

# **Semi-annual Risk Management Report**

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

GF/B46/19

8-10 November 2021, *Virtual*

### **Board Information**

Purpose of the paper: to provide the Board with an updated report on the current risk profile of the organization, as well as risk management priorities for 2021 and 2022.

# Executive Summary

## Context

1. COVID-19 has continued to cause widespread disruption throughout 2021. Diversion of resources to the COVID-19 response and restrictions on movement and travel have continued which has negatively impacted service availability and the ability of patients to access health facilities, which in turn has resulted in disruption to outreach prevention programs, case notification, new patients being put on treatment and treatment adherence. There also continues to be significant upstream disruption to global and in-country supply chains impacting the timely availability of critical HTM and COVID-19 health products and equipment.

## Issues this paper addresses

2. COVID-19 related disruption and ongoing volatility have increased the organizational risk profile. However, the expectation is that it will start to stabilize moving into 2022 and for some risks, the direction of travel should already start to decrease.
3. The May Risk Report and CRO's Annual Opinion to the Board called out a number of priorities for 2021 that were needed to adapt the Global Fund's risk management tools in response to the evolving risk landscape. Significant progress has been made in this context with all priorities now either fully operationalized or in the process of being operationalized.
4. Risk relating to Program Quality have been the most impacted by the pandemic and consequently this is where the majority of effort has been focused, in particular in terms of understanding the impact of COVID-19 on reaching programmatic targets and what this means for mitigating actions, and how they need to be adapted, and for risk appetite. Strengthening and building out monitoring and oversight tools and processes has also been a major area of focus.
5. Looking forward to 2022 the key risk management priorities will be focused around monitoring and oversight, including tracking the implementation and scale-up of priority interventions for HTM programs, concluding operationalization of monitoring and oversight initiatives, ensuring that the data being collected through the new reporting and assurance mechanisms is being effectively used, and leveraging lessons learned from monitoring and oversight to inform broader organizational strengthening efforts around implementation oversight.

## Conclusions

6. Despite the ongoing challenges and the increased organizational risk profile the Global Fund has made good progress in 2021 in adapting the risk management framework and mitigating the impacts of the pandemic. Through this process of adaptation the organization's approach to risk management has also matured and the organization is in a strong position moving into 2022.

## **Input Sought**

7. This Report is provided for information and has been shared with all standing Committees of the Board. It has been discussed as an agenda item at the 17th Audit and Finance Committee and Strategy Committee meetings in October 2021. Ethics and Governance Committee members were invited to submit written comments. Key areas for the attention of the Board are the updates provided on individual risks and on the organizational risk profile, as well as progress made on priorities for 2021 and those identified for 2022.

## **Input Received**

The Audit and Finance Committee (AFC) and the Strategy Committee (SC) acknowledged that risk levels have increased as a result of COVID-19 disruption, and that additional mitigating measures are being implemented. It was highlighted that the current operating environment will continue to have an impact on programs, and that mitigating measures will need to continually evolve and adapt. The Committee's reiterated the support of constituencies for continued efforts to strengthen mitigation measures with the aim of bringing risk levels down, balanced against the need to ensure program continuity and drive improvements in programmatic performance.

# Report

## Background

8. If the watchword of 2020 was 'crisis', as the Global Fund, like the world at large, quickly tried to adjust to the widescale disruption caused by COVID-19, the watchword for 2021 is 'adaptation'.
9. In early 2021 there was hope that the roll out of vaccines would bring about the end of the pandemic. However, the emergence of new variants and challenges with vaccine roll out, have meant that this has not been the reality. The pandemic persists and the expectation is that it will continue to hit countries in waves for the foreseeable future. Nonetheless, despite the ongoing disruption, the Global Fund, partners and implementers have all adapted.
10. Working modalities have changed, with remote working now considered the new normal by many. It continues to pose challenges though, large swathes of the global population still struggle with remote access, and many have feelings of isolation, but it has largely enabled the Global Fund's work to continue despite restrictions on movement and travel.
11. Internal processes have also been adapted. Additional flexibilities have been introduced through Business Contingency Plans to ensure continuity of internal and in-country operations. C19RM has been significantly scaled-up to respond to a new injection of funds, both in terms of operational capacity but also in terms of process efficiency, effectiveness and internal monitoring and oversight. In-country assurance and monitoring and oversight is also being strengthened in response to increases in risk levels for grant-facing risks, heightened expectations in terms of data availability and use, and the need for more agile issue identification and course correction.
12. Programs have also adapted in response to disruption. Priority interventions have been identified to ensure a clear and strategic focus on the adaptations that are critical to reversing losses sustained as a result of COVID-19 disruption. Work is also ongoing to identify opportunities for further scale-up.
13. The operational context remains challenging as the Global Fund's implementing countries continue to be impacted. The organization's risk profile has inevitably increased and the speed of the response needed in the face of such volatility is unlikely to relent in the near term. However, the adaptations introduced over the course of 2021 to the risk management framework, underpinning processes and tools, and the initiatives being rolled out over the remainder of 2021 and into 2022, put the organization in a strong position to continue to respond effectively and with the required agility.

## Operating context

14. As already highlighted COVID-19 has continued to cause widespread disruption throughout 2021. Diversion of resources to the COVID-19 response and restrictions on movement and travel have continued which has negatively impacted service availability and the ability of patients to access health facilities, which in turn has resulted in disruption to outreach prevention programs, case notification, new patients being put on treatment and treatment adherence. Between 2019

and 2020, HIV testing dropped globally by 22% which has held back HIV treatment initiation in most countries, the number of people treated for drug-resistant TB in the countries where the Global Fund invests dropped by 19%, and suspected cases of malaria testing fell by 4.3%.

15. Movement restrictions have also required adaptations to the way CCMs, PRs, LFAs and Fiduciary and Fiscal Agents provide oversight and undertake planned assurance activities. There also continues to be significant upstream disruption to global and in-country supply chains, especially production and freight, impacting the timely availability of critical HTM and COVID-19 health products and equipment. Global restrictions through 2020 and early 2021 limited supplier capacity to undertake requisite pre-shipment QA testing in some instances, impacting quality assurance. Human rights violations and gender-related abuse have also been on the rise, and whilst yet to materialize, the negative economic impacts of COVID-19 and the persistent uncertainty create opportunities and incentivize fraud and other negative behaviors.
16. Although COVID-19 related disruption remains the single most influential factor impacting the Global Fund's operating environment, other political and environment events have also had implications for Global Fund operations including natural disasters, regime changes and conflict. Whilst these events do not have the global reach of COVID-19 they have significant implications for program continuity at country level and potentially devastating consequences for individuals and Global Fund beneficiaries.

## **The Global Fund's response to the COVID-19 pandemic**

17. The Global Fund continues to adopt a multi-pronged approach in responding to the COVID-19 pandemic.
  - i. The Situation Response Team (SRT) continues to meet to monitor the situation and ensure the organization is responding to unfolding events and changing guidance in order to keep our people safe.
  - ii. Business Contingency Plans (BCPs) remain in place to ensure operational continuity through defined flexibilities.
  - iii. Through a scaled-up COVID-19 Response Mechanism (C19RM) the Global Fund also continues to support countries to maintain the Global Fund's core mission, financing interventions to help mitigate the impact of COVID-19 programs on HTM as well activities to reinforce the national pandemic response<sup>1</sup>.
  - iv. The Global Fund also continues to act as a core partner on the Access to COVID-19 Tools (ACT) Accelerator, acting as a co-lead or significant player in every pillar, excluding vaccines.

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<sup>1</sup> C19RM received an injection of USD 3.7 billion in 2021, the majority of which has now been awarded. Investments are split across reinforcing the national COVID-19 response (72%), mitigating the impact on HIV, TB and malaria programs (16%), and making urgent improvements to health and community systems to help fight COVID-19 (12%).

## The Global Fund's risk profile

### Overview

18. COVID-19 related disruption and ongoing volatility have increased the organizational risk profile. However, the expectation is that it will start to stabilize moving into 2022 and for some risks, the direction of travel should already start to decrease.
19. Annex 1 contains the Organizational Risk Register (ORR) update for Q2-2021. Key thematic risks are discussed further in this section, and a summary from the ORR provided in the table below.

ORR Risk Summary					2021-Q2
Risk Name	Residual Risk	Risk Appetite	Change since last quarter	Direction of travel	Global Fund ability to mitigate
01 - Program Quality - HIV	High	Under Review	No change	Steady →	Moderate
02 - Program Quality - TB	Very-High	Under Review	No change	Increasing ↑	Moderate
03 - Program Quality - Malaria	High	Under Review	No change	Steady →	Moderate
04 - M&E	High	Under Review	No change	Steady →	Moderate
05 - Procurement	High	Under Review	No change	Increasing ↑	Significant
06 - In-Country Supply Chain	High	Under Review	No change	Increasing ↑	Moderate
07 - Financial and Fiduciary	High	Under Review	No change	Increasing ↑	Moderate
10 - Human Rights & Gender Inequality	High	Not Applicable	No change	Increasing ↑	Minor
13 - SEAH and Misconduct	High	Not Applicable	No change	Increasing ↑	Moderate
21 - Workforce Capacity, Efficiency & Wellbeing	Moderate	Not Applicable	No change	Increasing ↑	Significant

20. More detailed information on the risk drivers, mitigating actions and the impact on risk levels can be found in the paper to the Board, Recommended Updates to Risk Appetite<sup>2</sup>.

### Program Quality

21. The risks for Program Quality for HIV and malaria remain High and following adjustments to grant-risk levels, the TB risk level increased in Q1 from High to Very High. The 2021 Global Fund Results report confirm the impact of COVID-19 on HIV testing and prevention services by 22% and 12% respective, TB notifications for drug sensitive and drug resistant cases also declined (notifications reduced by over 18%) with 1M fewer cases notified in 2020 compared to 2019 and this gap is even more marked if we project the level of ambition on finding missing TB cases. The number of suspected cases tested and cases treated for malaria dropped slightly, by 4.3%

<sup>2</sup> GF/BM46/06

and 0.5% respectively. Thanks to adaptation measures, prevention activities including mosquito net distribution, IRS and SMC campaigns remained stable or increased compared to 2019.

22. National disease programs and Global Fund grant implementers, with technical support from partners, continue to adapt their programs and implementing a range of prioritized adaptations to mitigate the impacts of the pandemic. These include, scale-up of multi-month dispensing, out-of-facility dispensing and virtual service delivery, optimization of health systems capacity, for example through bi-directional testing, digitization and for malaria specifically, door-to-door campaign operation. To facilitate prioritization and informed risk trade-offs there have been disease specific thematic discussions to review the prioritized adaptations and target critical set of countries that have been significantly impacted and or likely to have the most impact and likelihood of success. These set of priorities will be systematically monitored.

## M&E

23. The M&E risk level remains high. Although the Global Fund was on course to achieve the target risk level of moderate by mid-2021 this no longer is the case due to increased M&E needs and a corresponding strain on human resources, resulting from the need to oversee COVID-19 initiatives alongside already existing and routine HTM programs. COVID-19 has also created the need for more data more frequently whilst simultaneously raising expectations about the extent to which this is possible.
24. Joint efforts with partners have facilitated the establishment of COVID-19 surveillance systems, including specific reporting modules under national tools like DHIS. Investments are being directed towards improving surveillance capacity and digitization of HTM programs especially for reporting, malaria control campaigns and patient monitoring and adherence systems. Establishing the infrastructure for more frequent reporting and better use of data to drive decision at the country and global levels, and within the Secretariat, is also a priority. Through these initiatives the M&E risk is anticipated to stabilize and achieve the target risk level by end 2022.

## Procurement

25. Following adjustments to grant-risk levels, the Procurement risk level increased in Q1 from Moderate to High but this increase is expected to be short-lived. There have been delays at manufacturing sites and lengthy international transportation processes causing disruption to freight and logistics. However, some impacts on production disruption have been resolved for HTM commodities, and further mitigations are in place and / or planned.
26. Mitigations include collaboration with ACT-A partners to ensure equitable access across countries to limited supplies (such as SARS-CoV-2 diagnostics), coordination with WHO and UNICEF to help secure new sources of products (oxygen equipment and services), and aggregated demand planning to facilitate negotiations with manufacturers. Order placement is also being strengthened leveraging Wambo/PPM mechanisms as the preferred procurement channel for C19RM grants.

### In-Country Supply Chain

27. The In-Country Supply Chain risk remains High. Although in-country supply chains have proven to be resilient major up-stream delays are placing pressure on in-country systems, compounded by restricted workforce capacity, prioritization of manufacturing chains for COVID-19 products and lengthy international transportation processes causing disruption to freight and logistics. Higher flows of products through non-PPM channels and the introduction of more complex product categories, like oxygen supply, also introduce additional risk and the potential for diversion of resources and product leakage.
28. To mitigate these risks, assurance activities are being strengthened and drivers of buffer stocks are being reconstituted in preparation for potential future delays in international deliveries. The private sector is also being selectively engaged to deliver specific supply chain functions, such as storage and transportation, in under-performing environments. Alongside these measures, the Global Fund and partners (WFP, UNDP) are working to set-up parallel supply chain systems in challenging operating environments to provide further options and interventions to countries.

### Financial and Fiduciary (Grant-Related Fraud and Fiduciary, and Accounting and Financial Reporting by Countries)

29. The financial and fiduciary risks remains High. COVID-19 has caused widespread economic turmoil and the outlook remains uncertain. Disruptions have impacted oversight by CCM, PRs and assurance providers particularly in the initial phase of the pandemic, but all stakeholders have rapidly adapted to the new normal, facilitated by technology, improved contingency plans and adaptations in the assurance approach. Nonetheless the risk of fraud remains heightened and there is also likely to be an increase in recoveries due to lack of documentary evidence, delays in reporting and an increase in ineligible expenses. COVID-19 has also highlighted some emerging risks such as cyber-security.
30. To ensure reporting and assurance practices are maintained with the same rigor, the Secretariat is continues to work proactively to establish and update Business Contingency Plans with PRs and grant implementers, fiduciary and fiscal agents, and LFAs. These plans aid the strengthening of systems and introduce adapted process controls and monitoring measures, to give greater flexibility to assurance providers to provide the requisite assurance and oversight. Measure to mitigate the risk of cyber fraud and fraudulent financial transactions include mandatory Global Fund direct payments to certain suppliers, interim measures for bank account management, multi-factor authentication, and new guidance to mitigate cyber security fraud risk have also been introduced.

### Human Rights and Gender Inequality

31. The Human Rights and Gender Inequality risk remains High. COVID-19 has resulted in increased human rights violations, including a spike in gender-based violence. Barriers to service access for key and vulnerable populations have been compounded under the pandemic whilst efforts to break down barriers throughout services and programs have been hampered by COVID-19 restrictions, causing material delays. This has led to further marginalization of key groups within society.

32. The Global Fund has been leveraging C19RM funding requests to help mitigate the risk of human rights and gender barriers, and further support in-country programs. Templates, frameworks, and guidance were disseminated with the help of CRG networks to support CCMs when making funding requests. This is helping countries ensure high quality human rights interventions are being integrated into grants. The Global Fund is also strengthening the partnership with Thomson Reuters Foundation to better equip implementers with skills needed to raise awareness about human rights and gender inequality, and report the topic to the public.

#### Sexual Exploitation, Abuse, Harassment (SEAH), and misconduct

33. Restrictions on movement, social distancing and isolation, a difficult socio-economic context causing heightened vulnerability and power differentials, and disruption to services and personnel normally available to support and safeguard vulnerable populations, are all contributing to an increased risk of prohibited behavior, and an increased risk that any such prohibited behavior will cause serious harm to individuals and the ability to deliver on the Global Fund mission. Assessment of the risk of SEAH in Global Fund grants is needed.
34. The nature of this risk and changes in the operating environment mean that the Global Fund must engage in thorough capacity and risk analyses of implementers. Through this analysis, a range of preventive practices will be identified as needing strengthening or adapting, and new measures will be explored. This process requires careful consideration, and it is expected that it will take time to fully embed such efforts, particularly with downstream partners. Measures already introduced include updates to the Global Fund's Codes of Conduct to include specific language that creates accountability for preventing and responding to acts of sexual exploitation and abuse and sexual harassment, the publication of the PSEAH Framework, the creation of the PSEAH Coordination Unit, and the remodeling of internal governance structures to engender and reflect high-level and diverse engagement and support for cross-cutting PSEAH efforts throughout the organization.

#### Workforce Capacity, Efficiency, and Wellbeing

35. Increased workload, Secretariat capacity and constraints on international recruitment all continue to cause staff fatigue or delays in long-term activities.
36. The Global Fund has undergone significant organizational change to mitigate the impacts of COVID-19 through a process of re-prioritization and resource re-allocation. Business Contingency Plans have also been introduced to facilitate appropriate remote working solutions and provide greater support to staff under COVID-19 restrictions. Integrated organizational planning has been embedded as part of an annual process cycle, to drive alignment between organizational priorities and workforce requirements, and recruitment and onboarding of new staff continues to meet the increased capacity required to address ongoing and future challenges. While the risk level is moderate it will need to be closely monitored given that the crisis is expected to continue for the foreseeable future.

## **Risk management priorities in 2021**

37. The May Risk Report and CRO's Annual Opinion to the Board called out a number of priorities for 2021 that were needed to adapt the Global Fund's risk management tools in response to the evolving risk landscape. Significant progress has been made in this context with all priorities now either fully operationalized or in the process of being operationalized. Inevitably there will need to be a focus on lessons learned and continuous improvement, but the framework is robust and aligned to the specific demands of the operating context. Furthermore, experience with C19RM and the steps taken to respond to lessons learned from 2020 and ongoing learnings from 2021 have also highlighted a strong organizational appetite, and the necessary humility, to look for, acknowledge and respond to improvement opportunities.
38. Risk relating to Program Quality have been the most impacted by the pandemic and consequently this is where the majority of effort has been focused, in particular in terms of understanding the impact of COVID-19 on reaching programmatic targets and what this means for mitigating actions, and how they need to be adapted, and for risk appetite. As we move further into implementation of both HTM grants and C19RM strengthening monitoring and oversight tools and processes for grant implementation has also been a major area of focus.

### Updates to risk management tools

39. The risk management tools were updated late last year to reflect the impact of COVID-19 on root causes and risk drivers. Moving into 2021 the priority was to reassess risk levels to ensure they equally reflect the impact of COVID-19 related disruption. A combination of top-down analysis, using a range of tracer indicators as a proxy for disruption, and bottom-up analysis, involving engagement with Country Teams to ensure country context was taken into account, and resulted in adjustments to a range of grant facing risks. These adjustments were subsequently updated in the Integrated Risk Management tool to generate updated organizational risk levels, which have been reflected in the Organizational Risk Register since Q1.

### Updates to risk appetite

40. The impact of COVID-19 on risk levels, as reflected in the adjustments to grant-facing risk levels, has meant that the risk appetite set by the Board in 2018 required revisiting. The Global Fund's starting point has been to look at the level of programmatic ambition and the activities that would need to be implemented to deliver on that ambition.
41. The paper to the Board, Recommended Updates to Risk Appetite<sup>3</sup>, provides a detailed overview of the process that was undertaken to develop recommendations on risk appetite, the rationale for the recommendations on individual risk appetites and the approach to operationalization. In summary the process involved engagement with disease Situation Rooms and partners on the level of programmatic ambition and an assessment of the anticipated impact of prioritized mitigations on risk levels, and the timeframes for those mitigations to take effect.

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<sup>3</sup> GF/BM46/06

42. Increases in risk appetite are being requested for four out of eleven grant-facing risks: Program Quality TB, procurement, and the two financial and fiduciary risks. Extensions of timeframes for reaching target risk levels are being requested for five out of the eleven risks: Program Quality HIV, TB and malaria, M&E, and In-Country Supply Chain. No changes to risk appetite statements are being recommended for three out of the eleven risks: In-Country Governance, Quality of Health Products; and Foreign Exchange.
43. Subject to the Board's approval of the recommendations on risk appetite the focus will switch to ongoing operationalization through a combination of business-as-usual processes, and continuous improvement.

#### Leveraging lessons learned to strengthen mitigations

44. Changes to the risk landscape require adaptations and changes to mitigating actions. As highlighted in paragraph 13 there has been a systematic review of program adaptations in the first half of 2021, working with disease Situation Rooms and partners. This process has been used to understand what has worked well and which interventions are most critical in regaining lost ground, so that they can be prioritized and where appropriate scaled-up. This exercise has also set a precedent for a more rigorous and systematic approach to developing risk management strategies at country level, that we anticipate leveraging moving forward, and that will help ensure more focused follow-up on key mitigating actions. Again, in the paper to the Board, Recommended Updates to Risk Appetite<sup>4</sup>, a detailed breakdown of the different prioritized interventions is included in the annex.

#### Improved monitoring and oversight and decision-making

45. In a higher risk and volatile environment, where there may be a need for greater risk taking, it is critical that there is timely access to, and use of, data to identify bottlenecks, emerging risks and to facilitate course-correction. In addition, as already highlighted, as the focus is now grant implementation there needs to be increased attention on downstream operational monitoring.
46. Strengthening monitoring and oversight has been a key area of focus throughout 2021. The C19RM monitoring and oversight workstream (M&O) is being used as an entry point for strengthened oversight of C19RM 2021 investments but it will also be used to track disruptions to HTM programs, implementation of adaptations for HTM and the impact of disruption on programmatic performance. In the medium-term efforts to leverage data for operational monitoring and oversight will be rolled into broader organizational efforts to strengthen oversight of grant implementation. Strengthening initiatives that are already being operationalized include: routine reviews of upstream operational data to assess performance against KPIs and to identify bottlenecks and problem-solve; enhancement of monitoring tools including more integrated IT solutions to improve data access and use; and enhanced routine PR reporting through the introduction of quarterly Pulse Checks and updates to Progress Updates. Pulse Checks are being rolled out from Q4<sup>5</sup> to improve visibility on programmatic performance, implementation progress and expenditure and forecasts.
47. Assurance is also being strengthened to provide visibility of the extent to which risks are materializing. Strengthening initiatives include the introduction of a centralized Supply Chain and

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<sup>4</sup> GF/BM46/06

<sup>5</sup> Pulse Checks will be rolled out for all High Impact and Core portfolios.

Health Services Spot Check<sup>6</sup>, which is being rolled out from Q4 focused on providing increased visibility and assurance in relation to HTM and C19RM health product and service availability and disruption at facility level.

## **Risk management priorities moving into 2022**

48. Looking forward to 2022, the key risk management priorities will be focused around monitoring and oversight and leveraging revised risk appetite (subject to Board approval) to make intelligent risk trade-off decisions in support of programmatic priorities.
49. Tracking the implementation and scale-up of priority interventions for HTM programs will be critical to understand progress with roll-out but also the extent to which the interventions are having the intended impact on programmatic outputs and outcomes.
50. Concluding operationalization of the monitoring and oversight initiatives listed in the preceding section will also be key. Several of these are on track for roll out in Q4. However, there will inevitably be teething troubles and consequently a process for lessons learned and continuous improvement will need to be embedded into routine processes, looking at the timeliness, completeness and quality of the data being reported, challenges and opportunities for improvement.
51. A parallel priority will be to ensure that the data being collected through the new reporting and assurance mechanisms is being effectively used. This means ensuring that data is being analyzed in a way that focuses on red flags and outliers. This is already happening but there is still room for improvement in terms of systematizing this process to ensure a shift away from pure reporting to issue identification, root cause analysis and problem solving. This in turn will enable the organization to become even more agile in how it responds to issues specific to individual portfolios but also in terms of addressing more cross-cutting issues.
52. Finally, leveraging lessons learned from monitoring and oversight to inform broader organizational strengthening efforts around implementation oversight will also be key. C19RM is an emergency response and consequently it has been rolled out at speed. This has inevitably involved significant 'learning by doing' which will continue to provide lessons learned that can be used as an input into the design, implementation and scale-up of broader initiatives.

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<sup>6</sup> Supply Chain and Health Services Spot Checks will be rolled out for 45 High Impact and Core portfolios.

