- Annex 2: Global Fund Organizational Maturity Rating Scale
- Annex 3: Organizational Risk Register (ORR) for Q4-2022.
- Annex 4: Relevant past Board Decisions
- Annex 5: Links to relevant past documents and reference materials.

## Annex 1: Enterprise Risk Management Framework

MEC Endorsed - March 2023

### 1. INTRODUCTION

- 1.1. The Global Fund supports programs across the globe to fight HIV/AIDS, tuberculosis, and malaria. This often involves operating in high-risk environments, such as areas experiencing political or socio-economic challenges, or in countries with less resilient health structures. To deliver on its mission to end the epidemics, support countries and communities build resilient and sustainable systems for health, and contribute to pandemic preparedness and response, the Global Fund needs to take risks, often over sustained periods of time. This requires effective risk management.
- 1.2. Risk management is an integral part of the Global Fund's operating model. The organization's approach to risk management continues to evolve as the organization's maturity advances, and in line with changes to the broader operating context.

### 2. PURPOSE OF THIS DOCUMENT

- 2.1. The *Enterprise Risk Management Framework* outlines the Global Fund's approach to enterprise risk management. This includes the principles which guide how the Global Fund approaches risk management, the split of roles and responsibilities across the Secretariat, and the risk management processes, systems, and tools in place to address different types of risks.
- 2.2. This framework is informed by the Risk Management Policy, which outlines the division of roles and responsibilities for the Board, the Committees of the Board, and the Secretariat. The Executive Director issues this framework, as per the policy, to document how responsibilities are delegated throughout the Secretariat, and to ensure effective leadership, accountability, and decision-making. In addition, three subsidiary documents regarding the management of different types of risks are informed by this framework.
- 2.3. The Risk Management Policy, Board-approved Risk Appetite Statements, Enterprise Risk Management Framework, and subsidiary documents to this framework form the overall risk management architecture of the Global Fund, as illustrated in figure 1.

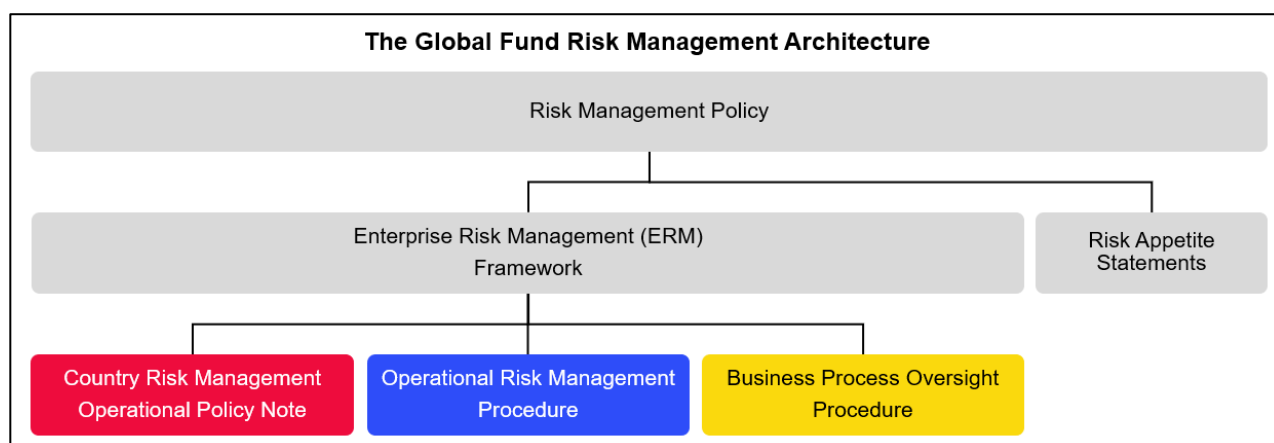


Figure 1: The important documents which form the Global Fund risk management architecture.

### 3. PRINCIPLES OF EFFECTIVE RISK MANAGEMENT

3.1. The Global Fund Risk Management Policy outlines the risk management principles, which inform the Enterprise Risk Management Framework and the overall approach to risk management:

- **Integrated:** Risk management needs to be integrated into business processes and decision-making structures, and supported by a positive risk culture, to ensure it is an ongoing activity across all levels of the organization and at all stages of the organization's life cycle.
- **Differentiated:** Resources should be prioritized and targeted at areas where the risks to achieving the organization's strategic objectives are greatest. Mitigating actions and controls should also be proportionate to the level of risk and tailored to the operating context.
- **Proactive:** The risk landscape is not static and needs to be monitored on an ongoing basis to enable early warning of changing or emerging risks, and to facilitate a timely risk response. This needs to be underpinned by continuous improvement and adaptation of risk management processes, systems, and tools.
- **Data driven:** Decision making should be data driven and informed by an evidence base that draws on both historical and forward-looking data.
- **Transparent:** Risk management processes need to be transparent to facilitate inclusive dialogue, debate, and decision-making with clear accountability for the execution of risk management policies and processes.
- **Balanced:** There is a complex interplay between different risks, where reducing risk in one area can increase risk in another area. The impact of mitigating actions and controls therefore needs to be continually balanced against the ultimate goal of delivering on strategic objectives, within the context of an agreed appetite for risk.

### 4. FRAMEWORK FOR ENTERPRISE RISK MANAGEMENT

#### Three Lines of Defense Model

- 4.1. The Global Fund employs a 'Three Lines of Defense' model to manage risks to the organization's strategic objectives. This model provides a clear delineation of risk management responsibilities across different functions within the organization. Each line is responsible for a specific set of 'core' risk management activities, as outlined in figure 2. The activities of all three lines of defense are underpinned by a common set of enablers, and the way in which these activities are executed varies by risk type. The core activities of all three lines of defense are ongoing and underpinned by continuous communication and coordination across, and between, all lines of defense.
- 4.2. In addition to the organization's three lines of defense, there is also the 'front line of defense'. This is comprised of in-country actors including implementers, in-country partners, and CCMs. The front line of defense manages the risks to achieving grant objectives on a day-to-day basis and is central to effective risk management. The risk management activities of the front line of defense are outside the scope of this document.
- 4.3. The Board and its standing committees are responsible for overseeing the implementation of effective risk management across all three lines of defense, as outlined in greater detail in the Risk Management Policy.

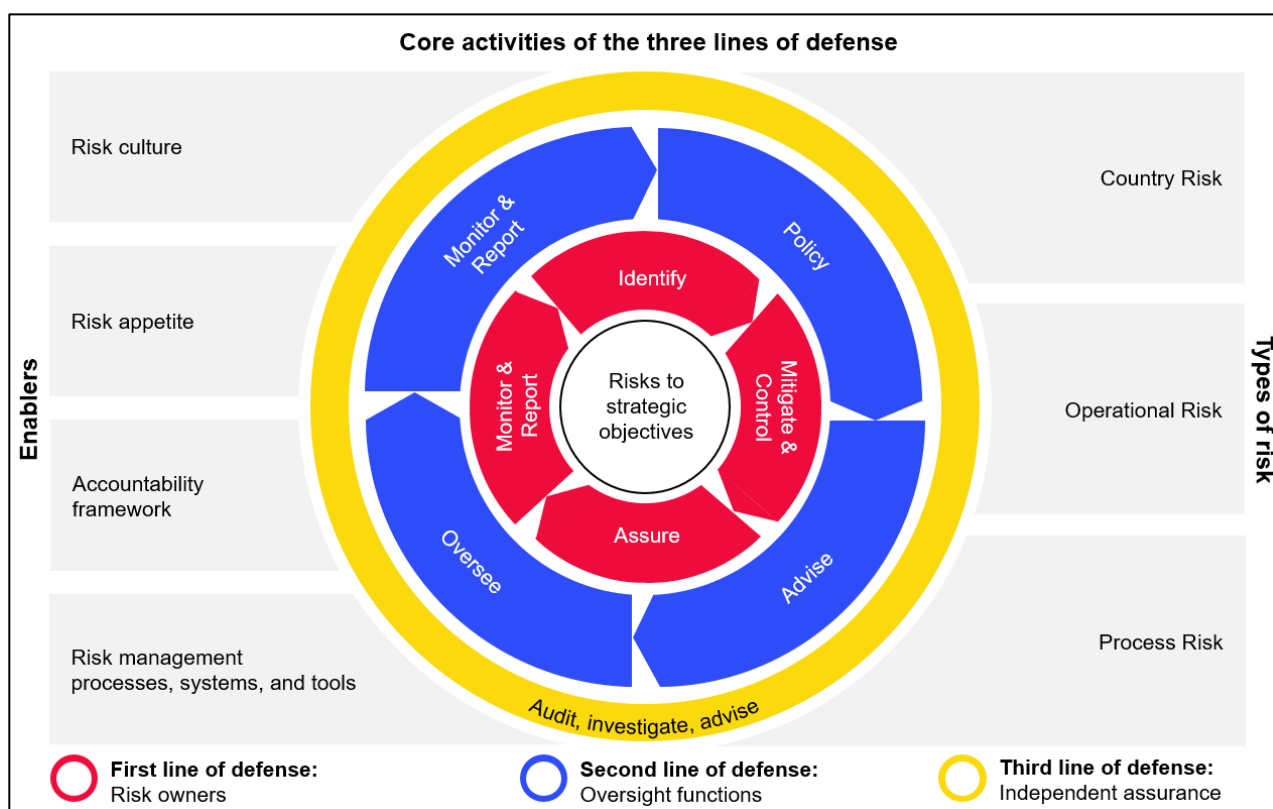


Figure 2: The core risk management activities of each line of defense, including enablers and types of risks managed, are illustrated using the 'Three Lines of Defense' model.

### First line of defense

4.4. The first line of defense is typically made up of Secretariat business functions responsible for delivering cores activities. The first line of defense owns and manages risks on a day-to-day basis. Its core activities are:

- **Identify:** Identify the risks that may prevent the organization from achieving its objectives. Prioritize those risks by considering the likelihood of the risk event materializing, and its expected impact. Impact is assessed in the context of each risk type: country risks in the context of grant objectives; operational risks in the context of strategic objectives; and process risks in the context of process objectives.

- **Mitigate and control:** Design and implement mitigating actions and controls that will reduce the likelihood of a risk event materializing, or its impact should it occur. Whilst there are different ways to 'treat' a risk, not all risks can be mitigated to the full extent. Therefore, it becomes necessary to accept that some risks may occur. The organization's agreed appetite for risk sets the parameters within which risk may be accepted.

Importantly, mitigations and controls can require course correction in the event that they are proven to be ineffective. This can be as a result of a design flaw, implementation challenges, or a change in the operating context.

- **Assure:** Establish arrangements that can confirm if planned mitigating actions and controls are being implemented and having the intended impact on the organization's ability to achieve its objectives. Assurance activities should also help identify gaps in controls and mitigating actions in a timely manner, to ensure corrective action can be taken.

- **Monitor & Report:** Monitor and report on progress in implementing, and the impact of, mitigating actions and controls. Monitoring also includes supporting the identification of emerging risks and issues through the use of data, such as historical performance data and other sources which highlight changes in the operating context. Monitoring and the use of data should inform any adaptations to existing, or the introduction of new, mitigating actions needed in response to emerging risks. They should also provide ongoing assessment of risk levels and trajectories. Emerging risks and issues, and any anticipated changes to risk levels and trajectories, are to be reported on and monitored, where applicable, against agreed risk appetite thresholds.

## **Second line of defense**

4.5. The second line of defense is made up of the Secretariat's business functions responsible for providing oversight. Its core activities are:

- **Policy:** Develop and maintain risk management frameworks, policies, and processes to embed risk management into business processes. This enables both the first and second lines of defense to systematically execute their responsibilities in relation to risk management.
- **Advise:** Provide technical advice to the first line of defense through guidance materials, training and capacity building, and other tools as required. Advice also involves working with individual first line teams, in line with the principle of differentiation, to provide direction and support in the identification and prioritization of risks, and with the design of mitigating actions and controls.
- **Oversee:** Ensure the first line is executing its risk management responsibilities in line with the relevant frameworks, policies, and processes. Periodically review, assess and, where required, provide guidance on the adequacy of risk mitigation plans and internal controls.
- **Monitor & Report:** Monitor progress in implementing, and assess the adequacy of, mitigating actions. Use a range of data sources to triangulate the assessment of risk levels and trajectories by the first line and identify emerging thematic risks and issues. Periodically report to the Management Executive Committee (MEC), the Board, and the Committees of the Board on key risk themes in relation to the operating environment, on organizational risk levels and trajectories, and on the overall status of risk management by the organization.

## **Third line of defense**

4.6. The third line of defense is the Global Fund's independent assurance function, which is represented by the Office of the Inspector General as well as other providers such as external auditors. Its core activities are to independently audit the first and second lines, to conduct investigations, provide advisory support, and to provide assurance regarding the management of risks and controls.

## **Enablers**

- 4.7. The Global Fund promotes a risk culture through encouraging a shared understanding of key risk concepts, the integration of core risk management activities into business processes, and the integration of risk/reward considerations into decision-making.
- 4.8. Board-approved Risk Appetite Statements articulate, at a broad level, the amount of risk that the organization is willing to accept in pursuit of its strategic objectives. Risk Appetite Statements define a risk acceptance threshold for certain risks managed by the organization and are updated regularly. It enables management to make trade-off decisions on key organization-wide risks, informs resource allocation, and ensures the level of ambition towards achieving the mission is maintained with careful consideration to risk management.
- 4.9. The Performance and Accountability Framework assigns responsibility across the organization for delivering results of major business processes. Core risk management activities are integrated into

these processes in line with the three lines of defense model. Risk owners are clearly defined and there is active oversight by executive management, the Board, and the Board's standing committees. This ensures structured and transparent accountability.

- 4.10. A comprehensive and integrated architecture for risk management processes, systems, and tools is in place to support risk management across all levels of the organization, and at all stages of the organization's life cycle. This architecture enables a differentiated approach to be taken based on the type of risk, as outlined in the next section.

### **Types of risk**

- 4.11. The Global Fund categorizes risk sources into three broad thematic areas, to ensure risk management processes, systems, and tools are appropriately tailored to the context. These categories are:

- Country Risk: Relates to uncertainty in achieving grant outcomes and ultimately the uncertainty in achieving the overall mission of the Global Fund. This includes risks to both individual grants and to country portfolios across the following areas:
  - Programmatic (such as program quality, RSSH, human rights, and gender equality) and monitoring and evaluation.
  - Financial and fiduciary.
  - Sourcing operations (such as procurement, supply chain, and quality of health products).
  - Governance and health financing.
- Operational Risk: Relates to uncertainty in conducting Secretariat operations which support the achievement of Global Fund objectives. Operational risks can be classified into two sub-categories:
  - External risks, which have the potential to impact donor funding and the organization's reputation.
  - Internal risks, which have the potential to impact the internal operations of the Global Fund. This includes, for example, impacts on the financial, sourcing, IT, and administrative functions of the organization. This can also extend to impacts on internal governance, legal liability and regulatory compliance, staff wellbeing, and ethical behavior. Given the internal nature of these risks, the Secretariat has a significant ability to manage and mitigate them.
- Process Risk: Relates to uncertainty in achieving the objectives of Global Fund business processes. These risks stem from inadequacies in the system of internal controls, such as in the design or execution of processes. Inadequacies also extend to weaknesses in process handoffs between different roles, teams, and systems, as well as those at the interface of different business processes.

### **Differentiated approach to risk management**

- 4.12. The Enterprise Risk Management Framework intentionally allows for flexibility in the approach to risk management for each of the three risk types. This is to ensure risk management remains dynamic, adaptable to changes in the operating environment or strategic initiatives, and responsive to continuous improvements. All three lines of defense have responsibility for executing their core activities across each type of risk.
- 4.13. Tailored processes, systems, and tools are in place to manage each risk type, which are outlined in each subsidiary document: the *Country Risk Management Operational Policy Note*; the *Operational Risk Management Procedure*; and, the *Business Process Oversight Procedure*.



4.14. Processes, systems, and tools can also be relevant to more than one risk type, as further outlined in the next section and illustrated in figure 3.

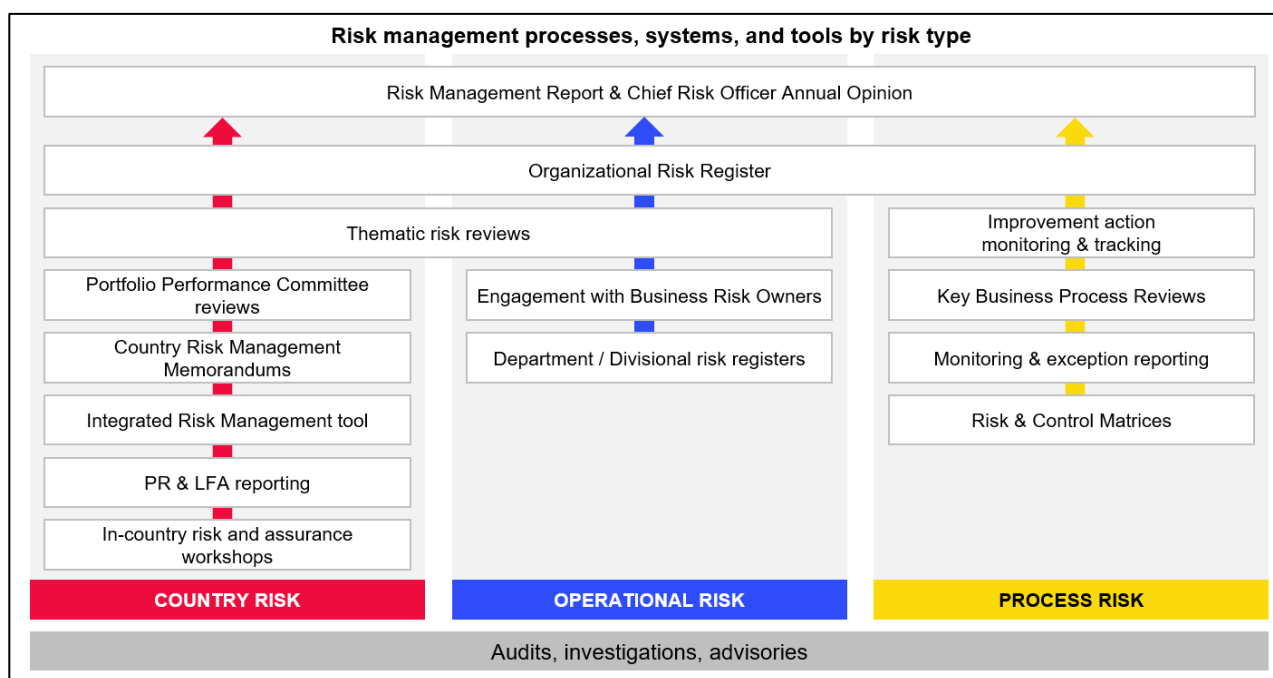


Figure 3: Tailored and cross-cutting risk management processes, systems, and tools for Country, Operational, and Process Risks, as outlined in this Enterprise Risk Management Framework.

### Cross-cutting processes, systems, and tools

- 4.15. Thematic risk reviews provide enhanced visibility of specific risks, to facilitate risk oversight by governance bodies such as MEC, the Portfolio Performance Committee, the standing Committees of the Board, and the Board. Business Risk Owners are responsible for driving the content of these reviews, with support from the Risk Department, through reviewing different risk elements such as risk drivers, root causes, trajectories, mitigating actions, and assurance activities. Thematic risk reviews are initiated by the Risk Department as required, or at the request of oversight bodies, and ultimately serve to embed Enterprise Risk Committee deep dives into existing governance mechanisms.
- 4.16. The Organizational Risk Register (ORR) catalogues the Global Fund's key organizational risks and the various controls and mitigations that are in place, or planned, to reduce or contain risk levels. It provides visibility to senior management and governance bodies on how risks are being managed. Each organizational risk monitored through the ORR is owned by the first line and overseen by the second line. The ORR is updated on a quarterly basis and submitted to MEC for review and approval and made available to the Board and Committees at each meeting as either a stand-alone document or included in the Risk Management Report.
- 4.17. The Risk Management Report and the Chief Risk Officer's Annual Opinion provides the Board and the Committees with an update on the status of the Global Fund's overall risk profile, including risk levels relative to risk appetite, key thematic risks, changes in the operating environment, as well as any key priority areas in relation to risk management. The Risk Management Report is provided on a semi-annual basis, and the Chief Risk Officer's Opinion is provided on an annual basis.

## 5. RELATED DOCUMENTS

- 5.1. The Enterprise Risk Management Framework is informed by the:

- [Global Fund Risk Management Policy](#).

5.2. For the latest Risk Appetite Statements, see previous Board Decision Points.

5.3. The Enterprise Risk Management Framework informs three subsidiary documents, which provide further details and guidance on specific risk management activities:

- [Country Risk Management Operational Policy Note](#).
- [Operational Risk Management Procedure](#).
- [Business Process Oversight Procedure](#).

**End of document.**

## Annex 2: Global Fund Organizational Maturity Rating Scale

Maturity Level	Criteria
Non-existent	Internal controls, governance and risk management processes are absent.
Ad hoc	Internal controls, governance and risk management processes are inchoate or ad hoc. They have not been fully defined and They have not been fully defined and/or not approved by executive management or the Board. Processes are insufficient to ensure that the organization's operational or strategic objectives will be met.
Initiated	Internal controls, governance and risk management processes have been defined through institutional policies approved by executive management and/or the Board. However, they are not applied consistently and are not fully embedded in everyday management practice. They are unlikely to ensure that the organization's operational and strategic objectives will be fully met.
<b>Embedded</b>	Internal controls, governance and risk management processes have been defined and are embedded in everyday management practice. However, there is insufficient close supervision or active management of these processes and/or they are not consistently measurable. It is likely but uncertain that they will allow the organization's operational and strategic objectives will be fully met.
Actively managed & formalized	Internal controls, governance and risk management processes are actively managed and overseen with clear lines of accountability. Decision making is based on reliable data sets with sufficient due diligence, leading to assurance mechanisms that are robust and fit for purpose to enable the organization's operational and strategic objectives to be met.
Optimized	Internal controls, governance and risk management processes are optimized to ensure that the organization's operational and strategic objectives are met.

