

**The Office of the Inspector General**

# **2024 Annual Report**

Including an Annual Opinion  
on Governance, Risk Management  
and Internal Controls

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GF/B53/11A  
53rd Global Fund Board Meeting  
7-9 May 2025



**Speak Out Now  
Against Fraud  
and Abuse**

# What is the Office of the Inspector General?

- We safeguard the Global Fund's assets, investments, reputation and sustainability.
- We critically assess the organization's risk management, governance and internal controls.
- We investigate alleged fraud, abuse, theft, corruption, sexual exploitation & abuse, and human rights violations within Global Fund programs.
- We agree management actions to ensure the organization is taking the right measures and managing risks effectively in the fight against AIDS, tuberculosis and malaria.
- We report to the Global Fund Board through the Audit and Finance Committee.

**57**  
Full-time staff



**28**  
Primary nationalities



## Global Fund languages spoken by OIG staff

English	100%	Russian	5%
French	54%	Arabic	5%
Spanish	18%	Portuguese	2%



## Gender

**40%**  
Female



**60%**  
Male

## Donor-Implementer

**47%**  
Donor



**53%**  
Implementer

Figures as at 31st December 2024

**OUR STAFF** have extensive experience in a wide range of professions including public accounting and assurance, risk management, health, law and law enforcement. We have worked in development banks, United Nations agencies, government departments, management consulting and strategic advisory, NGOs and anti-corruption organizations, as well as national audit offices with mature Value for Money methodologies.

Our staff hold a variety of globally recognized professional certifications and qualifications, and include Certified Internal Auditors, Certified Fraud Examiners, Chartered Accountants, Risk and Project Management experts, holding degrees ranging from Masters in Public Health, to Business Administration and Law. Our staff undergo extensive training annually to maintain their professional certifications and qualifications, as well as to develop strategic organizational priorities such as Value for Money.

**SPEAK OUT NOW!**

**Learn about fraud, abuse and human rights violations**

Our e-learning site, [www.ispeakoutnow.org](http://www.ispeakoutnow.org), contains a wealth of case studies, animated videos and quizzes about the different kinds of wrongdoing that Global Fund grants are exposed to, as well as a practical toolkit to help grant implementers fight fraud and corruption.

OIG published **21 reports** in 2024. In line with the Global Fund's commitment to transparency and accountability, reports are available on the [Global Fund website](http://Global Fund website).

## HOW TO CONTACT US

If you suspect wrongdoing connected with Global Fund grants, **please tell us**. Reporting to the Office of the Inspector General is **secure and safe**, and we will keep your identity **confidential**.

Email: [hotline@theglobalfund.org](mailto:hotline@theglobalfund.org)

Online form: [www.ispeakoutnow.org](http://www.ispeakoutnow.org)

Our reporting channels are available in English, French, Spanish and Russian.

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# 1. Foreword

A year is a long time in global health. In the 2023 OIG Annual Report, I reflected on the prospect of health being crowded out of a busy international agenda, and on how the Global Fund would need to adapt to a changed operating environment, to achieve its objectives. Twelve months on, the outlook for health funding and international aid is more uncertain than ever – exceptionally difficult circumstances for the Global Fund as it enters its eighth replenishment.



**Tracy Staines**  
(she/her)  
Inspector General

By any objective criteria, the Global Fund is a very compelling investment. The OIG's work in 2024 found that programs are achieving significant impact. HIV infection rates are lower than at any time since the mid-1990s, with many countries on track to achieve a 90% reduction in new HIV infections by 2030. The recent rise in TB cases, driven by the COVID-19 pandemic, has stabilized, TB-related deaths are falling, and notification and treatment success rates improving. Malaria programs, while experiencing challenges, are also generating positive impact, averting millions of cases and deaths.

The Global Fund has an agile model that has been continuously adapted to changing circumstances. However, given the uncertainties affecting all global health partners and economic constraints at implementing countries, there is an urgent need for the Global Fund to again re-evaluate its structures, systems and processes in search of maximized impact and efficiency, to ensure the ambitious goals of the 2023-2028 strategy remain on track.

This search for maximized impact and efficiency could take several forms. For example, exploring new financing modalities, better collaboration and integration of operations with health partners, and complementarity of program implementation at country level, or more aggressively using risk appetite to inform decisions. It could mean leveraging new financing mechanisms in lower-risk countries where Global Fund investments are relatively small or more ruthlessly increasing and/or monitoring compliance for co-financing requirements. It could mean radical changes in our technical grant reviews, or our approach to risk and assurance. Or it could involve an even sharper focus on operational efficiencies at the Secretariat and at the implementer level, ensuring that value for money dimension is factored into all implementation and programming decisions. These bold changes will be much needed in the current environment to maintain life saving services.

The current climate of uncertainty also increases the inherent risks at the country level, including the opportunity and motivation for fraud and abuse. Mitigation measures at the country level often depend

on bilateral partners, and disruption to joint oversight activities could contribute to increases in prohibited practices across the sector.

OIG work in 2024 corroborated the incredible impact of Global Fund investments: teams evidenced programmatic impact, robust oversight and effective supply chains which ensured that beneficiaries received life-saving treatment and care. But our work also noted inconsistent governance and oversight arrangements across grant implementers. In many countries, financial and programmatic controls have helped to reduce inherent risks, with the Global Fund Secretariat and OIG teams working successfully with implementers to respond to operational, programmatic and fiduciary risks; in others, we found unmitigated conflicts of interest, inadequate supervision of sub-recipients and unaddressed challenges in reaching vulnerable populations. Amidst overlapping crises at the country level, it is imperative for the Global Fund to continue to proactively assess risks, adapting mitigation measures, and ensure that resources and beneficiaries are safeguarded to maintain donor confidence.

In 2024, we published 21 audit, investigation and advisory reports, and dealt with an increase in the number and complexity of allegations. We strengthened our outreach activities, working to build oversight capacity not just in implementer countries, but across the wider development sector. In 2025 and beyond, the Global Fund partnership will need to achieve more with fewer resources. For the Office of the Inspector General, that will involve deploying our resources on areas of greatest value for the organization, re-focusing our assurance plan to respond to new and fast-evolving risks and striving for more efficiencies.

2025 will no doubt be challenging for everyone as we strive to ensure a healthier, safer and more equitable world. But I am a fervent believer in the Global Fund's approach to combine science, innovation, political will and leadership to fight deadly disease threats. With its deep experience of managing through multiple crises to save millions of lives, I remain convinced that - despite the challenges ahead - it remains the best bet in global health.

## 2. Annual Opinion

The Office of the Inspector General (OIG) provides the Global Fund with independent and objective assurance over the design, effectiveness and quality of controls or processes in place to manage the main risks impacting programs and operations. In line with its Charter, the OIG issues an annual opinion on the effectiveness of the governance, risk management and internal controls, based on its engagements, including audits, investigations and follow-up of agreed management actions.

In formulating its opinion, the OIG considered:

- the results of its activities,
- the work performed by the external auditor of the Global Fund,
- the work of second-line internal functions, such as the Ethics Office and Risk Management Department,
- information from Board and Management Executive Committee meetings.

The risk-based engagements performed by the OIG in 2024, and the above information, provide a basis to support the annual opinion. This analysis takes place within the context of the inherent limitation in the methodology as highlighted below.

### Methodology

OIG audit engagements are risk-based, and do not cover every business process, organizational unit or country supported by the Global Fund.

Audits are selected based on a comprehensive risk assessment and a prioritized use of audit resources. In addition, each audit is supported by an engagement-level risk assessment, which is performed to ensure a focus on the most important residual risks.

For investigations, when identified and reported, all allegations and complaints of fraud and abuse are triaged through a case intake process and assessed for credibility, verifiability and materiality. Those that meet all three criteria and that are within the OIG mandate are generally investigated by the OIG, which focuses its activities on high-priority wrongdoing and misconduct.

All OIG activities are conducted in accordance with its charter and applicable international professional standards.

### Opinion

Nothing on governance, risk management and controls that would significantly compromise the overall achievement of the Global Fund's strategic and operational objectives came to the OIG's attention in 2024.

There has been no interference in determining the scope of activities, or the work performed by the OIG, or the communication of the results from its work during the period under review. The OIG has adequate resources to effectively discharge its mandate.

Without modifying its opinion, the OIG draws the attention of the Board, the Audit and Finance Committee and executive management to significant subsequent events in global health (unrelated to Global Fund's governance, risk management and controls) in 2025 which raise uncertainties on the Partnership's ability to deliver the current strategy. This and other significant issues presented on the next section require consideration to ensure the organization can effectively and efficiently achieve its strategic objectives.

**All OIG activities are conducted in accordance with its charter and applicable international professional standards.**



# 3. Strategic Themes from OIG Work in 2024

## Grant programs have achieved significant results, but global uncertainties could impact 2023–28 strategic objectives



OIG Togo Audit team reviewing health data at local health facility in Lomé, Togo.

The Global Fund partnership has achieved significant impact as highlighted in the [2024 results report](#). The partnership has saved 65 million lives and achieved 63% decrease in the combined death rate from AIDS, TB and malaria since 2002.<sup>1</sup>

Fewer people are acquiring HIV than at any time since the mid-1990s. The number of people receiving antiretroviral therapy and achieving viral suppression is at an all-time high, and AIDS-related deaths have dropped to their lowest level since peaking in 2004. This impact was observed by OIG teams in 2024: Grant programs recently audited ([Malawi](#), [Eswatini](#), [Zimbabwe](#), [Rwanda](#), [Cambodia](#), [Indonesia](#)) have already reduced new HIV infections by 75% and are on track to achieve a 90% reduction by 2030.<sup>2</sup> Some countries (e.g. [Eswatini](#), [Zimbabwe](#), [Namibia](#), [Zambia](#), and [Cambodia](#)) have surpassed global HIV 95–95–95 targets while others are closer than ever before (e.g. [Uganda](#) and [Rwanda](#)).