## Conclusion

53. The impact of COVID-19 continues to be significant. Inherent risk levels have increased and the Secretariat, partners, implementers and beneficiaries continue to feel the effects both professionally and personally. The organizational risk profile has increased. However, despite the challenges and the ongoing volatility of the operating environment the Global Fund has made good progress in 2021 in adapting the risk management framework and mitigating the impacts of the pandemic. As a result, the expectation is that the risk profile will start to stabilize moving into 2022, and for some risks, the direction of travel should already start to decrease
54. It is also important to note that through this process of adaptation the organization's approach to risk management has also matured. There is more rigor around prioritization to ensure that resources are being targeted where they can have the most impact. The appetite for institutional self-reflection and building on lessons learned has also increased enabling a more mature approach to problem identification and, critically, problem solving. In addition, the organization's agility has also increased. Staff, partners and implementers have all stepped up, supporting the implementation of new initiatives that will ultimately help maximize the impact of HTM and C19RM investments and save lives.
55. Challenges nonetheless remain and risks will inevitably materialize. There is also still work to be done in terms of operationalizing improvement and strengthening initiatives linked to risk management. However, the organization is in a strong position moving into 2022.

## **Annexes**

The following items can be found in Annex:

- Annex 1: Organizational Risk Register (ORR) for Q2-2021
- Annex 2: Relevant past Board Decisions
- Annex 3: Links to relevant past documents and reference materials

## **Annex 1 – Organizational Risk Register (ORR) for Q2-2021**

1. The organization's overall risk profile continues to be elevated due to the impact of COVID-19 in-country disruption effecting program delivery, supply chains and national economies. Since the last ORR update in Q1-2021, risk levels remain unchanged with 12 of the 22 risks having a 'High' or 'Very High' risk level, of which, majority are grant facing. In addition, direction of travel for 13 of the 22 risks continues to trend upwards.
2. However, the direction of travel for the Program Quality (PQ) - HIV & Malaria have stabilized due to ongoing efforts of various program adaptations. For PQ-HIV, ongoing adaptations to support people on ART and maintaining access to HIV testing are moving forward. For PQ-Malaria ongoing adaptations and support for malaria campaign implementation have had positive results.
3. While majority of grant facing risks remain at a 'High' risk level, we expect that the direction of travel will stabilize and reverse in the coming quarters. The primary drivers behind this reversal include:
  - i. Program Quality - ongoing efforts of various program adaptations;
  - ii. M&E - integration of COVID-19 reporting into national HMIS platforms like DHIS and improved use of data for COVID-19 surveillance and localized response, contact tracing and program adaptations;
  - iii. Procurement - ongoing efforts on articulating the health product segmentation framework to manage procurement related risks, and additional grant assurance activities;
  - iv. In-Country Supply Chain - implementation of Supply Chain and Health Services Spot Checks and restructured technical assistance modalities, with a particular focus on regional and remote assistance; and,
  - v. Finance & Fiduciary - ongoing efforts of various adaptations and additional assurances under the C19RM mechanism.
4. Since the COVID-19 pandemic has had a significant impact on the Global Fund's operating environment, causing widespread disruption, risk levels are significantly higher, and some have exceeded the Board Approved Risk Appetite levels. Implementing mitigating actions will take time, and for those risks where the Global Fund has less influence, higher risk levels may need to be accepted for longer. Therefore, work is currently underway to revise the Risk Appetite Levels, new target levels and associated timeframes to achieve the target risk levels. These revisions and recommendations will be presented to the 2021 November Board and will be reflected in the ORR upon approval.

ORR Risk Summary						2021-Q2
Risk Name	Lead Committee	Residual Risk	Risk Appetite	Change since last quarter	Direction of travel	Global Fund ability to mitigate
01 - Program Quality - HIV	Strategy Committee	High	Under Review	No change	Steady →	Moderate
02 - Program Quality - TB	Strategy Committee	Very-High	Under Review	No change	Increasing ↑	Moderate
03 - Program Quality - Malaria	Strategy Committee	High	Under Review	No change	Steady →	Moderate
04 - M&E	Strategy Committee	High	Under Review	No change	Steady →	Moderate
05 - Procurement	Strategy Committee	High	Under Review	No change	Increasing ↑	Significant
06 - In-Country Supply Chain	Strategy Committee	High	Under Review	No change	Increasing ↑	Moderate
07 - Financial and Fiduciary	Audit & Finance Committee	High	Under Review	No change	Increasing ↑	Moderate
08 - In-Country Governance	Audit & Finance Committee	Moderate	Under Review	No change	Increasing ↑	Moderate
09 - Quality of Health Products	Strategy Committee	Moderate	Under Review	No change	Increasing ↑	Moderate
10 - Human Rights & Gender Inequality	Strategy Committee	High	Not Applicable	No change	Increasing ↑	Minor
11 - Transition	Strategy Committee	High	Not Applicable	No change	Steady →	Minor
12 - Drug & Insecticide Resistance	Strategy Committee	High	Not Applicable	No change	Steady →	Moderate
13 - SEAH and Misconduct	Ethics & Governance Committee	High	Not Applicable	No change	Increasing ↑	Moderate
14 - Future Funding	Audit & Finance Committee	Moderate	Not Applicable	No change	Increasing ↑	Moderate
15 - Internal Operations	Audit & Finance Committee	Moderate	Not Applicable	No change	Steady →	Significant
16 - Integrated Grant Policies, Processes, Systems & Data	Audit & Finance Committee	Moderate	Not Applicable	No change	Steady →	Significant
17 - Risk Management & Internal Controls	Audit & Finance Committee	Moderate	Not Applicable	No change	Increasing ↑	Significant
18 - Legal	Ethics & Governance Committee	Moderate	Not Applicable	No change	Steady →	Moderate
19 - Governance & Oversight	Ethics & Governance Committee	Moderate	Not Applicable	No change	Increasing ↑	Significant
20 - Organizational Culture	Audit & Finance Committee	Moderate	Not Applicable	No change	Steady →	Significant
21 - Workforce Capacity, Efficiency & Wellbeing	Audit & Finance Committee	Moderate	Not Applicable	No change	Increasing ↑	Significant
22 - Reputation	Board	High	Not Applicable	No change	Increasing ↑	Moderate

01 - Program Quality - HIV		Risk owner		2021-Q2		MEC Approved	
<b>Risk Description</b>	Inadequate quality of programs/services and/or delays and disruptions in implementation and service delivery of existing programs due to COVID19 pandemic, funded by the Global Fund, which results in missed opportunities to maximize improvement of measurable outcomes in the fight against the HIV and the effort to strengthen resilient and sustainable systems for health.						
<b>Risk Impact</b>	Poor treatment outcomes and or loss of patient cohort. Failure to find missing cases of HIV – and failure to reach those at high risk of HIV with effective prevention-leading to ongoing HIV transmission/acquisition. Impact mediated by pandemic response (lockdowns and stigma and fear generated) as well as physical difficulty accessing services, and diversion of health systems attention and resources. Based on current information, while the current risk level is 'High', with ongoing efforts of various program adaptations, we expect the direction of travel to stabilize further and reverse in the coming quarters.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>		Steady	<b>Global Fund ability to mitigate</b>	Moderate	
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	High	<b>Target Risk</b>	Moderate	<b>Target risk timeframe</b>	Under Review
<b>Key Partners</b>	The Global Fund's bilateral and multilateral partners have the capacity and opportunity to influence but not control program quality risk						
<b>Key Countries</b>	Angola; Botswana; Cameroon; Côte d'Ivoire; Democratic Republic of the Congo; Eswatini; Ethiopia; Ghana; Kenya; Lesotho; Malawi; Mozambique; Myanmar; Namibia; Nigeria; Rwanda; South Africa; Thailand; Uganda; Ukraine; United Republic of Tanzania; Viet Nam; Zambia; Zimbabwe						
<b>Root Cause</b>							<b>Related Action</b>
COVID-19 related restrictions, use of administrative measures and other efforts to control the pandemic have negatively affected prevention programs (especially for KPs e.g. harm reduction services for PWID, services for sex workers and VMCC which reported a high level of disruption). All care and treatment activities relying on attending health facilities disrupted – but most are returning to previous or pre pandemic levels, although in several countries new starts on treatment have been impacted. Case finding for children highly disrupted with slower recovery. People currently on treatment retention less affected with disruptions. Diversion of government and other bilateral financial and human resources to COVID19 response resulting in limited fiscal space for HIV specific programming.							MA-5728 MA-5729 MA-5740
Interventions and targets not based on programs' context or not addressing National Strategic Plan priorities.							MA-5728 MA-5732
Key interventions not sufficiently focused on populations most in need of services or include highest impact to reduce new HIV infections and well-linked to achieving program outcomes.							MA-5730 MA-5732 MA-5733 MA-5736 MA-5739
Guidelines/tools to review quality of services are not available or programs are not routinely reviewed and/or deprioritized during COVID.							MA-5732 MA-5733 MA-5734 MA-5735 MA-5737 MA-5739
Delays in adoption and implementation of approved national policies and or WHO guidelines (takes an average of 18 months, and often much longer in non PEPFAR countries).							MA-5730 MA-5735 MA-5736
Poor quality of health products and unstable drug supply. Mismatch of supply to demand with supplies sitting in facilities affected by restrictions- testing and therapeutics.							MA-5735
Inadequate staff capacity working in environments that are often not sufficiently supportive (gaps in training, support and supervision, misaligned incentives, etc.) and health care worker burn out as tasked with COVID related activities.							MA-5736 MA-5739
Insufficient and inadequate use of data for the appropriate design of quality and efficient programs aligned with epidemiological context, combined with insufficient monitoring and surveillance.							MA-5730 MA-5734
<b>Current controls &amp; mitigations</b>							<b>Assurances</b>
MA-5728	Ensure commodity security. Additional support to countries which are at maximum risk of treatment disruption. - Managing risk of supply interruption leading to stock out end 2020 of 1st and 2nd line ARV regimens in collaboration with GF Supply Operations, WHO and PEPFAR - Front load commodity orders where feasible - Close monitoring of delivery lead times and in-country stock management						Routine monitoring (community/facility)/ DQA-ART
MA-5729	The Global Fund has made available additional funding to help countries fight COVID-19, mitigate the impacts on lifesaving HIV, TB and malaria programs, and support health systems. A portion of this funding made available to mitigate impact on HIV programs.						Project management, M&E
MA-5730	Aligning program and data quality assurance with overall Risk and Assurance Planning.						Country Portfolio reviews
MA-5732	Strengthening review of quality at Secretariat level through country-specific and cross-portfolio reviews by the Portfolio Performance Committee, to identify gaps and opportunities for improvement.						PPC reviews
MA-5733	Refocusing on grant programs' quality and efficiency, through strengthening in country review and dialogue with partners to identify opportunities to improve quality and leverage partner technical, financial and political resources accordingly.						Routine Programmatic analysis
MA-5734	Strengthening focus on measurable outcomes that drive impact, enhancing data use for action and improvement, leveraging efficiencies to maximize value for money and strengthening mutual accountability, including roll-out of the Data Use for Action and Improvement framework (DUAP), inclusive of indicators on measuring program quality, aligned with the 2018 Corporate Priority 4 on Data systems for health and use of data for program quality and efficiency improvement.						National or disease specific reviews (IBBS/ treatment cascade analysis)
MA-5735	Global Fund grants support countries to implement changes to drug policies when necessary, accelerate uptake of innovation and behavior change communication for disease prevention and support programs to improve treatment adherence, including through strengthening of communities.						National Health Facility Assessment
MA-5737	Ongoing dissemination of best practices and practical guidance by Technical Advice and Partnerships, including quality standards and normative guidelines and tailored communication to GMD for acceleration of transition to updated technical partner guidance.						Partner reviews, Program quality spot checks
MA-5740	Guidance (internal and from WHO) has been elaborated on how to prioritize continuation of essential HIV programs activities and mitigate the impact of COVID-19 epidemic. Technical teams have distilled this into simple five must haves that have been communicated to country teams. HIV Advisors/PHME continue supporting countries to ensure C19RM applications include critical adaptations not covered in the grants or by other donor or domestic streams.						Country evaluations, Thematic reviews
MA-5741	- Accelerate differentiated service delivery, with focus on getting services out of facilities, decongesting clinics and making services more accessible to the people / community to maximize continuity of care. Includes identify patients at risk for interruption in treatment, improved patient tracking, establish contact methods and establishing virtual platforms. Increasing use of technology, across prevention, testing and treatment services. - Empower communities so they can play a more active role in service delivery, community-led monitoring for quality services and policy requirements and enable Community health workers. - Pursue policy shifts to allow out of facility dispensing, provision of testing and prevention services.						
MA-5742	Expand multi month dispensing (MMD) for treatment and prevention commodities and other measures to maximize continuity of treatment. Globally, implementation of MMD of ARVs has been accelerated and many						

	countries have introduced new policies to adapt HIV service delivery under lockdown.				
MA-5775	<p>Focused support for HIV prevention programs in a subset of countries that face significant disruptions:</p> <ul style="list-style-type: none"> <li>- Re-establish VMMC services, where appropriate</li> <li>- Condom programs – supply, distribution to non-facility-based outlets and community sites, adapted demand creation</li> <li>- Support for adaptation of HIV prevention outreach services towards alternative/ redefined service delivery models (social media platforms for KPs, peer-led network-based outreach programs, including protective measures for peer/ community outreach staff)</li> <li>- Prioritize investment for self-testing, self-care and other rapid and community-based testing programs. Move for over the counter status and subsidy for HIV ST, condoms, PrEP - with private sector distribution and subsidy.</li> <li>- Additional support for gender-based violence services</li> </ul>				
		<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.		
<b>Controls &amp; mitigations in development or planned</b>		<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>	
MA-5736	Further differentiation of HIV testing to improve efficiency and effectiveness for first 90 (90-90-90 Global Target) and as entry point to prevention. Work with technical partners to improve modalities of out of facility HIV testing, and linkages to treatment for positives and prevention for HIV negative individuals. Scale up differentiated service models in all countries with added support through the DSD SI in 8 countries, accelerate use of HIV self-testing in all countries – special focus on those with matching funds.	Underway	31-12-2021	TAP	
MA-5739	<p>Further support for implementation of new guidance and action planning related to:</p> <ul style="list-style-type: none"> <li>- Working with sourcing, GMD and partners (such as PEPFAR) on TLD transition countries</li> <li>- PreP surge – accelerate introduction of prep and use of new DVP ring for prevention in females.</li> <li>- HIV self-testing surge - investment case prepared for C19RM IC/Portfolio optimization consideration.</li> <li>- Managing risk of and transition to pediatric treatment DTG 10 mg. Accelerate transition to more effective regimens and address potential country level need to dispose of existing stock.</li> </ul>	Underway	31-12-2021	TAP	
MA-5776	<p>Accelerate adoption of five Covid HIV program adaptation must haves (Multi-month dispensing of prevention, care and treatment products; out-of-facility dispensing of prevention, care and treatment products; virtual service delivery through telephone or online platforms; differentiated HIV testing –including self-testing (HIVST) and out-of-facility models; and KP and AGYW Prevention Programming adaptations):</p> <ul style="list-style-type: none"> <li>- Technical guidance developed and dissemination in collaboration with HIV partners and the HIV Situation Room</li> <li>- UNAIDS virtual clinics and UAIDS/WHO technical support through regional focal person</li> <li>- Streamlined support to CCM through Global Fund partnership for C19RM funding request development. Rigorous process for Secretariat and CTAG/GAC partner review of funding requests and recommendation by Investment Committee</li> <li>- An enhanced Monitoring and Oversight approach to further strengthen systematic review of program performance and identify risks and outliers (portfolio wide or country specific issues) for attention and steer from C19RM Investment Committee.</li> </ul>	Underway	31-12-2021	TAP	
MA-6071	Align with PEPFAR and review funding and alignment to ensure adequate support for program adaptation implementation. Deep Dive look at implementation readiness, appropriateness, and scale to protect treatment across 9 high burden countries and to protect prevention across 4 priority countries.	Underway	31-12-2021	TAP	

02 - Program Quality - TB		Risk owner TAP			2021-Q2	MEC Approved			
<b>Risk Description</b>	Inadequate quality of programs/services funded by the Global Fund, which results in missed opportunities to maximize improvement of measurable outcomes in the fight against Tuberculosis and the effort to strengthen resilient and sustainable systems for health.								
<b>Risk Impact</b>	Poor adherence to international standards for prevention, diagnosis and treatment, and poor adherence to treatment regimens, or treatment disruptions contributed by the (lockdown and restriction of movement) pandemic, contributing to the reduction in case detection, treatment and prevention activities which may lead to increased drug resistance, treatment failure and heightened disease burden. Based on current information, while the current risk level is 'Very High', with ongoing efforts of various program adaptations, we expect the direction of travel to stabilize and reverse in the coming quarters.								
<b>Change since last quarter</b>	Increased	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Moderate				
<b>Residual Risk</b>	Very High	<b>Risk Appetite</b>	High	<b>Target Risk</b>	Moderate	<b>Target risk timeframe</b>	Under Review		
<b>Key Countries</b>	Bangladesh, Cameroon, Cambodia, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Mozambique, Myanmar, Nigeria, Pakistan, Philippines, South Africa, Tanzania, Uganda, Ukraine, Viet Nam, Zambia								
<b>Root Cause</b>							<b>Related Action</b>		
Treatment disruptions due to lockdowns; constraints on both demand for health (less people accessing health care centers from fear of Covid infection) and supply for health care services (TB staff and domestic funding resources redeployed for pandemic response, MDR wards repurposed for Covid 19 patients, challenges in the supply chain for therapeutics).							MA-5483 MA-5484		
Insufficient and inadequate use of data for the appropriate design of quality and efficient programs aligned with epidemiological context, combined with insufficient monitoring and surveillance.							MA-5489		
Interventions and targets not based on programs' context or not addressing National Strategic Plan priorities.							MA-5486 MA-5490		
Key interventions not sufficiently focused on populations most in need of services, or well-linked to achieving program outcomes.							MA-5488 MA-5490 MA-5489 MA-5493 MA-5494 MA-5495		
Guidelines/tools to review quality of services are not available or programs are not routinely reviewed.							MA-5486 MA-5488 MA-5485 MA-5492 MA-5493 MA-5495		
Programs do not adhere to approved national or WHO guidelines e.g. medicine formulations, diagnostic tools, laboratory, procurement, patient identification, prevention, care and treatment or adherence to TB treatment, or there is an absence of a clear framework to guide decision making.							MA-5485 MA-5491 MA-5489 MA-5495		
Poor quality of health products and unstable drug supply, which is further exacerbated by the pandemic							MA-5485		
Inadequate staff capacity working in environments that are often not sufficiently supportive (gaps in training, support and supervision, misaligned incentives, etc.) and inappropriate use of drugs.							MA-5494 MA-5495		
<b>Current controls &amp; mitigations</b>							<b>Assurances</b>		
MA-5483	Guidance (internal and from WHO) has been elaborated on how to continue with TB programs activities and mitigate the impact of Covid-19 epidemic. This guidance has been shared internally (country teams) and externally (countries).						Country evaluations, Thematic reviews		
MA-5484	Ensure continuation of treatment. Multi Month Dispensing with people taking home 1-2 months of TB drugs - follow-up by phone and report adverse reactions by phone and SMS. The Global Fund has already made available additional funding to help countries fight COVID-19, mitigate the impacts on lifesaving HIV, TB and malaria programs, and support health systems. A portion of this funding was available to mitigate impact on TB programs including for procurement of additional GeneXpert machines and cartridges.						Program quality spot checks, Prospective Country Evaluations		
MA-5485	Global Fund grant support countries to implement changes to drug policies when necessary, accelerate uptake of innovation and behavior change communication for disease prevention and support programs to improve treatment adherence.						Population based surveys		
MA-5486	Refocusing on grant programs' quality and efficiency, within current budget limitations, through strengthening in country review and dialogue with partners to identify opportunities to improve quality and leverage partner technical, financial and political resources accordingly.						Routine Programmatic analysis		
MA-5488	Promoting differentiated approaches and integrated service delivery models to achieve impact in diverse country contexts, including at community level, supporting efforts to find missing TB cases.						National Health Facility Assessment		
MA-5489	Aligning program and data quality assurance with overall Risk and Assurance Planning.								
MA-5490	Strengthening review of grant and program performance at the Secretariat level through country-specific and cross-portfolio reviews by the Portfolio Performance Committee, to identify gaps and opportunities for improvement.						Routine monitoring (community/facility)		
MA-5491	WHO normative guidance regarding appropriate treatment guidelines and protocols in place. Global Fund support for implementation of new WHO guidelines, including guidelines in Drug Resistance TB, innovation initiatives including the Innovation 2 Impact Initiative to develop and deliver new vector control products, and development of new and innovative disease management strategies.						Partner reviews		
MA-5492	Ongoing dissemination of best practices and practical guidance by Technical Advice and Partnerships, including quality standards and normative guidelines.								
							<b>Overall Status</b>		
							Risk mitigation is on track. There are no material delays.		
<b>Controls &amp; mitigations in development or planned</b>							<b>Status</b>		
							<b>Target completion</b>		
							<b>Action owner</b>		
MA-5482	Accelerate uptake of program adaptations, innovations and catch-up plans using existing grant resources and C19RM mechanism, through ongoing dissemination of best practices and technical guidance and support to programs through Global Fund Partnership mechanisms to maintain and expand disease prevention and treatment programs, including strengthening of communities and community responses. Specifically, this entails: - Work with 20 priority countries with the largest level of disruption to develop context-specific mitigation interventions and monitoring mechanisms by end 2021, and implement country specific surge-up plans after mapping priority interventions to scale-up TB screening and testing to bridge the gap in TB notification. - Prioritized adaptations include: - TB/COVID-19 bi-directional screening and testing - TB/COVID-19 contact tracing - Provide virtual TB care in community (using NGOs or community workers, digital adherence technologies) - Accelerate engagement with private sector for early diagnosis and treatment - CSO/Community facilitated drug delivery and patient support: Home based TPT delivery and integration of TPT delivery in existing MMD strategies etc. - Campaign style approach to diagnosis, treatment and prevention - Ensure commodity security. Accelerate use of smart purchasing for TB services (lab, CXR, drug delivery, treatment						Underway	31-12-2022	TAP

	monitoring) wherever feasible. Planning to prevent commodity gap and human resources gap in coming months. - An enhanced Monitoring and Oversight approach for C19RM initiated to further strengthen systematic review of program performance and identify risks and outliers (portfolio wide or country specific issues) for attention and steer from C19RM Investment Committee.			
MA-5493	Strengthening integrated service delivery: Integration of HIV, TB and malaria services into broader service delivery platforms (i.e.-ANC/PNC, PHC) through technical partners and implementers.	Underway	31-12-2021	TAP
MA-5494	The efforts of the TB Strategic Initiative will continue in the next cycle 2020-2022 with expansion of coverage (from 13 to 20) and scope (finding missing people with TB including DS-TB, DR-TB, and TB prevention therapy): US \$ 150 million: Matching Fund for priority countries; US \$ 14 million: TB Strategic Initiative to support implementation of innovative approaches to find and treat missing people with TB through working with Stop TB Partnership and WHO; US \$ 40 million multi-country investment for programs focused on migrants and cross-border issues, the mining sector, refugees, improved laboratory services. The signing of the grants with implementing partners for the TB SI is underway. The implementation of the country component for TA has been initiated and TA has been deployed in consultation and coordination with partners. There is a significant delay in signing of the grants to initiate work on the Global Component of TB SI to support countries.	Underway	31-12-2023	TAP
MA-5495	Further support for implementation of new guidance and action planning related to TB: Support to countries for implementation of new guidance and action planning related to both drug sensitive drug and drug resistance TB through the TB Strategic Initiative. This includes operationalization of the new GLC MoU which was signed in July 2020; supporting countries transition to the new MDR-TB regimens (About 75% (15) of the 20 priority countries will start implementing the new regimens for treatment of patients with DR-TB and about 80% of the countries will receive TA support from GLCs in 2021 and dissemination of new WHO regimens and guidelines within the Secretariat.	Underway	31-12-2021	TAP