### Annex 3: Organizational Risk Register (ORR) for Q4-2022

Risk Name	Purview	Residual Risk	Risk Appetite	Target Risk	Target risk timeframe <sup>1</sup>	Change since last quarter	Direction of travel	Global Fund ability to mitigate
01 - Program Quality - HIV	SC	High	High	Moderate	Jun 2024	No change	Steady →	Moderate
02 - Program Quality - TB	SC	Very High <sup>2</sup>	Very High	High	Dec 2023	No change	Decreasing ↓	Moderate
03 - Program Quality - Malaria	SC	High	High	Moderate	Jun 2024	No change	Increasing ↑	Moderate
04 - M&E	SC	Moderate	Moderate <sup>3</sup>	Moderate	Not Applicable	Decreased	Steady →	Moderate
05 - Procurement	SC	High	High	Moderate	Dec 2022	No change	Steady →	Significant
06 - In-Country Supply Chain	SC	High	High	Moderate	Jun 2024	No change	Steady →	Minor
07a - Grant-Related Fraud & Fiduciary	AFC	High	High	Moderate	Dec 2022	No change	Steady →	Moderate
07b - Accounting & Financial Reporting by Countries	AFC	High	High	Moderate	Dec 2022	No change	Steady →	Moderate
08 - In-Country Governance	AFC	Moderate	Moderate	Moderate	Not Applicable	No change	Increasing ↑	Moderate
09 - Quality of Health Products	SC	Moderate	Moderate	Moderate	Not Applicable	No change	Steady →	Moderate
10 - Human Rights & Gender Equality	SC	High	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Moderate
11 - Transition	SC	High	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Minor
12 - Drug & Insecticide Resistance	SC	High	Not Applicable	Not Applicable	Not Applicable	No change	Increasing ↑	Moderate
13 - Ethical Misconduct and SEAH	EGC	High	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Moderate
14 - Future Funding (Donor Funding & Domestic Health Financing)	AFC	High	Not Applicable	Not Applicable	Not Applicable	No change	Increasing ↑	Moderate
15 - Internal Operations	AFC	Moderate	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Significant
16 - Integrated Grant Policies, Processes, Systems & Data	AFC	Moderate	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Significant
17 - Risk Management & Internal Controls	AFC	Moderate	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Significant
18 - Legal	EGC	Moderate	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Moderate
19 - Governance & Oversight	EGC	Moderate	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Significant
20 - Organizational Culture	AFC	Moderate	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Significant
21 - Workforce Capacity, Efficiency & Wellbeing	AFC	High	Not Applicable	Not Applicable	Not Applicable	No change	Steady →	Significant
22 - Reputation	Board	High	Not Applicable	Not Applicable	Not Applicable	No change	Increasing ↑	Moderate

<sup>1</sup>Amendments to risk appetite and/or target risk timeframes, as per the recommendations outlined in this document, will be reflected in the Q1-2023 ORR.

<sup>2</sup>The residual risk for TB Program Quality risk has reduced to High at the time of this report.

<sup>3</sup>As per the November 2021 Board-approved risk appetite statement, the M&E target risk level is to become the revised risk appetite level of Moderate at the target timeframe of December 2022.

## Guidance on how to read the Organizational Risk Register (ORR)

**Risk Impact:** Description of the impact if the risk was to materialize.

**Residual Risk:** Remaining risk level assuming current controls & mitigations are working as expected

**Root Cause:** Factors driving the risk and the respective mitigating actions and controls that are addressing these factors.

**Current controls & mitigations:** Key mitigating actions and controls (both preventive and detective) that are already in place and part of business as usual.

**Controls & mitigations in development or planned:** Key mitigating actions and controls that are still being designed, implemented or where work has yet to start.

06 - In-Country Supply Chain		Risk owner: SO		2021-Q4		Approved by MEC	
Risk Description	Disruption or poor performance of in-country health product supply chain services, from central warehouse to point of service delivery that could result in inadequate availability of commodities and/or wastage of grant-funded commodities through expiries or diversion. Gaps may be in supply systems arrangements, systems and capacity, data process and analytics, physical logistics and/or financing and can prevent achievement of grant objectives.						
Risk Impact	Inadequate availability of commodities or wastage of grant-funded commodities through expiries or diversion. Significant proportion of grant funding allocated to health commodities, high volumes of lifesaving products flow through in-country supply chains that are often fragile, insecure, and poorly managed and coordinated, which can lead to multiple risk events, including treatment disruption, poor quality of services, increased drug resistance, health products wastage and poor value for money. Ultimately, this can lead to reduced impact of Global Fund investments and increased mortality and morbidity.						
Change since last quarter	No change	Current direction of travel	Increasing	Global Fund ability to mitigate	Low		
Residual Risk	High	Risk Appetite	High	Target Risk	Moderate	Target risk timeframe	30-06-2024
Key Partners	Agencies of the US Government, Bill and Melinda Gates Foundation, Gavi, World Bank, World Health Organization and Interagency Supply Chain Group						
Key Countries	Bangladesh, Cameroon, Chad, Congo (Democratic Republic), Côte d'Ivoire, Ethiopia, the Gambia, Ghana, India, Malawi, Mali, Nigeria, Pakistan, Sudan, Tanzania (United Republic), Uganda, Burkina Faso, Haiti, Liberia, Niger, South Africa						
Root Cause	Inadequate in-country supply chain leadership, lack of in-country coordination, limited capacity of in-country actors to perform supply chain functions in many instances exacerbated by national response measures to COVID-19 and in-country disruptions.						Related Action
	Lack of data availability or visibility and/or data quality related to consumption, stock of key commodities and patient information, resulting in lack of oversight, inaccurate quantification, forecasting and resupply.						MA-6472 MA-6473 MA-6474 MA-6833MA-6477 MA-6478 MA-6479 MA-6476
	Inadequate facility storage capacity and conditions, logistics information planning and distribution capacity; poor inventory management including insufficient inventory turns. Need for storage of COVID-19 products contributes to scarcity of warehousing.						MA-6474 MA-6476 MA-6477 MA-6476
	Lack of coordination among donors and key stakeholders that are involved in or support the supply management cycle of health products in country.						MA-6472 MA-6474
	Upstream challenges, including shipment delays, can result in unavailability of products within the in-country supply chain, increase supply planning challenges and heighten pressure on in-country systems.						MA-6472 MA-6475 MA-6477 MA-6478
	As a result of COVID-19, reduced Secretariat and implementer capacity/resources to drive implementation of agreed Transformation plans and reduced mobility of service providers to provide TA and collect data.						MA-6472 MA-6475 MA-6833
	Diversion of existing scarce resources across Global Fund and partners to support logistics relevant to COVID-19 response rather than the three diseases.						MA-6472 MA-6474 MA-6477 MA-6833
	Insufficient number and quality of service providers to provide in-country supply chain related technical assistance.						MA-6474 MA-6476
Current controls & mitigations							Assurances
MA-6472	The Cross-Donor Secretariat has been developed to allow a range of donors to align on and coordinate efforts related to in-country supply chain strengthening, data availability and COVID-19 response.						
MA-6474	Ongoing implementation of revamped, overarching Supply Chain Roadmap over the next 4 years to better leverage grant and SI funds, both for the 3 diseases and COVID. This includes implementation of supply chain strengthening transformation plans.						
MA-6478	New data collection system for OSA, OTIF, SATP and LMIS quarterly reporting rate for 45 priority countries for HTM diseases and Covid-19 to improve downstream supply chain visibility.						
MA-6476	Supply Chain transformation plans are (i) ongoing in 16 countries and (ii) focus will be extended to 30-33 countries with identifying area for strengthening by end of 2022.						Continued monitoring of country capacity for distribution given increased volumes of PPE, diagnostics, and other COVID-19 specific commodities
MA-6833	Warehousing and distribution LFA assessments will be conducted in high and core countries.						
				Overall Status	Risk mitigation is on track. There are no material delays.		
Controls & mitigations in development or planned				Status	Target completion	Action owner	
MA-6477	Design of supply chain strategic initiatives (SIs) to focus on delivering more resilience across in-country supply chains and providing countries with a range of options/interventions to strengthen supply chains. Restructured technical assistance modalities are planned with particular focus on regional and remote technical assistance.			Underway	31-12-2023	SO	

**Current direction of travel:** Expected trajectory of risk level over mid-term, based on available information

**GF ability to mitigate:** Ability of existing controls and mitigating actions to mitigate the current risk level.

Set by the board for applicable risks:

**Risk Appetite:** It is the amount of risk at a broad level, that an organization is willing to accept in pursuit of its strategic objectives.

**Target Risk:** Risk level that the Global Fund is driving towards over a specific timeframe.

**Target Risk timeframe:** Time needed to achieve the target risk level.

**Assurances:** Measures that gauge whether adequate controls and mitigating actions are in place and working effectively to manage key risks with the goal of achieving the organizational objectives.

**Overall Status:** Refers to an aggregate level of what is the status of implementation of all controls and mitigating actions in development or planned.

**Risk Impact:** Description of the impact if the risk was to materialize.

**Residual Risk:** Remaining risk level assuming current controls & mitigations are working as expected

**Root Cause:** Factors driving the risk and the respective mitigating actions and controls that are addressing these factors.

**Current controls & mitigations:** Key mitigating actions and controls (both preventive and detective) that are already in place and part of business as usual.

**Controls & mitigations in development or planned:** Key mitigating actions and controls that are still being designed, implemented or where work has yet to start.

**Current direction of travel:** Expected trajectory of risk level over mid-term, based on available information

**GF ability to mitigate:** Ability of existing controls and mitigating actions to mitigate the current risk level.

Set by the board for applicable risks:

**Risk Appetite:** It is the amount of risk at a broad level, that an organization is willing to accept in pursuit of its strategic objectives.

**Target Risk:** Risk level that the Global Fund is driving towards over a specific timeframe.

**Target Risk timeframe:** Time needed to achieve the target risk level.

**Assurances:** Measures that gauge whether adequate controls and mitigating actions are in place and working effectively to manage key risks with the goal of achieving the organizational objectives.

**Overall Status:** Refers to an aggregate level of what is the status of implementation of all controls and mitigating actions in development or planned.



01 - Program Quality - HIV			Risk owner: TAP		2022-Q4	MEC Approved				
Risk Description	Inadequate quality of programs/services and/or delays and disruptions in implementation of programs funded by the Global Fund, which results in missed opportunities to maximize improvement of measurable outcomes in the fight against HIV and the effort to strengthen resilient and sustainable systems for health.									
Risk Impact	Failure to find undiagnosed HIV cases; failure to reach those at high risk of HIV acquisition with effective prevention options; failure to rapidly initiate and maintain continuity of effective treatment and viral load suppression. These failures result in ongoing HIV transmission and acquisition. Based on current information, while the current risk level is 'High', with ongoing efforts of various program adaptations, we expect the direction of travel to stabilize and reverse in the coming quarters.									
Key Partners	The Global Fund's bilateral and multilateral partners have the capacity and opportunity to influence but not control program quality risk									
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									
Change since last quarter		No change	Current direction of travel		Steady	Global Fund ability to mitigate		Moderate		
Residual Risk		High	Risk Appetite	High	Target Risk	Moderate	Target risk timeframe		June 2024	
Root Cause								Related Action		
The scale of interventions financed under the grant, domestically and through partners is not sufficient to achieve desired programmatic coverage, outcome, and impact, due to general de-prioritization of health/HIV or temporarily e.g., the COVID-19 pandemic.								MA-7308 MA-7637		
Interventions are inadequately tailored to the program context and/or insufficiently focused on populations most in need of services, and/or do not include highest impact interventions to reduce new HIV infections, and/or are not linked to achieving program outcomes.								MA-7310 MA-7311 MA-7312 MA-7313 MA-7637, MA-7317		
Disruption to program implementation due to political unrest, sudden disease outbreaks (includes other epidemics and/or pandemics) and/or natural disasters.								MA-7307, MA-7318, MA-7637, MA-8054, MA-7317		
Delays in adopting and implementing global guidance, and in introducing innovative approaches, service delivery modalities, tools, or technical recommendations where appropriate (takes an average of 18 months).								MA-7312 MA-7315 MA-7637, MA-7311, MA-7316		
The guidelines, tools, and planning to review/address quality of services at country level through supervision and capacity building are not developed or are inadequate; relevant resources are not available; or service quality assessments are deprioritized for other reasons.								MA-7310 MA-7311 MA-7313, MA-7316 MA-7637, MA-8054		
Inadequate staff capacity, including working in environments that are often not sufficiently supportive (gaps in training, support and supervision, misaligned incentives, etc.) and health care worker burn out from COVID-19 related activities.								MA-7636 MA-7637		
Policy and practice obstacles to de-medicalizing HIV services and ensuring services can be reached in non-medical facilities, e.g., community access points, pharmacies, drug stores, through virtual or mobile means and through self-care. Limited low-threshold access for testing and prevention.								MA-7313 MA-7317 MA-7637 MA-8054		
Current controls & mitigations										
MA-7307	Ensure ARV commodity security to countries that are at maximum risk of treatment disruption: Manage risk of supply interruption leading to stock out of 1st and 2nd line ARV regimens in collaboration with GF Supply Operations, WHO and PEPFAR including Front loading of commodity orders where feasible as well as monitoring of delivery lead times and in-country stock management									
MA-7308	COVID-19 Funding mechanism and grant reprogramming: In addition to potential reprogramming and optimizing existing grants, the Global Fund has made available additional funding 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.									
MA-7310	Ongoing programmatic assurance: Strengthen review of program quality, performance, and calibration at Secretariat level through establishment of country-specific and cross-portfolio reviews by the Portfolio Performance Committee, to identify gaps and opportunities for improvement.									
MA-7312	Expand differentiated HIV testing to improve first 90. Work with technical partners to operationalize out-of-facility HIV testing and linkages to treatment and prevention. Upscale differentiated models in all countries (supported by DSD SI in 8 countries) and increase use of HIV self-testing in all countries (especially in those with matching funds).									
MA-7315	Product innovation and transition: GF grants support countries to implement changes to drug policies when needed and accelerate uptake of innovation and effective programs to improve prevention and treatment adherence, including through strengthening of communities.									
MA-7316	Technical guidance and program standards: Disseminate best practices and practical guidance by TAP, including quality standards, normative guidelines, and tailored communication to GMD to accelerate transition to updated technical partner guidance.									
MA-7317	Innovation and service delivery: Support policy shifts and implementation related to the five must-haves (1. Multi-month dispensing of HIV products; 2. Out-of-facility dispensing of HIV products; 3. Virtual service delivery through telephone or online platforms; 4. Differentiated HIV testing –including self-testing (HIVST) and out-of-facility models; and 5. KP and AGYW Prevention Programming adaptations)									
Assurances										
Routine grant monitoring										
Country Portfolio Reviews and Thematic PPC deep dives focused on HIV										
Global Fund-commissioned Country evaluations and Thematic reviews focused on HIV (e.g., Evaluation and Learning Office evaluations)										
National and Partner HIV Program Reviews										
Overall Status					Risk mitigation is on track. There are no material delays.					
Controls & mitigations in development or planned								Status	Target completion	Action owner
MA-7311	Support implementation of new guidance and action planning related to PrEP surge, including introduction of HIV ST in PrEP programming, use of new DVP ring for prevention in females, TLD transition, including transition to pediatric DTG 10 mg.							Underway	31-03-2023	TAP
MA-7636	Monitor the implementation of C19RM funds, particularly for mitigation of HIV programs. Promote accelerated adoption and scale-up of five COVID-19 HIV program adaptation must haves.							Underway	31-12-2023	TAP
MA-7637	Undertake country HIV risk deep dives, update key mitigating actions and define triggers for high/very-high Program Quality-HIV risk to reduce the risk level in line with the target risk (moderate by June 2024). Risk/TAP Collaboration.							Underway	31-03-2023	TAP
MA-8054	Implement comprehensive review of HIV program assurances and HIV programmatic indicators used for risk triangulation to improve implementation and service delivery of existing and future programs. Risk/TAP Collaboration.							Underway	30-06-2023	TAP

02 - Program Quality - TB		Risk owner: TAP		2022-Q4	MEC Approved				
Risk Description	Inadequate quality of programs/services and/or delays and disruptions in implementation of programs 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.								
Risk Impact	Poor adherence to international standards for prevention, diagnosis and treatment, and poor adherence to treatment regimens, or treatment disruptions contributed by the pandemic (lockdown and restriction of movement), contributing to the reduction in case detection, treatment and prevention activities which may lead to increased drug resistance, treatment failure and heightened disease burden. The risk level at end of Q4 is rated as Very High, and preliminary results from end 2022 suggest the risk is on track to move to High in Q1 2023.								
Key Partners	The Global Fund's bilateral and multilateral partners have the capacity and opportunity to influence but not control program quality risk								
Key Countries	Bangladesh, Cameroon, Cambodia, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Mozambique, Myanmar, Nigeria, Pakistan, Philippines, South Africa, Tanzania, Uganda, Ukraine, Viet Nam, Zambia								
Change since last quarter	No change	Current direction of travel		Decreasing	Global Fund ability to mitigate		Moderate		
Residual Risk	Very High*	Risk Appetite	Very High	Target Risk	High	Target risk timeframe	Dec 2023		
					Moderate		June 2025		
Root Cause							Related Action		
The scale of interventions financed under the grant, domestically and through partners are not sufficient to achieve desired programmatic coverage, outcome, and impact.							MA-7627		
The TB treatment interventions and modalities are not adequately people-centered and/or do not adequately tailor investments to the epidemiological context, societal drivers of risk and vulnerability, relevant populations, and health-seeking behavior.							MA-7383 MA7393		
Disruption to program implementation due to political unrest, sudden disease outbreaks (includes other epidemics and/or pandemics) and/or natural disasters.							MA-4001		
Programs do not adhere to or delayed adoption and scale-up of approved national or WHO guidelines e.g., medicine formulations, diagnostic tools, laboratory, procurement, patient identification, prevention, care and treatment or adherence to TB treatment, or there is an absence of a clear framework to guide decision making.							MA-7386 MA 7391 MA-7638		
The guidelines or plans describing how the package of program essential services is to be delivered by health workers and informal and/or non-medical lay service providers are not developed, not well-defined or are outdated							MA-4003		
Inadequate training and continuous professional development of health care professional and non-medical staff (including the CHW) resulting in poor performance							MA-4002		
There are significant gaps in analytical capacity to analyze program data at the relevant level(s)							MA-4004		
Current controls & mitigations									
MA-7383	Promoting differentiated approaches and integrated service delivery models to achieve impact in diverse country contexts, including at community level, and private sector engagement to support efforts to find missing TB cases.								
MA-7386	Global Fund grant support countries to implement changes to TB diagnostic and treatment guidelines, when necessary, accelerate uptake of innovation and behavior change communication for disease prevention and support programs to improve treatment adherence. This includes policies on the use of digital chest x-ray with or without Computer Aided Technology and pediatric formulations for all forms of TB treatment and shorter regimens for DR-TB and TB prevention.								
MA-7391	Ongoing dissemination of best practices and practical guidance by Technical Advice and Partnerships, including quality standards and normative guidelines.								
MA-7393	Technical support under the TB Strategic Initiative to support implementation of innovative approaches to find and treat missing TB cases, including COVID-19 mitigation, laboratory support, pediatric TB and other vulnerable populations.								
MA-4004	Supporting countries to strengthen use of data to review program and grant performance and conducting country-specific and cross-portfolio reviews by the Portfolio Performance Committee, to identify gaps and opportunities for improvement.								
MA-4001	Systematically support development of contingency plans to respond to political and security threats and or pandemic related disruptions								
Assurances									
Routine grant monitoring and Program Performance Reports									
Country Portfolio Reviews and Thematic PPC deep dives focused on HIV									
Global Fund-commissioned Country evaluations and Thematic reviews focused on HIV (e.g., Evaluation and Learning Office evaluations)									
National and Partner TB Program Reviews									
Partner/LFA led programmatic assurances									
Overall Status					Risk mitigation is on track. There are no material delays.				
Controls & mitigations in development or planned							Status	Target completion	Action owner
MA-7627	Monitor the implementation of C19RM funds, particularly for mitigation of TB programs including strengthening TB screening strategies, scale-up of TB molecular diagnostic network, access to radiography services (digital x-rays). Community screening and outreach activities and aggressively scale up finding missing people with TB.						Underway	31-12-2023	TAP
MA-7638	Support optimization and use of molecular diagnostic platforms (GeneXpert, True Nat) and sample transportation systems across all 20 priority countries as part of grant support provided by disease advisors and through technical assistance provided by the TB Strategic Initiatives.						Underway	31-12-2023	TAP
MA-4002	Through the TB Strategic Initiative, deploy a pool of pre-qualified providers to support capacity strengthening of health care workers on the new recommendations and guidelines to support update of newer regimens in the priority countries.						Ongoing	31-12-2023	TAP
MA-4003	Establish mechanisms to implement and monitor prioritized program essentials across the high burden TB countries.						Not started	31-12-2023	TAP

\*The residual risk for TB Program Quality risk has reduced to High at the time of this report.



