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# Report of the Technical Evaluation Reference Group

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## 45<sup>th</sup> Board Meeting

GF/B45/08

11-12 May 2021, *Virtual*

### **Board Information**

Purpose of the paper: This paper provides a summary of the recent review work of the Technical Evaluation Reference Group.

# Executive Summary

## Context

- The Technical Evaluation Reference Group (TERG) has submitted the reports on the HIV Primary Prevention review, Private Sector Engagement (PSE) review and Prospective Country Evaluation (PCE) Synthesis to the Strategy Committee (SC). The SC discussed these together with the Secretariat's initial management responses to the TERG recommendations.

## Input Sought

The Board is requested to consider the TERG positions in the development of the next Global Fund Strategy, as well as the new M&E framework.

## Conclusions

- A. The TERG commissioned and managed the HIV and PSE thematic reviews, as well as the PCEs Synthesis report, and provided its positions on each.
- B. The TERG proposed prioritized recommendations and the Secretariat developed its initial management responses.

## Input Received

1. The Strategy Committee (SC) discussed and thanked the TERG for the three reviews and the Secretariat for their initial responses to the reviews, noting the need to understand the implications from the three reviews for the next strategy, including how the next strategy can build on the good practices and address the challenges identified in these reviews. It was noted that the SC Working Group on M&E matters will be looking at responding to TERG recommendations and SC members were encouraged to provide their reflections.
2. It should also be noted that more systematic engagement with the Secretariat around the different evaluations has been valuable, as has the SC feedback on evaluation TORs. This highlights the importance of continuing to ensure constructive engagement regardless of the decisions around the independent evaluation function.
3. The Secretariat noted that the zero draft strategic framework comments directly on HIV prevention and the private sector, and does not address recommendations that have come from PCE due to the fact that many of these are better addressed at the operational level.

# Summary of TERG's recommendations on the three reviews

## HIV Primary Prevention Thematic Review

1. The main conclusions and TERG's prioritized recommendations on the thematic review on HIV Primary Prevention are summarized as below table.

Key conclusions	TERG's prioritized recommendations
<p>1. The Global Fund has increasingly been playing a critical stewardship role for HIV primary prevention at the global level. This has led to a number of significant achievements and improvements over the previous allocation period (NFM2), particularly with the introduction of some key initiatives by the Global Fund emphasizing HIV primary prevention, <i>i.e.</i> several types of catalytic investments.</p> <p>2. There are critical barriers to achieving better impact on HIV incidence relating to country level issues in terms of effective and quality design and implementation of programs.</p> <p>3. There are a number of challenges resulting in less than effective implementation of HIV prevention interventions within Global Fund country grants, including the relatively slower use/ absorption of funds.</p> <p>4. With the drive from Global Fund leadership to prioritize HIV primary prevention, there has not been concomitant adequate operationalization across Secretariat teams and in Global Fund processes.</p> <p>5. Given the complexity of the prevention interventions, there are deep concerns in grant making stage whether there are adequately standardized and transparent approaches to ensure prioritization of HIV prevention and quality programming</p>	<p><b>1. Further prioritize and increase HIV prevention funding.</b> Recommendation 1 "Further accelerate the momentum achieved for HIV primary prevention within the Global Fund, in terms of funding and organizational framework."</p> <p><b>2. Ensure greater prioritization of HIV prevention funding decisions in NSPs.</b> Recommendation 4 (ii,iii,iv): "Work with partners and country stakeholders to support more effective and quality programming for HIV primary prevention".</p> <p><b>3. Enhance TA Coordination and visibility for implementation of HIV primary prevention programs.</b> Recommendation 7(i,ii): "Continue efforts towards bringing about greater coordination and visibility of TA for HIV prevention and enhance TA for several unmet needs"</p> <p><b>4. Develop well-defined approaches to support funding request and grant making for HIV primary prevention.</b> Recommendation 2(ii-iv): "Critically consider feasible enhancements and deviations from the standardized Global Fund application, approval and reprogramming processes to support strategic investments and programming for HIV primary prevention"</p> <p><b>5. Consider the balance of prescriptiveness of technical guidance.</b> Recommendation 2(i): "Critically consider feasible enhancements and deviations from the standardized Global Fund application, approval and reprogramming processes to support strategic investments and programming for HIV primary prevention and recommendation 4(i) on improving existing guidance</p> <p><b>6. Better situate HIV prevention within a broader GF conceptual framework.</b> Such a conceptual framework could set out the strategic and technical vision and plan for prioritization of Global Fund investments in HIV primary prevention and situate these investments in the context of the whole investment portfolio.</p>

