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# Joint Agreed Management Actions (AMAs) Progress Report

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**45<sup>TH</sup> BOARD MEETING**

GF/B45/18

11-12 MAY 2021, *Virtual*

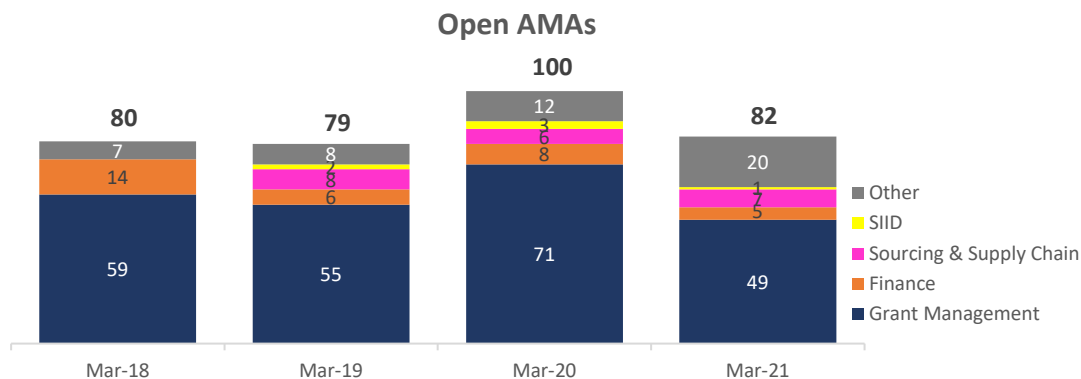
# Summary: Trends

**Objective of this report:** this report is designed to:

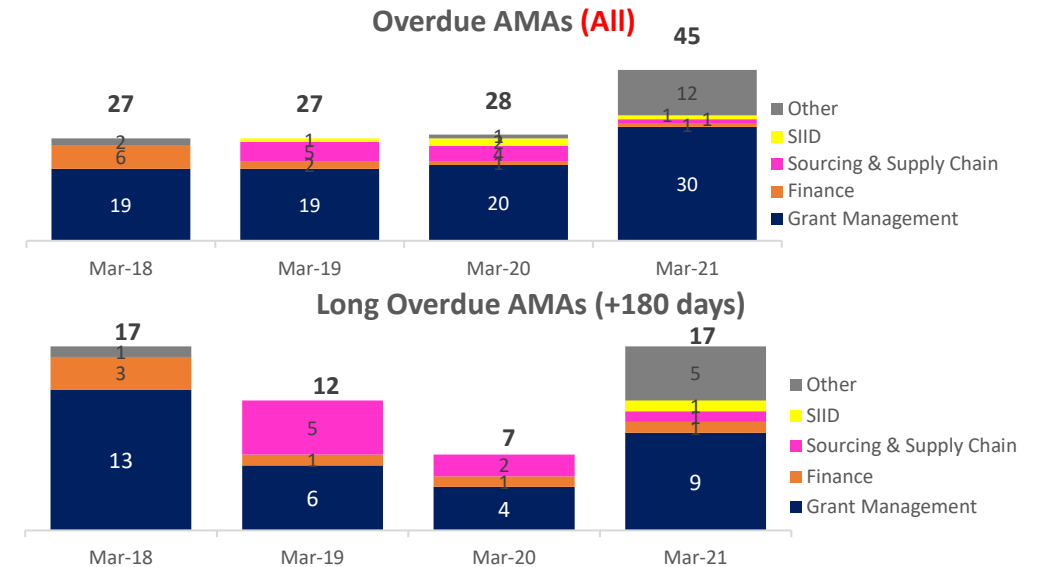
- **Present trends** in AMA implementation by the Secretariat
- Report all AMAs that remain open more than six months after their deadline for implementation (**long-overdue AMAs**), along with Secretariat updates and OIG analysis
- **Prioritize any AMAs for Board attention** based on their risk, materiality, or business impact (prioritization principles detailed in Annex)

## Decrease in open AMAs

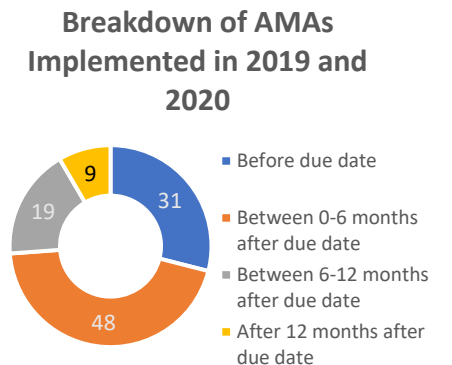
There has been a drop in the number of open AMAs: 82 are currently open, down from 100 in March 2020. Despite an increase in overdue and long-overdue AMAs (explained afterwards), the main reason for this decrease is **that the OIG did not publish as many audits and investigations in 2020**, due to COVID disruptions and a re-forecasted assurance plan.



