



Independent observer  
of the Global Fund

## OIG REPORT FINDS THAT THE GLOBAL FUND'S EMERGENCY PREPAREDNESS RESPONSE HAS WORKED WELL

On 22 March 2021, the Office of the Inspector General (OIG) published its report on its audit of Global Fund emergency preparedness.

### Background

#### The Global Fund's quick response

On 30 January 2020, the World Health Organization (WHO) declared coronavirus a global health emergency and, on 11 March 2020, WHO designated the COVID-19 outbreak a pandemic. The Secretariat took early action and, by 5 February, had developed a response of four workstreams to help countries to mitigate the impact of COVID-19 on HIV, tuberculosis (TB) and malaria programs, and to protect Global Fund staff. First, keeping people safe by complying with Swiss federal and cantonal regulations and instituting safety measures. Second, developing Business Contingency Plans (BCPs) for key Secretariat processes, which were approved in April 2020, to provide flexibilities to countries, Principal Recipients, health procurement and information technology (IT) teams, while mitigating the risks faced by Global Fund programs due to in-country disruptions. Third, introducing Grant Flexibilities and the COVID-19 Response Mechanism (C19RM) to provide resources to support countries' response to the crisis. Fourth, expanding the Global Fund's role in the procurement of COVID-19-related commodities and helping to found the [Access to COVID-19 Tools Accelerator \(ACT-A\)](#).

The Secretariat instituted a new governance structure to manage the COVID-19 crisis and to communicate relevant information to Global fund staff and partners. The structure had three levels: (1) Strategic level, under the responsibility of the Executive Director (ED), who provides leadership and

strategic direction to the COVID-19 response; (2) Tactical level, in the form of the Situation Response Team (SRT) – chaired by the Head of the Human Resources Department and comprising selected members of the Management Executive Committee (MEC) and the Security Officer – which coordinates, oversees and monitors the COVID-19 response; and (3) Operational level, comprising two cross-functional working groups responsible for preparing COVID-19 related changes, the first across core Global Fund operations, the second across critical enabling functions such as IT, finance, legal, human resources and indirect sourcing.

At the end of 2020 a crisis management plan was approved by the MEC. The IT team is leading the development of a broader Business Continuity Management System (BCMS) which is expected to be completed in September 2021.

## The purpose of the Audit

The objectives of the engagement were to review the measures instituted by the Global Fund to ensure:

1. Governance and oversight in designing organizational responses to the crisis, including stakeholder engagement, and leveraging those for future events. This included the evaluation of:
  1. Emergency response objectives and structures;
  2. The Board and Secretariat decision-making framework; and
  3. Coordination and accountability mechanisms.
2. Process, systems and resources to operationalize and monitor the business contingency plans, which included:
  1. Needs assessment and prioritization of resources;
  2. IT-related support and IT resilience measures; and
  3. Monitoring mechanisms, escalation and de-escalation processes.

## Audit Findings

### Overall maturity

Overall, the Secretariat is responding well to the crisis. The crisis management structure has been successful in guiding, monitoring and coordinating the response to COVID-19. BCPs and other mitigation measures have ensured continuity of activities for Global Fund-based Secretariat operations.

However, effort is required in broader emergency preparedness for other crisis scenarios. This will require cost-benefit trade-off decisions by the management team in determining the desired maturity level of each component at critical functional and corporate levels in the context of the organization. This will drive subsequent Global Fund investments in emergency preparedness.

### Policy and framework

The Secretariat's corporate-level response to the COVID-19 crisis was not significantly affected by the absence of a framework for crisis management because the effects of COVID-19 were not immediate and because of the Secretariat's agility in responding to the crisis. As the COVID-19 crisis evolved, the Secretariat took relevant actions to minimize the disruption of activities at the corporate level through (1) clear reprioritized objectives communicated to all staff; and (2) the SRT, which has been effective in monitoring and leading throughout the crisis.

### Response structure and strategy

The SRT is functioning well but its mandate needs to be formalized in the broader business continuity framework beyond the COVID-19 response. Members of the SRT individually understand their roles and responsibilities despite no formalized terms of reference (TOR). Similarly, the two operational working groups did not have TOR. The preparation of TOR for such structures in the middle of the pandemic may not always have been a priority. However, setting out clear roles and responsibilities prior to the crisis could have facilitated a streamlining of activities.

