Emergency Preparedness

The Global Fund
Office of the Inspector General

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1. Executive Summary

Opinion

The Global Fund Secretariat continued to function during the pandemic.

In response to the COVID-19 pandemic, the Global Fund Secretariat instituted several measures to ensure continuity of business at the corporate level and implementation of its grants at the country level - see Figure 1. This OIG lessons-learned engagement evaluated the measures instituted by the Global Fund to ensure continued functioning of its Geneva-based Secretariat operations during the COVID-19 crisis and to strengthen the broader framework to respond to future emergencies.

> Overall, the Global Fund Secretariat has continued to function well during the pandemic. Activities at the corporate level, including disbursements to countries, governance activities and key human resource functions remained stable, despite the uncertainty caused by the crisis. This was due to maturing processes at the organizational level, clear reprioritized objectives communicated by the Executive Director, active involvement of senior management in critical areas of the response, measures to keep staff safe and consistent availability of IT services.

There are opportunities for the Secretariat to leverage lessons from its COVID-19 response to strengthen its emergency preparedness for future crisis scenarios. This includes adapting the COVID-19 measures in developing a broader crisis response framework, addressing prioritization and reallocation of human resource challenges.

● **OBJECTIVE 1**
Governance and oversight in designing organizational responses to the crisis, including stakeholder engagement, and leveraging those for future events.

OIG rating: **effective.**

● **OBJECTIVE 2**
Processes, systems and resources to operationalize and monitor the business contingency plans.

OIG rating: **partially effective.**

1   Business Continuity standard (ISO22301) and its implementation guidance (ISO22313), Crisis Management standard (BS11200) and Risk Management standard (ISO 31000)

The OIG assessed the Secretariat's measures against relevant international business continuity and crisis management standards to ascertain best practices achieved and to identify any opportunities to improve beyond its response to the COVID-19 crisis. The overall maturity is assessed to be at a 'managed' level based on the maturity scale (see Annex C). This means business continuity measures comply with basic requirements and standards. A crisis management structure is in place, but roles and accountabilities, as well as crisis management plans, are only partially defined.

The maturity level is based on international standards[1] which were adapted to the organization's operating model and activities. Analyzing the cost-benefit trade-offs, the Global Fund should set its target maturity level and the associated actions required to prepare itself for future emergencies. This decision needs to consider the size of the organization, maturity of other related functions, the environment we operate in and the complexity of the business model.

FIGURE 1
Main response types to an incident or a crisis
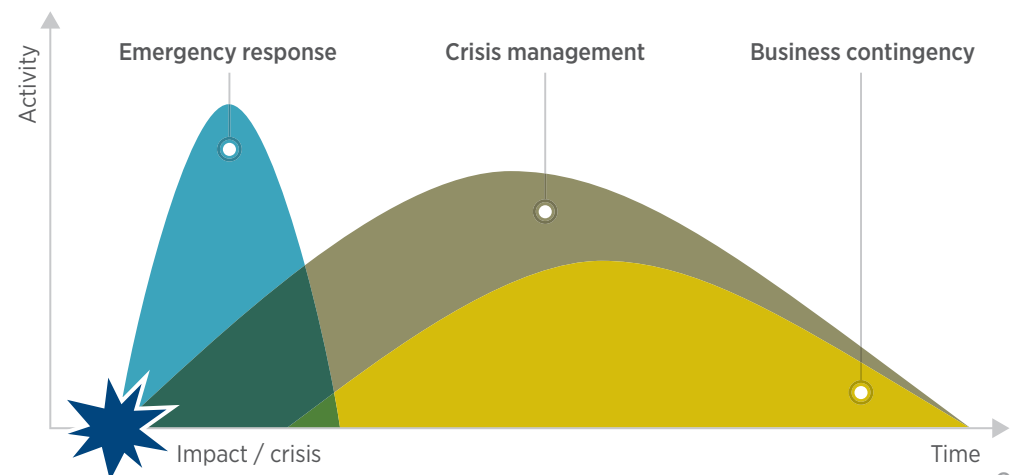
1. Executive Summary

Key achievements and practices

The majority of the measures instituted by the Secretariat in response to the crisis worked well and are continuing to function as expected. The following measures present many benefits to the organization beyond the current crisis:

1 **Effective crisis response structure:** The Global Fund instituted a three-tier[2] response structure to address the COVID-19 crisis. The structures provided strategic direction, oversight, monitoring, coordination and tactical level support. This included the Situation Response Team (SRT) made up of selected members of the Management Executive Committee (MEC). The Executive Director empowered the SRT to make timely risk trade-off decisions in line with agreed objectives, including keeping staff safe. Senior management involvement ensured easy access to available information, for quick decisions. The cross functional working groups in charge of design and operationalization of Business Contingency Plans (BCP) functioned effectively.

2 **Agile decision-making framework:** The Secretariat adapted its decision-making framework appropriately, allowing certain operational decisions to be approved at lower levels. The Secretariat enhanced its delegation of authority matrix to ensure that internal critical business operations could continue if primary authority holders were not available. The Board supported the Secretariat's agile decision making and speed in responding to the crisis through direct approval of certain decisions, instead of committee-level reviews prior to Board approval. The Secretariat significantly considered duty of care and safety of staff in its decisions.

3 **Good coordination and collaboration:** The OIG found that coordination and collaboration between divisions and departments across the Secretariat has significantly improved so far throughout the crisis. There was increased alignment on the need to work together to achieve the reprioritized objectives communicated by the Executive Director. Departments and divisions worked well together in developing BCPs, enabling departments to effectively identify interdependencies for timely resolution.

4 **Effective engagement with stakeholders:** The Secretariat actively engaged with the Board, staff and partners, as part of its crisis response. The Board was regularly updated by the Executive Director, and briefings continue on a timely basis to inform the Board of progress made and challenges that remain. The SRT, through

its Chair (the of Head of Human Resources), routinely updated staff on the evolution of the pandemic and on the measures instituted, emphasizing the need for staff to prioritize their safety and health. The Secretariat performed regular staff pulse surveys to inform actions to improve staff engagement. Staff engagement during the pandemic reached an all-time high of 95% in October 2020.

5 **Consistent availability of IT services:** Thanks to a strong strategic focus and improving vendor management, IT services were continuously available during the crisis. Staff had access to key IT platforms and services despite working from home, which enabled Global Fund activities, including governance meetings, to continue during the crisis.

The above measures are working well and could be sustained for future response to other crises.

FIGURE 2
Key successes
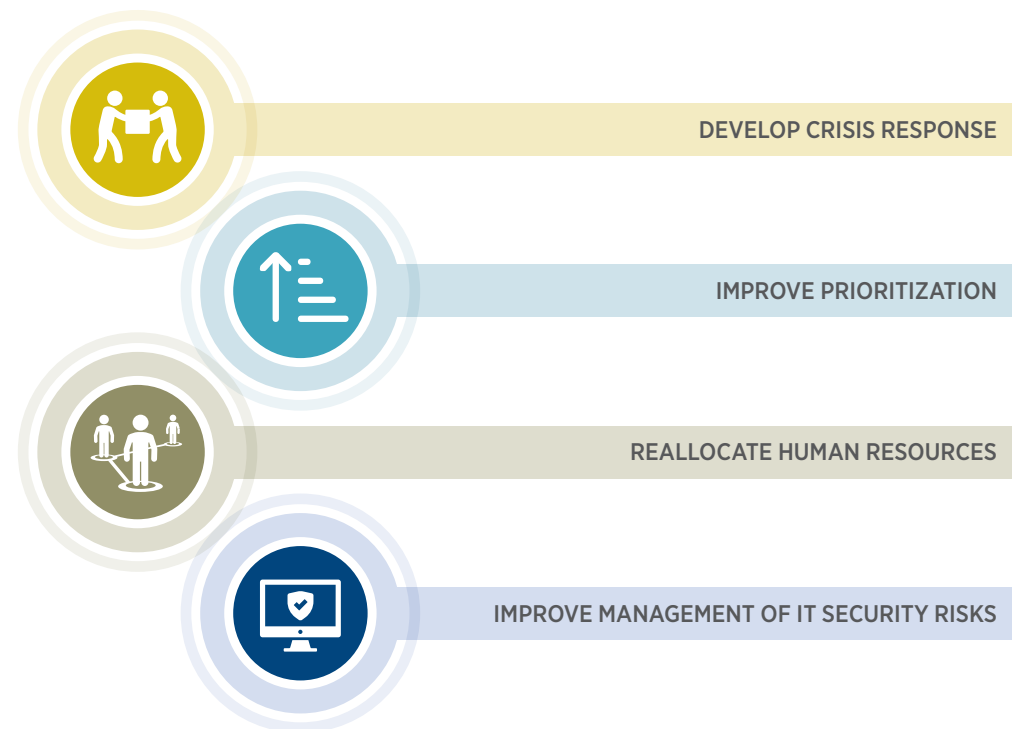
1. Executive Summary

Opportunities for further improvement

As indicated, the Secretariat has continued to function well during the pandemic. However, there are opportunities for the Secretariat to further improve its broader emergency preparedness beyond the COVID-19 response. These will contribute to more efficient and effective response to future crises.