Similar successes have been observed with TB: the global increase in tuberculosis (TB) cases that began during the COVID-19 pandemic has slowed

and is stabilizing. TB-related deaths decreased to 1.25 million in 2023. A record high number (8.2 million people) were newly diagnosed with TB and officially notified as a TB case in 2023.<sup>3</sup> The treatment success rate for people enrolled on treatment for drug-susceptible improved in 2022, to 88%. TB notification rates and treatment success rates have improved in TB high burden countries. These results have been evident in OIG audits: in [Indonesia](#), TB case notifications has increased by 42% between 2019 and 2023, and drug susceptible TB treatment success rate has reached 87%. These are partly due to strong political leadership, good data systems, and higher usage and numbers of operational molecular TB testing platforms. In [Thailand](#), [Vietnam](#) and [Laos](#) PDR TB incidence has steadily fallen in the past decade and death rates have fallen by 31%, 36% and 49% respectively. Strong DS-TB treatment success rates were achieved across the three countries and are between 85% in Thailand and 90% in Viet Nam.

Malaria programs, while experiencing challenges such as climate change and rising incidence, have also achieved significant impact. In 2023, over 177 million cases and more than one million deaths were averted worldwide as indicated in the [WHO World Malaria Report](#). Despite the increasing number of malaria incidence due to multiple factors, some countries such as [Eswatini](#) registered decreased malaria related deaths and incidence and is among the “*Elimination 8*” countries working to eliminate malaria by 2030.

These successes demonstrate the effectiveness of the Global Fund partnership model, combined with strong country ownership, in mobilizing resources and delivering impactful results. Achieving impact depends on collaboration between multiple stakeholders, including governments, technical partners, development partners, donors, and civil society, with many critical activities falling outside the Global Fund’s direct control. There are interdependencies between Global Fund, government financed and bilateral programs.

1 Global Fund Investment Case – Eighth Replenishment 2025

2 2024 global AIDS report - UNAIDS

3 WHO 2024 Global TB Report

Therefore, the inability of any of the stakeholders to fulfil their obligations could adversely affect Global Fund's strategic objectives. For instance, our audits in [Angola](#) and [Ghana](#) found that implementer governments have had challenges in honoring their cofinancing commitments which affected availability of life saving medicines. The Secretariat's strategic performance report indicates that 70% of domestic co-financing commitments under the previous funding cycle (Grant Cycle 6) was realized and 29% of mitigation actions addressing co-financing risks completed. In addition, where bilateral donors have partnered with the Global Fund in supporting countries, Global Fund programs may finance medicine procurement, while partners finance warehousing and distribution of commodities. The disruption of funding by bilateral partners could result in an inability to perform these joint responsibilities, which may mean that lifesaving interventions funded by the Global Fund are at risk.

Looking forward, however, material changes in funding for health and international aid, alongside the inability of fiscally constrained implementer governments to fulfil their commitments, will likely threaten the Global Fund's 2023-28 strategic objectives. As the situation evolves, the Global Fund would benefit from critically examining its strategic objectives and delivery modalities, to maximize its impact alongside working with countries to urgently protect the programs and lifesaving interventions.

## **Global Fund grants are aligned to the organizational strategy, but recurring challenges impact their effectiveness**

As at the end of 2024, the Global Fund had signed US\$ 12.4 billion or 91% of all available funds in grants under cycle 7, representing 234 grants across 98 countries and multi-countries. The [Audit of the Effectiveness of Global Fund Model in Delivering the New Strategy](#) found that grants were designed in line with the strategy. Grants have been realigned to evolving country priorities where appropriate, while an updated modular framework with corresponding indicators monitors progress.

The OIG's report on [The Global Fund's Approach to Reallocating Grant Funds](#) found that diverse and effective approaches to supporting grant reallocation, and timely use of funds, are contributing to reduced unspent funds between allocation periods. Timelines for grant revisions have reduced by 63%, indicating a more agile approach.

However, several persistent challenges continue to hinder grant performance:

### **Delays in vector control interventions, limited availability and use of nets:**

The Global Fund provides 62% of all international financing for malaria programs. Vector control interventions such as indoor residual spray (IRS) and use of bed nets are key in reducing malaria incidence. Some countries have adopted innovative ways to distribute and track distribution of bed nets. For instance, [Senegal](#) and [The Gambia's](#) campaigns are synchronized to better serve beneficiaries in the border areas. The campaigns in 2022 started incorporating new types of nets, more efficient for countering the resistance to insecticides developed by certain mosquitoes, and a digitalization system with geolocation of households was established in all border districts.

However, seven<sup>4</sup> out of 13 published country audits in 2024 found that the vector control interventions for the grants audited were either delayed at the country level or suffered from low usage of bed nets among beneficiaries. Our [Audit of Global Fund Grants in Zimbabwe](#) found that, despite a substantial increase in net ownership, their utilization remains low at 58%, contributing to rising malaria cases.

Reasons for low net utilization vary across countries but include limited implementation of social and behavioral change communications to counter cultural beliefs against the use of bed nets, due to funding constraints. New and more effective vector control interventions such as dual active ingredient nets introduced at scale, and better last-mile distribution arrangements, are expected to improve the results in GC7. However, a deeper analysis of low use of nets and related mitigation measures will be essential in realizing the gains from the new nets.

### **Difficulties in executing interventions targeting vulnerable populations:**

Global Fund grants contain targeted interventions and approaches to ensure programs reach vulnerable groups (such as children, adolescent girls and young women, and pregnant women), who are disproportionately affected by the three diseases, and often marginalized or affected by structural and cultural barriers in accessing services. However, interventions to reach these populations can be challenging.

Our audit of Global Fund grants in [Zimbabwe](#) found that the country's HIV program has achieved significant successes among the general population but interventions for vulnerable groups need improvement due to limited availability of data to help design and execute targeted activities. Global Fund supported programs in [Guinea](#) are achieving nearly all grant related vulnerable populations indicators but interventions targeting these groups remain low partly due to funding gaps and structural barriers.

4 Angola, Benin, Guinea, Guinea Bissau, Malawi, Zimbabwe and one audit across three countries: Senegal, The Gambia and Mauritania.

**TB notification and treatment success rates have improved significantly, but difficulties remain in reaching drug resistant cases:**

Global Fund supported programs have contributed to increased case notification and treatment success rates in many high TB burden countries as indicated on Page 6. Despite the successes, recurring challenges remain in identifying and treating drug resistant TB cases, partly due to funding gaps and limited use of available machines. For instance, our audit of Global Fund grants in [Ghana](#) found limited progress in the fight against TB, with case detection and treatment coverage low – at around 30% – for the past 15 years. Meanwhile in our audit of Global Fund grants in [Indonesia](#) 32% of patients diagnosed with DR-TB were not initiated on treatment. The root causes of these issues include gaps in national policies, limited engagement of the private sector, and community workers in TB programs.

**Implementing investments in health systems strengthening:**

Integral to the Global Fund’s response are its investments in Resilient and Sustainable Systems for Health (RSSH). The Global Fund has taken steps to better design and execute RSSH interventions, but ensuring timely execution has proved difficult in some cases, reflecting the inherently more challenging work of implementing RSSH activities compared to disease programs. In contrast to fighting the three diseases, countries often lack a national strategy on systems strengthening, where they are available, national health plans are often too high level without sufficient detail to enable investment mapping. These difficulties are also exacerbated by a fragmented implementer and donor landscape, with multiple entities in charge of various pillars of systems strengthening.

Recognizing the above constraints, the Secretariat developed further mitigation actions which are expected to improve execution of RSSH activities. Since January 2024, 17 identified highest priority countries developed visions of success and workplans to accelerate RSSH activities. An internal RSSH Steering Group was established to provide executive level oversight. All cohort countries have completed three “monitoring and issue resolution” cycles.

Continued focus on improving execution and monitoring of RSSH activities at the Secretariat and implementer level will be essential as our audits in 2024 continue to identify delayed activities and gaps in execution including delays in procurement activities at the country level. The [OIG’s 2023 Annual Report](#) highlighted similar challenges in audits of the grants in [Ghana](#), [Angola](#), [Malawi](#), and [Ethiopia](#).



OIG Rwanda Audit team verifying data at a health facility in Kigali, Rwanda.

**Global uncertainties and inconsistent in-country governance and oversight are increasing the risk of wrongdoing**

Over the last ten years, the Global Fund has strengthened its programmatic oversight including risk and assurance mechanisms. The organizational policy frameworks such as [the Policy to Combat Fraud and Corruption](#), [Ethics and Integrity Framework](#), [Integrity Due Diligence Framework](#), Codes of Conduct for various stakeholders and operational guidelines at the Secretariat and country level have supported the maturity of the overall fraud risk management. The organization’s approach to fraud risk management is built on three lines of defense:

- a first line that includes the Country Team, implementers and support of in-country assurance providers.
- a second line consisting of the Risk Department, Grant Finance, the Ethics Office and other risk owners, such as Supply Operations. The Global Fund has a Recoveries Committee which ensures that non-compliant amounts are recovered from country in line with its zero tolerance for fraud policy, and a mechanism to sanction supplier companies and their owners, who are involved in confirmed prohibited practices;
- a third independent line which includes the OIG who report to the Board or its Committees. OIG investigates alleged fraud and abuse and performs targeted prevention initiatives leveraging its unique expertise to support the Secretariat in preventing fraud in its programs. OIG also performs audits of Global Fund grants in country which are an effective deterrent in the efforts to counter fraud and abuse.