03 - Program Quality - Malaria		Risk owner: TAP		2022-Q4		MEC Approved		
Risk Description	Inadequate quality of programs/services and/or delays and disruptions in implementation of programs 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.							
Risk Impact	Sub-optimal coverage and quality of case management and vector control interventions would result in higher incidence and increased morbidity and mortality due to malaria, especially exacerbated in high-risk environments that account for significant portion of Global Fund malaria investments. Vector control threatened by inability to achieve or maintain population coverage over time, sub-optimal use increasing insecticide resistance to pyrethroids which will reverse transmission reduction due to vector control if mitigating actions not taken. Case management challenged by insufficient access to care and poor-quality services. This includes challenges such as delayed treatment seeking, poor adherence to clinical algorithms, inaccurate reporting and recording and high service disruptions from the pandemic (delays in LLIN/IRS campaigns, procurement delays and disruptions in stocks of key products). Based on current information, while the current risk level is 'High' the trajectory has shifted from steady to increasing. These are driven by several external factors - increasing number of countries are witnessing political instability and security threats (eg. SAHEL regions / Myanmar etc) impacting program implementation; impact of climate change or post natural disaster events leading to resurgence (several countries in WCA or Pakistan); and growing biological threats (drug and insecticide resistance, new vectors etc). Stronger surveillance and monitoring of trends in drug and insecticide resistance, spread of vectors and impact of climate change would be critical in coming years as they can rapidly reverse the gains.							
Key Partners	The Global Fund's bilateral and multilateral partners have the capacity and opportunity to influence but not control program quality risk							
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							
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	June 2024	
Root Cause						Related Action		
Diversion of government and other bilateral financing due to COVID-19 response and global energy and food prices resulting in limited fiscal space for Malaria specific programming including core interventions such as malaria case management commodities, LLINs, IRS and seasonal malaria chemoprevention.						MA-7642 MA-7623		
The national guidelines and tools to review quality of program essential services provided at the intervention level are not available, inadequate and/or the program is not routinely quality reviewed at national and sub-national level						MA-7424 MA-7433 MA-7434 MA-7435 MA-7642		
Inadequate staff capacity working in environments that are often not sufficiently supportive (gaps in training, support and supervision, misaligned incentives, etc.)						MA-7434 MA-7642		
Programs do not adhere to or delayed adoption and scale-up of approved national or WHO guidelines e.g., medicine formulations, diagnostic tools, laboratory, procurement, patient identification, prevention including vector control strategies, care management, or there is an absence of a clear framework to guide decision making.						MA-7431 MA-7432 MA-7434 MA-7435 MA-7642		
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. Delays in surveillance data (completeness and timeliness of data), as well as in coordinating information from different partners (some using different metrics).						MA-7432 MA-7642 MA-8060 MA-2222		
The case management interventions and implementation modalities do not adequately tailor investments to the epidemiological context, societal drivers of risk and vulnerability, relevant populations, and health-seeking behavior						MA-7425 MA-7433 MA-7434 MA-7642		
Gaps in the NSP and/or in the financing of interventions focusing on key and vulnerable populations most in need of services.						MA-7425 MA-7427 MA-7432 MA-7436 MA-7437 MA-7642 MA-8049 MA-2222		
Poor quality of health products and unstable drug supply. This is further exacerbated due to the pandemic, with delays reported in LLIN and IRS (more so due to supply issues for PPEs and/or insecticides) and risk of stock out of mRDTs and ACTs.						MA-7431 MA-7435 MA-7437 MA-7642		
Disruption to program implementation due to political unrest, sudden disease outbreaks (includes other epidemics and/or pandemics) and/or natural disasters.						MA-1111 MA-2222		
Current controls & mitigations								
MA-7424	Ongoing dissemination of best practices and practical guidance by Technical Advice and Partnerships, including quality standards and normative guidelines.							
MA-7427	Supporting sub-national stratification to target vector control tools and other interventions to maximize impact through modeling under STC SI in support of High Burden High Impact (HBHI) initiatives.							
MA-7429	Expanding malaria services to actively support engagement of private sector in addition to the public and community level services.							
MA-7431	Scale up of synergist LLINs to address pyrethroid resistance. And ensuring campaigns remain on track or are accelerated (where possible)							
MA-7432	Aligning program and data quality assurance with overall Risk and Assurance Planning.							
MA-7433	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.							
MA-7434	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).							
Assurances								
Routine grant monitoring and Program Performance Reports								
Country Portfolio Reviews and Thematic PPC deep dives focused on HIV								
Global Fund-commissioned Country evaluations and Thematic reviews focused on HIV (e.g., Evaluation and Learning Office evaluations)								
National and Partner TB Program Reviews								
Partner/LFA led programmatic assurances including post campaign reviews								
Population surveys (malaria indicator survey)								
Therapeutic efficacy studies and insecticide resistance surveys								
Overall Status				Risk mitigation is on track. There are no material delays.				
Controls & mitigations in development or planned						Status	Target completion	Action owner
MA-7437	Catalyzing market entry of new LLINs through pilots and subsidies in several high burden countries in Western and Southern Africa which have intense pyrethroid insecticide resistance.					Underway	31-12-2023	TAP
MA-7623	Advocacy and coordination within GF and externally with partners to mobilize resources to fill 2023 LLIN and IRS campaign gaps including consideration of portfolio optimizations, grant savings, external support from AMF, PMI, etc.					Underway	31-12-2023	TAP

MA-8049	Timely access and advocacy for Emergency Funding to support the response to climatic disasters and other acute emergencies relevant to increasing malaria morbidity and mortality.	Underway	31-12-2023	TAP
MA-8060	Implement comprehensive review of Malaria program assurances and Malaria programmatic indicators (used for risk triangulation) to improve implementation and service delivery of existing and future programs. Risk/TAP Collaboration.	Underway	30-06-2023	TAP
MA 1111	Systematically support development of contingency plans to respond to political and security threats and or pandemic related disruptions	Underway	31-12-2023	TAP
MA 2222	Support countries in analyzing and addressing the increase in burden of malaria	Underway	31-12-2023	TAP

04 – M&E		Risk owner: PMRD			2022-Q4	MEC Approved			
Risk Description	Poor quality and/or inadequate generation of program data due to weak in-country M&E systems that do not lead to strategic planning, evidence-based decision making and efficient investments and therefore hamper programs' ability to reach their targets and health impact.								
Risk Impact	Poor quality data (delayed and /or incomplete 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, geographic focus and beneficiary populations, ultimately resulting in failure to achieve desired public health impact.								
Key Partners	The World Health Organization, GAVI, Gates Foundation, USG (PEPFAR/OGAC, USAID, CDC), NORAD, GIZ and World Bank and University of Oslo have a moderate ability to mitigate Strategic Data Quality and Availability risk.								
Key Countries	Bangladesh, Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, Guinea, India, Indonesia, Kenya, Malawi, Mali, Mozambique, Myanmar, Niger, Nigeria, Pakistan, Rwanda, South Africa, Sudan, Tanzania, Uganda, Ukraine, Viet Nam, Zambia, Zimbabwe, PNG								
Change since last quarter	Decreased	Current direction of travel		Steady	Global Fund ability to mitigate		Moderate		
Residual Risk	Moderate	Risk Appetite	Moderate	Target Risk	Moderate	Target risk timeframe	Not Applicable		
Root Cause							Related Action		
Data governance and management: Ineffective leadership provided by the MoH for the M&E agenda, such as relevant M&E policies/guidance, lack of dedicated national bodies/mechanisms for data and digital health governance.							MA-7620		
Data governance and management: Inadequate oversight to identify and mitigate risk of manipulation of program and performance data, and/or the system has vulnerabilities in this regard.							MA 7633		
Data Generation, Availability & Quality: The HMIS is not digitalized or only partially digitalized, is not well-maintained and/or there is inadequate digital identity management of facilities including location data for GIS mapping.							MA 7619		
Data Generation, Availability & Quality: The National reporting platforms (HMIS, LMIS, the Lab Information System, etc.) are not interoperable or do not easily facilitate data triangulation.							MA-7621, MA-7622		
Data Generation, Availability & Quality: Most at risk population size estimates are not available (HIV: Sex Workers, MSM, PWID, TG, AGYW at risk of HIV in AGYW focus countries; TB: prisoners, migrants/mobile populations, mining & peri mining communities; Malaria: geographic areas).							MA 7625, MA 7629		
Data Generation, Availability & Quality: Country does not collect disaggregated programmatic data (e.g., by age, gender/sex, geographic area, availability of HTM services and/or where/who is experiencing new infections and HTM risk).							MA-7502		
Data Generation, Availability & Quality: The country has received a poor/very poor rating for reporting completeness and/or timeliness and is not implementing a data quality improvement plan.							MA 7624		
Data Generation, Availability & Quality: The measures/strategies to ensure quality of patient data are inadequate, either because there is no plan, the design is inadequate, or because they do not get implemented (e.g., routine data quality reviews, checks/controls, PR check of SR data).							MA 7627, MA 7628, MA 7624		
Data Generation, Availability & Quality: The data quality of non-routine data collection methods (e.g., IBBS, MIS, DQR, HHFA, etc.) is insufficient							MA 7630		
Data Analysis and Use: National analysis of sub-national disaggregated data has not been conducted in the last 12 months and/or a low percentage of provinces/districts produce at least semi-annual analytical reports.							MA 7631, MA 7626, MA 7631		
Data Analysis and Use: Required disaggregated data is not used to inform planning or programmatic decision making for priority							MA-7502		
Data Analysis and Use: Relevant programmatic data is not available at the Secretariat level on a timely basis to inform decision-making and resource allocation.							MA-7500, MA 7632, MA 7626		
Current controls & mitigations									
MA 7619	Strengthen digital data systems, including community, with focus on data security, establishment & maintenance of infrastructure and health facility master facility list and community health workers master lists (monitored annually through KPI S6a: Secure, maintained, and interoperable HMIS)								
MA 7620	Institutionalize key aspects of digital health data system governance - Strategy and implementation plans, functioning governance mechanisms and inventory of digital data systems (monitored annually through the M&E Systems profile for high impact and core countries).								
MA-7621	Enable key triangulation and other joint analyses between programmatic and logistics data on a routine basis at national and/or sub-national levels.								
MA-7622	Enable joint use of patient level laboratory and programmatic data.								
MA-7623	Enable data interoperability /integration from community health services and private sector health services with countries' HMIS (monitored annually through KPI S6a: Secure, maintained, and interoperable HMIS).								
MA 7624	Strengthen data quality at country level, including for community data, by ensuring appropriate investments are made in HMIS foundations and that data quality assurance mechanism are in place to support data quality enhancement and monitoring.								
MA 7626	Promote and support efforts towards leveraging programmatic monitoring for data-driven decision making, improved program performance and quality at local, national, and global levels (monitored annually through KPI S6b: Data driven decision making).								
MA-7502	Improve availability and use of disaggregated data to assess inequities at country level (monitored annually through KPI S7: Use of disaggregated data for planning or decision making).								
Assurances									
Monitoring of country data systems and program reviews									
Contracts with partners for data quality improvement									
National Data Quality Reviews (DQR)									
Routine programmatic analysis for data quality triangulation									
Spot checks for data quality									
Strengthening of HMIS/DHIS systems through partner contracts (UiO and HISP)									
Technical assistance pool for quality assurance									
Thematic Reviews and Population-based surveys									
Overall Status					Risk mitigation is on track. There are no material delays.				
Controls & mitigations in development or planned							Status	Target completion	Action owner
MA-7500	Operationalize the C19RM M&O Framework, including new reporting mechanisms to inform program adaptations, C19RM investments and strengthen assurance with recent data.						Underway	31-12-2023	PMRD
MA 7627	Develop a Global Fund Strategy on M&E Systems and data quality assurance to improve data quality at country level. Strategy will inform grant making or reprogramming as relevant.						Underway	31.12.2023	PMRD

MA 7628	Define an updated GF data quality metric which includes data accuracy measurement for paper-based and digital systems for progress monitoring used at the Secretariat level to inform risk analysis and data quality monitoring. Metric may inform data quality monitoring at country level.	Underway	31.12.2023	PMRD
MA 7629	Build regional and in-country capacity for design and implementation of IBBS and PSE, building on the partnership work between local/regional universities and MOHs to enhance data analysis and use,	Underway	31.12.2025	PMRD
MA 7630	Develop a sustainable and regional/local approach to implement and quality assure of non-routine data collection, i.e., national surveys (IBBS, HHFA, DQR, MIS, etc.).	Planned	31.12.2025	PMRD
MA 7631	Support the development of a sustainable regionally based approach for the partnership between local/regional academic institutions and MOH to enhance routine data analysis and use in WCA and ESA.	Underway	31.12.2023	PMRD
MA 7633	Develop roadmap for M&E data risk management program including assurance arrangements to ensure key fraud risks related to data reporting are prevented or identified early and mitigated.	Planned	31.06.2023	PMRD

05 - Procurement		Risk owner: SO		2022-Q4		MEC Approved			
Risk Description		Procurement challenges and failures that lead to poor value for money or financial losses, incorrect or sub-standard products or delayed delivery, potentially leading to stock out, treatment disruption; poor quality of services or wastage of funds or products.							
Risk Impact		Global Fund exposure to health commodities procurement is material, as it captures between 40% and 60% of grant funding across the portfolio. The risk is concentrated in sub-Saharan Africa, with up to 75% of grant funds in the region budgeted for health commodities. Generally, about 59% of the Global Fund health commodities projected spend is procured centrally through the Pooled Procurement Mechanism (PPM), presenting an important market shaping opportunity, the balance is procured through a wide range of procurement channels, including national systems (20% of projected spend) and international organizations (e.g., UN agencies) (21% of projected spend).  Upstream challenges linked to global sourcing could impact lead times and costs (including freight costs) and could significantly impact grant budgets and availability of health products. The downstream in-country procurement risks related to quantification and supply planning and or procurement process could result in inefficiencies, lost value for money or fraud and impact availability of health products. Based on current information, while the current risk level is 'High', with ongoing efforts on articulating the health product segmentation framework to manage procurement related risks, and additional grant assurance activities, we expect the direction of travel to start reversing in the coming quarters.							
Key Partners		Donors including the World Bank, US and France provide focused technical assistance related to health commodity procurement.							
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							
Change since last quarter		No change	Current direction of travel		Steady	Global Fund ability to mitigate		Significant	
Residual Risk		High	Risk Appetite		High	Target Risk	Moderate	Target risk timeframe	Dec 2022
Root Cause								Related Action	
Lack of critical mass (volume) for, and limited market knowledge of, critical health product portfolios, decreasing leverage								MA-7404 MA-7411 MA-7416 MA-7417 MA-7643	
Increased workloads and availability challenges of the workforces involved in commodities' production, import/export documentation and controls, freight and logistics service providers, the Secretariat, and Procurement Services Agents (PSAs) and Partner Organizations, including because of the reducing residual impact of COVID-19 and the dynamic global supply chain.								MA-7408 MA-7414 MA-7417	
Freight and logistics disruptions, increased costs, driven by (a) origin and/or destination countries involvement within and reliance on the global supply chain (b) reduced air and ocean freight capacity (c) origin and destination customs capacity (d) remaining and reducing impact of COVID-19 restrictions.								MA-7404 MA-7408 MA-7410 MA-7413 MA-7414 MA-7417 MA-7643	
Inadequate procurement planning and lack of coordination with international partners.								MA-7404 MA-7407 MA-7409 MA-7412 MA-7413 MA-7415 MA-7417 MA-7643	
Potentially lengthy processes, and other governance challenges to the national procurement approaches.								MA-7407 MA-7409 MA-7417 MA-7419 MA-7643	
Less mature sourcing strategies and supplier relationship management, reducing value for money opportunity.								MA-7406 MA-7643	
Production and supply of core health commodities needed by Global Fund programs are getting further prioritized as the impact of and restrictions concerning COVID-19 reduce. Suppliers are keeping the capability and some production capacity for COVID-19 products, depending upon market dynamics, particularly diagnostics products.								MA-7406 MA-7408 MA-7410 MA-7414 MA-7416 MA-7417	
PR workload overload, leading to late order submission or delayed order approvals/engagement, further limiting options for timely product delivery.								MA-7404 MA-7408 MA-7410 MA-7413 MA-7414 MA-7417	
Export restrictions or limited supply availability of health commodities and/or associated raw materials could impact a countries health commodity supply security.								MA-7408 MA-7410 MA-7413 MA-7414 MA-7416 MA-7417	
Reductions in non-Global Fund funded and/or partner procurement for the three diseases, could lead to in-country health commodity shortages and urgent, unanticipated requests to the Global Fund to fulfill the shortfall.								MA-7408 MA-7410 MA-7413 MA-7414 MA-7417 MA-7643	
Implications of global events (such as the Russia/Ukraine War impacting the global supply chain) and the continued (albeit reducing) impact of COVID-19 pandemic have resulted in an increased requirement for commodities for oxygen supply for recipient countries and challenges getting products to recipients. The COVID-19 response product categories are complex product categories with very different product characteristics unfamiliar to Global Fund and international partners, which makes it more difficult to ensure supply at the international/global level, whether for oxygen (cylinders, PSA plants etc.) or equipment (concentrators). The global events are significantly impacting various areas of the supply chain, hence the shifting of risks and mitigations from COVID-19 restrictions towards these global event impacts.								MA-7418 MA-7420 MA-7421 MA-7634 MA-7643	
Current controls & mitigations									
MA-7404	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.								
MA-7406	Developing, updating, and implementing health product sourcing strategies in line with Market Shaping Strategy, with the supply of core health products through performance-based framework agreements with suppliers.								
MA-7407	Support access and compliance through the GF wambo.org, allowing PRs to transact orders using grant and non-GF grant funding, while extending PPM-negotiated prices and conditions to non-PPM procurements by other interested buyers through the Leveraging Impact Framework and November 2022 Board Decision on Non-Global Fund-Financed Procurement Utilizing the Pooled Procurement Mechanism and wambo.org								
MA-7408	Regular coordination with suppliers, PSAs, and partner organizations to monitor, assess, identify, and mitigate risks and health commodity supply impact (and potential shortages); such as rerouting and/or changing transportation mode to leverage available logistics capacity, production reallocation and product volume allocation. Mobilizing internal and external PSA resources as required.								
MA-7411	Grant budgeting guidance requiring use of PPM reference prices as a budget price for all PRs (Guidelines for Grant Budgeting).								
MA-7413	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. Communicate Global Fund supply risk assessment and revised lead-times on the external website.								
MA-7414	Define and deploy a cross-function supply chain operational risk management forum in response to major risk areas.								
MA-7415	New version of HPMT for GC7 and demand consolidation tool rolled out this year to support demand planning by the PRs								
MA-7416	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, PPE, commodities for oxygen supply).								
MA-7417	Leverage partnerships to optimize supply, logistics solutions and accelerate regulatory approval pathway; jointly manage demand with common recipient countries; regular coordination with other multilateral organizations and other larger buyers (such as USG, South Africa, etc.).								
MA-7421	Order placement is being strengthened leveraging Wambo/PPM mechanisms as the preferred procurement channel for C19RM grants, with an established standardized review system of any request for deviation.								

MA-7422	Facilitate OIG Advisory team's review of Outsourced Services Sourcing (OSS / PSA) Strategy and subsequent recommendations, leading into OSS / PSA Strategy update activities					
MA-7419	Regular communication with PRs/countries on product lead-times and order placement deadlines					
MA-7420	Partner with organizations with commodities for oxygen supply knowledge, PPM PSA (i+solutions) (following a PSA category selection tender) and Technical Assistance service provider (BHI) to ensure oxygen supply product availability whilst the commodities for oxygen supply strategy is developed (as applicable).					
MA-7409	Review of risks and updated mitigations, roles & responsibilities as the non-grant financed procurement channel through wambo as it is mainstreamed after the November 2022 Board Decision on Non-Global Fund-Financed Procurement Utilizing the Pooled Procurement Mechanism and wambo.org					
Assurances						
LFA reviews of health product purchases for compliance with QA Policy and grant budgeting guidance.						
Only GF QA compliant products are purchased through Wambo.org						
Regular performance reviews of Framework Agreement suppliers and Procurement Services Agents (PSAs) and Partner Organizations, include key performance indicator metrics (such as On-Time-In-Full (OTIF)) setting and monitoring. Quarterly Supply Operations reporting through the Performance Accountability Framework.						
Routine monitoring of stocks						
Supply Operations quarterly review of exceptions report.						
Overall Status			Risk mitigation is on track. There are no material delays.			
Controls & mitigations in development or planned			Status	Target completion	Action owner	
MA-7410	Improve the due diligence process that assesses the supply risk and price increase requests.			Underway	31-03-2023	SO
MA-7412	Design and implement a fit-for-purpose demand management process to maximize value (delivery performance, savings, secure the supply, etc.)			Underway	31-12-2023	SO
MA-7423	Review, consult, develop update and implementation to OSS / PSA Strategy			Underway	30-09-2023	SO
MA-7634	Ensure C19RM mandatory minimum assurances are properly planned, executed on-time, and their results used to update IRM MA&KMAs and risk ratings.			Underway	31-12-2023	SO
MA-7643	Revise key mitigating actions and define triggers for high/very-high Procurement risk to adequately reduce the risk level in line with the target risk (moderate by tbc). Risk/SO Collaboration.			Underway	31-03-2023	SO