1 **Develop crisis response framework:** The Secretariat is yet to develop a framework that outlines the key emergency response structures, their mandates and key processes. The existing COVID-specific structures such as the SRT, and the ongoing crisis preparedness and business continuity initiatives by the IT and Security Teams, present the opportunity for the Secretariat to develop a broader crisis response framework to ensure better preparation for future crises.

2 **Need to improve prioritization:** The Executive Director communicated reprioritized objectives to all staff, which informed the preparation of business continuity plans. Some activities were deprioritized at the organizational and departmental level. However, prioritization remains a continuous challenge in the context of multiple stakeholders with different expectations. A number of departments continued to implement their pre-COVID objectives and workplans, despite revised priorities at the corporate level. The difficulties of de-prioritization are partly due to cultural resistance to change and limited clarity on how competing activities could be prioritized. The Secretariat recognizes the need to better prioritize and simplify activities. The MEC has identified key activities to be prioritized and simplified in 2021.

3 **Agile reallocation of human resources in line with increased work:** New and revised corporate objectives initiated by the pandemic created an increased workload in certain teams. The Human Resources Department identified that additional full-time staff were needed in key priority areas; the Secretariat had limited opportunities to recruit additional staff, yet resources were not reallocated in an organized manner to those departments dealing with prioritized activities. This is partly due to limited availability of data on transferrable skills across the organization, and to the challenges highlighted above in terms of department-level prioritization.

4 **Assess and expedite implementation of the IT Security Roadmap:** The IT team implemented some of its planned mitigation measures ahead of schedule, in response to the heightened nature of risks arising from the pandemic; work is underway to address remaining challenges. The heightened IT risks arising from remote working, the ability of staff to use their own devices on Global Fund platforms, and the extensive use of personal email accounts by implementers all need to be evaluated and properly mitigated during crises.

FIGURE 3
Main opportunities

DEVELOP CRISIS RESPONSE

IMPROVE PRIORITIZATION

REALLOCATE HUMAN RESOURCES

IMPROVE MANAGEMENT OF IT SECURITY RISKS
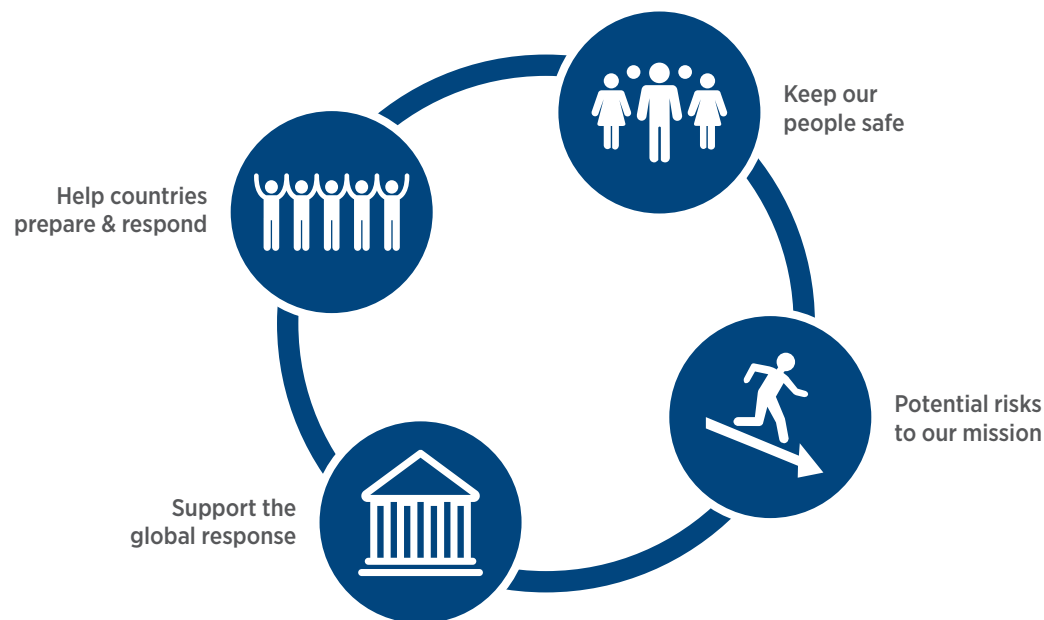
2. Background

Overall context

The World Health Organization (WHO) declared the COVID-19 outbreak a pandemic on 11th March 2020. The Global Fund subsequently developed a response to address the emerging impacts of COVID-19 and adapt its operations to the crisis.

Global Fund response

Early in the crisis, the Global Fund decided that action was required to help countries to mitigate the impact of COVID-19 on HIV, TB and malaria programs, and to protect Global Fund staff. Actions focused on four workstreams described below:

FIGURE 4
Response workstreams

Keep our people safe

Help countries prepare & respond

Potential risks to our mission

Support the global response

The objective under the 'keeping people safe' work stream was to ensure staff wellbeing and safety, by complying with Swiss federal council and cantonal regulations, and by instituting safety measures. Mandatory working from home started in mid-March, and business travel was cancelled. The Global Fund reopened the Global Health Campus (GHC) in early June and took further de-escalation measures in early July[3]. The situation continued to be monitored and was re-escalated in late October 2020[4], in line with federal and cantonal guidance.

Under the second workstream, several Business Contingency Plans (BCPs) were developed for key Secretariat processes. These BCPs, approved in April 2020, provide flexibilities to countries, Principal Recipients, health procurement and IT teams, while mitigating the risks faced by Global Fund programs due to in-country disruptions.

The Secretariat aimed to support countries to respond to COVID-19, adapt their HIV, TB and Malaria programs, and reinforce their health systems as part of the third workstream. The Secretariat introduced Grant Flexibilities and the COVID-19 Response Mechanism (C19RM) to provide resources to support countries' response to the crisis.