03 - Program Quality - Malaria		Risk owner		2021-Q2		MEC Approved		
<b>Risk Description</b>	Inadequate quality of programs/services funded by the Global Fund, which results in missed opportunities to maximize improvement of measurable outcomes in the fight against Malaria and the effort to strengthen resilient and sustainable systems for health.							
<b>Risk Impact</b>	Sub-optimal coverage and quality of case management and vector control interventions would result in higher incidence and increased morbidity and mortality due to malaria, especially exacerbated in high-risk environments that account for significant portion of Global Fund malaria investments. Vector control threatened by inability to achieve or maintain population coverage over time, sub-optimal use increasing insecticide resistance to pyrethroids which will reverse transmission reduction due to vector control if mitigating actions not taken. Case management challenged by insufficient access to care and poor-quality services. This includes challenges such as delayed treatment seeking, poor adherence to clinical algorithms, inaccurate reporting and recording and high service disruptions from the pandemic (delays in LLIN/IRS campaigns, procurement delays and disruptions in stocks of key products). Based on current information, while the current risk level is 'High', with ongoing efforts of various program adaptations, we expect the direction of travel to stabilize further and reverse in the coming quarters.							
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Steady	<b>Global Fund ability to mitigate</b>	Moderate			
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	High	<b>Target Risk</b>	Moderate	<b>Target risk timeframe</b>	Under Review	
<b>Key Partners</b>	The Global Fund's bilateral and multilateral partners have the capacity and opportunity to influence but not control program quality risk							
<b>Key Countries</b>	Bangladesh, Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Malawi, Mali, Mozambique, Myanmar, Nigeria, Pakistan, Rwanda, , Sudan, Tanzania, Uganda, , Viet Nam, Zambia, Zimbabwe							
<b>Root Cause</b>							<b>Related Action</b>	
Insufficient and inadequate use of data for the appropriate design of quality and efficient programs aligned with epidemiological context, combined with insufficient monitoring and surveillance.						MA-5863		
Interventions and targets not based on programs' context or not addressing National Strategic Plan priorities.						MA-5858 MA-5860 MA-5861 MA-5865		
Key interventions not sufficiently focused on populations most in need of services, or well-linked to achieving program outcomes.						MA-5855 MA-5856 MA-5857 MA-5861 MA-5863 MA-5864 MA-5866		
Guidelines/tools to review quality of services are not available or programs are not routinely reviewed.						MA-5851 MA-5860 MA-5862 MA-5865		
Programs do not adhere to approved national or WHO guidelines e.g. medicine formulations, diagnostic tools, laboratory, procurement, patient identification, prevention, care and treatment or adherence treatment, or there is an absence of a clear framework to guide decision making.						MA-5859 MA-5862 MA-5863 MA-5865		
Poor quality of health products and unstable drug supply. This is further exacerbated due to the pandemic, with delays reported in LLIN and IRS (more so due to supply issues for PPEs and/or insecticides).						MA-5859 MA-5862 MA-5866		
Inadequate staff capacity working in environments that are often not sufficiently supportive (gaps in training, support and supervision, misaligned incentives, etc.) and inappropriate use of drugs.						MA-5865		
Service disruptions and significant risks to the malaria program arise from delays in implementation or the inability to continue with ITN campaigns (routine or mass), IRS and SMC campaigns, and disruptions to delivery of case management due to the pandemic. Comparatively more delays are reported for IRS owing to supply issues for PPEs and/or insecticides or both. 8 out of the 19 countries with IRS campaigns scheduled this year in 2020 reported some levels of delays again due to procurement challenges. Delays in surveillance data, there are challenges in completeness and timeliness of data, as well as in coordinating information from different partners (some using different metrics). Early detection and treatment: Case management may be challenging with increased needs of PPEs at health facilities and at the community (to ensure and assure continuation of services) which is a challenge in many countries, prolonged lead times for key commodities and reports of stock outs in some countries.						MA-5859 MA-5867		
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>		
MA-5851	Ongoing dissemination of best practices and practical guidance by Technical Advice and Partnerships, including quality standards and normative guidelines.							
MA-5854	WHO normative guidance regarding appropriate treatment guidelines and protocols in place.							
MA-5855	Supporting sub-national stratification to target vector control tools and other interventions to maximize impact through modeling under STC SI in support of High Burden High Impact (HBHI) initiatives. All 11 HBHI countries submitted funding requests based on outcomes of modeling and sub national stratification.							
MA-5857	Expanding access to care via appropriate channels (public, community versus private)						Partner reviews	
MA-5858	Sub-national stratification to target vector control tools to maximize impact and efficiency.						Routine monitoring (community/facility)	
MA-5859	Scale up of synergist LLINs to address pyrethroid resistance. And ensuring campaigns remain on track or are accelerated (where possible): ITN, SMC campaigns are generally noted to be on track. Some challenges noted with IRS campaigns, mostly supply chain related issues linked to PPEs and/or insecticides. To note that non-COVID-19 related downstream operational and political challenges (in some countries) have also contributed to the delays in IRS campaigns.						Country evaluations, Prospective Country Evaluations	
MA-5860	Refocusing on grant programs' quality and efficiency, within current budget limitations, through strengthening in country review and dialogue with partners to identify opportunities to improve quality and leverage partner technical, financial and political resources accordingly.						Routine Programmatic analysis	
MA-5861	Strengthening review of quality at Secretariat level through country-specific and cross-portfolio reviews by the Portfolio Performance Committee, to identify gaps and opportunities for improvement.						Population based surveys/ Malaria Indicator Surveys	
MA-5862	Global Fund grants support countries to implement changes to drug policies when necessary, accelerate uptake of innovation and behaviour change communication for disease prevention and support programs to improve treatment adherence.						National Health Facility Assessment	
MA-5863	Aligning program and data quality assurance with overall Risk and Assurance Planning.							
MA-5864	Enhancing quality of service provision given access.						Program quality spot checks, Thematic reviews	
MA-5865	Strengthening monitoring of drug and insecticide resistance to ensure optimal choices of interventions for maximum impact and improving surveillance and enhancing entomological capacity at country level (to inform vector control strategies and track their impact on malaria transmission, focusing on the 10 highest burden countries).							
						<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.	

Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-5856	Accelerating elimination of malaria in 20 countries, through technical assistance and the use of catalytic funding of USD 7m. As at the end of Q4 and conclusion of the SI: 5/21 E2020 countries have been certified malaria-free, of which 4 are Global Fund supported. Seven of the 10 countries meeting the 2020 GTS elimination milestone were supported through this strategic initiative: Algeria, Belize, Cabo Verde, China, El Salvador, Islamic Republic of Iran and Malaysia.	Underway	31-09-2021	TAP
MA-5866	Catalyzing market entry of new LLINs through pilots in a number of high burden countries in Western Africa which have intense pyrethroid insecticide resistance. Includes USD35m in catalytic funding. As at the end of Q4 the SI had supported the cost differential of 21.3M new nets for deployment in 5 countries with critical insecticide resistance concerns.	Underway	30-12-2021	TAP
MA-5867	<p>Accelerate uptake of program adaptations, innovations and catch-up plans using existing grant resources and C19RM mechanism, through ongoing dissemination of best practices and technical guidance and support to programs through Global Fund Partnership mechanisms to maintain and expand disease prevention and treatment programs, including strengthening of communities and community responses.</p> <p>Specific measures include:</p> <ul style="list-style-type: none"> <li>- Vector control: Prioritize filling gaps in vector control coverage of current geographic areas and upgrade tools (Pyrethroid-only ITNs to pyrethroid-PBO ITNs) where feasible and applicable.</li> <li>- Seasonal Malaria Chemoprevention (SMC): Prioritize filling gaps in current geographic areas and expanding geographic coverage to areas identified through stratification exercises and incorporated into funding requests for (full scale up of SMC following WHO criteria is expected in 2021 onwards, subject to TRP approval)</li> <li>- Work with manufacturers to maximize product availability in view of advance procurement and increased need for health products: This applies to PPEs, ACTs/RDTs, ITNs, insecticides and SMC drugs. For some products such as for SMC, manufactures' capacity for expansion beyond 2021 campaigns may be limited. Market entry for additional manufacturer is subject to PQ approval, which may bring additional capacity</li> <li>- Partner mobilization and collaboration to support adaptations of mass LLIN, SMC and IRS campaigns to the COVID-19 context enabling scheduled campaigns to proceed and targeted coverage to be achieved.</li> <li>- Coordinating with partners to triangulate information on stock-out situation (based on partner data/LFA survey etc.) and improve health product demand forecast (12-18months outlook).</li> <li>- Minimize (and prevent) risk of potential stock outs of ACTs/RDTs by ensuring adequate stocks are maintained at the central level, including flexibilities based on increased consumption and prolonged procurement lead times.</li> <li>- An enhanced Monitoring and Oversight approach for C19RM initiated to further strengthen systematic review of program performance and identify risks and outliers (portfolio wide or country specific issues) for attention and steer from C19RM Investment Committee.</li> </ul>	Underway	31-12-2021	TAP

04 - M&E		Risk owner		2021-Q2		MEC Approved	
<b>Risk Description</b>	Poor quality and/or unavailability of program data due to weak in-country M&E systems and/or delays or disruption in service provision (caused by the COVID-19 pandemic) that do not lead to proper planning decisions and efficient investments and therefore hamper programs' ability to reach their targets and health impact.						
<b>Risk Impact</b>	Poor quality data (delayed and /or incomplete data) can impede implementers' management of quality programs and the Global Fund's ability to assess their impact. This can result in programs with improper focus on relevant interventions and beneficiary populations and failure to achieve desired public health impact. While the programs were largely on track to reach moderate level in 2021, the risk has transiently increased to 'High' due to COVID-19 disruptions and repurposing of M&E staff and increase in demand for frequent and recent data. However, with integration of COVID-19 reporting into national HMIS platforms like DHIS and improved use of data for COVID-19 surveillance and localized response, contact tracing and program adaptations we expect the direction of travel to decrease in the coming quarters.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>		Steady	<b>Global Fund ability to mitigate</b>	Moderate	
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	High	<b>Target Risk</b>	Moderate	<b>Target risk timeframe</b>	Under Review
<b>Key Partners</b>	The World Health Organization, GAVI, Gates Foundation, USG (PEPFAR/OGAC, USAID, CDC), NORAD, GIZ and World Bank and University of Oslo have a moderate ability to mitigate Strategic Data Quality and Availability risk.						
<b>Key Countries</b>	Bangladesh, Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, Guinea, India, Indonesia, Kenya, Malawi, Mali, Mozambique, Myanmar, Niger, Nigeria, Pakistan, Rwanda, South Africa, Sudan, Tanzania, Uganda, Ukraine, Viet Nam, Zambia, Zimbabwe, PNG						
<b>Root Cause</b>							<b>Related Action</b>
Insufficient human and financial resources, and infrastructure and/or disruptions in routine HMIS reporting contributed by reduced staff availability and capacity and repurposing of M&E staff for COVID-19 response and reporting.						MA-5968 MA-5969 MA-5973 MA-5978	
Weak management at country level and/or delays in coordination of activities with in-country stakeholders delayed due to prioritization of COVID-19 response activities.						MA-5969 MA-5970 MA-5973	
Inadequate supervision (also caused by restrictions and lockdowns in country from the COVID-19 pandemic).						MA-5970	
Poor analytical capacity						MA-5969 MA-6041 MA-6042	
Sub-optimal access to and use of program data						MA-5970 MA-5971 MA-5977	
Inadequate national M&E and HMIS Strategy with costed work plans						MA-5971 MA-5973 MA-5975 MA-6041	
Incomplete, multiple, or non-functional in-country data systems and data sources						MA-5968 MA-5973 MA-5976	
Fraud of program and performance data						MA-5968 MA-5969 MA-5971 MA-6042	
Disruption in the implementation of planned systems strengthening activities, including roll out of HFAs, DQRs, surveys or evaluations are due to Covid-19 pandemic disruptions in countries, as well travel restrictions which prevent or delay the QA/TA providers, including international service providers to travel to the countries, and the restrictions with in-country movement restrictions which prohibit or delays field-based visits to sites.						MA-5967 MA-5980 MA-5979	
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>	
MA-5968	Grant supported investments for strengthening of in-country M&E systems, including routine monitoring of facility and community systems rollout and maintenance.					Country/ Portfolio Evaluations	
MA-5969	Developed Global Fund Data Use for Action and Improvement Framework for 2017-2022 and operational guidance to guide how the Global Fund supports countries in strengthening their data collection and analysis capacity in order to ensure good quality data and analyses are available at country level and used for decision making during all stages of the program cycle, and the use of identified 3rd party service providers for data quality assurance.					National Data Quality Reviews (DQR)	
MA-5970	Through Catalytic Funding, development of a pool of pre-qualified providers to increase availability of Technical Assistance for M&E. Consultants in the pool (~200) have been deployed in over 40 countries, completing 82 TA requests across 8 M&E technical areas during NFM2. In addition, 13 new TAs currently ongoing, and 3 TAs are at initial planning stages (SI 2021).					Routine Programmatic analysis (use for Data Quality triangulation)	
MA-5971	Through Catalytic Funding/MECA operations for Data Systems, agreements with partners on outcome deliverables to ensure: (i) availability of normative M&E tools and guidance, (ii) integration of disease reporting within countries' national HMIS with epi-based analytical dashboards. Update: To date 77% (41) of HI & Core countries have HIV reporting integrated in the national HMIS, 79% (42) have TB integrated, and 89% (47) have malaria integrated, and (iii) inclusion of new functionalities / software applications into countries' national HMIS to more readily assess and improve data quality (e.g. WHO Data Quality Review app for DHIS2).					Data quality spot checks	
MA-5972	Systematic roll-out of evaluations in most focused portfolios. Through the 2018-2020 Strategic Initiative for Data (DATA-SI), 74/83 program evaluations (i.e. 89.1%) of HTM programs were successfully completed in GF Focused portfolios/countries by the end of December 2020, and rest being cancelled due to COVID-19 related disruptions. Mitigating measures were implemented to ensure the conduct/completion of these evaluations in some of the focused countries. NFM 3 evaluation planning in focused countries is ongoing across the relevant GF regions (working closely with GMD) and is expected to be finalized in Q3 2021.					Partner reviews	
MA-5973	Guidance note on key areas for M&E investments issued and being used by Country. Resources also developed for the COVID-19 context and disseminated to Country Teams; includes digital health information systems guidance. It also supports adapting M&E global goods, normative guidance and tools to virtual versions and e-learning training courses. Continued structured review by MECA Team of the M&E and HMIS Module of all HI and Core country new Funding Requests.					Prospective Country Evaluations	
MA-5974	Rigorous assessment of key population service coverage in 65 countries, with in-depth review in 32 countries and desk reviews for 33 countries completed. Recommendations for systems improvement being put in place. Quality assurance of Population based surveys-IBBS/PSE, MIS, TBPS in 39 countries, 8 completed.					Thematic Reviews, Population-based surveys	
MA-5975	Systematic tracking of KPI6d (% of countries with fully deployed and functional HMIS) and provision of support through Data SI and through MECA team staff to countries in need.					Monitoring country data systems	
MA-5978	Thematic reviews to provide information on progress of specific cross-cutting areas supported by GF strategy, e.g. ICCM, intervention packages for KPs, factors contributing to favorable MDR-TB treatment outcomes etc.: 12/13 reviews commissioned were all completed in 2020, and dissemination of the results are continuing through 2021. Through an extensive consultative process with internal and external stakeholders, 12 key thematic areas have been identified for review during 2021-2023.					Thematic Reviews, Population-based surveys	
MA-5979	Strengthening coordination with partners for Covid monitoring (e.g. with ACT-A, WHO, UNAIDS, PEPFAR, Modelling Consortium, etc to minimize any duplication/reporting burden on countries) and inclusion of a module in the evaluation protocol on COVID-19 disruptions and mitigations for upcoming evaluations.					Health Facility Assessments	

MA-6041	Through Catalytic Funding /MECA operations, joint plan established and implemented on strengthening HMIS systems with HISP University of Oslo (DHIS) and WHO (through the Strategic Initiative funding for Country Data Systems). New contracts for new Strategic Initiatives cycle 2021 – 2023 recently signed and starting new cycle of implementation. The partnership also supports deployment of DHIS2 COVID-19 surveillance and contact tracing modules in countries' national HMIS. These COVID-19 DHIS2 modules are now operational in 41 countries and in development in additional 13 countries.	Review of data systems (community/facility)		
MA-6042	Through Catalytic Funding, development of a pool of universities and local institutions to strengthen analytical capacity using local network of universities: workplan for strengthening analytical capacity done in 11 countries.	National or Disease Specific Program Reviews		
MA-5967	Rolled out LFA COVID-19 monthly monitoring survey (started in May 2020 as bi-weekly, changed to monthly since April 2021) intended to provide regular up-to-date information on extent of disruptions on the HIV, TB and malaria services, underlying health systems (HMIS, LMIS, in-country supply chain, financial management systems etc.), and the extent of disruptions in key grant processes (development of funding request and grant making).			
<b>Overall Status</b>		<b>Risk mitigation is on track. There are no material delays.</b>		
<b>Controls &amp; mitigations in development or planned</b>				
		<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5976	Outcome measurement of AGYW programs in 5 Southern Africa countries. Delays experienced due to the pandemic and Ethics Review Board approval.	Underway	31-08-2021	MECA
MA-5977	Undertake independent quality assurance of external QA of surveys in prioritized countries.	Underway	31-12-2021	MECA
MA-5980	Develop and operationalize the Monitoring and Oversight framework to track C19RM investments across core programmatic, financial, procurement and process related indicators across the C19RM grant life cycle.	Underway	31-12-2021	MECA
MA-6979	Establish new reporting mechanisms and tools to collect recent and frequent programmatic and service delivery data. Roll-out of Pulse Checks and Supply Chain and Health Service spot checks to have frequent and recent data to inform program adaptations and impact of C19RM investments on the three disease programs and C19 response and strengthen grant assurance.	Underway	31-12-2021	MECA, TAP, SO

05 - Procurement		Risk owner		2021-Q2		MEC Approved	
<b>Risk Description</b>	Procurement challenges and failures that lead to poor value for money or financial losses, incorrect or sub-standard products or delayed delivery, potentially leading to stock out, treatment disruption; poor quality of services or wastage of funds or products.						
<b>Risk Impact</b>	Global Fund exposure to health commodities procurement is material, as it captures between 40% and 60% of grant funding across the portfolio. The risk is concentrated in sub-Saharan Africa, with up to 75% of grant funds in the region budgeted for health commodities. Generally, about 59% of the Global Fund health commodities projected spend is procured centrally through the Pooled Procurement Mechanism (PPM), presenting an important market shaping opportunity, the balance is procured through a wide range of procurement channels, including national systems (20% of projected spend) and international organizations (e.g., UN agencies) (21% of projected spend). Health commodities procured through PPM have any associated risks managed directly by the Secretariat. Those commodities procured through the national systems can encounter challenges (& potential risks managed by the country) requiring Global Fund awareness, so as to enable mitigation and support; challenges include, but are not limited to, poorly managed and lengthy procurement processes, inadequate capacity to maximize value opportunities through strategic sourcing approaches and fraud that negatively affects value for money and the continuity of supply. Based on current information, while the current risk level is 'High', with ongoing efforts on articulating the health product segmentation framework to manage procurement related risks, and additional grant assurance activities, we expect the direction of travel to stabilize next quarter and start reversing in the coming quarters.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Significant		
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	Moderate	<b>Target Risk</b>	Moderate	<b>Target risk timeframe</b>	Under Review
<b>Key Partners</b>	Donors including the World Bank, US and France provide focused technical assistance related to health commodity procurement.						
<b>Key Countries</b>	Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, Guinea, India, Kenya, Malawi, Mozambique, Myanmar, Nigeria, Pakistan, Sudan, Tanzania, Uganda, Ukraine, Viet Nam, Zambia						
<b>Root Cause</b>							<b>Related Action</b>
Lack of critical mass (volume) for, and limited market knowledge of, critical health product portfolios, decreasing leverage							MA-5842 MA-5843 MA-5852 MA-5853
Inadequate procurement planning and lack of coordination with international partners							MA-5841 MA-5842 MA-5844 MA-5845 MA-5847 MA-5850 MA-5853
Potentially lengthy processes, and other governance challenges to the national procurement approaches.							MA-5841 MA-5845 MA-5853, MA-6336
Less than mature sourcing strategies and supplier relationship management, reducing value for money opportunity.							MA-5840
Restricted availability and/or increased workloads of the workforces involved in commodities' production, import/export documentation and controls, freight and logistics service providers, the Secretariat, and Procurement Services Agents (PSAs) and Partner Organizations as a result of COVID-19.							MA-5846 MA-5849 MA-5853
Freight and logistics disruptions, increased costs, including but not limited to the COVID-19 pandemic, driven by (a) origin and/or destination countries adopting different restrictions (b) reduced air and ocean freight capacity (c) origin and destination customs capacity.							MA-5842 MA-5846 MA-5847 MA-5848 MA-5849 MA-5853
Suppliers prioritizing the production and supply of COVID-19 and other commodities before core health commodities needed by Global Fund programs. This particularly affects diagnostics.							MA-5840 MA-5846 MA-5848 MA-5849 MA-5852 MA-5853
PR disruptions, such as COVID-19 pandemic lockdown restrictions and workforce illness, leading to late order submission or delayed order approvals/engagement, further limiting options for timely product delivery.							MA-5842 MA-5846 MA-5847 MA-5848 MA-5849 MA-5853
Export restrictions or limited supply availability of health commodities and/or associated raw materials could impact a countries health commodity supply security, whether COVID-19 or HTM.							MA-5846 MA-5847 MA-5848 MA-5849 MA-5852 MA-5853
Reductions in non-Global Fund funded and/or partner procurement for the three diseases, could lead to in-country health commodity shortages and urgent, unanticipated requests to the Global Fund to fulfill the shortfall.							MA-5846 MA-5847 MA-5848 MA-5849 MA-5853
Implications of the continued COVID-19 pandemic have resulted in an increased requirement for commodities for oxygen supply for recipient countries. This is a complex product category with very different product characteristics unfamiliar to Global Fund and international partners, which makes it more difficult to ensure supply at the international/global level, whether for oxygen (cylinders, PSA plants etc.) or equipment (concentrators).							MA-6053, MA-6334, MA-6335
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>	
MA-5840	Developing, updating and implementing health product sourcing strategies in line with Market Shaping Strategy, with the supply of core health products through performance-based framework agreements with suppliers.					Market Shaping Strategy was reviewed by Technical Evaluation Reference Group, the progress was reported to the Committees and the Board and acknowledged to be on-track. Implementation continues.	
MA-5841	Support access and compliance on a common platform (wambo.org), allowing PRs to transact orders using grant and non-GF grant funding, while extending PPM-negotiated prices and conditions to non-PPM procurements by other interested buyers through the Leveraging Impact Framework.					Only QA compliant products are purchased through Wambo.org	
MA-5842	Rapid Supply Mechanism (RSM) managed by the Supply Operations Department available to all PRs that responds to emergency needs of countries and addresses stock out situations for key health products.					Supplier monitoring of stock which can be made available through Rapid Supply Mechanism (RSM) to ensure availability of commodities as required, as per Framework Agreements.	
MA-5843	Grant budgeting guidance requiring use of PPM reference prices as a budget price for all PRs (Guidelines for Grant Budgeting).					LFA reviews of health product purchases for compliance with QA Policy and grant budgeting guidance.	
MA-5846	Regular coordination with suppliers, PSAs and partner organizations to monitor, assess, identify and mitigate risks and health commodity supply impact (and potential shortages); such as rerouting and/or changing transportation mode to leverage available logistics capacity, production reallocation and product volume allocation. Mobilizing internal and external PSA resources as required.					Regular performance reviews of Framework Agreement suppliers and Procurement Services Agents (PSAs) and Partner Organizations, include key performance indicator metrics (such as On-Time-In-Full (OTIF)) setting and monitoring. Quarterly Supply Operations reporting through the Performance Accountability Framework.	
MA-5847	Monitor unutilized budget and PO closure to maximize available funds for current grants, as well as heightened follow up with PRs for on-time order placement. Communicate Global Fund supply risk assessment and revised lead-times on the external website.					Supply Operations Steering Committee quarterly review of exceptions report.	
MA-5850	New version of HPMT for 2021-2023 grant cycle and demand consolidation tool rolled out this year to support						

	demand planning by the PRs	
MA-5852	Increase and expand alternative products and supply options, such as determining possible product and supplier shortlists in case alternate supply is required (MRDT, 2nd line ARVs, PBO LLINs, PPE, commodities for oxygen supply).	
MA-5853	Leverage partnerships to optimize supply, logistics solutions and accelerate regulatory approval pathway; jointly manage demand with common recipient countries; regular coordination with other multilateral organizations (such as USG, South Africa, etc.).	

