



Investigation Report

Global Fund Grant in

Uganda

Coercive practices, including sexual exploitation and abuse, by a sub-recipient staff member

GF-OIG-23-009
19 May 2023
Geneva, Switzerland

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1. Executive Summary

1.1 Investigation at a glance

The 2017-2022 Global Fund Strategy, “Investing to End Epidemics,” is committed to scaling-up programs to support adolescent girls and young women. Under the Global Fund Measurement Framework for Adolescent Girls and Young Women’s Programs, 13 countries are prioritized, including Uganda. As part of this strategy, the Global Fund provides funding for health programmes in Uganda tackling the three diseases – HIV, tuberculosis (TB) and malaria.

One of the Principal Recipients of Global Fund grants in Uganda, The AIDS Support Organization (TASO) implements a combined HIV/TB grant, UGA-C-TASO. TASO also oversees the activities of the sub-recipient Programme for Accessible Health Communication and Education (PACE). PACE is an indigenous health-oriented non-governmental organization that implements activities in HIV/TB care and prevention, malaria and child survival, maternal and reproductive health, as well as water, sanitation and hygiene. PACE has been a sub-recipient of Global Fund grants since 2013.

The grant is intended to support the goal of increasing productivity, inclusiveness, and well-being of those living with HIV, and ending HIV/AIDS as an epidemic by 2030. One of the objectives is to strengthen social and economic protection of people living with HIV, as well as of orphans and other vulnerable populations to reduce vulnerability to HIV and AIDS.

The Global Fund’s Office of the Inspector General (OIG) substantiated an allegation – received in October 2021 – that coercive practices had occurred in the sub-recipient’s Adolescent Girls and Young Women (AGYW) program, which was under the oversight of TASO. The alleged coercive behaviour led to at least three beneficiaries of Global Fund-supported activities being sexually exploited and abused by a PACE employee working for the sub-recipient’s AGYW program between 2019 and 2020.

Both the Principal Recipient and the sub-recipient failed to report coercive practices to the Global Fund. The OIG was not notified about the allegations until over a year after the abuses took place.

1.2 Genesis and Scope

In late October 2021, the Country Team informed the OIG of allegations that an employee of the sub-recipient PACE had engaged in a coercive practice. The allegations referred to sexually exploitive and abusive acts against participants in an AGYW program in 2019 and 2020. The OIG learned that these allegations of sexual exploitation and abuse – along with allegations of fuel fraud against the same PACE employee – were investigated in March and April of 2020 by two global investigation teams at Population Services International (PSI), which was affiliated with PACE at the time. PSI first substantiated fuel fraud allegations against the PACE employee and later that month determined the same person had engaged in sexual relations with at least one program beneficiary.

The SEA investigation by PSI was conducted by its global safeguarding team during the COVID-19 pandemic in March 2020. Due to the limitations on travel, all interviews were conducted remotely. Travel restrictions and mandatory quarantines precluded the possibility of meeting with any victims in person.

PSI's investigation team made the decision not to contact any victims or program beneficiaries in any of the districts where the PACE employee operated. PSI's investigation relied primarily on second-hand information regarding the allegations of sexual exploitation in arriving at its conclusion.

After learning of PSI's investigation findings, the OIG wanted to ensure that victims had the opportunity to give their first-hand accounts of what happened to them and – in coordination with the Global Fund's Victim Advocate and In-Country Support Coordinator – ensure they had access to support services if needed. The OIG opened an investigation to identify potential victims and to give them the opportunity to provide first-hand accounts. The investigation aimed to make conclusive findings on the basis of the available evidence while upholding due process, to enable any remedial action by the parties accountable and to improve processes and controls to better manage the related risks.

In June 2022, an OIG investigation team conducted a two-week mission to Uganda and met with program beneficiaries, as well as PACE and TASO staff and leadership. The OIG team obtained and analysed relevant records from PACE and TASO and interviewed the PACE employee who was the subject of the allegations.

The OIG investigation followed a victim-centered and trauma-informed methodology, which is designed to mitigate the risk of re-traumatization of victims and is guided by their rights and wishes. Consistent with a "do no harm" principle, the OIG provided all witnesses with a description of the investigation's scope and an explanation of the purpose of an administrative investigation. The OIG informed all interviewed individuals that their participation was voluntary and explained the OIG's commitment to confidentiality and victim support. The investigation was conducted by investigators with experience in SEA cases. See **Annex B** for details on the OIG's methodology. Through its Victim Advocate and In-Country Support Coordinator, the Global Fund provided additional support to victims and witnesses during the OIG investigation.