## Private Sector Engagement Thematic Review

2. The main conclusions and TERG's prioritized recommendations on the thematic review on Private Sector Engagement (PSE) are summarized as below table.

Key conclusions	TERG's prioritized recommendations
<p><b>1. The TERG largely endorses the high-level conclusions and recommendations</b> of this PSE report and provides inputs to recommendation classification, as strategic and operational, and suggests responsible teams for operationalization of these recommendations.</p> <p><b>2. The GF has not yet fully recognized and articulated the role of the PS in its strategies or policies</b>, despite the fact that there are already on-going innovative initiatives undertaken with the private sector using GF grants</p> <p>3. In particular, the report provides evidence that <b>Global Fund PSE high value interventions</b>, including the use of market-based models for access to health services and leveraging of private sector capabilities, <b>are already contributing towards the achievement of the GF Strategy</b>, through strengthening supply chains, financial management and HMIS, and notes opportunities for the Global Fund to expand.</p> <p>4. For the GF to <b>capture the full potential of PSE</b>, it <b>must address barriers at both the country and Secretariat level, and it must take a more strategic approach to engaging with the sector</b>. This will require a recognition of the role of the PS in service delivery and in strengthening health systems, and support efforts to increase the sector's contributions to reach global disease goals, while mitigating eventual negative consequences.</p> <p>5. The two cornerstones of this approach should be the <b>post-2017-2022 GF Strategy</b>, as well as a <b>PS-specific strategy for the partnership</b></p>	<p><b><u>Strategic Recommendations:</u></b></p> <p><b>1. Recognize the Private Sector in the post-2017-2022 Global Fund Strategy (SC, Global Fund Strategy &amp; Policy Hub, PSED):</b> The next Global Fund Strategy should clearly recognize that the private sector is an important actor in delivering health services alongside the public sector and civil society and harness the potential contributions from the private sector.</p> <p><b>2. Develop a Private Sector Engagement Strategy (Global Fund PSED):</b> In close association with the on-going Strategy development process.</p> <p><b><u>Operational Recommendations:</u></b></p> <p><b>3. Expand the knowledge base and explore promising high-value interventions and models (Global Fund Secretariat, e.g., SIID, PSED, GMD):</b> The Global Fund Secretariat should explore potential high-value interventions and compile and analyse existing models with a view to identify success factors, pitfalls, and potential for expansion of models of PSE in its programs;</p> <p><b>4. Strengthen PSE-related partnerships with development partners (PSED, GMD):</b> The Global Fund should strengthen partnerships with development partners, who bring experience in engaging the private sector, to promote mutual learning, opportunities for collaboration and pooled funding arrangements and facilitate enhancement of an enabling environment for PSE;</p> <p><b>5. Mobilize additional resources and expand access to health services, by engaging other players through Global Fund Secretariat (GMD, Health Financing Team)</b></p>

## Prospective Country Evaluations Synthesis Report

3. The main conclusions and TERG's prioritized recommendations on the Prospective Country Evaluations (PCE) Synthesis report are summarized as below table.