<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.
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<b>Controls &amp; mitigations in development or planned</b>		<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5844	Design and implement a fit-for-purpose demand management process to maximize value (delivery performance, savings, secure the supply, etc.)	Underway	30-09-2021	SO
MA-5845	Continued expansion of procurement by country organizations using non-grant funding to reach an additional US\$50 million spend, subject to further revision by the Strategy Committee.	Underway	31-12-2022	SO
MA-5848	Improve the due diligence process that assesses the supply risk and price increase requests.	Underway	30-09-2021	SO
MA-5849	Define and deploy a cross-function supply chain operational risk management forum in response to major risk areas.	Underway	30-09-2021	SO
MA-6053	Partner with organizations with commodities for oxygen supply knowledge, UNICEF and i+solutions (following a PSA category selection tender) to ensure oxygen supply product availability whilst the commodities for oxygen supply strategy is developed (as applicable).	Underway	01-10-2021	SO
MA-6334	Order placement is being strengthened leveraging Wambo/PPM mechanisms as the preferred procurement channel for C19RM grants, with an established standardized review system of any request for deviation.	Underway	31.12.2022	SO
MA-6335	Conduct systematic pre-award LFA procurement reviews for procurement of COVID-19 HP conducted outside of Wambo/PPM, as part of the standard assurances package for C19RM funding.	Not started	31-12-2022	GMD
MA-6336	Regular communication with PRs/countries on product lead-times and order placement deadlines	Underway	31.12.2023	SO

06 - In-Country Supply Chain		Risk owner		2021-Q2		MEC Approved			
<b>Risk Description</b>	Disruption or poor performance of in-country health product supply chain services, from central warehouse to point of service delivery that could result in inadequate availability of commodities and/or wastage of grant-funded commodities through expiries or diversion. Gaps may be in supply systems arrangements, systems and capacity, data process and analytics, physical logistics and/or financing and can prevent achievement of grant objectives.								
<b>Risk Impact</b>	Inadequate availability of commodities or wastage of grant-funded commodities through expiries or diversion. Significant proportion of grant funding allocated to health commodities, high volumes of lifesaving products flow through in-country supply chains that are often fragile, insecure, and poorly managed and coordinated, which can lead to multiple risk events, including treatment disruption, poor quality of services, increased drug resistance, health products wastage and poor value for money. Ultimately, this can lead to reduced impact of Global Fund investments and increased mortality and morbidity.								
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Moderate				
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	High	<b>Target Risk</b>	Moderate	<b>Target risk timeframe</b>	Under Review		
<b>Key Partners</b>	Agencies of the US Government, Bill and Melinda Gates Foundation, Gavi, World Bank, World Health Organization and Interagency Supply Chain Group								
<b>Key Countries</b>	Bangladesh, Cameroon, Chad, Congo (Democratic Republic), Côte d'Ivoire, Ethiopia, the Gambia, Ghana, India, Malawi, Mali, Nigeria, Pakistan, Sudan, Tanzania (United Republic), Uganda, Burkina Faso, Haiti, Liberia, Niger, South Africa								
<b>Root Cause</b>						<b>Related Action</b>			
Inadequate in-country supply chain leadership, lack of in-country coordination, limited capacity of in-country actors to perform supply chain functions in many instances exacerbated by national response measures to COVID-19 and in-country disruptions.						MA-5694 MA-5695 MA-5699			
Lack of data availability or visibility and/or data quality related to consumption, stock of key commodities and patient information, resulting in lack of oversight, inaccurate quantification, forecasting and resupply.						MA-5693 MA-5694 MA-5696 MA-5697 MA-5698 MA-5731 MA-6047			
Inadequate facility/storage capacity and conditions, logistics information planning and distribution capacity; poor inventory management including insufficient inventory turns. Need for storage of COVID-19 products contributes to scarcity of warehousing.						MA-5694 MA-5695 MA-5698			
Lack of coordination among donors and key stakeholders that are involved in or support the supply management cycle of health products in country.						MA-5693 MA-5694			
Upstream challenges, including shipment delays, can result in unavailability of products within the in-country supply chain, increase supply planning challenges and heighten pressure on in-country systems.						MA-5693 MA-5697 MA-5698 MA-5699 MA-6047			
As a result of COVID-19, reduced Secretariat and implementer capacity/resources to drive implementation of agreed Transformation plans and reduced mobility of service providers to provide TA and collect data.						MA-5693 MA-5699			
Diversion of existing scarce resources across Global Fund and partners to support logistics relevant to COVID-19 response rather than the three diseases						MA-5693 MA-5694 MA-5698			
Insufficient number and quality of service providers to provide in-country supply chain related technical assistance						MA-5694			
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>			
MA-5693	The Cross-Donor Secretariat has been developed to allow a range of donors to align on and coordinate efforts related to in-country supply chain strengthening, data availability and COVID-19 response.								
MA-5694	Ongoing implementation of revamped, overarching Supply Chain Roadmap over the next 4 years to better leverage grant and SI funds, both for the 3 diseases and COVID. This includes implementation of supply chain strengthening transformation plans.								
MA-5695	Selectively engage private sector to be used as providers to deliver supply chain functions such as storage or transportation in underperforming environments. Service providers have been identified to be able to quickly support countries to outsource storage and distribution if needed.						Continued monitoring of country capacity for distribution given increased volumes of PPE, diagnostics, and other COVID-19 specific commodities		
MA-5696	Reporting on product availability (KPI 6b) on a quarterly basis for prioritized countries and support impact-focused improvement plans.								
MA-5699	Monthly LFA surveys include feedback on the level of in-country supply chain disruption and months of stock available nationally for critical program commodities in order to inform actions in response as needed.								
MA-5731	Increased frequency of Secretariat review of commodity forecasts and quantification given upstream disruptions, alongside country-level Forecasting Steering Committees in place in multiple countries to monitor stock levels.								
						<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.		
<b>Controls &amp; mitigations in development or planned</b>						<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>	
MA-5698	Design of supply chain strategic initiatives (SIs) to focus on delivering more resilience across in-country supply chains and providing countries with a range of options/interventions to strengthen supply chains. Restructured technical assistance modalities are planned with particular focus on regional and remote technical assistance.						Underway	31-12-2023	SO
MA-6047	Set up a new data collection system for OSA, OTIF, SATP and LMIS reporting rate for 45 priority countries for HTM diseases and Covid-19 to improve downstream supply chain visibility.						Underway	31-10-2021	SO

07 - Financial and Fiduciary		Risk owner		2021-Q2	MEC Approved		
<b>Risk Description</b>	Misuse of funds due to wrongdoing and inadequate financial/fiduciary control, including for procurement practices and incomplete, incorrect, delayed or inadequately supported financial records by PRs or SRs due to inadequate financial management systems.						
<b>Risk Impact</b>	<p>Fraud and weaknesses in internal control environments can result in financial losses that affect value for money and lead to inadequate program coverage, execution and suboptimal impact against the diseases, as well as causing reputation damage. Misallocation of resources; reduced grant coverage, performance and impact.</p> <p>COVID-19 related disruptions and volatility (at macro-economic and portfolio level) have increased the inherent financial and fiduciary risk. Based on the current information, this risk is rated as 'High' and with ongoing efforts of various adaptations and additional assurances under the C19RM mechanism, we anticipate being able to mitigate the risk for our grants to a large extent and expect the direction of travel to stabilize and reverse in the coming quarters.</p> <p>Note: Financial and Fiduciary risk consists of two sub-risks: Grant-Related Fraud &amp; Fiduciary (Current residual risk level: "HIGH") and Accounting &amp; Financial Reporting by Countries (Current residual risk level: "HIGH").</p>						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Moderate		
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	Moderate	<b>Target Risk</b>	Moderate	<b>Target risk timeframe</b>	Under Review
<b>Key Partners</b>	The World Bank and US Government agencies have a moderate ability to mitigate the risk of poor Accounting & Financial Reporting by Countries. Additional Partners: International Professional Accounting Bodies and Supreme Audit Institutions (SAI).						
<b>Key Countries</b>	Bangladesh, Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Malawi, Mali, Mozambique, Myanmar, Nigeria, Pakistan, Rwanda, South Africa, Sudan, Tanzania, Uganda, Ukraine, Viet Nam, Zambia, Zimbabwe						
<b>Root Cause</b>							<b>Related Action</b>
Grant-Related Fraud & Fiduciary: At a macro-economic level in-country, foreign exchange risk, bank default risk, inflation and economic disruptions have all increased due to the COVID-19 disruptions, which may cause changes to banking and treasury operations at the micro-level. Increased risk of cyber fraud and fraudulent financial transactions due to missing/ unauthorized documentary evidence submitted to the Secretariat and to grant implementers resulting from evolving risk landscape in system & cybersecurity virtual work operating environment and other disruptions caused by the COVID-19 pandemic.							MA-5751 MA-5752
At country and grant level, main disruption are linked to travel and movement restrictions, and remote working requirements, which resulted in:- difficulties and in some instances delay in SR monitoring, and PR reporting; LFA assurance activities have largely continued but there has been some disruption and delay; and reduced ability of the Fiduciary and Fiscal Agents to obtain suitable supporting documentation, oversight on procurement activities, and execution of in-field verifications and spot checks of SRs. Timely access to people and supporting documentation by assurance providers. Disruption of PR's ability to adequately monitor SRs. Difficulties for PR staff and TA consultants in executing capacity strengthening initiatives. Delays in routine monitoring (FMIR) and in-country deep dive/diagnostic review missions. Up to 6- 12 months delays of Grant-related work on PCFC.							
Grant-Related Fraud & Fiduciary: Budget with presence of significant activities prone to misuse							MA-5753 MA-5754 MA-5764
Grant-Related Fraud & Fiduciary: Weak PR management							MA-5755 MA-5761
Grant-Related Fraud & Fiduciary: Weaknesses in PR and SR internal control frameworks							MA-5755 MA-5763
Grant-Related Fraud & Fiduciary: Weak bank and cash management procedures							MA-5757 MA-5760
Grant-Related Fraud & Fiduciary: Weak SR oversight							MA-5758 MA-5759
Grant-Related Fraud & Fiduciary: Weak ethical environment							MA-5756 MA-5762
Grant-Related Fraud & Fiduciary: Risk of fraud due to cybersecurity issues, including phishing							MA-6069
Accounting & Financial Reporting by Countries: Inadequate human resource capacity							MA-5908 MA-5909
Accounting & Financial Reporting by Countries: Financial management strengthening initiatives result in action plans put in place and achieving an 80% completion rate for actions due, in 54 cumulative targeted countries (i.e. 44 cumulative by 31st December 2020 and 10 new countries by 31st December 2021)							MA-5910 MA-5913
Accounting & Financial Reporting by Countries: Weak or nonexistent financial management systems							MA-5911 MA-5912
<b>Current controls &amp; mitigations</b>							<b>Assurances</b>
MA-5753	Grant-Related Fraud & Fiduciary: Provision of oversight and monitoring of grant-level financial assurance plans across the portfolio by the Grant Finance Managers.						LFA Reports
MA-5754	Grant-Related Fraud & Fiduciary: Strengthening of fiduciary controls including over procurement such as the use of Pooled Procurement Mechanism or outsourcing of procurement to third-party procurement agents for Non-Health and Health Products procurement during grant design and implementation.						External & Internal Audit Reports
MA-5755	Grant-Related Fraud & Fiduciary: Use of Fiduciary/Fiscal Agents in selected high risk countries at PR and/or SR levels including fraud specialist and monitoring the performance of the Fiscal Agent by the Grant Finance Managers.						OIG Reports
MA-5757	Grant-Related Fraud & Fiduciary: Financial Control Environment Review pilot recommendations and cross cutting Agreed Management Actions jointly monitored by Risk Department and FISA.						
MA-5758	Grant-Related Fraud & Fiduciary: Effective implementation of Financial Guidelines (e.g. Financial risk management, Budgeting and Financial reporting guidelines) for Country Teams and implementers.						
MA-5759	Grant-Related Fraud & Fiduciary: Revised financial audit Terms of Reference emphasizing risk-based assessment of PR internal controls, and updated guidelines for grant audits ongoing to reflect additional due diligence. For 2020 audits, communication sent out to External Auditors via Principal Recipients requiring the External Auditors to apply additional procedures and document the results via Key Audit Matters, including adequate disclosures in the Management Letter, considering the global COVID-19 pandemic given that financial controls may have been impacted due to the evolving risk landscape and operating environment.						
MA-5760	Grant-Related Fraud & Fiduciary: Support to implementers in the optimization and use of innovative cost-efficient technological approaches, such as mobile money and mobile device solutions, for financial management risk mitigation.						
MA-5762	Grant-Related Fraud & Fiduciary: Pre-qualification of professional service providers for technical assistance toward effective capacity building and fraud risk management at the implementer level.						
MA-5908	Accounting & Financial Reporting by Countries: Integrated approach to capacity strengthening and in-country risk reviews instituted through joint assessments/deep dives of implementers to assess root causes and effectiveness of mitigating measures at country level.						
MA-5911	Accounting & Financial Reporting by Countries: Continuous monitoring of outcomes of assessment of implementers in financial management (via the FMIR tool targeting High Impact and core countries) and reporting on improvements across 6 key financial management areas including financial absorption as part of supporting optimal grant management by implementers.						
MA-5913	Accounting & Financial Reporting by Countries: Proactive monitoring by Finance senior management via Monthly Monitoring Meetings (MMM) to continue performing quality assurance, monitor timely validation, and improve the overall reconciliation and closure process.						

		Overall Status	Risk mitigation is on track. There are no material delays.		
Controls & mitigations in development or planned		Status	Target completion	Action owner	
MA-5751	Grant-Related Fraud & Fiduciary: Most of the HI and Core countries have or are planning to put into place additional mitigating actions to address the additional risks and challenges to core financial processes due to COVID-19. Example of these include: - LFA review of the procurement processes for all major procurements, including mandatory minimum assurance in the prioritized 45 high investment portfolios - Increased use of mobile payments and indirect cash transfers Pooling of PPE procurements - Increased LFA oversight of SRs - Revision of the FM manual to document new controls aimed at addressing challenges associated with the new COVID-19 environment - Inclusion of fraud experts in the LFA teams - Increased information sharing on payments and markets operations affected by COVID-19 in countries - Introduction of strong Quality assurance review of the C19RM 21 submissions	Underway	31-12-2021	PFC	
MA-5752	Grant-Related Fraud & Fiduciary: Perform desk reviews (as opposed to in-country diagnostic travel missions) to maximize coverage on countries for in-country capacity strengthening. This will be applicable to the new cohort of countries for 2021 as per SO-2g KPI 6c targets.	Underway	31-12-2021	PFC	
MA-5756	Grant-Related Fraud & Fiduciary: Develop, update and implement anti-Fraud Risk Guidelines to provide guidance to Country Teams on how to manage fraud within the context of wider discussions on implementation of the Policy to Combat Fraud and Corruption (PCFC).	Underway	31-12-2021	Ethics	
MA-5761	Grant-Related Fraud & Fiduciary: Enhance the governance and oversight in the process to change implementers (PRs) and the financial risk and assurance model for IOs/INGOs in order to enhance the financial assurance and effectiveness of mitigating measures.	Underway	31-12-2021	PFC	
MA-5763	Grant-Related Fraud & Fiduciary: Assess effectiveness of the fiscal agent model and develop a robust transition approach (including impact analysis) for removal of fiscal agents based on the recently approved risk appetite framework.	Underway	31-12-2021	PFC	
MA-5764	Grant-Related Fraud & Fiduciary: Develop systems-generated reports linking recoveries and PUDR-reported ineligible.	Underway	31-12-2021	Treasury	
MA-6069	Multiple mitigating measures at the corporate level and at the PR/ grant level including mandatory GF direct payment to certain suppliers, new interim measures for Bank Account Management, 2-factor authentication, fraud risk assessment to be inclusive of cybersecurity risks. etc.	Underway	31-12-2021	PFC	
MA-5909	Accounting & Financial Reporting by Countries: Expansion of the Ecobank project on knowledge management and experience-sharing among grant implementers in selected Anglophone and Francophone countries. Due to the pandemic, the initiative is currently delayed.	Planned	31-03-2022	PFC	
MA-5910	Accounting & Financial Reporting by Countries: Financial management strengthening initiatives result in action plans put in place and achieving an 80% completion rate for actions due, in 54 cumulative targeted countries (i.e. 44 cumulative by 31st December 2020 and 10 new countries by 31st December 2021)	Underway	31-12-2021	PFC	
MA-5912	Accounting & Financial Reporting by Countries: Optimization of the cash management processes and foreign exchange risk exposure through the roll-out of a Foreign Exchange in Grants framework (as approved by MEC in November 2018) for grant implementation including PPM charge back to manage FX on cross-currency grant disbursements.	Underway	31-12-2021	PFC	

08 - In-Country Governance		Risk owner		2021-Q2		MEC Approved		
<b>Risk Description</b>	Inadequate national program governance, Principal Recipient (PR) oversight of grants, and non-compliance with Global Fund requirements for the effective management of grants.							
<b>Risk Impact</b>	Poor national program governance and grant oversight results in under-performance of grant supported programs, poor value for money, fraud, reputation damage to the Global Fund and ultimately failure to achieve impact against the three diseases.							
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>		Increasing	<b>Global Fund ability to mitigate</b>	Moderate		
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Moderate	<b>Target Risk</b>	Moderate	<b>Target risk timeframe</b>	Under Review	
<b>Key Partners</b>	Bilateral donors such as the US and France provide focused technical assistance to PRs on grant management.							
<b>Key Countries</b>	Bangladesh, Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, India, Indonesia, Kenya, Malawi, Mali, Mozambique, Myanmar, Nigeria, Pakistan, Rwanda, South Africa, Sudan, Tanzania, Uganda, Ukraine, Viet Nam, Zambia, Zimbabwe							
<b>Root Cause</b>							<b>Related Action</b>	
- COVID-19 restrictions have limited the ability especially those in-charge of governance to undertake oversight visits or hold regular in-person meetings with implementers, beneficiaries, multilateral and bilateral partners, technical assistance providers and other stakeholders to monitor progress of grant activities and take corrective action as required. CCM members are providing "alternative" ways to prove dialogue and inclusiveness: electronic messages, emails, social network messages, etc to demonstrate compliance to eligibility requirements.							MA-6012	
- Poor IT infrastructure, internet connectivity and personal skills to manage technology has also created inequalities in access and attendance to online meetings and have led to various limitations to strong engaged stakeholder coordination and management								
- Further, the full effects of implementation disruptions and impact to beneficiaries cannot be easily measured or quantified through routine data systems and this poses an additional challenge for PR management to monitor to grants.								
Inadequate policies, processes, procedures, tools and protocols to identify and mitigate risks at PR and SR level							MA-6013	
Ineffective or absent internal controls at the PR level.							MA-6019 MA-6022	
Suboptimal human resource capacity at the PR level.							MA-6017 MA-6018 MA-6021	
Inadequate processes for SR selection and limited SR oversight.							MA-6017 MA-6018 MA-6021	
Inadequate PR management and reporting capacity, and inadequate oversight of PRs due to weaknesses in CCM engagement structures and coordination.							MA-6013 MA-6015 MA-6021	
Ineffective government oversight over the implementation of the disease strategies by national programs.							MA-6020 MA-6023	
Unclear lines of authority and responsibility from national to subnational levels to implement disease strategies.							MA-6014 MA-6015 MA-6016 MA-6021	
Ineffective planning, budgeting, implementation and supervision performed by national disease programs							MA-6014 MA-6015 MA-6016 MA-6021	
Insufficient prioritization of financial and human resources allocation to disease programs by national and subnational governments.							MA-6017 MA-6018 MA-6021	
Suboptimal collaboration between PRs, national disease programs, government and non-government stakeholders.							MA-6017 MA-6018 MA-6021	
Absence of human resource capacity development plans and consequent gaps in health staff training for the delivery of health services.							MA-6017 MA-6018 MA-6021	
<b>Current controls &amp; mitigations</b>							<b>Assurances</b>	
MA-6013	Implementation arrangement mapping conducted for all new grants.					LFA spot checks reports		
MA-6014	PR selection, prior to Technical Review Panel and Grant Approvals Committee approval, that meet Global Fund minimum standards for internal controls and capacity.					External audit reports		
MA-6015	Grant making actions specifically to address implementation and capacity challenges prior to grant signing.					Review design and/or effectiveness of the internal control environment		
MA-6016	Grant implementation monitoring focusing on oversight and supervision done by government entities and national disease programs respectively.					Joint programmatic, supply chain and financial spot checks		
MA-6017	Comprehensive assurance plans developed for all High Impact and Core portfolios highlighting agreed upon mitigating actions to address national program governance and grant oversight.							
MA-6018	Updated Operational Policy Notes released for differentiated risk management across the grant lifecycle; strengthened assurances with additional resources made available to country teams allowing improved Global Fund oversight and compliance monitoring.							
MA-6019	Integrated Risk Management Module rolled out to ensure better analysis of PR oversight and management of risks and the identification and roll out of mitigating actions to improve implementer capacity as well as national program governance.							
<b>Overall Status</b>						Risk mitigation is on track. There are no material delays.		
<b>Controls &amp; mitigations in development or planned</b>						<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-6012	Comprehensive measures planned and initiated to mitigate this risk and ensure that the new risk drivers will not have long term consequences to Global fund grants. Specific initiatives include: - Monitor COVID-19 disruptions through the COVID-19 country monitoring tool (systemized survey tool administered by LFAs), to recognize when grant flexibilities and GF intervention is needed to try and mitigate downstream risk impact- - Business Contingency flexibilities for the Grant Life Cycle processes in response to the COVID-19 disruptions, and to lower the burden on in-country partners including e.g. on capacity assessments for new implementers, Funding Request development, grant-making etc. Processes are also in place for close follow-up to ensure compliance. - Roll-out the enhanced framework for assessment of in-country governance risks. The new framework integrated into the IRM delineates 5 levels of in-country governance and allows for better analysis of the coordination, management and oversight issues in the broader health sector, the national disease programs, the CCM and PR/SR level implementation effectiveness relationships and risks. - Support to CCMs, PRs and implementers to continue remote meetings and shifting planned trainings and cross-learning events to online format where appropriate. Grant flexibilities approved to enhance IT infrastructure for PRs and SRs - Support to PRs to develop contingency plans to ensure continuity of services and safeguard GF assets and alternative approaches for providing assurance including higher reliance on use of partners or communities.					Underway	31-12-2022	GMD-CT
MA-6020	Roll out of CCM Evolution to strengthen CCM capacity in all High impact, core and focused portfolios.					Underway	01-12-2023	GMD (GPS)
MA-6021	Develop, test and implement initiatives aimed at improving implementer capacity, internal controls, risk management and overall PR management processes for improved grant oversight.					Planned	31-12-2023	GMD (GPS)
MA-6022	Development and roll out of front line risk management approach (aligned to the roll out of CCM evolution).					Planned	01-12-2023	Risk
MA-6023	See In-country Conduct & Ethics risk for Integrity Due Diligence mitigation action.					Underway	01-12-2021	Ethics