The fourth workstream aimed to position the organization in the global response, expanded the Global Fund's role in the procurement of COVID-19-related commodities, and helped in founding the Access to COVID-19 Tools Accelerator (ACT-A).
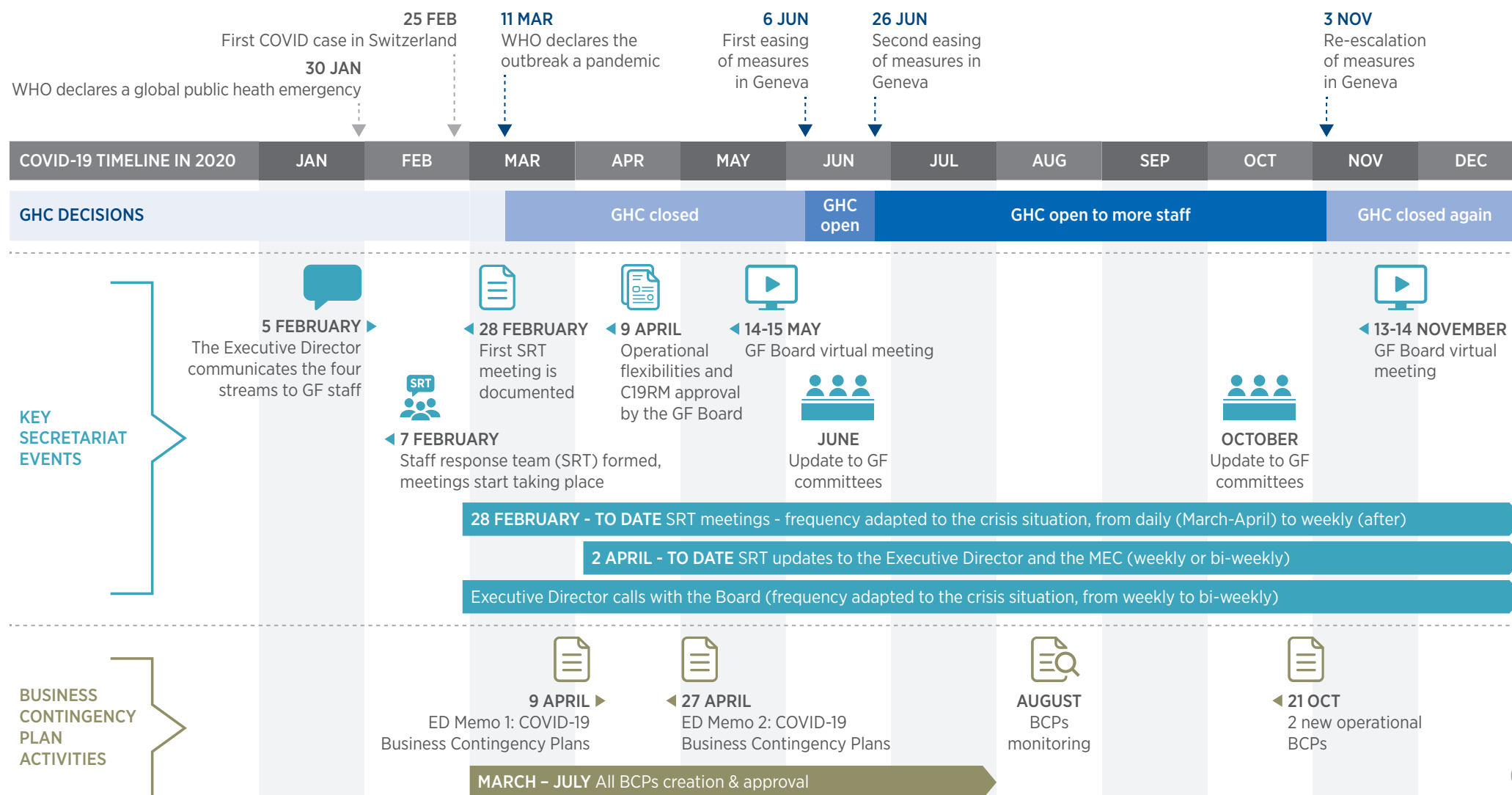
3 On 8th June 2020 the GHC opened for 20% capacity with mandated social distancing and hygiene measures; on 6th July the GHC was open for 45% capacity.

4 New measures were announced/ reintroduced on 28th October 2020, working from home recommended as much as possible

2. Background

The Global Fund responded early to the COVID-19 pandemic, as described in the below figure:

FIGURE 5
Timeline to the Global Fund's response to COVID-19 during 2020

30 JAN WHO declares a global public heath emergency

25 FEB First COVID case in Switzerland

11 MAR WHO declares the outbreak a pandemic

6 JUN First easing of measures in Geneva

26 JUN Second easing of measures in Geneva

3 NOV Re-escalation of measures in Geneva

COVID-19 TIMELINE IN 2020	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

GHC DECISIONS — GHC closed — GHC open — GHC open to more staff — GHC closed again

KEY SECRETARIAT EVENTS

5 FEBRUARY The Executive Director communicates the four streams to GF staff

7 FEBRUARY Staff response team (SRT) formed, meetings start taking place

28 FEBRUARY First SRT meeting is documented

9 APRIL Operational flexibilities and C19RM approval by the GF Board

14-15 MAY GF Board virtual meeting

JUNE Update to GF committees

OCTOBER Update to GF committees

13-14 NOVEMBER GF Board virtual meeting

28 FEBRUARY - TO DATE SRT meetings - frequency adapted to the crisis situation, from daily (March-April) to weekly (after)

2 APRIL - TO DATE SRT updates to the Executive Director and the MEC (weekly or bi-weekly)

Executive Director calls with the Board (frequency adapted to the crisis situation, from weekly to bi-weekly)

BUSINESS CONTINGENCY PLAN ACTIVITIES

9 APRIL ED Memo 1: COVID-19 Business Contingency Plans

27 APRIL ED Memo 2: COVID-19 Business Contingency Plans

AUGUST BCPs monitoring

21 OCT 2 new operational BCPs

MARCH – JULY All BCPs creation & approval
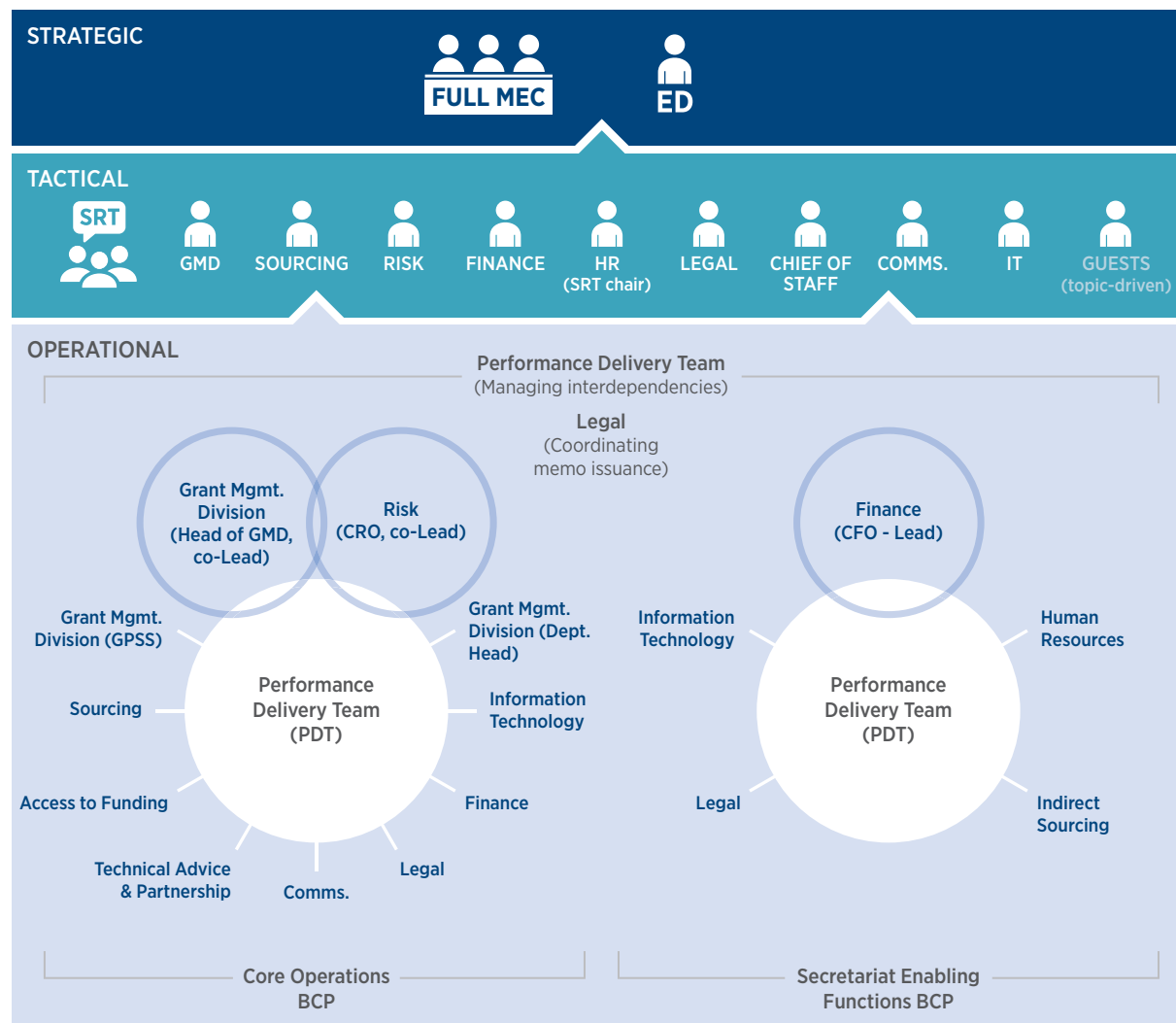
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2. Background

Crisis management structure

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 (see figure 6) had three levels:

- **Strategic level.** This is under the responsibility of the Executive Director, who provides leadership and strategic direction to the COVID-19 response.