Country Teams with support from the second line functions perform risk assessments including consideration of fraud to inform appropriate mitigation measures at the country and implementation level. In line with the country ownership principle, the Secretariat tailors fraud risk mitigation measures to each country context, the nature of the funded activities as well as the capability and capacity of implementers. The Secretariat has further strengthened fraud risk monitoring through routine thematic reviews and incident reporting.

Overall, these measures continue to support impact from programs financed by the Global Fund and OIG investigations highlight low levels (\$3.9million or less than 1%) of non-compliant expenditure<sup>5</sup> against the overall grant expenditure of \$15.8 billion.<sup>6</sup>

The tailored approach also has, over time built up a complex web of assurances and risk management which can leave programs, especially those in higher risk environments, burdened by the weight of undergoing multiple reviews and checks, without necessarily providing the most efficient and effective assurance. There is an opportunity to review these assurances in totality, ensuring that an appropriate balance is struck between risk mitigation and programmatic achievement.

This burden also means that the programs are also vulnerable to fraud and abuse if not applied consistently and effectively; and the current global uncertainties, coupled with existing risks such as political instability and tightening fiscal space at the implementer level, will exacerbate these risks:

**Potential future rise in wrongdoing during uncertainties:** Fraud, abuse and waste tend to thrive in chaos, reduced oversight and changes in ways of working. In line with Global Fund's partnership model, certain implementation and risk mitigation measures are dependent on programs and support of bilateral partners at the country level. Disruptions to the activities of those partners are likely to have an adverse effect on the mitigation measures supporting Global Fund programs: in many countries the Global Fund and bilateral partners use common mitigation measures or services providers for in-country supply chain activities such as storage and distribution of medicines. However, the uncertainties caused by the funding disruptions of certain health partners could reduce effectiveness of the mitigation measures and will likely increase risks of diversion of much-needed health commodities.

#### **Inconsistent effectiveness of mitigation measures:**

The mitigation measures instituted by the Global Fund and grant implementers are affected by the maturity of country's accountability systems and operating context. Our audits and investigations have found that the measures have worked well in some countries while improvement is needed in other areas.

For example, our published reports on Global Fund grants in Indonesia and Cambodia found that financial controls over the programs have helped to reduce the inherent country level fiduciary risks. OIG oversight cases (where the OIG oversees an implementer-led investigation) noted for some countries, implementer internal audit and investigations teams responded quickly to allegations of wrongdoing.

Other audits and investigations have also found that gaps in mitigation measures remain: about 70% of the substantiated cases are due to weaknesses in controls and oversight instituted to address the risks. For instance, OIG's investigation in Cameroon, which was initiated proactively by an external assurance provider, found weaknesses in a Principal Recipient's inventory management controls including missing stock cards, lack of appropriate approvals, and inaccurate and incomplete inventory records. These contributed to the inability of the implementer to account for health products worth more than US\$3 million and the Secretariat is reviewing the underlying activities to determine appropriate amount for recovery in line with Global Fund's policies.<sup>7</sup> The Principal Recipient also failed to safeguard Global Fund's investments and provided insufficient assurance over health product distribution. In this case, the Global Fund proactively took actions in 2022 to reduce the risks including removing the implementer as Principal Recipient due to broader governance weaknesses. In another OIG oversight investigation, limited routine inventory counts contributed to late detection of malaria products diversion at the health facility level. In this case, the employee overseeing medicine stock diverted US\$237,000 worth of medicines from 2021 which was not detected until an internal audit conducted by the Principal Recipient in late 2023.

<sup>5</sup> All non-compliance expenditure identified through OIG Audits and Investigations are subject to <https://www.theglobalfund.org/kb/board-decisions/b23/b23-dp28/> and reported and disclosed in full to the Audit and Finance Committee and Global Fund Board. Note that the OIG non-compliant expenditures are a portion of the total non-compliant expenditures identified in the programs.

<sup>6</sup> Global Fund 2023 Annual Financial Report

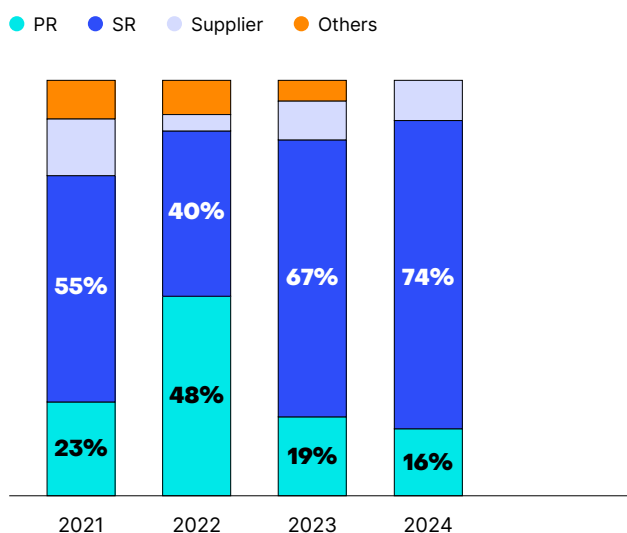
<sup>7</sup> See GF/AFC27/02 Recoveries Report for status on OIG recoverable amounts.

### Principal Recipient oversight of sub-recipients:

Over the past ten years, the Global Fund has strengthened its oversight of Principal Recipients, who are expected to oversee and supervise activities of the sub implementers. However, the supervision of the sub recipients can vary, and can be at times suboptimal, depending on the capacity and capability of the Principal Recipients. This has contributed to the number of substantiated OIG investigations at the sub implementers level significantly exceeding cases of Principal Recipients for the past two years: sub implementers account for 74% of substantiated cases in 2024 (Figure 1).

Figure 1

### Proportion of substantiated cases by subject type



### Management of inherent conflicts of interest:

The Global Fund Partnership Model is unique and inherently involves managing conflicts of interest from the Global Fund Board level down to the sub-recipient. Donors, the private sector, communities and implementing countries who have interests in the programs also play key roles in governance bodies of the organization. At the country level, the Country Coordinating Mechanism set up to oversee Global Fund grants include principal and sub recipients who receive Global Fund grants. To manage this, Global Fund has conflict of interest policies which set expectations for governance officials, staff, implementers and service providers across the delivery chain. These measures help reduce conflict of interest in a partnership model. However, OIG work increasingly uncovers instances where conflicts of interest were either not declared or existing guidelines not fully enforced.

Past OIG oversight investigations in two countries found that unmitigated conflict of interest partly influenced selection processes for grant implementers and suppliers resulting in program implementation delays and non-compliant amount of almost \$100,000.

In an environment where oversight over operational activities is likely to be disrupted at the country level, with potentially reduced resources for risk mitigation and assurance activities, the opportunity and pressure for people to commit fraud and abuse will likely rise. As such, proactive assessment of the risks and strategic adaptation of mitigation measures will be essential in safeguarding beneficiaries and resources from fraud and abuse to maintain donor trust. It is also an opportunity to review the risk management and assurance measures across the grant life cycle to ensure that the mitigation measures and assurance remain relevant, effective and efficient as possible.

## Forward looking: in search of maximum impact with a sharpened focus on operational efficiency, the Global Fund should re-evaluate its structure, systems, and processes

Over twenty years on, and in an age of global uncertainty, economic constraints, political upheavals and climate change, there is considerable opportunity for the organization to re-evaluate its operating model, including its structure, systems and processes.

As noted in our [Audit of the Effectiveness of Global Fund Model](#), a lean operating model ensures that more than 90% of funds raised reach in-country implementers. However, there are multiple opportunities to adapt and differentiate the model, to drive more efficiency and maximize value for money.

**Redefining the resourcing model:** The Global Fund's mandate has evolved over the past two decades, with new strategic priorities added in the 2023-2028 strategy. In parallel, the Secretariat has gradually built up its technical, oversight and fiduciary capabilities, contributing to a 43% growth in headcount between 2016 and 2023, from 750 to 1,070 staff. The significant headcount increases have not however translated into a proportional increase in Country Teams who provide direct support for implementers.

Maximizing the contribution of in-house technical teams, and optimizing the balance between country and technical teams, will be vital. There are opportunities to optimize the number of in-house technical teams while considering the wider technical partner landscape which is rapidly evolving.

**Tackling constraints to differentiation:** Global Fund efforts to differentiate and streamline operations, policies and processes in view of countries' varied contexts, disease burdens and risk profiles, while successful in many areas, have been less successful in others.

Efforts to streamline and differentiate funding application and grant making processes faced challenges due to different stakeholder needs which contributed to increased reporting by the Secretariat and implementers as indicated in our audit of [Global Fund Approach to Grant Monitoring](#). The Global Fund Strategy Committee Working Group in 2022 found that proposed options to further differentiate the Technical Review Panel (TRP) process following OIG's advisory review were unsuitable. Given the current external environment, a new effort is being made to further differentiate, and it will be critical to significantly reduce the level of TRP's effort on focus portfolios with relatively less allocation and disease burden. The ongoing differentiation efforts present an opportunity for the Board and Secretariat to actively integrate value for money considerations in their decisions. As the global health ecosystem becomes more challenging, and external assistance, partnership landscape and domestic financing more stretched, the Global Fund will need to achieve more with less and integrating value for money into all elements of the Global Fund model to further catalyze efficiency, in delivering its mandate.

Currently, a disproportionate amount of Secretariat resources is being spent on portfolios with the least investments and disease burden: our [Audit of the Effectiveness of Global Fund Model](#) noted a misalignment between Country Team resource allocation, disease burden, and grant allocations. As shown in figure 2, 25% of the Grant Management Division's budget goes towards AELAC portfolios representing 9% of Global Fund allocations, while only 12% is spent on High Impact Africa 2 portfolios representing 31% of allocations, due to standard requirements expected of all portfolios, irrespective of size.