09 - Quality of Health Products		Risk owner		2021-Q2	MEC Approved			
<b>Risk Description</b>	Patients exposed to health products of substandard quality; i.e. health products (purchased by Global Fund-supported programs) that are not safe, effective and/or of good quality.							
<b>Risk Impact</b>	Substandard quality resulting in poor health outcomes for patients, including death or morbidity; increased drug resistance; and reduced impact of Global Fund investments.							
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Moderate			
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Moderate	<b>Target Risk</b>	Moderate	<b>Target risk timeframe</b>	Under Review	
<b>Key Partners</b>	Agencies of the US Government, World Bank, World Health Organization, UNICEF, STOP TB and GAVI have a minor to moderate ability to mitigate health product quality risk.							
<b>Key Countries</b>	Burkina Faso, Cameroon, Côte d'Ivoire, DRC, Ethiopia, Ghana, Guinea, India, Kenya, Malawi, Mozambique, Myanmar, Nigeria, Pakistan, Sudan, Tanzania, Uganda, Ukraine, Viet Nam, Zambia							
<b>Root Cause</b>						<b>Related Action</b>		
Weaknesses in downstream in-country QA mechanisms, including gaps in national pharmacovigilance and post-market surveillance.						MA-5954 MA-5955 MA-5956 MA-5959 MA-5960 MA-5961 MA-5963 MA-5966 MA-6054 MA-6055		
Weaknesses in the upstream HP lifecycle (incl. limitations in market authorization mechanisms), leading to increased risk of entry of inadequate HPs in the market. Of current note, COVID-19 has reduced workforce capacity and mobility of sampling and Quality Control service providers to conduct timely pre-shipment sampling and testing.						MA-5952 MA-5953 MA-5954 MA-5955 MA-5957 MA-5962 MA-5964 MA-6054 MA-6055		
Procurement of substandard health products i.e. procurements outside the list of commodities which are WHO prequalified / Expert Review Panel (ERP) recommended. Of note, limited quantities of quality assured COVID-19 focused commodities, especially PPE and oxygen, on the global market have the potential to encourage non-PPM procurement of commodities of non-assured quality.						MA-5952 MA-5953 MA-5955 MA-5957 MA-5958 MA-5962 MA-5964 MA-5965 MA-6054 MA-6055		
Weak supply chain systems that store, transport, distribute, control, monitor and maintain product quality throughout the in-country supply chain.						MA-5954 MA-5955 MA-5956 MA-5959 MA-5960 MA-5961 MA-5966		
Lack of implementation of good dispensing practices.						MA-5954 MA-5957 MA-5959 MA-5960 MA-5966 MA-6054 MA-6055		
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>		
MA-5952	Ongoing engagement with partners and other donors to ensure alignment of quality standards. When needed, coordination with partners, manufacturers, and stringent regulatory authorities to issue information notes on quality or safety issues related to products that have been procured with Global Fund resources.							
MA-5953	ERP process to support introduction and provide access to innovative health products established in collaboration with WHO.							
MA-5957	Implementation of Global Fund Quality Assurance (QA) policies and continuous improvement of the QA Policy based on evolving needs, including issuance of interim QA Requirements for the Procurement of COVID-19 medical devices and pharmaceutical products procured with Global Fund resources and revision of PSM guide to update PPE QA requirements and reflect new requirements for medical devices and pharmaceutical products.					Enhanced non-compliance database is regularly updated to track and consolidate instances of non-compliance with the Global Fund QA policy and outcomes. Verification of product eligibility within procurement transactions through PQR.		
MA-5958	Procurement through PPM, and UN agencies through memorandum of understanding, provide increased assurance that products meet internationally recognized standards of quality as centralized procurement facilitates QA compliance monitoring by GF.							
MA-5959	Implementation of country-specific Quality Assurance/Quality Control plans using grant funds to monitor product quality throughout the in-country supply chain as per grant requirements.					Review of in-country quality monitoring activities		
MA-5960	Many grants support supply chain strengthening and logistics operations, in particular storage and distribution which indirectly contribute to maintaining product quality by ensuring compliance with best practices.							
MA-5961	Targeted RSSH investments for strengthening selected countries pharmacovigilance systems in order to identify and take appropriate action in response to adverse reactions.							
MA-5964	The Health Product Risk Committee (HPRC) established to review risks related to the quality of health products, with authority to approve on a case-by-case basis specific flexibilities authorized by the Board, as well as review and decide on situations where health products ordered by implementers do not meet the expected specifications with respect to quality or other characteristics.							
						<b>Overall Status</b>		
						Risk mitigation is progressing but there are also some material delays.		
<b>Controls &amp; mitigations in development or planned</b>						<b>Status</b>		
						<b>Target completion</b>		
						<b>Action owner</b>		
MA-5954	Clarify the Secretariat Quality Assurance mandate, which is phase one of the QA strategy, including the necessary activities, roles and responsibilities, in turn supporting implementation of actionable quality assurance plans.					Underway	30-09-2021	SO
MA-5955	Develop guidance and tools that support implementers to comply with quality control testing requirements for LLINs (linked to GF-OIG-21-001, AMA #4.2)					Underway	30-09-2021	SO
MA-5956	Development of procedures to investigate and support countries to identify and remove ineffective or dangerous products from the market. This is phase one of the QA strategy.					Underway	30-09-2021	SO
MA-5962	Ongoing support via Strategic Initiatives to the Expert Review Panel (ERP), coordinated by the WHO, to accelerate access to innovative diagnostics and medicines, permitting more innovative products to be eligible for procurement with GF-funding sooner, including COVID-19 related products.					Underway	30-12-2023	SO
MA-5963	Strategic Initiatives funding to support pharmacovigilance (PV) for innovative medicines by building in-country PV capacity in selected pilot countries to improve surveillance on patient outcomes from innovative medicines.					Planned	30-12-2023	SO
MA-5965	Strategic Initiative funding to strengthen WHO capacity to review new health products (3 diseases and COVID), including development of well-defined PQ processes for medical devices and PPE that are essential to the COVID response.					Planned	30-12-2023	SO
MA-5966	Implement new QA strategy that focuses on strengthening internal QA processes, expanding support and oversight of in-country QA activities and improving collaboration with partners					Underway	30-12-2023	SO
MA-6054	Recruitment of four additional staff positions to support QA activities: LLINs and Vector Control, Medical devices and PPE, Verification and Compliance, and Project Manager.					Underway	30-09-2021	SO
MA-6055	Implement "As-is/To-be SO process mapping" initiative that includes streamlining of the internal QA processes.					Underway	31-08-2021	SO

10 - Human Rights & Gender Inequality		Risk owner		2021-Q2		MEC Approved	
<b>Risk Description</b>	Human rights and gender related barriers, including stigma and discrimination, and insufficient investment in programs to reduce those barriers, limit access to health services.						
<b>Risk Impact</b>	Failure to address human rights and gender related barriers can result in failure to achieve impact through Global Fund investments, in as much as they hinder access to and retention in services for key and vulnerable populations.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>		Increasing	<b>Global Fund ability to mitigate</b>	Minor	
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable
<b>Key Partners</b>	UN, Bilateral, Foundation and Civil Society partners provide advocacy support						
<b>Key Countries</b>	Adolescent Girls and Young Women: Lesotho, Tanzania, Mozambique, Swaziland, Uganda, Malawi, Botswana, Kenya, South Africa, Namibia, Cameroon, Zambia, Zimbabwe. Human Rights: DRC, Mozambique, Uganda, Botswana, Kenya, South Africa, Indonesia, Côte d'Ivoire, Honduras, Jamaica, Cameroon, Senegal, Benin, Nepal, Philippines, Kyrgyzstan, Tunisia, Sierra Leone, Ukraine, Ghana						
<b>Root Cause</b>						<b>Related Action</b>	
COVID-19 has resulted in increased human rights violations, including a spike in gender-based violence and in police violence against criminalized and marginalized populations. Disruptions have also limited the engagement of communities in programs and Global Fund processes. COVID-19 related restrictions, use of administrative measures and other efforts to control the pandemic have penalized the most vulnerable and marginalized- women and young girls (increase in GBV), sex workers (loss of livelihood, food, shelter or access to care), LGBTI (law enforcement agencies used to harm, harass and arrest) and led to serious avoidance of health facilities and disrupting and/or delaying the delivery of programs to reduce human rights and gender-related barriers to services and programs for key and vulnerable populations. Need for further work to articulate what gender-responsive program adjustments should look like, and very few C19RM proposals and grants include specific provisions to address increased human rights- and gender-related barriers.						MA-5920	
Harmful and / or discriminatory social and cultural practices place key and vulnerable populations at increased risk of contracting HIV, TB and malaria and limit their access to health services.						MA-5921 MA-5923 MA-5924 MA-5927	
Limited political will and leadership to address human rights and gender related barriers prevents appropriate interventions from being incorporated into programs, and their implementation.						MA-5921 MA-5922 MA-5923 MA-5924 MA-5925 MA-5927	
Harmful laws, regulations, policies, or practices hinder access to services for key and vulnerable populations.						MA-5921 MA-5923 MA-5924 MA-5927	
Limited recognition of the specific and unique expertise key and vulnerable populations have in contributing to effective programming.						MA-5926	
Country capacity and/or unwillingness to collect and analyze gender and age disaggregated data, and data on key and marginalized communities, hinders the development and implementation of interventions that act to remove barriers for these communities.						MA-5922	
Limited understanding of how failure to address human rights related barriers to services reduces the impact of the disease response, and of which programs are effective at reducing these barriers, prevents them from being prioritized for investment.						MA-5921 MA-5922	
Gender and age often impact on risk to disease, ability to access services, and the quality of services provided. If services do not address gender and age-related risks and barriers, they will be less effective and result in poorer health outcomes.						MA-5930 MA-5931	
Limited understanding of how failure to address barriers reduces the impact of the response, and which programs are effective at reducing barriers, prevents incorporation of programs to reduce these barriers.						MA-5931 MA-5932	
<b>Current controls &amp; mitigations</b>					<b>Assurances</b>		
MA-5922	In BDB countries, longer-term implementation support TA is being put in place to ensure human rights interventions in new grants are quality, integrated interventions and will be implemented effectively and efficiently. Other focus is on ensuring programming evolves to reflect lessons learned from mid-term assessments; and that in priority countries detailed, jointly owned workplans will be developed, with GMD and TAP, to enable reaching KPI 9a targets.				Regular reporting on progress on KPIs 5, 8 and 9; KPI 8 reporting includes a qualitative review of 2017-2019 funding applications and the most recent reporting on KPI 8 indicators; all updated technical briefs are published and on-line;		
MA-5923	Current focus is on re-establishing human rights crisis register; and on building Secretariat understanding of safety and security needs of implementers and clients of key population and human rights programs, with pro-active safety and security assessments undertaken and funds reserved for measures and programs to address risk.				OIG country audits, OIG advisory on human rights		
MA-5926	For the 2020-2022 implementation cycle the CRG SI has successfully contracted 26 pre-approved TA providers; 11 KVP networks and organizations across the 3 diseases; and 6 civil society and community organizations to host regional communication and coordination platforms to support meaningful engagement of civil society and community in GF-related processes. The CRG SI Coordination mechanism is supporting coordination with technical and bilateral partners as well as other SIs to maximize efficiency and avoid duplication and most recently the CRG SI partnerships have been leveraged to support civil society and community engagement in C19RM.						
MA-5927	Implementation of the 'Accelerate' initiative to transform CRG's operating model to enable a more systematic and rigorous approach to partnering with Country Teams.						
MA-5931	Improving gender-responsive programming: The Global Fund launched a "precision prevention" focus in order to improve the coverage and quality of prevention interventions in focus countries, including the AGYW portfolio. The AGYW SI is scaling up targeted TA in specific areas including SRHR integration, and design and costing of the package of interventions. An additional piece of guidance has been developed on how to ensure that the human rights investments are gender responsive and transformative.				Gender equity IRM has indicator to track TRP assessment of gender responsive grants. AGWY SI has a MEL framework which will be reported to the Secretariat.		
MA-5932	Internal capacity: Transformation of CRG operating model and introduction of a differentiated approach to ensure technical support is focused on priority countries including KPI cohorts further to the Breaking Down Barriers and CRG Accelerate initiatives. Increased AGYW technical capacity. A CRG learning agenda is being rolled out in 2020 and 2021 to focus on key areas to improve Secretariat capacity, including gender equality and equity. The CRG team has a shared 2020 learning objective on improving capacity on gender, and a monthly learning agenda is being implemented.						
					<b>Overall Status</b>	Risk mitigation is progressing but there are also some material delays.	
<b>Controls &amp; mitigations in development or planned</b>					<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5920	Accelerate uptake of program adaptations, innovations and catch-up plans using existing grant resources and C19RM mechanism, through ongoing dissemination of best practices and technical guidance and support to programs through Global Fund Partnership mechanisms to maintain and expand disease prevention and treatment programs, including strengthening of communities and community responses. Specific actions include: - C19RM 2021 funding request template, detailed budget and modular framework have been amended to include specific questions and interventions related to human rights and gender barriers in times of COVID-19. - C19RM 2021 Technical Information Note amended to increase the visibility of human rights and gender-related				Underway	31-12-2021	CRG

	interventions as part of the eligible and necessary interventions to be included in C19RM.3. - The new “CRG Guidance” provides communities with a non-exhaustive list of concrete examples of interventions to mitigate the impact of COVID-19 on human rights and gender barriers. - Leverage existing CRG networks to disseminate CRG guidance and support CCMs and communities for their meaningful engagement in C19RM funding request development. This initiative is also being supported through additional CRG investments under the C19RM centrally managed funds.			
MA-5921	Revised KPI 9c includes benchmarks and targets for domestic spending on key population prevention programs, including PrEP; and programs to reduce human rights-related barriers to services. Work is starting in priority countries to ensure benchmarks and targets are met and to ensure human rights and key population prevention programs become important focus of the overall Global Fund domestic health financing agenda, as critical to the sustainability of the work in these areas.	Underway	15-12-2022	CRG
MA-5924	Strengthened partnership with Thomson Reuters Foundation to better equip implementers with skills to talk to the media about why human rights are central to the work on HIV, TB, malaria and COVID-19; and to equip journalists to report accurately on human rights programs and their results and impact.	Underway	15-12-2022	CRG
MA-5925	Assessment of effectiveness of integration of human rights considerations into grant life cycle and policy making processes, and identification of opportunities for strengthening.	Underway	30-11-2021	CRG
MA-5928	Strengthen risk definitions, introduction of outcome indicators and development of guidance/training for Country Teams on design and implementation of effective mitigations for addressing human rights and gender related barriers to services.	Underway	31-07-2021	CRG
MA-5930	GI: Data driven decision making: The strategy committee has revised the methodology for KPI 6 E to shift the focus from Secretariat collection of disaggregated data to country collection and use of disaggregated data. An indicator to monitor KPI 6E is integrated into the IRM for gender equity, and the MECA team is responsible for the oversight of the PHME and LFA teams that will do data collection and reporting against the indicator. The technical teams and partners are supporting the use of qualitative data collection tools on gender through the grants as appropriate including UNAIDS gender assessment, Stop TB's CRG Assessments, and RBM's Malaria Matchbox.	Underway	30-08-2021	MECA
MA-6064	GI: The Secretariat has received approval from the Strategy Committee to revise KPI 6E on the capacity of countries to track availability, analysis and use of disaggregated data at country level (rather than at Secretariat level). A system of monitoring through the LFAs has been developed, and the MECA team has started to train internal and external stakeholders on the revised methodology.	Underway	30-08-2021	MECA

I1 - Transition		Risk owner		2021-Q2		MEC Approved		
<b>Risk Description</b>		Countries are unable to sustain and scale impact when they transition towards full domestic financing and program implementation of the national disease response/s.						
<b>Risk Impact</b>		Unsuccessful transition can result in, among other things, service disruption or lack of continuity of services (especially for key and vulnerable populations), inability to continue to scale service provision in line with global and national targets, a reduction in the quality of services provided (including access to quality assured and affordable health products and commodities), and limited ability of existing national civil society and community organizations to sustain programs and build capacity without external financing. As a result, the three diseases could remain public health threats in countries no longer eligible for Global Fund support or a continued epidemiological challenge could threaten the past gains of GF and national financing.						
<b>Change since last quarter</b>		No change	<b>Current direction of travel</b>	Steady	<b>Global Fund ability to mitigate</b>	Minor		
<b>Residual Risk</b>		High	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable
<b>Key Partners</b>		Development banks, the World Health Organization, UNAIDS, civil society organizations, private foundations and others.						
<b>Key Countries</b>		Under the Sustainability, Transition and Co-Financing (STC) Policy, all Upper Middle-Income Countries (UMIC) and Lower Middle-Income Countries (LMIC) with "Not High" high disease burden are considered "Transition Preparedness" priorities. For 2020-2022, this is a cohort of approximately 66 disease components (including those receiving transition funding but not including COEs or components within multi-country grants). Of these 66 components, 17 components are projected to fully transition from Global Fund financing prior to or during the 2026-2028 allocation cycle, 6 components are receiving transition funding in 2020-2022.						
<b>Root Cause</b>						<b>Related Action</b>		
Dependence on Global Fund financing for key interventions of the national disease response.						MA-5914 MA-5915 MA-5916 MA-5917 MA-5918		
Unclear financial resources for transition contexts, given uncertainty in long-term GF allocations, unclear trends in financing of other major development and health partners, and changing environment for overall global health financing.						MA-5914 MA-5917 MA-5918		
Limited country ownership of the transition process, including lack of advanced planning.						MA-5917 MA-5918		
Limited political will to address the underlying economic, political, legal and social issues that affect transition preparedness.						MA-5916 MA-5917 MA-5918		
Continued epidemiological challenges and programmatic gaps in the national disease responses, particularly amongst key and vulnerable populations.						MA-5914 MA-5917 MA-5918		
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>		
MA-5914	Embedding STC Principles and Practices through the operationalization of the STC policy - including (but not limited to): a) publication of updated 2019 STC Guidance Note with specific disease and technical area annexes, and other related guidance (i.e., OPN on co-financing, 2020 transition projections document, Value for Money Technical Note, "social contracting" diagnostic); b) setting co-financing incentive amounts for 2020-2020 allocation, inclusion of tailored co-financing messages in allocation letters, and negotiation of specific co-financing commitments as part of 2020-2022 grant approvals; c) enhancement of 2020-2022 funding requests to strengthen sustainability, transition, and co-financing focus in line with lessons learned; d) Ongoing incorporation of STC considerations into CCM Evolution initiative; e) Development and AFC endorsement of structured approach to innovative finance and Framework for Investments in Blended Finance; f) continued provision of transition funding to components who have become ineligible; continued implementation of 2017-2019 transition funding grants and provision of allocations for previously ineligible grants with continued epidemiological challenges; as relevant, extensions of transition grants to support continued efforts to address transition challenges; overall increases in allocations to "transition preparedness" cohort countries in 2020-2022 cycle; g) approval of expanded use of Wambo for non-grant funding (including domestic financing), including in transitioned countries; h) integration of SISF experts into the Technical Review Panel, and continued focus of TRP on STC considerations; i) development and ongoing implementation of Secretariat efforts to enhance internal capacity on STC and Health Financing.					Transition Readiness Assessments; Co-financing compliance monitoring; Ongoing review of transition preparedness activities in GAC review of grants		
MA-5919	Strengthened organizational focus and Secretariat coordination on transition and STC, in collaboration with Grant Management Division -- development of joint OIG, TRP, TERG, and Secretariat recommendations to guide STC policy implementation in 2020-2022; b) embedded sustainability / transition specialists within AELAC.					2018 OIG audit on Transition, TERG 2019 Thematic Review on STC Policy		
MA-5942	While the COVID impact on national disease programs and macro-economic conditions is increasingly becoming clearer, it is still not completely clear exactly how COVID-19 will affect the Global Fund's overall efforts to support successful transitions, and implications are likely to vary significantly based on country context. In the short term, there are operational challenges as countries continue to grapple with lockdowns, programmatic performance of countries is impacted, and national stakeholders increasingly focus on COVID-19 priorities. In the long term, COVID-19 is likely to impact domestic financing for externally financed interventions and other aspects of the Global Fund's transition preparedness efforts. At present, the STC Policy offers the appropriate flexibility, tools, and focus to support ongoing efforts to enhance transition preparedness despite the challenges presented by COVID-19. In the short term, two critical areas that may be potentially impacted include: i) continued provision of services for Key and Vulnerable Populations (KVPs) and ii) realization of co-financing commitments for specific interventions critical to the national disease responses. Maintaining focus on strengthening sustainability of these services and continuing to advocate for realization of co-financing commitments (with appropriate flexibility, as needed) will be essential as part of the broader efforts to support countries to successfully transition from Global fund financing. Supporting countries to strengthen transition preparedness will remain a long-term strategic priority and key pillars of our transition efforts (including strengthening health systems, enhancing national planning, raising additional domestic financing and strengthening domestic uptake of key interventions, etc.) will continue. Most existing controls / mitigations related to the transition risk are embedded into Global Fund operations and processes and will continue despite COVID-19, with some modifications to timelines and implementation arrangements, based on country context.							
						<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.	
<b>Controls &amp; mitigations in development or planned</b>						<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5915	Strengthened organizational focus and Secretariat coordination on transition and STC, in collaboration with Grant Management Division, including: development of Health Finance department to support overall health financing and sustainability / transition efforts (with increases in available resources), in addition to continued prioritization of Grant Management. This is a major Secretariat initiative to step up the Global Fund Secretariat's engagement in health financing and efforts to strengthen overall sustainability/value for money.					Underway	31-12-2021	SI
MA-5916	Strategic Partnerships, in collaboration with Grant Management Division - 1) Maintain engagement and collaboration on sustainability and transition planning with development partners, including (but not limited to) UNAIDS, USAID, GIZ, OSF, WHO, STOP TB and GDF; 2) maintain health financing collaborations with partners, particularly with GAVI, GFF, WB, Regional Development Banks, and other relevant agencies; 3) Maintain efforts to ensure high quality					Underway	31-12-2021	SI

	engagement with civil society and community groups to effectively engage in and support the STC agenda, including via CRG Strategic Initiative implementation in the 2020-2022 cycle.			
MA-5917	Embedding STC Principles and Practice through the operationalization of the STC policy, in collaboration with Health Finance Department: i) Systematic review of STC considerations and co-financing compliance for remaining portfolio grants to be approved in 2021, including grants in the transition preparedness portfolio; ii) continued support for cross-Secretariat coordination through a joint STC and Health Finance Steering Committee; and iii) continued coordination with sustainability/transition specialists within AELAC on key regional priorities.	Underway	31-12-2021	GMD
MA-5918	Implementation of STE-SI -- Implementation of the GAC approved Sustainability, Transition & Efficiency Strategic Initiative for the 2020-2022 cycle, with a continued focus on (but not limited to): i) advancing robust national (and regional) transition planning, including in portfolios beyond the transition preparedness cohort to enhance focus on early, robust planning in line with joint recommendations; ii) provision of TA to address transition bottlenecks, including those related to RSSH challenges; iii) strengthening public financing of CSO service delivery (i.e., "social contracting"); iv) country level capacity building initiatives to enhance focus on sustainability and manage transitions; v) ongoing efforts to enhance expenditure tracking across Global Fund portfolio; vii) ongoing efforts to enhance efficiency across Global Fund portfolio. This includes specific efforts to leverage partner financing to finance activities in approved work-plan, with the objective to enhance resources available for STE-SI efforts.	Underway	31-12-2021	SI