Key conclusions	TERG's prioritized recommendations
<b>Grant design</b>	
1. Improvements to the business model between NFM2 and NFM3 contributed to <b>more efficient and inclusive funding request processes</b> . However, NFM3 saw <b>limited adoption of changes in the design of performance monitoring</b> , particularly for HRG-Equity and RSSH.	<b>1. Improve grant-specific performance monitoring to inform implementation decisions.</b> <i>Several of the recommendations have already been taken up by Secretariat teams and are in the process of being reviewed.</i>
2. In NFM3, both RSSH and HRG-Equity investments rose, in many cases as a result of overall allocation increases. An increased proportion of <b>RSSH investment is directed toward activities that support rather than strengthen</b> the health system.	<b>2. Build in more flexibility and responsiveness in implementation by simplifying grant revision processes to encourage their use throughout the grant cycle.</b> <i>Lessons learned from the flexibility of the COVID-19 response may be helpful.</i>
<b>Grant implementation</b>	
3. Implementation of NFM2 grants faced significant start-up delays and COVID-19 interruptions. <b>Absorption was overall weaker for RSSH and HRG-Equity interventions.</b>	<b>3. In order to reduce gaps between policy guidance and grant design, improve communication around how to invest more strategically in RSSH, including CSS.</b> <i>Need to specify priority investment areas where Global Fund has a comparative advantage. Limit investment to these areas. These should be spelt out in the next Strategy.</i>
<b>4. Multiple barriers and challenges</b> exist for undertaking <b>revisions to the scope and/or scale of grants mid-cycle</b> , such as in response to new evidence or emerging performance issues.	<b>4. In order to improve grant contribution to equity and SO3, explicitly promote grant investments in these areas, including through more direct measurement of the drivers of inequity and of outcomes of human rights and gender investments.</b> <i>Invest in data and data use to improve grant contribution to SO3, including at subnational and community levels.</i>

4. The Secretariat developed its initial management responses to the three TERG position papers, as shown in the annex. These TERG position papers and the Secretariat initial responses were discussed at the Strategy Committee (SC) meeting. SC members thanked the TERG for the three reviews and the Secretariat for their initial responses to the reviews. Many SC members noted the need to understand the implications from the three reviews for the next strategy, including how the next strategy can build on the good practices and address the challenges identified in the reviews. It was noted that the SC Working Group on M&E matters will be looking at responding to TERG recommendations and SC members were encouraged to provide their reflections, which are summarized below.
- i. With respect to the **HIV Primary Prevention review**, SC members noted the review findings around technical assistance and coordination and requested more clarity from the Secretariat around the implications this may have on the partnership model. Concerns were raised that the majority of new infections occur in key populations yet only a small percentage of funding is directed towards key population prevention programs. As existing tensions (e.g. treatment versus prevention) will continue at the country level, it was suggested to focus on the 'how' as opposed to the 'what' in this area. SC members noted the need for the Global Fund to invest more in HIV prevention management capacity and the need to consider what needs to be done

differently to improve HIV primary prevention at the country level as well as ensure interventions are sustainable.

- ii. Regarding the **PSE review**, there was general agreement from SC members with respect to the findings, high level conclusions and recommendations. However, one constituency did not agree with the recommendation that the Global Fund engage with the 'for profit' private sector through catalytic funding. The need to discuss contracting policy and regulation issues was also noted as these are some of the most challenging issues governments experience when engaging with the private sector. With respect to having a separate Global Fund PSE strategy, SC members noted the Secretariat's concerns about having too many sub-strategies, but expressed concern that if this is only articulated at the Global Fund Strategy level, it may still be unclear what the Global Fund's comparative advantage could be in this space. Furthermore, they suggested that a PSE strategy could help enable engagement in service delivery, program implementation, and engagement with profit and not-profit private sector. Some SC members suggested a detailed analysis of the Value for Money (VfM) for resource mobilization to aid in understanding private sector contribution at country level.
- iii. Regarding the **PCE Synthesis Report**, SC members noted the significant amount of work undertaken in the 8 countries and commended the TERG on the final outcomes of the PCE and the rich report. SC members also noted that many of the issues raised have relevance to the on-going discussions around the next strategy. Some SC members requested a clarification regarding recommendation 3 and the Global Fund position on the primary objective of RSSH. They also noted that the next strategy should address the "how" of RSSH funding, as well as who is accountable – e.g. government versus all partners.

