



Independent observer
of the Global Fund

Aidspan's Role in the Investigation of the Global Fund Secretariat

Six months ago, I started working on an article for GFO about the high level of turnover among mid-rank and senior GF staff. I interviewed many past and present staff in considerable depth. In the course of these interviews, I learned of some worrying problems within the GF Secretariat, including activities which appeared to involve violations of board-mandated policies.

These findings left me in a quandary. Should I publish what I had been told? To do so could have been very harmful to the Fund. Should I, instead, throw away all my notes and forget the whole thing? To do so would have been irresponsible. Aidspan, the small NGO that I run and that publishes GFO, was set up to serve as a watchdog of the Fund. What use is a watchdog if it only wags its tail, but is silent when it sees possible problems?

In the end, I decided that the appropriate action was to write up my findings in the form of a confidential letter, and to send that letter to the Chair of the Global Fund, Carol Jacobs.

Before doing so, I wrote on July 7 to Richard Feachem, the Global Fund's Executive Director, attaching a draft of the letter that I planned to send to the Chair and to a few other Board members on July 11, and inviting him to comment.

The following day, I received two calls from senior GF officials, telling me that Dr. Feachem had decided that if the Chair wanted to call for an independent investigation into the matters in my letter, he would support that. One caller requested that when I sent my July 11 letter to the Chair, I should send copies to the Vice Chair and Dr. Feachem but not to any other Board members. I agreed.

I edited the letter to take account of these and other inputs provided during the two calls, and then on July 11 I sent the letter to the three agreed people. My letter dealt only with concrete items of information that I

had obtained from staff members. I made no suggestion, and I never have, that there has been any fraud or misuse of funds within the Fund.

In my letter, I promised to publish nothing in GFO about my findings until after the Board had received and digested the report of the investigation, assuming there was one. I also promised that during that time period, I would not show the letter to anyone else, not even chairs of Board committees. I have fully honoured those promises. Furthermore, I have never informed anyone verbally or by email about what I said in my letter to the Chair.

On July 27, Dr. Feachem wrote to all Global Fund staff saying “On the morning of Monday July 11, I strongly advised the Chair and Vice Chair of the Board to refer the allegations to the WHO Office of Internal Oversight Services (IOS) for an independent review.” He also informed staff that on the same day, the Chair had informed the Board about my July 11 letter, and that she had added that she and the Vice Chair “have also had concerns expressed on these matters by several Board members.”

The Chair, Vice Chair and Executive Director then jointly called for an independent investigation to be carried out by IOS. The investigation lasted several months, and was completed in late November. (I have not seen a copy of the investigation report. The investigation appears to have examined most but not all of the matters raised in my letter.) The Board then read and discussed the report at the board meeting that has just been concluded. (See “Investigation of the Global Fund,” above, for the limited information that is publicly available on what the report found and what the Secretariat and Board have decided to do about it.)

During the five months since sending my letter to the Chair, I have not been informed of any item in my letter that was incorrect. (However, to be fair, I have also not been told that my letter was correct. Indeed, the Fund’s spokesman told the Wall Street Journal in August “I would hazard to say a lot of this is nonsense.”)

Since I started looking into the issues in June, GFO readers have only been told what was said in a Wall Street Journal article about the investigation, and, with permission, what was said by the chief investigator in a statement he made to the Global Fund Board on 29 September (see GFO #50 and #51 at www.aidspace.org/gfo). Revealing any more would have violated the commitments I gave to the Chair.

Now that the Board has received and discussed the report, the promise to remain silent that I made five months ago has expired. However, I am very aware that the Board, representing governments, NGOs and others from all parts of the world, worked long, hard and collegially seeking and finding an outcome that was acceptable to all. Accordingly, I feel it would be inappropriate for GFO to reveal more about the issues that were investigated than the Board itself has chosen to disclose.

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