06 - In-Country Supply Chain			Risk owner: SO		2022-Q4	MEC Approved				
Risk Description	Disruption or poor performance of in-country health product supply chain services, from central warehouse to point of service delivery that could result in inadequate availability of commodities and/or wastage of grant-funded commodities through expiries or diversion. Gaps may be in supply systems arrangements, systems and capacity, data process and analytics, physical logistics and/or financing and can prevent achievement of grant objectives.									
Risk Impact	Inadequate availability of commodities or wastage of grant-funded commodities through expiries or diversion. Significant proportion of grant funding allocated to health commodities, high volumes of lifesaving products flow through in-country supply chains that are often fragile, insecure, and poorly managed and coordinated, which can lead to multiple risk events, including treatment disruption, poor quality of services, increased drug resistance, health products wastage and poor value for money. Ultimately, this can lead to reduced impact of Global Fund investments and increased mortality and morbidity.									
Key Partners	Agencies of the US Government, Bill and Melinda Gates Foundation, Gavi, World Bank, World Health Organization and Interagency Supply Chain Group									
Key Countries	Afghanistan, Angola, Bangladesh, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Congo, Congo (Democratic Republic), Côte d'Ivoire, Eritrea, Ethiopia, Gambia, Guatemala, Ghana, Guinea-Bissau, India, Indonesia, Kenya, Malawi, Mali, Madagascar, Mozambique, Myanmar, Niger, Nigeria, Pakistan, Rwanda, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Tanzania (United Republic), Uganda, Ukraine, Haiti, Liberia, Viet Nam, Zambia, Zimbabwe.									
Change since last quarter		No change	Current direction of travel		Steady	Global Fund ability to mitigate		Low		
Residual Risk		High	Risk Appetite	High	Target Risk	Moderate	Target risk timeframe		June 2024	
Root Cause								Related Action		
Inadequate in-country supply chain leadership, lack of in-country coordination, limited capacity of in-country actors to perform supply chain functions in many instances exacerbated by national response measures and in-country disruptions.								MA-7283 MA-7284 MA-7286 MA-7620 MA-7647 MA-7700		
Lack of data availability or visibility and/or data quality related to consumption, stock of key commodities and patient information, resulting in lack of oversight, inaccurate quantification, forecasting and resupply.								MA-7283 MA-7285 MA-7286 MA-7645 MA-7646		
Inadequate facility/storage capacity and conditions, logistics information planning and distribution capacity; poor inventory management including insufficient inventory turns. Need for storage of PPE products contributes to scarcity of warehousing.								MA-7283 MA-7284 MA-7620 MA-7648		
Lack of coordination among donors and key stakeholders that are involved in or support the supply management cycle of health products in country.								MA-7283 MA-7644		
Upstream challenges, including shipment delays, can result in unavailability of products within the in-country supply chain, increase supply planning challenges and heighten pressure on in-country systems.								MA-7285 MA-7620		
Scarce resources across Global Fund and partners to support logistics for service providers to provide TA and collect data.								MA-7283 MA-7286		
Insufficient number of service providers with adequate capacity to provide in-country supply chain related technical assistance								MA-7283 MA-7287 MA7635		
Current controls & mitigations										
MA-7283	Ongoing implementation of revamped, overarching Supply Chain Roadmap over the next 4 years to better leverage grant and SI funds. This includes implementation of supply chain strengthening transformation plans.									
MA-7284	Supply Chain transformation plans/projects are ongoing in 35 countries and focus will be extended to other countries with identifying area for strengthening for this grant cycle as well as NFM4.									
MA-7285	On-going quarterly Spot checks for 40 priority countries to collect data for Supply chain indicators: OSA, OTIF (in-country), SATP and LMIS reporting rate to improve downstream supply chain visibility.									
MA-7286	Warehousing and distribution LFA assessments will be conducted in high and core countries. Assessments outcomes include new Management Actions and follow up on Agreed Management Actions.									
MA-7287	Restructured technical assistance support for countries through a pre-qualified pool of service providers is in place.									
Assurances										
LFA and partner assurances										
Overall Status					Risk mitigation is on track. There are no material delays.					
Controls & mitigations in development or planned								Status	Target completion	Action owner
MA-7620	Revise key mitigating actions and define triggers for high/very-high in-country supply chain risk to adequately reduce the risk level in line with the target risk (moderate by June 2024). Risk/SO Collaboration.							Underway	31-03-2023	SO
MA-7635	Ensure C19RM mandatory minimum assurances are properly planned, executed on-time, and their results used to update IRM MA&KMAs and risk ratings.							Underway	31-12-2023	SO
MA-7644	Strengthening PRs capacity in 3/4PL contracting and performance management, ensuring: (i) ToRs and KPIs are properly set at contract stage to achieve the expected results, (ii) KPI monitoring is led by the PRs and conducted transparently and regularly to tackle bottleneck early, (iii) countries’ ownership of the supply chain is maintained through inclusive selection and monitoring processes, and (iv) transition plans are elaborated early in collaboration with all relevant stakeholders. Target: 3 countries							Underway	30-06-2024	SO
MA-7645	Improve LMIS data quality through: (i) robust SOPs, and clear distribution of in-country roles & responsibilities for data collection, validation, and reporting, (ii) assessment of functionality of existing eLMIS before planning and roll out of new/enhanced fit for purpose eLMIS, and (iii) securing operational support to existing and new eLMIS.Target: 7 countries							Underway	30-06-2024	SO
MA-7646	Support the use of LMIS data for SC management decision and triangulation through: (i) creation of transversal committees to oversee data triangulation, (ii) elaboration of adequate dashboards for SC management decisions and (iii) systematic consideration for interoperability when investing in new systems. Target: 7 countries							Underway	30-06-2024	SO
MA-7647	Strengthening PRs and programs supply planning and monitoring capacities, through: (i) set up of transversal committees with appropriate governance to develop and review supply plans, (ii) systematic inclusion of decentralized levels in supply planning discussions, (iii) ensure committee’s access to adequate set of programmatic and SC data. Target: 5 countries							Underway	30-06-2024	SO
MA-7648	Improve storage quality through: (i) implementation of improvement action over physical storage conditions, (ii) update of storage processes, systems and tools (ERP), and (iii) optimization of the distribution network. Target: 6 countries							Underway	30-06-2024	SO
MA-7700	Develop and finalize the Supply Chain Maturity Model to determine maturity levels and identify priority areas for improvement. Implement the Supply Chain Maturity Model assessment to all GC7 45 priority countries for supply chain, starting with funding requests submission windows 1 countries.							Planned	31-03-2023	SO



07a - Grant-Related Fraud & Fiduciary		Risk owner: F&A		2022-Q4	MEC Approved		
Risk Description	The risk of Financial Fraud, Corruption and Theft is defined as the possibility that i. Global Fund assets (financial and non-financial) are misappropriated, ii. Financial statements reported to the Global Fund are intentionally misstated and Global Fund incurs financial loss due to corruption (including conflict of interest and bribery/extortion)						
Risk Impact	Financial losses that lead to inadequate program coverage, lower execution, and suboptimal impact against the diseases, as well as reputation damage. Economic outlook remains volatile due to combined effect of cost-of-living crisis, Russia’s invasion of Ukraine and knock-on effects of COVID-19. Increased inherent financial and fiduciary risk in implementing countries as challenges and disruption (macro and portfolio level) continue, thus creating an environment which both provides more opportunities for, and incentivizes, fraud. Entering the last year of grant cycle six also brings additional complexities (grant making and improving absorption) which can takeaway resources and focus from rigorous financial management. Efforts to adapt to the evolving environment continue. Additional assurances commissioned from various assurance providers for example mandatory assurance on COVID 19 activities have not raised any major issues. The fraud risk assessment in 5 countries and extending to 10 countries is creating fraud risk awareness and informing our assurance measures. It is anticipated that the risk will be mitigated in the Global Fund grants to a large extent and expect the direction of travel to stabilize and reverse in the coming quarters.						
Key Partners	International Professional Accounting Bodies and Supreme Audit Institutions (SAI).						
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						
Change since last quarter	No change	Current direction of travel		Steady	Global Fund ability to mitigate		Moderate
Residual Risk	High	Risk Appetite	High	Target Risk	Moderate	Target risk timeframe	Dec 2022
Root Cause							Related Action
Internal control weakness- weak internal control systems at PR and/ or SR level; Weak oversight over SR activities							MA-7350, MA-7348, MA-7352, MA-7003, MA-7341, MA-7353
Financial Fraud, Corruption and Theft: Critical deficiencies in fraud risk governance and control design at PR and SR level including fundamental components like SOD, COI clearance, whistle-blowing platform, formalized incident reporting and escalation mechanisms							MA-7348, MA-7346, MA-7345, MA-7000, MA-7001, MA-7002, MA-7352, MA-7622
Financial Fraud, Corruption and Theft: Emerging fraud risk resulting from cybersecurity issues including phishing; lack of data governance controls including data privacy and confidentiality, anti-money laundering and double dipping.							MA-7348, MA-7346, MA-7345 MA-7000, MA-7001, MA-7002, MA-7352, MA-7356
Flow of Funds Arrangements - operations predominantly in LIs, LMIs and UMIs which are characterized by low banking coverage, Continuous challenges and disruption in banking and treasury operations. Macro-economic instability has led to inflation and foreign exchange fluctuations.							MA-7349, MA-7354
Flow of Funds Arrangements - Operational disruptions including potential risk of ineligible expenditure or loss of assets resulting from untimely, weak cash advance reconciliation and cash payment for community mobilization activities							MA-7349, MA-7354, MA-7353
Value for Money - Financial Management: weak procurement process for increased in-country procurement, especially for C19RM health products and capital investments.							MA-7344, MA-7351
Current controls & mitigations							
MA-7350	Enhance the governance and oversight of implementers (PRs) and the financial risk and assurance model for IOs/INGOs to enhance the financial assurance and effectiveness of mitigating measures.						
MA-7353	Systems-generated reports linking recoveries and PUDR-reported ineligible have been developed. In line with new OPN on recoveries regular monitoring and reporting of non-OIG recoverable through aging, tracking of issuance of demand letter and refunds.						
MA-7348	Revised external audit Terms of Reference emphasizing risk-based assessment of PR internal controls, and updated guidelines for grant audits to reflect additional due diligence and consistent audit report and management letter templates. Delivered and effective from 2021-year end audits.						
MA-7346	Independent mitigation and assurance providers pre-selected by Global Fund: - Use of Fiduciary/Fiscal/ Payment Agents in thirteen selected high-risk countries at PR and/or SR levels including fraud specialist and monitoring the performance of the Fiscal Agent by the Grant Finance Managers. - Robust external audit process through use of comprehensive guidelines and use of RAI external auditors for consistent audit opinion and assurance						
MA-7349	Driving minimum use of cash and support implementing partners in cash optimization and use of innovative cost-efficient technological payment platforms, such as mobile money and mobile device solutions. At country level: Assessment of bank solvability and mandatory verification of grant dedicated bank account.						
MA-7354	Multiple mitigating measures at the corporate level including mandatory GF direct payment to certain suppliers, new measures for Bank Account Management, 2-factor authentication. Training on phishing and cyber fraud awareness.						
MA-7344	Strengthening of fiduciary controls 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. Investment Committee oversight on C19RM activities via monitoring of spot checks. Oversight on C19RM investments particularly capital and large procurements through pulse checks and LFA check on tender.						
MA-7351	Mandatory consultation on use of pre-qualification of professional service providers for technical assistance toward effective capacity building and fraud risk management at the implementer level.						
MA-7000	Two-tier M&O within Finance working closely with CTs, Risk and OIG - Reinforcement of 1 <sup>st</sup> line monitoring of financial and fiduciary risks through centralized thematic lead - Dedicated independent 2 <sup>nd</sup> line oversight on monitoring of financial and fiduciary risks through periodic CRMM reviews involving evaluation of risk ratings, adequacy, and quality of KMA and MAs, self-audits of 1 <sup>st</sup> line risk management activities Dedicated team for capacity building, working with countries to align with PFM and seeking innovative solutions to financial management issues						
MA-7345	Effective implementation of Financial Guidelines (e.g., Financial risk management, Budgeting and Financial reporting guidelines) for Country Teams and implementers.						
MA-7001	Raising awareness at Secretariat and country level, training and capacity building on fraud risk identification and management. Two modules on FRA that have been launched						

<b>Assurances</b>				
AFRO annual self-audit on FA and external audit reviews + EAT compliance				
Continuous monitoring of IO and INGO performance				
External & Internal Audit Reports				
Second line reviews and monitoring and oversight				
LFA spot-checks on use of mobile money & review of expenditures.				
Oversight of PR change by CPR and GAC.				
Public Financial Management (PFM) and Country Financial Management Strengthening and Innovation (CFMSI) reviews				
Review and approval by GFM, Semi-annual independent review and validation of completeness and accuracy by Recoveries Officer in BFCA and AFRO self-audit.				
<b>Overall Status</b>		Risk mitigation is on track. There are no material delays.		
<b>Controls &amp; mitigations in development or planned</b>		<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-7002	Undertake a deep dive on triangulating assurance received from service providers like external auditor, FA and LFA, including role of internal auditor	Underway	31-12-2023	GFM
MA-7352	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. Output from this ongoing assessment will be revised Financial Risk Management guidelines and revised ToR for fiscal agents. Phase 1 completed in Oct-22 Phase 2 to Resume in Feb and E2E complete by Sep-2023 for implementation in NFM4.	Underway	31-12-2023	AFRO
MA-7003	Annual thematic reviews on risk management by UN entities and INGOs	Underway	31-12-2023	F&A
MA-7341	Dedicated team working on strengthening in-country financial management flows and systems. So far, 34 out of the 46 countries have achieved 80% implementation of agreed action plans and 8 high priority countries have completed public financial management transition efforts towards use of country PFM system. Action to continue into 2023.	Underway	31-12-2023	GFM
MA-7356	Fraud Risk Assessment in 10 HI and Core countries, selected based on risk profile is ongoing. 5 (Nigeria, Zambia, Malawi, Zimbabwe and Sierra Leone) have been completed and 5 are in the planning stage (Pakistan, DRC, Liberia, Ethiopia, Cameroon). For countries completed, integration of FRA outcome into CRMM for Q1 2023 cycle and long-term systemic changes will feed into GC7grant making to be implemented and monitored from 2024 - 2025.	Underway	30-06-2023	AFRO
MA-7622	Fraud Risk Maturity Assessment (FRMA) recommendations and cross cutting Agreed Management Action implemented by Risk, Finance, Ethics, Supply Operations, TAP, Health Financing and Grant Management Departments. Most important being set-up of programmatic assurance and Fraud M&O mechanism. The detailed action plan will be implemented in line with the OIG Agreed Management Actions due in 2023.	Underway	30-06-2023	Risk
MA-7004	Joint in-country fraud conference planned for 2023, to be held with OIG and Risk department.	Underway	30-09-2023	AFRO

07b - Accounting & Financial Reporting by Countries		Risk owner: F&A		2022-Q4	MEC Approved					
Risk Description	Possibility that the records maintained, and the financial reports provided by the Principal Recipient and Sub Recipients in relation to Global Fund funds are incorrect, delayed, and incomplete or have inadequate supporting documents.									
Risk Impact	Poor decision making due to inadequate or poor-quality data. Suboptimal impact as resources will not be allocated to areas of greater impact. The Accounting & Financial Reporting by Countries risk rating is now assessed as Moderate, and the direction of travel is now steady. Disruptions faced by implementers, assurance providers and other stakeholders have begun to decrease, as countries remove restrictions. So far, Pulse check data has been received on time and to an acceptable level of quality. Additionally, PUs were largely received on time and to an acceptable level of quality. Expectation is same for upcoming PUDRs. Efforts to build capacity and improve on financial reporting continue. It is anticipated that the risk will be mitigated in the Global Fund grants to a large extent and expect the direction of travel to stabilize.									
Key Partners	The World Bank and US Government agencies have a moderate ability to mitigate the risk of poor Accounting & Financial Reporting by Countries. Additional Partners: International Professional Accounting Bodies and Supreme Audit Institutions (SAI).									
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									
Change since last quarter		No change	Current direction of travel		Steady	Global Fund ability to mitigate		Moderate		
Residual Risk		High	Risk Appetite	High	Target Risk	Moderate	Target risk timeframe		Dec 2022	
Root Cause								Related Action		
Accounting and financial reporting: Significant investment in countries with inadequate human resource capacity and weak or nonexistent financial management systems – with operations right down to peripheral level.								MA-7472 MA-7473 MA-7467 MA-7468		
Accounting and financial reporting: Weak processes and internal controls at PRs / SR levels.								MA-7472 MA-7473 MA-7467 MA-7468		
Auditing Arrangements: suboptimal auditing arrangements hence limited assurance from external auditors.								MA-7348		
Current controls & mitigations										
MA-7472	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 across 6 key financial management areas including financial absorption as part of supporting optimal grant management by implementers.									
MA-7467	Integrated approach to capacity strengthening and in-country risk reviews instituted through joint assessments/deep dives of implementers to assess root causes and effectiveness of mitigating measures at country level. Co-Link initiative action plans in place and being implemented in at least 46 High Impact and Core countries for strengthening implementers' financial management capacity in People, Processes, and Systems. To date: i) 34 out of 46 targeted countries met the 80% action plan completion threshold (cumulative results since 2017 to 31.12.2022) - 74% KPI attainment and ii) 8 out of 8 targeted countries met, for using at least 6 defined public financial management or donor-harmonized system components - 100% attainment. Action maintained and continues for 2023.									
MA-7473	Proactive monitoring by Finance senior management via Monthly Monitoring Meetings (MMM) to continue performing quality assurance, monitor timely validation, and improve the overall reconciliation and closure process as well as achievement of the Key Mitigating Actions and Closing of OIG AMAs.									
Assurances										
Corporate Forecasting uses of Fund review										
SO2G Corporate KPI review										
Review of progress and actions taken in case of delays.										
Overall Status					Risk mitigation is on track. There are no material delays.					
Controls & mitigations in development or planned								Status	Target completion	Action owner
MA-7468	Optimization of the cash management processes and foreign exchange risk exposure through the roll-out of a Foreign Exchange in Grants framework for grant implementation including PPM charge back to manage FX on cross-currency grant disbursements.							Underway	31-12-2023	PFC

08 - In-Country Governance		Risk owner: GMD		2022-Q4	MEC Approved														
Risk Description	Inadequate national program governance, inadequate CCM and/or Principal Recipient (PR) oversight of grants, and non-compliance with Global Fund requirements for the effective management of grants. Limited capacity by the Ministry of Health to develop, implement and oversee the national strategic health plan priorities to drive Universal Health Care.																		
Risk Impact	Poor national program governance and grant oversight results in under-performance of grant supported programs, poor value for money, fraud, reputation damage to the Global Fund and ultimately failure to achieve impact against the three diseases.																		
Key Partners	Bilateral donors such as the US and France provide focused technical assistance to PRs on grant management.																		
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																		
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	Not Applicable									
Root Cause									Related Action										
<p>- COVID-19 restrictions have limited the ability especially those in-charge of governance to undertake oversight visits or hold regular in-person meetings with implementers, beneficiaries, multilateral and bilateral partners, technical assistance providers and other stakeholders to monitor progress of grant activities and take corrective action as required. CCM members are providing “alternative” ways to prove dialogue and inclusiveness: electronic messages, emails, social network messages, etc to demonstrate compliance to eligibility requirements.</p> <p>- Poor IT infrastructure, internet connectivity and personal skills to manage technology has also created inequalities in access and attendance to online meetings and have led to various limitations to strong engaged stakeholder coordination and management</p> <p>- Further, the full effects of implementation disruptions and impact to beneficiaries cannot be easily measured or quantified through routine data systems and this poses an additional challenge for PR management to monitor to grants.</p>									MA-7580										
									External contextual factors including political instability, security threats, macro-economic factors, disruptions to health services due to pandemic and/or natural disasters impacting in-country governance structures and their ability to monitor and oversee grant implementation									MA-7600 MA-7601	
									Ineffective government oversight over the implementation of the disease strategies by national programs									MA-7589	
									Ineffective or absent internal controls at the PR level.									MA-7588 MA-7590	
Suboptimal human resource capacity at the PR level.									MA-7585 MA-7586 MA-7587										
Inadequate processes for SR selection and limited SR oversight.									MA-7585 MA-7586 MA-7587										
Inadequate PR management and reporting capacity, and inadequate oversight of PRs due to weaknesses in CCM engagement structures and coordination.									MA-7581 MA-7583 MA-7586										
Unclear lines of authority and responsibility from national to subnational levels to implement disease strategies.									MA-7582 MA-7583 MA-7584 MA-7586										
Ineffective planning, budgeting, implementation and supervision performed by national disease programs									MA-7582 MA-7583 MA-7584 MA-7586										
Insufficient prioritization of financial and human resources allocation to disease programs by national and subnational governments.									MA-7585 MA-7586 MA-7587										
Suboptimal collaboration between PRs, national disease programs, government and non-government stakeholders, including humanitarian partners in acute or protracted emergencies.									MA-7585 MA-7586 MA-7587										
Absence of human resource capacity development plans and consequent gaps in health staff training for the delivery of health services.									MA-7585 MA-7586 MA-7587										
Inadequate policies, processes, procedures, tools and protocols to identify and mitigate risks at PR and SR level.									MA-7581										
Current controls & mitigations																			
MA-7581		Implementation arrangement mapping conducted for all new grants.																	
MA-7582		PR selection, prior to Technical Review Panel and Grant Approvals Committee approval, that meet Global Fund minimum standards for internal controls and capacity.																	
MA-7583		Grant making actions specifically to address implementation and capacity challenges prior to grant signing.																	
MA-7584		Grant implementation monitoring focusing on oversight and supervision done by government entities and national disease programs respectively.																	
MA-7585		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-7587		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-7588		Integrated Risk Management Module 2.0 rolled out to ensure better analysis of PR oversight and management of risks and the identification and roll out of mitigating actions to improve implementer capacity as well as national program governance.																	
MA-7600		Use the Portfolio Performance Committee or its leadership to inform context specific, risk-based approach and trade-offs to mitigate the impact of external events on grant oversight and implementation.																	
Assurances																			
LFA spot checks reports																			
External audit reports																			
Review design and/or effectiveness of the internal control environment																			
Joint programmatic, supply chain and financial spot checks																			
Overall Status						Risk mitigation is on track. There are no material delays.													
Controls & mitigations in development or planned									Status	Target completion	Action owner								
MA-7580		Comprehensive measures planned and initiated to mitigate this risk and ensure long term consequences to Global fund grants. Specific initiatives include: - Monitor COVID-19 disruptions through the COVID-19 country monitoring tool (systemized survey tool administered by LFAs and integrated into Pulse Checks through Q4 2021) - Business Contingency flexibilities for the Grant Life Cycle processes in response to the COVID-19 disruptions - Support to CCMs, PRs and implementers to continue remote meetings and shifting planned trainings and cross-learning events to online format where appropriate. Grant flexibilities approved to enhance IT infrastructure for PRs and SRs - Support to PRs to develop contingency plans to ensure continuity of services and safeguard GF assets and alternative approaches for providing assurance including higher reliance on use of partners or communities.							Completed	31-12-2022	GMD-CT								
MA-7586		Develop, test, and implement the PR performance rating methodology for improved grant oversight.							Underway	31-12-2025	GMD (GPS)								
MA-7589		Roll out of CCM Evolution to strengthen CCM capacity in all High impact, core and focused portfolios.							Underway	01-12-2023	GMD (GPS)								

MA-7590	Development and roll out of front-line risk management approach, including undertaking in-country risk workshops with CCMs, PRs, implementers and partners for High Impact and Core countries (aligned to the roll out of CCM evolution, and COE workshops).	Underway	01-12-2023	Risk
MA-7601	Improve the operationalization and implementation of the COE Policy considering recommendations from TERG Evaluation and OIG Audits.	Underway	01-12-2023	GMD COE Team

