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OIG REPORT ON ITS AUDIT OF CONTINUITY AND OVERSIGHT OF COUNTRY PROGRAMS DURING THE COVID-19 PANDEMIC

On 27 May 2021, the Office of the Inspector General (OIG) published its report on its audit of the continuity and oversight of country programs during the COVID-19 pandemic.

Background

The OIG report explains that 2020 was an important year in the funding cycle because it marked the end of the implementation period for most of the grants under the 2017-2019 funding period and it was the start of the 2020-2022 cycle. Progress was set back by the COVID-19 pandemic which, according to the World Health Organization (WHO) Dashboard, had resulted in 110 million confirmed cases and 2.4 million deaths globally up to 18 February 2021.

Governments around the world responded to the pandemic through various lockdown and quarantine measures and reallocation of national resources which affected Global Fund-supported programs due to the limitations of health facilities to operate, disrupted supply chains and introduced compulsory remote working.

During 2020 the Global Fund Secretariat instituted various measures to mitigate the effects of COVID-19 on grant activities, including:

- It issued the Guidance Note on Response to COVID-19 (4 March);
- Announced the first 11 countries funded through grant flexibilities (20 March);
- COVID-19 considerations for Global Fund support for: malaria (26 March); tuberculosis (TB) (6 April); and HIV (7 April);

- The Board approved Operational Flexibilities and the COVID-19 response mechanism (C19RM) (9 April);
- The C19RM was operationalized; and
- The Secretariat Issued COVID-19 Information Note: “Catch-up” Plans to Mitigate the Impact of COVID-19 on TB Services.

By 12 February 2021, a total of $980 million had been approved for 106 countries and 15 multi-country programs.

Audit Findings

Decisive, positive action was taken to facilitate program continuity

The Secretariat ensured that countries had sufficient funds to continue grant implementation through existing funding streams, grant flexibilities and the C19RM. As of 20 December 2020, 92% of new grants had been signed, thus ensuring the programs could continue past 2020, and unsigned grants were extended while grant-making continued to ensure that services were not interrupted.

Measures were taken to reduce interruptions of medicines and health products at country level. These included allowing exceptions to quality assurance policies and an extension of the period to charge the cost of medicines to 2017-2019 allocations. However, the evolving and ongoing pandemic situation has weakened global supply chains and could lead to stock-outs in 2021, especially where buffer stocks were used in 2020.

The Secretariat provided funding for human resources and information technology (IT) tools to support implementers. IT tools were provided to 57 countries which facilitated program management at the central level and enabled communications between in-country partners during grant-making.

In-country programs continued with varying levels of disruption

While all disease programs suffered some level of disruption the TB programs were most interrupted by the pandemic. This was due to: (a) countries redeploying diagnostic platforms and health workers involved in TB service provision to support their COVID-19 response; and (b) the inability of TB patients to reach health centres due to movement restrictions.

HIV treatment for general populations continued, but key populations and prevention activities were significantly disrupted.

Based on year-to-year results, the malaria program was least disrupted by the pandemic. However, as of September 2020, case management results from 19 countries surveyed by the Secretariat were 27% below target.

Need to continuously adapt oversight and monitoring mechanisms to a pandemic setting

The Global Fund has multiple oversight and grant monitoring policies and procedures; however, these were not designed for an emergency pandemic context. In response, the Secretariat adapted some of its traditional monitoring measures, provided flexibilities and rolled out additional alternative measures to oversee and monitor grants.

Traditional Secretariat monitoring comprises:

- Physical country missions/visits ? cancelled since March 2020 due to lockdowns and travel restrictions;

- Routine Local Fund Agent (LFA) and other in-country assurance ? continued but with delays and some scope limitations;
- Health product on-shelf availability reviews ? verifications continued quarterly but with delays in reporting and inability to report in some countries;
- Programmatic e.g., Data Quality Review (DQR) and Health Facility Assessment (HFA) ? continued with delays and adapted scope;
- Remote engagement with Principal Recipients (PRs), Country Coordinating Mechanisms (CCMs) and partners; and
- CCM ? in-country level oversight.

New/alternative structured reporting measures for monitoring comprised:

- Bi-weekly COVID-19 Country Monitoring survey ? rolled out in May 2020, this is administered through an online survey form completed by LFAs every two weeks;
- Monthly grant indicator survey ? rolled out in September 2020 for a cohort of 38 high impact and core countries;
- Quarterly facility spot checks (monitoring service continuity) ? started in the fourth quarter of 2020; and
- Order Summary and Delay Dashboard – launched in March 2020 with regular reporting from the management Executive Committee, which tracks Pooled Procurement Mechanism orders from the fourth quarter of 2019 onwards, provides visibility and enables the forecasting of potential product delivery delays.

