Thirty-Second Board Meeting

OIG Progress Report, January to October 2014

The Global Fund Le Fonds mondial El Fondo Mundial Глобальный фонд 全球基金 الصندوق العالمي

The Global Fund Thirty-Second Board Meeting

GF/B32/06

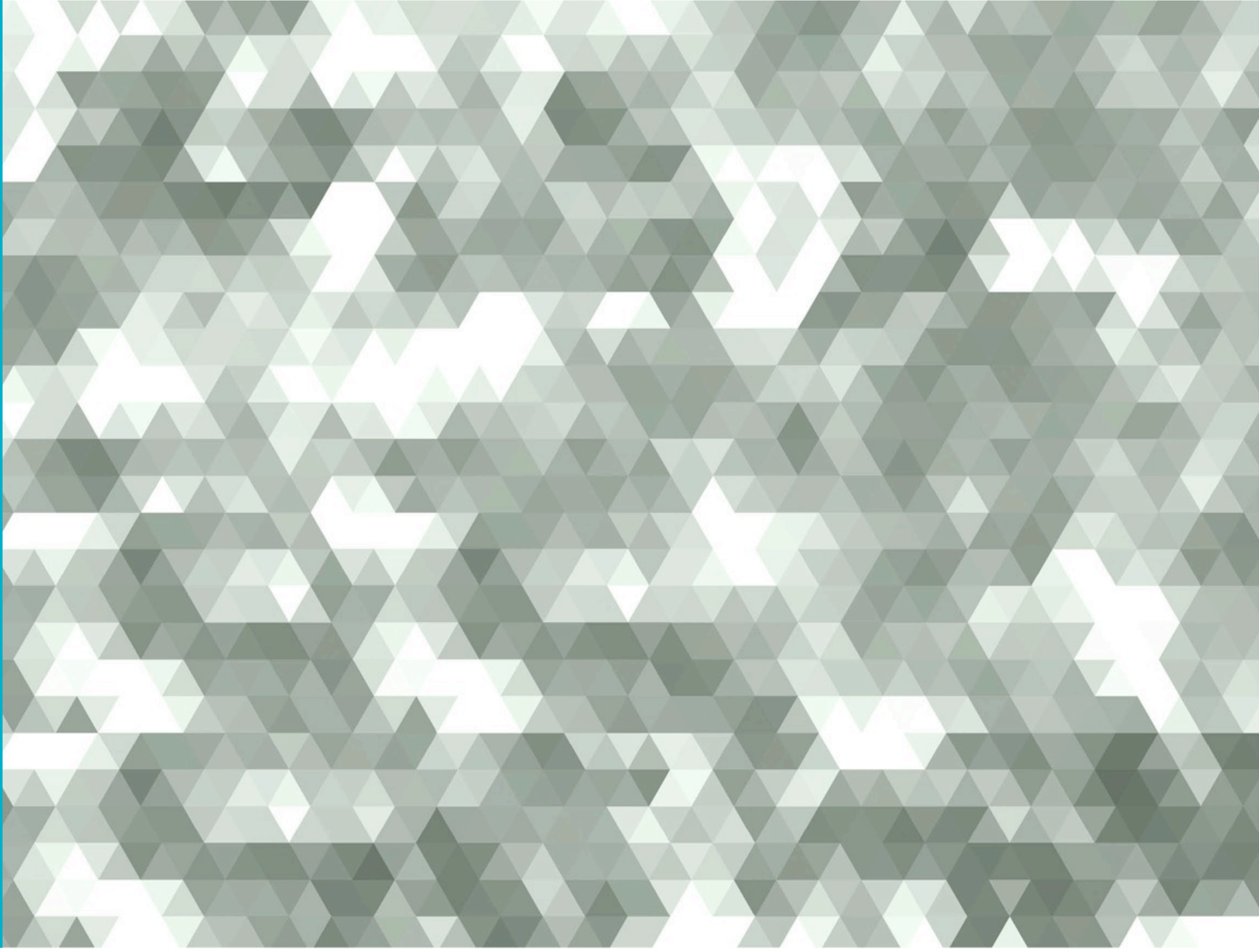
Board Information

PROGRESS REPORT FROM THE OFFICE OF THE INSPECTOR GENERAL

Purpose:

1. This paper provides an update on the activities of the Office of the Inspector General for Board information.

The Global Fund Le Fonds mondial El Fondo Mundial Глобальный фонд 全球基金 الصندوق العالمي



Board Report

Office of the Inspector General Progress Report

January to October 2014

GF-B32-06
October 2014
Geneva, Switzerland

The Global Fund
Office of the Inspector General

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Part 1. Letter from the Inspector General

Dear members of the Board,

The Office of the Inspector General (OIG) is the largest it has ever been and in a better place than two years ago. Current headcount in October stands at a record 40; five more staff will join in the next weeks leaving only three vacancies to fill to reach our budgeted headcount of 48. In the 2014 biannual Staff Engagement Survey, OIG scores were significantly higher in all 14 categories of questions than in 2012. The biggest improvement recorded was in risk (45% growth), communication and change (33%) and collaboration and team work (32%).

More staff joining, particularly in the Investigations Unit, combined with effective management, means we are now able to clear the backlog of investigation cases from before 2012, so-called ‘legacy cases’. Of the 31 legacy cases still on our books at the end of 2013, we have closed 21 this year, of which eight resulted in full reports available on the Global Fund/ OIG website. By the end of the year, we will only have two more legacy cases to finalize. This means that next year the investigations team can start working on newer cases and on more proactive projects as defined in the Investigations 2015 Work Plan (Annex D). For example, the OIG has been invited to host the 2015 edition of the Conference of International Investigators for the first time. The team is also working with the Secretariat to ensure that any violations to human rights are captured in our complaints handling processes and investigated if necessary.

Concerning the Audit Unit, OIG leadership decided this year to focus on restructuring the team and to introduce a more strategic approach to auditing. The 2014 Audit Work Plan had to be revised, mainly due to staff departures and initiatives at the Secretariat that were not yet ready to be audited (for example, the new funding model). So far this year, we have completed four deep drill in-country audits and a detailed governance review. We will issue 11 reports instead of the 21 originally envisaged. The 11 reports were chosen to provide sufficient coverage and focus on key high-risk areas to allow us to complete an overall assurance statement in January 2015. The Audit 2015 Work Plan (Annex C) will continue to dedicate resources to strategically important projects to help improve the Global Fund through ex-ante work done in cooperation with the Secretariat. In 2014, these projects included the Governance Review, Combined Assurance, Ethics and Results-Based Financing.

Cooperation with the Secretariat is also reflected in a fundamental shift away from previous OIG recommendations to what are known as agreed management actions. These actions are designed to ensure that problems identified by OIG work are corrected by the Secretariat. The agreement comes when the OIG accepts that the solution addresses the root cause and when the Secretariat acknowledges that implementation is necessary and achievable. More about this in the Board paper GF/B32/07.

Since the Board’s approval of the revised Policy for Disclosure of Reports Issued by the Inspector General and its endorsement of the overall OIG Communications Strategy at its last meeting in March, we have also started to implement the stakeholder engagement models. The models have generally been well-received as they clarify the specific steps and timelines of the audit and investigation process. They help prevent surprises and allow all stakeholders to respond to the OIG’s findings in a timely manner.

Finally, with our 2015 Work Plans and Key Performance Indicators approved by the Audit and Ethics Committee, we now have a framework to begin next year’s work, conscious of the major challenges we face in helping to ensure that the Global Fund takes the right action in the fight against the three diseases.

As this will be my last meeting at the Board, allow me to end on a personal note. It has been a pleasure and an honor to work with you all. In my career, I have never worked with people as committed, and determined, to improve the lives of millions of people. I want to express my deepest thanks and appreciation.

Best regards,

Martin O’Malley, Inspector General

Part 2. Audit Unit

Progress against the 2014 Audit Work Plan

Early in 2014 the OIG leadership took an informed decision to restructure the audit team and to focus on a new audit approach that was more closely aligned to Global Fund strategy. The new approach is designed to answer high-level questions of value to the Board rather than focus solely on compliance as before. In addition, we realize that greater ex-ante audit input is needed on a number of developing Secretariat business processes and have allocated staff accordingly to assist in them.

Partly because of this shift in emphasis, seven members of staff left this year (two were made redundant, one transferred to the Secretariat, one took early retirement and three resigned). Recruitment to fill the resulting vacancies took substantially longer than expected, which meant that for much of the year we have functioned at less than 50% of our approved head count. Nonetheless, we chose not to substitute internal staff with externally hired consultants. Not only is it difficult to supervise and control the quality of external contractors' work, it also does little to build institutional memory.

In addition to staffing constraints, certain engagements that we had envisaged for the current year did not have sufficient data and/or progress in implementation at the Secretariat to allow us to audit (for example, the new funding model, Key Performance Indicators), and a number of country audits had to be cancelled due to security concerns (Guinea and Liberia have been indefinitely postponed given the Ebola epidemic.)

Given the above, the 2014 work plan has been revised with approval from the Audit and Ethics Committee. As of 24 October, we are at 76% completion compared to a target of 81% for the revised plan. Details of the plan can be found in Annex A.

We are on track to providing an assurance statement to the Audit and Ethics Committee and the Board on governance, risk management and controls at the Global Fund, based on work done in 2013 and 2014, and in time for the first Audit and Ethics Committee meeting of 2015.

