
Subject	Audit & Investigations Report
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Agenda item	13
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Executive Summary

The purpose of this paper is to provide an annual report from the Managing Director, Audit and Investigations (A&I), as required under A&I's Terms of Reference approved by the Board, and to confirm to the Board the organisational independence of A&I. This annual report describes how A&I has fulfilled its Terms of Reference in 2025; how it plans to undertake its 2026 activity; and how it reports to a level within the organisation that allows the activity to fulfil its responsibilities.

Throughout 2025, A&I has reported to the Audit and Finance Committee, which has been delegated by the Board to oversee, review and monitor the operation of A&I.

Audit & Investigations Report

1. Conclusions

- 1.1 This report answers three questions, explaining how Audit and Investigations (A&I) fulfilled its Terms of Reference in 2025; how A&I plans to undertake its 2026 activity; and whether A&I has the necessary independence.
- 1.2 **How has A&I fulfilled its Terms of Reference in 2025?** Audit and Investigations (A&I) implemented its 2025 workplan (approved by the Audit and Finance Committee (AFC) in October 2024 and adjusted in liaison with the AFC throughout the year), providing risk-based and objective assurance, advice and insight to the AFC and senior management and assessing probity. In 2025 A&I continued the trend for executing more audits which began in 2022 in response to elevated and continuing risks, and provided the accountability and counter-fraud services which would be reasonably expected in the context of Gavi 5.1 and moving towards Gavi 6.0. A&I facilitated the AFC in executing its responsibility to oversee, review and monitor the operation of the A&I function, in support of the Board's oversight responsibilities.
- 1.3 **How does A&I plan to undertake its 2026 activity?** A&I prepared a work plan for 2026 on the basis of the resource reductions resulting from Wave 1 of the Secretariat Review; the Audit and Finance Committee discussed and approved this plan in October 2025 and will revisit it in February 2026 in view of subsequent additional resource reductions resulting from Wave 2. The 2026 plan meets the expectations of the Audit and Finance Committee by providing appropriate audit and advisory assurance over Gavi-funded activities in programme countries and over Secretariat activities, albeit over a longer time-frame than has been possible in previous years due to resource reductions in 2026, and appropriate investigative and counter-fraud services. A&I does not expect the revisited 2026 plan materially to change the level of assurance.
- 1.4 **Can A&I confirm the necessary independence?** A&I reports to the Board, effecting this through routine reporting to the Audit and Finance Committee, and to the CEO, and this reporting arrangement allows the activity to fulfil its responsibilities. A&I confirms the necessary organisational independence.

2. How has A&I fulfilled its Terms of Reference in 2025?

- 2.1 A&I reports regularly to the AFC on the status of its workplan achievement and brings all significant issues arising from its work to the attention of the AFC. In this way A&I facilitates the AFC in executing its responsibility to oversee, review and monitor the operation of the A&I function, in support of the Board's oversight responsibilities.

Secretariat-focused audits and advisory work

- 2.2 A&I's internal and thematic audit and advisory work provides an assurance and consulting activity designed to add value and improve the internal operations of Gavi. It brings recommendations for improvement in

governance, risk management and control processes in the Secretariat. 2025 work covered many areas in the Secretariat including SAP; data protection and privacy; expense claims and reimbursement; in-country assurance and in-country governance; supply chain; the country liaison officer process; risks related to the Secretariat review; digital health strategy; immunisation data quality; CSO management; reprogramming, reallocation and grant extensions; artificial intelligence; Gavi's culture journey; and Secretariat support to IFFIm (at the time of writing, some of these projects are ongoing or in the final stages of management review and reporting). Upon conclusion of each project, any significant issues arising were discussed with the AFC. A&I regularly reports to the AFC on management's implementation of agreed audit actions.

Country-focused audits

- 2.3 A&I's programme audit work assesses whether Gavi support, including cash, vaccines and related supplies, have been used as intended to provide value for money, considering both financial and programmatic aspects. Programme audits bring recommendations to implementing governments for improvement in governance, risk management and control over their implementation of Gavi-funded programmes. In 2025, A&I completed the reporting and review stage of 13 programme audits executed in previous years, and executed (or, at the time of writing, is executing) an additional 17 audits. Key programme audit themes discussed with the AFC in 2025 included operational governance frameworks, human resources, and transition. A&I regularly reports to the AFC on governments' implementation of programme audit recommendations.
- 2.4 Many programme audits result in determinations of misuse and the need for reimbursement, which is a key principle in ensuring accountability and assurance on the proper use of donated resources. The final determination for reimbursement is made by the Country Delivery Department, and it is they who manage the repayment process with the countries. The recovery rate against the total determined misuse remains high at 93%. Since 2009, the total misuse identified through A&I's programme audit work is US\$ 48.7 million of which US\$ 45.5 million had been repaid as at the end of August 2025. Of the US\$ 3.0 million outstanding, US\$ 0.5 million is overdue, which the Country Delivery Department is following up. This analysis is routinely updated and presented in detail to the AFC. Following through on misuse ensures that accountability is maintained at country level; the Secretariat continues to insist on full recovery.

Audit quality

- 2.5 As previously reported to the Board, in late 2024 A&I's audit functions underwent an External Quality Assessment; such an assessment is a requirement of the Institute of Internal Auditors and needs to be carried out at least every five years. In February 2025, the external assessor presented his report to the AFC, confirming that the audit functions already conform with the new Global Internal Audit Standards which came into force on 1 January 2025.