5. The TERG work plan for 2021 includes the following activities:

- Extension of PCE (April-June 2021): TORs have been agreed and the work is underway.
- External evaluation of PCE: An evaluation team has been competitively selected and the evaluation work is underway.
- Evaluation of Strategic Initiatives: An evaluation team has been competitively selected and the evaluation work is underway.
- Evaluation of Multi-country grants: An evaluation team has been competitively selected and the evaluation work is initiated.
- Evaluation of wambo.org pilot: RFP has been issued.
- (Secretariat-led) Thematic review on Global Health Security: An evaluation team has been competitively selected, and the work is underway.
- C19RM evaluation plan: Initial discussions with the Secretariat is taking place.
- Additionally, the TERG plans to provide oversight of Secretariat-led reviews of Global Fund's investments in TB prevention and Human Rights, Gender and KVP programming.
- The TERG M&E sub-group is also advising the Secretariat and SC on the development and contents of the proposed monitoring and evaluation framework for the next strategy.

6. On the updates provided on **other TERG matters**, the SC acknowledged the TERG's efforts to obtain SC input on the terms of reference for thematic evaluations. SC members noted that there are a number evaluations that will come to the SC in the coming months. Concerns were expressed about the inability to travel for evaluations due to COVID-19 and the impact of meeting remotely for the TERG itself. SC members noted the importance of the upcoming C19RM evaluation, which needs to enable more learning from the emergency response.

## What is the proposed response and what are the next steps?

7. The Secretariat will finalize their management responses, with the aim to publish along with the TERG position papers and consultant reports.
8. The Board is requested to consider key review conclusions and TERG's prioritized recommendations as part of their deliberations on the development of the next Strategy and M&E framework.

9. The TERG Chair noted the value of having more systematic engagement with the Secretariat around the different evaluations, and of SC feedback on evaluation TORs over the last year. She reiterated the importance of continuing to ensure constructive engagement regardless of the decisions around the independent evaluation function.

## **Annex 1 – Reference Materials**

The thematic review on HIV Primary Prevention

The Secretariat initial management response to HIV primary prevention review

The thematic review on Private Sector Engagement (PSE)

The Secretariat initial management response to PSE

Prospective Country Evaluations (PCE) Synthesis report

The Secretariat initial management response to the PCE Synthesis report



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# TERG Thematic Review on HIV Primary Prevention

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# Overview of TERG thematic review on HIV primary prevention