**COVID's impact on the Secretariat** is tangible and evidenced by the increased number of AMAs that have slipped into the long-overdue category. The number of overdue and long overdue AMAs has increased significantly.



COVID disruptions have exacerbated long-overdue actions. Although around 70% of AMAs were not implemented within due date in the last two years, 45% of actions were implemented and closed within the next six months after becoming overdue, meaning few AMAs (25%) slipped into the long-overdue category. 10 AMAs have slipped into the long-overdue category in the last six months.



# Summary: Risks and priorities

**Delays to implementation can hinder the effective mitigation of risks and impact results.** Given the COVID-19 context, the increase in long-overdue AMAs is entirely understandable. However, delays in key initiatives to address risks can impact organizational results, risk profile, and risk targets going forward.

The Secretariat should carefully monitor and prioritize its efforts to ensure AMA actions are addressed in a timely manner.

| Overdue AMAs      |          |            |              |           |       |
|-------------------|----------|------------|--------------|-----------|-------|
|                   | <30 days | 31-90 days | 91 -180 days | >180 days | Total |
| Grant Management  | 3        | 2          | 16           | 9         | 30    |
| Supply Operations |          |            |              | 1         | 1     |
| Finance           |          |            |              | 1         | 1     |
| Other             | 2        |            | 5            | 6         | 13    |
| TOTAL             | 5        | 2          | 21           | 17        | 45    |

| Progress since Board November 2020 |          |           |     |           |
|------------------------------------|----------|-----------|-----|-----------|
| Long Overdue AMAs ( >180 days)     |          |           |     |           |
|                                    | Sept' 20 | Completed | New | March' 21 |
| Grant Management                   | 9        | -5        | +5  | 9         |
| Supply Operations                  | 3        | -2        |     | 1         |
| Finance                            |          |           | +1  | 1         |
| Other                              | 2        |           | +4  | 6         |
| TOTAL                              | 14       |           |     | 17        |

## Prioritized AMAs

**Of the 17 long-overdue AMAs, three are highlighted for the Board's attention:**

- One AMA is for the Sourcing department to work with Stop TB to revise the joint Memorandum of Understanding and analyze opportunities for information sharing between GDF and the Sourcing Department. While efforts have been made, challenges persist, despite escalation (page 4).
- One AMA on organizational policy on harassment, bullying and abuse of power (including at implementer level) has been delayed (page 5).
- One AMA relates to finalizing the Implementation Plan that shows a systematic approach by which Fraud Risk is measured/assessed, managed and monitored, and addressed (page 6).

# Long Overdue AMAs (>180 days)

| Supply Operations  |   |            |          |  |  |
|--|---|------------|----------|--|--|
| Project Name   | Agreed Management Action  | Due Date   | Owner    | Secretariat Update   | OIG Comments   |
| <b>GF-OIG-18-018</b><br>Follow-up Audit on<br><b>Procurement Processes</b><br><b>PRIORITIZED FOR BOARD</b> | AMA 2: The Secretariat will ensure that: <ul style="list-style-type: none"> <li>· the Sourcing department works with Stop TB to revise and implement the Memorandum of Understanding;</li> <li>· together with the Stop TB Partnership, analysis is carried out to identify future opportunities for collaboration, synergies and information sharing between GDF and the Sourcing Department, and submitted to MEC.</li> </ul> | 31/12/2019 | Hui Yang | The Sourcing Department continued engaging with the Stop TB Partnership / GDF which start providing visibility on Purchase Orders in the context of COVID-19. The Sourcing Department will have a strategic meeting with Global Fund leadership to define an adequate way forward. | <p>This AMA has not made meaningful progress. The challenges of information sharing between GDF and Sourcing Department continue to persist, impacting procurement planning and implementation for TB drugs.</p> <p>The Secretariat made progress in drafting a revised MOU, but challenges remain. The issue has been escalated to executive management within the Secretariat, but their intervention has not yet led to resolution.</p> <p>In our view, this issue merits a discussion at the Committee level, to facilitate executive engagement between the Global Fund Secretariat and Stop-TB, for a timely resolution.</p> |