New/alternative ad hoc reporting measure for monitoring comprised:

- Increased remote engagements with CCM/PRs/partners –?use of virtual communication and conference tools to engage country stakeholders;
- Secretariat-led surveys of country stakeholders ? e.g., Finance Survey to Finance Officers and Fiscal Agents, a Community, Rights and Gender (CRG) Survey to community and civil society organisations (CSOs), CRG Regional platform surveys;
- CSO round table discussions ? Community and CSO engagement to discuss issues/challenges at country level to inform the response; and
- CCM ? CCMs supported and facilitated funding applications and negotiations.

COVID-19 has significantly changed the Global Fund's operating environment and affected program results. Pandemic-related disruptions also increased inherent risk levels, creating a significantly more volatile risk landscape. The pandemic's unique nature and unpredictability requires adapting the existing risk management framework and related enablers which were developed for a stable operating environment.

Country Teams increased their engagement with countries to mitigate remote working challenges, but resources were not reallocated to support critical business activities, as indicated in the OIG's 2021 audit of emergency preparedness reported on in the GFO in issue #398.

Overall Conclusions

The OIG rated as partially effective both: (a) the design and execution of the measures put in place by the Global Fund Secretariat to ensure the continuation of grant activities; and (b) the design and execution of the structures, systems, processes, and tools to oversee and monitor grants during the pandemic.

Agreed Management Actions

Two Global Fund management actions have been agreed with the Secretariat:

1. The Secretariat will design an approach to capture and disseminate lessons learned that enable the continuity of grant programs, particularly addressing gaps to target challenges in grants.
2. The Secretariat will build on the COVID-19 monitoring tools to focus effort on the monitoring of gaps to target and drive adaptations, and providing the strategic steer (through the Portfolio Performance Committee and Country Portfolio Review process) to respond to interventions significantly impacted by COVID-19 and analysis of the information for use at the portfolio and corporate level.

Observations

This report helps to explain how the Global Fund responded to the sudden effects of the COVID-19 pandemic and managed to maintain program continuity. The examples at country level, set out in boxes, give a hint of the nature and level of support that was provided, which reflects the considerable efforts made by Secretariat staff.

That said, this report is not up to OIG's normal standard. First, the scope and nature of the audit is not explained. Only during the report is there a hint that the audit was based on a sample of 10 countries; but the sample is not explicitly stated at the outset and there is no comparative country data presented.

The report is more a general review than an audit and reads what it is: a compilation of extracts from earlier documents and presentations assembled in the form of a report. This is obvious because it is written in a mixture of the present and past tenses, with the present tense text taken from earlier reports compiled during 2020, some of which only serve to confuse. For example, Figure 3 on page 7 depicts the seven key pillars for program continuity. These are not explained and the report states that they were implemented through 'approved flexibilities'. Yet it is difficult to comprehend how a 'risk appetite' (the first key pillar) was implemented. And, having shown the key pillars for program continuity in Figure 3, they are not referred to again. Also, many acronyms appear which may be unfamiliar to some readers; but nowhere are these acronyms listed and explained. Another example: on page 10 the report states that the Secretariat rolled out monthly programmatic monitoring for a sub-set of performance framework indicators covering 38 high impact countries and core countries. However, the results, which are summarized in Figure 4 on that page are, if one looks carefully, only for the third quarter of 2020 and not for 2020 as a whole.

Given the effects of the pandemic on program implementation and outcomes, it is surprising that there was no agreed management action to review and revise targets for the three diseases. Some experts are already on record as saying that the what took more than 20 years with HIV has happened in just over a year with COVID-19; that HIV programs have been set back some 20 years; and there is a general view among observers and commentators that the 2030 targets for all three diseases cannot now be met. According to a Lancet article published in 2020, it was estimated that in high-burden settings, deaths due to HIV, tuberculosis, and malaria over five years could increase by up to 10%, 20%, and 36%, respectively, compared with if there was no COVID-19 pandemic.

In several sections the report states that program continuity was affected by various factors beyond the Secretariat's span of control including lockdowns, social behavioural changes, increased stigma, and reprioritization of domestic resources away from HIV, TB and malaria programs. While this is understandable, there is a lack of data on those factors and what that means for programs going forward.

Finally, the overall conclusions of partial effectiveness appear harsh. The earlier OIG report on the C19RM found the design to be effective and this report does not do justice to the scale of the efforts made

to provide continuity and oversight of country programs under unexpected and extraordinary circumstances.

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