This is an excellent result and testimony to A&I's focus on audit quality. Throughout 2025, A&I has maintained audit quality.

Investigation and counter-fraud, and reports under the Speak Up policy

- 2.6 Preventive counter-fraud work in 2025 included completion of a fraud risk assessment of the African Vaccine Manufacturing Accelerator (AVMA). Throughout the year A&I provided advice to management, in particular around integrity matters, investigations and other related areas, and in 2025 A&I updated Gavi's internal Reporting, Investigation and Disciplinary Procedures, in close liaison with the Ethics, Risk and Compliance Office, Human Resources and Legal.
- 2.7 A&I updated the Speak Up Policy (previously "Whistleblowing Policy"), which encourages the reporting, without fear of retaliatory action, of suspected misconduct that may threaten Gavi's operations or governance, and enables Gavi to effectively address such misconduct, manage risks and uphold standards of good governance. The updated policy was discussed with the AFC and approved by the Board in July 2025.
- 2.8 The confidential reporting lines operate to receive reports of concerns from staff across the Gavi Alliance and third parties. Any matters may be raised through the reporting facilities relating to financial or programmatic misuse, or other misconduct generally (including sexual exploitation, abuse and harassment). Reports received have been treated according to the Speak Up Policy, and where appropriate in coordination with the oversight functions of Alliance and expanded partners. The AFC receives regular updates on reports received and their follow-through, in both open and closed sessions depending on the sensitivity of the matter in hand.
- 2.9 Throughout 2025 A&I provided appropriate investigative responses to reports of misconduct, both in the Secretariat and in implementing countries, and continued to work on addressing outstanding issues from earlier investigations where ongoing legal and other processes required attention.

Gavi Alliance Audit and Investigations Terms of Reference

- 2.10 A&I's Terms of Reference, which set out the purpose, authority and responsibility of the A&I function, require periodic assessment and were last updated by the Board, on the recommendation of the AFC, in December 2022. In 2025, A&I and the AFC reviewed the Terms of Reference and concluded that they needed to be updated to align with the new Global Internal Audit Standards, which came into effect in 2025, and to take into account the recommendations and suggestions from the External Quality Assessment of the audit functions, carried out in late 2024. In October 2025, the AFC recommended to the Board that it approve revisions to A&I's Terms of Reference and suggested that this approval could be made under the consent agenda; approval of the revised Terms of Reference is presented on the consent agenda for this Board meeting.

3. How does A&I plan to undertake its 2026 activity?

- 3.1 The AFC approved the 2026 Audit and Investigations Plan at its October 2025 meeting. The plan is divided into two parts, the audit plan and the investigations/counter-fraud plan. In preparation for Gavi 6.0, A&I prepared a new A&I Strategy for the new strategic period, which is included in the 2026 plan. The 2026 plan implements the first year of the strategy.
- 3.2 The audit plan includes country-focused audits, and Secretariat-focused audits and advisory projects. Furthermore, specific focus areas will be carried across relevant programme audits, with a view to future meta-analyses.
- 3.3 The investigations and counter-fraud plan covers Secretariat fraud and misconduct investigations and fraudulent misuse or other misconduct investigations in programme countries where warranted. It also provides for counter-fraud recommendations.
- 3.4 Wave 1 of the 2025 Secretariat Review brought significant resource reductions for A&I, and the 2026 plan was developed in view of this. At the time of plan drafting and approval, Wave 2 of the Secretariat Review was about to start. The likelihood of further reductions was recognised in the plan, and in agreement with the AFC, A&I will bring resulting revisions to the 2026 plan to the AFC for discussion in early 2026.

Assurance in the 2026 plan

- 3.5 A&I's staff resources have reduced by 26% and its non-staff resources by 53% as a result of the two waves of the Secretariat Review. This has a significant impact on the level of assurance that A&I can provide to the AFC and Board in any one year, and A&I has discussed this in depth with the AFC. Indicatively, in 2026 A&I will be able to provide about half as much audit and advisory assurance as it has been able to deliver annually since 2022. We therefore discussed with the AFC an indicative forward view to 2027, in order to be able to analyse assurance coverage over the two-year period 2026- 2027.
- 3.6 A&I is of the view that the planned coverage of Gavi-funded activities in programme countries, and of high-risk Secretariat-focused areas remains reasonable, when we take into account changes in risk levels and profile and also consider the indicative forward view to 2027. The plan will provide adequate assurance to the AFC and the Board, albeit over a longer time-frame than previously.

4. Independence

- 4.1 The A&I Terms of Reference and the Global Internal Audit Standards of the Institute of Internal Auditors require the Managing Director, A&I to confirm A&I's organisational independence at least annually to the Board. A&I reports to the Board, effecting this through routine reporting to the Audit and Finance Committee, and to the CEO. Having considered the operation of A&I in

practice and its reporting structures, I conclude that the reporting arrangement allows the activity to fulfil its responsibilities and I confirm to the Board the organisational independence of the A&I function. The Board may take further assurance over the independence of the function from the results of the External Quality Assessment of the audit functions, which reported full achievement of the Standards around independence.

Annexes

Additional reference materials online:

[Gavi Alliance Audit and Investigations website](#)