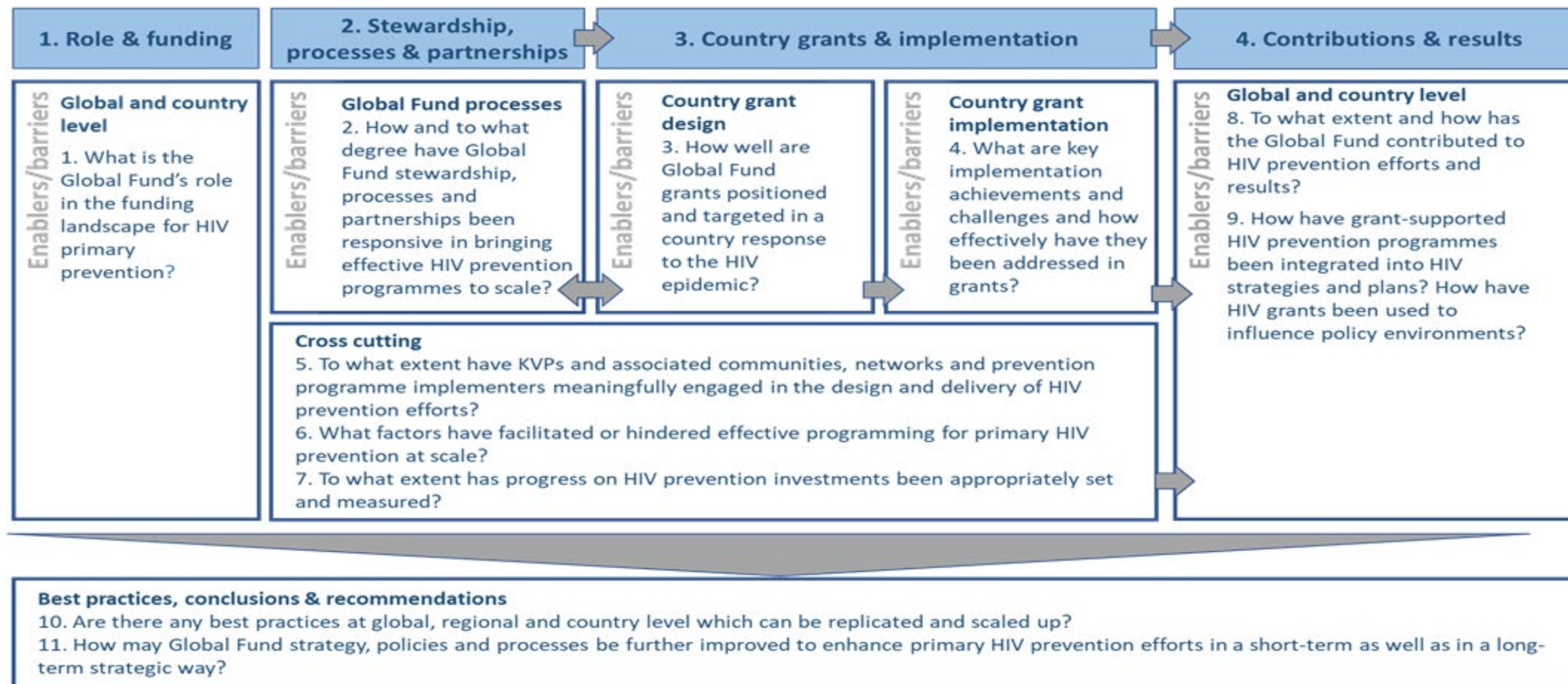
## CONTEXT

- The thematic review on HIV primary prevention was commissioned by the Technical Evaluation Reference Group (TERG), as part of its 2020 workplan as approved by the Strategy Committee (SC) of the Board.
- The overarching aim was to focus on **what the Global Fund can do differently in order to improve and strengthen its support to HIV primary prevention programs** and support countries in taking HIV prevention programs to scale.
- The TERG considered a thematic review on HIV primary prevention would be timely to inform the development of the Global Fund's new strategy and improvements in its business model as well as to provide inputs into the global discussion on HIV prevention as of the end of 2020.

## KEY OBJECTIVES

- Better inform policies/ guidance of the Global Fund;
- Clarify needs for TA for design of prevention strategies;
- Provide understanding of funding landscape for HIV primary prevention, relative prioritization of prevention in countries, & Global Fund's role alongside partners; and
- Provide inputs to development to next Global Fund strategy & share lessons learned.

# Review framework, methods and limitations



Mixed methods approach (i) review and analysis of documentation; (ii) quantitative funding and programmatic data analysis; (iii) eight country case studies (Botswana, Côte d'Ivoire, Ethiopia, Indonesia, Jamaica, Philippines, South Africa and Ukraine); (iv) semi-structured interviews with key stakeholders and focus-group interviews; and (v) portfolio analysis of the 25 Global Prevention Coalition (GPC) countries. The key limitation of the review has been that majority of the country case studies were conducted remotely due to travel restrictions on account of COVID-19.