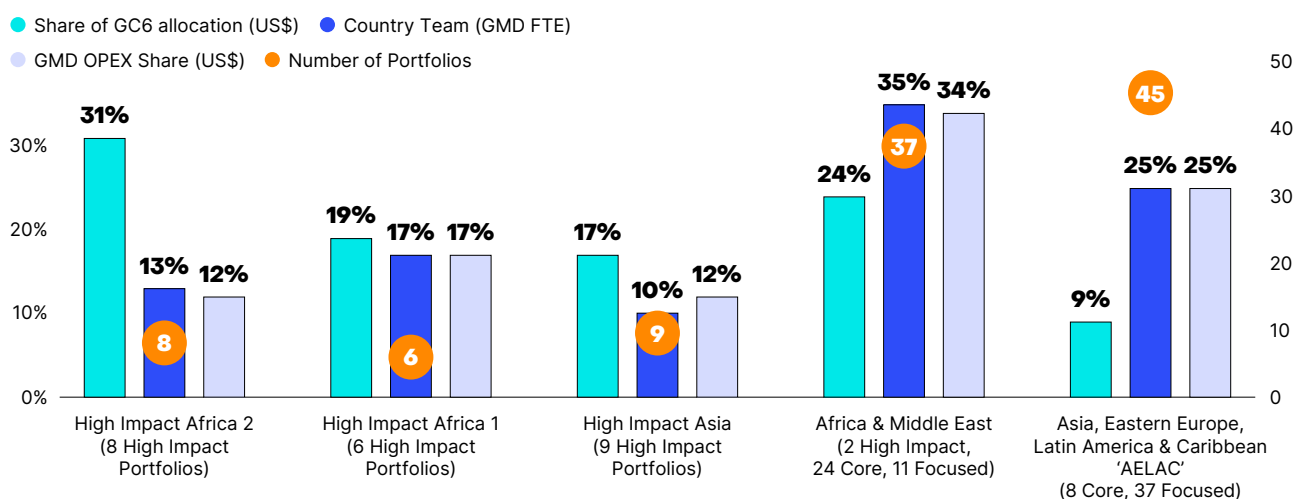
By streamlining, differentiating and being deliberate in the use of risk appetite across the grant life cycle, the Global Fund's approach to managing grants with smaller allocations and disease burdens, the Secretariat could maximize further its impact.

#### Leveraging different financing mechanisms:

OIG audits of Global Fund grants in Rwanda and Indonesia found significant benefits in using Results Based Financing (RBF) and innovative financing approaches. In [Indonesia](#), the government was able to increase TB health financing with an additional €50 million, mobilized through a debt swap and a US\$300 million development bank loan. In [Rwanda](#), the RBF model, where disbursements are based on reported programmatic results, Global Fund grants are fully integrated and aligned with domestic funding, to support national strategic plans.

While the preconditions for successful RBF such as strong country governance, oversight and leadership, and matured systems and processes for financial and programmatic data, may not exist in every country, there are opportunities to expand such funding approaches in lower-risk environments where Global Fund investments are relatively small compared to national disease budgets.

**Figure 2**  
**Global Fund investment GC6 vs GMD**  
**Country Team staff allocation**

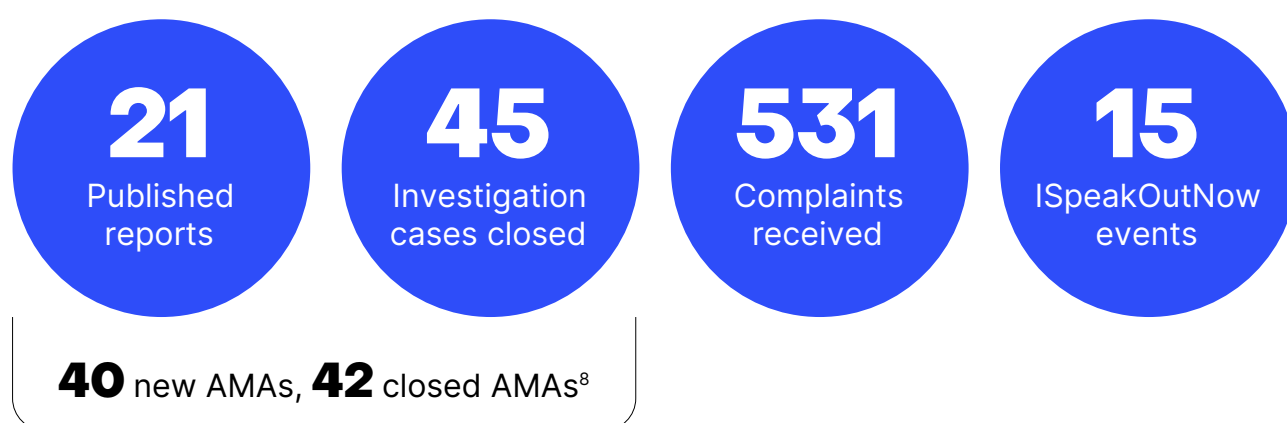


# 4. Inside the OIG

## 4.1 2024 Review and looking ahead

The OIG has made significant progress against the 2024 workplan (see Annex 5.2 for progress against our key performance indicators), despite a continued rise in allegations which reached an all-time high in 2024. Given the major changes in the operating environment and risks affecting the Partnership and its programs, the OIG is reevaluating its workplan to ensure it continues to align with the changing needs of the organization, its Audit and Finance Committee and the Board.

Figure 3  
Highlights of OIG activities in 2024



## Audit and Advisory

### 2024 Operational Overview

Figure 4 provides a snapshot of the Audit and Advisory Unit's activities in 2024.

Figure 4  
2024 Workplan as of 31 December



#### Country audits

7 published  
5 in reporting phase



#### Internal audits

1 in reporting phase  
2 in planning & fieldwork



#### Advisory engagements

2 in reporting phase  
2 in planning & fieldwork

<sup>8</sup> 36 new AMAs and 46 AMAs closed between end January 2024 – January 2025, as reported in the AMA progress report GF/AFC27/05B.



In 2024, the Audit and Advisory Unit published 17 audits and completed 2 advisories<sup>9</sup> (from the 2023 and 2024 workplans), its highest number of publications in the past 5 years. Efforts were made throughout the year to enhance processes for efficiency and timeliness in publication of reports.

As indicated in the last progress report (GF/B52/07A) the Unit adapted its 2024 workplan to the evolving country security conditions, the risk profile of the organization and its programs. Informed by our multi-year plan we brought our audit of Global Fund grants to Togo forward to 2024 and deferred the audits of the grants to the Democratic Republic of Congo to 2025, due to operational reasons including the crisis caused by the ongoing mpox epidemic. The audit of multi-country Middle East Response was cancelled after planning has been completed due to the security crisis in the region.

As previously communicated, the Evaluation and Learning function and Health Products Quality Assurance audits were postponed to 2025 to allow the two functions to advance on their policies, processes and methodologies.

As part of the mission-driven assurance, OIG auditors visited 192 health facilities and warehouses in 12 countries during the year. 27 staff from Supreme Audit Institutions (SAIs) were also engaged in 7 country audits. (See Outreach and Stakeholder section for more details)

192

health facilities and  
medical warehouses  
visited in  
12 countries

## Looking Ahead

The OIG follows a risk-based approach to determine its workplan, aligning with the Global Fund strategy, organizational priorities and key risks.

### Country and Secretariat audits

In October 2024, the AFC approved Audit and Advisory workplan (See GF/B52/07A). However, the global outlook has deteriorated significantly since the workplan was approved, leading the OIG to take some immediate steps to adapt its workplan to the operating environment. This includes the postponement of three country audits planned in the first quarter of 2025 to allow Country Teams to provide immediate support to country programs impacted by recent funding pauses by bilateral donors.

A comprehensive reevaluation of the workplan will be completed and presented to the AFC during its July 2025 meeting. In line with our standard practice, we aim to engage with relevant and key stakeholders in preparing our workplan which will likely focus on areas where time-sensitive assurance and advisory will be needed by the Board, AFC and Management. However, given the fast-changing nature of the operating environment, it is likely that further revisions may be necessary throughout the year.

### Advisory reviews

In 2025, the Audit and Advisory Unit expects to complete at least three advisories, aiming to support the Global Fund as it navigates future key decisions and uncertainties. Advisory topics are selected in response to requests and input from the Board, Committee members and Secretariat staff.



OIG Nigeria Audit team and Global Fund Secretariat partnering with the Office of the Auditor General for the Federation in Abuja, Nigeria.

9 The OIG published these two advisories following agreement with the Secretariat.

# Professional Services

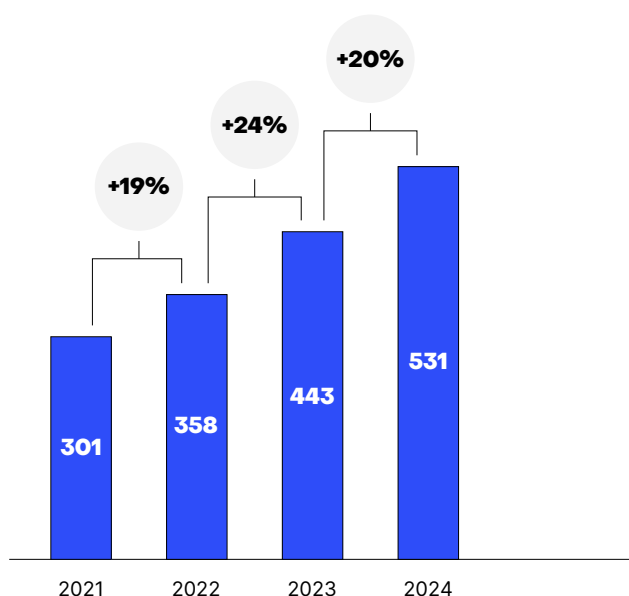
## 2024 Operational Overview

In 2024, the Professional Services Unit (PSU) continued to play a critical role in executing the OIG's mandate.

