Organizational Risk Register (ORR)

Q1 - 2026

Enterprise Risk	Organizational Risk	Residual Risk Level	Direction of Travel	Ability to Mitigate
Strategic	Resource Mobilization	High	Increasing ↑	Moderate
Program	HIV Program	High	Increasing ↑	Moderate
	TB Program	High	Increasing ↑	Moderate
	Malaria Program	Very High	Steady →	Moderate
	Community, Rights & Gender barriers to HTM services	High	Increasing ↑	Moderate
	Program implementation and oversight	Moderate	Increasing ↑	Moderate
	Co-financing and Transition	Very High	Steady →	Moderate
Health Product Access	Pooled Procurement Mechanism	Moderate	Increasing ↑	Significant
	In-Country Supply Chain	High	Steady →	Moderate
	Quality Assurance	Moderate	Steady →	Moderate
Financial & Fiduciary	Grant-related Finance & Fiduciary	Moderate	Increasing ↑	Moderate
Secretariat Operations	Support Processes	Moderate	Increasing ↑	Significant
	People and Organizational Culture	High	Increasing ↑	Moderate
	Digital Technology & Cybersecurity	Moderate	Steady →	Moderate
Ethics, Legal & Governance	Ethical Misconduct	High	Increasing ↑	Moderate
	Legal	Moderate	Steady →	Moderate
	Governance	Moderate	Increasing ↑	Significant

STRATEGIC ENTERPRISE RISK

Note: As the new Risk framework is under construction, ratings have only been established for Level 2 risks already measured in Q4 2025, new risks ratings will be introduced in 2026.

Resource Mobilization (Risk Owner: ERCD)

Residual Risk	**HIGH**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**INCREASING**

Risk Definition

The risk involves the potential failure to convert pledges into contributions and to secure new donor pledges for the next replenishment period due to loss of donor support, reputational damage or other external factors. Driven by high level of political volatility, unpredictability and negative shifts in donor sentiment due to political changes, reduced official development assistance (ODA) in most of the key donor countries, reduced prioritization of global health. Additionally, drivers include evolving and increasing donors' requests and expectations in a fast-changing global health landscape – including local ownership, simplification, efficiencies, sustainability - perceived underperformance or misunderstanding of the Global Fund model, and declining health advocacy support. Internal drivers include insufficient capacity and resources to respond to donor's requests in a timely manner in the context of high demand on ERCD and multiple reorgs, that may lead to delayed responses or inadequate engagement and visibility.

Planned response – **RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.**

Strong, trust-based relationships with donors will be maintained through continuous demonstration of the Global Fund's added value, responsiveness to concerns, and early engagement to secure contribution agreements and full pledge conversion. Efforts will continue to nurture bipartisan and multiparty support in donor parliaments amid political volatility, supported by sustained, high-quality, evidence-based, and transparent reporting on the partnership's impact, as well as clear, consistent communications to preserve a strong and recognizable Global Fund brand.

Advocacy networks will be adequately resourced and effectively mobilized, while partnerships with the private sector will be expanded to help diversify funding streams. Political and policy intelligence in priority donor markets will be strengthened to anticipate shifts in agendas, preferred channels, and thematic priorities ahead of funding decisions. Individual donor strategies will be tailored to sustain and deepen relationships with public and private donors, supported by routine engagement and fit-for-purpose visibility of Global Fund programs. Engagement in key political and multilateral processes will be ensured, with messaging aligned across partners and complementary institutions to reduce fragmentation and avoid zero-sum competition for donor attention and resources.

Insights from the Eighth Replenishment lessons-learned process will be applied to inform the ongoing ERCD reorganization, aligning capacity, roles, and surge planning with the most strategic and urgent priorities. These lessons will also guide advocacy partner investments, strengthening capacity and sustained presence in high-risk, high-impact geographies and regions, while shifting to lighter-touch, lower-cost engagement models elsewhere to preserve reach under resource constraints.

STRATEGIC ENTERPRISE RISK

Outlook

Donor Funding risk remains ‘High’. Pledge conversion for 7R is on track and 8R is progressing well with some funds already secured to date from public and private sectors. However, ongoing economic pressures, fiscal constraints, regional conflicts and competing priorities continue to amplify the risk of reduced contributions. Outcomes remain uncertain and increasing challenges are anticipated in ensuring full pledge conversion in the future. Divergent donor views on the Global Fund’s strategic direction are also emerging, with some donors seeking deeper engagement in specific areas while others prioritize different focus areas.

The upcoming Executive Director (ED) and Board Leadership (BL) transition in 2026 adds an additional layer of complexity to the external environment, requiring careful stakeholder engagement and consistent messaging to ensure stability and confidence among partners and donors. Furthermore, the organizational restructuring continues to affect the Secretariat’s ability to respond promptly to donor requests, reinforcing the importance of clear, coordinated, and timely communications and engagement strategies.

PROGRAM ENTERPRISE RISK

HIV Program (Risk Owner: SIID)

Residual Risk	**HIGH**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**INCREASING**

Risk Definition

The risk that Global Fund supported HIV programs do not achieve intended outcomes and impact, including reducing new infections, expanding and sustaining quality treatment coverage, and ensuring equitable access to prevention and care and treatment services. This risk may arise from weaknesses in grants design, implementation, or performance, as well as from adverse contextual factors and health system constraints, and financing gaps. This risk is driven by persistent gaps in reaching key and vulnerable populations, insufficient scale, coverage and effectiveness of prevention and treatment services, and inadequate integration and use of innovation. If not effectively managed, this risk could lead to slow, stalled, or reversed progress against the Global Fund strategic objectives, grant and global targets; inefficient use of resources; and erosion of partner and donor confidence.

