



Independent observer  
of the Global Fund

## CREATING LINKS BETWEEN THE OIG AND LOCAL WATCHDOGS

The following is a transcript of an interview of Etienne Michaud during a recent visit to attend Aidspan's Regional Roundtable in August 2015. The interview has been condensed for clarity.

Aidspan : The OIG has no presence at country level. How are you working with country-based organizations to support your work ?

We depend on whistleblowers, which means that we spend a lot of time and resources assessing and verifying which allegations are worth investigating. First we have to ensure that the information is solid, that it is relevant to the Global Fund... a first alert never has enough information.

So it takes us more time than we'd like to confirm the validity of some of the information. And then, the more that time passes, the harder it is to find sources and documents. So if we had systems in place in countries that were stronger, relationships that were tighter, I am sure that our alerts would be much more pertinent and we'd lose less time in trying to verify them. So we need to build a bridge between us and these organizations. Right now, the proportion of investigations to allegations is skewed: 45 investigations from 157 claims in 2014, with an even lower rate of cases reported and published. We need to do better at converting this, and this is where our 'Speak Up' campaign comes in; it's a way for us to be more proactive, to strengthen the information channels. We want to be able to respond more quickly to flag irregularities even at the lowest levels, to prevent them from becoming bigger problems.

The 'Speak Up' campaign is an effort to encourage individuals to denounce fraud in the grant management and implementation process. Piloted in three countries — Côte d'Ivoire, Malawi and Ukraine — we are hoping to expand in the future.

## Why are watchdog organizations absent from the Global Fund landscape

It's true; these are not actors that are formally integrated and the Fund perhaps does not take them enough into consideration. Sometimes, among the CCMs we see [watchdog representatives] but that's something that is at the discretion of an individual CCM and country so there is no clearly defined standard that is universally observed. CCMs have within their own mandates the responsibility for oversight and program coordination but they don't always envision their role in the same way, with the same resources or level of independent action due to prevailing national contexts.

This would certainly be something that the Secretariat could pursue [in terms of requiring watchdog capability within the CCM], but one of the attributes of the NFM is a clarification of the roles and responsibilities of the CCM and its members, and a mechanism to help them coordinate better and be more efficient.

The other challenge is that a lot of these [local watchdogs] don't always have the required institutional stability so that they can maintain their watchful eye; they're young, undeveloped groups whose performance can vary wildly. So it's important that we identify those groups that are really solid and equipped to play a bigger role. It would be really interesting, for example, if we could see a track record of a watchdog group working at community level – where the needs are the most acute. Then we could watch to see how this works, and monitor their ability to be effective at the grass roots before expanding their remit to the national level.

Why is there no financial mechanism in place to support local watchdogs within the Global Fund?

There are funds available for groups that provide legal assistance but I think it would be valid to explore a way to integrate financial oversight/watchdog work into the Global Fund grants.

What could also be seen as concerning is the growing number of watchdog groups that are becoming grant recipients/sub-recipients, which means they are no longer able to carry out independent monitoring work. This would seem to risk a lot of the relationships or potential relationships for the OIG?

Yes, that is a legitimate question we should be asking ourselves. That said, by integrating watchdogs into the Fund ecology, we could also effectively be integrating that commitment to oversight and transparency into all of the grants we disburse: a great benefit to the Fund. Although, obviously, we would hope that all partners, not just the watchdogs, are committed to transparency, efficiency and accountability and that everyone, regardless of affiliation, is committed to eradicating fraud.

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