### Continued rise in allegations reached all-time high in 2024.

In 2024, the Office of the Inspector General (OIG) received a total of 531 complaints, marking a 20% increase compared to 2023 as seen in Figure 5. This persistent increase necessitates robust prioritization processes and strong assessment skills to ensure the quality of OIG's response.

Figure 5  
Complaints received evolution



Last year we introduced a more stringent assessment process which has resulted in fewer investigations being opened, but with a higher substantiation rate. We have continued to engage closely with the Secretariat, particularly with Country Teams and the Ethics Office, to provide a coordinated response to the fraud and abuse reported to us. The Case Intake team assessed and completed 530 screening reports in 2024 (37% more than in the previous year), in an average of 48 days (KPI target of 60 days). The record number of complaints has put significant pressure on the case intake team, meaning that additional resources were required to support the team.

### Advanced analytics and AI-driven insights to support OIG activities

Beyond routine analytics, PSU has strengthened the use of generative Artificial Intelligence (AI) to enhance investigation and audit engagements. AI now plays a pivotal role in identifying key risks and extracting insights from unstructured Global Fund data, as well as from past and ongoing OIG activities.

### Accelerated operational support enabling delivery of OIG 2024 workplan

In 2024, the Unit has provided critical support required for the delivery of OIG's workplan. This included recruitment and onboarding of skilled consultants as part of audits and investigation teams. The team oversaw the AMA monitoring and reporting processes. In consultation with the Secretariat, a formalized process for agreeing on AMAs and risk acceptance was implemented during the year. Overall, 40 new AMAs were raised during the year and 42 AMAs verified and closed. All audits and investigation report also underwent quality assurance reviews performed by the PSU, prior to publication. The PSU team also led OIG's triennial External Quality Assessment performed by external service providers (See Section 4.3 for results).

## Looking Ahead

In 2025, the Professional Services Unit will refine OIG's case intake processes, further the implementation of our advanced analytics, and continue our support to delivery teams, including quality assurance reviews and a timely response to allegations. The Unit will drive automation of selected processes in OIG to ensure efficiency. The Unit will coordinate the implementation of actions from 2024 External Quality Assessments.

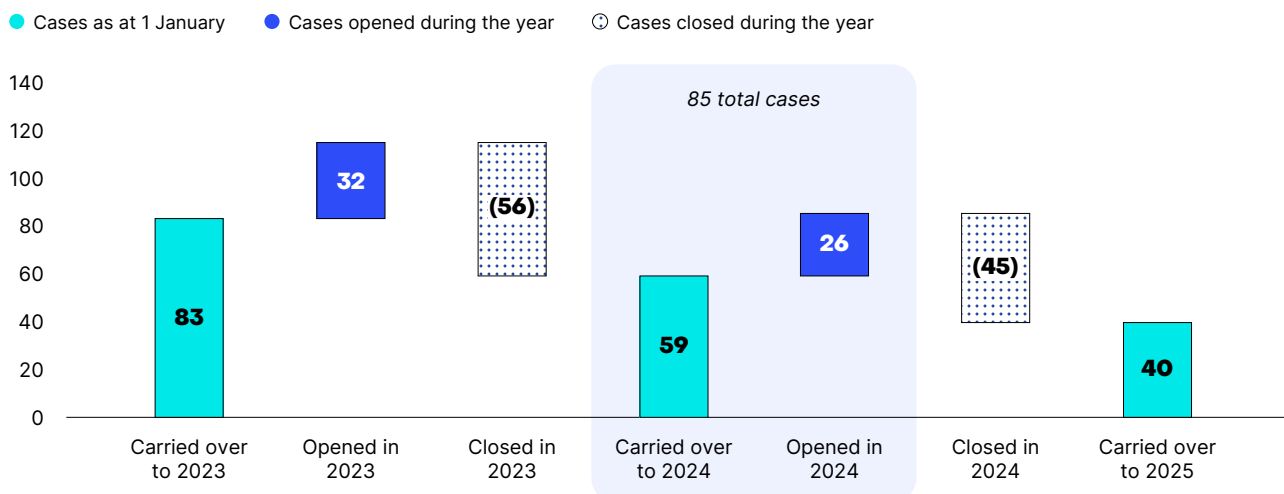
# Investigations

## 2024 Operational Overview

Significant efforts were made to reduce the overall caseload and legacy cases deprioritized during the pandemic. Separately, resources were allocated to the development of proactive investigation methodologies and enhancements to OIG's fraud prevention activities. Improvements were made to investigations processes and workflows, including the development of a dedicated internal evidentiary standards and review process designed to safeguard the quality of our work.

Figure 6 below shows the investigation case evolution since 2023.

**Figure 6**  
**Investigation cases evolution**



**Cases closed and published:** In 2024, the OIG closed 45 investigations out of a total of 85 active cases, representing a completion rate of 53%, slightly above 49% the previous year. Of the cases closed, the OIG substantiated 67% (29 cases), meaning that the OIG found evidence to support the allegations received. The substantiation rate increased in 2024 from 2023 (46%) supported by a more thorough assessment performed at the case intake level (see section above on Case Intake and Assessment). Going forward, the OIG anticipates that the substantiation rate will remain stable and achieve its 2025 KPI of 70% substantiated rate for cases closed.

Details on the substantiated cases closed through Management Briefing Notes can be found in Annex 5.4 of this report. Most of these investigations were conducted by implementers and overseen by OIG. Two additional investigation reports were published on OIG's website. A total of US\$3.9 million in non-

compliant expenditures was identified through these substantiated investigations, 82% of which emanated from OIG-led cases. Five additional OIG-led cases were in final publication stages at the end of the year and are expected to be published during Q1/Q2 of 2025.

**Case processing:** OIG experienced a significant backlog of investigations dating to 2021 and 2022. In 2024, priority was given to closing all legacy cases from this period. Over 50% of closed cases fell within this category. Of the 40 cases carried over into 2025, seven OIG-led and three implementer-led legacy cases remain open, all of which are expected to be closed by Q2. The high number of legacy case closures has impacted the overall average closure times for investigations. On average, cases closed were completed in 18.8 months compared to 16.4 months in 2023. Given that 25% (10 out of the 40 cases) of cases carried over are legacy cases, similar average closure times

**Figure 7**  
**2024 Investigation**  
**workplan at a**  
**glance**

**45**

**Investigation outcomes**

**29** Oversight cases

**16** OIG-led cases

**15**

**ISON events**

**+7** awareness activities



are expected in 2025. As reflected in Figure 6 above, carry over cases from the beginning of 2023 to those carried over in the beginning of 2025 have reduced by over half, marking a significant improvement in OIG's management of its caseload. The improved management of OIG's caseload is expected to result in faster case completion times in the years ahead.

**Proactive investigations:** In 2024, the OIG developed a methodology to proactively identify integrity concerns that warrant an investigation based on established risk criteria. One such review is underway and has been carried over into 2025. Through enhanced assessments and case development procedures, OIG also implemented clearer processes for developing proactive cases based on intelligence rather than a reported allegation. In another proactive case underway, investigators have preliminary identified significant red flags of false billing and overcharges, warranting additional review.

**Speak-out and fraud awareness:** In 2024, the OIG has continued its Speak-Out and Fraud awareness efforts by leading 15 "I Speak Out Now" (ISON) events and 7 other outreach activities. Most of the ISON events in 2024 were country facing and leveraged country investigations or audits; outreach activities were tailored to the specific country and covered general fraud awareness and key trends, wrongdoing reporting mechanisms and SEAH awareness.

In addition, 2024 saw OIG's launch of a more robust fraud prevention campaign that aimed to streamline and centralize OIG fraud prevention engagements with Secretariat. In its first year, OIG advised the Secretariat on 23 ad hoc requests for fraud prevention advice. Topics ranged from fraudulent practices linked to the non-disclosure of conflicts of interest at the implementer level, integrity issues involving on-going procurement activities, and compliance with Global Fund policies.

## Looking Ahead

**Coordination with implementers:** OIG remains concerned about coordination, timeliness and reporting challenges related to investigations conducted by certain implementers. Some of the implementer-led cases completed in 2024 suffered from late reporting to OIG, which hampered its ability to ensure adequate investigative steps were taken in a timely manner and, in the case of SEAH investigations, that adequate victim support took place. In some cases, OIG identified non-reporting of allegations, constituting non-compliance with implementer reporting obligations. Despite, these challenges, the general engagement and coordination with implementers has improved. In part this was enhanced by the OIG-led implementers conference in June 2024 (see section 4.3).

**OIG reporting:** In relation to published investigation reports in 2024, time spent on the post-investigation due process and consultations stages of the Stakeholder's Engagement Model (stages 4-6) increased by 23% from 2023. On average, these post-investigation stages accounted for 41% of the total time spent on investigations. One of the leading factors was time spent on risk mitigation matters tied to reporting. Reflecting on this situation, the OIG, in consultation with the Legal and Governance Department, expects to present to the Board through the AFC potential improvements to this process, aiming at managing risks and uphold the commitment to transparency and accountability. This will be subject to AFC and Board discussion and decision.

**Adjusting to the evolving fraud and abuse landscape:** As mentioned in Section 3 of this report, the risk of fraud and abuse is heightened during times of uncertainty. As such, the Investigation Unit expects its workplan to be revised to effectively respond to evolving risks. OIG will be engaging with Secretariat regarding new risks to its programs and expects to see enhanced leveraging of IU prevention and awareness activities and proactive assessments.