# Long Overdue AMAs (>180 days)

| OED's Office   |   |            |                  |   |  |
|--|---|------------|------------------|---|--|
| Project Name   | Agreed Management Action  | Due Date   | Owner            | Secretariat Update  | OIG Comments   |
| <b>GF-OIG-19-007</b><br>Audit of Global Fund <b>Human Resources Management Processes</b><br><b>PRIORITIZED FOR BOARD</b> | AMA 3: The Secretariat will develop a framework related to harassment, including sexual harassment, bullying and abuse of power in the context of Global Fund programs; this framework will cover the wider stakeholder environment of the Global Fund (including CCMs, implementers, suppliers and others) and define and clarify the roles and responsibilities across different functions within the Global Fund including GMD department, Ethics Officer and OIG. | 31/12/2019 | Marijke Wijnroks | <p>Whilst the Secretariat has developed and implemented its framework in relation to staff conduct, the wider framework relating to the broader stakeholder environment was delayed by the need to divert resources to the COVID-19 response. The PSEAH Working Group started work in September 2020 and has prioritized updates to the relevant codes of conduct and their implementation through training and communications. Remaining elements of the framework, including defining roles and responsibilities, will be established in parallel and completed by the end of 2021.</p> <p>The framework is also dependent on AMA 2 of GF-OIG-19-016 Managing Ethics and Integrity at the Global Fund which aims to establish 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> line accountabilities, and committee oversight responsibilities for SEA risk, and on AMA 3 of GF-OIG-19-016 which aims to review and clarify accountabilities for the investigations function(s).</p> | <p>In October 2018, the Global Fund committed to addressing sexual exploitation and abuse and sexual harassment. This included driving the necessary changes in culture, values, programming and accountability to promote integrity and the highest standards of behavior, both within the organization and the wider stakeholder environment.</p> <p>Aside from the unacceptable abuses themselves, sexual abuse, exploitation and harassment have become major areas of legal and reputational risk for many organizations. This AMA is expected to set the framework on how the Global Fund addresses harassment including sexual harassment, bullying and abuse of power in the context of Global Fund programs. This AMA needs to be monitored and prioritized to ensure it is implemented as soon as possible.</p> <p>Codes of Conduct for Employee, Suppliers, Recipients, CCM and governance officials have been revised to incorporate the Global Fund's commitment on sexual exploitation, abuse and sexual harassment.</p> <p>The following also need to be finalized to close the AMA:</p> <ul style="list-style-type: none"> <li>• The development of a framework related to harassment, including sexual harassment, bullying and abuse of power in the context of Global Fund programs.</li> <li>• The definition of roles and responsibilities across different functions within the Global Fund (including HR department, Ethics Officer and OIG) in relation to the framework.</li> </ul> |

# Long Overdue AMAs (>180 days)

| OED's Office  |  |            |                  |  |  |
|---|--|------------|------------------|--|--|
| Project Name  | Agreed Management Action   | Due Date   | Owner            | Secretariat Update   | OIG Comments   |
| <b>GF-OIG-19-016</b><br><b>Managing Ethics and Integrity at the Global Fund</b><br><b>PRIORITIZED FOR BOARD</b> | AMA 5: The Secretariat will finalize a comprehensive risk-based implementation plan that will subsequently operationalize the PCFC. The plan will define the following:<br>a) the scope and timeline for the implementation of the various components of the policy, including updating the corruption risk assessment and control design process;<br>b) the specific accountabilities for the various components and activities, including the resource requirements if any; and<br>c) processes to monitor compliance with the policy. | 30/06/2020 | Marijke Wijnroks | <p>After the COVID pandemic struck, the MEC Level Steering Committee overseeing this AMA decided to revise the deadline to June 2021 in order to focus resources on the COVID response, whilst continuing to learn lessons from the ongoing pilot activities.</p> <p>The AMA is on track for the revised deadline. A risk-based approach to fraud and corruption consistent with the PCFC focus on programmatic objectives has been defined and is being applied in pilots at grant level. Noting the cross-cutting approach to fraud risk management, programmatic and governance risk owners within the Secretariat recognize the need to embed the fraud risk management approach into their initiatives and processes. The Ethics function is facilitating change, monitoring progress against the PCFC, and reporting to the Governance bodies.</p> | <p>This AMA is aimed to address the limitations in implementing the Policy to Combat Fraud and Corruption.</p> <p>The Secretariat has performed pilot fraud risk assessment in four countries; lessons learned are expected to inform the broader implementation plan for a cross-cutting fraud risk assessment approach.</p> <p>In order to close this AMA, the Secretariat will finalize the Implementation Plan that shows a systematic approach by which Fraud Risk is measured/assessed, managed and monitored, with a clear timeline for addressing the gaps identified, including related monitoring processes.</p> |