We can report the following successes so far this year:

- At the time of writing, out of the vacancies mentioned above, only two remain vacant. From a total of over 700 applicants, we have recruited two Audit Managers (one is on board and the second starts on 1 November), four Lead Auditors (one is on board and the others will start in January) and three Auditors (two have started and one will start in January). We have contracted a human resources firm that specializes in private sector finance and audit portfolios to assist with the remaining Audit Manager and Lead Auditor positions.

- Our new audit approach, based on much stronger alignment to the strategic objectives of the Secretariat, is now fully embedded. Team members are comfortable with the change and applying it in their engagements. However, we should not underestimate the time needed over the next 12 months to ensure that new colleagues adopt and fully practice the new approach as well.

- We have progressed with linking Agreed Management Actions to the findings in our audit reports. These replace recommendations and mean that the auditee agrees that the actions are implementable within the stated timeline and that the OIG agrees that the actions address the root causes underlying the finding.

- We continue to be actively involved on the combined assurance steering and working groups, results-based funding initiatives, document retention policy work and to shadow the implementation of the new funding model.

Part 3. Investigations Unit

Investigations Unit structure

The Investigations Unit is now running at full complement (21 staff), with the recent successful recruitment of the three remaining investigator positions, as well as the Team Lead and the Analyst positions in the newly-created Intelligence and Operational Excellence Team. The purpose of this team is to support the OIG by acting as a knowledge resource through efficient information processing and case management activities. The team is also charged with developing intelligence-informed activities to prevent or disrupt fraud.

Reporting allegations/complaints

Another responsibility of the Intelligence and Operational Excellence Team is to screen complaints and respond to the complainant within 48 hours. Earlier this year, the team reviewed and streamlined the OIG case intake process, which has resulted in more efficient and effective investigation assignment. This year, the Investigations Unit also undertook a review of the external Alert Line Web Intake Site, which is the online reporting interface used by complainants. Improvements to the site have been discussed with the supplier to make it more 'user-friendly' and the result should go live in the next few weeks. Questions have been refined to ensure the screening team captures all pertinent data. In the past, data reported using this method missed key information, which, as a result, required the screening team to spend more time on follow-up work.

Case status

In 2013, the investigations team closed 156 cases. As of 28 October 2014, 45 cases have been closed either through case closure memos or published reports. The cases closed through memos are when the OIG has determined that interim findings do not justify the commitment of further resources or the investigator concludes there is insufficient information to substantiate the complaint. So far this year we have published eight reports, all available in full on the Global Fund /OIG website (See Annex B). Eleven more reports will be published before the end of December 2014.

Investigation case load

We have almost cleared the backlog of 'legacy cases'. We started the year with 60 active investigations of which half were classed as 'legacy', i.e. investigations dating back to 2009-2012. The focus this year has been to clear these cases. Eight investigations have been published to date of which six are legacy, and a further five will be published by year end. Not all of the complaints linked to legacy investigations can be substantiated and in such instances these cases are closed with what is called a 'case closure memo'.

Complaint reporting has increased. In 2014, 122 fraud and abuse allegations were received. This represents a significant upturn of 49% compared to the same period in 2013. In 2011 and 2012, the average number of complaints received was 44.

Productivity has increased. Despite increased numbers of complaints/allegations coming in, we will finish the year with fewer cases on our books than at the beginning: 44 active investigations compared with 60 investigations open at the beginning of the year. The focus in 2015 will then be to complete the remaining two legacy cases, the 18 investigations which date back to allegations made in 2013, and to finalize the majority of the 18 investigations resulting from allegations made in 2014. In tandem, the Investigation Unit will explore effective fraud prevention and disruption strategies. More information on our 2015 Work Plan in Annex D.

Investigations Case load

🕒 **60 active cases – Jan 2014**

2009 – 2012

31 legacy cases 2009-2012

- ✓ 6 published legacy case investigation reports to date
- ✓ 14 legacy cases closed with closure memos
- 🕒 5 further legacy case reports to be published by year end
- 🕒 2 further legacy cases to be closed by closure memo
- 🕒 2 cases legacy cases carried forward to 2015

2013

98 Complaints screened in 2013 › **35 2013 cases**

- ✓ 2 published 2013 investigation reports (to date)
- ✓ 15 cases from 2013 closed with closure memos
- 🕒 18 cases from 2013 carried forward to 2015

2014

122 Complaints screened up to October 2014 › **23 new 2014 cases**

- ✓ 6 cases from 2014 closed with closure memo
- 🕒 17 cases from 2014 carried forward to 2015

🕒 **44 total current active cases**

Human rights

The Global Fund Strategy 2012-2016: Investing for Impact, includes protecting and promoting human rights as one of five core objectives. Strategic action 4.1 commits to "Ensuring the Global Fund does not fund programs that infringe human rights."

In order to make this commitment operational, the Global Fund has developed a provision for inclusion in each of its grant agreements which states the minimum human rights standards expected by implementers of Global Fund financed programs. In connection with this clause, a complaints procedure, building on the processes and mechanisms already in place, is required, so that any violations of these human rights standards by grant recipients can be brought to the Global Fund's attention and addressed, as needed.

The OIG is a key stakeholder in this process and we are working closely with the Secretariat to integrate human rights violation complaints into our current complaint handling processes. Together with the Secretariat, for the remaining part of the year, the OIG investigations team will focus on:

1. reviewing existing mechanisms, procedures and partnership agreements and identifying ways to integrate human right complaints, as well as identifying any gaps or outstanding questions;
2. developing and agreeing on specifics i.e. defining the scope of what constitute actionable human rights complaints (within the context of Global Fund Grant Regulations language), response time-frame, ascertaining whether the Global Fund has a duty to report certain types of human rights violations, and to whom, and identifying ways to make the reporting of complaints more accessible and easier for users;
3. devising a communications plan i.e. guidance/brochure explaining how it will work, internal communications (with the Grant Management Division, the Strategy, Investments and Impact Division and the OIG) and external communications (with Country Coordinating Mechanisms, Principal Recipients, UN partners...);
4. assessing ways that the Secretariat and the OIG can check on progress through tracking information about complaints, cross-referencing cases/allegations, surveying user profiles, and determining corporate KPIs.

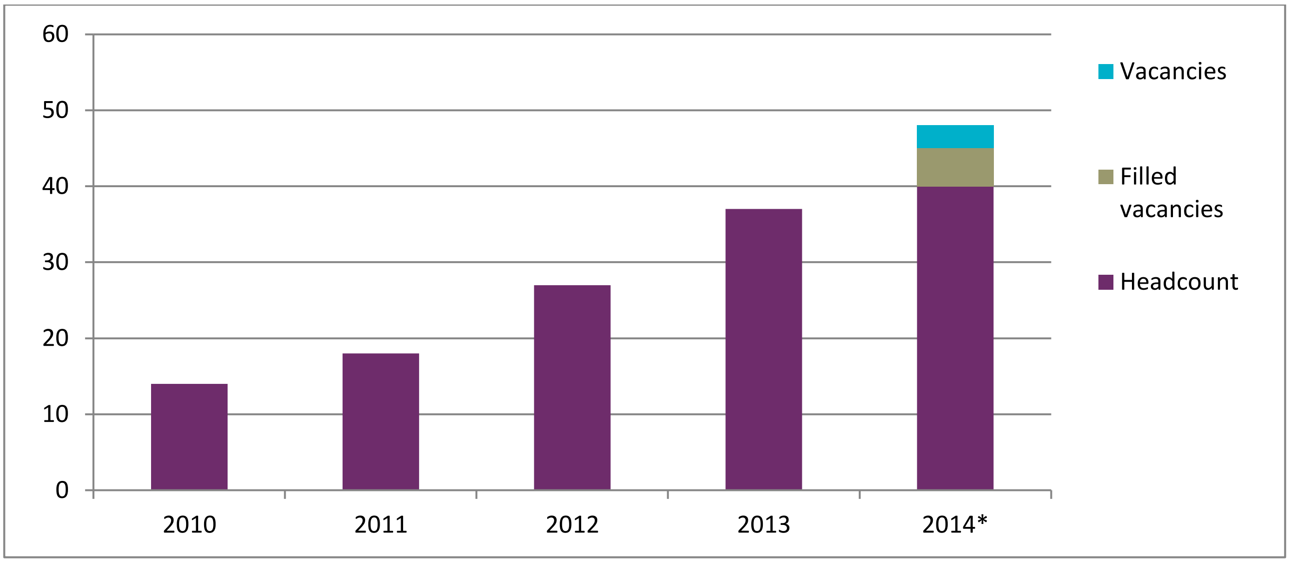
Part 4. Budget and resources

OIG Headcount

At the time of writing, the OIG has never been better resourced. Staff headcount is the highest it has ever been at 40 out of an overall budget of 48. Of the eight positions left, five have been filled, with new staff joining in the next few months, leaving three remaining vacancies.

Headcount 1 Jan 2014	Hires 2014	Departures 2014	Headcount 24 Oct 2014	Filled vacancies	Vacancies
37	14	11	40	5	3

Staff growth has been constant over the last five years with a surge in recruitment in 2014.



*end of October

OIG Budget

At the end of August, the OIG operational expenditure showed an underspend of $3,978,836. Most of this can be explained by variances in salaries due to staff departures, external factors such as the postponement of two audits due to the Ebola epidemic, timing differences and careful savings in the use of external consultants.