09 - Quality of Health Products		Risk owner: SO		2022-Q4	MEC Approved					
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.									
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.									
Key Partners	Agencies of the US Government, World Bank, World Health Organization, UNICEF, STOP TB and GAVI have a minor to moderate ability to mitigate health product quality risk.									
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									
Change since last quarter		No change	Current direction of travel		Steady	Global Fund ability to mitigate		Moderate		
Residual Risk		Moderate	Risk Appetite	Moderate	Target Risk		Moderate	Target risk timeframe	Not Applicable	
Root Cause								Related Action		
Weaknesses in downstream in-country QA mechanisms, including gaps in national pharmacovigilance and post-market surveillance.								MA-7546 MA-7548 MA-7549 MA-7550 MA-7552 MA-7554 MA-7555 MA-7558 MA-7560		
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-7544 MA-7545 MA-7546 MA-7547 MA-7548 MA-7551 MA-7556 MA-7560		
Procurement of substandard health products i.e. procurements outside the list of commodities which are WHO prequalified / SRA approved or Expert Review Panel (ERP) recommended. Of note, limited quantities of quality assured COVID-19 focused commodities, especially PPE and oxygen, on the global market have the potential to encourage non-PPM procurement of commodities of non-assured quality.								MA-7544 MA-7545 MA-7547 MA-7548 MA-7551 MA-7553 MA-7556 MA-7557 MA-7559		
Weak supply chain systems that store, transport, distribute, control, monitor and maintain product quality throughout the in-country supply chain.								MA-7546 MA-7548 MA-7549 MA-7550 MA-7552 MA-7554 MA-7558		
Lack of implementation of good dispensing practices.								MA-7546 MA-7547 MA-7549 MA-7554 MA-7558		
Relying on WHO or SRA Emergency procedures for COVID-19 commodities which are less stringent mechanisms on less documented evidence to allow the products to be procured as per TGF interim guidance.								MA-7557 MA-7559		
Current controls & mitigations										
MA-7544	Ongoing engagement with partners and other donors to ensure alignment of quality standards. 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 resources.									
MA-7545	ERP process to support introduction and provide access to innovative health products established in collaboration with WHO.									
MA-7547	Implementation of Global Fund Quality Assurance (QA) policies and continuous improvement of the QA requirements based on evolving needs, including issuance of interim QA Requirements for the Procurement of COVID-19 medical devices, diagnostics and pharmaceutical products procured with Global Fund resources and revision of PSM guide to update PPE QA requirements.									
MA-7548	Develop guidance and tools that support implementers to comply with quality control testing requirements for LLINs (linked to GF-OIG-21-001, AMA #4.2)									
MA-7549	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-7550	Targeted RSSH investments for strengthening selected countries pharmacovigilance systems in order to identify and take appropriate action in response to adverse reactions.									
MA-7553	Procurement through PPM, and UN agencies through memorandum of understanding, provide increased assurance that products meet internationally recognized standards of quality as centralized procurement facilitates QA compliance monitoring by GF.									
MA-7554	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-7556	The Health Product Risk Committee (HPRC) established to review risks related to quality of health products, with authority to approve on a case-by-case basis, 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-7560	Change of Market Surveillance methodology from ad-hoc to planned monitoring activities (currently only one ad-hoc market surveillance scheme in launch for PPE)									
Assurances										
Verification of product eligibility within procurement transactions is conducted through PQR										
Enhanced non-compliance database is regularly updated to track and consolidate instances of non-compliance with the Global Fund QA policy and outcomes.										
Review of in-country quality monitoring activities										
Overall Status					Risk mitigation is progressing but there are some delays.					
Controls & mitigations in development or planned								Status	Target completion	Action owner
MA-7546	Clarify the Secretariat Quality Assurance mandate, which is phase one of the QA strategy, through 'As-is/To-be process' including the necessary activities, roles and responsibilities, in turn supporting implementation of actionable quality assurance plans.							Underway	31-12-2023	SO
MA-7552	Development of procedures to investigate and support countries to identify and remove ineffective or dangerous products from the market. Collecting and considering publication by stringent regulators such as Notice of Concern by WHO, Warning and Notice of Violation Letters by SRAs esp. USFDA to capture external risk identified.							Underway	31-06-2023	SO
MA-7555	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.							Underway	30-12-2023	SO
MA-7557	Strategic Initiative funding to strengthen WHO capacity to review new health products (3 diseases and COVID-19), including development of well-defined PQ processes for medical devices and PPE that are essential to the COVID-19 response.							Underway	30-12-2023	SO
MA-7559	Development and publication of new guidance documents and lists to advise recipients on the best practices to implement the newly published QA requirements on PPE or MD for Oxygens procurement.							Planned	31-03-2023	SO

10 - Human Rights & Gender Equality		Risk owner: CRG		2022-Q4	MEC Approved		
Risk Description	Human rights related barriers, including stigma and discrimination, increase risk and vulnerability, limit access to HIV, TB and malaria-related health services for key, vulnerable and/or underserved populations, and worsen health outcomes. Gender inequality increases risk and vulnerability, reduces access to health services, and worsens health outcomes for women, girls, and gender-diverse communities, particularly those in key and vulnerable populations.						
Risk Impact	Failure to address human rights related barriers can result in failure to achieve impact through Global Fund investments, in as much as they increase risk and vulnerability, hinder access to and retention in health services, and worsen health outcomes. Failure to address gender inequalities and related barriers to access can undermine the effectiveness and impact of Global Fund-supported programs.						
Key Partners	Gender Equality: UN, Bilateral, Foundation, Community and Civil Society partners						
Key Countries	Afghanistan, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Central African Republic, Chad, Comoros, Congo, Cote d’Ivoire, Eritrea, Eswatini, Gambia, Guatemala, Guinea, Guinea-Bissau, Honduras, Indonesia, Kosovo, Liberia, Madagascar, Malawi, Nigeria, Pakistan, Papua New Guinea, Philippines, Rwanda, Somalia, South Sudan, Sri Lanka, Suriname, Tajikistan Tanzania (inc Zanzibar), Timor Leste, Uganda, Zambia, Zimbabwe						
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
Root Cause							Related Action
Gender Equality							
Limited understanding and knowledge of health system planners, CCMs, and implementers on how gender inequality affects access to services and disease outcomes for women, girls and gender-diverse people, particularly KVPs, and how to address gender-related risks, vulnerabilities, and barriers to services in strategies and programs.							MA-8001 MA-7466
Poor engagement and lack of meaningful participation of women and gender-diverse communities, particularly KVPs, in Global Fund decision-making and accountability hinders the identification of gender-related risks, vulnerabilities, and barriers to services, and undermines effective programming.							MA-8001 MA-8059
Limited capacity and expertise of implementers to implement gender-responsive and -transformative interventions hinders effective programming for women, girls, and gender-diverse people, particularly KVPs, and the reduction of gender-related risks, vulnerabilities, and barriers to services.							MA-8001 MA-7466
Harmful and/or discriminatory gender-related social and cultural norms and practices increase risk and vulnerability, reduce access to services, and worsen health outcomes for women, girls and gender-diverse communities, particularly KVPs.							MA-8001 MA-7466 MA-8003
Laws and policies fail to protect against, or exacerbate, gender inequalities, including discrimination and GBV, increasing risk and vulnerability and limiting access to services for women, girls, and gender-diverse communities, particularly KVPs.							MA-8001 MA-8059
Insufficient investments in national systems and processes for collection and analysis of data disaggregated by sex and gender, as well as key population, age and other relevant factors, hinders understanding of gender inequities in access to services and health outcomes and the design of programs to respond to them.							MA-8002
Limited capacity and/or willingness of implementers to monitor and evaluate gender-related dimensions of programs, including through the collection and analysis of sex and gender-disaggregated data, limits their ability to identify and address gender-related risks, vulnerabilities, and barriers to services throughout program implementation.							MA-8002
Workplace policies and practices of implementers and within the health workforce perpetuate or fail to address gender inequalities.							MA-8001 MA-8059
Political or social backlash against gender equality undermines ability to implement gender-transformative programs effectively.							MA-8001 MA-8059
Human Rights							
Harmful laws, regulations, or policies increase risk & vulnerability and limit access to services for key and vulnerable populations and others left behind.							MA-9001 MA-9003 MA-9004 MA-9005 MA-9008 MA-9010 MA-9012 MA-9013 MA-9014 MA-9016 MA-9017
The understanding of and response to the nature and extent of human rights-related barriers to health services is inadequate as a result of a failure to conduct or update an assessment of human rights-related barriers and existing programs, and develop or update an evidence-based plan to address existing barriers and scale up programs.							MA-9002 MA-9011
The scale, scope and quality of programs to address human rights-related barriers to HIV, TB and malaria services is limited and does not include all human rights program essentials.							MA-9001 MA-9002 MA-9003 MA-9004 MA-9009 MA-90010 MA-9012 MA-9013 MA-9014 MA-9015 MA-9017 MA-9016
Risks to security of implementers of programs for key and vulnerable populations and their beneficiaries have not been adequately assessed, and a risk mitigation plan has not been developed and implemented as part of program management.							MA-9006 MA-9008 MA-9016 MA-9017
Community involvement in the design, implementation and monitoring of the response to the three diseases is insufficient.							MA-9007 MA-9016 MA-9017
Current controls & mitigations							
Gender Equality							
MA-7466	Improving gender-responsive programming: The Global Fund launched a "precision prevention" focus in order to improve the coverage and quality of prevention interventions in focus countries, including the AGYW portfolio. The AGYW SI is scaling up targeted TA in specific areas including SRHR integration, and design and costing of the package of interventions. An additional piece of guidance has been developed on how to ensure that the human rights investments are gender responsive and transformative.						
Human Rights							
MA-9001	New technical briefs on reducing human rights-related barriers to HIV and TB services, and on equity, human rights and gender equality and malaria developed.						
MA-9002	Guidance and tools for undertaking a rapid assessment of human rights-related barriers and existing programs developed.						
MA-9003	Program essentials for HIV and TB contain human rights program essentials (including efforts to remove criminal and other harmful laws and policies), meaning that countries will have to report on status of these programs and, for core and high impact portfolios, will have to detail what they plan to do to ensure full implementation.						
MA-9004	Breaking Down Barriers (BDB) cohort expanded to 24 countries, with (reduced) human rights matching funds available to 20 initial and 4 new countries (Bangladesh, Burkina Faso, Nigeria, Thailand). More stringent financial and programmatic matching fund conditions developed and included in allocation letters.						
MA-9005	New KPI (E1) developed to measure progress towards comprehensive programming to reduce human rights-related barriers in the 24 BDB countries over the period of the new Strategy. This will include annual assessments of progress.						



MA-9006	Security toolkit: “Protecting implementers and improving programme outcomes: guidance and tools to strengthen security in GF supported KP programmes” developed and published.			
MA-9007	“Community Engagement: A Guide to Opportunities Throughout the Grant Life Cycle” developed and launched; regional workshops to support enhanced community engagement in all phases of grant lifecycle held.			
MA-9008	Regularly update the register of human rights crisis situations (as defined by the Global Fund guidance on managing grants in such a situation) that occur in countries receiving funding from the Global Fund, based on reports from technical partners, media coverage etc.			
MA-9009	Strengthening of multiple partnerships aimed at increasing collaboration and action to eliminate all forms of stigma and discrimination.			
Assurances				
Gender equity IRM has indicator to track TRP assessment of gender responsive grants. AGWY SI has a MEL framework which will be reported to the Secretariat.				
Review of funding request essential data tables				
Yearly KPI E1 progress reports				
Crisis register available through CRG				
Overall Status		Risk mitigation is on track. There are no material delays.		
Controls & mitigations in development or planned		Status	Target completion	Action owner
Gender Equality				
MA-8001	Roll out a Gender Equality Marker to track and improve grant investments in gender equality	Underway	31-12-2025	CRG
MA-8002	Data driven decision making: 1. Draft, pilot and use gender equality indicators to improve gender inequality risk assessment and implement appropriate mitigation plans. Trainings undertaken, together with the Human Rights Risk trainings. 2. Support the use of data collection tools on gender through the grants as appropriate including UNAIDS gender assessment, Stop TB's CRG Assessments, and RBM's Malaria Matchbox. 3. Support the implementation of KPI S7 (formerly KPI6e) to track collection and use of sex-disaggregated data	Underway	31-12-2025	CRG
MA-8059	Strengthen the Secretariat’s approach to gender equality with a more ambitious and systematic approach in GC7, including through new funding request requirements, TA, program essentials, new technical brief, thematic evaluations and KPIs measuring engagement and grant performance relating to gender equality.	Underway	31-12-2025	CRG
Human Rights				
MA-7401	Build Secretariat capacity on human rights risk management (including risk assessment, mitigation plans and oversight), and developing necessary tools and trainings aimed at ensuring the Global Fund moves into the new Strategy with the best possible approaches and practices with regard to human rights risk.	Underway	30-06-2023	CRG
MA-7402	Reorganize CRG and review CRG support across the Secretariat to ensure effective implementation of the new strategy. <i>Note: the reorganization may be affected and delayed by Replenishment outcomes.</i>	Underway	31-03-2023	CRG
MA-9010	Analysis of challenges and opportunities to remove harmful laws, policies and practices underway in 10 key portfolios, to inform GC7 support in those countries and beyond; strengthening of partnership, particularly with UNAIDS and UNDP and PEPFAR, for collaborative and complementary activities in this area.	Underway	31-12-2023	CRG
MA-9011	Supporting rapid assessments of human rights-related barriers and existing programs, to inform funding requests, with focus on 4 new BDB countries.	Underway	30-09-2023	CRG
MA-9012	Supporting progress assessments in 20 BDB countries, to document progress made, results and impact of BDB in the countries; and support GC7 funding requests.	Underway	31-12-2023	CRG
MA-9013	Intense effort to scale up and increase quality of programming in expanded cohort of 24 BDB countries, including support to country teams and long-term TA provision to countries and implementers.	Underway	31-12-2026	CRG
MA-9014	Developing the new (2024-2026) Human Rights Strategic Initiative so it best supports the effort to scale up and increase quality of programming, as well as efforts to remove harmful laws and policies and efforts to ensure more equitable access to malaria services.	Underway	31-12-2023	CRG
MA-9015	Operationalizing the new human rights KPI (KPI E1), as well as supporting an evaluation of the extent to which human rights barriers are reducing as a result of program scale up in priority countries (part of the Office of Evaluation & Learning’s 2023-2025 evaluation calendar).	Underway	31-12-2026	CRG
MA-9016	Phase III of partnership with Thomson Reuters Foundation, aiming to support young people’s leadership on human rights issues related to the 3 diseases, and on removing legal barriers that hinder young people’s access to health services and increase risk and vulnerability, and negatively impact disease outcomes.	Underway	31—07-2024	CRG
MA-9017	Build Secretariat capacity on human rights and developing necessary tools and trainings aimed at ensuring that the Global Fund can implement the ambition of the new Strategy with the necessary capacity and capabilities.	Underway	30-04-2024	HR



11 - Transition		Risk owner: HFD		2022-Q4	MEC Approved					
Risk Description	Countries are unable to sustain and scale impact when they transition towards full domestic financing and program implementation of the national disease responses.									
Risk Impact	Unsuccessful transition can result in, among other things, service disruption or lack of continuity of services (especially for key and vulnerable populations), inability to continue to scale service provision in line with global and national targets, a reduction in the quality of services provided (including access to quality assured and affordable health products and commodities), and limited ability of existing national civil society and community organizations to sustain programs and build capacity without external financing. As a result, the three diseases could remain public health threats in countries no longer eligible for Global Fund support or a continued epidemiological challenge could threaten the past gains of GF and national financing.									
Key Partners	Development banks, the World Health Organization, UNAIDS, civil society organizations, private foundations and others.									
Key Countries	Under the Sustainability, Transition and Co-Financing (STC) Policy, all Upper Middle-Income Countries (UMIC) and Lower Middle-Income Countries (LMIC) with "Not High" high disease burden are considered "Transition Preparedness" priorities. For 2020-2022, this is a cohort of approximately 66 disease components (including those receiving transition funding but not including COEs or components within multi-country grants). Of these 66 components, 17 components are projected to fully transition from Global Fund financing prior to or during the 2026-2028 allocation cycle, 6 components are receiving transition funding in 2020-2022. This cohort will be updated for the 2023-2025 cycle.									
Change since last quarter		No change	Current direction of travel		Steady	Global Fund ability to mitigate		Minor		
Residual Risk		High	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe		Not Applicable	
Root Cause								Related Action		
Continued epidemiological challenges and programmatic gaps in the national disease responses, particularly amongst key and vulnerable populations. Inability to domestically finance interventions for key and vulnerable populations (KVP) in an optimal and sustainable manner.								MA-7470 MA-7474 MA-7476 MA-7480		
Limited country ownership of the transition process, including lack of advanced planning.								MA-7479 MA-748 MA-7481		
Medium to long term macroeconomic and fiscal constraints that impact long term sustainability of domestic financing for health.								MA-7479 MA-7476		
Low prioritization of health and or the specific national responses and / or misalignment between disease and Universal Health Care (UHC) financing mechanisms and reforms impacting sustainable financing for health in the long term.								MA-7470 MA-7474 MA-7476 MA-7481		
National stakeholders have limited capacity or political will to address the underlying economic, political, legal and social issues and/or have insufficiently initiated country level dialogue to address sustainability and transition challenges.								MA-7470 MA-7476 MA-7477		
Current controls & mitigations										
MA-7474	Embedding STC principles and practices through the operationalization of the STC policy and supporting in-country stakeholders to address transition challenges and manage the transition process. This includes continued provision of transition grants to support efforts to address transition challenges, ongoing development and use of guidance related to transition planning and sustainability, TA support to address transition challenges, negotiation of co-financing commitments and ongoing reviewing of the realization of those commitments, ongoing support for sustainability and transition planning, ongoing review by the TRP of transition / sustainability considerations in the review of Funding Requests (including the addition of a new principle on sustainability in 2023-2025), approval of extended use of Wambo for non-grant funding (including in transition contexts), maintaining engagement with development partners on sustainability and transition planning and with civil society and community groups to effectively support the STC agenda.									
MA-7477	Strengthened organizational focus and Secretariat coordination on transition and STC, in collaboration with Grant Management Division -- development of joint OIG, TRP, TERG, and Secretariat recommendations to guide STC policy implementation in 2020-2022; embedded sustainability / transition specialists within AELAC region.									
MA-7479	Review of transition grants and case by case consideration of extensions in exceptional circumstances to mitigate ongoing transition challenges. Secretariat has conducted a review of existing transition grants and on a case-by-case basis is leveraging flexibilities in the STC Policy where needed to consider extending transition grants and/or leveraging Portfolio Optimization funding to support these extensions, to mitigate transition challenges (including those exacerbated by COVID-19). This includes several extensions of previous transition grants and allocation of limited amount of portfolio optimization to support these extensions.									
MA-7480	Strengthened organizational focus and Secretariat coordination on transition and STC, in collaboration with Grant Management Division, including development of Health Finance department to support overall health financing and sustainability / transition efforts (with increases in available resources), in addition to continued prioritization by Grant Management. This is a major Secretariat initiative to step up the Global Fund Secretariat's engagement in health financing and efforts to strengthen overall sustainability/value for money.									
MA-7481	The updated eligibility policy includes a provision to make disease components that received transition funding in the 2020-2022 allocation period exceptionally eligible to potentially receive an allocation in the 2023-2025 period, to support / mitigate ongoing transition challenges (including those exacerbated by COVID-19)									
Assurances										
Transition Readiness and Sustainability Assessments										
Co-financing compliance monitoring										
Ongoing review of transition preparedness activities in GAC review of grants										
2018 OIG audit on Transition, TERG 2019 Thematic Review on STC Policy										
Overall Status					Risk mitigation is on track. There are no material delays.					
Controls & mitigations in development or planned								Status	Target completion	Action owner
MA-7470	Implementation of STE-SI -- Ongoing 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 transition challenges; iii) strengthening public financing of CSO service delivery (i.e., "social contracting"); iv) ongoing efforts to enhance expenditure tracking across Global Fund portfolio; v) ongoing efforts to enhance efficiency across Global Fund portfolio.							Underway	31-12-2023	HFD
MA-7476	Systematic review of STC considerations and co-financing trends in the development of Global Fund funding requests and grants, including grants in the transition preparedness portfolio.							Underway	31-12-2024	GMD
MA-7535	Implementation / operationalization of transition and transition preparedness considerations into the 2023-2025 allocation cycle, including Access to Funding processes. This includes the provision of transition funding to eligible disease components for 2023-2025, which will continue to support addressing transition challenges and supporting the transition process.							Underway	31-12-2024	GMD