# Long Overdue AMAs (>180 days)

| Grant Management  |  |            |               |   |   |
|---|--|------------|---------------|---|---|
| Project Name  | Agreed Management Action   | Due Date   | Owner         | Secretariat Update  | OIG Comments  |
| <b>GF-OIG-18-005</b><br><b>Follow-up Audit of</b><br><b>Global Fund Grants</b><br><b>to the Federal</b><br><b>Republic of Nigeria</b> | AMA 1: The Secretariat will submit to the relevant Board committee revised guidance on CCM roles and responsibilities for countries under Additional Safeguard Policy. Based on the approved guidance, the Secretariat will set specific expectations for the Nigeria CCM. | 31/12/2018 | Mark Edington | <p>The Secretariat engaged with multiple stakeholders in Nigeria in Q3 2020 regarding the progress on this AMA. There was joint agreement to prioritize grant making for the 2020-2022 allocation cycle in Q4 2020 – Q1 2021 and to engage on the roadmap development as of Q1 2021. A cross-functional team has commenced work in this area; it is planned for execution by Q2 2021.</p> <p>Status update to be provided in July 2021.</p> | <p>There were two actions to be performed to close this AMA, with the following status:</p> <ul style="list-style-type: none"> <li>▪ <b>Revised CCM guidance for ASP countries:</b> the new CCM guidance has been developed and published, and this component was addressed in early 2020.</li> <li>▪ <b>Communicating specific expectations for CCM Nigeria:</b> this has not been done. Due to grant making in 2020, it was agreed with the Secretariat that this task would be deprioritized in Q4 2020, and will be executed by Q2 2021. The task does not involve any material country-level action; Nigeria being a key portfolio, the Secretariat should communicate expectations for CCM Nigeria by Q2 2021.</li> </ul> |

# Long Overdue AMAs (>180 days)

| Grant Management   |  |            |               |  |   |
|--|--|------------|---------------|--|---|
| Project Name   | Agreed Management Action   | Due Date   | Owner         | Secretariat Update   | OIG Comments  |
| <b>GF-OIG-17-006</b><br><b>Audit of Global Fund Grants to the Republic of Mozambique</b>           | AMA 1: The Secretariat and partners will conduct a national sample based follow-up study to track and determine the status of lost-to-follow-up cases of people on anti-retroviral treatment in selected sites.                                  | 31/12/2018 | Mark Edington | The field work was completed at the end of 2020 and report writing is in progress. The detailed analysis of qualitative data has extended beyond the Q1/2021 period as previously estimated. This is the final step of AMA implementation, and the AMA is on track to be completed within Q2/2021.   | <p>This AMA has been pending since 2019. The initial delays were due to non-availability of partner funding, which was resolved by late 2019, and the study was planned to be completed in early 2020. COVID has impacted both the capacity and prioritization for completing the study, which involves significant fieldwork.</p> <p>At the time of the previous update to the Board, the study protocols had been agreed; since then, the data analysis has been extended. The report is expected to be finalized in Q2 2021.</p>   |
| <b>GF-OIG-18-013</b><br><b>Audit of Global Fund Grants in the Republic of the Union of Myanmar</b> | AMA 1: The Global Fund Secretariat will work with the Principal Recipients, the MOHS and relevant partners to conduct a comprehensive supply chain assessment to identify key areas of fragmentation and define areas for potential integration. | 31/12/2019 | Mark Edington | <p>Implementation of the final AMA deliverables was hindered throughout 2020 and into 2021 due to COVID-19 impact and associated restrictions in-country, specifically impacting the delivery of (1) the Distribution system assessment and (2) the operational plan.</p> <p>As a consequence of the recent coup, the formation of military government, and international sanctions imposed, the current situation in Myanmar is uncertain and continues to deteriorate. Progress on this AMA cannot proceed under these conditions. The Country Team has briefed the OIG and awaits OIG management response to agree on the best approach to manage this AMA going forward.</p> | <p>The AMA aims to mitigate the challenges related to the fragmentation of the supply chain in Myanmar.</p> <p>There has been limited progress noted on this AMA since the last update to the Board (October 2020).</p> <p>The warehousing assessment and options for integrating components of LMIS to address fragmentation were reviewed in Q4 of 2020. These elements were completed by the country in 2019/20. However, the finalized operational plan and the distribution assessment are still outstanding and need to be completed before the AMA can be validated and closed.</p> <p>The OIG will be engaging with the Country Team on the next steps in closing the AMA in light of recent events in the country.</p> |



# Long Overdue AMAs (>180 days)

| Grant Management  |   |            |               |  |  |
|---|---|------------|---------------|--|--|
| Project Name  | Agreed Management Action  | Due Date   | Owner         | Secretariat Update   | OIG Comments   |
| <b>GF-OIG-18-016</b><br><b>Audit of Global Fund Grants to the Republic of Niger</b> | AMA 1: The Principal Recipients and the Government of Niger, in coordination with key technical and financial partners will develop and implement an overarching guidance that describes the supply chain network (Warehouses and Transport) at all levels (From the central to the health facility level). This must include: i) Clear definition of roles and responsibilities of key actors involved in the national supply chain mechanism at all levels, especially for storage, distribution, ordering, and logistic data management; ii) Clear definition of the process for data collection and reporting; iii) Clear definition of the supply chain's supervision process. | 31/12/2019 | Mark Edington | The Niger CT provided OIG with the remaining deliverables to implement this AMA on 16 <sup>th</sup> April 2021. The CT await OIG review to confirm this AMA closure. | <p>This AMA required clarifying the roles and accountabilities for supply chain across all key actors at the strategic level, defining LMIS processes (including for supervision) and providing related training at the operational level.</p> <p>The operational actions are materially complete and validated. The LMIS processes have been developed and rolled out, and training provided in October 2020. An LFA spot check in November 2020 confirmed the availability of new tools in most health centres. Further improvements in embedding are envisaged through the MoH 2021 action plan. The only point yet to be implemented was the definition of roles and responsibilities of key actors involved in the national supply chain mechanism at all levels.</p> <p>The OIG will liaise with the Country Team to review documents submitted on 16 April 2021 and close the AMA in April 2021 if the documents meet the defined criteria.</p> |