Budget line	2014 Budget	August Budget	August Actual	Variance
Salaries	9,405,003	6,270,002	5,204,084	1,065,918
Professional fees	2,858,350	1,905,567	934,034	971,533
Travel	3,232,999	2,155,333	620,062	1,535,271
CPD/ Representations	211,500	141,000	42,395	98,605
Communications	225,250	150,167	23,456	126,711
Office infrastructure	1,134,533	756,355	575,557	180,798
Total OpEx	**17,067,636**	**11,378,424**	**7,399,588**	**3,978,836**

Annex A: Progress on 2014 Audit Plan

		Completion stage	Completion %
	COUNTRY REVIEWS		
1	Guinea-Bissau	Published	100%
2	Myanmar	Published	100%
3	Ecuador	Complete, finalizing report	95%
4	Rwanda	Complete, finalizing draft report	90%
5	Ethiopia	Fieldwork underway	80%
6	Sudan	Planning	30%
7	Kenya	Planning	20%
	INTERNAL REVIEWS		
8	Governance	Issued	100%
9	Sourcing	Fieldwork underway	70%
10	Financial controls	Fieldwork underway	30%
11	IT controls	Planning	20%
	Weighted average progress as at 24 October 2014		**76%**
	Target progress		**81%**

Annex B: Published Investigation Reports

	Country	**Publication date**
1	Madagascar	3 January
2	Papua New Guinea	31 January
3	Sierra Leone	5 May
4	Ghana	29 September
5	Mali	6 October
6	Nigeria	10 October
7	Burundi	17 October
8	DRC	24 October

Office of the Inspector General

Audit Work Plan 2015

This Work Plan was reviewed and approved under reference GF/AEC10/03a revision1 following the 10th Audit & Ethics Committee on 8-9 October

Audit work plan 2015

Vision and mission

Office of the Inspector General

Audit unit

Vision

The Global Fund's audit unit will be a respected role model and inspire the international aid community

Mission

To support, improve and safeguard the Global Fund

Executive Summary

Planning approach and audit response

Planning Approach

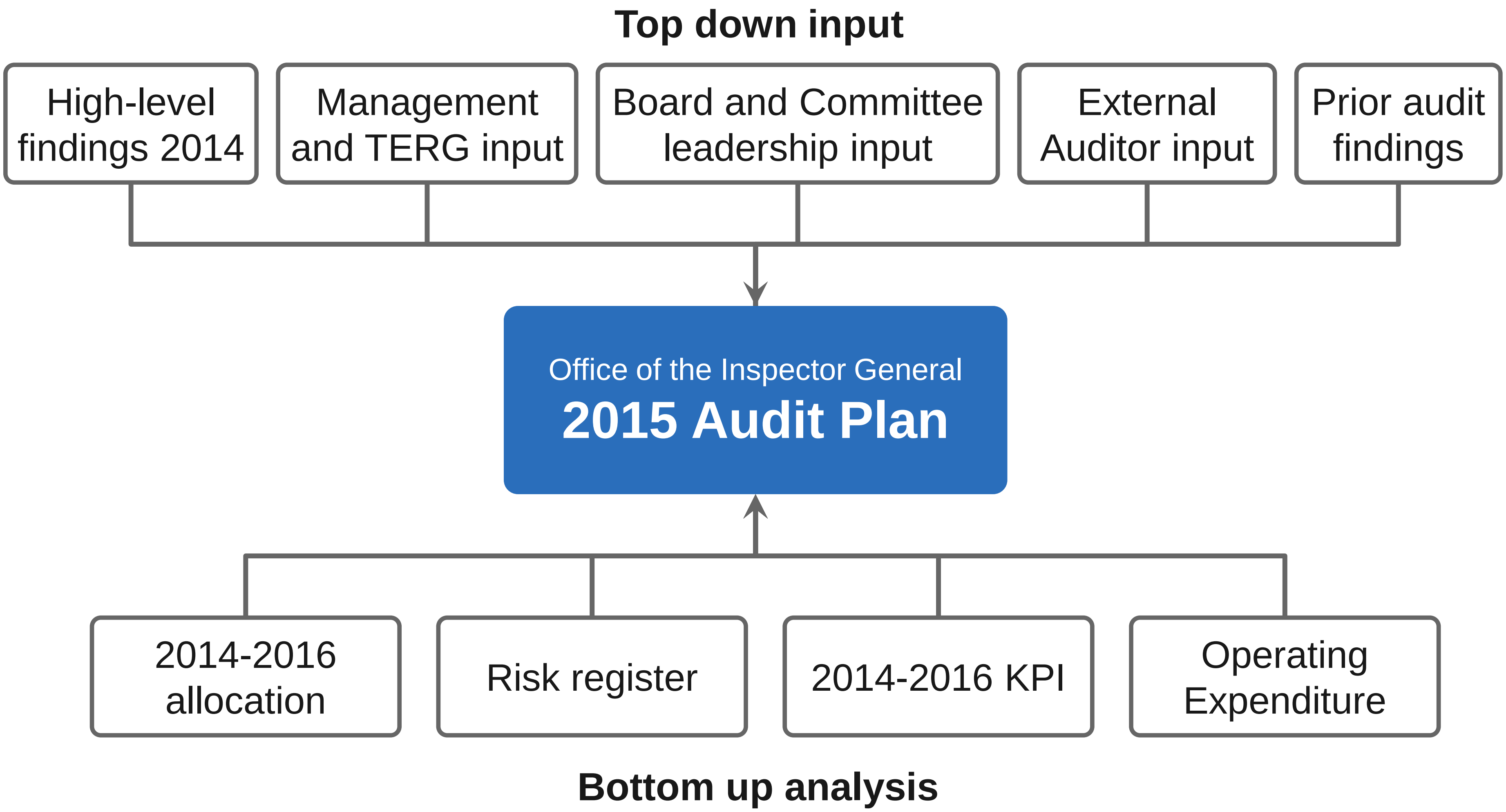
- The 2015 Audit Plan is aligned with the 2012-2016 Global Fund Strategy and the Audit Unit mission to support, improve and safeguard the Global Fund.
- Part of a three-year audit plan to provide an overall opinion on governance, risk management and control processes.
- Input on key risks from Board leadership, executive management and past audits.
- Risk based, following top-down and bottom up analysis.
- Plan based on historical analysis of 2014 actual time spent.

Audit Response

- 6 internal audits
- 10 country audits
- Significant resources allocated to ex-ante assurance work and validating implementation of agreed management actions.
- Overall assurance statement to the Board

Audit work plan 2015

Highly consultative planning approach



Top down input

- High-level findings 2014
- Management and TERG input
- Board and Committee leadership input
- External Auditor input
- Prior audit findings

Office of the Inspector General

2015 Audit Plan

- 2014-2016 allocation
- Risk register
- 2014-2016 KPI
- Operating Expenditure

Bottom up analysis

Audit work plan 2015

An articulated mission, three types of output, an overall opinion

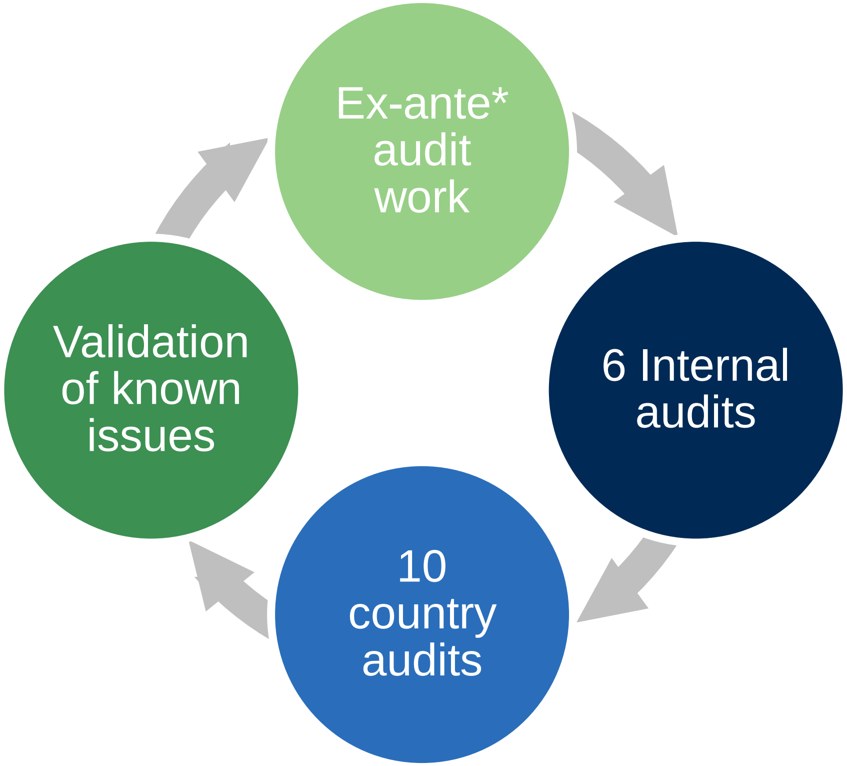
Audit mission

Support

Improve

Safeguard

Audit Activity for 2015


Ex-ante* audit work
6 Internal audits
10 country audits
Validation of known issues

** Ex-ante audit work refers to the continued involvement in important strategic initiatives (e.g. attending Committees or Working Groups and the tracking of new material issues)*