**OIG Fraud Prevention:** In 2024, the OIG put a spotlight on the importance of fraud prevention in protecting Global Fund programs against wrongdoing that threatens to divert our investments. By leveraging in-house expertise, access to information, intelligence and data, and lessons learned from previous and ongoing engagements, the OIG plays a significant role in providing guidance to the Secretariat to aid operational decisions that mitigate fraud risks and safeguard Global Fund investments. The OIG's fraud prevention activities are delivered under four categories: (i) Outreach, Training and Education; (ii) Policy Review and Development; (iii) Data-Driven Risk Mitigation Products; and (iv) Consultation and Guidance. In these activities, the OIG coordinates and collaborates with the functional and second line Global Fund teams, such as Ethics, Risk and Finance, to ensure that prevention advice is comprehensive, timely and useful to the Secretariat and implementers in managing integrity risks. In December, the OIG launched an internal website that provides the latest updates on fraud prevention, tools and other useful resources, along with a new fraud prevention hotline for the Secretariat to contact OIG with real-time concerns and questions.



## 4.2 Outreach and stakeholder engagement

The OIG expanded and deepened its outreach activities during 2024, with the aim of supporting the delivery of the OIG's mandate, and of building oversight capacity in implementer countries, and leveraging best practices across the wider development sector.



Investigation and Integrity Risk Management Conference.

### Collaborating with Supreme audit institutions, national oversight bodies and key implementing partners

The OIG continues to work closely with Supreme Audit Institutions (SAIs) and national oversight bodies, notably during its country audits, and has developed strong partnership with AFROSAI-E and CREFIAF, representing anglophone and francophone African SAIs respectively.

In 2024, the OIG facilitated sessions during “*Conquering Corruption in Africa*” an event organized by AFROSAI-E, Good Governance Africa, Control Risk and Financial Services Volunteer Corps, that aimed to create awareness and propose actions on how SAIs can contribute to state anti-corruption efforts. The OIG attended AFROSAI-E's Governing Board meeting, and the OIG, along with the Global Fund Secretariat and Gavi, is working with both AFROSAI-E and CREFIAF to implement resolutions from the November 2023 SAI Conference.

The OIG signed a memorandum of understanding with the Malawi Public Prosecutor for collaboration on anti-corruption efforts. In June 2024, the OIG and the Global Fund Secretariat hosted over 80 representatives of second line functions from grant implementers for an *Investigation and Integrity Risk Management Conference*. In a context of increasing fiduciary and fraud risks, the event discussed how the OIG, Secretariat, and implementers can work together to provide an effective response. The OIG briefed attendees on its role, and on current challenges in safeguarding Global Fund activities from prohibited practices.

Finally the OIG together with the Secretariat performed dedicated awareness sessions in August and October for Communities Delegation on reporting of human rights violations.

### Partnering with peer oversight functions

In March 2024, the OIG, Gavi, and the World Health Organization (WHO) jointly organized a workshop, attended by over 60 investigators, auditors and other professionals, which explored how oversight functions can effectively prevent and respond to programmatic risks of sexual exploitation, abuse and harassment (SEAH). The OIG shared insights and learnings from its recent work in the field, as well as from its SpeakOutNow reporting and awareness platform.

In September 2024, OIG hosted and co-chaired (with Gavi and WHO) the 16th annual UNRIAS and 53rd RIAS forum, bringing together representatives of internal audit services. The event, themed “*Impactful Auditing in a Changing World*”, brought together over 100 Inspectors General, Auditors General and Heads of Internal Audit Services from UN organizations, multilateral development banks and other international organizations.



16th UNRIAS / 53rd RIAS.

# 4.3 Quality assurance and stakeholder feedback

## Quality Assurance over OIG work

The OIG carries out an annual self-assessment in line with international standards. This is supplemented by a triennial external assessment, surpassing the international standard which requires the external assessment every five years. The latest external assessment took place at the end of 2024 by IFACI Certification, an independent firm appointed in consultation with the Audit and Finance Committee. The field work has been completed and final report expected by end of Q2 2025. The report will be presented to the AFC in the July 2025 meeting and published in full on the OIG website.

## Stakeholder feedback

Stakeholder feedback remains a valuable input into the OIG's performance. It provides key insights into areas working well and those that the OIG can improve on.

## Board and committee feedback

The Global Fund's Board and Audit and Finance Committee members are asked once a year to evaluate the quality, scope and impact of the OIG's work. For 2024, 20 survey responses were received, with an overall satisfaction rating of 94%.

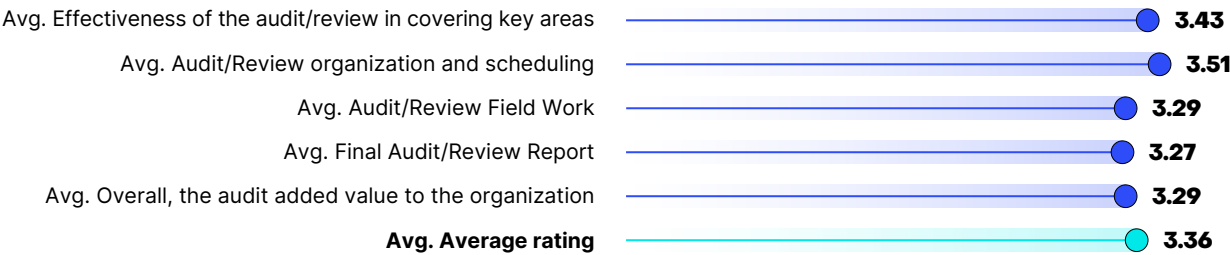
## Audit engagement feedback

Following each audit, the auditees respond to a survey to assess the overall performance of the audit. The average for the 2024 surveys gave the audit function a score of 3.36 for Audits, an increase from 2023 which had an average score of 3.06. In 2024, the OIG commenced conducting engagement surveys to assess stakeholder feedback for Advisories on a scale of 1 to 4. The average score was 3.72.

Figure 8  
Board and AFC performance survey responses

OIG adds value to and strengthens the Global Fund.	100%
OIG's work is of high quality and provides appropriate assurance.	95%
OIG's work demonstrates a sound understanding of the Global Fund.	95%
OIG maintains effective cooperation with the Secretariat while preserving independence.	90%
OIG demonstrates honesty and professional courage.	95%
Audits and investigations focus on the key risks and priorities.	95%
OIG provides effective support to the AFC.	100%
OIG effectively communicates its findings at AFC meetings.	95%
OIG's engagement with the AFC fosters trust & confidence.	95%
OIG is responsive to the expectations and priorities of the AFC.	80%
OIG communications with the AFC provide appropriate information and insight.	90%

Figure 9  
Audit engagement feedback ratings across five main categories



# 5. Annexes

## 5.1 Staffing and Budget

### Staffing

As of 31 December 2024, the OIG has 57 full-time staff equivalent out of budgeted headcount of 67 (including temporary C19RM resources). Recruitment processes for the majority of positions has been paused as the OIG reviews its resourcing model. Temporary professional resources were used to fill gaps and deliver on the OIG workplan, meaning that there was no material impact on the OIG's capacity and ability to deliver its mandate due to the vacancies.

### Budget

At the end of December 2024, the OIG had an underspend of US\$0.6 million (-4%) based on budgeted exchange rates.

Figure 10

**OIG operational budget and actuals in thousands of US\$ as of 31 December 2024 and 2025 budget**

Unit	2024 Budget	2024 Actuals	YTD Budget variance	vs. Actuals	2025 Budget
Workforce	11,543	11,048	-495	-4%	11,847
Professional Fees	2,585	2,184	-401	-16%	2,016
Travel	1,509	1,677	168	11%	1,451
Meetings	29	58	29	100%	28
Communications	70	124	54	77%	120
Office Infrastructure	142	194	52	37%	211
Depreciation	25	11	-14	-56%	97
<b>Total</b>	<b>15,903</b>	<b>15,296</b>	<b>-607</b>	<b>-4%</b>	<b>15,770</b>

In addition to operational expenditure, the OIG spent 66% of the US\$2.5 million funding received under C19RM. With the increase in allegations continuing (see Section 4.1, Figure 5 for rise in allegations of wrongdoing), we anticipate fully using the C19RM budgeted resources – which are allocated mainly to case intake and investigation activities by the end of 2025.

### Significant variations for budget and actual expenditure included the following:

- Workforce had the largest variance, with an underspend of US\$0.5 million. This was due to staff vacancies and delays in recruiting, and decision to pause some recruitments which was partially offset by an increase in insurance premium costs for Global Fund staff.
- The underspend of US\$ 0.4 million in professional fees were mainly associated savings from revisions to OIG's workplan during the year.
- Travel costs were above budget by US\$0.17 million, mainly due to higher travel fares and additional security costs incurred during country-level assurance activities.