- **Tactical level.** The Situation Response Team (SRT), chaired by the Head of Human Resources Department, was made up of selected members of the Management Executive Committee (MEC) and the Security Officer. The SRT coordinates, oversees and monitors the COVID-19 response. It is the main internal decision-making body on COVID-19 matters. The SRT continuously adapted the frequency of its meetings to the evolution of the crisis.

- **Operational level.** Two cross-functional working groups, reporting to the SRT, were established. With dedicated project management support, each group was led by a MEC member and included key managers and relevant staff. The working groups were responsible for preparing COVID-19 related changes across core Global Fund operations and critical enabling functions. The aim was to enable the design and operationalization of robust and coherent Global Fund Business Contingency Plans (BCPs).

The Global Fund is coordinating across the GHC partners and chairing the partners meeting to align building-related decisions.

FIGURE 6
Response structures

STRATEGIC
FULL MEC   ED

TACTICAL
SRT   GMD   SOURCING   RISK   FINANCE   HR (SRT chair)   LEGAL   CHIEF OF STAFF   COMMS.   IT   GUESTS (topic-driven)

OPERATIONAL
Performance Delivery Team (Managing interdependencies)
Legal (Coordinating memo issuance)

Grant Mgmt. Division (Head of GMD, co-Lead)   Risk (CRO, co-Lead)   Finance (CFO - Lead)

Grant Mgmt. Division (GPSS)   Grant Mgmt. Division (Dept. Head)   Information Technology   Human Resources

Sourcing   Performance Delivery Team (PDT)   Information Technology   Performance Delivery Team (PDT)

Access to Funding   Finance   Legal   Indirect Sourcing

Technical Advice & Partnership   Comms.   Legal

Core Operations BCP   Secretariat Enabling Functions BCP
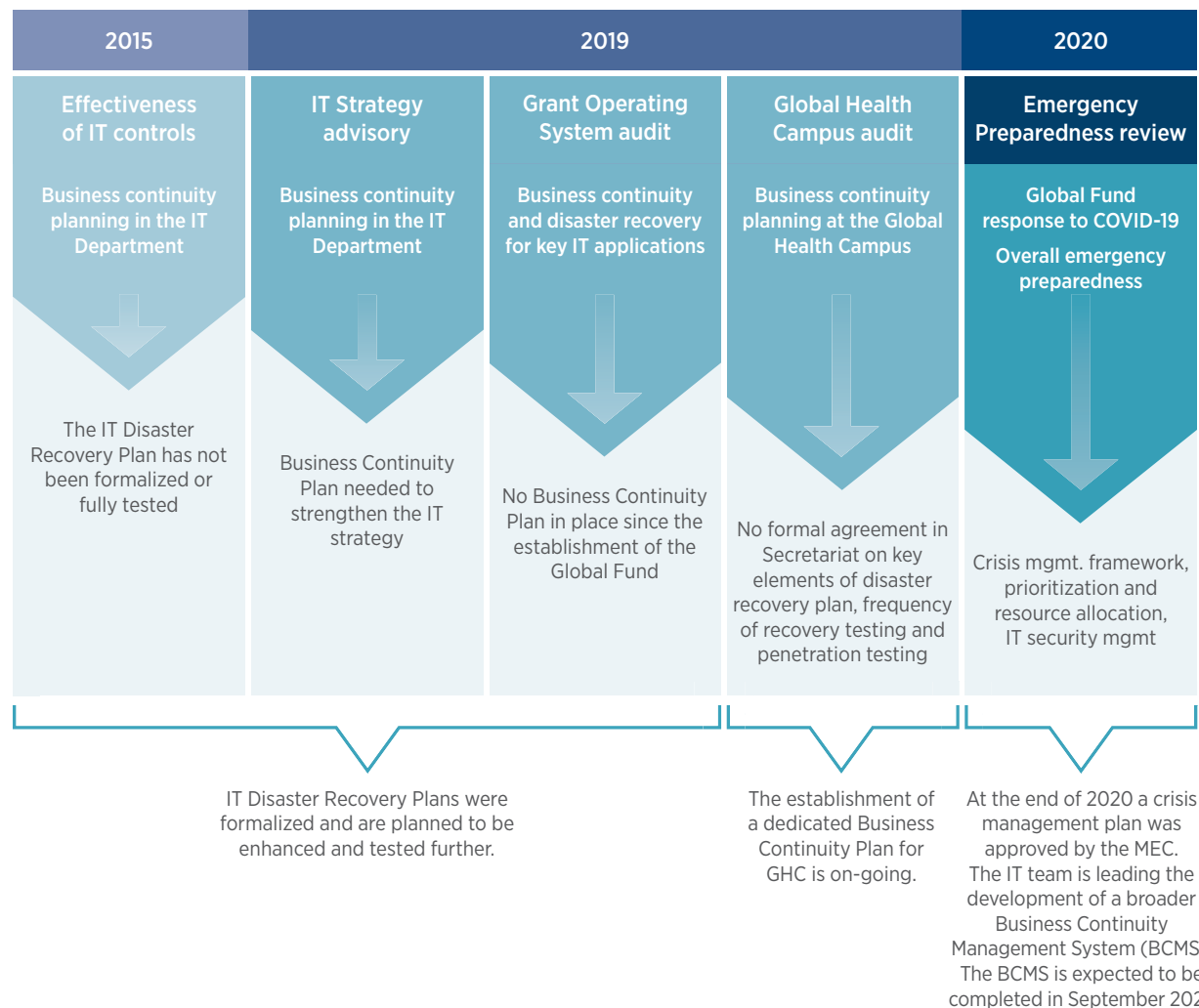
2. Background

Decision-making framework

The Secretariat has developed a temporary decision-making framework and revised certain processes to support its response to the pandemic, and to allow for simple, agile and decentralized decision making. Prior to the crisis, the Secretariat had developed a Performance and Accountability Framework (PAF) which outlines key processes and related accountabilities. The PAF informed which processes to be prioritized for BCP development. Several BCPs have been prepared and approved for key Secretariat processes, in line with the framework. The BCPs that impact broader Secretariat were approved by the Executive Director while departmental level BCPs were approved by the respective MEC members.

Business Continuity Planning in the Global Fund

The Secretariat has improved its crisis management and business continuity practices in recent years, as highlighted in Figure 7.

FIGURE 7
Summary of relevant past OIG engagements

2015	2019			2020
Effectiveness of IT controls	**IT Strategy advisory**	**Grant Operating System audit**	**Global Health Campus audit**	**Emergency Preparedness review**
Business continuity planning in the IT Department	Business continuity planning in the IT Department	Business continuity and disaster recovery for key IT applications	Business continuity planning at the Global Health Campus	Global Fund response to COVID-19 / Overall emergency preparedness
The IT Disaster Recovery Plan has not been formalized or fully tested	Business Continuity Plan needed to strengthen the IT strategy	No Business Continuity Plan in place since the establishment of the Global Fund	No formal agreement in Secretariat on key elements of disaster recovery plan, frequency of recovery testing and penetration testing	Crisis mgmt. framework, prioritization and resource allocation, IT security mgmt

IT Disaster Recovery Plans were formalized and are planned to be enhanced and tested further.

The establishment of a dedicated Business Continuity Plan for GHC is on-going.

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). The BCMS is expected to be completed in September 2021.

3. Objectives and Scope

Objectives and methodology

The overall objective of the engagement was to review the measures instituted by the Global Fund to ensure continued functioning of its Geneva-based operations in the initial stages of the COVID-19 crisis and strengthen the broader framework to respond to future emergencies. Specifically, the engagement assessed:

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:

   a. **Emergency response objectives and structures**

   b. **Board and Secretariat decision-making framework**

   c. **Coordination and accountability mechanisms**

2 Processes, systems and resources to operationalize and monitor the business contingency plans. This included:

   a. **Needs assessment and prioritization of resources**

   b. **Information Technology (IT) related support and IT resilience measures**

   c. **Monitoring mechanism, escalation and de-escalation processes**

The OIG reviewed relevant documents and information available at the Secretariat and interviewed key managers and staff. The engagement benchmarked the Secretariat's emergency response against relevant international business continuity and crisis management standards (ISOs 22301 and BS 11200).