Planned response – **RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.**

Technical collaboration with Supply Operations (SO) and Health Product Managers in the Grant Management Division (HPMs GMD) will be strengthened to support the proactive planning and management of product introductions, transitions, and optimization across HIV and COIM markets. In the context of constrained resources, differentiated and regionally tailored approaches will be prioritized, drawing on existing and, where necessary, adapted governance and coordination mechanisms across the grant cycle. Support for sustainability and integration planning will be increasingly focused on priority Incidence Reduction, Mortality Reduction, and HIV Impact countries identified by HIV, Health Financing (HF), RSSH, and GMD portfolios, where safeguarding HIV services, reducing preventable mortality, and sustaining impact are most critical. At the same time, Secretariat support under SIID will be continued and intensified in HIV Incidence Reduction and Mortality Reduction focus countries. This includes targeted assistance to address implementation bottlenecks affecting HIV prevention and treatment outcomes, as well as advancing organizational priorities linked to new product introductions, including within current operational and resource constraints.

Outlook

While 2024 KPI results were strong in care and treatment—particularly in high-burden countries, significant challenges remain. These include sustaining quality services amid declining funding, scaling up targeted, effective prevention, closing coverage and impact gaps, and addressing increasing threats to the human rights of key populations at risk of HIV. The risk level was reassessed following the GC7 reprioritization exercise and rated as High, reflecting disruptions in country-level co-dependencies between the Global Fund and partners in technical assistance, commodities, and service delivery.

PROGRAM ENTERPRISE RISK

TB Program (Risk Owner: SIID)

Residual Risk	**HIGH**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**INCREASING**

Risk Definition

The risk that Global Fund supported TB programs do not achieve intended grants outcomes and impact, including reducing TB incidence and mortality, expanding and sustaining access to quality diagnosis and treatment (including for drug-resistant TB), and ensuring equitable access to TB prevention and care services. This risk may arise from weaknesses in grant design, implementation, or performance, as well as from adverse contextual factors, health system constraints, and financing gaps. This risk is driven by persistent gaps in reaching underserved and high-risk populations, insufficient scale, coverage, and effectiveness of prevention, diagnosis, and treatment services, weaknesses across the TB care cascade and continuity of care, suboptimal delivery models, and rising delivery costs. If not effectively managed, this risk could lead to slow, stalled, or reversed progress against grant commitments, the Global Fund strategic objectives, and global targets; inefficient use of resources; increased fiscal pressure on high-burden countries; and erosion of partner and donor confidence.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Differentiated approaches and integrated service delivery models will be prioritized to achieve impact across diverse country contexts. Private–Public Mix efforts will continue to focus on seven high TB burden countries with significant private sector engagement, supported by TB matching funds under the HIA.

Targeted support will be provided to 25 high TB priority countries to update TB diagnostic and treatment guidelines, accelerate uptake of key innovations, and improve treatment adherence, including digital chest X ray with or without CAD, pediatric formulations, and shorter regimens for DR TB and TB prevention.

Through the NextGen Strategic Initiative, expert support will assist countries with the roll out and effective use of chest X ray and CAD AI technologies.

The Secretariat will also advance strategies to address the GC7 TB funding gap through engagement with partners to mobilize additional resources, optimize available funding through efficiencies and integration, and provide regular updates to the Strategy Committee, including a comprehensive status update by October 2025.

Outlook

Ending tuberculosis requires sustaining adequate funding to expand access to timely and quality diagnosis, treatment and preventive services, building the capacity of implementers, sustaining supply and procurement channels to avoid stock outs and active involvement of the private sector and communities. The positive momentum in the global TB response was maintained in 2024. However, recent funding cuts are likely to continue reducing the momentum in 2026. Preliminary data during the first half of 2025 indicated a decline in TB case notification, which raises concerns of a reversal in the positive case notification trend in high-burden countries. While the GC7 reprioritization revision has largely safeguarded essential lifesaving services and products, quality of services could be impacted due to reduction in training, supervision, technical assistance, monitoring and evaluation systems. Gaps in timely materialization of domestic financing commitments, especially for procurement, increases the strain on uninterrupted supply of quality assured TB medicines and diagnostics The need for bold prioritization to invest in intervention that sustains the gains and delivers the greatest value is even more critical now.

PROGRAM ENTERPRISE RISK

Malaria Program (Risk Owner: SIID)

Residual Risk	**VERY HIGH**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**STEADY**

Risk Definition

The risk that Global Fund supported malaria programs do not achieve intended outcomes and impact, including reducing malaria morbidity and mortality, sustaining high coverage of effective prevention and treatment interventions, and ensuring equitable access to malaria services in geographic areas/populations targeted with GF support. This risk may arise from weaknesses in grant design, implementation, adaptability, or performance, as well as from adverse contextual factors health system constraints and financing gaps. This risk is driven by challenges in achieving and sustaining adequate scale, coverage, and effectiveness of core malaria interventions and new tools; persistent gaps in equitable, community centered delivery; and limitations in responding effectively to evolving epidemiological, biologic threats, climatic, and operational needs, particularly in high burden and fragile settings. If not effectively managed, this risk could lead to slow, stalled, or reversed progress against grant commitments, the Global Fund strategic objectives, and global targets; inefficient use of resources; increased fiscal pressure on high-burden countries due to resurgence and outbreaks; and erosion of partner and donor confidence.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Country access will be expanded by increasing the affordability of dual active ingredient (AI) ITNs to address insecticide resistance, through the Next Generation Market Shaping Strategic Initiative supported by the Revolving Fund. The Revolving Fund target of 65 million dual AI ITNs for the 2023–2025 period is expected to be exceeded, with additional manufacturers beyond the current two anticipated to enter the market by the end of GC7, strengthening supply security and competition. In parallel, efforts will be consolidated across malaria and RSSH partners to strengthen coordinated support for primary health care at facility and community levels, including both public and private delivery platforms, to enable countries to sustainably expand access to quality malaria services.