# Key Findings from TERG HIV Prevention Review

Area of Review	Key Findings
<b>Global Fund funding for HIV primary prevention</b>	<ul style="list-style-type: none"> <li>There has been a modest increase in HIV primary prevention funding by the Global Fund from 10.8% in 2015-2017 to 13.3% in 2018-2020, reflecting an increase in prioritisation.</li> <li>Global Fund investments contribute to the aspirational target of 25% funding for HIV primary prevention of total national HIV response funding envisioned by the GPC, but more is needed to enable countries to reach the 25% target, which only 6 out of 25 GPC countries reviewed manage to achieve.</li> <li>Analysis of the funding request data for the upcoming allocation cycle (NFM3) suggests that the trend of moderate increases in primary prevention funding will likely continue going forward but also currently suggests that no substantial shift in funding towards HIV primary prevention will take place.</li> </ul>
<b>Global Fund prevention funding by GPC prevention pillar</b>	<ul style="list-style-type: none"> <li>Compared to previous periods, in NFM2 there has been greater prioritisation within HIV primary prevention funding for AGYW and continued prioritisation for KPs, whilst general population funding has declined. Funding for VMMCs declined as well (an intervention for which PEPFAR is a key donor).</li> </ul>
<b>Wider landscape analysis</b>	<ul style="list-style-type: none"> <li>There is a lack of robust data on funding for HIV primary prevention, especially in terms of domestic funding.</li> <li>HIV prevention funding represents a relatively small percentage of total HIV funding (~13%) in terms of Development Assistance for Health (DAH) and PEPFAR funding (~12%). This impacts on countries' ability to meet the GPC target to spend 25% of HIV funding on HIV primary prevention.</li> <li>Countries have not reached the GPC target of spending 25% of total national HIV response investment on HIV primary prevention.</li> <li>The Global Fund is the second largest organisation to disburse HIV prevention funding behind PEPFAR and the third largest distribution channel after USA bilateral funding and direct NGO and foundation funding.</li> <li>PEPFAR has a stronger focus on biomedical interventions (especially VMMC) and has larger focus on general population investment largely due to investment in VMMC programmes.</li> </ul>
<b>Comparative Advantage</b>	<ul style="list-style-type: none"> <li>Compared to other donor organisations, the Global Fund has a strong advantage as a funder for HIV prevention given its quantum and focus of funding, alongside its country-led approach and partnership model, which have several advantages although also present key issues for effective prevention funding.</li> </ul>
<b>Advocacy</b>	<ul style="list-style-type: none"> <li>Global Fund's external advocacy on HIV prevention and participation in the GPC has improved over the years and Secretariat leadership has also been perceived as more committed to HIV primary prevention; however, areas of improvements and the need for continued advocacy remain.</li> </ul>

# High level conclusions from TERG HIV Prevention Review

Key Areas	High level conclusions
<b>Impact</b>	<ul style="list-style-type: none"> <li>The review highlights that new HIV infections in countries supported by the Global Fund have fallen by 44%. Yet despite these long-term reductions in new infections overall, progress has not been extensive and uniform, and the global target for a 75% reduction in new infections by 2020 has been missed. In addition, countries are failing to meet global coverage targets for comprehensive HIV prevention services, including for KPs. These trends underline the fact that despite a global recognition of the importance of HIV primary prevention for eliminating HIV/AIDS, greater prioritization and improved implementation are needed to ensure efforts are effective in achieving results.</li> </ul>
<b>Business model</b>	<ul style="list-style-type: none"> <li>With the drive from Global Fund leadership to prioritize HIV primary prevention, there has not been concomitant adequate operationalization across Secretariat teams and in Global Fund processes;</li> <li>Given the complexity of the prevention interventions, there are deep concerns in grant making stage whether there are adequately standardized and transparent approaches to ensure prioritization of HIV prevention and quality programming;</li> <li>Implementation issues: There are a number of challenges resulting in less than effective implementation of HIV prevention interventions within Global Fund country grants, including the relatively slower use/ absorption of funds.</li> </ul>
<b>Investment/Funding for HIV primary prevention</b>	<ul style="list-style-type: none"> <li>The Global Fund has increasingly been playing a critical stewardship role for HIV primary prevention at the global level, due in part to being the second largest donor for HIV prevention. This has led to a number of significant achievements and improvements over the previous allocation period (NFM2);</li> <li>The introduction of some key initiatives by the Global Fund emphasizing HIV primary prevention, i.e several types of catalytic investments (strategic initiatives, multi-country funding and matching funding), have been key for HIV primary prevention investments being included in grants, although the quality of the focus of the interventions could be improved.</li> </ul>