The findings in the next section of the report are structured in line with the key components of emergency preparedness and crisis management as shown in Figure 8.

FIGURE 8
Main audit areas
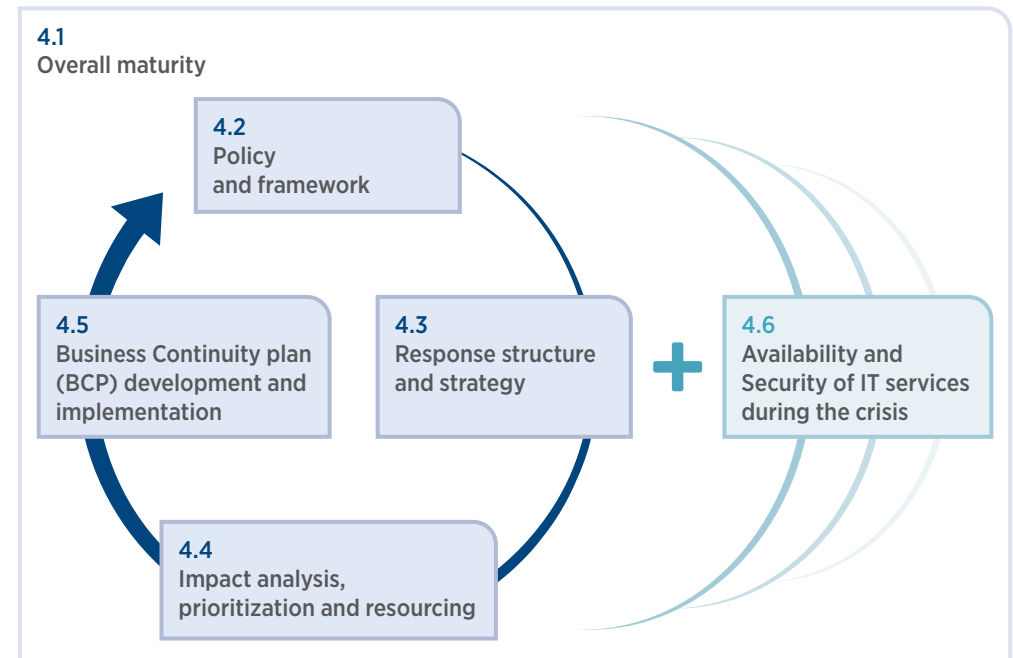
Scope exclusions

The review of selected BCPs focused on whether the related structures and processes in place for designing the BCPs were appropriate, and if the systems and resources were able to operationalize and monitor the selected BCPs.

The assignment did not cover the effectiveness and compliance of individual BCPs, as broader compliance reviews are covered under other OIG audits.

The assignment did not include emergency preparedness at the country or grant level, as this topic was partly covered in the 2016 audit of "Grant Management in High Risk Environments" and in an ongoing 2020 engagement on "Continuity of Grant Programs".

4. Conclusions

4.1 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. Business contingency plans along with other mitigation measures have ensured continuity of activities for Global Fund Geneva-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.

Emergency preparedness and crisis management require forward-looking assessment to pre-empt, identify and rehearse relevant measures to respond to crises. As part of this engagement, the OIG adapted a maturity model, based on ISO 22301 – BCMS requirements, ISO 31000 Risk Management and BS 11200 - Crisis Management guidance to assess the Global Fund's crises response maturity. The maturity model is made up of five components as per ISO 22301, and a five-point maturity scale: initial, managed, defined, quantitatively managed and optimized.

The main purpose of this maturity assessment is to determine whether the new practices and COVID-19 specific crisis management structures and processes are aligned to international standards, and the extent to which the Secretariat could leverage those measures to better prepare for crises. The OIG recognizes that the extent of maturity level in emergency preparedness should be a cost benefit trade-off decision by management, adapted to the specific context of the organization. The maturity level of each component is described below and illustrated in figure 9:

■ **Policy and framework** is at **"managed"** level which means the existing measures and structures are compliant with basic requirements. A crisis management structure is in place but roles and accountabilities as well as crisis management plans are only partially defined. To further mature, the Secretariat needs to institutionalize key structures from the COVID-19 response and integrate them in a corporate-level framework to be used for future crises. See section 4.2 for details

■ **Impact assessment and prioritization** is yet to be performed for different risk scenarios to support central strategies, using a harmonized approach. The Secretariat's Performance and Accountability Framework was leveraged during the COVID-19 crisis. The IT department has started engaging with other user departments of the Global

Fund to determine critical needs and expected recovery times as part of the IT BCMS process. Overall, the current Business Impact analysis (BIA) activities as described under section 4.4 are at **"managed"** maturity stage. Completion of the ongoing Business Impact Analysis activities will enable the Secretariat to further mature in this area.

■ **Response structure** is at **"defined"** level, thanks to the effective structures instituted to respond to the COVID-19 crisis. While there was no prior structure, those instituted during the crisis have been effective and institutionalizing them will enable the organization to further mature in this area. This will include defining the mandate and key membership of the structures. See section 4.3 for details

■ **Business continuity planning (BCP)** is at **"managed"** level. The Global Fund developed adequate BCPs as part of its response to COVID-19. To improve its maturity, the Secretariat needs to develop BCPs for other risk scenarios outside COVID-19. A continuous improvement program for BCPs is also required. Section 4.5 has details of the BCP development process.

■ **Training and exercising** for crisis response is rolled out after the framework and related plans are developed. The Global Fund has training programs and provided many supports to its staff during crisis. This includes mandatory e-learnings, dedicated psychological support and guidance to teams during the pandemic. However, since the Secretariat had to develop the BCPs in the middle of the COVID-19 crisis, it had limited time for training staff on emergency response and for rehearsing the BCPs for improvement. This component is at an **"initial"** maturity stage. To move to the next maturity stage, designing and implementing a defined schedule of training for key stakeholders, rehearsing the BCPs and crisis management scenario, and adapting the actions based on the outcome of rehearsals will be needed.

FIGURE 9
Maturity level

Optimized			
Quantitatively Managed			
Defined	Response structure & strategy		
Managed	Policy framework	Impact assessment & prioritization	Business continuity planning
Initial	Training & exercising		

4. Conclusions

4.2 Policy and framework

In line with international standards, a business continuity policy is the first component of a broader response framework. It confirms senior management's commitment to support business continuity and provides a framework for setting business continuity objectives. It also outlines the overall strategy to ensure the continuation or rapid recovery of critical business activities during a crisis. The Global Fund developed measures to support its response to the COVID-19 pandemic. These measures could be institutionalized in a broader business continuity framework to respond to other crises in future.

As the COVID-19 crisis evolved, the Secretariat took relevant actions to minimize the disruption of activities at the corporate level through:

Clear reprioritized objectives communicated to all staff: The Executive Director, in consultation with the MEC, reprioritized corporate objectives as a basis for the Secretariat's response to potential disruptions from the COVID-19 pandemic. These objectives were communicated to all staff, and used in developing the tactical responses, through the BCPs.

The Situation Response Team (SRT) has been effective in monitoring and leading throughout the crisis. The SRT is made up of key MEC members, whose primary responsibilities are aligned with the broad objectives set by the Executive Director. Members were empowered to make timely risk trade-off decisions in line with objectives. Senior management involvement ensured easy access to available information for quick decisions.

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.

The Secretariat had time to put structures and response plans in place. However, a similar approach may not work for other crises that have an instant impact and which leave little time for preparing a response. In the Global Fund context, such crises may include IT systems failures, fire, and terrorist attacks.

The Secretariat has initiated two major business continuity projects, which are being managed by the Information Technology and the Security Teams. A crisis management plan, led by the Security Team, was approved by the MEC at the end of 2020. The IT team is leading the development of an IT Business Continuity Management System (BCMS) as part of its ISO certification.