Outlook

The Secretariat understands but continues to reassess the risk drivers and coverage gaps under GC7 which informs country specific residual risk rating and mitigation plans. The existing and new risk drivers compound the already increasing direction of travel. While the responses are in place, including driving efficiencies will mitigate part of the risks, the programs have limited ability to monitor the quality and coverage of interventions post-reprioritization and have limited ability to mitigate risks arising due to climate change events, political and security disruptions, and emerging biological threats (including the need to be proactive on emerging drug resistance in SSA). Further risk mitigation is contingent upon the evolving global context, additional funds to meet coverage gaps or scale-up interventions to meet the demand or introduce new tools and optimize the deployment of existing tools. The Secretariat will continue to optimize grant investments to address the impact of emerging risks and climate change events on the grants. The Malaria Program Quality risk reached a Very High-risk rating as of Q4 2024. Given the uncertainty around global events, climate change events, biologic threats, political and security disruptions, and coverage gaps, we will maintain the Risk Appetite level at ‘Very High’.

PROGRAM ENTERPRISE RISK

Community, Rights & Gender barriers to access to HTM services (Risk Owner: SIID)

Residual Risk	**HIGH**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**INCREASING**

Risk Definition

The risk that Global Fund investments do not effectively address human rights barriers, gender-related inequities, community engagement and community systems constraints that are essential for equitable access to health services, uptake, and sustained impact of HIV, TB, and malaria programs.
This risk reflects challenges related to stigma, discrimination, criminalization, violence and gender inequality as well as operational and governance weaknesses affecting community-led and community-based responses.
If not managed, this risk could result in exclusion of key and vulnerable populations, misaligned interventions resulting in poorer health outcomes, fragmented or weak community responses, reduced accountability, and undermining the Global Fund's mission to end HIV, TB, and malaria

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

GC8 preparations and planned changes to the Grant Lifecycle will be leveraged to streamline and more systematically embed human rights and gender programming, while further evolving the design and targeting of human rights and gender catalytic investments. Secretariat and implementer capacity on human rights and gender equality will continue to be strengthened through the dissemination of targeted tools and training, enabling delivery of the Strategy's ambitions and strengthening the partnership's ability to respond to the growing backlash against human rights. Coordination within the Secretariat and with partners will be enhanced to support effective grant management in human rights crisis contexts and to mitigate security risks faced by implementers. Building on the strengthened FR/GM approach under GC7, implementation of gender focused programming will be accelerated through proactive support from CRG investment support advisers and gender technical advisers, supporting the operationalization of gender priorities within grants, implementation of gender action plans in priority portfolios, and continued capacity strengthening on gender integration across the Secretariat.

Outlook

Providing tailored services to the populations most at risk remain central to the delivery of the organization mission. In the current environment, the Global Fund's efforts to address human rights and gender-related barriers and improve access to essential health services and innovations such as LEN remain critical but are at significant risk, with ambition and tactics requiring continuous reassessment. With the rising global anti-human rights and anti-gender movements and severe setbacks in human rights and gender equality contexts in many countries, the outlook is increasingly challenging, and the direction of travel continues to increase. In addition, the abrupt reduction in donor funding and changes in donor policy, as well as continued uncertainty, pose significant challenges to implementation of programs to address human rights and gender-related barriers, the sustainability of key organizations, as well as the ability of technical partners and the Global Fund to mitigate this risk.

PROGRAM ENTERPRISE RISK

Program implementation and oversight (Risk Owner: GMD)

Residual Risk	**MODERATE**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**INCREASING**

Risk Definition

The risk that weaknesses in implementation arrangements, grants governance, oversight, and assurance limit the effective translation of Global Fund investments into sustained results. This risk arises where governance, implementation arrangements, risk management, and oversight are suboptimal and coordination across actors is fragmented. If not effectively addressed, this risk may result in service disruptions, inefficiencies, and loss of resources undermining the Global Fund's mission to end the three diseases and build resilient health systems.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Under the Sustainable Implementation Solutions workstream, a PR Learning Hub will be operationalized to disseminate key guidance and tools to implementers, complemented by PR Forums and Country Team Dialogues to track and document progress on PR capacity and strengthen visibility and continuous oversight. The COE OPN will be updated to reflect recommendations from the TERG evaluation and OIG audits. In parallel, the operationalization, implementation, and monitoring of the ASP will be strengthened in line with the ASP portfolio review and OIG ASP Advisory. Building on the ICOE team's review of ASP country exit criteria and the established capacity building framework, remaining measures will focus on establishing a revised monitoring strategy and mechanisms, alongside updated internal guidance and communication protocols.

Outlook

In-Country Governance is experiencing a worsening trend, primarily driven by external factors such as political instability, security threats, and persistent weaknesses in institutional capacity and in-country governance mechanisms. Although the residual risk is currently rated as moderate, this assessment may underestimate the actual level of exposure in the context of foreign aid cuts. The withdrawal of this support eliminates a key source of governance assistance and technical oversight, particularly in fragile states, increasing the likelihood of operational disruptions, weakened fiduciary controls, and diminished strategic alignment in health program implementation.