Audit opinion

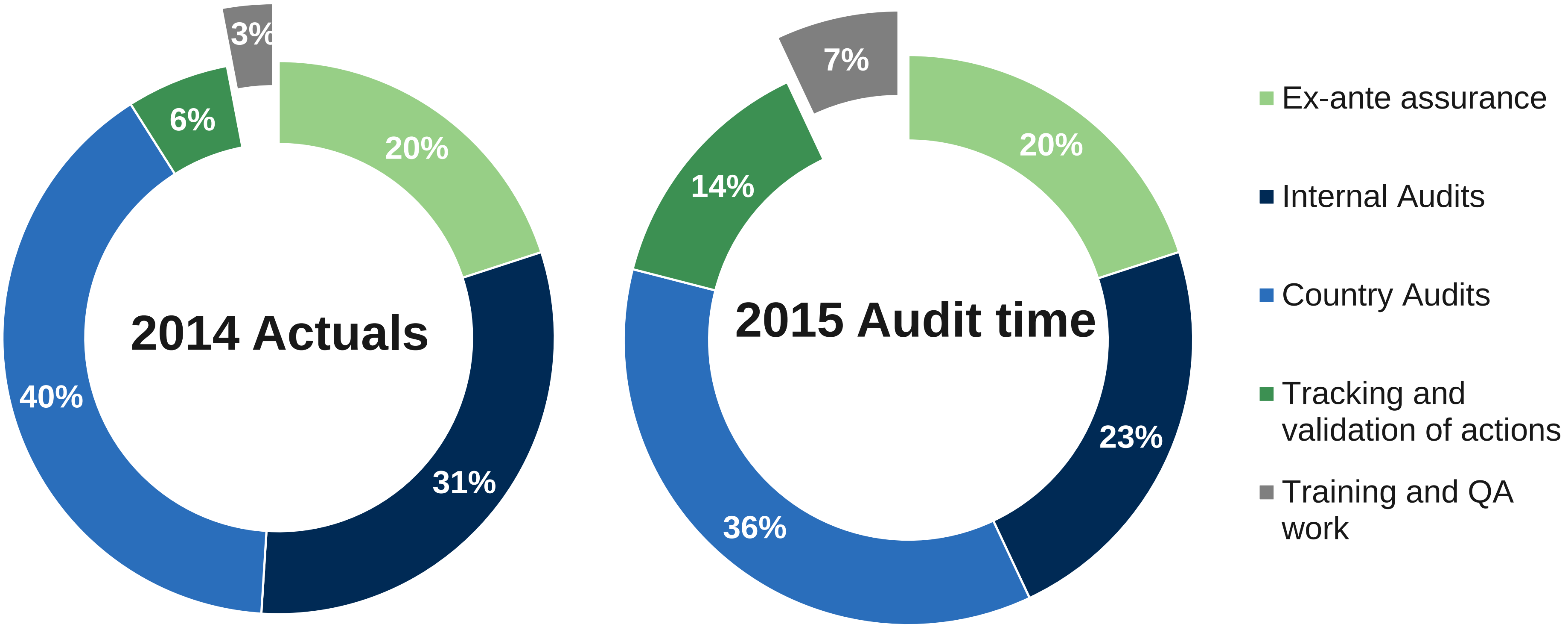
Governance

Risk Management

Internal Controls

Audit work plan 2015

Built based on an analysis of 2014 actual time spent



Actual staff timesheet allocation
as at September 2014

Budgeted
staff time allocation

Six engagements

INTERNAL AUDITS

Internal audits 2015

Prioritized list of six internal audits

1 **Strategy and Impact**

Controls around ensuring that the Global Fund measures and achieves its strategic objectives.

2 **Grant making under the new funding model**

Implementation of grant making processes in the new funding model.

3 **Effectiveness of the Country Coordinating Mechanisms**

Efficiency and effectiveness of the CCM in the Global Fund model.

4 **Key Performance Indicators**

Appropriateness of the corporate KPI framework in assessing the progress of the Global Fund against strategic objectives.

5 **Allocation of Funds**

Robustness of the current allocation methodology.

6 **Internal Controls**

Compliance with key internal policies including operational, financial and procurement controls.

Ten engagements

COUNTRY AUDITS

Country audits 2015

10 countries: allocation and impact coverage

Allocation coverage

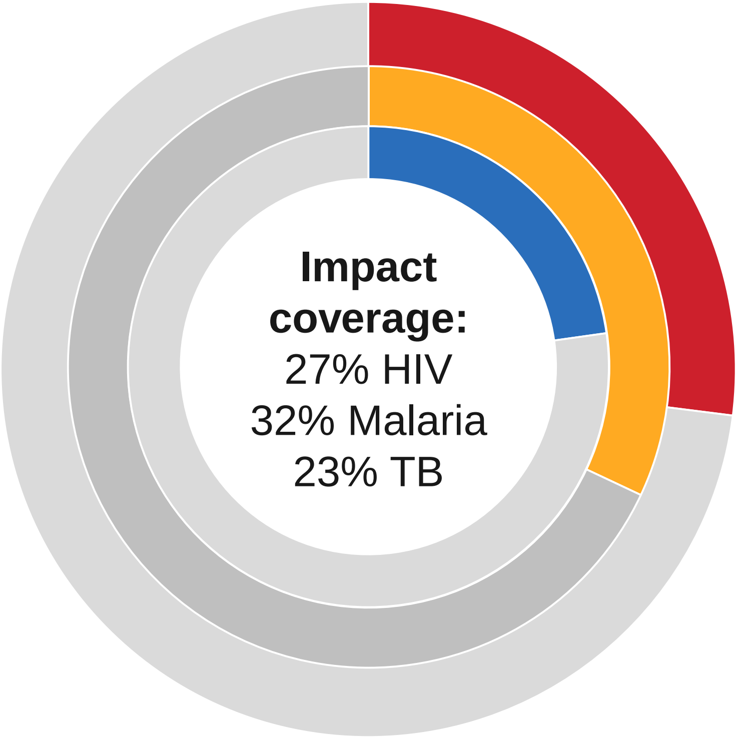
The 10 countries cover a combined **24% of the allocation 2014-16** across three diseases.

High Impact regions		
High Impact Africa 1	High Impact Africa 2	High Impact Asia
Ghana **Nigeria**	**Tanzania** **Uganda**	**Pakistan** **Indonesia**
1411m USD 47% of region	1053m USD 31% of region	557m USD 25% of region

Other regions	
Americas, Europe & LAC	Africa and Middle East
Honduras **Uzbekistan**UN	**Chad**UN **South Sudan**UN
105m USD 6% of region	307m USD 7% of region

Disease Impact Coverage

The 10 countries account for 23% of successful TB treatments, 27% of patients on ART, and 32% of bed nets distributed.



Country audits 2015

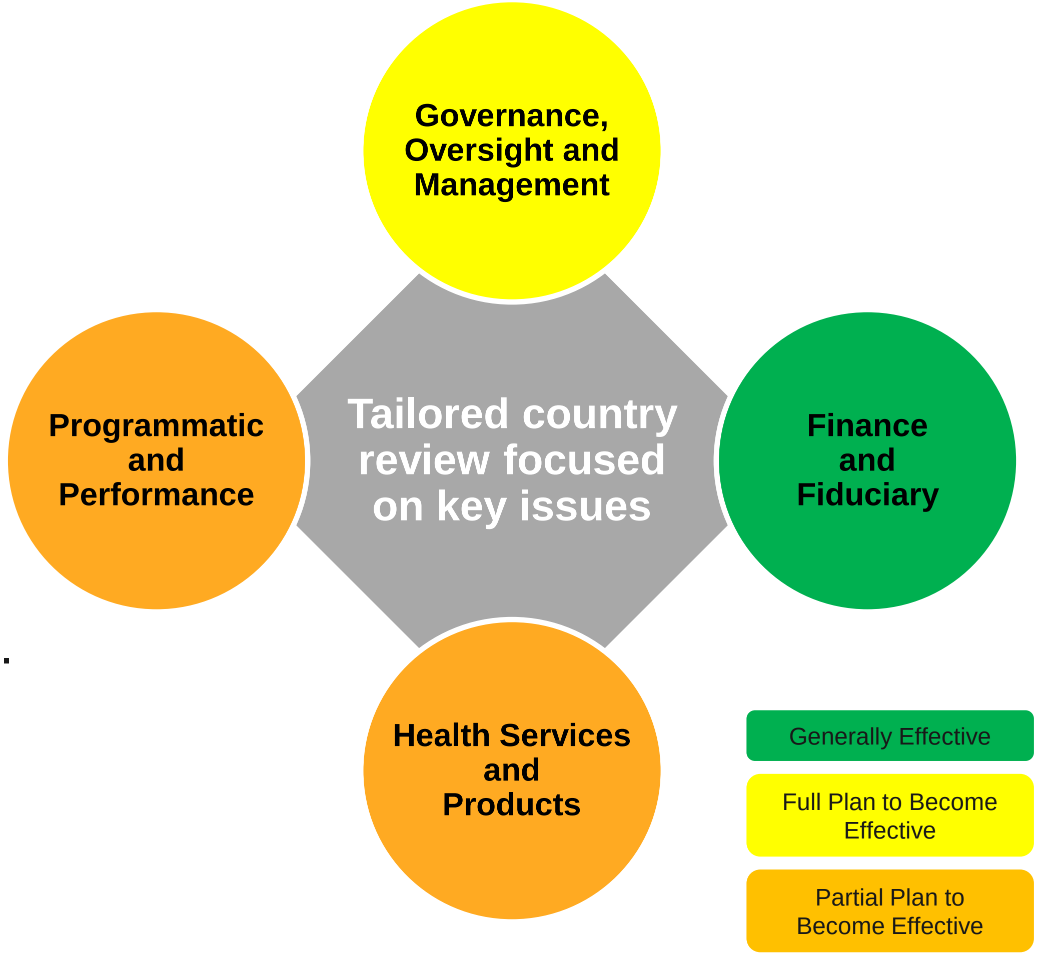
Methodology

Following on from 2014 Country audits, we will continue to:

- Emphasize the importance of deeper auditing;
- Tailor our approach to identify the key assurance required;
- Focus on Secretariat strategies for each grant;
- Obtain compelling data and evidence to support conclusions.