I2 - Drug & Insecticide Resistance		Risk owner		2021-Q2	MEC Approved		
<b>Risk Description</b>	Increased resistance to drugs and insecticides used to fight the three diseases can lead to increased morbidity and mortality. Inconsistent treatment regimens, low quality pharmaceuticals, and interruptions in health product supply foster drug resistance that threatens public health. Insecticide resistance on the other hand is the risk that the effectiveness of existing insecticide-based vector control tools are undermined by the increasing development of mosquitoes resistance to insecticides used in long-lasting treated nets (LLINs) and indoor residual spraying (IRS)						
<b>Risk Impact</b>	Drug resistance can lead to treatment failures and heightened disease burdens across portfolios, negatively impacting the Global Fund mission and investments. The development of resistance to insecticides used in LLINs and IRS diminishes the effectiveness of vector control tools which have been critical in interrupting transmission and can negatively impact investments in Malaria control.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>		Steady	<b>Global Fund ability to mitigate</b>	Moderate	
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable
<b>Key Partners</b>	WHO, RBM, US Government agencies, the World Bank, the Alliance for Malaria Prevention, and the Innovative Vector Control Consortium are key partners in mitigating the risk of Drug and Insecticide Resistance.						
<b>Key Countries</b>	Top countries by allocation amount and catalytic investments* (new LLINs) : Nigeria,Tanzania,DRC,Mozambique*,India,Zimbabwe,Uganda,Malawi,Ethiopia,Benin*,Kenya,South Africa,Zambia,Myanmar,Indonesia,Côte d'Ivoire,Rwanda*,Pakistan,Ghana,Cameroon,Bangladesh,Burkina Faso*,Sudan,Viet Nam,Ukraine,Mali*						
<b>Root Cause</b>					<b>Related Action</b>		
Root Causes of Drug Resistance include: (a) insufficient financing for effective response activities; (b) inadequate diagnostics and poor treatment adherence; (c) poor quality health products; (d) instability of drug supply; (e) undertrained public health workers and inappropriate use of drugs					MA-5871 MA-5872 MA-5874 MA-5876 MA-5877 MA-5878 MA-5879 MA-5881 MA-5883		
Root Causes of Insecticide Resistance include: (a) insufficient financing to procure new vector control tools; (b) inadequate and inconsistent insecticide resistance monitoring and surveillance; (c) insufficient data on IR and in-country capacity to collect and analyze data; (d) lack of a clear framework to define and guide how and what is sufficient capacity for entomology and vector control monitoring and implementation					MA-5872 MA-5873 MA-5875 MA-5876 MA-5877 MA-5879 MA-5880 MA-5882		
The COVID-19 pandemic has significant implications to programs supported by the Global Fund as it is likely to negatively impact communities affected by HIV, along with the health systems that serve them. Key and vulnerable populations and AGYW are likely to be affected disproportionately more than others, particularly with regards to HIV risk. The operation of prevention programs, such as VMMC, could be impacted as they may be considered non-essential, or people cannot access prevention and treatment services due to lock downs and physical distancing policies, or essential commodities for prevention and treatment do not reach clients. Probable outcomes and impact of COVID: decrease in HIV testing & diagnosis, limited access to key prevention interventions, drop in adherence to ART, potentially leading to increased HIV incidence and AIDS-related deaths					MA-5868 MA-5869		
Vector control threatened by inability to achieve or maintain coverage over time. For LLINs specifically, lack of usage may also limit impact even if sufficient ownership. Insecticide resistance to pyrethroids will continue to develop and reversal of transmission reduction due to vector control will occur if mitigating actions not taken. Case management challenged by insufficient access to care and poor quality services (including lack of parasitological diagnosis, poor adherence to clinical algorithms and accurate reporting and recording) (The impact is exacerbated in high-risk environments that account for a significant portion of Global Fund investments.					MA-5870		
The COVID-19 has disproportionately affected TB due to the fact they are both respiratory diseases and there is overlap of symptoms and approaches to respond to both diseases. Many of TB resources were diverted to COVID-19 responses including diagnostics such as GeneXpert machines and MDR-TB wards. This caused wide disruption to TB services especially Drug Resistant TB. Data from the Global Fund Indicator Monitoring survey showed that there was a decline of 27% for drug susceptible TB and 39% for MDR-TB in September 2020.					MA-5878		
<b>Current controls &amp; mitigations</b>					<b>Assurances</b>		
MA-5868	The Global Fund has made available funding of up to US\$1 billion to help countries fight COVID-19, mitigate the impacts on lifesaving HIV, TB and malaria programs, and support health systems. A portion of this funding will be available to mitigate impact on HIV programs.				WHO Insecticide resistance 'threats maps'		
MA-5869	Guidance (internal and from WHO) has been elaborated on how to prioritize continuation of essential HIV programs activities and mitigate the impact of COVID-19 epidemic. This guidance was shared with country teams and an external information note on COVID/HIV mitigation published in April 2020.				Therapeutic efficacy studies (with Global Fund resources and/or other sources of funding)		
MA-5870	Sub-national stratification to target vector control tools to maximize impact and efficiency. Expanding access to care via appropriate channels (public, community versus private). Enhancing quality of service provision given access. Scale up of synergist LLINs to address pyrethroid resistance				Five in-country deep-dives designed to validate country supply chain segmentation		
MA-5871	Global Fund Quality Assurance policies for finished pharmaceutical products & diagnostics help ensure products meet efficacy standards; this reduces the risk of drug resistance.				Supply chain diagnostics in twenty prioritized countries to gain insight into stability of drug supply		
MA-5872	WHO normative guidance regarding appropriate treatment guidelines and protocols in place; Global Fund support for implementation of new WHO guidelines regarding Drug Resistant Tuberculosis and for the development of national insecticide resistance management strategies.				Reports from LFA spot checks		
MA-5873	Regional Artemisinin Resistance (RAI) program in the Greater Mekong Sub-region, working towards malaria elimination in the region.				Technical partner reports		
MA-5874	Global Fund grant support for behavior change communication, fixed dose combination therapies and support programs to improve patient adherence to antimalarial treatment.						
MA-5875	Global Fund support for the WHO Innovation to Impact (I2I) Initiative; I2I works to develop and deliver new vector control products to stay ahead of resistance.				Drug resistance surveillance reports		
MA-5876	Significant ongoing attention to ensure the quality and efficiency of grant-funded services (within current budget limitations and leveraging partners as needed); effective treatment and prevention reduce opportunities for drug and insecticide resistance to develop.						
MA-5877	Global Fund grants support countries to implement changes in drug policy when necessary; accelerated uptake of innovation to maximize value for money (e.g. change to DTG for treatment of HIV, shorter TB regimens, next generation of bed nets).						
MA-5878	Global Fund support for implementation of new WHO guidelines for drug-resistant TB, including short regimens for multidrug-resistant TB (MDR-TB) and new drugs; updated Green Light Committee (GLC) MoU for MDR-TB (new simplified and central payment mechanism for GLC payments from TB grants); and support for the scale-up of new diagnostics for rapid detection of TB/DR-TB cases, as well as new drugs. COVID Information Note for TB released in April, 2020 and updated in October, 2020 and April, 2021 emphasized the need for countries to rapidly shift to oral MDR-TB medication as a mitigation measure against COVID-19.						
MA-5879	Global Fund grant support for work with local communities and private sectors to find missing TB cases and ensure						

	funding requests include insecticide resistance monitoring.			
MA-5880	Improving surveillance and enhancing capacity for public health entomology in malaria endemic countries to inform vector control strategies and track their impact on malaria transmission across the portfolio, focusing on the 10 highest burden countries.			
MA-5882	Reward innovation of new vector control tools (LLINs and IRS) that have enhanced effectiveness in areas with pyrethroid resistance by: (a) encouraging exploratory deployment and roll out to appropriate settings as indicated by the emerging global evidence-base and supported by the iterative process of normative guidance development, and (b) covering the cost differential relative to existing tools and the associated need for enhanced monitoring through a special initiative			
MA-5883	a) Support implementation of the new Global Action Plan for drug resistance (2017-21) developed under the leadership of WHO, in collaboration with CDC, PEPFAR and the Global Fund. b) Internal technical brief issued by GF (January 2019) to support fast and safe transition to new WHO regimens. ART transition guidance for GMD updated in line with July 2019 treatment guidelines (July 2019, February and March 2020).			
		<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.	
<b>Controls &amp; mitigations in development or planned</b>			<b>Status</b>	<b>Target completion</b>
MA-5881	The efforts of the TB Strategic Initiative will continue in the next cycle 2020-2022 with expansion of coverage (from 13 to 20) and scope (finding missing people with TB including DS-TB, DR-TB, and TB prevention therapy): US \$ 150 million: Matching Fund for priority countries; US \$ 14 million: TB Strategic Initiative to support implementation of innovative approaches to find and treat missing people with TB through working with Stop TB Partnership and WHO; US \$ 40 million multi-country investment for programs focused on migrants and cross-border issues, the mining sector, refugees, improved laboratory services. The signing of the grants with implementing partners for the TB SI is underway and is led by SI secretariat. There is a delay in signing of the grants to initiate work on the Global Component of TB SI to support countries. Country component for TA is underway and implementation process ongoing.	Underway	30-12-2022	TAP

13 - SEAH and Misconduct		Risk owner		2021-Q2		MEC Approved			
<b>Risk Description</b>	<p><b>SEAH:</b> Failure to prevent, detect, and respond to sexual exploitation and abuse and sexual harassment (SEAH) and related abuse of power across the Global Fund partnership including: failure to raise awareness of SEAH and to identify and mitigate risk of SEAH; failure to support victims/survivors in a victim/survivor-centered, trauma-informed manner; failure to create fit-for-purpose safe spaces and reporting channels where disclosure and reporting are encouraged and supported; failure to protect the Global Fund's reputation and to uphold the Global Funds values and behaviors needed to achieve our core mission which depends on the delivery of people-centered services that are freely available to all, without fear or favor; failure to share, learn, and incorporate international best practices and to engage and empower local in-country PSEAH mechanisms and support systems.</p> <p><b>Other conduct and ethics related matters (Other C&amp;ERM):</b> Implementers, suppliers and other in-country partners act in contravention of the Global Fund's corporate values, its Codes of Conduct or applicable policies on ethical behavior and conduct.</p>								
<b>Risk Impact</b>	<p><b>SEAH:</b> Re-traumatization of victim/survivors. Inability to provide access to GF services, medicine, and programs to vulnerable populations due to SEAH or threat of SEAH. Diminished capacity within GF or implementer workforce due to incidents of SEAH and related abuse of power. Harm to the Global Fund's reputation and resulting negative impact on relationship with donors.</p> <p><b>Other conduct and ethics related matters (Other C&amp;ERM):</b> Poor decision-making, potential fraud, financial loss, and / or reputation damage limits the organization's ability to deliver on its Strategic Objectives and maximize impact against the three diseases.</p>								
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Moderate				
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable		
<b>Key Partners</b>	N/A								
<b>Key Countries</b>	N/A								
<b>Root Cause</b>							<b>Related Action</b>		
	Other C&ERM: Existing conflicts of interest and competing agendas						MA-5943 MA-5945 MA-5947 MA-5948		
	Other C&ERM: Inadequate due diligence of new implementers, suppliers and contracts						MA-5941 MA-5943 MA-5946 MA-5947		
	Other C&ERM: Inadequate implementer, supplier or partner people management capability limiting ability to drive behavioral change						MA-5943 MA-5945 MA-5948		
	Other C&ERM: Inadequate grant oversight by PRs, CCMs, LFAs and the Secretariat						MA-5943 MA-5944 MA-5947 MA-5948		
	SEAH: Inadequate prevention of or protection from Sexual Exploitation, Abuse or Harassment, or forms of Child Abuse.						MA-6058 MA-6059 MA-6060 MA-6062 MA-6061 MA-6063		
<b>Current controls &amp; mitigations</b>							<b>Assurances</b>		
MA-5934	Other C&ERM: Ethics and Integrity Framework and Ethics Policy, including Conflicts of Interest, in place, underpinned by processes for Ethics case management and conflict of interest reviews						3rd Line OIG audit/investigation and annual reports.		
MA-5935	Other C&ERM: Codes of Conduct in place for grant recipients, suppliers and LFAs						LFA spot checks and reviews		
MA-5936	Other C&ERM: Policy to Combat Fraud & Corruption (PCFC) was approved by the Board in November 2017						Board approved the update Conflict of Interest Policy in June 2020. Board training completed in October 2020. CoI management process for Governance and Secretariat now embedded.		
MA-5937	Other C&ERM: Capacity assessment of new implementers include assessment of control environment								
MA-5938	Other C&ERM: Ongoing grant implementation monitoring by Country Teams								
MA-5939	Other C&ERM: LFA and partner engagement in procurement and recruitment processes								
MA-5940	Other C&ERM: Ongoing monitoring through OIG Whistleblower reporting and OIG investigations								
MA-5943	Other C&ERM: Enhancement of Conflict-of-Interest (CoI) management process, including approval and launch of an updated CoI Framework.								
MA-5944	Other C&ERM: PCFC implementation - development of risk-based implementation plan for PCFC operationalization (including lessons learned from 3 fraud risk assessment pilots). Corresponds to AMA 3 of the 2019 OIG Audit of Ethics & Integrity.						OIG agreed to close the AMA, based on the Secretariat approved implementation plan. Implementation is now in progress.		
MA-5945	Other C&ERM: Ethics Office review of Codes of Conduct and Policies within the Ethics and Integrity Framework. Corresponds to AMA 4 of the 2019 OIG Audit of Ethics & Integrity						Further updates to the Codes and other areas of the EIF will be planned and executed as continuous improvements.		
MA-6058	SEAH: PSEAH framework defines Global Fund approach to prevent and protect from harassment including sexual harassment, bullying and abuse of power in the context of Global Fund programs. This was put in place in application of an agreed action coming out of the Ghana investigation (OIG).								
MA-6059	SEAH: All Codes of Conduct updated to incorporate prohibitions of SEAH and Child Abuse.								
MA-6061	SEAH: Global Fund has communicated to all principal recipients and CCMs the updated prohibitions against sexual exploitation, sexual abuse and sexual harassment in funding agreements and codes of conduct, as well as the actions to be taken as part of their Prevention of Sexual Exploitation and Abuse and Sexual Harassment (PSEAH) obligations. This was done in application of an agreed action coming out of the Ghana investigation (OIG).						Evidence of communications issued. OIG clearance of associated AMA.		
							<b>Overall Status</b>		
							Risk mitigation is not on track and there are significant delays.		
<b>Controls &amp; mitigations in development or planned</b>							<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5946	Other C&ERM: Roll out of the Integrity Due Diligence framework. i) (Exc. GMD) The framework is already up and running in Governance, PSE and Direct Procurement. Indirect procurement and HR are the remaining areas to finalize. Corresponds to AMA 6 of the 2019 OIG Audit of Ethics & Integrity.						Underway	30-09-2021	Ethics
MA-5941	Other C&ERM: Roll out of the Integrity Due Diligence framework. ii) (GMD) Complete roll-out with risk-based approach applied to all categories of implementers. (Pilot due diligence assignments already running at request of countries. Focus is now in defining approach for the implementer base.) Corresponds to AMA 6 of the 2019 OIG Audit of Ethics & Integrity.						Underway	30-09-2021	Ethics
MA-5947	Other C&ERM: Roll out Code of Conduct for CCM Members in collaboration with CCM Evolution. i) 12 country engagements over 3 years for enhanced due diligence of key implementer staff and key assurance providers. Part of the ongoing CCM Code of Conduct Strategic Initiative.						Underway	17-12-2021	Ethics
MA-5948	Other C&ERM: Roll out Code of Conduct for CCM Members in collaboration with CCM Evolution. ii) Roll out Code of Conduct for CCM Members (including enhancement of COI process for CCMs), with performance-based enforcement mechanism. Part of the CCM Code of Conduct Strategic Initiative.						Underway	17-12-2021	Ethics

MA-6060	SEAH: Assess SEAH risk (covering implementer capacity and inherent program risk) and commence prioritized interventions required for a robust PSEAH operational plan across the portfolio. Corresponds to AMA 4 of the Ghana investigation.	Underway	29-10-2021	Ethics
MA-6062	SEAH: Develop an operational framework to clarify accountability and expectations around the prevention, detection and response to sexual exploitation and abuse and sexual harassment within the activities supported by the Global Fund. Corresponds to AMA 3 of the 03/2021 Ghana investigation.	Underway	30-07-2021	Ethics
MA-6063	SEAH: Develop and training plan and complete the first annual cycle of trainings for relevant Global Fund staff, tailored to their specific roles. Corresponds to AMA 2 of the Ghana investigation.	Underway	29-10-2021	Ethics

14 - Future Funding		Risk owner		2021-Q2		MEC Approved	
<b>Risk Description</b>	Failure to meet the Global Fund's financial target for the Sixth Replenishment and, following the Sixth Replenishment, failure to convert pledges due to loss of donor support and confidence, major reputational damage or external factors outside of the Global Fund's control. Failure to mobilize adequate levels of sustainable domestic funding and/or effectively use existing resources to fight HIV, tuberculosis and malaria and build more resilient and sustainable systems for health.						
<b>Risk Impact</b>	Inability to mobilize a robust pool of new funding for country allocations for the 2020-2022 allocation period to sustain Global Fund-supported programs, and inability to maximize and sustain health and disease outcomes, particularly for key and vulnerable populations.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Moderate		
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable
<b>Key Partners</b>	N/A						
<b>Key Countries</b>	N/A						
<b>Root Cause</b>						<b>Related Action</b>	
Donor Funding: A negative shift in sentiment towards the Global Fund among major donors, whether due to shifts in national politics or international priorities, fatigue with the three diseases, re-prioritization of health versus other SDG priorities, or reductions in ODA more generally as a result of budgetary pressures.						MA-5981 MA-5982 MA-5983 MA-5984 MA-5986 MA-5989 MA-5991 MA-5994	
Donor Funding: Competition for resources with other institutions or new priorities, and failure to coordinate with partners and organizations working in the global health space to demonstrate complementarity and respective roles/contributions towards the achievement of SDG3 and in the broader health and development context.						MA-5981 MA-5982 MA-5983 MA-5984 MA-5987 MA-5988 MA-5989 MA-5991	
Donor Funding: Travel to donor countries, missions focused on resource mobilization and other advocacy events/political fora have been cancelled, postponed or in some cases turned virtual.						MA-5996	
Donor Funding: COVID-19 has affected the economies of donor countries, which could potentially impinge on pledge conversion schedules and impact domestic resource mobilization as governments will be unable to effectively invest in their own health systems.						MA-5986 MA-5996	
Donor Funding: The current COVID-19 context may gradually shift the attention towards emerging issues such as global health security and immunization, thereby reducing the profile of the Global Fund diseases and impacting funding.						MA-5981 MA-5993 MA-5995 MA-5997	
Donor Funding: Underinvestment in external relations activities leading to inadequate engagement of key decision-makers and influencers, a lack of adequate visibility in key donor markets, or weak advocacy through civil society or the media.						MA-5981 MA-5984	
Donor Funding: Failure to meet donor expectations, criteria or conditions for continued funding or technical/in-kind support, including under-delivery in innovation and catalytic investment-related partnerships.						MA-5981 MA-5984 MA-5986 MA-5988 MA-5989 MA-5990 MA-5991 MA-5994 MA-5995	
Donor Funding: Perceived de-prioritization or lack of responsiveness by the Global Fund to issues of concern/priority to donors (for example, RSSH, gender equality, geographic focus areas, pandemic response, etc.).						MA-5981 MA-5983 MA-5989 MA-5991 MA-5994	
Donor Funding: Perceived under-performance of the Global Fund, particularly with relation to the investment case for the Sixth Replenishment, the new grant cycle, and/or misunderstanding and misperceptions related to the Global Fund model.						MA-5981 MA-5982 MA-5983 MA-5984 MA-5986 MA-5988 MA-5989 MA-5990 MA-5991 MA-5994 MA-5995	
Donor Funding: Perceived lack of data on effectiveness and impact of C19RM interventions on the ground and potential effect on donor trust and commitments.						MA-6049 MA-5996 MA-5992	
DHF: De-prioritization of the health sector in face of economic downturn (COVID-19 pandemic), political or social instability and/or competing priorities; Inability to borrow, spend.						MA-6024 MA-6026 MA-6028 MA-6030	
DHF: Inefficient use of available resources including ineffective Public Financial Management, fragmentation of financing (particularly in decentralized settings).						MA-6025 MA-6028 MA-6031	
DHF: De-prioritization of the 3 diseases in face of economic downturn/COVID.						MA-6028 MA-6030	
DHF: Failure to adequately finance and purchase critical commodities with domestic funds, for a variety of reasons - technical, financial, legal, or structural.						MA-6025 MA-6028 MA-6029 MA-6031	
DHF: Organizational deficiencies in the coordination of and financing of the health system.						MA-6027 MA-6028 MA-6031	
DHF: Lack of data and systems to reliably measure co-financing commitments in a standardized manner on a routine basis; Constraints in tracking expenditure through existing country systems and processes.						MA-6027 MA-6028 MA-6031	
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>	
MA-5981	Donor Funding: Sustaining and strategically expanding advocacy support base					Interdependency and close work with Global Fund Advocacy Network chapters and other critical stakeholders, regular monitoring process on visibility of Global Fund messaging through traditional and social media, and provision of updates and organization of informative townhalls	
MA-5982	Donor Funding: Continue leading advocacy efforts around domestic resource mobilization through the influencing of political/parliamentary debates and the support to civil society advocacy					Quarterly P&A reporting and metric refinement	
MA-5985	Donor Funding: Engaging with Board stakeholders around political and governance issues, ensuring that additional public donors continue to be part of key conversations.					Internal discussions with LGD to ensure the accommodation of new donors who may leave the Board if not provided with relevant governance roles. Pressure from new donors themselves.	
MA-5986	Donor Funding: Ongoing monitoring to ensure the Global Fund meets agreed terms and conditions in donor contribution agreements to ensure payments as scheduled.					Regular resource mobilization updates to MEC and Global Fund governance bodies and regular monitoring process on visibility of Global Fund messaging through traditional and social media	
MA-5987	Donor Funding: Monitoring of developments in relation to other replenishment exercises and fundraising efforts in global health planned over 2020-2022, and relevant coordination.					Board-monitored partnerships with key actors who function under replenishment models	
MA-5988	Donor Funding: Continuing and strengthening internal processes for screening, due diligence and risk management in relation to private sector partnerships, including the operationalization of policies around private sector engagement.					Ongoing engagement of the Private Sector Engagement Risk Committee, an inter-divisional/departmental body overseeing risk management tasks associated with private sector partnerships	
MA-5990	Donor Funding: Strengthened oversight of performance to ensure delivery of results through enhanced monitoring					Pressure from civil society platforms for	

	across the grant life-cycle, including through regular reporting, Portfolio Performance Committee, KPI reporting, and the Performance and Accountability Framework.	governments to increase national health budgets and Sixth Replenishment multi-stakeholder evaluation exercise
MA-5991	Donor Funding: Monitoring of budgetary processes and mobilization of political and civil society advocacy partners as well as high-level influencers, particularly where pledge conversion is at risk or where opportunities for an increased pledge has been identified.	Donor government budgets reflect commitments to the Global Fund and regular resource mobilization updates to MEC and the Global Fund governance bodies
MA-5994	Donor Funding: Close monitoring of political transitions and building strong cross-party support for Global Fund in key donor countries to address increasingly challenging political landscape.	KPI reporting, Sixth Replenishment multi-stakeholder evaluation exercise and corporate strategy design process and bodies, including engagement in partnership fora discussions
MA-6024	DHF: Use of alternative financing mechanisms to strengthen DRM, including Debt2Health, leveraging WB framework agreement for joint financing.	Internal Steering Committee oversight;
MA-6025	DHF: Identification of at-risk countries during grant approval and incorporation of mitigation actions in grant agreements. Use of grant flexibilities on a country by country basis in exceptional circumstances.	Grant approvals and grant agreements
MA-6027	DHF: Implementation of the GAC-approved Strategic Initiative on Sustainability, Transition and Efficiency to support countries with technical assistance on health financing, strengthen resource tracking, advocacy and improve value for money.	STE Management oversight; External evaluation
MA-6030	DHF: Consistent implementation of the Sustainability, Transition and Co-financing (STC) policy to strengthen overall health spending and financing of specific disease interventions.	A2F guidance and GAC Recommendation of Grants
MA-6031	DHF: Strengthened Global Fund Secretariat efforts to enhance capacity to support country teams / countries and leverage partners through the creation of a Health Financing Department.	MEC oversight

<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.
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<b>Controls &amp; mitigations in development or planned</b>		<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5983	Donor Funding: Facilitating the engagement of donors and other key stakeholders in the design of the upcoming Global Fund strategy and the new grant cycle, thereby increasing their ownership and involvement in the definition of the organization's programmatic aspirations.	Underway	31-12-2021	ERCDC
MA-5984	Donor Funding: Maturing performance and accountability processes based on lessons learned from the Sixth Replenishment, setting the foundations and paving the way for a successful Seventh Replenishment.	Underway	31-12-2021	ERCDC
MA-5989	Donor Funding: Co-leading the redefinition of the Global Fund brand, to continue increasing the visibility of the organization's mandate and results.	Underway	31-12-2021	ERCDC
MA-5997	Donor Funding: Devising new ways of working with civil society groups and communities, including increasing financial support to the Global Fund advocacy networks, providing connectivity tools to maintain the right levels of communications across partners, and creating the right messaging to maintain key stakeholders informed on international action to fight COVID-19.	Underway	31-12-2021	ERCDC
MA-6049	Donor Funding: Timely reporting of C19RM results to donors and key stakeholders through specific consultations, impact stories, and public data releases in line with the M&E and assurance framework.	Underway	31-12-2022	ERCDC
MA-6026	DHF: Strategic use of the Innovative Finance Strategic Initiative to approve additional joint investments and strengthen alternative sources of DRM.	Underway	31-12-2021	HFD
MA-6028	DHF: Leveraging partners via the Sustainable Financing for Health Accelerator (SFHA) to enhance DRM, VfM, and more effective development assistance.	Underway	31-12-2021	HFD
MA-6029	DHF: Enhancement of systems and tools to pro-actively manage risk, including tracking domestic procurement.	Underway	31-12-2021	HFD
MA-5996	Donor Funding: Increasing interactions with donors, partners and advocates to ensure the Global Fund effective positioning in the new context, and to monitor and protect financial commitments.	Underway	31-12-2021	ERCDC
MA-5992	Donor Funding: Supporting the engagement of the Global Fund in the Access to COVID-19 Tools Accelerator (ACT-A), particularly on the diagnostics and therapeutics pillars and health system connector, and to position the partnership as a key actor in the pandemic response and in the global health landscape and to mobilize additional resources.	Underway	31-12-2021	ERCDC
MA-5993	Donor Funding: Establishing new partnerships in the context of the pandemic, including with private sector actors, creating new opportunities for collaboration, resource mobilization and advocacy.	Underway	31-12-2021	ERCDC
MA-5995	Donor Funding: Continuing resource mobilization efforts across different markets to secure timely pledge conversion for the Sixth Replenishment, including, to the largest extent possible, the mobilization of additional USD 100 million, as committed in the Lyon pledging conference.	Underway	31-12-2022	ERCDC