PROGRAM ENTERPRISE RISK

Co-financing and Transition (Risk Owner: F&A)

Residual Risk	**VERY HIGH**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**STEADY**

Risk Definition

The risk that co-financing for HIV, TB, and malaria is insufficiently mobilized or effectively deployed, and that countries do not adequately plan or execute transition from Global Fund support. This risk arises from co-financing commitment-setting; weak integration, monitoring, or enforcement; constrained fiscal space; limited political ownership; insufficiently developed or implemented transition and sustainability plans; capacity and system bottlenecks; and misalignment with broader financing landscapes. If not effectively managed, this risk could undermine sustainability and transition outcomes, weaken long-term impact, and constrain countries' ability to sustain health gains.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Transition and final grants will be developed and approved for countries aligned with GC8 and GC9 timelines, alongside continued implementation of GC7 transition grants, including systematic monitoring and tracking of co financing commitments. Catalytic initiatives addressing transition challenges will be designed and approved, including the social contracting and responsible transition catalytic investments, while operationalizing the non grant procurement strategic shift. Co financing requirements for all transition contexts under GC8, together with updated technical guidance and operational policies for sustainability, transition, and co financing, will be finalized ahead of GC8. Health financing and financial sustainability considerations will be systematically reviewed and embedded within TRP and Secretariat assessments of funding requests and grant approvals to strengthen the quality and sustainability of investments.

Outlook

The outlook for transition risk remains challenging due to macroeconomic pressures, epidemiological uncertainty, gaps in country-level transition planning, reduced technical assistance under GC7, and continued reliance on Global Fund support in several transition contexts. For GC8, finalized transition timelines for GC8 and GC9 provide improved predictability and clearer planning horizons. The Global Fund is strengthening support through enhanced transparency on timelines, transition grants, co-financing, continued planning, and targeted technical support. The outlook for co-financing risk also remains challenging. Many countries face mounting fiscal constraints from rising debt servicing costs, slowing economic growth, and declining and uncertain ODA, limiting resources for health systems and disease responses. The Global Fund will continue to monitor this risk while advancing targeted reviews and strengthened internal engagement as part of the planned response.

HEALTH PRODUCT ACCESS ENTERPRISE RISK

Pooled Procurement Mechanism (Risk Owner: SO)

Residual Risk	**MODERATE**	**3 Year Trend**	
Global Fund Ability to Mitigate	**SIGNIFICANT**	**Direction of Travel**	**INCREASING**

Risk Definition

This risk pertains to being unable to ensure a reliable and uninterrupted supply of sufficient quantities of quality health products - sourced from suppliers compliant with the Code of Conduct – across both grant funded and non-grant financed modalities. This risk is driven by weaknesses across the end to end supply planning and execution cycle, including sourcing strategies and tenders that do not consistently deliver value for money or account for evolving market conditions and emerging risks; insufficient contract implementation and supplier performance oversight; aggregated demand and supply planning that does not fully meet operational or programmatic needs; poor quality or late requisitions and untimely management of procurement requests; delivery delays and inadequate incident management; insufficient supporting processes, systems, tools, and data governance; and non-compliance with policies and procedures These factors may undermine timely, compliant, and reliable access to quality health products, which may result in stockouts or shortages, increased procurement and operational costs, reduced programmatic effectiveness, heightened exposure to supplier nonperformance or noncompliance, and potential reputational or stakeholder impacts.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Procurement volumes will be aggregated and proactive, coordinated market engagement strengthened to mitigate reduced demand and maintain market shaping leverage. Continuity and stability of supply will be safeguarded through a more strategic approach to PSA relationships, implementation of the PSA Strategy including strengthened monitoring and oversight of supplier performance, and well-planned renewal of PSA contracts. Confidence in the Global Fund and stability of commitments will be reinforced through robust, centrally directed category and procurement strategies, for critical health products and services including: procurement activities such as RFPs, direct contracting, and contract renewals, as well as the implementation and transition to Global Fund or manufacturer framework agreements.

Outlook

PPM Procurement residual risk level's direction of travel is steady. While external factors beyond the Global Fund's control (e.g., geopolitical events, shifts in donor funding to the Global Fund and to programs budgets, changes in demand or priorities, and supply chain costs or constraints) may affect the Global Fund's ability to operate, existing robust mitigations support relative stability. At grant level, maintaining the risk at a Moderate level will require enhanced monitoring of grant-specific Key Mitigating Actions so that evolving challenges are addressed effectively through existing processes. At global level, new initiatives, including the introduction of new health products and the scale-up of non-grant-funded procurement, will need to be underpinned by regular, structured risk analysis to ensure that PPM procurement risk is maintained at an appropriate, operational level. Recent conflict in middle-east, if prolonged, may have long range impact on costs, international supply chains and availability of commodities. Potential impact is being monitored closely and will be reflected in future reports as appropriate.

HEALTH PRODUCT ACCESS ENTERPRISE RISK

In-Country Supply Chain (Risk Owner: SO)

Residual Risk	**HIGH**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**STEADY**

Risk Definition

The risk involves disruption or underperformance of in-country health product supply chains- from a central warehousing point to service delivery points due to gaps in supply chain financing, supply chain governance, storage, distribution, and information systems.

Planned response – **RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.**

A Supply Chain Maturity Model assessment will be rolled out in ten priority countries during GC7, alongside close monitoring of the implementation of Management Actions (MA), Key Management Actions (KMAs), and targeted assurances to mitigate priority sub risks in the Top 25 countries, with a particular focus on the 15 PPC countries. Country specific and regional integration workshops will be conducted to support 20–30 countries in preparing Principal Recipients for GC8 Funding Request development, with integration embedded as a core design principle. In parallel, investments in supply chain digitalization will be advanced in six countries through catalytic funding, aligned with other Global Fund, partner, and domestic financing. Finally, an incident reporting mechanism will be established to enable early detection and escalation of supply chain related incidents that could impact Global Fund operations.