Our opinion will be based on four main categories, in line with the QUART.

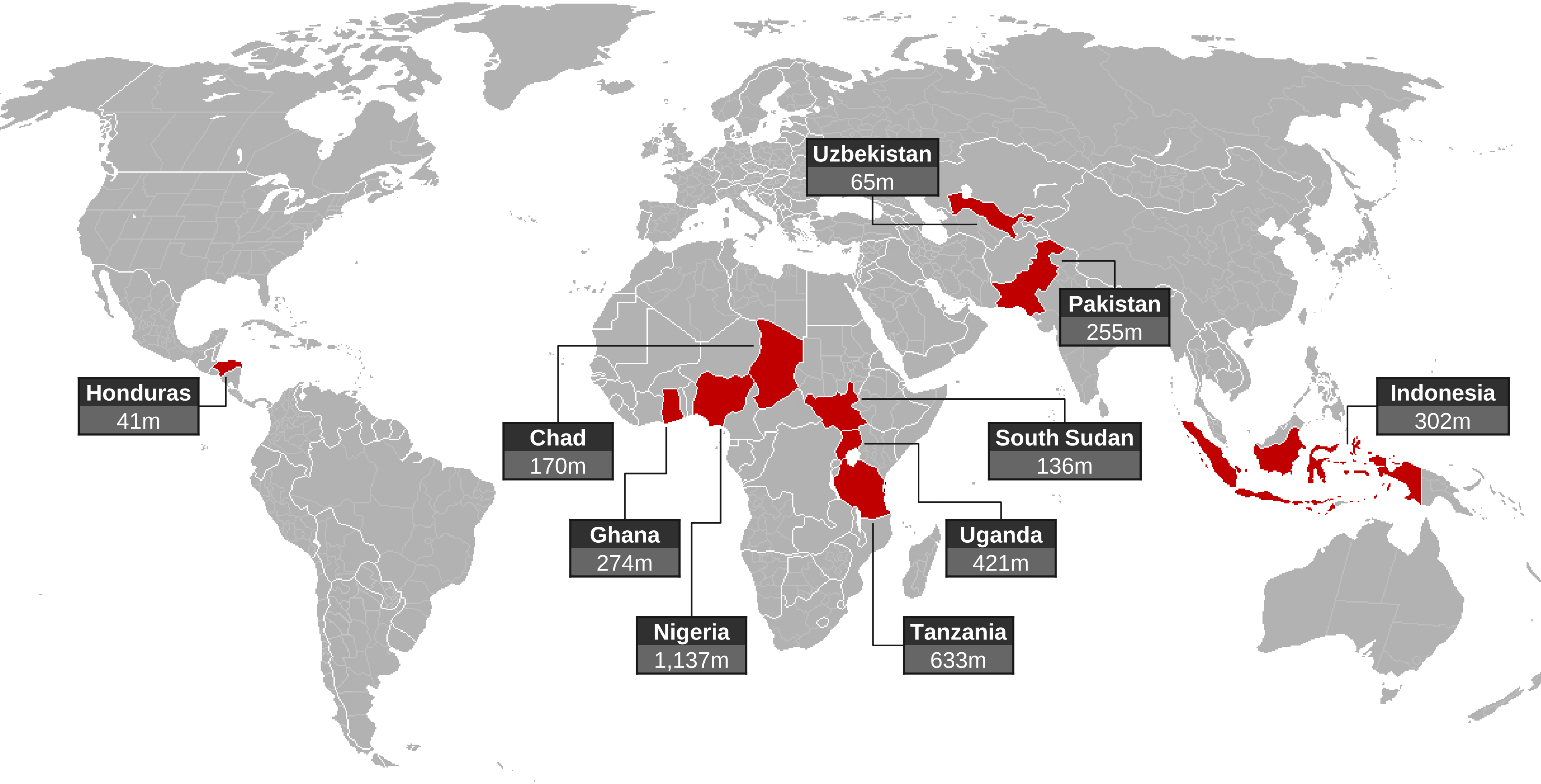
QUART Categories and Ratings based on 2014 findings to date



Governance, Oversight and Management
Programmatic and Performance
Tailored country review focused on key issues
Finance and Fiduciary
Health Services and Products
Generally Effective
Full Plan to Become Effective
Partial Plan to Become Effective

Country audits 2015

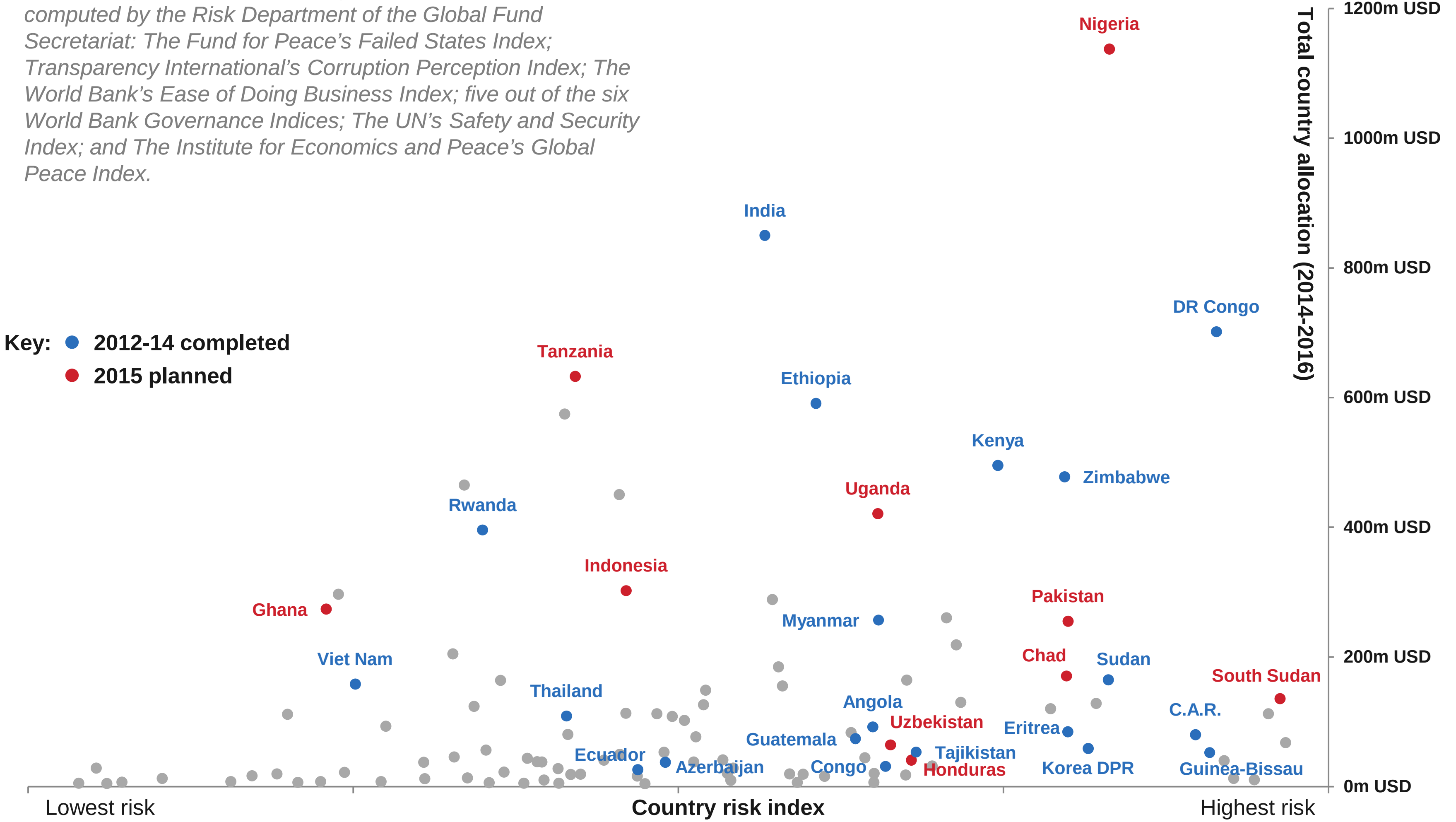
10 countries: geographic distribution


Uzbekistan
65m
Pakistan
255m
Honduras
41m
Chad
170m
South Sudan
136m
Indonesia
302m
Ghana
274m
Uganda
421m
Nigeria
1,137m
Tanzania
633m