12 - Drug & Insecticide Resistance		Risk owner: HFD		2022-Q4	MEC Approved		
Risk Description	Increased resistance to drugs and insecticides used to fight the three diseases can lead to increased morbidity and mortality. Inconsistent and inadequate treatment, low quality pharmaceuticals, and interruptions in health product supply foster drug resistance that threatens public health. Insecticide resistance refers to the development of resistance in the mosquito vectors of malaria, to the insecticides used in the main vector control tools used to control malaria (primarily insecticide treated nets (ITN) and indoor residual spraying (IRS)).						
Risk Impact	Drug resistance can lead to treatment failures heightened disease burden and increased mortality across portfolios, complicating the HTM response (operationally and financially) and negatively impacting the path to ending the epidemics. Insecticide resistance may diminish the effectiveness of vector control tools which have been critical in reducing the malaria burden, thus negatively impacting ability to reduce cases and deaths and the Global Fund investments in Malaria control and elimination.						
Key Partners	WHO, RBM, US Government agencies, the World Bank, National Governments and National disease control programs, and the Innovative Vector Control Consortium are key partners in mitigating the risk of Drug and Insecticide Resistance.						
Key Countries	For Antimalarial drug resistance, the threat of emerging artemisinin partial resistance and partner drug resistance is a concern for all of malaria endemic countries in sub-Saharan Africa. For insecticide resistance: sub-Saharan Africa is the main area of concern given intense and widespread insecticide resistance. Areas of insecticide resistance also exist outside of SSA more focally. TB: Bangladesh, Cameroon, Cambodia, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Mozambique, Myanmar, Nigeria, Pakistan, Philippines, South Africa, Tanzania, Uganda, Ukraine, Viet Nam, Zambia						
Change since last quarter	No change	Current direction of travel		Increasing	Global Fund ability to mitigate		Moderate
Residual Risk	High	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
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 health workers at public and private health facilities; and inappropriate/inadequate prescription and use of drugs; (f) inadequate monitoring of patient compliance to treatment (high dropout rates in HIV and TB); (g) inadequate monitoring of response to treatment – TB drug sensitivity testing for first- and second-line drugs; (f) parasite gene mutations and increased selection related to factors such as a-g						MA-7440 MA-7443 MA-7445 MA-7446 MA-7447 MA-7448 MA-7449	
Treatment interruptions affecting patients’ ability to comply with treatment due to a) political or security threats; b) pandemics or other events resulting in health service disruptions; c) disruptions to health products supplies resulting in stock-outs of diagnostics and therapeutics both at service delivery points and nationally;						MA-7440 MA-7453 MA-7444 MA-7443	
HIV; Antiretroviral treatment interruptions related to patient, program and/or policy factors. Patient factors include non-adherence and treatment interruptions (including because of ARV side effects); program factors include instability of ARV supply causing treatment interruptions, inadequate support to those at risk for treatment interruptions, inadequate support and training to providers, inadequate virologic and clinical monitoring; and policy factors include use of older ARVs with lower barriers to resistance, and user fees that act as a barrier to uninterrupted treatment access.						MA-7440 MA-7453	
TB: Limited access to rapid molecular testing to detect drug resistance and resistance to first and second-line TB drugs, use of inappropriate regimens and poor patient management including monitoring for adverse drug events that affects treatment adherence. Inadequate support to those at highest risk of DR-TB including prisoners, miners, urban slum dwellers, etc.						MA-7448 MA-7058	
Malaria case management challenged by insufficient access to care and poor-quality services (including lack of parasitological diagnosis, poor adherence to clinical algorithms, accurate reporting and recording, and reliance on select ACTs which are more affordable than alternative pre-qualified ACTs, ). There is currently evidence of artemisinin partial resistance and signals of partner drug decreased efficacy in multiple contexts. The impact is exacerbated in high-risk environments that account for a significant portion of Global Fund investments.						MA-7660 MA7443	
Root cause of insecticide resistance is evolutionary pressure resulting from the persistent and widespread use of the same insecticides over time, in particular when used in agriculture as well as public health. Multiple pollutants in water sources may also play a role in some types of resistance. Cross-resistance also plays a role, whereby resistance caused by selection pressure to one class of insecticides also confers resistance to another class. Except potentially in the case of effective combinations of insecticides, it is widely accepted that resistance will arise to any insecticide used at scale in public health, but development can be slowed.						MA-7661 MA-7663 MA-7666 MA-7667	
Root causes of poor disease outcomes from insecticide resistance are: (a) inadequate and inconsistent insecticide resistance monitoring and surveillance / in-country capacity to collect and analyze data; (b) lack of a clear framework to define and guide appropriate scope and scale of insecticide resistance monitoring; (c) limited number of insecticide classes used in current vector control tools; (d) inability or failure to deploy vector control tools which are effective against the (due to supply constraints, cost constraints or prioritization of other malaria control interventions above these tools).						MA-7662 MA-7663 MA-7664 MA-7665 MA-7666 MA-7667 MA-7668	
Current controls & mitigations							
MA-7440	Drug resistance – HIV/TB. WHO normative guidance regarding appropriate treatment guidelines and protocols in place; Global Fund support for implementation of new WHO guidelines regarding Drug Resistant Tuberculosis, HIV Drug Resistance						
MA-7453	Drug resistance - HIV Support implementation of the WHO-led integrated Global Action Plan on drug resistance to HIV, viral hepatitis and STIs currently in development to prevent, monitor and respond to HIV drug resistance (and STI, hepatitis). <ul style="list-style-type: none"><li>Continued engagement with SO and CTs to flag orders for ARVs no longer recommended for HIV treatment, and that could contribute to development of drug resistance, and work with Ministries of Health (via HPMS and CTs) to transition to more efficacious regimens (DTG-based)</li><li>Internal Global Fund Memo to transition children on older lopinavir/ritonavir-based regimens to DTG-based regimens (2021)</li><li>Support and expand use of viral load testing through multiple integrated platforms to encourage adherence to ARVs (including improved patient literacy with U=U campaigns), monitor failure and rapid switching to 2<sup>nd</sup> line regimens.</li><li>Support countries to implement routine surveillance of acquired HIV drug resistance in adults, children and adolescents receiving ART either using a viral load laboratory-based method or an ART clinic-based method.</li></ul> Support development of national action plans to prevent, monitor and respond to HIV drug resistance and the implementation of nationally representative surveys						
MA-7448	Drug resistance - TB Provide technical support for DR-TB including through the updated Green Light Committee (GLC) mechanism and agreement with WHO with (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-7444	Drug resistance – Malaria Use the specific funding of the Greater Mekong Subregion through the Resistance to Artemisinin Initiative to limit the spread of artemisinin resistance. accelerate elimination of Plasmodium falciparum in the GMS through intensified activities such as mass drug administration and IPT forest goers. Document interventions and develop lessons learned that can be applied in the region and in other regions. Use regional component to address transnational issues including spread of malaria due to migration.						

MA-7443	<b>Drug resistance – Malaria</b> Global Fund grant support programs to conduct therapeutic efficacy studies to monitor drug efficacy and inform decisions on malaria treatment.			
MA-7661	<b>Insecticide resistance</b> WHO normative guidance on development of insecticide resistance management plans; use of these by countries to develop plans; guidance that sound IRM plans should be in place for Global Fund recipients of funding for malaria vector control as indicated in the Information note and program essentials.			
MA-7662	<b>Insecticide resistance</b> Data on insecticide resistance widely available to guide appropriate product choice. WHO GMP Threats Map includes a section on insecticide resistance. This tracks all reports of insecticide resistance and is often used by CTs, TAP and partners to check / cross check status of resistance to help inform appropriate tool choice.			
MA-7663	<b>Insecticide resistance</b> Support and reward innovation of new vector control tools that have a) new insecticide classes, b) combinations of effective insecticides/classes and/or c) enhanced effectiveness against insecticide (especially pyrethroid) resistant mosquitoes. Partnership work via IVCC. Global Fund procurement practices support to innovation. Previous and current Global Fund (and Unitaidd) catalytic investments to support entry of new ITNs to market (New Nets Project and Net Transition Initiative).			
MA-7664	<b>Insecticide resistance</b> National malaria programmes propose use of appropriate IRS and most effective ITNs or other vector control tools (as appropriate to local prioritization decisions), informed by strong evidence of the local insecticide resistance status and these underpin Global Fund grants. Insecticide resistance monitoring and entomological surveillance are appropriately prioritized in Global Fund grants. Both these are supported by the Malaria Strategy, Information Note and Program essentials.			
MA-7665	<b>Insecticide resistance</b> Global Fund and partners work to support development of a healthy marketplace for vector control tools with sufficient capacity and affordable pricing of the most effective tools. Catalytic funding (NextGen SO SI and Net Transition Initiative SI, as well as partnership work currently support).			
MA-7666	Entomological surveillance and/or insecticide resistance monitoring is strengthened and /or expanded in GC7 grants via TAP works with country teams to ensure appropriate entomological monitoring is included in funding requests; internal guidance sharing meetings held to support these (PHME meetings etc).			
<b>Assurances</b>				
LFA programmatic procurement and supply chain spot checks				
WHO GMP Threats Map includes a section on insecticide resistance. This tracks all reports of insecticide resistance and is often used by CTs, TAP and partners to check / cross check status of resistance to help inform appropriate tool choice				
WHO Threats maps includes results of drug efficacy surveillance				
TRP reviews of funding requests demonstrate appropriate vector control plans and justified prioritization decisions				
<b>Overall Status</b>				
Risk mitigation is on track. There are no material delays.				
<b>Controls &amp; mitigations in development or planned</b>				
<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>		
MA-7445	Global Fund grants support countries to implement changes in treatment regimens, drug policies when necessary; accelerated uptake of innovation to maximize value for money (e.g. change to DTG for treatment of HIV, shorter regimens for TB and DR-TB, ). Related guidance can be found in Technical Information notes and Program Essentials.	Underway	31-03-2023	TAP
MA-7449	Global Fund grant support for work with local communities and private sectors to find missing HIV and TB cases a, as is stressed by the Technical Information Notes and revised by TRP.	Underway	31-03-2023	TAP
MA- 7058	Through the TB Strategic Initiative, deploy a pool of pre-qualified providers to support increased access to molecular diagnostics, roll out of new recommendations and guidelines for DR-TB, support update of all-oral regimens in the priority countries; multi-country investments for programs focused on migrants and cross border issues, mining sector, refugees, and improved laboratory services	Underway	31-12-2023	TAP
MA-7446	Global Fund grant support for behavior change communication, fixed dose combination therapies and support programs to improve patient adherence to antimalarial treatment.	Underway	31-03-2023	TAP
MA-7447	Providing clear guidance and advice on quality and effective 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	Underway	31-03-2023	TAP
MA-8050	i. Expanding access to care via appropriate channels (public, community or private). ii. Enhancing quality of service provision given access.	Underway	31-12-2023	TAP
MA-7667	Increase in scale of use of most effective vector control tools in GC7 grants compared to GC6 grants (achieved via TAP work with CTs to support funding request development and review; sound TRP review; TAP work with GMP to develop ITN prioritization guidance)	Underway	31-12-2023	TAP
MA-7668	Market intervention to increase supply and/or affordability of most effective ITNs in place (achieved via work with SO, suppliers and the Gates Foundation)	Underway	31-12-2023	TAP
MA-7660	Work with partners in-country and internationally to support implementation the 2022 WHO Malaria Drug Resistance strategy pillars: a) strengthen surveillance of antimalaria drug efficacy and resistance by supporting implementation of TES at national/subnational level; b) ensure appropriate malaria diagnosis are available and quality assured; c) reactive interventions to respond to identified resistance such as support to implementation and documentation of ACT diversification; Leverage use of the SO SI to support these activities d) contribute institutionally to develop better tools and interventions to mitigate resistance	Underway	31-12-2023	TAP

13 - Ethical Misconduct and SEAH		Risk owner: CRG		2022-Q4		MEC Approved	
Risk Description	<b>Ethical Misconduct:</b> Implementers, suppliers and other in-country partners engage in non-merit based, skewed decision-making and/or abusive behavior that is in contravention of the Global Fund's corporate values, its Codes of Conduct or applicable policies on ethical behavior and conduct. <b>SEAH:</b> Failure to prevent, detect, and respond to sexual exploitation and abuse and sexual harassment (SEAH) and related abuse of power across the Global Fund partnership including: failure to raise awareness of SEAH and to identify and mitigate risk of SEAH; failure to support victims/survivors in a victim/survivor-centered, trauma-informed manner; failure to create fit-for-purpose safe spaces and reporting channels where disclosure and reporting are encouraged and supported; failure to protect the Global Fund's reputation and to uphold the Global Funds values and behaviors needed to achieve our core mission which depends on the delivery of people-centered services that are freely available to all, without fear or favor; failure to share, learn, and incorporate international best practices and to engage and empower local in-country PSEAH mechanisms and support systems.						
Risk Impact	<b>Ethical Misconduct:</b> Leads to poorly designed investments, poor quality delivery of grant-financed activities, unreliable programmatic data, fraud, asset diversion, financial loss, and / or reputation damage limiting the organization's ability to deliver on its strategic objectives and maximize impact against the three diseases. <b>SEAH:</b> Harm or serious harm to victims/survivors. Re-traumatization of victim/survivors. Inability to provide access to GF services, medicine, and programs to vulnerable populations due to SEAH or threat of SEAH. Diminished capacity within GF or implementer workforce due to incidents of SEAH and related abuse of power. Harm to the Global Fund's reputation and resulting negative impact on relationship with donors.						
Key Partners	Not Applicable						
Key Countries	Not Applicable						
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
Root Cause							Related Action
<b>Ethical Misconduct</b>							
Tone from the top, institutional incentives, and institutional culture inadequately aligned with and committed to corporate values and codes of conduct.							MA-7001 MA-7002 MA-7008
Existing conflicts of interest across all stakeholders in Global Fund environment inadequately disclosed and managed.							MA-7001 MA-7002 MA-7007 MA-7009
Owners of risks and processes are not adequately accountable for ethics risks pertaining to their sphere of control.							MA-7003 MA-7004 MA 7513, MA 7516 MA-7010 MA-7012
Ineffective and inefficient business processes generate perverse incentives and lack of transparency and accountability.							MA-7004 MA-7005 MA-7006 MA-7011 MA-7012
<b>SEAH</b>							
Inadequate policies, procedures, or capacity for the prevention of or protection from Sexual Exploitation, Abuse or Harassment, or forms of Child Abuse.							MA-7577 MA-7578 MA-7579 MA-7606 MA-7607 MA-7608
<b>Current controls &amp; mitigations</b>							
<b>Ethical Misconduct</b>							
MA-7001	Policies and procedures to manage and mitigate Ethical Misconduct in place. E.g. Ethics and Integrity Framework and Ethics Policy, including Conflicts of Interest; Codes of Conduct; Policy to Combat Fraud & Corruption (PCFC).						
MA-7002	Governance bodies, including the Board, TRP and CCMs, as well as Secretariat Senior Management regularly trained on conflict of interest and required to make conflict of interest disclosures or declarations as per agreed upon procedures.						
MA-7003	Global Fund governance officials, employees, CCMs, recipients and suppliers covered by codes of conduct and ethics case management process for managing code of conduct violations in place.						
MA-7004	Integrated Risk Management System (IRM) incorporates root causes of fraud and corruption risk across programmatic, governance, sourcing, and finance functional areas, consistently with the Global Fund Policy to Combat Fraud & Corruption (PCFC).						
MA-7005	Grant oversight, fiduciary safeguard, and assurance model in place across Global Fund grants.						
MA-7006	Systematic risk-based integrity due diligence undertaken for counterparties, that is, the Board, TRP, Independent Evaluation Unit, staff, direct and indirect sourcing.						
MA-7009	Allegations of fraud, corruption and other prohibited practices managed by OIG investigative unit.						
MA-7010	New CCM members required to complete Code of Conduct e-learning.						
<b>SEAH</b>							
MA-7577	Global Fund has communicated to all principal recipients and CCMs the updated prohibitions against sexual exploitation, sexual abuse and sexual harassment in funding agreements and codes of conduct, as well as the actions to be taken as part of their Prevention of Sexual Exploitation and Abuse and Sexual Harassment (PSEAH) obligations. This was done in application of an agreed action coming out of the Ghana investigation (OIG).						
MA-7578	Develop an operational framework to clarify accountability and expectations around the prevention, detection and response to sexual exploitation and abuse and sexual harassment within the activities supported by the Global Fund. Corresponds to AMA 3 of the 03/2021 Ghana investigation.						
MA-7579	Developed training plan and completed the first annual cycle of trainings for relevant Global Fund staff, tailored to their specific roles. Corresponds to AMA 2 of the Ghana investigation.						
MA-7608	All Codes of Conduct updated to incorporate prohibitions of SEAH and Child Abuse.						
MA-7607	PSEAH framework defines Global Fund approach to prevent and protect from harassment including sexual harassment, bullying and abuse of power in the context of Global Fund programs. This was put in place in application of an agreed action coming out of the Ghana investigation (OIG).						
<b>Assurances</b>							
3rd Line OIG audit/investigation and Ethics Office annual reports.							
AFC oversight over OIG.							
Ethics Office annual reports.							
Evidence of communications issued. OIG clearance of associated AMA.							
The Operational Framework for PSEAH and Related Abuse of Power							
PSEAH Training							
Overall Status				Risk mitigation is progressing but there are also some material delays.			

Controls & mitigations in development or planned		Status	Target completion	Action owner
<b>Ethical Misconduct</b>				
MA-7007	Increase frequency of training and real-time engagement with the Board, Committees and Constituencies on conflict-of-interest management and duty of care.	Underway	30-06-2023	Ethics
MA-7008	Develop and roll out standard training and communication on the Global Fund's values and codes of conduct across the Secretariat.	Planned	30-12-2023	Ethics
MA-7516	Roll out of the Integrity Due Diligence framework. i) (Exc. GMD) Corresponds to AMA 6 of the 2019 OIG Audit of Ethics & Integrity.	Completed	30-12-2022	Ethics
MA-7513	Roll out of the Integrity Due Diligence framework. ii) (GMD) Complete roll-out with risk-based approach applied to all categories of implementers. Corresponds to AMA 6 of the 2019 OIG Audit of Ethics & Integrity.	Underway	31-12-2023	Ethics
MA-7010	Clarify the accountabilities for managing, monitoring, and overseeing a defined set of Ethics and Integrity risks and integrate into existing mechanisms. Corresponds to AMA 2 of OIG Audit of Ethics & Integrity.	Underway	31-06-2023	Ethics
MA-7011	Prepare a paper reviewing misconduct investigation mandates and required resources across the Global Fund, propose options for decision by the relevant Committees (and if necessary, the Board) and update terms of reference of the affected functions. Corresponds to AMA 3 of OIG Audit of Ethics & Integrity.	Planned	31-12-2023	Ethics
MA-7012	Secretariat to define desired maturity levels, set overall responsibility for implementing the PCFC, enhance programmatic assurance related to fraud risk management, and establish an overall approach for monitoring fraud risk at enterprise level. Corresponds to AMA 1, 2, 3 & 4 of OIG Fraud Risk Maturity Assessment.	Underway	30-06-2023	Risk
<b>SEAH</b>				
MA-7606	Assess SEAH risk (covering implementer capacity and inherent program risk) and commence prioritized interventions required for a robust PSEAH operational plan across the portfolio. Corresponds to AMA 4 of the Ghana investigation. PSEAH steer co closely monitoring execution of the plan.	Underway	23-12-2022	Ethics

14 - Future Funding (Donor Funding & Domestic HF)		Risk owner: ERCDC / HFD		2022-Q4	MEC Approved			
Risk Description	Failure to meet the Global Fund's target for the Seventh Replenishment and convert pledges (remaining pledges for Sixth Replenishment and Seventh Replenishment pledges) due to loss of donor support and confidence, major reputational damage and/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.							
Risk Impact	Inability to mobilize a robust pool of new funding for country allocations for the 2023-2025 allocation period to sustain Global Fund-supported programs, and inability to maximize and sustain health and disease outcomes, particularly for key and vulnerable populations.							
Key Partners	Not Applicable							
Key Countries	Not Applicable							
Change since last quarter		No change	Current direction of travel		Increasing	Global Fund ability to mitigate		Moderate
Residual Risk		High	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable
Root Cause								Related Action
Donor Funding								
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, pandemics, and humanitarian response, etc.).								MA-7997 MA-7998 MA-7999 MA-8005 MA-8008
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, de-prioritization of health versus other SDG priorities, or reductions in ODA more generally as a result of budgetary pressures.								MA-7997 MA-7998 MA-7999 MA-8000 MA-8002 MA-8005 MA-8008
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-7997 MA-7998 MA-8000 MA-8003 MA-8004 MA-8005 MA-8008
COVID-19 and the war in Ukraine have affected the economies of donor countries, which could potentially effect pledge conversion schedules								MA-8002 MA-8011
Shift the attention towards emerging issues such as global health security, climate change, and the war in Ukraine, may reduce the profile of the Global Fund diseases and impact funding.								MA-7997 MA-8007 MA-8010
Insufficient resources for 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-7997 MA-8000
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 as well as challenges in the development of the new strategy's implementation arrangements.								MA-7997 MA-7999 MA-8000 MA-8002 MA-8004 MA-8005 MA-8006 MA-8007 MA-8008
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-7997 MA-7998 MA-7999 MA-8000 MA-8002 MA-8004 MA-8005 MA-8006 MA-8007 MA-8008
Perceived lack of data on effectiveness and impact of C19RM interventions on the ground and potential effect on donor trust and commitments.								MA-8009 MA-8011 MA-8012
Domestic Health Financing								
Revenue raising – macro-fiscal risks: Low prioritization of the health sector in general or in the face of economic downturn (e.g., COVID-19 pandemic, Ukraine crisis), poor government capacity to collect and mobilize funds or political instability affecting the government expenditure prospect.								MA-8037 MA-8032 MA-8031 MA-8038 MA-8057 MA-8059
Governance: Lack of data and systems to reliably measure co-financing commitments and their realization in a standardized manner on a routine basis; Constraints in tracking expenditure through existing country systems and processes; and when policy not applied consistently across portfolios.								MA-8035 MA-8033 MA-8037 MA-8038 MA8058
Pooling: Fragmentation/duplication/overlap of financing flows to the health sector and HTM financing, reduces the capacity to redistribute available prepaid funds and create inefficiencies.								MA-8035 MA-8031 MA-8033 MA-8037 MA-8032 MA-8034 MA-8038
Purchasing: Failure to adequately finance and purchase critical commodities with domestic funds.								MA-8035 MA-8038
Coverage & benefits: Inability to domestically fund interventions for key and vulnerable populations (KVP) in an optimal and sustainable manner								MA-8036 MA-8037 MA-8038
Current controls & mitigations								
Donor Funding								
MA-7997	Sustain and strategically expand advocacy support base.							
MA-7999	Closely monitor political transitions and sustain strong cross-party support for Global Fund in key donor countries to address increasingly challenging political landscape.							
MA-8000	Continue to mature performance and accountability processes based on lessons learned from the Seventh Replenishment, setting the foundations and paving the way for a successful Eighth Replenishment.							
MA-8001	Engage with Board stakeholders around political and governance issues, ensuring that additional public donors continue to be part of key conversations.							
MA-8002	Ensure the Global Fund meets agreed terms and conditions in donor contribution agreements to ensure payments as scheduled.							
MA-8003	Monitor developments in relation to other replenishment exercises and fundraising efforts in global health planned over 2022-2025 and ensure coordination with relevant/key players.							
MA-8004	Continue 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.							
MA-8005	Deploy the refreshed Global Fund brand and replenishment campaign assets to continue increasing the visibility of the organization's mandate and results.							
MA-8006	Strengthen oversight of performance to ensure delivery of results through enhanced monitoring across the grant life cycle, including through regular reporting and increased transparency. Portfolio Performance Committee, KPI reporting, and the Performance and Accountability Framework.							
MA-8007	Continue resource mobilization efforts across different markets to secure timely pledge conversion for the Sixth and Seventh replenishments.							
MA-8008	Monitor 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 increased pledges have been identified							
MA-8009	Support 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, to continue positioning the partnership as a key organization in pandemic preparedness and in the global health landscape							
MA-8011	Increase interactions with donors, partners, and advocates to ensure the Global Fund effective positioning in an evolving health and political context, and to monitor and protect financial commitments.							