Outlook

Gaps in distribution, warehousing, quantification planning across various stakeholders, information systems and last mile distribution remain in several geographies. Despite progressive scale-up of HTM services, no large-scale stock-outs leading to major service disruption were reported. In response to reduced GC7 grant allocations, supply and distribution plans were adjusted to mitigate service disruption risks, with minimal impact on planned procurement volumes. However, in the long term, with the limited resources available, it is essential to tailor interventions based on a thorough evaluation of maturity levels – focusing on integration, efficiency and sustainability of systems where possible. The residual risk is expected to remain at the lower end of High in first semester 2026 as the direction of travel is now steady. The overall ICSC risk level is expected to remain volatile. While planned mitigation measures through Q4 2026 may deliver improvements, their impact is currently offset by ongoing uncertainty related to funding, in-country political and security threats, and governance risks. In addition, emerging risks include the recent escalation of conflicts in the Middle East, if protracted, could potentially impact in-country distributions and timely availability of health products.

HEALTH PRODUCT ACCESS ENTERPRISE RISK

Quality Assurance (Risk Owner: SO)

Residual Risk	**MODERATE**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**STEADY**

Risk Definition

The risk involves patients being exposed to substandard or falsified health products due to gaps in development, product registration/authorization, manufacturing, procurement, supply chain integrity, dispensing practices, product use, disposal and market surveillance, and uncertainties associated with the introduction of innovative products.

Planned response –**RISK MITIGATIONS ARE PROGRESSING WITH SOME DELAYS.**

Delivery of NextGen Market Shaping Strategic Initiative activities will be monitored across WHO dual workstreams, including normative guidance on vector control products (VCPs), MQAS and pharmaceutical waste management, ERP evaluations for in vitro diagnostics and pharmaceuticals, and the establishment of an ERP mechanism for VCPs. Capacity building for African manufacturing will be advanced through a pilot ERP for HIV RDTs produced in Africa, targeted training and technical assistance for regional manufacturers and regulators, and the establishment and maintenance of regional and sub regional regulatory networks. Quality assurance systems will be strengthened through the development of a briefing note and operational procedures on the management and information sharing of quality signals for Global Fund procured health products, including recalls and actions to address noncompliance or remove ineffective or unsafe products from the market. The QA Policy for VCPs will be operationalized through operational guidance, procedures, and targeted training for PRs and LFAs, supported by a thematic QA capacity assessment tool to identify country level risks, system strengths and gaps, and priority actions. An incident reporting system will also be operationalized to enable early detection and escalation of QA related risks impacting Global Fund operations.

Outlook

A combination of factors, including procurement through pre-qualified suppliers by countries and via Wambo, stringent quality assurance (QA) requirements, and ongoing monitoring of supplier compliance, continues to support maintaining the risk at a moderate level. The PSA’s commitment to implementing the Quality Plan is expected to further reduce the inherent quality risks associated with health products (HPs) supplied to PRs through PPM. While minor delays have occurred in two management actions, one activity supporting preparation for GC8 and the planned update of a guideline, these delays have limited impact on the current risk rating. In addition, although some gaps in post-shipment QA procedures remain known, they are not expected to materially affect the overall residual risk for the core HTM products procured under the grants.

FINANCIAL & FIDUCIARY ENTERPRISE RISK

Grant-related Finance & Fiduciary (Risk Owner: F&A)

Residual Risk	**MODERATE**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**INCREASING**

Risk Definition

The risk is defined as the possibility that Global Fund assets (financial and non-financial) are misappropriated, financial statements reported to the Global Fund are intentionally misstated, or that the Global Fund incurs financial loss due to corruption (including bribery/extortion) or conflict of interest

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Public financial management systems will be leveraged to strengthen internal controls and risk management in the public sector, reducing fiduciary and fraud risks in targeted countries. This includes assessments of health sector internal audit units and targeted capacity building for internal auditors through AFIIA, as well as strengthening health sector oversight through enhanced Supreme Audit Institution and Public Accounts Committee capacities across 30 countries, in partnership with AFROSAI E, CREFIAF, and AFROPAC. Following satisfactory Fiscal Agent performance results concluded in November 2025, transition and sustainability remain central throughout GC7, supported by standardized KPIs now implemented in 13 countries to strengthen PR financial management and enable a gradual transition into GC8. Risks to assurance continuity resulting from PwC's withdrawal from Francophone Africa will be managed through short and medium term measures to ensure delivery and identify alternative suppliers, while advancing longer term reforms toward a more sustainable, cost effective assurance model with increased local ownership and reduced reliance on single firms. Foreign exchange exposure is being reduced through clearer measurement of FX risk in GC7 grants, including the use of PPM charge backs for cross currency disbursements and the roll out of the Foreign Exchange in Grants framework, now operational in South Africa. In Nigeria, following the unpegging of the naira and FX market unification, a full assessment confirmed that reverting to USD disbursements would better protect Global Fund investments, and this shift has been fully implemented. At the corporate level, financial reporting quality is monitored through variance analysis between PR reported and Global Fund verified expenditures. Financial reporting processes have been streamlined through Partner Portal enhancements, updated guidelines, and targeted training, with the GC6 FCR and 2024 PUDR cycles completed under the strengthened framework and ongoing support in place to further improve the quality and timeliness of PR and SR reporting.

