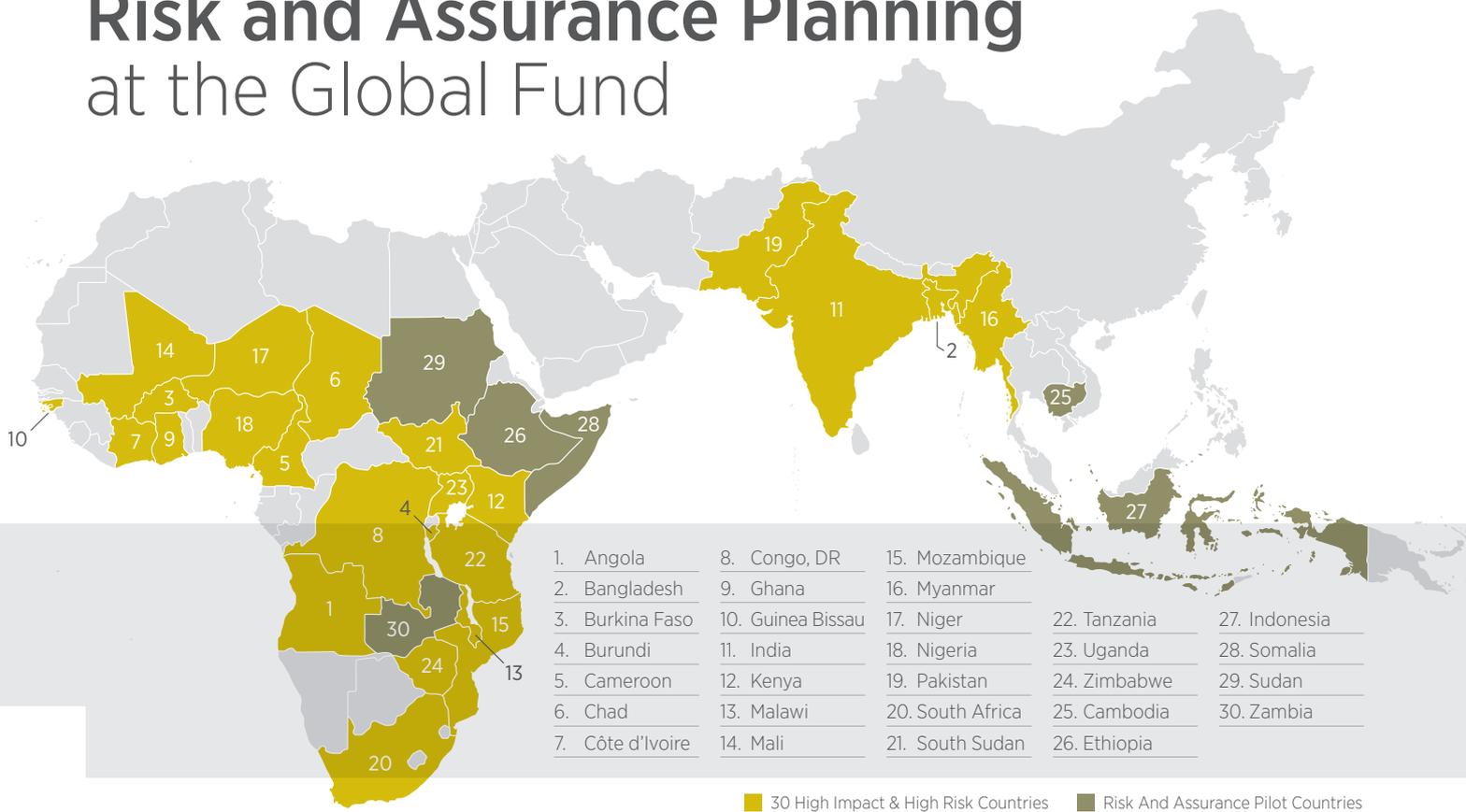
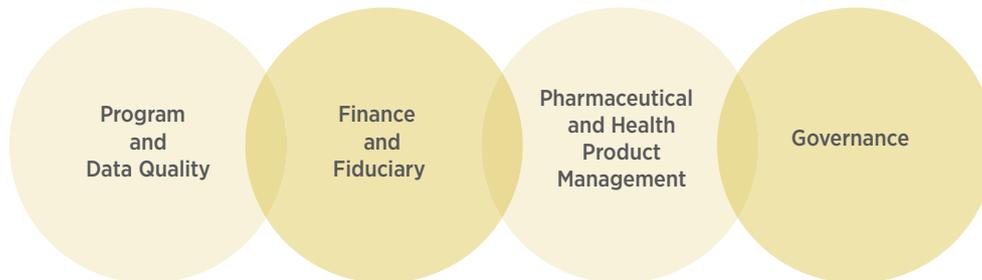


Risk and Assurance Planning at the Global Fund



The Global Fund manages risk across its portfolio of grants, focusing especially on high impact countries. It employs a robust risk and assurance system to identify, mitigate, monitor and manage risk across four areas:

