



Investing in our future

The Global Fund

To Fight AIDS, Tuberculosis and Malaria

tel +41 (0)58 791 1700
fax +41 (0)58 791 1701
info@theglobalfund.org

Chemin de Blandonnet 8 • 1214 Vernier • Geneva, Switzerland

www.theglobalfund.org

Board statement on the WHO's Office of Internal Oversight Services Report

The Global Fund to Fight AIDS, Tuberculosis, and Malaria has in its first three years of operations achieved significant results that are saving lives. It strives to operate with the highest level of integrity and transparency to ensure that resources provided are properly utilized and focused on providing life-saving services in the fight against AIDS, tuberculosis, and malaria.

The Board received allegations in July 2005 involving contracting and payments, recruitment of staff, and the involvement of a family member. These allegations concerned activities within the Secretariat in Geneva.

Acting immediately, the Board Chair and Vice Chair and the Executive Director referred the allegations to the WHO's Office of Internal Oversight Services (IOS), which after a substantial review provided a Report to the Board.

Based on the IOS Report and a review by its Ethics Committee, the Board finds that:

- There was no evidence of fraud and misuse of funds.
- There was no evidence of violations of the Policy on Ethics and Conflict of Interest for Global Fund Institutions, though there were actions that created concerns about lack of transparency.
- There were instances of violation of established Global Fund and WHO rules and procedures.

In response, the Board takes the following actions:

- A new Ad Hoc Committee is established to facilitate Board oversight of corrective measures being taken by Secretariat management.
- The Office of Inspector General will advise the Board on progress made by the Secretariat in implementing recommendations made in the Report and related directives of the Board, as well as to propose additional improvements that might be needed.
- The Executive Director is directed to provide a full report at the next Board meeting (April 2006) on steps taken to improve oversight of compliance with existing Global Fund and WHO policies and procedures, including those already developed in response to the Report.

In addition to these allegations, the Board also received concerns about Secretariat culture and morale, which it takes seriously. The Global Fund's success depends on the hard work and commitment of its staff. Therefore, the Deputy Executive Director has already been tasked by the Board with responding to these concerns and is now directed to provide a comprehensive progress report at the next Board meeting.