MA-8012	Timely report of C19RM results to donors and key stakeholders through specific consultations, impact stories, and public data releases in line with the M&E and assurance framework.				
Domestic Health Financing					
MA-8031	Use innovative financing mechanisms to strengthen DRM, including Debt2Health, blended finance leveraging WB framework agreement for joint financing through institutional partnerships with MDBs (co-financing, loan-buy downs, EFOs) to expand fiscal space.				
MA-8035	Development of a health finance risk framework to comprehensively identify HF related risks, and to integrate into existing GF risk management processes, including integration of HF considerations into the Integrated Risk Management (IRM) tool.				
MA-8036	implement Strategic Initiative on Sustainability, Transition and Efficiency (STE-SI) to support countries with technical assistance on health financing, strengthen resource tracking, advocacy and improve value for money.				
MA-8037	Strengthen GF Secretariat efforts to enhance capacity of domestic health finance functions in countries through country teams and leverage partners through the creation of a Health Financing Department. Embed Health Finance Specialists in Country Teams.				
MA-8034	Leverage partners via the Sustainable Financing for Health Accelerator (SFHA) to enhance DRM, VfM, and more effective development assistance.				
MA-8033	Consistent implementation of the 2022 workplan for the GAC-approved Strategic Initiative on Sustainability, Transition and Efficiency (STE-SI) to support countries with technical assistance on health financing, strengthen resource tracking, advocacy and improve value for money.				
Assurances					
Close work with Global Fund Advocacy Network chapters and other critical stakeholders, including funders of advocacy (e.g., BMGF), regular updates/reporting on advocacy activities by PCSAD, and provision of updates and organization of informative townhalls					
A2F guidance and GAC. Recommendation of Grants.					
Additional monitoring work to better assess the potential impact of global macroeconomic downturns and exchange rate fluctuations on pledge conversions					
Donor government budgets reflect commitments to the Global Fund and regular resource mobilization updates to MEC and the Global Fund governance bodies					
Internal discussions with LGD, APD Constituency, the Donor Group and updates to EGC to ensure the accommodation of new donors. Pressure from new donors themselves.					
Internal MEC oversight					
KPI reporting					
Monitoring and regular engagement with key partnerships who function under replenishment models					
Monitoring process on visibility of Global Fund messaging through traditional and social media					
Ongoing engagement of the Private Sector Engagement Risk Committee, an inter-divisional/departamental body overseeing risk management tasks associated with private sector partnerships					
Participation in regular internal and external meetings focused on ACT-A and providing regular guidance to the ED on this area of work					
Regular resource mobilization updates to MEC and Global Fund governance bodies and regular close monitoring process of P&C through internal ALM Committee					
Risk Department oversight through PPCs, CRMMs and CPRs					
Robust lessons learned undertaken for Seventh Replenishment to inform process for the Eight Replenishment’s lessons learned					
Overall Status		Risk mitigation is on track. There are no material delays.			
Controls & mitigations in development or planned			Status	Target completion	Action owner
Donor Funding					
MA-7998	Donor Funding: Facilitate the engagement of donors and other key stakeholders in the design of the new Global Fund strategy’s implementation arrangements and the new grant cycle, thereby increasing their ownership and involvement in the realization of the organization’s programmatic aspirations.		Underway	31-12-2023	ERCD
Domestic Health Financing					
MA-8030	Domestic Health Financing: Identify at-risk countries and incorporate mitigation actions in grant agreements. This includes monitoring macro-fiscal risks to inform GF allocations (i.e., qualitative adjustments and portfolio optimizations), compliance of co-financing incentives etc.		Underway	31-12-2023	HFD
MA-8032	Domestic Health Financing: Use the Innovative Finance Strategic Initiative to approve additional joint investments and strengthen alternative sources of DRM. This includes developing the Blended Finance OPN to articulate the approach for joint investments with multi-lateral and/or other development partners.		Underway	30-04-2023	HFD
MA-8038	Domestic Health Financing: Operationalize HF Risk Management Framework in preparation for GC7 by implementing change management activities (guidance to CTs, trainings, indicators etc.) so that appropriate analysis of health financing risks is done and corresponding MAs developed.		Underway	31-05-2023	HFD
MA-8057	Domestic Health Financing: Enhance risk monitoring to identify countries with constrained capacity to finance health. Country capacity will be assessed systematically using indicators including economic growth prospect, structural risks of HF systems through IRM and domestic health expenditure trajectory.		Planned	31-05-2023	HFD
MA-8058	Domestic Health Financing: Introduce a Co-financing monitoring tool and revising Co-financing OPN to clarify roles and responsibilities and ensure an audit trail of Co-financing numbers.		Underway	30-06-2023	HFD
MA-8059	Domestic Health Financing: Implement a multi-pronged approach to Domestic Financing Advocacy leveraging various entry points (global, regional, and countrv platforms) for promoting increased domestic financing of health in LIC & LMICs.		Underway	31-12-2023	HFD

15 - Internal Operations		Risk owner: Sourcing, IT, F&A		2022-Q4		MEC Approved	
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.						
Risk Impact	Decreased ability of the Global Fund to operate effectively to deliver on its mission.						
Key Partners	Not Applicable						
Key Countries	Not Applicable						
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
Root Cause						Related Action	
Sourcing							
The Global Fund issues solicitations or contracts that fail to protect the Organization's commercial interests and operations						MA-7300 MA-7301 MA-7302 MA-7303 MA-7304 MA-7305 MA-7306	
Financial Controlling							
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-7242	
Low absorption level for implemented grants or potential OPEX underspend at Secretariat level						MA-7243	
Improper/incomplete reconciliation of grant closure process and closing SI 2017-2019 cycle.						MA-7244 MA-7248	
Absence of structured Strategic Workforce Planning process impacting value for money of HR 'investment'						MA-7245	
Misalignment between Secretariat OPEX for current and next allocation period and GF ambition						MA-7246 MA-7247	
IT							
Operational Risk: System performance and reliability failures, including unavailability, loss and recoverability of data, as well as disruption of critical IT service providers.						MA-7255 MA-7256 MA-7261 MA-7263 MA-7264 MA-7265 MA-8046 MA-8047	
Operational Risk: External 3rd party IT systems at country level and partners could be hacked leading to possible negative impacts to Global Fund.						MA-7266 MA-7267 MA-8046 MA-8047	
Operational Risk: Lack of training, accidental mistakes and errors.						MA-7260 MA-7264 MA-7265	
Operational Risk: Business functions across the secretariat may be using non-secure solutions for sensitive information						MA-8049	
Operational Risk: Lack of MFA for externals e.g., PRs, CMMs, iSupplier etc.						MA-8048	
Vendor Risk: Poor contract oversight and supplier performance.						MA-7258	
Solution (Project) Risk: Lack of scope control, cost overruns, quality issues & timeline failures.						MA-7254 MA-7257 MA-7262	
Information Security Risk: Cyber security incidents, accidental or malicious loss of sensitive Global Fund information.						MA-7259 MA-7257 MA-7265 MA-7610 MA-8046 MA-8047	
Administration							
Unclear GHC operational guidance, roles and responsibilities						MA-7455	
Lack of business continuity management systems, staff compliance with existing security procedures and frameworks and lack of, or partial asset reconciliation						MA-7455 MA-7456 MA-7457 MA-7461	
Technical building failure and/or security incidents at the Global Health Campus (GHC).						MA-7460 MA-7461	
External factors disrupting staff travel and GHC building operations						MA-7464	
Foreign Exchange							
Poor internal Fx limit management (Fx Policy) or Model risk						MA-7378 MA-7379 MA-7382	
Assets and Liabilities Management (ALM) changes (i.e., donor pledges or grant commitment changes leading to different FX exposures).						MA-7378	
Changes in the economic and financial market conditions may lead to market disruption, increase counterparty credit risk and impact FX liquidity for currencies, which may create issues when rolling over hedges, may lead some banks may show bigger spreads, which may impact FX settlements.						MA-7376 MA-7631 MA-8056	
Foreign Exchange (Fx) market volatility						MA-7375 MA-7377 MA-7378 MA-7379 MA-7380	
Internal and external poor Fx execution and internal operational risk						MA-7378 MA-7381	
Current controls & mitigations							
Sourcing							
MA-7300	Monthly report is generated on all OPEX and SI procurement transactions and available to CRO and the Head of Supply Operations for review.						
MA-7301	Procurement Framework is in place, which includes Procurement Policy, Regulations and Procedures, and all procurement activities are conducted in the GFS ERP system.						
MA-7302	The Supply Operations Department and Technical Evaluation Committee (TEC) ensure that selection memoranda reflect the Global Fund's Procurement Policy and Regulations.						
MA-7303	ERC subcommittee reviews proposed contracts that incorporate non-standard terms and conditions.						
MA-7304	BCP's developed and are in place and flexibilities triggered to ensure smooth supply operations.						
MA-7305	Additional resources granted to support COVID-19 related procurement activities.						
Financial Controlling							
MA-7243	FC: Quarterly grant re-forecast including when available update on absorption shared with MEC and AFC. Identification of funds available for Portfolio Optimization or reallocation to C19RM fund.						
MA-7244	FC: Monthly Monitoring Meeting within Grant Finance Management and reporting to MEC and AFC on closure.						
MA-7245	FC: Involvement of Financial Controlling in workforce planning, review of reorg memo, and determination of budgetary impact, and alignment with new budgeting framework.						
MA-7246	FC: Budgeting framework implemented to help with alignment of Secretariat OPEX for current and next allocation period and GF ambition.						
IT							
MA-7255	Operational Risk: All key Secretariat applications migrated to the "cloud" or external high availability service providers reducing GHC Data Center requirements to a bare minimum.						
MA-7256	Operational Risk: Monthly IT operations and project performance reviewed by CIO and IT Leadership Team.						
MA-7261	Operational Risk: Business Continuity Management System (BCMS) in place and in conformity with the ISO-22310 standard.						



MA-7263	Operational Risk: Service Level Agreement monitoring are in place for all tickets and reviewed daily to avoid delay in the processing of user tickets.			
MA-7264	Operational Risk: BCPs in place, regular updates are done on BCP status and flexibilities that are being used. End to End exercises is performed twice a year involving Business.			
MA-7257	Operational Risk: Project management training and mandatory on-line information security awareness trainings delivered to IT and Secretariat staff respectively. Including focused and targeted trainings for high-risk individuals as it relates to cyber-attacks / fraud / phishing / social engineering.			
MA-7266	Information Security Risk: Continuous monitoring, review, and impact analysis of new emerging cyber threats e.g., ransomware etc.			
MA-7258	Vendor Risk: Establishment of an IT transformation & Vendor Management office to ensure alignment of projects with the Global Fund's Strategy as well as enhanced governance framework, risk management and control implementation around vendors.			
MA-7254	Solution (Project) Risk: Remediation action plan to address late projects and IT Operational issues in place.			
MA-7262	Solution (Project) Risk: Reinforced IT governance, including new "control gates" for demand review, project approval and operations acceptance, defined and finalized.			
MA-7259	Information Security Risk: Information security controls embedded in the organization, Global Fund's ISMS for Treasury cash payments data & processes, OIG and Ethics and all related IT operational management processes and facilities are ISO-27001 certified.			
MA-7265	Information Security Risk: Rolled out 3rd party Information Security Platform to review 3rd party information security risk exposure from breaches / phishing / ransomware attacks.			
MA-8046	Information Security Risk: Multi Factor Authentication (MFA) rolled out to TGF employees, consultants and some critical external users.			
Administration				
MA-7455	All subleases with subtenants, maintenance/repairs contracts (including dashboards and annual schedule for maintenance contracts) and GF/GAVI Partnership Agreement (which defines responsibilities for governance of GHC) are in place and signed.			
MA-7456	Full physical inventory performed, and databases updated regularly on a daily basis and following annual random or full physical inventory.			
MA-7457	Dedicated Senior Security Officer (SSO) and team overseeing security policy and procedures.			
MA-7460	Contract in place with 2 main security providers to perform security in the field.			
MA-7461	Robust security framework, GF Crisis Management Plan, travel security policy, asset management framework, procedures and SOPs are in place			
Foreign Exchange				
MA-7375	Conservative Fx limit established. Limits exposure well within the limit. Regular updates on hedging positions are provided to AFC.			
MA-7376	Close monitoring of the FX and regular reporting on "rolling of hedges".			
MA-7377	Global FX Management Framework in place to ensure that contribution agreements, adjusted pledges and other exposures are consistently hedged.			
MA-7378	Revised and approved Treasury, Cash and FX Management Procedure is in place. Separate ALM committee and Investment and FX Committee has been formalized, with clear responsibilities set in ToRs.			
MA-7380	Foreign exchange risk is being significantly reduced with a systematic hedging strategy. VaR limit utilization ratio of 49.2% at the end of Q4-22, with daily VaR limit at USD 26.9m and absolute daily VaR after hedges standing at USD 13.2m (before hedges: USD 57.6m).			
MA-7381	Foreign exchange in grants (FEIG) is ongoing and implemented on a need basis (country request and/or quality of execution/spread) with 2 countries executing disbursements in local currencies, and some benchmarking based on PFC request. Multi-currency disbursements for EUR grants is being deployed.			
MA-7382	Fully automated dashboard in Tableau to monitor net FX exposure, including Bloomberg VAR calculation. The project is in production, has been verified and replaced previous model.			
MA-7631	Stress testing is implemented and performed every quarter (in the BRM module of Bloomberg) based on positions loaded automatically from the Global Fund's systems.			
Assurances				
ISMS, BCMS, ITSM				
Bitsight				
Internal and external audits				
IRM (Riskconnect)				
ISO 20000, ISO 22301, ISO 27001 certification				
IT Governance				
IT Project Management				
Pen tests				
Vendor Management Office				
Overall Status				
Risk mitigation is on track. There are no material delays.				
Controls & mitigations in development or planned				
Status	Target completion	Action owner		
IT				
MA-8047	Implement policy on USB stick encryption.	Planned	30-06-2023	IT
MA-8048	Zero Trust approach: MS E5 architecture (DLP)	Planned	31-12-2023	IT
MA-8049	Secure case management tools to be adopted by key business functions within Secretariat	Planned	31-12-2023	IT
Administration				
MA-7463	Training workshops planned with Crisis Management team members. Operationalization of the Crisis Management Plan in progress and implementation of IT tool to inform of crisis events.	Underway	31-03-2023	Admin
MA-7464	Future of Work Phase 2 in progress to test and run lessons learned. Moving to BAU model plan for beginning 2023	Underway	31-03-2023	Admin
Foreign Exchange				
MA-8056	Potential Future Exposure (PFE) monitoring is being implemented in Bloomberg.	Underway	31-03-2023	Treasury

16 - Integrated Grant Policies, Processes, Systems & Data			Risk owner: GMD (GPS)		2022-Q4		MEC Approved		
Risk Description	Sub-optimal integration and/or insufficient change management to support rollout of policies, procedures, systems and data flows to manage grants throughout the grant life cycle (GLC).								
Risk Impact	Weaknesses in grant and risk management, inefficiency and high transaction costs in managing grants, and weakened internal controls.								
Key Partners	Not Applicable								
Key Countries	Not Applicable								
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	
Root Cause							Related Action		
Limited assessment of the operational feasibility, timeliness and implications of Board-approved policies and strategies resulting in sub-optimal integration into the GLC.							MA-7292		
Limited internal capacity to ensure comprehensive change management activities and capacity building to ensure GLC changes are embedded within implementers (PRs and SRs), CCM and LFA operations.							MA-7288 MA-7292		
Sub-optimal integration between cross-cutting GLC policies, procedures systems, data and the core GLC processes.							MA-7291 MA-7292 MA-7299		
Limited monitoring of efficiency and effectiveness of GLC processes hampering ability to timely identify bottlenecks.							MA-7289 MA-7293		
Lack of standards and guidance on data management, and limited data availability.							MA-7290		
External disruption causing diversion of resources from business-as-usual activities, impacting delayed rollout of changes in GLC, change management activities for the Secretariat and the implementers.							MA-7294 MA-7295		
Limited consideration of the impact of GLC changes to in-country partners and their workload, and limited PR capacity to absorb such changes.							MA-7292 MA-7299		
Limited tools to build PR capacity – on Global Fund, GLC, Managing SRs, functional capacity development etc.							MA-7297 MA-7298		
Current controls & mitigations									
MA-7288	Majority of GLC (from Funding Request to Grant Closure) and cross-functional processes (Grant Entity Data (GED), Differentiation, Integrated File Handling (IFH)) are integrated and automated in the Grant Operating System (GOS).								
MA-7289	Regular GLC monitoring & exception reporting to monitor performance.								
MA-7290	Data Governance Committee established, and program of work agreed, to review and implement improvements to the Secretariat's approach to data management.								
MA-7291	Operational Efficiency (OE) team identifies and manages interdependencies between policies, procedures, systems, and data across the GLC. Operational policies and procedures go through cross-cutting Secretariat review and approval process to ensure interlinkages are considered.								
MA-7292	Implementation of the Operational Launch enhancing the Secretariat's ability to maintain up to date policies, procedures, systems and data.								
MA-7293	Comprehensive suite of reports for monitoring performance: programmatic, financial, operational and effectiveness of processes has been developed. In addition, a comprehensive suite of process monitoring & reporting tools has been developed to increase management and CT oversight and drive action.								
MA-7294	C19RM guidelines and process based on lessons learned and opportunities for process improvement are periodically updated.								
MA-7295	Business Contingency Plans in place and operational flexibilities covering GLC have been discontinued or are being integrated into the regular process.								
MA-7297	Training suite on GLC processes is developed and updated.								
MA-7298	Changes to GLC processes are rolled-out with communications internally and external through Operations Update and information sessions. OE and other teams provide support to CTs and CCMs, PRs on GLC processes.								
Assurances									
Monitoring of business process controls									
OIG audits									
Overall Status					Risk mitigation is on track. There are no material delays.				
Controls & mitigations in development or planned							Status	Target completion	Action owner
MA-7296	Implementation of the Data Governance Program, currently focused on developing supporting data management procedures.						Underway	31-03-2023	IT
MA-7299	The following launches are scheduled or continuing for 2023; the grant-making part of the integrated FR/GM launch, the LFA Launch, the Implementation Oversight launch & the Revisions launch. In undertaking the Operational Launches: - The business cases for change will consider both impact on CTs as well as on CCMs, PRs and LFAs; and - Roll-out of revised processes will be accompanied by strong change management for CTs, CCMs, and PRs which include communications, updated training suite, and ongoing support during roll-out and implementation of the changes. - The FR/GM Launch is jointly managed and = reported upon by A2F and GPS.						Underway	30-06-2024	GMD (GPS)

17 - Risk Management & Internal Controls			Risk owner: PMRD		2022-Q4	MEC Approved				
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.									
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.									
Key Partners	Not Applicable									
Key Countries	Not Applicable									
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		
Root Cause								Related Action		
Absence, or limited operationalization of key policies, processes, and tools								MA-7523 MA-7538 MA-7532 MA-7632		
Lack/non-use of standardized risk approaches and tools for decision-making, risk acceptance and risk management responsibilities								MA-7520 MA-7523 MA-7538 MA-7521 MA-7526 MA-7537 MA-7540 MA-7650		
Risk management not adequately embedded into Global Fund operations, and decision-making processes								MA-7527 MA-7531 MA-7537 MA-7540 MA-7650		
Inadequate implementation and follow up of prioritized risk mitigations, and quality and timely assurances								MA-7522 MA-7534 MA-7537 MA-7540		
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.								MA-7524 MA-7529 MA-7534 MA-7540 MA-7542 MA-7543		
Weakness in the control environment (country portfolio/grants) including inadequate standards, processes and structures that provide the basis for internal controls.								MA-7600 MA-7601 MA-7605		
Current controls & mitigations										
MA-7523	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 11 key organizational risks.									
MA-7532	Use of Integrated Risk Management tool to facilitate improved and streamlined risk identification/planning of mitigations, assurances and follow up									
MA-7531	Proactive risk management across the grant life cycle, with clear roles and responsibilities of the first and second lines of defense									
MA-7538	Framework and associated policies and procedures for coordination of second line oversight and risk management developed, to improve consistency and efficiency across all second line functions, based on an assessment of the current state and opportunities for improvement.									
MA-7537	Country Portfolio reviews (and use of Country Risk Management Memorandum) by the Portfolio Performance Committee to facilitate structured approach to risk trade-offs and risk acceptance									
MA-7522	2 <sup>nd</sup> line monitoring of execution of key mitigating actions and assurance activities, and through exception reports to strengthen risk oversight.									
MA-7605	Business Process Oversight Framework is in place to describe the Global Fund's approach to managing business process risks and outline roles and responsibilities of key actors.									
MA-7600	Key Business Process Reviews (KBPRs) performed to assess the system of internal controls for prioritized processes and ongoing implementation of improvement actions by the Business Process Owners to strengthen internal controls in line with the COSO framework.									
MA-7601	Performance & Accountability framework in place to drive process performance and accountability across the Secretariat, with routine monitoring of process efficiency and effectiveness metrics through reporting to Management Executive Committee.									
MA-7521	Active risk management of non-grant facing risks 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-7527	Matured organizational risk review process driving improvement in managing key organizational risks with greater focus on mitigating actions and ensuring linkages with strategic goals.									
MA-7529	Risk Assurance Monitoring and Oversight framework developed for C19RM									
MA-7528	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-7536	Conduct disease specific thematic deep dives to inform prioritized adaptations and mitigation plans and drive grant performance under the oversight of Portfolio Performance Committee.									
Assurances										
OIG Annual Report and Opinion on Governance, Risk Management and Internal Controls of the Global Fund										
Regular work plan monitoring to ensure KBPRs are conducted as planned.										
Monitoring implementation of improvement actions resulting from the KBPRs.										
Overall Status					Risk mitigation is on track. There are no material delays.					
Controls & mitigations in development or planned								Status	Target completion	Action owner
MA-7524	Plan, implement and monitor additional risk-based grant assurances to cover C19RM investments. This includes enhanced mandatory minimum assurance activities across the top 45 portfolios (accounting for 90% of C19RM investments) under the oversight of Investment Committee.							Underway	30-12-2023	Risk
MA-7632	Rebuild the Integrated Risk Management tool (IRM 2.0) to align with the strategy priorities and further improve and streamline risk management, risk analytics and risk reporting.							Underway	31-03-2023	Risk
MA-7541	Operationalize the 2nd line risk management, assurance, and oversight of grants approach to refine the roles and responsibilities of Business Risk Owners, the performance and accountability metrics and incorporating them into existing OPNs and related risk management documentation (including training materials rolled out in Q1 of 2023 as part of the transition to IRM 2.0).							Underway	31-03-2023	Risk
MA-7540	Update Risk Management OPN and related risk management guidance documents to improve risk oversight at the PR, CCM and Secretariat levels.							Underway	31-03-2023	Risk
MA-7650	Perform deep-dives on key countries and grant facing risks (Program Quality, Procurement, In-Country Supply Chain, Fraud & Fiduciary). The outcome of the deep dives results in suggestions to revise key mitigating actions and triggers for grant facing risks to adequately reduce the risk level in line with the target risks set by the Board. Risk/TAP/SO/PFC Collaboration.							Underway	31-03-2023	Risk