15 - Internal Operations		Risk owner			2021-Q2	MEC Approved		
<b>Risk Description</b>	Risks affecting the smooth operation of the Secretariat, reflecting key enterprise level operations at the Secretariat, including enterprise-wide projects, Information Technology (IT), sourcing (indirect procurement), administration and financial controlling.							
<b>Risk Impact</b>	Decreased ability of the Global Fund to operate effectively to deliver on its mission.							
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Steady	<b>Global Fund ability to mitigate</b>	Significant			
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable	
<b>Key Partners</b>	N/A							
<b>Key Countries</b>	N/A							
<b>Root Cause</b>							<b>Related Action</b>	
IT Operational Risk: System performance and reliability failures, including unavailability, loss and recoverability of data, as well as disruption of critical IT service providers.							MA-5682 MA-5683 MA-5688 MA-5690 MA-5691 MA-5692	
IT Operational Risk: External 3rd party IT systems at country level and partners could be hacked leading to possible negative impacts to Global Fund.							MA-6056 MA-6057	
IT Vendor Risk: Poor contract oversight and supplier performance.							MA-5685	
IT Solution (Project) Risk: Lack of scope control, cost overruns, quality issues & timeline failures.							MA-5681 MA-5684 MA-5689	
IT Information Security Risk: Cyber security incidents, accidental or malicious loss of sensitive Global Fund information.							MA-5686 MA-5687 MA-5692	
FC: OPEX potential underspend at Secretariat level related to delays in hiring, cancellations of conferences/meetings and travel ban enforced.							MA-5712	
FC: Value for money of HR 'investment' (provisions for MAS/VES, talent pool, reorganization) for the organization in the absence of structured Strategic Workforce Planning process.							MA-5714	
FC: Improper/incomplete reconciliation of grant closure process.							MA-5713	
FC: Improper/incomplete reconciliation of closing SI 2017-2019 cycle.							MA-5717	
FC: Low absorption level for implemented grants							MA-5711	
FC: Misalignment between Secretariat OPEX for current and next allocation period and GF ambition							MA-5715 MA-5716	
FC: Grant forecasting accuracy might be impacted as full impact of COVID-19 on in country activities is captured with a lag time through PR expenditure reporting.							MA-5710	
Sourcing: Delay in non-critical RFPs and upturn in COVID related procurements and items for the GHC							MA-5726 MA-5727	
Sourcing: The Global Fund issues solicitations or contracts that fail to protect the Organization's commercial interests and operations							MA-5719 MA-5720 MA-5721 MA-5722 MA-5723 MA-5724 MA-5725	
FX: Due to the changes in the economic environment and continued market volatility caused by COVID-19, FX liquidity for currencies may create issues when rolling over hedges, some banks may show bigger spreads, which may impact FX settlements and counter party credit risk may increase.							MA-5832	
FX: Foreign Exchange (Fx) market volatility							MA-5833 MA-5834 MA-5836 MA-5837	
FX: Assets and Liabilities Management (ALM) changes (i.e. donor pledges or grant commitment changes leading to different FX exposures).							MA-5834	
FX: Poor internal Fx limit management (Fx Policy)							MA-5834 MA-5836	
FX: Internal and external poor Fx execution							MA-5834 MA-5838	
FX: Internal operational risk for Model risk							MA-5834 MA-5839	
Admin: Facility/Security/Assets/Travel: Technical building failure and/or security incidents at the Global Health Campus (GHC).							MA-5902 MA-5903	
Admin: Lack of business continuity management systems, staff compliance with existing security procedures and frameworks and lack of or partial asset reconciliation							MA-5899 MA-5900 MA-5901 MA-5904	
Admin: Enhancement of GHC operational guidance and clarification on roles and responsibilities (Gavi/GF vs. subtenants)							MA-5898	
Admin: Impact of Covid-19 on staff travel and GHC building operations							MA-5897 MA-5907	
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>		
MA-5681	IT Solution (Project) Risk: Remediation action plan to address late projects and IT Operational issues in place.						OIG audits	
MA-5682	IT Operational Risk: All key Secretariat applications migrated to the "cloud" or external high availability service providers reducing GHC Data Center requirements to a bare minimum.						Quarterly reporting to the Audit and Finance Committee (AFC)	
MA-5683	IT Operational Risk: Monthly IT operations and project performance review by CIO and IT Leadership Team.						Treasury Dashboard	
MA-5684	IT Solution (Project) Risk: Project management training delivered to IT Staff and key project teams; regular review by CIO.							
MA-5685	IT Vendor Risk: Establishment of an IT transformation & Vendor Management office to ensure alignment of projects with the Global Fund's Strategy as well as enhanced governance framework, risk management and control implementation around vendors.							
MA-5686	IT Information Security Risk: Information security controls embedded in the organization, Global Fund's ISMS for Treasury cash payments data & processes, OIG and Ethics and all related IT operational management processes and facilities are ISO-27001 certified.							
MA-5687	IT Information Security Risk: Mandatory on-line information security awareness trainings rolled out to Secretariat staff. As well as focused and targeted trainings for high risk individuals as it relates to cyber-attacks / fraud / phishing / social engineering.							
MA-5689	IT Solution (Project) Risk: Reinforced IT governance, including new "control gates" for demand review, project approval and operations acceptance, defined and finalized.							
MA-5690	IT Operational Risk: Service Level Agreement monitoring are in place for all tickets and reviewed daily to avoid delay in the processing of user tickets.							
MA-5691	IT Operational Risk: BCPs in place, regular updates are done on BCP status and flexibilities that are being used.							
MA-5710	FC: BCPs were developed for all finance processes, flexibilities are triggered as required. Additionally, close monitoring of BCP is performed on a regular basis to make sure smooth operations.							
MA-5711	FC: Quarterly grant re-forecast including when available update on absorption shared with MEC and AFC to ascertain impact of Covid-19 on GF program. Identification of funds available for Portfolio Optimization or reallocation to C19RM fund.							
MA-5712	FC: 2021 Budget has integrated a reduction of travel & meeting, plus anticipation of recruitment at the end of 2020 for 2021. Additional decisions as part of pre-F1 forecast and F1 forecast were taken to ensure reallocation of potential savings.							
MA-5713	FC: Monthly Monitoring Meeting within Program Finance and reporting to MEC and AFC on closure.							

MA-5714	FC: Involvement of Financial Controlling in reorg memo drafting in terms of modeling, determination of budgetary impact, and alignment with new budgeting framework	
MA-5715	FC: Budgeting framework implemented to help with alignment of Secretariat OPEX for current and next allocation period and GF ambition.	
MA-5720	Sourcing: Procurement Framework is in place, which includes Procurement Policy, Regulations and Procedures, and all procurement activities are conducted in the GFS ERP system.	
MA-5721	Sourcing: The Supply Operations Department and Technical Evaluation Committee (TEC) ensure that selection memoranda reflect the Global Fund's Procurement Policy and Regulations.	
MA-5722	Sourcing: Monthly report is generated on all OPEX and SI procurement transactions and available to CRO and the Head of Supply Operations for review.	
MA-5723	Sourcing: ERC subcommittee reviews proposed contracts that incorporate non-standard terms and conditions.	
MA-5726	Sourcing: BCP's developed and are in place and flexibilities triggered to ensure smooth operations.	
MA-5727	Sourcing: Additional resources granted to support COVID related procurement activities.	
MA-5832	FX: Close monitoring of the FX and regular reporting on "rolling of hedges".	
MA-5833	FX: Global FX Management Framework in place to ensure that contribution agreements, adjusted pledges and other exposures are consistently hedged.	
MA-5834	FX: Revised and approved Treasury, Cash and FX Management Procedure is in place.	
MA-5835	FX: Conservative Fx limit established that limits exposure well within the limit, 6th Replenishment positions fully hedged.	
MA-5836	FX: Regular update to AFC on hedging position	
MA-5837	FX: Foreign exchange risk has been significantly reduced with a systematic hedging strategy with a VaR utilization ratio of 46.7% at the end of Q2-21, absolute VaR hedges standing at US \$3.4m.	
MA-5838	FX: Foreign exchange in grants (FEiG) is ongoing, and implemented on a need basis (country request and/or quality of execution/spread) with 2 countries executing disbursements in local currencies, and some benchmarking in other countries. Multi-currency disbursements for EUR grants is being deployed, pending deployment of Oracle / Fusion.	
MA-5897	Admin: Situation Response Team (SRT) and Covid-19 Steer-Co set up to monitor the situation related to COVID-19 disruption and initiate early responses as needed including recommendations on staff travel and GHC operations.	
MA-5900	Admin: Dedicated Senior Security Officer (SSO) and team overseeing security policy and procedures.	
MA-5901	Admin: Global Fund-GAVI Partnership Agreement defines responsibilities for governance of GHC.	
MA-5902	Admin: GHC - Maintenance/repairs contracts are in place with a dashboard and annual schedule for all maintenance contracts.	
MA-5903	Admin: Robust security framework, travel security policy, asset management framework, procedures and SOPs are in place	
MA-5904	Admin: GF Crisis Management Plan endorsed by MEC and moved to implementation phase.	

**Overall Status**

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

Controls & mitigations in development or planned		Status	Target completion	Action owner
MA-5688	IT Operational Risk: Development and implementation of a Business Continuity Management System (BCMS) in conformity with the ISO-22310 standard.	Underway	30-11-2021	IT
MA-5692	IT Information Security Risk: Rolling out 3rd party Information Security Platform to review 3rd party information security risk exposure from breaches / phishing / ransomware attacks.	Underway	31-12-2021	IT
MA-6056	IT Operational Risk: Re-prioritization of efforts to respond to C19RM and continuous monitoring, review and impact analysis of new emerging cyber threats e.g. ransomware etc.	Underway	30-11-2021	IT
MA-6057	IT Operational Risk: Roll out Phishing training to PR's/SR's and recommend Multi-factor authentication for PR's/SR's email accounts to reduce risk of phishing attacks (joint initiative by GMD, Finance and IT).	Underway	31-08-2021	IT
MA-5716	FC: Development of costing methodology for the new GF strategy	Planned	31-12-2021	PFC
MA-5717	FC: Initiation of 1st Formal closure process for SI	Underway	30-09-2021	PFC
MA-5718	FC: Integrated org planning working group with HR, SPH and IT, roll out of Position Management by HR with outcome integrated into 2022 OPEX Budget.	Underway	31-08-2021	PFC
MA-5719	Sourcing: Review of the design and operating effectiveness of the Procurement Review Committee.	Underway	30-09-2021	SSC
MA-5724	Sourcing: Sourcing will issue guidance to control and maintain the approved Preferred Supplier List and the list of Direct Suppliers.	Underway	30-09-2021	SSC
MA-5725	Sourcing: Update of Procurement Procedures.	Underway	30-09-2021	SSC
MA-5839	FX: Fully automated dashboard in Tableau to monitor net FX exposure, including Bloomberg VAR calculation. The project is in production, being verified and running in parallel to existing model.	Underway	30-09-2021	Treasury
MA-5898	Admin: Amendment of sublease contract to align with the recently approved Operational Governance Framework and lease addendum to reflect final numbers in sublease agreement.	Underway	30-09-2021	Admin
MA-5899	Admin: Physical check and financial reconciliation of assets (except audiovisual equipment) was completed to ensure compliance with TGF rules and regulations.	Underway	31-10-2021	Admin
MA5905	Admin: Training workshops planned with Crisis Management team members. Operationalization of the Crisis Management Plan in progress and implementation of IT tool to inform of crisis events.	Underway	31-12-2021	Admin
MA-5906	Admin: Selection of Security on field services providers completed making sure missions have adequate level of security. 2 companies were selected, the contract with one was signed, the other is under process with procurement and legal.	Underway	30-09-2021	Admin
MA-5907	Admin: Future of Work project in progress, which will perform a lesson-learned on COVID-19 situation and then result in redesign and adaptation of the working environment at the GHC.	Underway	30-06-2022	Admin

16 - Integrated Grant Policies, Processes, Systems & Data			Risk owner		2021-Q2	MEC Approved			
<b>Risk Description</b>	Lack of integrated policies, processes, systems and data to manage programs throughout the grant life cycle.								
<b>Risk Impact</b>	Weaknesses in grant and risk management, inefficiency and high transaction costs in managing grants, and weakened internal controls.								
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Steady	<b>Global Fund ability to mitigate</b>	Significant				
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable		
<b>Key Partners</b>	N/A								
<b>Key Countries</b>	N/A								
<b>Root Cause</b>							<b>Related Action</b>		
Limited assessment of the operational feasibility and implications of Board-approved policies.							MA-5704		
Limited internal capacity to assess and implement changes to grant management systems resulting from new business requirements.							MA-5700 MA-5704		
Frequent changes to processes that limit the Secretariat's ability to maintain up to date policies, procedures systems and data.							MA-5703 MA-5704		
Nascent change control structures to identify and manage interdependencies between systems, processes and data.							MA-5703		
Limited monitoring of business process controls.							MA-5701 MA-5705		
Lack of standards and guidance on data management, and limited data availability.							MA-5702 MA-5706		
COVID-19 disruption causing diversion of resources from business-as-usual activities, impacting timeline of operational launches, development of new procedures and crisis response mechanisms.							MA-5707 MA-5708 MA-5709 MA-6048		
Complexity of integrating operationalization of COVID-19 response, including C19RM, in grant lifecycle processes, and meet donor demands.							MA-6048		
<b>Current controls &amp; mitigations</b>							<b>Assurances</b>		
MA-5700	Majority of grant lifecycle (from Funding Request to Grant Closure) and cross-functional processes (GED, Differentiation, IFH) are integrated from a process, policy and data point of view and automated in the Grant Operating System (GOS).						Monitoring of business process controls		
MA-5701	Regular exception reporting to monitor performance of key grant management business processes.						OIG audits		
MA-5702	Data Governance Committee established, and program of work agreed, to review and implement improvements to the Secretariat's approach to data management.								
MA-5703	Operational Efficiency team strengthened to help identify and manage interdependencies between systems, processes, policies, and data.								
MA-5704	Implementation of the Operational Launch Planning (inclusive of proposed changes reviewed by the Operational Change Group) enhancing the Secretariat's ability to maintain up to date processes, systems and data.								
MA-5705	Comprehensive suite of dashboards for monitoring performance: programmatic, financial, operational and effectiveness of processes has been developed.								
MA-5707	C19RM 2021 guidelines and process operationalization.								
MA-5708	Business Contingency Plans in place and operational flexibilities covering grant lifecycle processes are executed as required. (extended until 30 September 2021 as needed, regularly re-assessed)								
						<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.		
<b>Controls &amp; mitigations in development or planned</b>									
						<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>	
MA-5706	Implementation of the Data Governance Program, currently focused on developing data lifecycle regulations.						Underway	31-12-2021	IT
MA-6048	Periodic updates of C19RM guidelines and process based on lessons learned and opportunities for process improvement.						Underway	30-06-2022	A2F

17 - Risk Management & Internal Controls		Risk owner		2021-Q2		MEC Approved	
<b>Risk Description</b>	Weaknesses in identification of key risks, corresponding controls, assessment of impact, and prioritization and monitoring of controls and mitigating actions for both grant-facing and internal risks.						
<b>Risk Impact</b>	Divergent understanding of risks leading to ambiguity in accepting or managing risks, and inconsistency of responses across the first and second lines of defense. Inadequate risk management and internal control gaps resulting in the Global Fund not meeting its objectives.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Significant		
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable
<b>Key Partners</b>	N/A						
<b>Key Countries</b>	N/A						
<b>Root Cause</b>							<b>Related Action</b>
Rapid change of the external and internal operating environment resulting in the need to continually evolve risk management tools and processes and simultaneously adapt second line oversight over changing operations and new Secretariat activities introduced in response to COVID-19.							MA-6009 MA-6011 MA-6038 MA-6043
Reduced coordination between the second line oversight and first line of defense. In-country disruptions, especially travel restrictions, are also contributing to delays or inability to undertake planned assurance activities.							MA-6009
Lack/non-use of standardized risk approaches and tools for decision making and risk acceptance							MA-5998 MA-5999 MA-6002 MA-6005 MA-6046
Inadequate implementation and follow up of prioritized risk mitigations, and quality and timely assurances							MA-6000 MA-6046
Limited operationalization of key policies, processes and tools							MA-6045
Variable understanding of risk management responsibilities across the first two lines of defense							MA-6008 MA-6044
Risk management not adequately embedded into Global Fund operations, and decision-making processes							MA-6001 MA-6003 MA-6006 MA-6007 MA-6044 MA-6046
De-prioritization of certain risk management activities to free capacity to design and implement activities for second line assurance over modified or new Secretariat activities.							MA-6043
Weakness in the control environment including inadequate standards, processes and structures that provide the basis for internal controls.							MA-6032 MA-6033 MA-6034 MA-6035 MA-6036 MA-6037
<b>Current controls &amp; mitigations</b>							<b>Assurances</b>
MA-5998	Ongoing application of CoE flexibilities to improve program delivery in contexts with high external risks.						
MA-5999	Active risk management undertaken by Secretariat business units through selected use of departmental risk registers to structure risk assessment and mitigation, and exception reporting for monitoring of select key business process controls.						
MA-6001	Ongoing risk oversight of funding requests, grant-making and approvals, and annual funding decisions and disbursements to ensure effective embedding of risk management across the grant lifecycle.						
MA-6002	Ongoing Global Risk Owner engagement in risk rating validations using outcome indicators, prioritization of mitigation actions and assurance to ensure improved alignment across second line of defense functions.						
MA-6003	Matured Enterprise Risk Committee process driving improvement in managing key organizational risks with greater focus on mitigating actions and ensuring linkages with strategic goals.						
MA-6004	Finance and Controlling risk monitoring, management and exception reporting for key external and internal controls, to strengthen the control environment through an active feedback loop focused on improvement.						
MA-6005	Risk measurement framework in place to ensure standardized and objective risk assessment across the portfolio and to facilitate ongoing Risk Appetite-based decision making for 9 key organizational risks.						
MA-6010	Secretariat developed and rolled out the COVID-19 Country Monitoring Survey to allow timely assessment of in-country disruption levels as a result of the pandemic.						
MA-6043	Secretariat developed Business Contingency Plans for 52 Global Fund processes. BCPs allow an informed and graded risk-based response to the various scenarios of disruptions, with defined flexibilities across processes including delivery of grants and standards of assurance across various defined scenarios of disruptions. These are being monitored every quarter.						Chief Risk Officer's Annual Opinion and Semi-Annual Risk Management Report
MA-6044	Proactive risk management across the grant life cycle, with clear roles and responsibilities of the first and second lines of defense with respect to differentiated risk assessments for High Impact, Core and Focused portfolios, risk identification, prioritization and mitigation, capacity assessments, comprehensive assurance planning and monitoring, in-country validation and reporting, and related activities.						OIG Annual Report and Opinion on Governance, Risk Management and Internal Controls of the Global Fund
MA-6045	Use of Integrated Risk Management module to facilitate improved and streamlined risk identification/planning of mitigations, assurances and follow up						Integrated Risk Module (IRM)
MA-6046	Portfolio Performance Committee driving greater focus on key risks and mitigations linked to objectives in prioritized countries. Use of Country Risk Management Memorandum to facilitate structured approach to risk trade-offs and risk acceptance with a focus on key mitigating and assurance actions for Core and High Impact portfolios.						Organizational Risk Register (ORR)
MA-6032	Ongoing implementation of improvement actions by the Business Process Owners to strengthen internal controls for key business processes in line with the COSO framework.						
MA-6034	Performance & Accountability framework, in place to drive process performance and accountability across the Secretariat, with routine monitoring of process efficiency and effectiveness metrics through reporting to Management Executive Committee.						
MA-6035	Oversight over control monitoring, including exception reporting and handling for selected key controls, to strengthen the control environment through an active feedback loop focused on improvement.						
MA-6036	Active risk management undertaken by Secretariat business units through selected use of departmental risk registers to structure risk assessment and mitigation.						
MA-6037	Implement action plans to advance maturity of Secretariat business processes to drive process improvement and quality and effectiveness of controls.						
							<b>Overall Status</b>
							Risk mitigation is on track. There are no material delays.
<b>Controls &amp; mitigations in development or planned</b>							<b>Status</b>
MA-6000	Routine monitoring of key mitigating actions and assurance activities to drive greater progress and completion.						Underway
MA-6006	Conduct review of key risks and effectiveness of key mitigation measures, internal controls and assurance arrangements with international non-governmental organizations by a cross functional team to identify changes needed to strengthen assurance arrangements and/or framework agreements.						Underway
MA-6007	Improve coordination, embed risk management and improve internal controls in the Supply Operations Department.						Underway
MA-6008	Develop framework and associated policies and procedures for coordination of second line oversight and risk						Underway
						<b>Target completion</b>	<b>Action owner</b>
						31-12-2021	GMD
						30-10-2021	Risk
						31-12-2021	SSC
						31-12-2021	Risk

	management, to improve consistency and efficiency across all second line functions, based on an assessment of the current state and opportunities for improvement.			
MA-6009	The Secretariat is making adjustments to risk management tools and processes to shift from acute crisis response to the new business normal, which includes revision to risk ratings, risk appetite, root causes, mitigations and assessment of PR capacity.	Underway	31-12-2021	Risk
MA-6038	Leverage existing Global Fund processes, controls, and frameworks to strengthen the end to end risk assurance approach for C19RM investments. Acknowledging the increase level of risks across key portfolio risk, and the unique risks posed through significantly higher C19RM funding, the following additional measures initiated and planned: - Develop and implement the Risk and Control Matrices (RCMs) for C19RM funding mechanism. - Develop and operationalize the monitoring and oversight (M&O) framework to track C19RM - Plan, implement and monitor additional risk-based grant assurances to cover C19RM investments. This includes enhanced mandatory minimum assurance activities (pulse checks, supply chain and health service spot checks, procurement, warehousing and inventory management reviews and targeted programmatic and financial spot checks) across the top 45 portfolios with C19RM awards of over \$20M (accounting for 90% of C19RM investments) under the oversight of Investment Committee.	Underway	30-12-2021	Risk
MA-6070	Conduct disease specific thematic deep-dives to inform prioritized adaptations and mitigation plans and drive grant performance under the oversight of Portfolio Performance Committee.	Underway	31-12-2021	TAP
MA-6033	Key Business Process Reviews performed to assess the system of internal controls for prioritized processes.	Underway	30-12-2021	Risk