Outlook

Grant-related fraud and fiduciary risk has remained at the target Moderate level since Q4 2024, with a stable trajectory since December 2024. However, emerging pressures, including reduced prioritization of health funding, heightened uncertainty, and the additional workload associated with GC8 grant-making, pose risks to the quality of implementation of mitigation measures and assurance activities. Recent allocation reductions and reprioritization further elevate the risk of unbudgeted or unauthorized expenditures as countries attempt to address gaps created by fiscal contraction and shifts in domestic and partner funding. The increased demands of GC8 grant-making also strain already reduced resources, creating the risk of diverting capacity away from core risk management functions. These pressures are compounded by the Secretariat's internal reorganization, which coincides with a critical phase of the grant cycle: GC8 grant-making, ongoing GC7 implementation, and the close-out of GC6 C19RM grants. Staff departures and the onboarding of new colleagues during this period have inevitably affected operational continuity and the Secretariat's ability to operate at full effectiveness in managing risk. To mitigate these challenges, the LFA assurance model has been adapted to the evolving risk environment, and Fiscal Agents' roles have been recalibrated to address vulnerabilities arising from de-allocation. Targeted assurance has also been prioritized for C19RM investments, particularly fixed assets such as oxygen systems, waste management infrastructure, and warehouses. Intensive monitoring at both country and Secretariat levels is underway to safeguard implementation performance, ensure proper asset handover, and support long-term sustainability of use and maintenance. The direction of travel for Grant-related fraud and fiduciary risk is increasing, and risk levels will be adjusted as on-the-ground impacts become clearer. Continued, concentrated efforts in priority portfolios—Nigeria, Mozambique, DRC, Uganda, South Africa, Tanzania, and Malawi—remain central to sustaining improvement. Heightened risk awareness, targeted training, and sensitization of Country Teams, PRs, and assurance providers have strengthened the Global Fund’s ability to adapt mitigation measures and manage the inherent financial-fraud risks in grant implementation.

Accounting & Financial Reporting by Countries: As previously reported, the deallocation range remains 10–15%, with limited expected impact on overall program delivery. This risk continues to be managed through close coordination between Country Teams, PRs, LFAs, and relevant internal stakeholders, supported by a Deallocation Fiduciary Oversight Plan that outlines key controls and mitigation measures. With 2026 being a grant making year, the additional workload from grant-making and the need to accelerate implementation to boost GC7 absorption may place further pressure on resources dedicated to financial reporting. It is also important to acknowledge the implications of the ongoing task shifting from GFM to GFSC and the associated transitional risks. This transition coincides with a critical phase of the grant cycle—GC8 grant making, ongoing GC7 implementation, and the closure of GC6 C19RM grants—and therefore requires careful management to safeguard operational continuity and avoid adverse effects on grant implementation and reporting.

Reporting quality continues to improve. The last update reflected a marked reduction in financial rejections by the Service Centre for the period ending June 2025 compared with December 2024. Results for the period ending December 2025 will be provided in the next update. Continued monitoring, feedback, and targeted support are expected to sustain this progress. The direction of travel for Accounting & Financial Reporting by Countries is now steady. Ongoing oversight of priority portfolios will remain essential to assess the effects of continued volatility and uncertainty on financial risk levels.

SECRETARIAT OPERATIONS ENTERPRISE RISK

Support Processes (Risk Owner: F&A, SO)

Residual Risk	**MODERATE**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**INCREASING**

Risk Definition
Risk of loss or operational disruption resulting from inadequate or failed processes, systems, or controls related to indirect procurement[1], facilities management, travel, asset management, and physical & field security.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.
Monitoring reports on the global operating environment will be developed to anticipate and respond to potential disruption risks. Measures to reduce costs and increase operational resilience will continue, including diversification of security service providers, development of an Online Booking Tool, and more integrated travel planning. Scenario development and assessment will also be advanced to inform medium- and long-term sustainability planning for GHC utilization and occupancy, as well as to support strategic decision making related to the Global Fund location model.

Outlook
Travel management, Field security: Increasing risks associated with disruptions to on-duty travel impacting security and safety of Global Fund staff, costs and business continuity. These are largely driven by external events, outside of Global Fund control. Current actions aim to increase resilience of processes (i.e., mitigate financial loss, safeguard assets while on duty travel). Facility management: Financial risks associated with constraints in fiscal and public health environment are however increasing. These are being addressed through scenario planning and identification of efficiency levers.

[1] Excluded from this update

SECRETARIAT OPERATIONS ENTERPRISE RISK

People and Organizational Culture (Risk Owner: HR)

Residual Risk	**HIGH**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**INCREASING**

Risk Definition

Risk that the organization is unable to attract, retain, develop, and engage diverse talent, and to foster a positive, or foster inclusive culture aligned with business values and objectives.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Secretariat restructuring planning will be advanced to provide a clear midterm organizational perspective through 2029. In parallel, HR transition will be actively managed in 2026 to ensure that skills, competencies, organizational shape, and capacity remain aligned with future business needs. Critical HR reform initiatives will address key organizational risks, including the revision of the Employee Handbook, HR policies, and core people processes, alongside clarification of HR roles, responsibilities, organizational structure, and terms of reference. A comprehensive plan to strengthen performance management, career pathways, and internal mobility will be developed and presented to the MEC.

Outlook

The risk level remains high; the direction of travel is increasing. The GF ability to mitigate reduced from ‘significant’ to ‘moderate’ due to increased inherent uncertainty on resource availability. In addition to existing risk drivers, inherent risk is increasing due to changes in the global multilateral environment. To mitigate this increase, HR and the organization are working to align the cultural expectations and behaviors with the organization’s reality and outlook in an uncertain, rapidly changing operating environment. Another priority is monitoring and adapting workforce capacity in the context of uncertainty. Measures are in progress to adjust future ways of working, and anticipate challenges linked to workforce reduction.