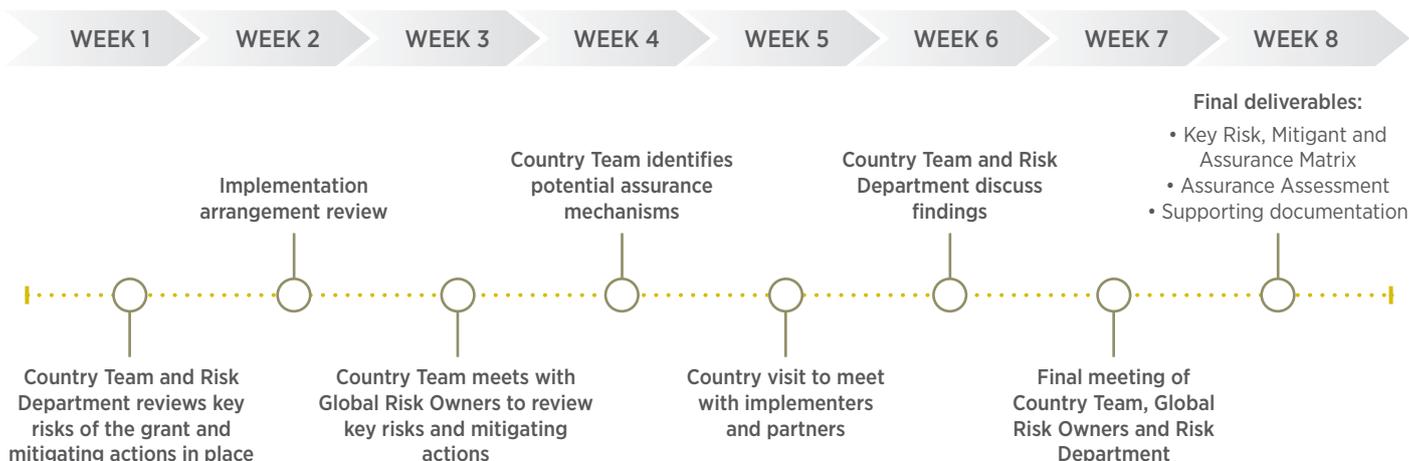


Assurance centers on checking whether controls and mitigating actions are working as planned to lower risk in portfolios so as to help grants achieve their objectives. This key element of the risk management system involves a four-step process which typically begins shortly after grant signing and takes place over an 8 to 12 week period.



- 1. Identification and Prioritization of Key Risks:** Risks are subjected to a prioritization exercise in which a focused set of key risks is identified while other risks are intentionally deprioritized.
- 2. Identification of Controls and Mitigants:** Ensuring that mitigating actions are appropriate to the risk level; are actionable; and are assurable with the inclusion of milestones so that mitigating actions can be monitored through the assurance plan.
- 3. Cataloguing Assurance Measures:** Identifying potential assurance sources; evaluating their reliability; mapping to individual controls and mitigating actions; and drafting an assurance plan.
- 4. Validation of Assurance Plan:** Aligning Global Fund implementers and partners around an agreed set of risks, mitigating actions and assurances. An assessment is performed to evaluate the results of this process.

Bringing assurance, risk management, and grant management experts together, the Global Fund Secretariat develops portfolio-level assurance plans to gauge the effectiveness and efficiency of its investments in the fight against the three diseases.



Assurance Planning

In developing an assurance plan, a Country Team will critically review the factors that could prevent grants from reaching their objectives in the most effective and efficient manner. In so doing they will leverage input from relevant stakeholders including implementers, in-country and international partners and internal “global risk owners” to address key questions regarding a country’s risk profile.

There are a number of assurance mechanisms which the Global Fund adopts as a means by which it gauges the effectiveness of portfolio-related controls and mitigants. These include: implementers themselves; surveys such as Health Facility Assessments; international and in-country partners, including major donor agencies, their implementers and UN technical agencies; community-based watchdog or advocacy groups; national audit authorities; and Local Fund Agents. For any given portfolio, the Global Fund evaluates each potential source of assurance for independence, level of probity, and value for money in order to ensure that the resulting “combined assurance” approach is fit for purpose.



The Global Fund’s investment in assurance mechanisms should be inversely proportional to the reliability of implementers’ own assurance mechanisms.

Two documents, supported by a wealth of portfolio-specific data, constitute an Assurance Plan: 1) a Key Risk, Mitigant and Assurance Matrix that documents a risk management approach over a defined period of time; and 2) an Assurance Assessment that evaluates the logic and conclusions of the risk and assurance process.

Advantages of Assurance Planning

Robust assurance planning allows stakeholders to:

- **Demonstrate impact**
- **Prioritize and manage key risks**
- **Promote mutual accountability**
- **Accelerate absorption rates**
- **Decrease fraud**
- **Respond to findings of the Office of the Inspector General**