Consistent with these principles, and the requirements of transparency and disclosure applicable to OIG activities, the factual descriptions of prohibited practices found through this investigation have been limited to preserve the confidentiality of the victims and witnesses.

1.3 Findings

The OIG investigation identified the following:

- Coercive practices occurred in the sub-recipient's AGYW program under the oversight of the Principal Recipient. These coercive practices led to at least three beneficiaries of Global Fund-supported activities being sexually exploited and abused by a PACE employee under the sub-recipient's AGYW program between 2019 and 2020.
- The sub-recipient failed to report coercive practices to the Global Fund.
- The Principal Recipient failed to report coercive practices to the Global Fund. The OIG did not find out about the allegations until late-October 2021, meaning that it was not notified until over a year after the alleged incidents took place. The Principal Recipient also failed to report the fuel fraud allegations to the Global Fund.

1.4 Impact of the investigation

This investigation highlights the enhanced risk of sexual exploitation and abuse for vulnerable populations, in line with the [Ghana investigation report](#)¹ published by the OIG in 2021. The vulnerabilities of key populations in countries supported by Global Fund grants are often the same vulnerabilities that heighten the risk of abuse and exploitation by those who are in positions of power.

In 2021, the Global Fund Secretariat published [The Global Fund's Operational Framework on the Protection from Sexual Exploitation and Abuse, Sexual Harassment, and Related Abuse of Power](#). This Operational Framework communicated the Secretariat's commitment to embedding Protection from Sexual Exploitation and Abuse (PSEAH) practices across the grant lifecycle. It included integrating PSEAH in risk management, implementer capacity building and program design. As of the time of this report, implementation of the framework has commenced, and the Secretariat is increasing its resources to respond to SEAH.

PACE continues to implement AGYW programs for the Global Fund. As of the date of publication, the PACE employee, whose actions form the basis for the findings, is no longer involved in Global Fund grants and is no longer working for the sub-recipient.

TASO is implementing a plan to address the issues raised in this report, including updating its HR policies with measures and guidance on SEAH, providing training on reporting channels and SEAH, as well as identifying SEAH focal points. Furthermore, TASO, together with PACE, is developing a plan for identifying and supporting victims of SEAH.

PACE implemented an outreach campaign to all its AGYW programs, as well as provided safeguarding talking points to project coordinators and project officers. The sub-recipient indicated that it would like to have the talking points summarized and translated into the eight local languages of the regions so that beneficiaries can fully understand it. PACE also developed an action plan, which included: (i) training on safeguarding and whistleblowing for all staff, (ii) updated HR policies, (iii) a requirement to implement a mandatory system of record keeping of any complaints, allegations, or suspicions made about a member of staff to include names, dates and management actions, and (iv) identification of a safeguarding focal point.

In response to this investigation, the Secretariat has designed a comprehensive action plan to address the findings detailed in this report and will make sure that the recipients take appropriate action against the individual implicated. See **Section 3**.

¹ Misconduct affecting Global Fund Grants (GF-OIG-21-005 Ghana)

2. Findings

2.1 Coercive practices led to at least three beneficiaries of Global Fund-supported activities being sexually exploited and abused by a sub-recipient staff member

The OIG finds that coercive practices occurred in the AGYW program of the sub-recipient. These coercive practices led to at least three beneficiaries of Global Fund-supported activities being sexually exploited and abused by a PACE employee working in two eastern districts of Uganda between 2019 and 2020.

The PACE employee used his position to exploit and abuse program beneficiaries, which included engaging in sexual intercourse, taking them on overnight trips and showing preferential treatment to those who complied.

The beneficiaries, who are selected for the AGYW program, are highly vulnerable. They are admitted to the program based on an assessment of their vulnerabilities, including their HIV status and other personal information. The PACE employee had access to this information.

The AGYW program in this district aims to provide a means for young women to support themselves and their families and to learn skills that could lead to employment or starting a business. As part of the AGYW program, beneficiaries who completed their training in tailoring, baking or hairdressing were supposed to receive start-up materials so that they could begin working. The PACE employee worked closely with these young women, their mentors, their school and the providers during implementation of the program in these districts.

The interviewed beneficiaries provided detailed accounts that the PACE employee abused his position by engaging in coercive acts, including sexual exploitation and abuse, during the time he worked on PACE's AGYW program in the two districts. The interviewed beneficiaries corroborated that the PACE employee would befriend the young women in the AGYW program and choose "girlfriends" from among the beneficiaries who would travel with him.