## 5.2 Progress on Key Performing Indicators (KPI's)

### A. Delivery on Core Assurance

Performance objective	Progress as of 31 December 2024	
A1. RESPONSE TO COMPLAINTS		
On average, triage and complete assessment of complaints received within 60 days.	Met	Completed the screening and assessment of complaints in 48 days, in line with KPI.
A2. INVESTIGATIONS		
1.a. Closed investigation cases (number): Close on average 50 cases over 3 calendar years, including the current year of assessment.	Met	Average of 57 cases closed per year: 45 cases closed in 2024, 56 in 2023 and 69 closed in 2022.
1.b. Close Investigation cases (duration): Average of 12 months to close investigation cases in KPI.	Not Met	<p>The cases closed (including published cases) between January 2022 and December 2024 took on average 15.7 months.</p> <p>OIG-led cases (46% of total closes cases) including published reports, were closed in average 15.6 months, whereas Implementer-led (54%) were closed in average 15.7 months. The OIG held a training in June 2024 to improve timeliness of Implementer-led cases.</p>
2.a. Publish at least five investigation reports on average over three calendar years.	Not Met	Average of 4 investigation reports published per year in the last three years: 2 reports published in 2024, 5 in 2023 and 4 reports (from 6 cases) in 2022. Five other investigation reports are in advanced reporting stages and expected to be published in the first two quarters of 2025.
2.b. Average of 14 months to produce the investigation draft report (Stage 5 of Stakeholder Engagement Model completion) for published cases in KPI 2.a.	Not Met	<p>It took an average 22.1 months for investigation reports to reach Stage 5 before publishing between 2022 and 2024.</p> <p>The OIG has revised the stakeholder engagement model and is working with the Secretariat on new solutions to reduce the inherent challenges and related delays in the reporting phase that continue to persist.</p>
3.15 awareness-raising activities completed in a calendar year.	Met	15 awareness-raising “I Speak Out Now” events were held in 2024. Seven other outreach activities (SEAH & human rights violations) were organized.
A3. AUDIT AND ADVISORIES		
1.a. Issue 15 audits per year in draft (SEM Stage 4) in a calendar year with at least 4 per quarter.	Met	In total, 15 reports were issued in draft throughout 2024 in line with the annual target.
	Substantially Met	However, the quarterly targets were met in three out of four in the year (1 in Q1, 3 in Q2, 4 in Q3 and 7 in Q4).
1.b. Publish at least 16 audits in a calendar year on a rolling three-year basis.	Met	<p>17 audit reports were published as of 31 December exceeding the 2024 target.</p> <p>Between January 2022 and December 2024, 44 reports were published which translates to 15 reports per year in a three-year rolling period. The number of reports published in 2022 was hindered by the slower than expected recovery of GF and OIG operations following the pandemic.</p>



Performance objective		Progress as of 31 December 2024
1.c. Issue 90% of audit reports in the annual workplan to the Audit and Finance Committee by 31 March 2025.	In Progress	Until 31 December 2024 47% (7 of 15) audit reports were issued to the AFC. Six reports are in advanced reports and were expected to reach the Audit and Finance Committee by March 2025 however is likely to be paused to allow the Secretariat adequate time to respond to urgent priorities arising from the ongoing uncertainties in the global health landscape. This KPI will be fully reported on as part of July 2025 AFC.
1.d. Publish all audit reports in the annual workplan by 30 June.	In Progress	Until 31 December 2024 47% (7 of 15) audit reports from the 2024 workplan were published. This KPI can be fully reported on as part of October 2025 AFC.
2. Issue at least 3 advisory reports in draft (SEM Stage 4) during the year.	Met	3 advisory reports issued in draft throughout 2024.

## B. Risk and Impact

Performance objective		Progress as of 31 December 2024
B1. Audit coverage: Cover at least 75% of allocation and 75% each of HIV, TB and malaria disease burden over 3 calendar years, including the current year of assessment.	Partially Met	<p>At the end of December 2024, we have covered with the 2022-2024 audit cycle:</p> <ul style="list-style-type: none"> <li>• 60% / 73% / 71% of HIV, TB, and malaria</li> <li>• 68% of the current allocation (2023–2025) and C19RM funds</li> </ul> <p>The lower coverage is due to relatively limited country level assurance in 2022 and the need to defer audit of Global Fund grants in high burden countries due to security constraints. Most of the impacted portfolios are included in the 2025 workplan as country audits or a Secretariat audit (Managing Grants in High and Extreme Security Risk Settings).</p>
B2. Assurance activity on 100% of risks rated as high and very high in the Organizational Risk Register (ORR) over 3 calendar years including the current year of assessment.	Met	100% of ORR risks rated as “high” and “very high” were included in the OIG workplan over the last 3 years.
B3. 60% of Agreed Management Actions are remediated by the Secretariat, by their due date, over a rolling 3-year cycle.	Not Met	Only 21% of AMAs were closed on time during the last 3 years (February 2022 to January 2025). See OIG AMA Progress Report for more details.
B4. Recoveries identified or significant lessons learned from 100% of OIG-led substantiated cases.	Met	100% of OIG – led cases had identified recoveries or significant lessons learnt.
B5. Stakeholder Engagement Satisfaction:		
1. 80% overall satisfaction score from engagement satisfaction surveys conducted.	Met	84% satisfaction rate from audit engagement satisfaction surveys (or 88.5% including advisory engagements).
2. 80% overall satisfaction score from Board & Audit and Finance Committee satisfaction surveys.	Met	94% is the overall score of the Board and AFC satisfaction surveys.
3. 80% overall satisfaction score from post event surveys conducted for anti-fraud awareness activities.	Met	99% overall satisfaction score for events where satisfaction surveys were rolled out.

## C. Operations and Quality

Performance objective		Progress as of 31 December 2024
C1. Costs managed within 10% of approved budget.	Met	The OIG actual expenditure was 4% below the 2024 budget. See Annex 1 – Staffing and Budget for more details.
C2. 100% of Agreed Management Actions (AMAs) tracked and validated within 30 days of Secretariat reporting as “Completed”.	Met	100% of the Agreed Management Actions reported as implemented during the year by the Secretariat were validated by the OIG within 30 days.
C3. Provide an annual assurance statement on governance, risk management and controls at Global Fund.	Met	2024 annual opinion on Governance, Risk Management and Internal Controls is included in Section 2 of this document.
C4. Completion of annual internal quality self-assessments to confirm ongoing conformance with IIA and CII requirements as per OIG QAIP.	Not Applicable	No self-assessment was required this year due to the triennial external quality assessment conducted in Q4 of 2024. See C5 below. All audits and investigations engagements have undergone independent internal quality assurance reviews prior to issuance draft reports in accordance with the OIG QAIP.
C5. Performance of triennial external quality assurance review to confirm conformance with IIA and CII requirements.	In Progress	The External Quality Assurance Review commenced towards the end of 2024. The field work has been completed and final report expected by end of Q2 2025.

## D. People & Culture

Performance objective		Progress as of 31 December 2024
D1. 100% of staff development plans have been approved by end of Q1 or within Global Fund HR agreed timelines.	Met	100% of staff have had their development plans approved by Human Resources until end of Q1 2024.
D2. 100% of staff complete by year end, a minimum of 40 hours of formal training.	Met	100% of staff had completed a minimum of 40 hours of formal training (internal and/ or external).
D3. 80% overall score in employee satisfaction survey by year end.	Not Met	The overall score of the staff satisfaction survey was 78%. The OIG narrowly missed the target and will work with staff during 2025 to understand key areas for improvement.

## 5.3 Summary of Published Reports in 2024

### Audit of Global Fund Investments in Health and Laboratory-Related Equipment

- The overall objective of this audit was to provide reasonable assurance to the Global Fund Board on whether the Global Fund has secured value for money in its investments in health and laboratory-related equipment. Value for money was assessed using the Global Fund defined dimensions of economy, efficiency, effectiveness, equity and sustainability across the grant and product life cycle and value chain. Overall, the achievement of value for money has been rated as partially achieved.

### Audit of the Global Fund Approach to Reallocate Grant Funds

- This audit set out to provide reasonable assurance to the Global Fund Board on the adequacy and effectiveness of the Global Fund's portfolio optimization process and key components of the grant revision process. It found that the Secretariat has established an inclusive and collaborative process. Timeliness of grant revisions is improving steadily, supporting more agile grant implementation. Although these processes are well defined, further opportunities to enhance controls in some key areas were noted.

### Audit of Global Fund Grants in the Republic of Benin

- Overall, the Global Fund lacks sufficient guidance to ensure diligent review and approval for Principal Recipients deviating from procurement policies. Within Country Coordinating Mechanisms (CCMs), weak governance and conflict of interest management – as well as noncompliance with Global Fund policies on Principal Recipient selection – threaten effective grant implementation. OIG also found delays in implementation of community health strategy are affecting the timely delivery of community health services. While health products are generally available, fragmented systems and limited coordination are causing inefficiencies.

### Follow-up Audit of Global Fund Grants in Cambodia

- Cambodia is making significant progress in the fight against HIV and TB. However, OIG identified areas for improvement to ensure continuity of the progress achieved and support longer term success in the fight against these two diseases. Among the findings is that operational and administrative delays hinder the optimal use of increased cofinancing commitments, increasing the risk of commodity stock-outs.

### Audit of Global Fund Malaria Grants to the Republics of Senegal, The Gambia and the Islamic Republic of Mauritania

- Gaps in malaria prevention activities and poor data quality are limiting the impact of Global Fund supported programs in the three countries. Key factors contributing to this result include low use of long-lasting insecticidal nets (LLINs), uneven quality of treatment resulting from lack of training, weak data quality and limited governance. While the three countries have made significant commitments towards malaria elimination through their national strategic plans, none can reasonably expect to achieve elimination without stepping up execution.

### Audit of Grants to the Republic of Angola

- Despite improvements to monitor and report co-financing commitments and verify sub-recipient data since Angola's last audit, the OIG found that issues persist in numerous areas. OIG found that while robust principles underpin the innovative sub-national approach, execution issues are negatively impacting grants. OIG noted material stock-outs of key commodities for the three diseases

### Audit of Global Fund Grants to the Republic of Malawi

- Key commodities are available at all levels in Malawi under Global Fund grant implementation, but supply chain integration efforts are substantially delayed. Significant progress has been made in the malaria response, but prevention interventions could be improved. There were notable strides in HIV and TB program outcomes, but prevention and testing interventions stand to improve. Investments can be further optimized to drive efficiencies and ensure sustainability, while improvements are needed in financial and procurement oversight to safeguard grant funds.