The decision-making process was adapted at both Secretariat and Board levels. At the Secretariat level, the decision-making process was decentralized. This allows certain categories of business continuity decisions to be approved by individual MEC members. All COVID-19 crisis-related decisions requiring ED or Board approval were reviewed by the SRT. Also, the ED approved a delegation of authority matrix to ensure that internal critical business operations could continue if the primary authority holders were indisposed. Importantly, the Secretariat significantly incorporated duty of care, empathy and safety of its staff in the decision-making processes.

At the Board level, an expedited process was adopted for the review and approval of COVID-19 related decisions, including the waiver of the need for certain decisions to be reviewed by Committees prior to Board approval

The expedited decision-making processes established to manage the COVID-19 crisis represent good practice and could be sustained to deal with future crises.

Impact analysis, prioritization and resourcing

The ED communicated reprioritized objectives to all staff. However, the actual execution of tasks by teams was not reprioritized and cross-organization resources were not allocated in line with the new objectives communicated by the ED.

The existing Performance and Accountability Framework (PAF) was used as a starting point to identify and assess processes to be prioritized. This framework saved a considerable amount of time as the Secretariat had already mapped out the organization's 52 main processes; and the prioritized processes that were identified have clear connections to the four defined workstreams. The interdependency mapping in the PAF helped to identify linkages between departments within common work streams, ensuring more coherent planning of business contingency activities.

The business impact analysis (BIA) needs improvement. The existing BIA process is COVID-19 specific since one did not exist previously. It, therefore, lacks some key elements to support different crisis scenarios.

There was a misalignment between defined priorities and resource allocation. The Secretariat's September 2020 pulse survey results showed that most staff felt that there was insufficient staffing to handle the workload. While a balance between activity de-prioritization and reallocation of resources might have helped manage the resource constraints, very few divisions/departments at the Secretariat freed up and reallocated resources in an organized manner to other departments dealing with prioritized activities. Cultural resistance to change within the organization, multiple stakeholders with varied expectations, and limited clarity on what and how activities could be deprioritized, contributed to sub-optimal prioritization across the teams. However, the MEC at its recent retreat has identified activities to be reprioritized and simplified in 2021.

The BCP development process was agile and collaborative

Prior to the COVID-19 pandemic, the Global Fund did not have a business continuity or contingency

planning processes to support any crisis response. BCPs were developed for the first time during the peak of the first wave of COVID-19. The current BCPs are COVID-19 specific and will need to be tailored to other crises such as unexpected IT system failures and breaches of digital security, although the Security Team has developed crisis management procedures for other crises scenarios as part of the crisis management plan approved by the MEC at the end of December 2020.

#### Availability and security of IT services during the crisis

IT services were available during the crisis and significantly supported the smooth functioning of core business activities such as grant-making and governance meetings. Several IT security activities were implemented ahead of schedule to respond to the crisis. However, some challenges remain. There is the need to continue to expedite relevant aspects of the existing IT Security Roadmap, where feasible, to respond to changing IT security risks in a crisis setting.

#### Agreed Management Actions

Management actions have been agreed upon in three areas: crisis management plan framework; people and skills management workforce planning; and IT security.

#### Observations

This OIG audit report – like the audit report on the COVID-19 Response Mechanism which will be reviewed in #399 ? is in a completely new format set out in two columns on landscape-sized pages. Although we appreciate that the report went through several processes to achieve the right balance, both reports are not easy to read because so much information is crammed into the minimum space and many of the figures – some with quantitative data, others with visual representations – require careful study to understand. Indeed, one has to have a keen interest in the topic to peer into the text and data.

If anything, this report comes across as slightly critical in the sense that it pays a lot of attention to where further improvements can be made to emergency preparedness but does not say enough about the tremendous efforts and the achievements of the Secretariat staff faced with an unprecedented situation and having to change their roles and ways of working.

While the overall news is good – in fact very good – the focus of future actions misses two important factors which will surely be the subject of much discussion in the next few months. First is that the Global Fund was not on track to meet its disease reduction targets before the outbreak of the epidemic. In view of what has happened, particularly the effects on health systems and services, and reallocation of resources to deal with those problems, those targets need to be revised; and revised downwards, acknowledging that the 2030 targets are no longer feasible.

Second, due to its global range of grant activities and stakeholders, the Global Fund was able to make significant inputs into efforts to fight the COVID-19 pandemic. The question now arises: should the Global Fund's remit be revised to expand it beyond the three diseases to include COVID-19 and other future global pandemics? If not, the international community will surely seek to establish an entity to shoulder responsibility for prompt and effective responses to global pandemics. Were that to happen, it could dilute the Global Fund's support and place it in a less prioritized position.

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