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OIG IDENTIFIES AREAS THAT REQUIRE MORE ATTENTION

Progress report more subdued than past reports

CCM oversight, sub-recipient management and the role of local fund agents all require greater attention, according to the Office of the Inspector General (OIG). These comments are included in the OIG's Progress Report for November 2011-March 2012, which was presented to the Global Fund Board at its meeting in May in Geneva. The OIG has offered to work with the Secretariat to address all three areas.

The OIG said that risks associated with governance and oversight at the country level, particularly through CCMs, were identified in the majority of audits the OIG has undertaken. The OIG also said that the LFA function requires "extensive reinvention" if LFAs are going to fulfil their role of ensuring that grant implementation is sound.

The OIG said that it has a number of audit reports in the pipeline, all of which include findings covering all grants in a given country. However, the OIG said, all audits and diagnostic reviews initiated after November 2011 will be restricted to grants starting from Round 6.

The OIG issued four reports at the end of April (three audits and one diagnostic review). The language of those reports, as well as this progress report, was more subdued than the language of previous reports from the OIG. In the progress report, the OIG said that it is paying greater attention to "the tone and style" of its communications. The OIG said that it expects to issue another five or six reports on audits and diagnostic reviews "several weeks" after the Board meeting. It added that "a number" of investigation reports will be issued in the second and third quarters of 2012.

The OIG said that, in future, reports on internal reviews (i.e., audits of programmes at the Secretariat) will be shared with the General Manager, and will be summarised for the Audit and Ethics Committee, but will

no longer be posted on the Global Fund's website.

In its report, the OIG said that its Investigation Unit had planned to return to Mali to continue its investigation of Global Fund grants to that country, but that the plans were interrupted by the recent coup. The OIG said that its team will return when the domestic situation settles and it is safe and productive to continue the in-country work.

In its report, the OIG said that “given the evolution of the caseload,” the focus of the Investigations Unit is slowly turning from Africa to Asia.

The OIG said that a co-operation agreement covering the OIG's investigatory activities has now been finalised with the United Nations Development Programme (UNDP). The OIG said that it recognises that its relationship with the UNDP “needs to be built on mutual trust.” It added that it has shared information with the UNDP on certain investigative efforts, shared drafts of reports in countries with the UNDP for their input, exchanged information on the respective audit plans and schedules of the two entities, and benefitted from reading the UNDP's audit reports through a new remote access agreement. The OIG added that it is currently exploring options for having UNDP auditors join its team for audits and reviews of sub-recipients.

The OIG's progress report should be available shortly
www.theglobalfund.org/en/board/meetings/twentysixth.

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