# Long Overdue AMAs (>180 days)

| Grant Management  |   |            |               |   |  |
|---|---|------------|---------------|---|--|
| Project Name  | Agreed Management Action  | Due Date   | Owner         | Secretariat Update  | OIG Comments   |
| <b>GF-OIG-19-009</b><br><b>Audit of Global Fund Grants in the Republic of Ghana</b>     | AMA 1: The Secretariat will support the Ministry to develop for the Global Fund grants and government co-financing commitments: i) a mapping of MOH and GHS roles, and accountabilities; ii) deliverables and key performance measures. The Secretariat will support MoH to ensure completion of all outstanding commitments contained in the CMS Fire Agreement; and to submit a plan for the investment of ACT revenues collected by the GoG. | 30/06/2020 | Mark Edington | The PR submitted a proposal for reinforced Implementation Arrangements in March 2021. The CT has reviewed this proposal and a working session with the PR is scheduled for April 2021 to review the business processes with Chief Director/MoH and Director General/GHS. In light of this additional engagement with stakeholders, the CT now estimate the AMA will be implemented by end Q2/2021   | <p>Two out of the three means of verification have been addressed. CMS fire agreement commitments have been materially fulfilled, and an adequate plan has been developed to invest ACT revenues collected by the GOG back within the disease programs.</p> <p>However, the implementation arrangement defining roles and accountabilities for MoH and Ghana Health Service for co-financing commitments has been delayed, being dependent on signing NFM3 grants and LFA review/confirmation. The Secretariat aims to review the implementation arrangements as part of implementation readiness assessment in Q2 2021.</p>                           |
| <b>GF-OIG-20-001</b><br><b>Audit of Global Fund Grants in the Republic of Indonesia</b> | AMA 4: The Secretariat will ensure that all Principal Recipients develop risk-based sub-recipient supervision plan for monitoring of their sub-recipients, and ensure that systemic feedback and follow up mechanisms are put in place.   | 30/06/2020 | Mark Edington | <p>Due to COVID-19 related impact and associated lockdowns throughout 2020 and continuing into 2021, no widespread physical SR oversight visits have occurred since March 2020. Proof of oversight visits is the final step in this AMA delivery.</p> <p>In April 2021, the CT/GMD Liaison and the OIG Audit Team came to an agreement on a substitute to this AMAs Means of Verification whereby 'virtual' proof of oversight will be accepted by the OIG. The CT is in the process of gathering this evidence; after which this AMA will be considered implemented.</p> | <p>The means of verification for this AMA include the following two deliverables:</p> <ol style="list-style-type: none"> <li>1. Risk-based sub-recipient supervision plan per PR;</li> <li>2. One set (1 per SR) of notes from visit follow-up, documenting actions and timelines per PR shared on Team Central.</li> </ol> <p>The risk-based sub-recipients supervision plan as well as the follow up mechanism agreed with the Country Team are yet to be implemented and shared with the OIG. The Country Team explained the delay in addressing this AMA is due to restrictions associated with the current COVID-19 situation in the country.</p> |

# Long Overdue AMAs (>180 days)

| Grant Management   |   |            |               |  |   |
|--|---|------------|---------------|--|---|
| Project Name   | Agreed Management Action  | Due Date   | Owner         | Secretariat Update   | OIG Comments  |
| <b>GF-OIG-19-018</b><br><b>Audit of Global Fund Grants in Papua New Guinea</b> | <p>AMA 4: The Secretariat will ensure that the Principal Recipients and the National Department of Health jointly develop, agree and implement a capacity building plan for the relevant national institutions including:</p> <ul style="list-style-type: none"> <li>Assessing the current capacities of the national programs, against agreed capacity criteria;</li> <li>Developing a capacity building plan for addressing the gaps, including activities, costs, timelines and indicators and targets for monitoring progress.</li> </ul> | 30/06/2020 | Mark Edington | <p>Due to COVID-19 and changes in NDoH, the PNG CCM had rescheduled key activities for Q1/Q2 2021. Stakeholders have a clear workplan to deliver the required (1) capacity assessment and (2) capacity building plan.</p> <p>Progress has slowed as the NDoH lead the response to a recent wave of COVID throughout the country. Due to COVID, access to the technical assistance needed to progress this AMA is limited and further constrained by movement restrictions. As such, the CT estimate implementation during Q3/Q4 2021</p> | <p>This AMA has two outstanding deliverables, i.e. capacity assessment of the national programs and a capacity-building plan for addressing identified gaps.</p> <p>A draft assessment and plan was completed in June 2020, and the PR was required to hold different stakeholder engagements between July and November 2020. The Secretariat planned to complete the outstanding engagements and finalize the plan in Q2 2021. However, there was not significant progress in Q1 due to an upsurge in COVID-19 leading to different restrictions including travel restrictions. The National Department of Health, which is leading the COVID-19 response, has been particularly impacted. It is unlikely that the AMA will be implemented by the end of June 2021; this is instead expected in the second half of 2021.</p> |