Country audits 2012-2015

Country risk index* and 2014-16 allocations

* *The Country Risk index is a composite index of ten indicators, computed by the Risk Department of the Global Fund Secretariat: The Fund for Peace's Failed States Index; Transparency International's Corruption Perception Index; The World Bank's Ease of Doing Business Index; five out of the six World Bank Governance Indices; The UN's Safety and Security Index; and The Institute for Economics and Peace's Global Peace Index.*



Proactive auditing

EX-ANTE ASSURANCE WORK

Ex-ante work*

Continued involvement in important strategic initiatives

Due to the scale of issues identified in 2014, 20% of the overall audit effort will be dedicated to this in 2015

Active committee involvement

- Management Executive Committee
- Risk and Assurance Committee – institutional and regional
- Grant Approval Committee
- Executive Grant Management Committee
- Recoveries Committee
- NFM Steering Committee
- Steering Committee for Quality Products
- Civil Society Hub
- Document Mgnt and Retention

Participation in new initiatives

- Ongoing roll out of Results Based Financing initiatives
- Differentiation efforts
- SalesForce implementation and system integration
- Procurement for impact

** Ex-ante audit work refers to the continued involvement in important strategic initiatives (e.g. attending Committees or Working Groups and the tracking of new material issues)*

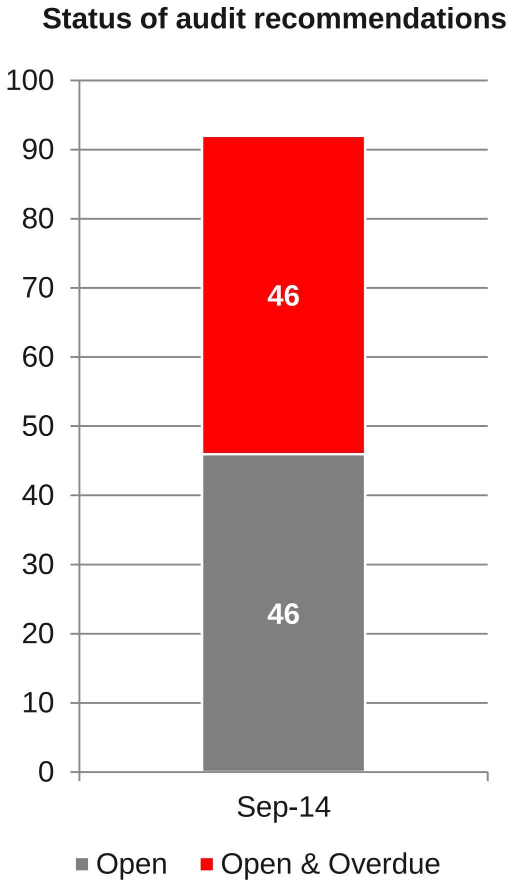
Follow-up

TRACKING AND VALIDATION OF KNOWN ISSUES

Follow-up

Tracking of known issues

- TeamCentral, a web-based platform to track recommendations, is now live.
- Training sessions have been organized with the Secretariat to ensure the new system is understood and used.
- We will continue to follow-up outstanding and new audit recommendations in 2015, including recoveries.
- Additional recommendations to be tracked in 2015 include the Governance review and in-country audits



Follow-up

Validation of known issues

To date, follow-up efforts have focused on rationalizing and stabilizing the recommendations database. In 2015, we will have an increased emphasis on validating strategic actions from ex-ante work, as well as 2013-14 audit work:

- **Governance Review**
  - Governance oversight
  - Risk management
  - Assessment of organisational performance
- **Combined Assurance**
  - Framework
  - Co-ordination of ex ante and ex post assurance activities
  - Three lines of defence
  - Reliance on assurance providers
  - Cost of assurance

- **Ethics Framework**
- **Recoveries tracking and reporting**
- **Accountability Framework**
- **Grant Closures**
- **Documentation Retention and Record Management**
- **Data Security and Privacy**
- **Performance Based Financing in fragile states**
- **Long overdue findings**

Quality Assurance

FOCUSING ON CONTINUOUS QUALITY IMPROVEMENT

Quality Assurance

Seeking continuous improvement

- External quality assessment
  - now annual
- Quality assurance and improvement program
  - IIA standards
  - maturing processes
- TeamMate/TeamCentral
  - standardized audit software
- Rigorous performance management
  - integrated in Secretariat process
- Focus on continuous improvement

Decision point

Approval

GF/AEC10/EDP01

Approval of the OIG’s 2015 Audit Work Plan

The Audit and Ethics Committee approves the 2015 Audit Work Plan of the Office of the Inspector General as presented in GF/AEC10/03a revision 1.

OIG Investigations Work Plan for 2015

This Work Plan was reviewed and approved under reference GF/AEC10/03b revision1 following the 10th Audit & Ethics Committee on 8-9 October

Investigations work plan 2015

Vision and mission

Office of the Inspector General

Investigations Unit

Vision

The Global Fund's Investigation Unit to be a role model for the international aid community.

Purpose

To expose the abuse of grant funds and influence change that safeguards the Global Fund and the lives affected by AIDS, Tuberculosis and Malaria

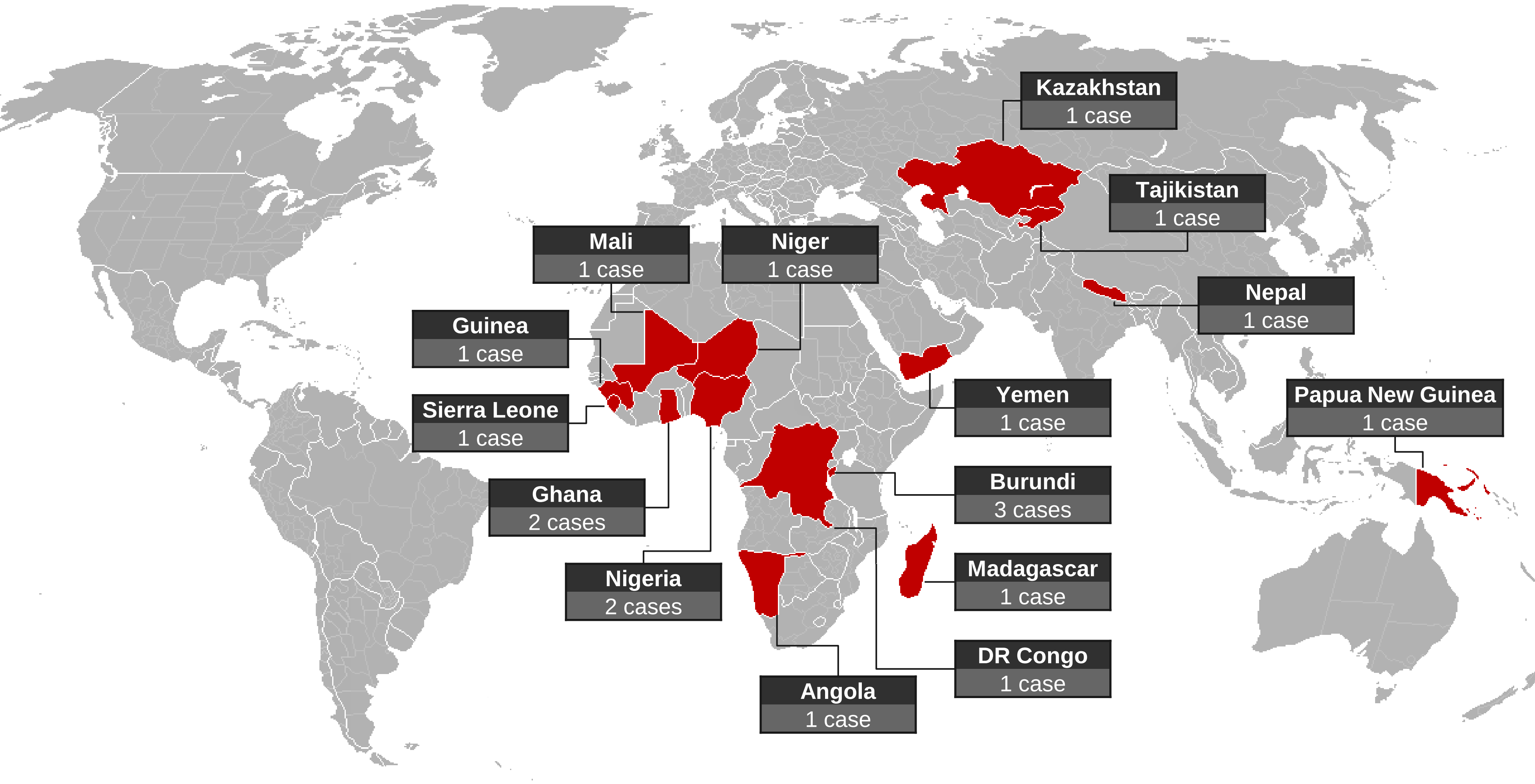
2014 Achievements

Productivity up

- Screened 106 complaints (represents an increase of 49% compared to the same period)
- New cases opened in 2014 = 26
- To date - published reports (8) cases: Madagascar, Papua New Guinea, Sierra Leone, Ghana, Mali, Nigeria, Burundi, Democratic Republic of Congo.
- Predicted 92% closure of all legacy cases