4. Conclusions

4.3 Response structure and strategy

Defined response structures enable organizations to identify key stakeholders and respond to disruptions caused by crises in a timely manner. The Global Fund instituted strategic, tactical and operational structures to manage its response to COVID-19. The structures are effective in responding to the ongoing crisis. The Secretariat will benefit from institutionalizing the structures to enable a more effective response to future crises.

> **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.

Similarly, the two operational working groups did not have terms of reference.

The preparation of terms of reference for such structures in the middle of the pandemic may not always be a priority. However, setting out clear roles and responsibilities prior to the crisis could have facilitated a quick streamlining of activities. It is important for the Secretariat to document the mandate of the emergency structures and to integrate them in an overarching crisis management framework for future crisis response. This will ensure clarity in their mandate and enable the structures to immediately focus on their core responsibilities.
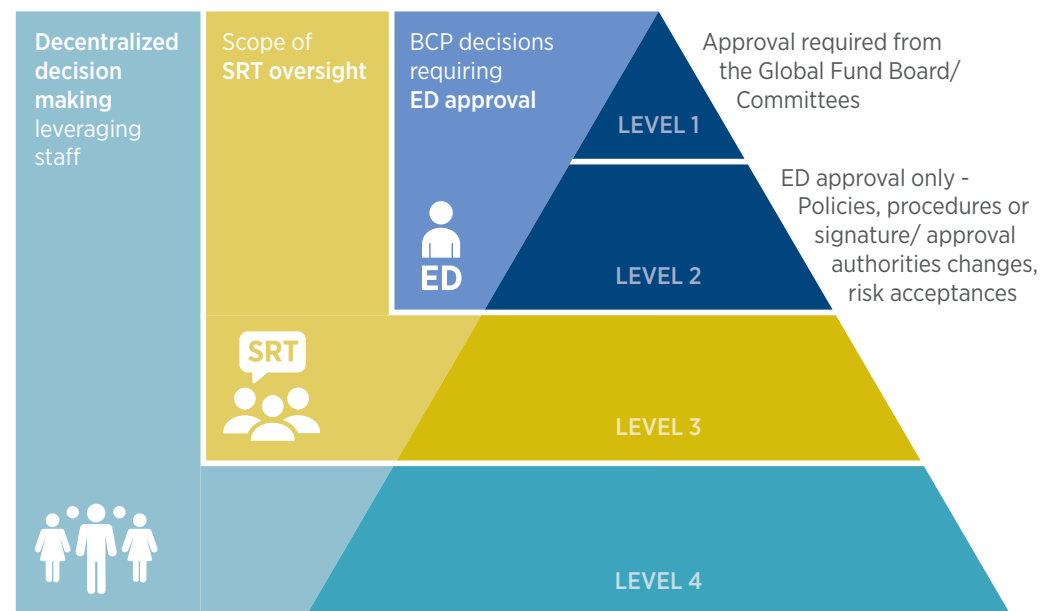
The decision-making process was adapted at both Secretariat and Board level

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, instead of by the Executive Director or at the SRT level. All COVID-19 crisis related decisions requiring Executive Director or Board approval were reviewed by the SRT. The Executive Director approved a delegation of authority matrix to ensure that internal critical business operations could continue if the primary authority holders were indisposed – Figure 10. The Secretariat significantly incorporated duty of care, empathy and safety of its staff in the decision making process. This enabled the Secretariat to put in place measures to support staff safety.

At the Board Level: The Board adopted an expedited process for review and approval of COVID-19 related decisions. This supported organizational agility and speed in responding to the crisis. The Board waived the need for certain decisions to be reviewed by Committees prior to Board approval. For example, the Board approved decisions on operational flexibilities in seven days to ensure continued operations during COVID-19 and additional support for country responses to COVID-19. Then, within 19 days the Secretariat obtained board approval to extend the C19RM and operational flexibilities for COVID-19. These decisions would have taken 10-12 weeks by following the standard approach of first going through committees.

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

FIGURE 10
Decision-making framework

Decentralized decision making leveraging staff

Scope of SRT oversight

BCP decisions requiring ED approval

Approval required from the Global Fund Board/ Committees

LEVEL 1

ED

LEVEL 2

ED approval only - Policies, procedures or signature/ approval authorities changes, risk acceptances

SRT

LEVEL 3

LEVEL 4

4. Conclusions

4.3 Response structure and strategy (continued)

Increased engagement with Board, staff and partners

The SRT and the Executive Director engaged regularly with key stakeholders including the Board, staff and partners.

At the staff level, the SRT routinely communicated with all staff throughout the crisis via emails, recorded videos or virtual townhalls. The SRT Chair (the Head of the Human Resources Department) sent regular staff updates on the situation and specific guidance, informed by the SRT meetings and decisions – Figure 11. This regular engagement was appreciated by staff, 94% of them being happy with the internal communication around the COVID-19 situation, as per a September 2020 pulse survey.

At the Board level, the Secretariat engaged through two main channels:

- **Weekly calls with the Executive Director at the peak of the crisis:** The Executive Director provided weekly updates on the Global Fund response to COVID-19 and the Business contingency plan for existing grants. The main updates were also captured in situation reports (SITREP), which were publicly shared with partners.

- **Routine Committee meetings:** In June and October 2020, the Secretariat provided situation updates to the Board and its Committees. These updates were framed around the four workstreams of the response.

The monitoring mechanism was adequate, with some improvements needed for escalation triggers

The Global Fund employed several means for measuring performance, including progress towards the response to COVID-19, as the crisis progressed.

- **Executive reporting to the MEC:** the SRT discussed and monitored the crisis through daily meetings during the peak of the crisis in March and April. The outcomes of those meetings were discussed with the Executive Director and the entire Management Executive Committee.

- **Staff surveys:** five pulse surveys were organized between March and October to assess staff wellbeing. The surveys were used to drive change during the crisis. Examples of this were the availability of a psychologist to counsel under-pressure staff, and the campaign to encourage staff to take annual leave, to reduce the threat of stress and burn-out.

- **BCP working groups survey:** After completing the development of BCPs, a lessons learnt survey was launched in July 2020. Most of the findings of this engagement were already identified as part of this Secretariat survey.

The Secretariat developed various monitoring plans covering escalation, de-escalation and re-escalation for the "Keep Our People Safe" workstream. For all these phases, the SRT has leveraged Swiss government guidelines and measures. While the triggers for de-escalation were clear, specific targets for re-escalation needed improvement to enable early response.

FIGURE 11
Frequency of SRT meetings and SRT chair updates to staff on the COVID-19 situation

SRT minutes
SRT chair emails
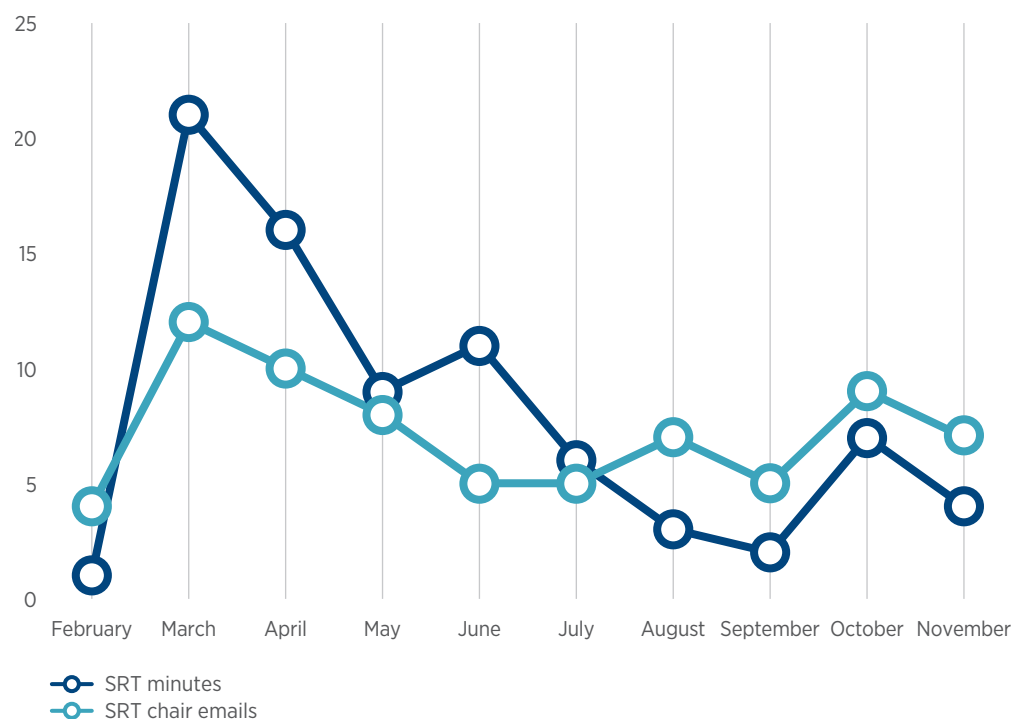
4. Conclusions

4.4 Impact analysis, prioritization and resourcing

Prioritization is critical for business continuity during crises. It helps the organization redirect its resources to activities which require urgency, in order to reduce impact to the business. A risk assessment and a business impact analysis generally drive the selection of activities to be prioritized.