During the OIG's investigation, it came to light that several of the AGYW beneficiaries were not provided with materials that they had been promised. While there may be other reasons why the beneficiaries did not get these materials, at least one of the beneficiaries and one of the interviewed mentors believed that the materials were not provided because certain girls refused the advances of the PACE employee. Other beneficiaries noted that the PACE employee chose favorites among the young women and granted them access to certain activities that resulted in their getting money, such as per diems, and food.

2.2 Sub-recipient failed to report coercive practices to the Global Fund

Sub-recipient PACE did not notify the Global Fund of the coercive practices of the PACE employee that involved sexual exploitation and abuse allegations although, as a recipient of Global Fund resources, it was obligated to do so. Section 3.3.2 of the Global Fund's [Code of Conduct for Recipients](#) states that, "Recipients shall notify the Global Fund, including, as appropriate through the Global Fund Secretariat and/or through the anonymous third-party reporting services of the Global

Fund's OIG, as soon as they have knowledge of any integrity concern involving or affecting Global Fund Resources, or any breach of this Code.”²

The OIG notes that as neither beneficiaries nor victims were spoken to during PSI's remote investigation – conducted on behalf of the sub-recipient – the victims' needs could not be assessed. As a result of not speaking with or identifying victims, the victims were not offered medical, emotional or social support following the sexual exploitation and abuse. That investigation was limited in that victims were not identified, nor were any victims contacted by PSI to determine if they needed any support.

2.3 Principal Recipient failed to report coercive practices to the Global Fund

The Principal Recipient neither reported the integrity concern that involved instances of sexual exploitation and abuse, nor the PSI investigation into the allegations, to the Global Fund. This is despite the Principal Recipient having been notified of the SEA allegations and investigation by email in March 2020, and having been notified of the outcome of the investigation into the allegations in April 2020. The allegations and the investigation results were not conveyed to the Global Fund Country Team or the OIG until more than a year after the completion of PSI's investigation. In addition to the allegations of sexual exploitation, the PACE employee was also being investigated for allegations of fuel fraud affecting Global Fund programs. The Principal Recipient did not communicate to the Global Fund that there had been allegations of fuel fraud, nor that an investigation into fuel fraud had substantiated these allegations at the sub-recipient level.

The OIG notes that the process the Principal Recipient had in place to keep track of allegations was not followed in this case, and, as a result, there was no follow up on the allegations. This process depended on one person, the Chief Internal Auditor, Risk and Compliance.

In this instance, the Principal Recipient's Chief Internal Auditor explained that because of the COVID-19 pandemic, he was working remotely in March 2020. The ledger he used to log the list of allegations is a physical book located in the office. He acknowledged that he did not note the sexual exploitation and abuse or fuel fraud in the ledger when he was first notified of these allegations by email. As a result, he never followed up on the outcome of PSI's investigations into these matters.

The process to keep track of allegations was deficient and resulted in a failure to promptly notify the Global Fund, which did not learn of these incidents until more than a year after the allegations arose.

² [The Global Fund Code of Conduct for Recipients of Global Fund Resources, approved 16 July 2012, para. 3.3.2.](#)

3. Global Fund Response

Action to be taken	Due date	Owner
<p>1. The Global Fund Secretariat will advance the implementation of the organization’s Operational Framework on the Protection from Sexual Exploitation and Abuse, Sexual Harassment, and Related Abuse of Power (the “PSEAH Operational Framework”) from development and trial commencement (Phase I – 2022-2023) to implementation and scaling (Phase II – 2024-2025) by:</p> <ol style="list-style-type: none"> 1. Agreeing metrics to annually measure the implementation of the PSEAH Operational Framework (to be completed by 30 June 2023); 2. Ensuring a risk-based and impact-driven approach determines Phase II selection of countries and Principal Recipients (to be completed by 30 June 2023); 3. Using lessons learned from the 2023 grant-level SEAH risk mitigation pilots to refine the grant-level risk mitigation approach (to be completed by 31 December 2023); 4. Defining an approach and developing an action plan to strengthen local SEAH reporting channels consistent with internationally recognized standards and leveraging community-level engagement (to be completed by 31 July 2024); and 5. Communicating, by 30 June 2023, to all CCMs and PRs to reiterate: <ol style="list-style-type: none"> a. the need for implementers to have strong reporting channels and quickly and effectively respond to allegations of wrongdoing; and b. their obligation to promptly report such allegations to the Global Fund Secretariat or OIG. 	31 July 2024	Chief Ethics Officer, Ethics Office