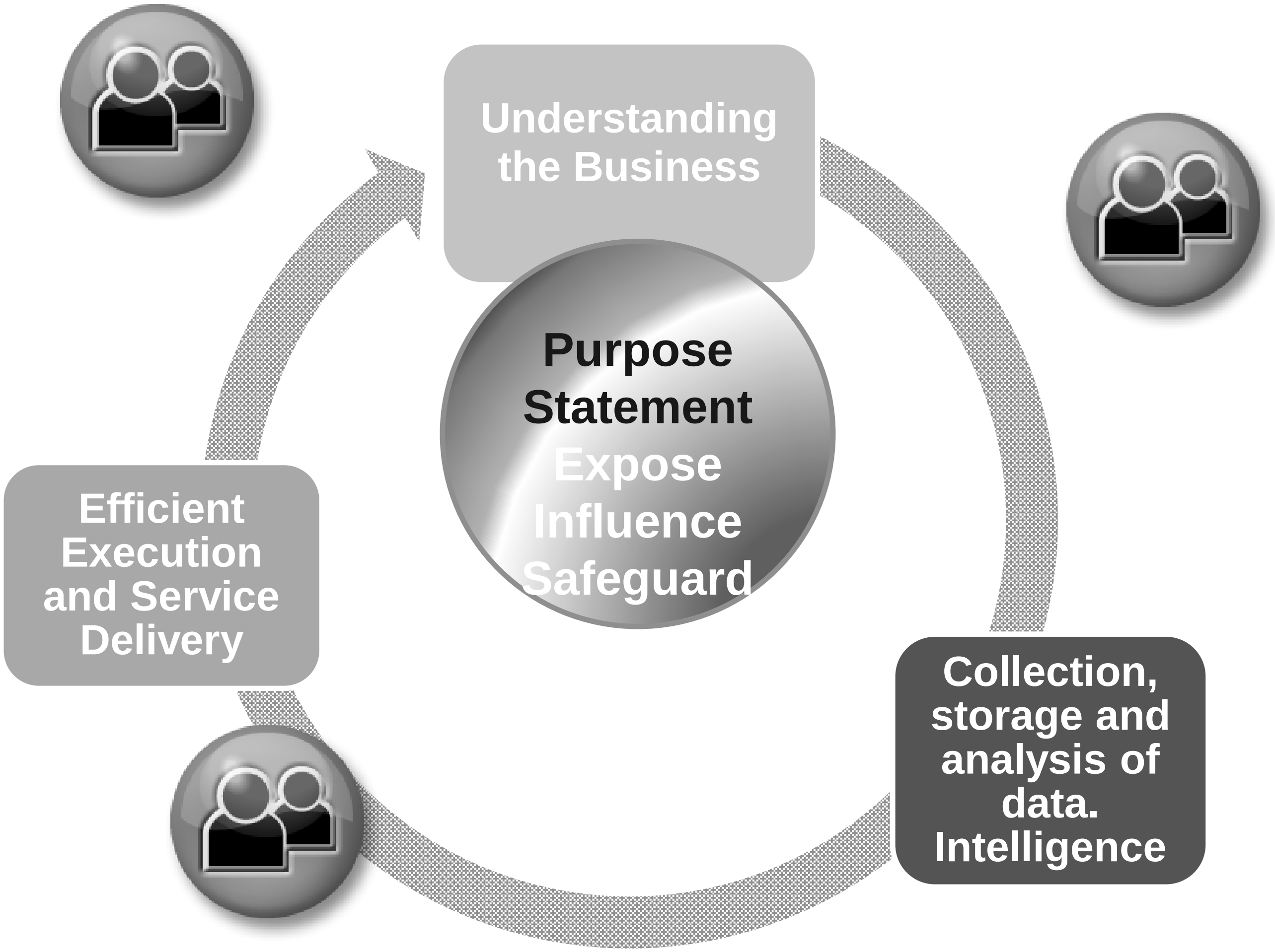
Published Reports 2014

22 cases: geographic distribution


Kazakhstan
1 case
Tajikistan
1 case
Mali
1 case
Niger
1 case
Nepal
1 case
Guinea
1 case
Sierra Leone
1 case
Yemen
1 case
Papua New Guinea
1 case
Burundi
3 cases
Ghana
2 cases
Madagascar
1 case
Nigeria
2 cases
DR Congo
1 case
Angola
1 case

Three strategies

Turning the purpose into reality



Understanding the Business

Purpose Statement

Expose

Influence

Safeguard

Collection, storage and analysis of data. Intelligence

Efficient Execution and Service Delivery

Investigation Work Plan

Six themes

1 **Knowledge Resource** NEW

Establish information management culture to become a Knowledge Resource Centre

2 **Intelligence Capacity** NEW

Develop Intelligence Building Capacity. Risk Assessment approach focusing on fraud prevention and disruption

3 **Carry Forward investigations**

Completion of 29 cases from 2013/2014 (carry forward cases)

4 **Complaint-led Investigations**

35 new investigations predicted for 2015 of which 20 completed during the year and 15 carried forward to 2016

5 **Human Rights** NEW

Continue developing Human Rights complaint handling and investigation methodology

6 **Continuous Improvement**

Continue Investigations capacity building

Theme #1 Info management

Pooling knowledge into a single resource center

Benefits:

- ‘Providing the right information, to the right people, at the right time’
- Intelligence led risk assessment and strategic decision making
- Stakeholder approach, changing attitudes, behaviors and responses to fraud/abuse
- Facilitates the organization of knowledge
- Informed OIG resource allocation and prioritisation

NEW

Theme #1 Info management

Pooling knowledge into a single resource center

Benefits:

- Proactive OIG intervention to fraud/abuse red-flags
- More timely fraud prevention and disruption, less protracted and complex fraud/abuse detection investigations
- Allows lessons to be learned from business activities

OIG taking the lead

Annual Conference Of International Investigators*

- OIG asked to host this three day event in 2015
- 140 participants from other investigative agencies including; World Bank, UNDP, UNOPS, OLAF
- Knowledge sharing, benchmarking and networking benefits

*OIG Investigations conform to the *Uniform Guidelines for Investigations of the Conference of International Investigators*

NEW

Theme #2 Intelligence building

Intelligence-led Risk Assessment

- Proactive interventions to complement Reactive Fraud/Abuse investigations
- Conduct quarterly Risk Assessment missions in 2015
- Due Diligence, control measures, and review by OIG investigators
- Critical Control Points identified and monitored throughout grant management life-cycle