> The Executive Director communicated reprioritized objectives to all staff, however the actual execution of tasks by teams were not reprioritized. Cross-organization resources were not reallocated in line with the new objectives communicated by the Executive Director.

Leverage existing tools/framework in identifying prioritized activities

The Secretariat leveraged the existing Performance and Accountability Framework (PAF), as a starting point to identify and assess the 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. The prioritized processes identified had clear connections with the four defined workstreams.

The interdependency mapping in the PAF helped identify linkages between departments within common workstreams, ensuring a more coherent planning of business contingency activities.

Business Impact analysis (BIA) needs improvement

The BIA is documented in the departmental business contingency plans. Like most other elements of the response, the existing BIA process is COVID-19 specific since the organization did not have a BCP framework in place as mentioned in 4.1. As a result, it does not indicate key elements to support different crisis scenarios. For example:

- The BIA does not include Recovery Time/Point Objectives (RTO/RPO), within which each activity can be suspended before an unacceptable level of impact is felt. This information is important in directing specific investments in areas such as IT systems and data recovery, in line with organizational and users' expectations and acceptable levels of disruption. For instance, the activities at the Secretariat level are dependent on the smooth functioning of core systems such as the Grant Operating System, and delays in entering or accessing information from this system could affect key processes such as disbursement and grant making. These are being addressed as part of the ongoing IT BCMS project.

- The BIA does not capture minimum personnel numbers required to carry out each prioritized activity. This could have supported the subsequent action planning for each disruption level.

- Critical third-party dependencies such as implementer level operations and key suppliers at Secretariat level were not identified as part of the BIA, which focused on internal dependencies across the Secretariat.

While RTO/RPOs were not defined in the existing BCPs, they will need to be revisited, adapted and included as part of the IT BCMS project.

4. Conclusions

There was a misalignment between defined priorities and resource allocation

At the end of April 2020, the Human Resources department collected and analyzed data from all departments on resource needs, including the possibility of reallocations. From this exercise, a total resource need of 47 full time staff was identified. This increased demand in additional resources is a result of the following factors:

- New activities related to COVID-19 response (e.g. C19RM, BCP development) represented additional workload for Secretariat staff.

- Staff productivity has reduced as a result of teleworking and associated challenges (e.g. taking care of home-schooled children and other family members). Analysis by the human resource department indicated a 20%-30% average loss in productivity for staff working on high-priority activities during the initial mandatory remote working period.

The Secretariat through its PAF prioritized some processes at the organizational level. Some departments also prioritized certain activities in their respective BCPs. While prioritization happened in some departments, most Secretariat departments maintained their pre-COVID workplans and resources despite the above-mentioned constraints on high priority activities.

OIG analysis shows that 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. The MEC at its recent retreat has identified activities to be prioritized and simplified in 2021.

The Secretariat's September 2020 pulse survey results show that most staff felt there was insufficient staffing to handle the workload. A balance between activity de-prioritization and reallocation of resources would have helped to manage the resource constraint. However, very few divisions/departments at the Secretariat freed up and reallocated resources in an organized manner to other departments dealing with prioritized activities.

Another challenge to the reallocation of resources is the alignment of transferable staff skills. There are no data across the organization on staff skill sets. As the Strategic Workforce Planning progresses, a mapping of staff skills across the Secretariat would better enable the organization to identify internal skills that could be redeployed in time of crisis.

4. Conclusions

4.5 Business Continuity plan (BCP) development and implementation

BCPs provide the specific guidance and processes to protect personnel and assets during crises, and ensure they remain functional.

> Prior to the COVID-19 pandemic, the Global Fund did not have 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, between March and May 2020. The current BCPs are specific to COVID-19 and will need to be tailored to other crises, such as unexpected IT system failures and breaches of digital or physical security.

### The BCP development process was agile and collaborative

Both institutional BCPs and departmental BCPs were developed and approved in a short timeframe - three to six weeks on average, between March to May 2020. The BCPs were developed by cross functional teams and continuously adapted to the evolution of the crisis – as highlighted in Figure 12:

- **Coordination and collaboration:** Business Continuity working groups with the project management support of the Performance Delivery Team (PDT) ensured the coordination of the BCPs development project. The level of collaboration was increased as the BC working groups included key operational staff across departments. Key information as well as issues faced by departments were discussed and proactively shared with others for early mitigation. The PDT played a valuable operational role in preparing meetings, tracking and following up on meeting action plans, and ensuring alignment on key tasks between departments.

- **Interdependencies:** A key element of the development process was individual owners cross referencing content with their peers, to ensure that upstream and downstream interdependencies were recognized and considered in the process.

- **Guidance:** The Risk Management Department designed and disseminated a BCP template across the Secretariat to guide the development of BCPs. The template provided adequate guidance on consideration of best practices.

- **Review and validation:** The BCP review process was comprehensive, comprising a three-tier approach of peer-group (within the working group), SRT and screening team review, before each plan was signed off. The review mainly aimed at identifying exceptional risk issues, interdependency levels, and departures from normal policy/ process requiring Executive Director or Board sign off.

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.

FIGURE 12
BCP development process

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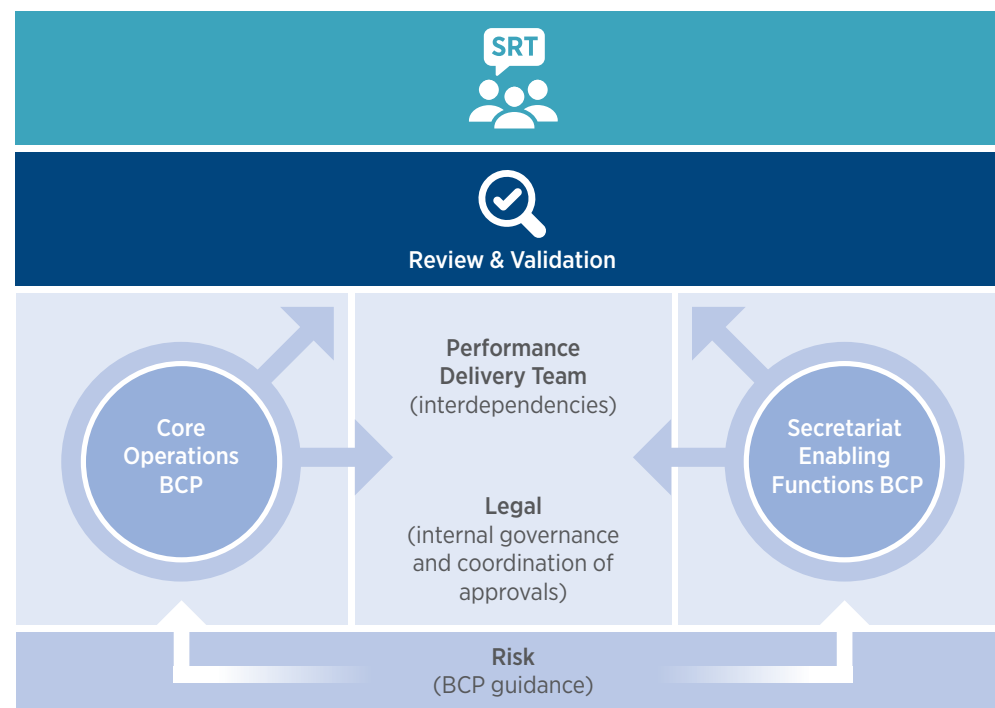
4. Conclusions

4.6 Availability and Security of IT services during the crisis

The IT department adapted its transformation journey[5] aimed at enabling effective and efficient delivery of technologies that support the Global Fund's mission.