<p>2. The Global Fund Secretariat will advance the implementation of the PSEAH Operational Framework from Phase I to Phase II by:</p> <ol style="list-style-type: none"> 1. Continuous prioritization of high-risk, high-SEAH impact grants for PSEAH capacity building and SEAH risk mitigation (to be completed by 31 December 2023); and 2. Monitoring of prioritized capacity-building and risk mitigation activities throughout GC7, during grant implementation (to be completed by 31 July 2024). 	<p>31 July 2024</p>	<p>Head, Grant Management Division</p>
<p>3. Based on the finding of this report, the Global Fund Secretariat will ensure that:</p> <ol style="list-style-type: none"> i. the Principal Recipients in Uganda take appropriate measures regarding the individual responsible for the prohibited practices described in this report, notably to ensure the individual is not involved with the implementation of Global Fund grants in Uganda (to be completed by 30 September 2023); and ii. the Principal Recipient has effective policies and processes in place to ensure employees' awareness of, and compliance with, the requirement and means to report prohibited practices to the Global Fund (to be completed by 31 December 2023). 	<p>31 December 2023</p>	<p>Head, Grant Management Division</p>

Annex A: Summary of subject responses

In his interview with the OIG in June 2022, the PACE employee denied the sexual exploitation and abuse allegations.

On 21 November 2022, the OIG provided the Principal Recipient and the sub-recipient with a copy of the Letter of Findings, which represented the full record of relevant facts and findings as they related to them. The two organizations were given the opportunity to provide comments and supporting documents on the findings and conclusions. The Principal Recipient provided its response on 6 December 2022, while the sub-recipient provided its response on 5 December 2022. Below is a summary of the main responses. All points made in the responses were duly considered by the OIG and appropriate revisions were made to the findings as part of this final report.

Response from the Principal Recipient

Based on the OIG's findings, the Principal Recipient acknowledged the gaps flagged by the investigation report and is working on an action plan to address the issues. They also highlighted the impact of the COVID-19 lockdown on the reporting of these allegations.

Response from the sub-recipient

The sub-recipient acknowledged that there are areas that need further strengthening as highlighted in the report and that they are taking action to enhance safeguarding practices and reporting to the Global Fund. The sub-recipient noted in its response that it conducted an outreach campaign to the districts in which the PACE employee had worked, and also to all districts associated with this project. This outreach included SMS messages, phone calls, and flyers/leaflets distributed to "mentor-mothers" around understanding and identifying inappropriate behavior from program staff and ways to report concerns and wrongdoing. These efforts were rolled out over a period (timeframe not provided by sub-recipient) and were designed to encourage any potential survivors to come forward for appropriate support or redress to be provided. This included psychosocial support services and the support provided around HIV prevention, counseling, testing, and treatment, as well as sexual and reproductive health services core to the program.

The sub-recipient highlighted that the PACE employee did not have control over whether an enrolled beneficiary received materials or per diems. The OIG notes that while that may be accurate, the beneficiaries perceived the PACE employee as having the power to determine whether or not they would receive materials or per diems.

The sub-recipient also disagreed with the finding that it failed to report coercive practices to the Global Fund, leaving beneficiaries inadequately supported. The sub-recipient asserted that it relied on the Principal Recipient to inform the Global Fund after having been informed about the allegations. The sub-recipient's management also explained that it had found that the safest way to reach the potential survivor(s) was to encourage them to come forward through a communication strategy, as described above. It outlined that the safeguarding investigator who conducted PSI's investigation in 2020 felt that, because none of the potential survivors had come forward themselves to raise any allegations, he did not want to retraumatize the one potential survivor he had contact information for by reaching out to speak with her.

Annex B: Methodology

Why we investigate:

Wrongdoing, in all its forms, is a threat to the Global Fund's mission to end the AIDS, tuberculosis and malaria epidemics. It corrodes public health systems and facilitates human rights abuses, ultimately stunting the quality and quantity of interventions needed to save lives. It diverts funds, medicines and other resources away from countries and communities in need. It limits the Global Fund's impact and reduces the trust that is essential to the Global Fund's multi-stakeholder partnership model.³

The OIG is mandated⁴ to investigate any use of Global Fund funds, whether by the Global Fund Secretariat or grant recipients, or by their suppliers, and report its findings in a transparent and accountable manner.⁵ The Global Fund Secretariat ensures this oversight is included in related agreements.

What we investigate:

The scope of OIG investigations covers operations and activities within the Global Fund and the programs it funds (including those of its program recipients, suppliers, and service providers).

Investigations aim to identify instances of wrongdoing, such as fraudulent and corrupt practices, but also failure to uphold the applicable human rights standards and instances of sexual exploitation and abuse. Investigations are predicated by whistle-blower allegations⁶, routine escalation of business information, risk analysis or referrals from other entities.