# Long Overdue AMAs (>180 days)

| Grant Management  |   |            |               |   |  |
|---|---|------------|---------------|---|--|
| Project Name  | Agreed Management Action  | Due Date   | Owner         | Secretariat Update  | OIG Comments   |
| <b>GF-OIG-19-005</b><br><b>Audit of Global Fund Grants to the Republic of Benin</b> | <p>AMA 2: The Secretariat will support the Ministry of Public Health and partners to:</p> <ul style="list-style-type: none"> <li>• Update the health facilities reporting template to integrate the malaria community data;</li> <li>• Conduct a reconciliation exercise for the malaria community data reported through the national system (SNIS) with data reported by CRS;</li> <li>• Update the therapeutic education standards and tools and re-train the midwives and the health staff working in PMTCT sites on the updated therapeutic education standards and tools.</li> </ul> | 30/06/2020 | Mark Edington | <p>Awaiting updated therapeutic education standards and tools. This is the final deliverable in AMA implementation. The CT has requested that the PR source an international consultant with the necessary skills and experience to perform this activity.</p> <p>This AMA is expected to be completed in Q2 2021</p> | <p>Implementation of the AMA requires the development of therapeutic education standards and tools. The selection process of a consultant to develop these tools has been delayed due to an unsuccessful first attempt (selected consultants by PR not meeting all key requirements). The Terms of Reference for this service are currently being revised and a new selection process will be initiated soon. Considering the selection process and the time required for tools development, the AMA is expected to be completed in Q2 2021.</p> |

# Long Overdue AMAs (>180 days)

| Grant Management  |   |            |               |  |  |
|---|---|------------|---------------|--|--|
| Project Name  | Agreed Management Action  | Due Date   | Owner         | Secretariat Update   | OIG Comments   |
| <b>GF-OIG-19-021</b><br><b>Audit of Global Fund Grants in the Republic of South Sudan</b> | <p>AMA 4: The Global Fund Secretariat will work with the Ministry of Health, the CCM, and key partners to:</p> <ul style="list-style-type: none"> <li>• Develop a timebound Stakeholder Engagement and Coordination plan to strengthen the CCM's engagement with partners and other coordination structures.</li> <li>• Develop a plan for the mapping and coordination of donor contributions to key commodities at facility level across the three diseases.</li> </ul> | 30/09/2020 | Mark Edington | The new Malaria PR was selected in February 2021. The revised national qualification for malaria commodities will be ready prior to Malaria grant making. This is the final deliverable for the AMA and this AMA is on track for 30 April 2021 completion. | Changes in Principal Recipient for the malaria grant have affected completion of the AMA. The Country Team is expecting to resume these discussions with the new PR which will be in place in the next few months. |