SECRETARIAT OPERATIONS ENTERPRISE RISK

Digital Technology & Cybersecurity (Risk Owner: IT)

Residual Risk	**MODERATE**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**STEADY**

Risk Definition

The risk of system performance degradation, data integrity breaches, service interruptions, ineffective mitigation of external threats. This includes security incidents involving third-party integrations, suboptimal vendor risk management, project execution vulnerabilities, and unintended or intentional exposure of sensitive information

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

The Secretariat's risk response strategy focuses on shifting from reactive defense to proactive resilience by integrating security into the entire technology lifecycle. By institutionalizing a Security by Design process and robust Vendor Security Management, the Secretariat mitigates vulnerabilities in infrastructure and shields the supply chain from external disruptions. Data integrity is reinforced through Data Loss Prevention (DLP) and a comprehensive Identity and Access Management (IAM) program to prevent unauthorized exfiltration and access. Furthermore, as the Secretariat adopts Emerging Technologies, new threats are being addressed through a dedicated AI Security framework. To ensure operational continuity during a crisis, the Secretariat is integrating Business Continuity and Crisis Management protocols, supported by a continuous cycle of Controls Review and Enhancements to safeguard institutional reputation and maintain the highest standards of digital oversight.

Outlook

Based on the planned response, the Digital Technology & Cybersecurity risk remains at a moderate level. Although the overall risk trajectory is stable, several areas continue to warrant close attention. Emerging threats associated with the increased use of Artificial Intelligence tools, along with the rising volume of global cybersecurity attacks, present new challenges that require dedicated focus. Maintaining operational resilience—especially in the areas of cybersecurity, workforce stability, and infrastructure utilization—continues to be a critical priority.

ETHICS, LEGAL AND GOVERNANCE ENTERPRISE RISK

Ethical Misconduct (Risk Owner: ETHICS OFFICE)

Residual Risk	**HIGH**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**INCREASING**

Risk Definition

This risk involves misconduct by governance members and delegates, Global Fund staff, implementers, suppliers, or partners (such as fraud; corruption; conflicts of interest; retaliation; sexual exploitation, abuse, and harassment; breaches of privacy; and non-compliance with Codes of Conduct and policies), all of which contravene the Global Fund's values and standards. It includes risks arising from the selective, inconsistent, or unjustified application of rules, policies, or controls ("exceptions"), including where waivers or deviations are granted outside established governance processes or without adequate transparency, documentation, or mitigating measures, thereby undermining fairness, accountability, and integrity. It also includes risks that systems to prevent and respond to sexual exploitation, abuse, and harassment (SEAH) are inadequate and cause harm to individuals, or that associations with counterparties engaged in unethical or unlawful practices create reputational harm.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Codes of Conduct, the Conflict of Interest (COI) Policy, and the IIDD Framework will be updated to clarify values and behavioral expectations, alongside targeted technical assistance and guidance to strengthen PSEAH capacity. A new disclosure of interest tool will be rolled out, supported by an annual DOI campaign for governance officials and key staff, systematic review of disclosures against Board and committee agendas, ongoing related-party assessments, and tracking of mitigation measures. The Ethics Office will operationalize the new investigation framework for employee misconduct, including updated infrastructure, staff information sessions, development of guidance on protection against retaliation, and revisions to relevant sections of the Employee Handbook. Mandatory annual training on the Global Fund's values and Code of Conduct will be introduced for all staff, complemented by tailored ethics training for key stakeholders. Integrity Due Diligence (IDD) processes will be applied rigorously across the organization, including essential and enhanced IDD for Executive Director and Board Leadership candidates, support to the TRP leadership selection process, enhanced IDD for new procurement tenders, and essential IDD for suppliers, new staff and governance officials, CCM members, and PR focal points.

Outlook

Ethical Misconduct risk remains high and rising, driven by challenges in the implementing environment that may lead to misconduct such as fraud, SEAH and COI going undetected or unreported. While mitigations, such as increased communication and awareness campaigns and continued implementer capacity building, are underway, the residual risk will remain high, and we may be able to adapt mitigations that we control as we gain more clarity on how implementing conditions will be adapted. Sustained investment in culture, accountability, and independent oversight remains essential to preserve institutional trust and integrity. Ethical culture initiatives that were rolled out in 2025 such as the refreshed Code of Conduct for Employees and Internal Justice Mechanism will be embedded and investigations enhanced.

ETHICS, LEGAL AND GOVERNANCE ENTERPRISE RISK

Legal (Risk Owner: LGD)

Residual Risk	**MODERATE**	**3 Year Trend**	
Global Fund Ability to Mitigate	**MODERATE**	**Direction of Travel**	**STEADY**

Risk Definition

Legal risks arise from the actions and omissions of the Global Fund and its staff that may undermine its ability to protect its assets, staff, and mandate. It includes risks arising from the absence of P&I in certain jurisdictions, which can limit legal protections for resources and staff; exposure to external legal and regulatory frameworks where P&Is do not apply, potentially resulting in governmental, judicial, or enforcement actions; failures to implement or observe Global Fund policies, creating governance and control weaknesses; and contractual risks linked to counterparty obligations, compliance costs, or inconsistencies with internal policies.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Privileges and immunities (P&I) risk will be further mitigated through a revised P&I strategy under EGC oversight, including enhanced engagement with ministries of foreign affairs, systematic negotiation of P&Is during grant-making, conferral through bilateral agreements, and prioritized country-level actions.
Legal risk management will be strengthened through continued external legal engagement on legal status and assertion of P&Is, liability and indemnity provisions, arbitration guidance, sanctions monitoring, and privacy clauses, supported by streamlined management of external legal advisers. Internally, Legal will continue to support governance approvals and Secretariat decision-making, conduct legal reviews of policies and organizational changes, and provide embedded Legal Counsel support to Country Teams to ensure consistent application of Global Fund operational policies across the grant lifecycle.
Contractual risk controls will be reinforced through prioritization of strategic grant, procurement, and contribution agreements, supported by standardized terms and templates, revised procurement terms and conditions, updated Grant Regulations and operational policies, and robust Delegations of Signature Authority requiring clearance from Legal, Finance, business teams, and risk management.