The OIG bases its investigations on the contractual commitments undertaken by grant recipients and suppliers. Requirements with respect to the management of funds and performance of activities are notably defined in the Global Fund's Code of Conduct for Suppliers and Code of Conduct for Recipients.⁷

OIG investigations aim to:

- identify the nature and extent of wrongdoing affecting Global Fund grants and the entities accountable and, if applicable, determine the amount of grant funds that may have been compromised by wrongdoing; and
- place the Global Fund in a position to understand the root causes for the wrongdoing, to recover funds, and to take remedial action and preventative measures by identifying where and how the misused funds have been spent.

Who we investigate:

The OIG investigates wrongdoing by the entities accountable for performance and execution of activities funded by the Global Fund. These are Principal Recipients and their sub-recipients, Country Coordinating Mechanisms or Board Constituencies receiving financial support from the Global Fund, Local Fund Agents, recipients of Catalytic Funding, and other suppliers and service

³ Introductory paragraph of the [Global Fund Policy to Combat Fraud and Corruption](#)

⁴ [Charter of the Office of the Inspector General](#), as amended from time to time

⁵ [Policy for the Disclosure of Reports Issued by the Office of the Inspector General](#), as amended from time to time

⁶ [Whistle-blowing Policy and Procedures for the Global Fund to Fight AIDS, Tuberculosis and Malaria](#), as amended from time to time

⁷ [Global Fund Code of Conduct for Suppliers](#), and the [Code of Conduct for Recipients of Global Fund Resources](#), as amended from time to time. Grants are typically subject to the [Grant Regulations \(2014\)](#), which incorporate the Code of Conduct for Recipients and mandate communication of the Code of Conduct for Suppliers. Terms may vary however in certain agreements

providers to the Global Fund or to recipients. Secretariat activities linked to the use of funds are also within the scope of the OIG's work.

Principal Recipients are accountable to the Global Fund for their compliance in the use of all grant funds, including those disbursed to sub-recipients and paid to suppliers.⁸ They ensure the appropriate requirements are made applicable to those entities.

How we investigate:

The OIG conducts administrative, not criminal, investigations. It is not a law enforcement or judicial authority. It is the recipients' and suppliers' responsibility to demonstrate that their actions and that of their agents and employees comply with applicable agreements. OIG findings are based on facts and related analysis, which may include drawing reasonable inferences. Findings are established by a preponderance of evidence. All available information, inculpatory or exculpatory, is considered by the OIG.⁹

Investigations into allegations of human rights violations and sexual exploitation and abuse are conducted with a victim-centred, trauma-informed methodology, following a case-specific risk assessment. This work is guided by the Global Fund's Operational Framework on the Protection from Sexual Exploitation and Abuse, Sexual Harassment, and Related Abuse of Power.¹⁰

The investigation will attempt to quantify the extent of any non-compliant expenditures, including an amount proposed to the Secretariat as recoverable.

The OIG may also discharge its mandate by overseeing the activities of recipients or other parties having the appropriate capacity and mandate to perform investigative tasks. It may also share allegations and evidence with third parties where it is relevant to their work, in particular where a matter would be outside of its mission.

What happens after an investigation?

The OIG ensures the relevant entities have the opportunity to review and provide evidence or comments on the findings and on the draft report.¹¹

The OIG has a fact-finding role and does not determine what remedial and preventative measures the Global Fund may take as a result of its findings.

Following an investigation, the OIG and the Secretariat agree on management actions that will mitigate the risks that wrongdoing poses to the Global Fund and its recipients' or suppliers' activities. These may include specific managerial decisions, financial recoveries, instructions applicable to implementers and suppliers, internal process changes, or other contractually available remedies. With respect to suppliers, this can include seeking advice from the Sanction Panel.¹²

The OIG may make referrals to other organization which have an interest in the investigation outcome, or to national authorities for criminal prosecutions or other regulatory and administrative actions, and support such processes as appropriate.

⁸ Compliant expenditures are defined in the [Global Fund Guidelines for Grant Budgeting](#), as amended from time to time

⁹ These principles comply with [the Uniform Guidelines for Investigations, 2nd edition, Conference of International Investigators](#)

¹⁰ See [The Global Fund's Operational Framework on the Protection from Sexual Exploitation and Abuse, Sexual Harassment, and Related Abuse of Power](#), in particular sections IV. 2. *Investigations* and IV. 3. *Support to survivors & victims*, as amended from time to time¹¹ See the [OIG Investigations Stakeholder Engagement Model](#), as amended from time to time

¹¹ See the [OIG Investigations Stakeholder Engagement Model](#), as amended from time to time

¹² See the [Sanctions Panel Procedures Relating to the Code of Conduct for Suppliers](#), as amended from time to time