# Long Overdue AMAs (>180 days)

| Finance  |   |            |           |   |  |
|--|---|------------|-----------|---|--|
| Project Name   | Agreed Management Action  | Due Date   | Owner     | Secretariat Update  | OIG Comments   |
| <b>GF-OIG-18-011</b><br><b>Investigation</b><br><b>Global Fund Grant</b><br><b>in Papua New</b><br><b>Guinea</b> | AMA 1: To address the financial assurance weaknesses identified in this report, the Secretariat is working with PSI to:<br>1) Implement revised internal control procedures at headquarters and country level, in form and substance acceptable to the Global Fund;<br>2) Optimize the flow of accounting data between its headquarter and country level systems to facilitate timely assurance of grant expenditures; and<br>3) Propose how the agreed revised internal control procedures will be harmonized across all Global Fund grants managed by PSI. The Secretariat will conduct sample testing of the revised internal control procedures by the AMA target date. | 30/06/2020 | Adda Faye | <ul style="list-style-type: none"> <li>In response to PSI's roll out of revised internal controls and processes both at HQ and country level in order to address the financial weaknesses identified, a multi-disciplinary team from the Secretariat carried out an independent assessment of the design and effectiveness of the internal control framework of PSI, with emphasis on its management and oversight of Global Fund grants.</li> <li>The assessment report, released in October 2020 following delays due to COVID-19, concluded that the design of financial controls and processes were adequate to mitigate the weaknesses identified and could adequately safeguard Global Fund investments.</li> <li>However, with respect to operating effectiveness, more time was needed for the control improvements to mature and become fully embedded into PSI's policies and procedures. As such, the operating effectiveness of the controls and processes was to be tested by PSI's independent corporate external auditor via an Agreed Upon Procedures (AUP) as part of the annual audits.</li> <li>The annual audits, and by consequence the AUP, have been delayed due to travel and other disruptions caused by the COVID-19 pandemic.</li> <li>The audits are currently underway and the reports are expected by the end of May 2021.</li> </ul> | <p>As a result of COVID-19, the Secretariat experienced a delay in undertaking the assessment of PSI's effectiveness and internal controls. This assessment was completed in October 2020 and PSI's internal controls were found to be adequate.</p> <p>Due to COVID-19, PSI annual audits could not begin as planned and this delayed the verification of PSI's effectiveness. However, the audits are now underway and reports are expected by the end of May. Once the audit reports are received by the OIG and no issues are identified, the AMA can be closed.</p> |

# Long Overdue AMAs (>180 days)

| OED's Office  |   |            |                  |   |  |
|---|---|------------|------------------|---|--|
| Project Name  | Agreed Management Action  | Due Date   | Owner            | Secretariat Update  | OIG Comments   |
| <b>GF-OIG-19-011</b><br><b>Managing Investments in Resilient and Sustainable Systems for Health</b> | <p>AMA 1:</p> <p>1a. The Secretariat will assess its capabilities and capacities to deliver on the RSSH Roadmap and develop an appropriate learning and development plan for RSSH for the 2020-2022 cycle.</p> <p>1b. The Secretariat will define the roles, responsibilities and key processes of RSSH as part of the ongoing Performance and Accountability Framework at the corporate level.</p> | 30/06/2020 | Marijke Wijnroks | In agreement with the P&A team, we will define the roles & responsibilities for each of the subprocesses in RSSH after RSSH Evolve the Model memo (part of TAP EtM) has been signed off by ED. We will also work with the P&A to optimize RSSH processes & sub-processes with the RSSH EtM memo as basis. | <p>On developing a learning and development plan for RSSH, Evolve the Model (EtM) has been launched, under which the RSSH team's structure and model of support are being strengthened. Further, good progress has been made on the RSSH roadmap covering five priority areas. Capabilities and capacity to deliver on RSSH Roadmap were assessed and 15 specific actions were identified to operationalize the roadmap. These action points are being addressed with varying degrees of priority. Hence, Part A of the AMA has been implemented.</p> <p>On defining RSSH roles and responsibilities, and cross-cutting sub-processes, this action was supposed to be done as part of the P&amp;A framework by defining RACI and process maps for all sub-processes. This has not yet been undertaken. It is duly noted that there has been a cross-extension from the P&amp;A team for OPNs and RACIs for P&amp;A process to the end of 2020, to account for pressure from increased workload due to COVID-19. Hence, Part B of the AMA is outstanding.</p> |

# Long Overdue AMAs (>180 days)

| OED's Office  |  |            |                  |   |  |
|---|--|------------|------------------|---|--|
| Project Name  | Agreed Management Action   | Due Date   | Owner            | Secretariat Update  | OIG Comments   |
| <b>GF-OIG-19-016<br/>Managing Ethics and Integrity at the Global Fund</b> | AMA 2: The Chief of Staff, in collaboration with the Ethics Officer and Secretariat stakeholders, will review and where necessary clarify the accountabilities for managing, monitoring and overseeing a defined set of Ethics and Integrity Risks. This will be integrated into existing mechanisms, and will include a proposal for Committee oversight responsibility for specific risks, for decision by the appropriate body. | 31/07/2020 | Marijke Wijnroks | <p>Progress to date:</p> <p>The Ethics Office developed a defined list of Ethics and Integrity risks and, in consultation with relevant departments, proposed accountabilities for first, second and third lines of defense. These were presented to MEC in late 2020. Further consultations were held during December 2020 and January 2021, including in relation to the accountabilities for investigating the risks.</p> <p>Remaining actions to complete the AMA:</p> <p>On completion of the consultations, the Ethics Office will seek ED approval for the 1<sup>st</sup> and 2<sup>nd</sup> line accountabilities during March and April 2021, and bring forward a proposal for committee oversight responsibilities to be incorporated into the EGC's Governance Action Plan. Estimated completion is end-June 2021, dependent on further approvals.</p> | <p>The Secretariat has developed a defined set of Ethics and Integrity Risks and the accountable front line and second line oversight roles within the Global Fund. The roles and responsibilities have been discussed by the MEC, and are expected to be finalized in Q2 2021.</p> <p>This AMA will be closed when the Secretariat submits a comprehensive document detailing how the roles and accountabilities of various functions (including committee oversight responsibility) are defined for the relevant ethics risks.</p> |



