



# Key Messages

## Sub-recipient and Supplier Integrity Due Diligence



Integrity Due Diligence (IDD) are activities undertaken by Principal Recipients (PRs) to ensure that their Sub-recipients (SRs) and Suppliers adhere to the Global Fund ethics and integrity standards. The process and requirements are described in the [Guidelines on Sub-Recipient and Supplier Integrity Due Diligence for Principal Recipients](#)<sup>1</sup>.

### 1 The Role of Principal Recipients

PRs are responsible for designing and executing a risk-based IDD process for Sub-Recipients and Suppliers. This involves conducting a risk assessment to identify individuals and organizations that are subject to IDD.

For those individuals and organizations identified in the risk assessment, PRs define and implement the **appropriate type of IDD screening** through:

- their own IDD processes; or
- (from end 2024) a vendor pre-approved by the Global Fund, or other specialized IDD vendor.

PRs use the IDD screening results to decide whether or not to select an SR or Supplier. PRs are also required to communicate to the Global Fund any findings that indicate SRs and/or Suppliers are engaged in Prohibited Practices or subject to Restrictive Measures.

### 2 Requirements and Verifications

**Requirements:** The PR undertakes IDD in line with Global Fund guidance:

- PRs must meet a **minimum set of requirements** for SR and Supplier IDD screening, in addition to having a robust IDD in place to assess the integrity of their own key staff. The Global Fund can conduct additional IDD verifications on PR staff based on its own risk assessment.
- PRs carry out **IDD screening** using sources of information relevant for the context, especially local information and in line with the requirements set out in the [Policy to Combat Fraud and Corruption \(PCFC\)](#).

<sup>1</sup> These are in addition to existing requirements per the Global Fund policies, eligibility requirements and regulations.

#### Verification:

- The Global Fund uses a risk-based approach to determine which PRs require Local Fund Agent (LFA) verification of compliance with the minimum requirements. The outcome of such LFA verification determines whether the PR is required to use outsourced IDD services through Global Fund pre-approved vendors, or other specialized IDD vendor (forthcoming).
- When LFA verification is not required, PRs provide a formal statement of compliance with the minimum requirements.

### 3 When do PRs conduct IDD activities?

- **Before engaging** with individuals and/or organizations (such as hiring, contracting, implementation, etc.).
- **For each grant cycle**, prior to the start of the next implementation period, for continuing SRs and Suppliers.
- All PRs need to conduct the initial IDD in 2024, with LFA verification starting in 2025.