18 - Legal		Risk owner		2021-Q2	MEC Approved		
<b>Risk Description</b>	1.Contract risk: exposure to counterparty risk and assumption of legal obligations to counterparties. 2.External legal risk: exposure to local laws, regulatory and judicial processes and compliance costs. 3.P&I risk: absence of legal protections vis-à-vis countries where Global Fund is active (e.g. grant management, audits/investigations, procurement, financial transactions) or has assets, including where certain activities may be outside the scope of P&Is granted in certain countries. 4.Internal legal risk: failure to observe Global Fund policies, rules and procedures; inconsistencies and/or overlap among policies, rules and procedures.						
<b>Risk Impact</b>	1. Contract risk: business teams' acceptance of terms that provide less protection, oversight and/or assurance of Global Fund resources and interests; authority and enforceability issues; contract obligations inconsistent with Global Fund policies, regulations and procedures. 2. External legal risk: compliance costs; potential violation of local laws by Global Fund or implementers; potential inquiry, investigation and/or enforcement by external authority. 3. P&I risk: limited ability to protect and maximize impact of Global Fund resources; conduct resource mobilization; protect governance officials and staff; deliver life-saving commodities; protect data and information assets; pursue recoveries. 4. Internal legal risk: weak foundation for governance and internal controls; decisions, exceptions and waivers approved by function without authority to do so; transaction inefficiencies; framework not in place for new initiatives/business evolution.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>		Steady	<b>Global Fund ability to mitigate</b>	Moderate	
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable
<b>Key Partners</b>	N/A						
<b>Key Countries</b>	Contract risk: countries where counterparties are organized and/or active. External legal risk: countries where the Global Fund is active or has assets. P&I risk: There are 21 signatories to the P&I Agreement (of which 13 have ratified or otherwise approved, indicated by *): Afghanistan*, Burkina Faso*, Burundi, Côte d'Ivoire, Eswatini*, Ethiopia*, Gabon, Georgia*, Ghana, Kenya*, Liberia*, Malawi*, Moldova*, Montenegro, Mozambique*, Niger, Rwanda*, Senegal*, Togo*, Uganda*, and Zimbabwe*. In addition, Kenya has recently become the fifth State to grant the Global Fund certain privileges and immunities under domestic laws or through the conclusion of bilateral agreements, the other States being Switzerland, Uganda, the United States and Zimbabwe. In total, the Global Fund has P&Is in 19 countries.						
<b>Root Cause</b>							<b>Related Action</b>
	Contract risk: inconsistent use of standard terms and templates resulting in GF acceptance of legal obligations, incurring compliance costs, and not being entitled to appropriate protections re: grant implementers, suppliers, partners, licensees and other third parties, including COVID-19 commodities. COVID may affect counterparties' ability to negotiate, amend, execute or deliver on their contractual obligations, including purchase orders through wambo.org, whether due to restrictions on activities, decreased financial or operational capacity, increased costs, supply chain issues or otherwise. Mechanisms for expedited implementer approvals, modified/simplified forms for agreements and deferred/alternative execution may increase the potential for contract claims or re-negotiations.						MA-5676
	External legal risk: claims against or involving the Global Fund; compliance costs; potential violation of local laws by Global Fund or implementers; potential inquiry, investigation and/or enforcement by external authority. Increasing focus on sanctions compliance in connection with Global Fund grants and procurement. In addition, risks may arise from the simultaneous development of the operational framework for C19RM 2.0 and its implementation.						MA-5677
	P&I risk: limited ability to dismiss claims, protect and maximize impact of Global Fund resources, conduct resource mobilization, protect governance officials and staff, deliver life-saving commodities, protect data and information assets and pursue recoveries. Negotiation of P&Is affected, in order to ensure delivery of core grant-related objectives and focus on continuity during pandemic. Among donor countries, the current absence of P&Is in France are an impediment to expansion of tele-working arrangements for staff residing in France.						MA-5678
	Internal legal risk: lack of centralized knowledge management system for Global Fund policies, rules and procedures; decentralized rulemaking, implementation and training/communication; no formal compliance structure. BCP flexibilities and exceptions introduced as urgent responses to ensure continuity of essential activities, may heighten internal controls and compliance. Compliance risk in relation to Q&A policies heightened, given the increasing procurement of Covid-19 products.						MA-5679 MA-5680
<b>Current controls &amp; mitigations</b>					<b>Assurances</b>		
MA-5676	Contract risk: Grant agreements, COVID-related procurement, contribution agreements are prioritized (whether new or amended). Non-urgent contracts de-prioritized in line with BCPs GF standard terms and templates; procurement services agents' contracts for the procurement of certain COVID-related health products are leveraged where GF terms are not accepted. Revised Delegations of Signature Authority expand requirements for contract clearance; Legal review of BCP flexibilities and updates to procurement rules.				Legal clearance of contracts where required under Delegations of Signature Authority; tracking of selected contract deviations presented by business teams; escalation mechanism for acceptance of counterparty contract terms		
MA-5677	External legal risk: Defense of procurement-related claims under the advice of external counsel in the relevant jurisdictions; engagement with Swiss mission on legal status; assertion of P&Is (where available); contractual limitations of liability (where standard terms and templates are used); updated guidance on arbitration and governing law provisions; monitoring of sanctions and obtaining licenses (where appropriate); personal data privacy clause in standard contract terms.				Protection of P&Is (where granted) in countries where the Global Fund is active or has assets; legal opinions of local counsel		
MA-5678	P&I risk: PIAG and GF management agreed a prioritized and targeted approach. Further to US Supreme Court's Jam v. IFC decision GF overall exposure to litigation in the U.S. is limited to certain areas; Legal consultation required prior to any planned activity which may have a US connection. Leveraging engagement of GF governance and high-level officials with heads of States, heads of Governments and Ministers of Foreign Affairs.				Signed and ratified country-specific P&I Agreements; entry into force of P&I Agreement; grant of P&Is under domestic laws in certain countries		
MA-5679	Internal legal risk: Board approval of C19RM 2.0 policy; embedded Legal Counsels advise CTs on C19RM 2.0 and other grant requirements; continuing Legal review of C19RM guidelines and processes, contribution conditions and reporting requests, and Secretariat BCPs. Legal clearance of Board and Committees decisions.				Legal acts as independent advisor to Board, Committees, Secretariat and OIG on internal policies, rules and procedures		
					<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.	
<b>Controls &amp; mitigations in development or planned</b>					<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5680	Internal legal risk: Two new Legal surge positions to in connection with C19RM; existing controls and assurance mechanisms for grants to mitigate risks associated with simultaneous development of C19RM 2.0 and its implementation.				Underway	31-12-2021	Legal

19 - Governance & Oversight		Risk owner		2021-Q2		MEC Approved		
<b>Risk Description</b>	Structures and processes to take decisions and conduct oversight, in pursuit of the organization's mission and strategic objectives, are not effective.							
<b>Risk Impact</b>	Weaknesses in governance limit Board's ability to provide clear direction, to undertake an effective oversight role, and to take informed, timely and strategic decisions in the best interests of the Global Fund.							
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>		Increasing	<b>Global Fund ability to mitigate</b>	Significant		
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable	
<b>Key Partners</b>	N/A							
<b>Key Countries</b>	N/A							
<b>Root Cause</b>						<b>Related Action</b>		
Trust, collaboration and accountability: Instances of lack of trust between Board, Committees and Secretariat may lead to a culture of over-consultation, insufficient delegation, large volume of information and a resulting lack of focus on strategic issues and hampering of oversight and decision-making processes. Lack of clarity around roles, responsibilities and accountabilities.						MA-5772 MA-5781 MA-5784 MA-6067		
Board size, structure and composition in a changing landscape: Global Fund governance structure, composition and operations remain largely unchanged since its inception despite significant changes in global health architecture.						MA-5768 MA-5777		
Existing conflicts of interest and inadequate due diligence on nominated individuals.						MA-5769 MA-5790 MA-5791 MA-6066		
Level of Board Discussions & Leveraging the role of committees: Challenges in aligning Board and committee agendas, linked to strategic objectives. Large volume of information may pose challenges to oversight and decision making.						MA-5770 MA-5772 MA-5773 MA-5779 MA-5782 MA-5783 MA-5784		
Leadership, Continuity & Institutional Memory: Short-Term lengths for Board Leadership and Committee members do not support continuity, may pose limitations to leadership effectiveness, and require frequent, resource-intensive selection processes, resulting in governance burden, and committee selection processes have historically faced perceived or actual challenges around balanced representation, transparency, candidate pools, diversity, technical skills and procedural clarity. Description updated:						MA-5765 MA-5767		
Constituency engagement and voice: Inconsistent levels of engagement by Board constituencies, including differing levels of capacity to engage.						MA-5771 MA-5778 MA-5780 MA-5792		
Governance continuity in crisis setting: COVID-19 disruption causing reduced engagement or increased membership turnover due to capacity constraints, complex governance processes place limitation on agility in urgent decision-making, and virtual environment impacts on efficiency and trust.						MA-5766 MA-5786 MA-5787 MA-5788 MA-5789 MA-5793 MA-6068		
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>		
MA-5766	BCOP define procedures for delegation of authority and provide for how key leadership roles would be filled in the event of a vacancy.					Governance Performance Assessment Framework (external review of Board, Board leadership and Committee performance)		
MA-5767	Strengthened Board Leadership and Committee Selection Processes, with enhanced attention to skills and competencies in the selection of committee members. Onboarding program for Board leadership and Committee leadership.							
MA-5768	<ul style="list-style-type: none"> <li>- Additional Public Donors Constituency allows routes for additional donors.</li> <li>- Revised Donor Group Framework provides routes for voluntary and guaranteed integration of additional donors into the voting donor constituencies of the Board.</li> <li>- Board Leadership role to support resource mobilization efforts.</li> <li>- Donor Group review of Framework for Allocation of Seats ahead of each Replenishment (every 3 years)</li> </ul>							
MA-5769	<ul style="list-style-type: none"> <li>- Ethics and Integrity Framework and Code of Conduct for Governance Officials guides behaviors in decision-making.</li> <li>- Ethics training is part of standard onboarding of Governance Officials. Updates to Codes of Conduct to reflect (1) key findings from the Governance Culture initiative (2020) and (2) international standards on SEAH (Feb 2021)</li> <li>- Routine annual Declarations of Interest and Code of Conduct Certification for all Governance Officials</li> <li>- Ongoing implementation through training and awareness of Ethics and Integrity Framework: policies and codes of conduct, including PSEAH/safeguarding</li> </ul>							
MA-5770	Strategic agenda setting is a focus of the CG and Board Leadership. Continuous attention to timely progress of initiatives, and to leveraging the role of committees to enable strategic discussions at Board level.							
MA-5771	Onboarding Framework (2018) in routine implementation for Board and committees. Dedicated on-boarding and ongoing advisory support to constituencies. Behavioral nudges by leadership to enable balance in constituency voice in discussions.							
MA-5773	Board documents adapted to focus on strategic input needed for decision making.							
MA-5778	<ul style="list-style-type: none"> <li>- Constituency Management Guidelines provides best practice guidance on constituency management (2019).</li> <li>- Guidance Note for Constituency Dispute Resolution (2018) (provides guidance and an escalation mechanism in case of dispute within a constituency).</li> <li>- Support to constituencies on routine review and continuous improvement of internal practices.</li> </ul>							
MA-5779	Strengthened role of Coordinating Group, facilitating coordination between the Board and the committees on cross-cutting issues.							
MA-5780	Funding provided to Implementer Constituencies to support their effective engagement at the governance level							
MA-5781	Onboarding and training of Governance officials and leadership. Existing Governance Performance Assessment Framework.							
MA-5786	Flexibilities and contingency approaches developed for the continuity of governance operations, engagement of constituencies, and leadership continuity.							
MA-5787	Adapted processes to enable governance priorities to continue in virtual environment (Partnership Forums, IG selection process, etc.)							
MA-5789	Expedited decision-making processes for the adoption of urgent decisions required to enable the COVID-19 response and safeguard the GF mission, with ongoing transparent and regular reporting.							
						<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.	
<b>Controls &amp; mitigations in development or planned</b>						<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5765	GAP 2.0: Review of term lengths (Board Leadership and Committees), in line with strategic cycles and priorities, and principles of balance, continuity and renewal					Underway	31-12-2021	Legal
MA-5777	Placeholder to continue monitoring the existing governance structure is fit for purpose as and when deemed necessary by the EGC or Board.					Planned	31-12-2023	Legal
MA-5782	GAP 2.0: Effective Reporting: renewed attention to continuous improvement, streamlining, and simplification of reporting, as well as alternative methods of information-sharing (e.g. Financial Dashboard 2021)					Underway	31-12-2021	Legal

MA-5784	GAP 2.0: review of committee mandates	Planned	31-12-2021	Legal
MA-5788	GAP 2.0: additional operational enhancements to enhance interaction and support meeting modalities and constituency engagement in virtual settings and beyond	Underway	31-12-2021	Legal
MA-5792	Flexibilities in Constituency Funding to support continuous engagement by implementer constituencies.	Underway	31-12-2021	Legal
MA-5793	Sustained attention to enable effective and on time delivery of key Board-level priorities and governance activity in a continuing crisis environment, including on strategy development.	Underway	31-12-2021	Legal
MA-6066	Roll out of the Integrity Due Diligence framework.	Underway	30-09-2021	Legal
MA-6067	GAP 2.0: Revise the Governance Performance Assessment Framework, aligned to the Strategy Cycle, with appropriate frequency of assessments of Board, Committees and their leadership, in line with good practice. CG and leadership onboarding on culture of trust; regular engagement to discuss culture and trust, including with Management.	Planned	31-05-2022	Legal
MA-6068	Review BCOP based on lessons learned from 2020-2022.	Underway	31-12-2022	Legal

20 - Organizational Culture		Risk owner		2021-Q2		MEC Approved	
<b>Risk Description</b>	Failure to drive a performance based and ethical culture and ensure all staff and governance officials uphold and demonstrate the Global Fund's corporate values, protect its reputation, and the behaviors needed to maximize operational efficiency and effectiveness.						
<b>Risk Impact</b>	Operational inefficiency, reduced workforce capacity and operational effectiveness, harm to the Fund's reputation and a negative impact on staff well-being.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Steady	<b>Global Fund ability to mitigate</b>	Significant		
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable
<b>Key Partners</b>	N/A						
<b>Key Countries</b>	N/A						
<b>Root Cause</b>					<b>Related Action</b>		
Direction from senior management on aspirational culture is not consistently cascaded or demonstrated					MA-5825 MA-5831 MA-5815 MA-6050 MA-5818 MA-5828		
Variable people management capability results in inconsistent articulation of expected performance levels to staff, an inability to address poor performance, and limits staff development					MA-5819 MA-5818		
Operational inefficiencies, lack of process definition and performance targets and lack of accountability limits prioritization of work, collaboration, and increases staff workload					MA-6050 MA-5828		
Lack of an attractive rewards philosophy, hinders the organization's ability to attract, retain, motivate and reward talent and align organizational need and capacity					MA-5816 MA-5823 MA-5831 MA-5815 MA-5828		
Breaches of the code of conduct, unethical behaviour and conflicts of interest.					MA-5817 MA-5820 MA-5821 MA-5822 MA-5824 MA-5827		
<b>Current controls &amp; mitigations</b>					<b>Assurances</b>		
MA-5815	Comprehensive wellness strategy being deployed, providing support throughout, by executing targeted team interventions, where required, regular pulse survey, annual leave policy updates and further through staff support service from ombudsman, staff counselor and occupational health advisor.				OIG Functional Audit		
MA-5817	Updated Code of Conduct for Staff, updated Bullying and Harassment Policy, and updated investigations and disciplinary procedures facilitating enhanced accountability and control.				Ombudsman		
MA-5818	Leadership capability being enhanced through focused development programs for managers. The initiative is further supported by offers on Manager and employee capability development programs aligned to organization strategy.						
MA-5820	Ethics and Integrity framework, and Ethics Policy, including Conflicts of Interest, in place, underpinned by processes for Ethics case management and conflict of interest reviews.						
MA-5821	Code of Conduct for Board and governance officials in place.						
MA-5822	Continued awareness raising and related trainings on ethics and integrity.						
MA-5823	Total rewards review was implemented in 2019 and launched in January of 2021 for all employees. The rewards philosophy has been articulated reflecting aspects of our aspirational cultural values.						
MA-5824	Sustaining the revised investigation and disciplinary process launched in 2020, resulting in better case management for the organization.						
MA-5827	Ethics Office review of Codes of Conduct and Policies within the Ethics and Integrity Framework. Corresponds to AMA 4 of the 2019 OIG Audit of Ethics & Integrity						
MA-5828	Performance and talent management review in place to provide the organization and people managers with tools and capabilities to evaluate performance objectively, take accountability, nurture talent and recognize performance.						
MA-6050	Integrated organizational planning and workforce planning being embedded as part of an annual process cycle, to drive alignment on organizational priorities, aligned workforce requirements and budget requirements.						
					<b>Overall Status</b>		Risk mitigation is on track. There are no material delays.
<b>Controls &amp; mitigations in development or planned</b>					<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5819	Leadership and manager capability development to drive accountability, performance, psychological safety and staff wellbeing. Continued implementation of the leadership program 'Elevate', launched in 2019.				Underway	31-12-2021	HR
MA-5825	Organizational and Divisional / Departmental / Team action plans based on the engagement results planned for implementation through 2021, continuing from 2020.				Planned	31-12-2021	MEC
MA-5831	Working on evolving organizational culture through various initiatives (Sustainable & measurable diversity & inclusion strategy & embed it into existing processes, Future of Work, Aspirational Culture, Wellbeing Strategy)				Underway	31-12-2022	HR

21 - Workforce Capacity, Efficiency & Wellbeing		Risk owner		2021-Q2		MEC Approved	
<b>Risk Description</b>	Lack of work planning and resource prioritization, over commitment at Division / Department level, inefficient business processes and in some cases supervisory weakness, create conflicting priorities, workload pressures and have a negative impact on staff health and wellbeing.						
<b>Risk Impact</b>	Unable to deliver on organizational objectives as a consequence of inadequate work planning, inadequate prioritization, process inefficiency, and poor staff management. This results in some employees being overstretched, which has a negative impact on the ability of the organization to deliver on its objectives and, in some cases, a negative impact on personal well-being and the well-being of team members, who are required to take on additional work.						
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Significant		
<b>Residual Risk</b>	Moderate	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable
<b>Key Partners</b>	Not Applicable						
<b>Key Countries</b>	Not Applicable						
<b>Root Cause</b>						<b>Related Action</b>	
Possibility of delays in long-term activities planned due to reduced capacity of Secretariat, as teams are engaged in C19RM and managing business as usual activities in parallel.						MA-5807 MA-5811 MA-5794 MA-5802 MA-5806 MA-6052	
Developing divisional and departmental priorities insufficiently aligned to organizational priorities is an issues, leading to led to uneven, ad hoc and unsustainable workloads, due to budgetary constraints.						MA-5806 MA-5803 MA-6052 MA-5794 MA-5804 MA-6051	
Inefficient business processes driving down productivity.						MA-5802 MA-6052 MA-5794	
Inadequate people management capability to drive performance and support talent development.						MA-6052 MA-5796 MA-5804	
Significant organizational change and shifting priorities, in combination with a lack of staff resilience, leading to change fatigue and loss of motivation / engagement.						MA-5795 MA-5796 MA-5805 MA-6051 MA-5809	
Changing restrictions by the Swiss and neighboring governments impacting the business continuity of the Global Fund.						MA-5811 MA-6051	
Increased risk of staff burnout due to increase workload and productivity loss due to COVID-19 impact on employees.						MA-5811 MA-5794 MA-5795 MA-5806 MA-5809	
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>	
MA-5794	Integrated organizational planning and workforce planning being embedded as part of an annual process cycle, to drive alignment on organizational priorities, aligned workforce requirements and budget requirements.					OIG functional Audit	
MA-5795	Comprehensive wellness strategy being deployed, providing support throughout, by executing targeted team interventions, where required, regular pulse survey, annual leave policy updates and further through staff support service from ombudsman, staff counselor and occupational health advisor.					Staff pulse survey	
MA-5796	Leadership capability being enhanced through focused development programs for managers. The initiative is further supported by offers on employee capability development programs aligned to organization strategy.					Reporting on medical leaves	
MA-5802	Performance and Accountability reporting done on quarterly basis focusing on areas for efficiency / effectiveness.						
MA-5804	New performance & development cycle implemented as well as the recognition framework – further embedment in 2021 and 2022.						
MA-5806	Continued monitoring of workforce needs across the organization, with redeployment or, if required, recruitment of resources being done to meet the business needs.						
MA-5811	Continue to adapt to the impact caused by COVID disruption through: Situation Response Team (SRT) that manages the response to COVID crisis, Business Contingency Plan (BCP) across Secretariat, engagement with Swiss authorities to address any legal, tax, pension fund, social security issues, and adapting to the Swiss government guidance and regulations.						
<b>Overall Status</b>						Risk mitigation is on track. There are no material delays.	
<b>Controls &amp; mitigations in development or planned</b>					<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>
MA-5803	To support operational workforce planning, position management is under implementation. Incremental implementation of workforce planning processes (Strategic) is planned to ensure manager capability development and organizational readiness.				Underway	31-12-2021	HR
MA-5805	Organizational Change Management: Training to strengthen organizational internal capability to plan, drive and adopt change effectively being offered to employees.				Underway	31-12-2021	HR
MA-5809	Regular two-way communication is in place: regular (and well-attended) Townhalls were held throughout the crisis and managers are encouraged to proactively reach out to their teams to compensate for lack of interaction at workplace.				Underway	31-12-2021	HR
MA-6051	Future of work project underway, which looks at the workspace, polices and processes to support our new ways of working and enabling technologies.				Underway	31-12-2022	MEC
MA-6052	Continued work to embed the Business Process Model and further strengthen the use of metrics for performance management and decision-making. The BPM will also be leveraged in planning for the implementation of the next Global Fund Strategy.				Underway	31-12-2021	SPH

22 - Reputation		Risk owner		2021-Q2	MEC Approved			
<b>Risk Description</b>	Reputational harm can be caused by problems that emerge unexpectedly from control weaknesses, performance issues, poor governance or oversight, or events beyond the control of the Global Fund. Misleading or disproportionately negative media coverage of misuse of funds or other inappropriate activities can amplify reputational harm.							
<b>Risk Impact</b>	Damage to reputation can lead to potential loss of future donor funding and ability to achieve impact against the three diseases.							
<b>Change since last quarter</b>	No change	<b>Current direction of travel</b>	Increasing	<b>Global Fund ability to mitigate</b>	Moderate			
<b>Residual Risk</b>	High	<b>Risk Appetite</b>	Not Applicable	<b>Target Risk</b>	Not Applicable	<b>Target risk timeframe</b>	Not Applicable	
<b>Key Partners</b>	N/A							
<b>Key Countries</b>	N/A							
<b>Root Cause</b>						<b>Related Action</b>		
Potential misstep in Board selection process						MA-5748		
Political factors can influence news coverage						MA-5746 MA-5750		
Complexity of global health operations allow for misinterpretation						MA-5744 MA-5745 MA-5749		
OIG and other reports that identify misuse of funds or other serious issues						MA-5744		
Performance issues or internal control weaknesses						MA-5743		
<b>Current controls &amp; mitigations</b>						<b>Assurances</b>		
MA-5743	Performance and Accountability Framework in place to drive process performance and accountability across the Secretariat, with routine monitoring of process efficiency and effectiveness metrics through reporting to Management Executive Committee.					Quarterly reporting, SPH active monitoring, and MEC discussion on the status of P&A indicators		
MA-5744	Proactive identification of potential issues by country teams and senior management with relevant teams.					Country Teams reports		
MA-5745	Continual focus on strengthening organizational maturity of risk management, internal controls, governance, and increasing transparency.							
MA-5746	Proactive, agile communications strategy by Communications Department.							
MA-5747	Constant coordination with external relations teams to adjust communications plans to priorities and emerging risks in key markets and audiences					Frequent exchanges of the ERCD Leadership Team and internal working groups (Situation Response Team and COVID-19 Steering Committee)		
MA-5748	Ethics and Integrity Framework and Ethics Policy, including Conflicts of Interest, in place, underpinned by processes for Ethics case management and conflict of interest reviews							
MA-5749	Release of situation reports, and updated key messages and information on COVID-19 response on digital platforms					Regular review of the situation by MEC and internal COVID-19 working groups (Situation Response Team and COVID-19 Steering Committee)		
MA-5750	Proactive media outreach and regular monitoring of media coverage					Review of monthly media coverage as part of ERCD Leadership Team discussions		
						<b>Overall Status</b>	Risk mitigation is on track. There are no material delays.	
<b>Controls &amp; mitigations in development or planned</b>						<b>Status</b>	<b>Target completion</b>	<b>Action owner</b>

## Annex 2: Relevant Past Board Decisions

Relevant past Decision Point	Summary and Impact
<p data-bbox="193 398 951 465"><b><u>Decision Point: GF/B32/DP11: Approval of the Risk Management Policy<sup>7</sup></u></b></p> <p data-bbox="193 488 951 533"><b><u>(November 2014)</u></b></p>	<p data-bbox="951 398 1401 631">Based on the recommendation of the Finance and Operational Performance Committee, the Board approves the Risk Management Policy, as set forth in Annex 3 to GF/B32/13.</p>

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

### **Annex 3: Relevant past documents and reference materials**

Q1-2021 Organizational Risk Register Update GF/AFC16/05B (July 2022)

[Risk Management Report and CRO's Annual Opinion GF/B45/17](#) (May 2021)

[Risk Management Report GF/B44/16](#) (November 2020)

[Risk Management Policy GF/B32/13](#) (November 2014)