18 – Legal		Risk owner: LGD		2022-Q4		MEC Approved		
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.						
Risk Impact		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; increasing questions of potential non-conformity with procurement contracts. 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. 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. 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.						
Key Partners		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 23 signatories to the P&I Agreement (of which 17 have ratified or otherwise approved, indicated by *): Afghanistan*, Burkina Faso*, Burundi, Côte d'Ivoire*, Eswatini*, Ethiopia*, Gabon, Georgia*, Ghana, Guinea Bissau, Lesotho*, Liberia*, Malawi*, Moldova*, Montenegro, Mozambique*, Niger*, Rwanda*, São Tomé and Príncipe, Senegal*, Togo*, Uganda*, and Zimbabwe*. In addition, Kenya, Switzerland, Uganda, the United States and Zimbabwe have granted the Global Fund certain privileges and immunities under domestic laws or through bilateral agreements. In total, the Global Fund has P&Is in 20 countries.						
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
Root Cause								Related Action
Contract risk: inconsistent use of standard terms and templates results in GF accepting legal obligations, incurring compliance costs, and lacking appropriate protections against grant implementers, suppliers, partners, licensees and other third parties, particularly where originator pharmaceutical companies or suppliers of health products refuse to accept GF terms. Geopolitical volatility may also affect counterparties' ability to deliver on procurement contracts, including purchase orders through wambo.org, whether due to inflationary or foreign exchange effects on component or commodity costs, production constraints due to the energy capacity and/or supply chain challenges. Increasing set asides, conditions and reporting may increase negotiation timeframes and compliance costs for TA or contribution arrangements, not only for the GF but also at the country level. Mechanisms for differentiated approach to request for/review of applicant requirements and modified/simplified forms for grant agreements may increase the potential for contract claims or re-negotiations. New procurement modalities for COVID-19 health products, including volume commitments, may also increase financial risk.								MA-7249 MA-7613
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. Increasing focus on sanctions compliance, particularly in areas affected by conflict. In addition, risks may arise from further development of the operational framework for C19RM and its continuing implementation.								MA-7250
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 and receive transfers of data and information assets; pursue recoveries. Negotiation of P&Is will continue to be, affected in implementing countries, as programmatic objectives are prioritized. Among donor countries, the current absence of P&Is in France are an impediment to expansion of tele-working arrangements for staff residing in France.								MA-7251 MA-8048
Internal legal risk: decentralized ownership and awareness/understanding of Global Fund policies, rules and procedures; decentralized rulemaking, implementation and training/communication; no formal compliance structure. Compliance risk in relation to Q&A policies continues for COVID-19 products.								MA-7252 MA-7253
Current controls & mitigations								
MA-7249		Contract risk: Grant procurement, contribution and other agreements of strategic importance are prioritized. GF standard terms and templates have been developed for grants, procurement, and contributions; procurement services agents' contracts for the procurement of certain COVID-19 related health products are leveraged where GF terms are not accepted. Delegations of Signature Authority require business, financial, legal, and certain specialized (risk, ethics and/or assurance) contract clearance.						
MA-7250		External legal risk: engagement with Swiss mission on legal status; assertion of P&Is (where available); advice of local counsel in selected areas (where external risks identified); contractual limitations of liability (where standard terms and templates are used) including disputes; 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.						
MA-7251		P&I risk: GF standard terms and template contracts address P&Is and dispute resolution. EGC oversight and Secretariat identification of countries for priority engagement.						
MA-7252		Internal legal risk: LGD guidance to governance bodies and advice to the Secretariat on the development and application of GF policies; DSA updated. LGD collaboration enables timely Board and Committee approvals, including extensions of C19RM policy framework. Legal review of GF rules and procedures contribution conditions and reporting requests. Legal clearance of GF rules and procedures, including C19RM, HTM and other operational policies and procedures which continue to evolve with need; embedded Legal Counsels advise CTs on C19RM and other grant requirements; existing controls and assurance mechanisms (including Legal input into the C19RM monitoring and oversight framework) for grants aim to mitigate risks associated with simultaneous development of C19RM and its implementation.						
Assurances								
Tracking of selected contract deviations presented by business teams; escalation mechanism for acceptance of counterparty contract terms								
Protection of P&Is (where granted) in countries where the Global Fund is active or has assets; legal opinions of local counsel								
Signed and ratified country-specific P&I Agreements. Entry into force of P&I Agreement. P&Is under domestic laws in certain countries.								
Legal acts as independent advisor to Board, Committees, Secretariat and OIG on internal policies, rules and procedures								
Overall Status					Risk mitigation is on track. There are no material delays.			

Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-7253	Internal legal risk: Potential revisions to Terms of Reference of Secretariat management committees contingent upon ED decision and MEC deliberation. Development of new Procurement Procedures for Direct Procurement.	Underway	31-12-2023	LGD
MA-7613	Contract risk: Further update of GF procurement terms and conditions and standard grant confirmation requirements.	Underway	31-12-2023	LGD
MA-8048	P&I Risk: Certain operational measures to further expand the geographical coverage of P&Is in line with EGC steer, including: enhanced involvement of ministries of foreign affairs; linkage of structural programmatic changes to conferral of P&Is; and, other targeted efforts,].	Planned	31-12-2025	LGD

19 - Governance & Oversight			Risk owner: LGD		2022-Q4	MEC Approved				
Risk Description	Global Fund governance structures, processes, culture, stakeholders, or support mechanisms are not sufficient or effective.									
Risk Impact	Weaknesses in governance affect the quality, timeliness, and adequacy of Governing Body decision-making, oversight, and advice, which in turn results in limited ability to implement the Global Fund mission and strategy; actual or perceived weaknesses promote sub-optimal replenishment outcomes, as well as an increased need for financial resources.									
Key Partners	Not Applicable									
Key Countries	Not Applicable									
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		
Root Cause								Related Action		
Structural issues ('fit for purpose') including Board Members / Alternate Board members' short terms, high turnover, large governance mechanism and complex/labor-intensive governance processes (e.g. selections). Structure largely unchanged since inception.								MA-7357 MA-7358 MA-7359 MA-7361 MA-7363 MA-7372		
Lack of trust leading to culture of over-consultation, heavy workload, and sub-optimal division of labor between governing bodies.								MA-7360 MA-7362 MA-7370		
Diverse stakeholder interests, existing Conflict of Interest, and lack of full consensus or alignment on some decision-items.								MA-7365 MA-7367 MA-7371		
Diverse nature, setup, and resources available in constituencies, with implications for engagement and participation.								MA-7364 MA-7366		
Limited oversight and enforcement capacity on constituency internal matters, and appropriate use of constituency funding.								MA-7373 MA-7374		
Crisis setting. Re-adjusting governance operations and priorities following prolonged crisis setting.								MA-7368 MA-7369		
Current controls & mitigations										
MA-7357	BCOP define procedures for delegation of authority and provide for how key leadership roles would be filled in the event of a vacancy.									
MA-7358	Board approved 3 terms for BL and Committee terms, from 2022 onwards.									
MA-7359	<ul style="list-style-type: none"><li>- Additional Public Donors Constituency allows routes for additional donors.</li><li>- Revised Donor Group Framework provides routes for voluntary and guaranteed integration of additional donors into the voting donor constituencies of the Board.</li><li>- Board Leadership role to support resource mobilization efforts.</li><li>- Donor Group review of Framework for Allocation of Seats ahead of each Replenishment (every 3 years)</li></ul>									
MA-7360	<ul style="list-style-type: none"><li>- Ethics and Integrity Framework and Code of Conduct for Governance Officials guides behaviors in decision-making.</li><li>- Ethics training is part of standard onboarding of Governance Officials.</li><li>- Updates to Codes of Conduct to reflect (1) key findings from the Governance Culture initiative and (2) international standards on SEAH</li><li>- Routine annual Declarations of Interest and Code of Conduct Certification for all Governance Officials</li><li>- Ongoing implementation through training and awareness of Ethics and Integrity Framework: policies and codes of conduct, including PSEAH/safeguarding</li><li>- Constituency obligations with respect to IDD are formalized in the BCOP as adopted June 2022.</li></ul>									
MA-7361	Onboarding Framework (2022) in routine implementation for Board and committees. Dedicated on-boarding and ongoing advisory support to constituencies.									
MA-7362	Board documents adapted to focus on strategic input needed for decision making.									
MA-7364	<ul style="list-style-type: none"><li>- Constituency Management Guidelines, provide best practice guidance on constituency management (2023).</li><li>- Guidance Note for Constituency Dispute Resolution (2018) (provides guidance and an escalation mechanism in case of dispute within a constituency).</li></ul>									
MA-7366	Constituency Funding Policy: funding provided to implementer constituencies to support engagement.; guidance provided to constituencies and recipient organizations on financial management									
MA-7368	Flexibilities and contingency approaches developed for the continuity of governance operations, engagement of constituencies, and leadership continuity.									
MA-7369	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.									
MA-7373	Support to constituencies on routine review and continuous improvement of internal practices.									
MA-7374	Application process and independent LFA verification of use of constituency funding.									
Assurances										
Governance Performance Assessment Framework (external review of Board, Board leadership and Committee performance)										
Overall Status					Risk mitigation is on track. There are no material delays.					
Controls & mitigations in development or planned								Status	Target completion	Action owner
MA-7365	Strengthened role of Coordinating Group, facilitating coordination between the Board / committees on cross-cutting issues.							Underway	30-06-2025	LGD
MA-7367	GAP 2.0: Effective Reporting: renewed attention to continuous improvement, streamlining, and simplification of reporting, as well as alternative methods of information-sharing (e.g. Financial Dashboard 2021)							Underway	30-06-2023	LGD
MA-7370	Roll out of the Integrity Due Diligence framework, as listed under SEAH and Misconduct risk.							Underway	31-03-2023	Ethics
MA-7371	GAP 2.0: Coordinating Group (CG) and leadership onboarding on culture of trust; regular engagement to discuss culture and trust, including with Management (CG-MEC retreats as part of leadership onboarding).							Underway	28-12-2023	LGD
MA-7614	Constituency Management Guidelines, provide best practice guidance on constituency management, next update due Q1 2023 as per EGC workplan							Planned	30-04-2023	LGD

20 - Organizational Culture		Risk owner: HR		2022-Q4		MEC Approved		
Risk Description	Failure to drive a performance based and ethical culture and ensure all staff uphold and demonstrate the Global Fund's corporate values, protect its reputation, and the behaviors needed to maximize operational efficiency and effectiveness.							
Risk Impact	Operational inefficiency, reduced workforce capacity and operational effectiveness, harm to the Fund's reputation and a negative impact on staff well-being.							
Key Partners	Not Applicable							
Key Countries	Not Applicable							
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	
Root Cause						Related Action		
Direction from senior management on aspirational culture is not consistently cascaded or demonstrated						MA-7270 MA-7275 MA-7277 MA-7280 MA-7279 MA-7272		
Variable people management capability results in inconsistent articulation of expected performance levels to staff, an inability to address poor performance, and limits staff development						MA-7281 MA-7272		
Operational inefficiencies, lack of process definition and performance targets and lack of accountability limits prioritization of work, collaboration, and increases staff workload						MA-7275 MA-7280 MA-7272		
Lack of an attractive and or consistent rewards philosophy, hinders the organization's ability to attract, retain, motivate, and reward talent and align organizational need and capacity						MA-7270 MA-7275 MA-7279 MA-7274		
Breaches of the code of conduct, unethical behavior, and conflicts of interest.						MA-7268 MA-7269 MA-7271 MA-7273 MA-7276 MA-7278		
Inconsistency and complexity of communication and lack of awareness about policies adds to perception of unfairness in rewards and recognition. A culture of hierarchy and organizational silos that reduce collaboration and can cause a breakdown in trust of the organization.						MA-7279 MA-7274		
Current controls & mitigations								
MA-7268	Ethics and Integrity framework, and Ethics Policy, including Code of Conduct updates underpinned by processes for ethics case management and supported by clear communication of policies, awareness creation and relevant trainings. At the Secretariat level, the Ethics Office continue targeted training on specific ethics risks alongside the regular Secretariat on-boarding training for new joiners and 'Managing at the Global Fund' ethics sessions for new managers.							
MA-7270	Continued focus on staff wellness through deployment of a wellness strategy, providing support, to staff and teams by executing targeted interventions, where required. Conducting regular pulse check surveys, adjusting annual leave policy to cater to increased workload and providing further staff support service from ombudsman, staff counselor and occupational health advisor.							
MA-7272	Leadership capability enhanced through focused manager and employee capability development programs based on performance and talent management review and workforce and succession planning. This will be aligned to both the new organization strategy and the new People and Organization Ambition and will drive accountability, performance, and a culture of care and candor.							
Assurances								
OIG Functional Audit Pulse Survey Check								
Engagement Survey and Pulse Surveys								
Overall Status				Risk mitigation is on track. There are no material delays.				
Controls & mitigations in development or planned						Status	Target completion	Action owner
MA-7277	Continue the development and embedding of Organizational and Divisional / Departmental / Team action plans based on the survey results, continue to be planned and implemented as required based on survey results (psychological safety).					Underway	31-03-2023	MEC
MA-7279	Articulating and improving an organizational culture of care and candor through various initiatives to be included in the People and Organization Ambition document (Sustainable & measurable diversity, equity, inclusion and belonging strategy, improving psychological safety and wellbeing, and embedding Future of Work, Aspirational Culture, Wellbeing Strategy)					Underway	30-06-2023	HR



21 - Workforce Capacity, Efficiency & Wellbeing			Risk owner: HR		2022-Q4	MEC Approved				
Risk Description	Misalignment between the availability of resources and organizational needs due to 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.									
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.									
Key Partners	Not Applicable									
Key Countries	Not Applicable									
Change since last quarter		No change	Current direction of travel		Steady	Global Fund ability to mitigate		Significant		
Residual Risk		High	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable		
Root Cause								Related Action		
Inadequate people management capability to drive performance and support talent development.								MA-7323 MA-7326 MA-7328		
Significant organizational changes and shifting priorities resulted in need for increased and differentiated capacity to support business as usual activities that have in many cases expanded to absorb additional workload and responsibilities taken on during the peak of the COVID19 pandemic.								MA-7321 MA-7324 MA-7327 MA-7328 MA-7331		
Insufficient/ ineffective and nonsystematic prioritization and reprioritization, and differentiation of organization activities, leading to uneven, ad-hoc and unsustainable workloads, due to budgetary constraints.								MA-7321 MA-7325 MA-7326 MA-7327 MA-7328 MA-7332		
Inefficient business processes driving down productivity.								MA-7321 MA-7324 MA-7328		
Significant organizational change and shifting priorities, leading to change fatigue and loss of motivation / engagement.								MA-7322 MA-7323 MA-7330 MA-7332		
Increased risk of staff burnout leading to change fatigue and loss of motivation / engagement, due to increased and sustained high workload and productivity loss due to COVID-19 impact and other societal challenges e.g., rising inflation, conflicts etc.								MA-7321 MA-7327 MA-7330 MA-7331		
Increased challenges to attract the right talent in a more competitive market, and increased challenges in retaining top talent and keeping rewards competitive, coupled with low attrition in overall population.								MA-7633		
Current controls & mitigations										
MA-7321	Integrated organizational and workforce planning being embedded as part of an annual process cycle, to drive alignment on organizational priorities, workforce budget requirements, and position management based on the continued monitoring of workforce needs leveraging redeployment or, if required, recruitment of resources to meet the business needs.									
MA-7322	Continued focus on managing change effectively through various learning and development programs, clear and consistent communication, and transparency in the organization.									
MA-7323	Leadership capability being enhanced through focused development programs for managers. The initiative is further supported by offers on employee capability development programs aligned to organization strategy.									
MA-7324	Performance and Accountability reporting done on quarterly basis based on the continually embedded Business Process Model to further strengthen the use of metrics for performance management and decision-making.									
MA-7326	New performance & development cycle implemented as well as the recognition framework									
MA-7332	Further embed the Future of work project which includes a hybrid working, alongside policies and processes to support our new ways of working and enabling technologies									
MA-7633	Developed the new People and Organization Ambition that prioritizes organizational development, a culture of care and candor, sourcing and retaining the right talent for now and the future, increased leadership and accountability and continuously improved HR delivery.									
Assurances										
OIG Functional Audit Pulse Survey Check										
Engagement Survey and Pulse Surveys										
Overall Status					Risk mitigation is on track. There are no material delays.					
Controls & mitigations in development or planned								Status	Target completion	Action owner
MA-7634	Commence socialization and implementation of the new People and Organization Ambition that prioritizes organizational development, a culture of care and candor, sourcing and retaining the right talent for now and the future, increased leadership and accountability and continuously improved HR delivery.							Underway	31-03-2023	HR
MA-7635	Launch and commence implementation of the new People and Organization Ambition that prioritizes organizational development, a culture of care and candor, sourcing and retaining the right talent for now and the future, increased leadership and accountability and continuously improved HR delivery.							Underway	30-06-2023	HR



22 - Reputation		Risk owner: ERCD		2022-Q4		MEC Approved			
Risk Description	Reputational harm can be caused by problems that emerge unexpectedly from control weaknesses, performance issues, poor governance or oversight, or events beyond the control of the Global Fund. Misleading or disproportionately negative media coverage of misuse of funds or other inappropriate activities can amplify reputational harm.								
Risk Impact	Damage to reputation can lead to potential loss of future donor funding and ability to achieve impact against the three diseases.								
Key Partners	Not Applicable								
Key Countries	Not Applicable								
Change since last quarter	No change	Current direction of travel		Increasing	Global Fund ability to mitigate		Moderate		
Residual Risk	High	Risk Appetite	Not Applicable	Target Risk	Not Applicable	Target risk timeframe	Not Applicable		
Root Cause							Related Action		
Potential misstep in Board selection process							MA-7337		
Political factors can influence news coverage. Factually inaccurate news coverage that is not quickly mitigated and disproportionality in negative media coverage.							MA-7336 MA-7339		
Complexity of global health operations allow for misinterpretation							MA-7333 MA-7335 MA-7338		
Extensive and/or inaccurate coverage of OIG and other reports that identify misuse of funds or other serious issues at a time that is particularly crucial for the Global Fund to have a positive perception by key stakeholders							MA-7333		
Performance issues or internal control weaknesses							MA-7334		
Current controls & mitigations									
MA-7329	Constant coordination with external relations teams to adjust communications plans to priorities and emerging risks in key markets and audiences.								
MA-7333	Proactive identification of potential issues by country teams and senior management with relevant teams.								
MA-7334	Performance and Accountability Framework in place to drive process performance and accountability across the Secretariat, with routine monitoring of process efficiency and effectiveness metrics through reporting to Management Executive Committee.								
MA-7335	Continual focus on strengthening organizational maturity of risk management, internal controls, governance, and increasing transparency.								
MA-7336	Proactive, agile communications strategy by Communications Department.								
MA-7337	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.								
MA-7339	Build relationships with top-tier, influential media during ‘steady state’ moments to encourage a better understanding of the role and mission of the Global Fund, increasing the likelihood of fair and accurate coverage. Proactive media outreach in key markets and regular monitoring of media and social media coverage.								
Assurances									
Frequent exchanges with ERCD Leadership Team and internal working groups (Situation Response Team and COVID-19 Steering Committee)									
Country Teams reports									
Quarterly reporting, SPH active monitoring, and MEC discussion on the status of P&A indicators									
Review of monthly media coverage as part of ERCD Leadership Team discussions									
Overall Status				Risk mitigation is on track. There are no material delays.					
Controls & mitigations in development or planned							Status	Target completion	Action owner
MA-8055	Following the Seventh Replenishment Conference a communication plan was designed to guide and support communications around the new allocations, in preparation for the Board. In addition, based on lessons learned from 2022, the draft SOP on Crisis Communications will be reviewed and revised.						Underway	30-06-2023	ERCD

## Annex 4: Relevant Past Board Decisions

Relevant past Decision Point	Summary and Impact
GF/B46/DP05: Amended Risk Appetite Statements (November 2021) <sup>5</sup>	Based upon the recommendation of the Audit and Finance Committee, the Board approves the amended Risk Appetite Statements, including risk appetites, target risk levels and timeframes to achieve target risk, as set forth in Annex 1 to GF/B46/06, acknowledging that the target risk level for each risk shall become the revised risk appetite at the target due date.
GF/B39/DP11: Approval of the Risk Appetite Framework (May 2018) <sup>6</sup>	Based upon the recommendation of the Audit and Finance Committee, the Board approves the Risk Appetite Framework, including Risk Appetite, Target Risk levels and the indicative timeframes for achieving Target Risk, as described in the table in Annex 3 to GF/B39/07.
GF/B32/DP11: Approval of the Risk Management Policy (November 2014) <sup>7</sup>	Based on the recommendation of the Finance and Operational Performance Committee, the Board approves the Risk Management Policy, as set forth in Annex 3 to GF/B32/13.

<sup>5</sup> <https://www.theglobalfund.org/board-decisions/b46-dp05/>

<sup>6</sup> <https://www.theglobalfund.org/kb/board-decisions/b39/b39-dp11/>

<sup>7</sup> <https://www.theglobalfund.org/board-decisions/b32-dp11/>

## **Annex 5: Relevant past documents and reference materials**

### **Relevant past documents:**

- [Semi-annual Risk Management Report GF/B48 \(November 2022\)](#)
- [Risk Management Report and Annual Chief Risk Officer Opinion GF/B47 \(May 2022\)](#)
- [Recommended Updates to Risk Appetite GF/46 \(November 2021\)](#)

### **Reference materials:**

- [The Global Fund Risk Management Policy \(November 2014\)](#)
- [The Global Fund Risk Appetite Framework \(May 2018\)](#)