Outlook

Legal risks are expected to remain moderate though heavy workloads are expected to support strategic decision making in the complex and challenging operating environment. The Secretariat is taking steps to mitigate the activities that give rise to these risks, including prioritization of activities

ETHICS, LEGAL AND GOVERNANCE ENTERPRISE RISK

Governance (Risk Owner: LGD)

Residual Risk	**MODERATE**	**3 Year Trend**	
Global Fund Ability to Mitigate	**SIGNIFICANT**	**Direction of Travel**	**INCREASING**

Risk Definition

This risk involves actual or perceived weaknesses in the Global Fund's Board and committee governance—such as the effectiveness and continuity of leadership, oversight and reporting, lack of clarity in roles and responsibilities between Board, Committees and the Secretariat - that may reduce accountability, strain stakeholder engagement, reduce clarity of strategic direction, and hinder timely and strategic decision-making.

Planned response – RISK MITIGATIONS ARE ON TRACK. THERE ARE NO MATERIAL DELAYS.

Board support will be strengthened through a reinforced duty of care framework, including embedded Codes of Conduct and certification, strengthened Declarations of Interest practices, and active application of the IDD Framework. Ongoing initiatives will support trust, accountability, and effective deliberation across governance and administrative bodies, leveraging coordinated roles of the Board, Committees, and Management. Governance effectiveness will be further enhanced through best practice guidance on constituency management, targeted funding to support implementer constituency engagement, and the roll out of a virtual governance platform to strengthen participation, knowledge management, and engagement. The Corporate Governance function will play an increased role in facilitating prioritization and coordination across the Board and Committees, with agenda design supporting focused oversight of cross cutting risks. EGC and CG will continue to prioritize governance workstreams supporting senior leadership selection processes, while maintaining continuous risk monitoring and careful scrutiny of new governance initiatives before inclusion in workplans.

Outlook

A 'Moderate' risk level is expected to be maintained; however, the direction of travel has been increasing since Q3 2024 due to growing uncertainty in the strategic and funding landscape. This can potentially lead to disruptions in the effectiveness of governance structures and processes, which could impair the quality and timeliness of decision-making and oversight. This uncertainty may also strain stakeholder engagement and support mechanisms, leading to challenges in resource mobilization and the adequacy of financial resources needed to meet the Global Fund's strategic goals for 2023-2028. While the overall planned response to mitigate and control governance risk is currently on track, as being discussed with the EGC, CG and Board, in a resource constrained environment there will have to be a higher acceptance of risk levels and operational approaches be adapted accordingly.

Glossary of Terms

Abbreviation	Definition
AI	Artificial Intelligence
ASP	Additional Safeguard Policy
BL	Board Leadership
C19RM	COVID-19 Response Mechanism
CCM	Country Coordinating Mechanism
COI	Conflict of Interest
CRG	Community, Rights and Gender
DLP	Data Loss Prevention
DOI	Declaration of Interest
DR TB	Drug-Resistant Tuberculosis
ED	Executive Director
EGC	Ethics and Governance Committee
ERCD	External Relations and Communications Department
F&A	Finance and Administration
FCR	Financial Closure Report
FX	Foreign Exchange
GC6/7/8	Grant Cycle 6 / 7 / 8
GF	Global Fund
GFM	Grant Financial Management
GHC	Global Health Campus
GMD	Grant Management Division
HF	Health Financing
HIA	High Impact Asia
HIV	Human Immunodeficiency Virus
HPM	Health Product Manager
HP	Health Product
HR	Human Resources
HTM	HIV, Tuberculosis and Malaria
ICSC	In-Country Supply Chain

Abbreviation	Definition
ITN	Insecticide-Treated Net
KMA	Key Mitigating Action
KPI	Key Performance Indicator
LFA	Local Fund Agent
LGD	Legal and Governance Department
MA	Management Action
MEC	Management Executive Committee
ODA	Official Development Assistance
OIG	Office of the Inspector General
ORR	Organizational Risk Register
P&I	Privileges and Immunities
PPC	Portfolio Performance Committee
PPM	Pooled Procurement Mechanism
PR	Principal Recipient
PSA	Procurement Service Agent
PSEAH	Protection from Sexual Exploitation, Abuse and Harassment
PUDR	Progress Update / Disbursement Request
PwC	PricewaterhouseCoopers
QA	Quality Assurance
RDT	Rapid Diagnostic Test
RFP	Request for Proposal
RSSH	Resilient and Sustainable Systems for Health
SEAH	Sexual Exploitation, Abuse and Harassment
SIID	Strategy, Investment and Impact Division
SO	Supply Operations
SR	Sub-Recipient
TB	Tuberculosis
TERG	Technical Evaluation Reference Group
TRP	Technical Review Panel

IDD	Integrity Due Diligence		**USD**	United States Dollar
IT	Information Technology		**WHO**	World Health Organization