Theme #2 Intelligence building

Intelligence-led Risk Assessment

Fraud
Embezzlement

Focus: Africa

Principal Recipients
Finance Managers

Procurement
Vendor Selection

Focus: Asia/EECA

Principal Recipients
Procurement

Procurement
Collusion and CoI

Focus: EECA

Principal Recipients

Misrepresentation of information
On-site data verification

Focus: Africa

Sub-recipient/Sub sub-recipient

NEW

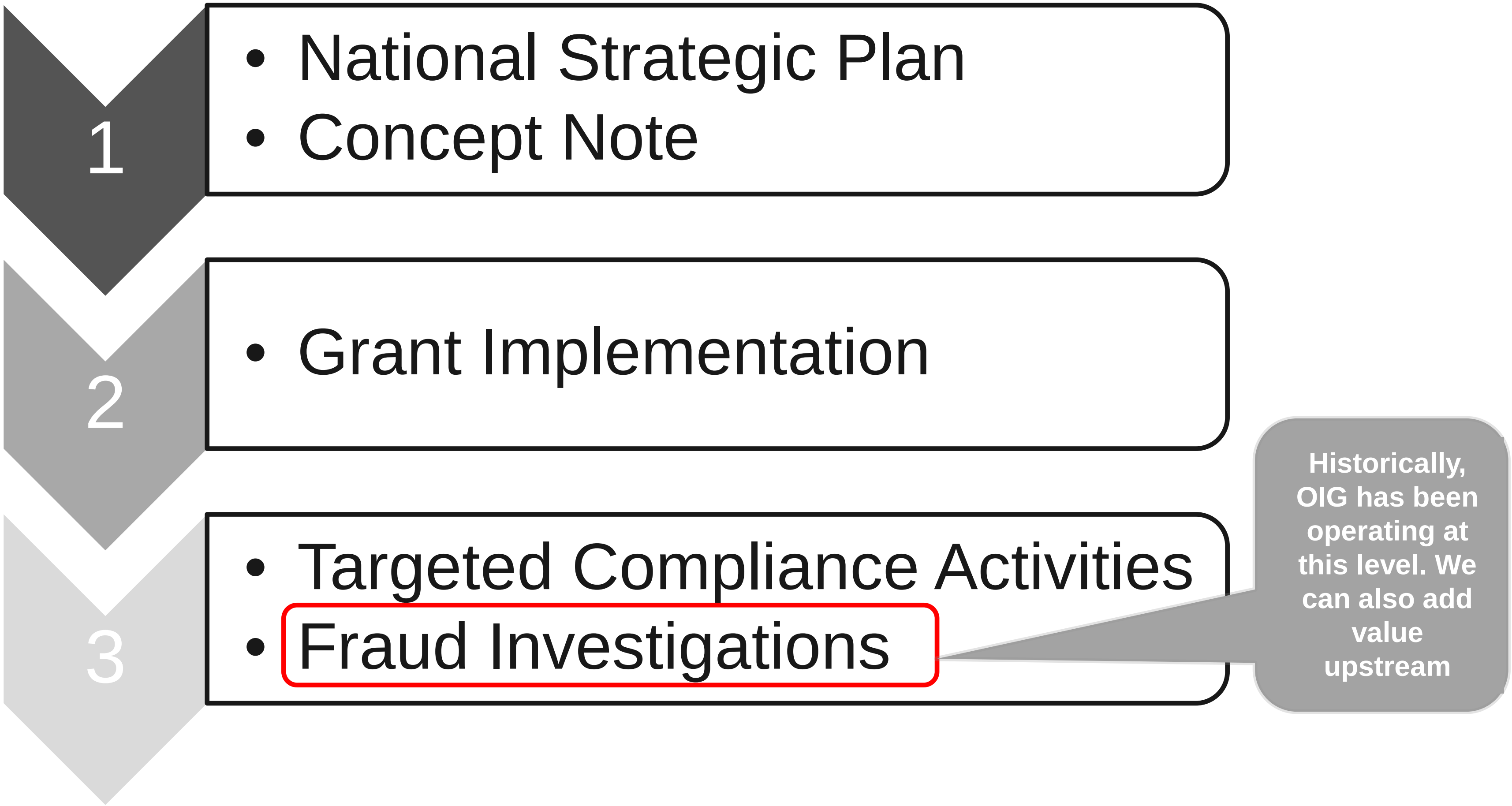
Theme #2 Intelligence building

Preventing fraud upstream

- Risk assessment approach focusing on fraud prevention and disruption
- Determine criteria for intelligence led risk assessment
- Develop strategic and tactical analytical products based on fraud trends, portfolio importance, high impact countries, public and media interest
- A partnership approach with all stakeholders, including the Joint Interagency Task Force for product related issues

Theme #2 Intelligence building

Preventing fraud upstream



- National Strategic Plan
- Concept Note

- Grant Implementation

- Targeted Compliance Activities
- Fraud Investigations

Historically, OIG has been operating at this level. We can also add value upstream

Theme #4 Cases in 2015

Predicted workload: manageable

- Open 35* complaint-led investigations and complete 20 of these in 2015
- A projected carry forward of 15 investigations, into 2016
- Completion of 29 carry forward cases from 2013/14
- 4 risk assessment missions
- A total completed investigation workload of 53 investigations

*Prediction based on statistics from 2014

2014 Cases closed = 50 (approx)

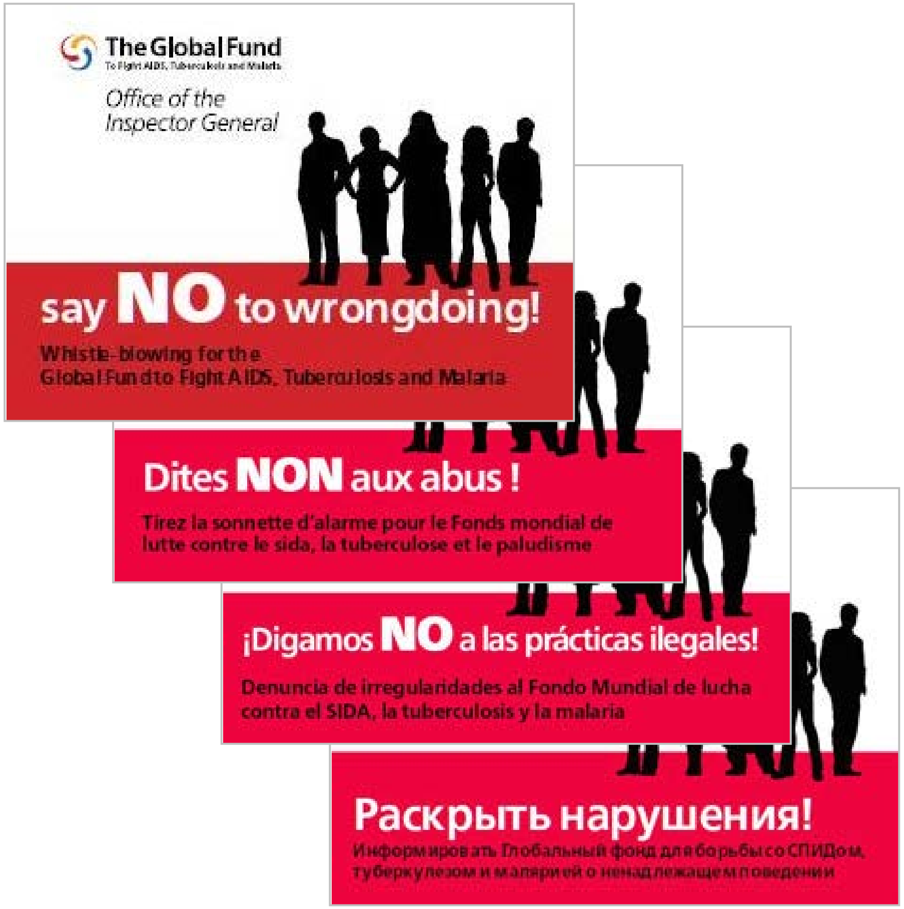
2014 c/f cases = 21

Unit fully staffed in 2015

Theme #4 Cases in 2015

Reporting fraud and abuse

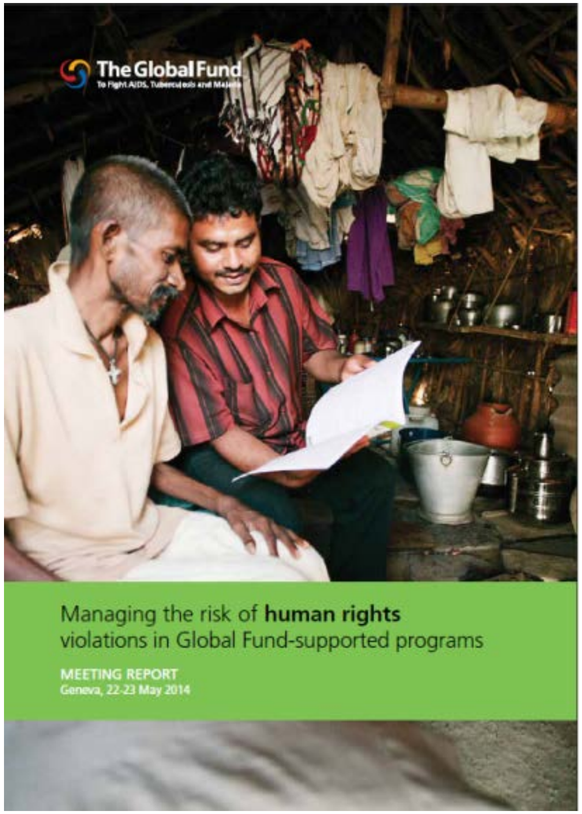
- Promote/reinvigorate the whistle-blower communication strategy
- Further enhance whistle-blower protection processes
- Develop fraud-awareness materials for a wider campaign, targeted at internal and external stakeholders


The Global Fund
To Fight AIDS, Tuberculosis and Malaria
Office of the Inspector General
say NO to wrongdoing!
Whistle-blowing for the Global Fund to Fight AIDS, Tuberculosis and Malaria
Dites NON aux abus !
Tirez la sonnette d'alarme pour le Fonds mondial de lutte contre le sida, la tuberculose et le paludisme
¡Digamos NO a las prácticas ilegales!
Denuncia de irregularidades al Fondo Mundial de lucha contra el SIDA, la tuberculosis y la malaria
Раскрыть нарушения!
Информировать Глобальный фонд для борьбы со СПИДом, туберкулезом и малярией о ненадлежащем поведении

Theme #5 Human Rights

Promoting and protecting human rights

- Further define scope and OIG intervention requirements
- Develop investigation response plans to infringements of the Global Fund Human Rights criteria
- Develop training and awareness materials



The Global Fund
To Fight AIDS, Tuberculosis and Malaria

Managing the risk of **human rights** violations in Global Fund-supported programs

MEETING REPORT
Geneva, 22-23 May 2014

Theme #6 Capacity building

Efficient information and case management activities

Achieve Operational Excellence by:

- Ensuring reporting methods for suspected fraud are efficient and inclusive
- Root cause analysis and lessons learned captured in organizational memory
- Develop and benchmark investigation standards and operational procedures in line with the Stakeholder Engagement Model
- Have in place robust, case timeline, agreed action and KPI tracking

Theme #6 Capacity building

Efficient information and case management activities

- Collaborate and identify synergies with the Ethics & Integrity Initiative regarding identifying gaps and improving processes and controls.

- In particular, the Second Stage of the initiative which focuses on embedding ethics into Global Fund operations and establishing anti-corruption systems

Summary Work Plan

Investigations work plan

1 **Knowledge Resource**

Establish information management culture to become a Knowledge Resource Centre

2 **Intelligence Capacity**

Develop Intelligence Building Capacity. Risk Assessment and conduct 4 intelligence-led Risk Assessment missions

3 **Carry Forward investigations**

Completion of 29 cases from 2013/2014 (carry forward cases)

4 **Complaint-led Investigations**

Predicted 35 new investigations opened in 2015. Completion of 20.

5 **Human Rights**

Have in place documented Human Rights complaint handling and investigation methodology

6 **Continuous Improvement**

Have in place robust, case timeline, agreed action and KPI tracking

Decision point

Approval

- **GF/AEC10/EDP02 – Approval of the OIG's 2015 Investigations Work Plan**
  - The Audit and Ethics Committee approves the 2015 Investigations Work Plan for the Office of the Inspector General as presented in GF/AEC10/03b revision 1.