# Long Overdue AMAs (>180 days)

| Ethics Office   |  |            |              |  |  |
|---|--|------------|--------------|--|--|
| Project Name  | Agreed Management Action   | Due Date   | Owner        | Secretariat Update   | OIG Comments   |
| <b>GF-OIG-19-016</b><br><b>Managing Ethics and Integrity at the Global Fund</b> | <p>AMA 6:<br/>The Ethics Office will complete the rollout of the ongoing IDD project, such that a risk-based approach is applied to all categories of Global Fund counterparties including implementers and suppliers.</p> <p>The accountabilities for triggering and performing due diligence and subsequent decisions based on the results will be developed as part of the organization's Performance and Accountability framework.</p> | 30/06/2020 | Nick Jackson | <p>Progress to date</p> <ul style="list-style-type: none"> <li>An integrity due diligence Framework has been designed and implemented in all areas where the Secretariat has clear accountability and access to appropriate risk management measures: staff, consultants, suppliers, private sector partners and governance officials.</li> <li>In relation to grants, the Ethics Office has been supporting GMD with targeted due diligence in high-risk contexts, and strengthened Essential DD activities applied to all PRs, signatories and banks.</li> </ul> <p>Remaining actions to complete the AMA</p> <ul style="list-style-type: none"> <li>The single open action to complete this AMA is to agree a sustainable approach to IDD in relation to grants. A proposal is under discussion, which considers PRs' accountabilities for the organizations they contract with, the risks that their diverse capacities expose the Global Fund to, and the resources required to perform further IDD in this context.</li> </ul> <p>The aim is to complete this remaining action by 30<sup>th</sup> June 2021.</p> | <p>This AMA aims at improving Secretariat controls to prevent, detect and respond to ethics and integrity risks through the implementation of an Integrity Due Diligence (IDD) Framework.</p> <p>The Secretariat has developed a risk-based IDD approach, including an Accountability matrix for staff, consultants, suppliers, private sector partners and governance officials.</p> <p>However, the approach in addressing IDD-related risks inherent in grants and implementers level is yet to be defined.</p> |

# Long Overdue AMAs (>180 days)

| SIID   |   |            |             |   |   |
|--|---|------------|-------------|---|---|
| Project Name   | Agreed Management Action  | Due Date   | Owner       | Secretariat Update  | OIG Comments  |
| <b>GF-OIG-19-011</b><br>Managing Investments in Resilient and Sustainable Systems for Health | AMA 4: The Secretariat will: <ul style="list-style-type: none"> <li>• refine and clarify expected outcomes of all the RSSH sub objectives.</li> <li>• update the indicators and measurement approach for improved monitoring and evaluation of RSSH sub-objectives and the related grant activities.</li> </ul> | 31/12/2019 | Osamu Kunii | Actions for this AMA have been carried out (updated investment guidance and defined indicators in modular framework and performance framework for all the sub-components of RSSH, took 5 primary steps to improve RSSH measurement in the GF). As per the AMA means of verification, outcomes needed to be reviewed by SC to close this AMA. We therefore presented AMA4 during the SO2 SC presentation in March, and will now be able to close AMA4. | <p>This AMA aims to address the challenges of measuring the outcome and impact of RSSH. The Secretariat has enhanced the measuring approach and indicators for RSSH investments. These have been included in the revised investment guidance, modular framework and grant performance framework.</p> <p>The Secretariat presented the revised expected outcomes of RSSH investments to the Strategy Committee and we will liaise with the Secretariat to close the AMA.</p> |

# Annex: Prioritized AMAs

The general principles considered when considering AMAs for prioritization are captured below.

- **Risk** – does the AMA pertain to an issue that may cause the Global Fund to operate outside its current risk appetite (either because of an individual AMA or in aggregate relating to a common theme)? Could the issue potentially prevent the Global Fund from reaching its target risk appetite, if unaddressed?
- **Materiality** – does the AMA address a significant issue related to intervention/program/process that involves significant allocation of financial budgets or other resources?
- **Impact** – if the issue addressed by the AMA materializes, does it involve a potentially significant impact (e.g. program failure, material financial loss, significant reputational damage)?
- **Pervasive or cross-cutting nature** – does the AMA address a significant cross-cutting problem or initiative that impacts several important processes, programs or activities (e.g. supply-chain transformation, transition management, risk oversight)?
- **Linkage to strategic priorities or initiatives** – is the AMA tracking progress on a significant strategic priority at the program level or a strategic initiative at the corporate level?