> Overall, 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.

IT services were available during the crisis

Thanks to investments to support the implementation of IT strategies, there was no impact on IT availability during the crisis; users have been able to access IT services throughout, and this has helped with the operational functioning of the Secretariat. Global Fund staff were able to support key in-country stakeholders to perform critical business functions such as funding requests and grant making. Specifically;

- Secretariat staff were able to connect remotely to key IT platforms from the beginning of the lockdown and additional IT equipment was provided to staff as necessary. Inter and intra department meetings were held virtually.

- The Secretariat provided audio and video conferencing tools to Principal Recipients, Country Coordinating Mechanisms and Civil Society Organizations to help with remote working and virtual meetings

- Virtual Board and Committee meetings were enabled through audio and video conferencing tools.

Roll-out of the IT Security Roadmap

The IT team identified key risks, with mitigation measures already included in its workplan prior to the COVID-19 pandemic. The IT team implemented some of its planned mitigation measures ahead of schedule in response to the heightened nature of risks arising from the pandemic and work is underway to address remaining challenges. The heightened nature of risks arising from a remote working environment requires timely implementation of the relevant actions:

- In March 2020, the IT department's monitoring system indicated at least a 100% increase in attempted attacks on Global Fund systems, compared to prior years. However, enhanced system controls through Multi-Factor Authentication[6] (MFA) could not be introduced to staff until May 2020 due to technical constraints.

- Major IT Security and Software companies have reported increased phishing and ransomware risks due to remote working. The IT department performs annual phishing awareness training for staff, including publication of information on internal portals. After a related fraud risk had materialized, the IT team rolled out staff phishing awareness refresher training in June 2020, six months earlier than planned.

- The Global Fund is developing measures to enhance use of staff personal devices on its platforms.

IT risks arising from the Global Fund's delivery model

> The Global Fund engages with multiple implementers in different locations. Many documents are sent and received via implementers' personal email addresses which could be easily compromised due to varying security standards. This has been an ongoing challenge that could be prone to abuse in a crisis setting.

In this context, the IT Department and Grant Management Division have provided phishing related training to over 4100 implementers across 106 countries. An analysis of the Global Fund's potential IT risk exposure from implementers' use of e-mail accounts would enable the Secretariat to make a cost benefit trade-off in responding to those risks.

Progress made in IT BCMS

The biannual IT Disaster Recovery (DR) performed by the IT team confirms the general availability of existing information at Secretariat level, with minimal improvement areas self-identified by the IT team. The IT Department is developing an IT BCMS in compliance with International Standards (ISO 22301). This will consolidate and improve existing disaster recovery processes. Continuous engagement between the IT team and functional user departments will be critical in designing and integrating the IT BCMS into an organizational-level Crisis Management Framework.

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5 IT Transformation started in March 2019 (Phase 1) and continued in October 2019 (Phase 2)

6 Multifactor authentication is a security system that requires more than one form of authentication to verify the legitimacy of a person or transaction.

5. Agreed Management Actions

TOPIC	AGREED MANAGEMENT ACTION
Crisis Management Plan Framework	a. The Secretariat shall develop an overarching framework to ensure that the relationship and intersections between the Crisis Management Plan, the Business Contingency Plans, and the IT Business Continuity Management System, are appropriately documented to enable the Secretariat to implement and update each in conjunction and harmony with the others and ensure the resilience of the Secretariat with a robust response framework for immediate crisis response and ongoing management. **b.** The Secretariat will also: ■ Assess lessons learned during and post COVID-19 crisis and identify gaps. ■ Conduct a calibration and scenario-based review aimed at refining roles and responsibilities through practice within the crisis management team. ■ Finalise the roll-out the crisis management plan, integrating the inputs from the two activities above. **Owner: Chief Finance Officer** **Due Date: 31 December 2021**
People and Skills Management Workforce Planning	As part of the 2017-2022 Strategic Workforce Planning People Strategy Initiative, the Human Resources Department will implement skills management in the enterprise system - Workday - to capture the specific skillsets of our workforce in terms of supply and demand, to give Strategic Workforce Planning insights by further identifying capability needs and effectively developing and leveraging resources across the organization. **Owner: Head, Human Resources Department** **Due Date: 31 December 2022**
IT Security	The IT team will: ■ Reassess the existing IT Security Workplan and bring forward activities where feasible. ■ Complete the acceptable use policy for personal devices and roll-out plan. ■ Complete a risk assessment for the use of e-mail accounts by implementers. **Owner: Chief Information Officer** **Due date: 31 December 2021**

Annex A

General Audit Rating Classification

RATING	DEFINITION
Effective	**No issues or few minor issues noted.** Internal controls, governance and risk management processes are adequately designed, consistently well implemented, and effective to provide reasonable assurance that the objectives will be met.
Partially Effective	**Moderate issues noted.** Internal controls, governance and risk management practices are adequately designed, generally well implemented, but one or a limited number of issues were identified that may present a moderate risk to the achievement of the objectives.
Needs significant improvement	**One or few significant issues noted.** Internal controls, governance and risk management practices have some weaknesses in design or operating effectiveness such that, until they are addressed, there is not yet reasonable assurance that the objectives are likely to be met.
Ineffective	**Multiple significant and/or (a) material issue(s) noted.** Internal controls, governance and risk management processes are not adequately designed and/or are not generally effective. The nature of these issues is such that the achievement of objectives is seriously compromised.

Annex B

Methodology

The OIG audits in accordance with the global Institute of Internal Auditors' (IIA) definition of internal auditing, international standards for the professional practice of internal auditing (Standards) and code of ethics. These Standards help ensure the quality and professionalism of the OIG's work.

The principles and details of the OIG's audit approach are described in its Charter, Audit Manual, Code of Conduct and specific terms of reference for each engagement. These help our auditors to provide high quality professional work, and to operate efficiently and effectively. They help safeguard the independence of the OIG's auditors and the integrity of their work. The OIG's Audit Manual contains detailed instructions for carrying out its audits, in line with the appropriate standards and expected quality.

The scope of OIG audits may be specific or broad, depending on the context, and covers risk management, governance and internal controls. Audits test and evaluate supervisory and control systems to determine whether risk is managed appropriately. Detailed testing takes place across the Global Fund as well as of grant recipients and is used to provide specific assessments of the different areas of the organization's' activities. Other sources of evidence, such as the work of other auditors/assurance providers, are used to support the conclusions.

OIG audits typically involve an examination of programs, operations, management systems and procedures of bodies and institutions that manage Global Fund funds, to assess whether they are achieving economy, efficiency and effectiveness in the use of those resources. They may include a review of inputs (financial, human, material, organizational or regulatory means needed for the implementation of the program), outputs (deliverables of the program), results (immediate effects of the program on beneficiaries) and impacts (long-term changes in society that are attributable to Global Fund support).

Audits may also assess how Global Fund grants/portfolios are performing against target for Secretariat-defined key indicators; specific indicators are chosen for inclusion based on their relevance to the topic of the audit.

Audits cover a wide range of topics with a focus on issues related to the impact of Global Fund investments, procurement and supply chain management, change management, and key financial and fiduciary controls.

Annex C

Maturity scale of key BCMS components[7]

RATING	DEFINITION
Optimized	BCMS program aligned or exceeding standards is in place, with ongoing monitoring and improvement through repeat lifecycles.
Quantitatively Managed	BCMS program aligned to relevant standards is in place. It needs to further mature through continuous improvement with repeat lifecycles.
Defined	Most BCMS program components are aligned to relevant standards. Ownership and accountability of BCMS components are fully defined and documented.
Managed	The BCMS program complies with basic requirements and standards. A crisis management structure is in place but roles and accountabilities as well as crisis management plans are partially defined and/or not documented.
Initial	There is no BCMS program. Business continuity management is informal.

7   Adapted from Business Continuity standard (ISO22301) and its implementation guidance (ISO22313), Crisis Management
    standard (BS11200) and Risk Management standard (ISO 31000)