#### Key: OIG Ratings

- Effective: no issues or few minor issues noted
- Partially effective: moderate issues noted
- Needs significant improvement: one or some significant issues noted
- Ineffective: multiple significant and/or (a) material issue(s) noted

## Audit of Global Fund Approach to Grant Monitoring



Design and implementation of the grant performance framework needs improvement to better track and monitor impact. Improvement is needed in the execution of risk management processes to ensure effective identification, prioritization and monitoring of grant risks. While improved, fragmented Principal Recipient reporting tools create a risk of reporting fatigue and delays for implementers.

## Audit of Global Fund Grants for TB/HIV to Viet Nam, Thailand and Lao People's Democratic Republic



HIV prevention for key populations and linkage to antiretroviral treatment need to improve to end the epidemic by 2030 in Viet Nam, Thailand and Laos. Limited TB case finding prevents these countries from achieving national and grant targets. HIV and TB programs must also realize greater programmatic and financial sustainability.

## Audit of Global Fund Grant for the Regional Artemisinin-resistance Initiative (RAI)



RAI grant-funded programs have effectively contributed to country progress towards eliminating malaria in the Greater Mekong Subregion, with individual countries developing their own tailored and innovative approaches for their national responses. The absence of sustainability planning and preparedness threatens ongoing RAI grant success, however, and measures to prevent re-establishment of malaria are needed.

## Advisory Review of the Global Fund's Additional Safeguard Policy

Not rated

The OIG made several recommendations for the Global Fund Secretariat to improve the application of the ASP for transparency in the exit criteria with countries, balance between safeguarding Global Fund investments against the cost of control and progressive transfer towards national systems. Stronger monitoring mechanisms including regular discussions with country stakeholders, and a review of the portfolio ASP status every grant cycle was also recommended as part of the review. The Secretariat welcomed and acknowledged the identified good practices, lessons learnt and opportunities for improvement.

## Advisory Review of the Global Fund's Internal Justice Mechanisms

Not rated

The design of the Global Fund's system for handling employment-related disputes is generally aligned to that of comparable international organizations. The OIG's review assessed the system's design. Key recommendations include encouraging and enabling greater use of informal dispute resolution approaches; amending key IJM system documents to improve clarity and align more closely to good practices of comparator organizations.

## Audit of the Effectiveness of Global Fund Model in Delivering the New Strategy



The Global Fund has taken appropriate steps to operationalize the new strategy including revision applicable guidelines and signing strategy aligned grants. Monitoring, follow-up and adaptations during implementation are needed to effectively deliver on key strategic ambitions. Existing funding gaps could affect the ambitious strategic priorities requiring better prioritization and articulation of trade-offs, as well as (i) maximizing use of set asides and catalytic funds, (ii) keeping focus on domestic resource mobilization and (iii) further embedding VFM framework needed to deliver on the ambitious mandate. Prioritization of human resources to the highest impact areas and clarification of key roles to enhance accountability over strategy delivery is needed. Recurring challenges on limited implementer capacity and in-country partner coordination may affect implementation of RSSH, PPR and prevention objectives and further efforts are needed to monitor these key PPR priorities

## Investigation of Global Fund Grants in Cameroon

Not rated

Staff of the Cameroon National Planning Association for Family Welfare (CAMNAFAW), a former Principal Recipient of Global Fund grants, embezzled health products worth US\$24k. CAMNAFAW also failed to account for health products worth more than US\$3 million and did not address historical losses of health products worth US\$80k identified by the internal audit in 2018.

### Key: OIG Ratings

- Effective: no issues or few minor issues noted
- Partially effective: moderate issues noted
- Needs significant improvement: one or some significant issues noted
- Ineffective: multiple significant and/or (a) material issue(s) noted



## Investigation of Global Fund Grants in Bangladesh

Not rated

A sub-recipient on a Global Fund grant in Bangladesh failed to comply with contractual requirements to report material events, related to a third-party investigation implicating the sub-recipient, to the Global Fund. By concealing evidence material to an inquiry by the Global Fund, the subrecipient did not comply with its obligations.

## Audit of Global Fund Grants in Indonesia



There is significant increase in domestic health financing, although a lack of sustainability planning and weak co-financing monitoring pose risks. The country has good progress around TB case notifications, and HIV testing and prevention. There are low rates of treatment initiation, however, and low drug-resistant TB treatment success rates.

## Audit of Global Fund Grants in Zimbabwe



The grants have contributed to strong HIV outcomes, however there is a need for better implementation of key HIV population interventions to further reduce the HIV infection rate. Good progress was identified for malaria case management, but inefficiencies in vector control implementation undermining the gains and progress made. HMIS and eLMIS interventions are not optimally utilized to ensure quality and availability for program and logistics data. Improvements are also needed in grant management and oversight.

## Audit of Global Fund Grants in the Kingdom of Eswatini



Eswatini has made significant progress against three diseases, exceeding the HIV UNAIDS targets, being among the eight countries aiming to eliminate malaria by 2030 and surpassing the 2020 WHO End TB milestones. However, inadequate supervision, stock-outs and operational issues in interventions for vulnerable populations could undermine HIV gains. Implementation of RSSH and C19RM interventions needs to improve to ensure timely availability of quality health and supply chain data. Improvements in oversight and coordination to safeguard grant resources are also needed.

## Audit of Global Fund Grants in the Republic of Guinea



Programs have been impacted by the government's non-compliance with its co-financing commitments. Guinea's ability to detect and treat malaria has improved, however low effectiveness of prevention activities is contributing to increasing numbers of cases and deaths. The country's HIV response has experienced both successes with HIV incidence reduced by almost 50% since 2010 and challenges with low coverage of outreach and testing activities for key and vulnerable populations.

## Audit of Global Fund Grants in the Republic of Rwanda



With the Result-based Financing (RBF) model, Rwanda has achieved most of their national targets for HIV and Malaria, with good progress made in TB. There are effective national institutions, strong leadership in the health sector, and robust country systems that provide effective checks throughout the lifecycle. The audit noted opportunities to enhance governance, indicator selection and target setting.

## Audit of Global Fund Grants in the Republic of Guinea-Bissau



A weak health system limited national direction and delayed RSSH implementation have led to significant data inaccuracies. Sub-optimal implementation of the 2023 LLIN mass campaign contributed to low coverage and reduced effectiveness. There are positive HIV trends, but a lack of accurate data on treatment initiation and adherence could limit future progress.

### Key: OIG Ratings

- Effective: no issues or few minor issues noted
- Partially effective: moderate issues noted
- Needs significant improvement: one or some significant issues noted
- Ineffective: multiple significant and/or (a) material issue(s) noted

## 5.4 Summary of Cases Closed without Published Reports in 2024

Not all OIG investigations result in a published report. Unsubstantiated allegations are recorded in internal case closure memoranda. Substantiated allegations could result in Management Briefing Notes (MBNs) if the identified wrongdoing resulted in minimal impact on the related program or resulted in a proportionate response from the implementer or Secretariat. MBNs summarize investigative findings and OIG recommendations as well as significant lessons learned from cases.

During 2024, 29 substantiated cases were closed through MBNs. The outcomes of these cases, summarized below, confirmed findings of fraud and abuse and/or non-compliant amounts. Either the findings were deemed not material, or a proportionate response had already been taken by the Secretariat and implementers to address the issues identified.

Wrongdoing Type	Value of non-compliant amount	What happened?	Action
Misappropriation of funds (10 cases in 6 countries)	US\$214,551	Mobile money related fraud, fraudulent per diem claims by field officers, sub-recipient (SR) staff made payments to ghost employees as well as funds transfer request to third party bank account, and falsified bank account details.	The Secretariat has recovered the losses. Implicated SRs have been terminated and/or appropriate actions taken against the staff. Where applicable, additional actions have been agreed to strengthen the underlying controls and processes.
Salary kickbacks (1 case)	US\$562	Senior sub-recipient staff coerced field staff to donate part of their salary as contributions back to the office.	Collected amount was returned to staff.
Stock Theft (3 cases in 2 countries)	US\$482,468	Theft of health products from warehouses managed by a vendor sub-contractor. In another case, a pharmacist diverted malaria health products funded by the Global Fund amounting to EUR 226,000	For the two cases, implicated employees were terminated, and security providers were changed. Following investigation by the national police, several suspects were arrested and being prosecuted. The remaining staff has reassigned to a different role without handling health products. The case has been reported to the Police and action is yet to be taken.
Sexual Exploitation, Abuse (2 cases in 2 countries)	N/A	Senior staff at Principal Recipient demanded sex or money from peer educators.  In another case, sub-recipient staff member made inappropriate suggestions to HIV patient.	Principal Recipient undertook risk mitigation actions.  In the second case, the staff member voluntarily resigned following the investigation and the sub-implementer took measures to increase awareness for SEAH and also filing the staff members details in the HR database to prevent future hiring.
Fraudulent Practices in Procurement (3 cases in 2 countries)	US\$35,133	This included misrepresentation of a vendor's capacity and fabrication of proposals from fictitious companies and false evaluation reports.	The non-compliant amounts have been recovered and disciplinary actions taken against most of the subjects. Additional mitigation measures have been agreed to strengthen underlying procurement processes.
Document and Data Falsifications (10 cases in 6 countries)	US\$71,742	Expense reimbursement fraud with document and data falsification by either principal recipient (3 cases), sub recipient (4 cases) or sub-sub recipient (3 cases) employees (fake training sessions, fake signatures, double payment, overinflated advances).	In all cases the wrongful employee/s was dismissed, and funds were either reimbursed to the Global Fund grant or payments were stopped upon detection.
<b>Total</b>	<b>US\$804,456</b>		