# TERG Position: Summarized from TERG Position Paper

- The TERG broadly endorses the key findings and the high-level conclusions and commends the progress and improvement in HIV primary prevention. The TERG also agrees the Global Fund should **aggressively prioritize** some recommendations in order to accelerate the reduction of HIV incidence. Additionally, “Reduction of HIV incidence has been slow and uneven.” The TERG is of the clear view that **Global Fund’s strategy, key processes, policies and investments *should be strengthened*** in order to accelerate the reduction of HIV incidence.
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- TERG noted several key issues in the report are not unique to HIV prevention and they require **priority attention e.g limited TA to support grant implementation and lack of multi-sectoral and up-to-date TA**, insufficient prioritisation of HIV prevention in NSPs, etc.
- Of the 9 main recommendations with 36 sub recommendations, the **TERG has identified five (5) main recommendations with fourteen (14) sub recommendations** to be given priority attention by Global Fund to accelerate the reduction of HIV incidence.

# Prioritized TERG Recommendations

Recommendation Domains	TERG recommendations	Review recommendations	Time frame
<b>Strategic/Policy</b>	a. Prioritize and increase HIV prevention funding.	Recommendation 1 (i)	Mainly for the new strategy
	b. Develop conceptual framework on HIV primary prevention.	Recommendation 1 (ii) and Recommendations 8 (i,ii)	For the new strategy
<b>Tactical/Operational</b>	c. Consider the balance of prescriptiveness of technical guidance.	Recommendation 2 (i) and recommendation 4 (i)	Mainly for the new strategy
	d. Develop well-defined approaches to support funding request and grant making for HIV primary prevention.	Recommendation 2 (ii-1v)	Mainly for the new strategy
	e. Ensure greater prioritization of HIV prevention funding decisions in NSPs.	Recommendation 4 (ii,iii,iv)	Mainly for the new strategy, and immediately where applicable
<b>Technical/Programmatic</b>	f. Enhance TA Coordination and visibility for implementation of HIV primary prevention programs.	Recommendation 7 (i, ii)	Start as soon as possible



# HIV Prevention Review - Summary: Secretariat Response

- Secretariat agrees that increased funding for HIV prevention is needed, however this may not translate into the Global Fund increasing its funding for HIV prevention in every country as country context, including domestic and other donor funding, will need to be considered. In order to reach the most at risk with the services they need to both to avoid infection, reduce transmission and stay healthy if living with HIV. There is a need to think holistically about the HIV response along the prevention care continuum.
- The Global Fund model is country driven and many of the issues identified in the report are best resolved at the country level rather than HQ/Geneva level. In order to accelerate the results in prevention & reduce incidence, it is critical to continue to strengthen key country, CCM, grant application and implementation processes, as well as continue close coordination with partners and utilize focused catalytic funding to further incentivize investments in critical areas.
- While we recognize the need for primary prevention funding to increase, we would not support ring fencing funding one element of the HIV response that is funded by the Global Fund. A focus on better use of transmission dynamics data, improved program design and superior implementation directed towards achieving effective coverage of the highest impact interventions for populations most at risk, and incentivizing sound legal and policy choices would deliver better results for prevention.
- We do not think that developing a specific conceptual framework or theory of change (TOC) for HIV primary prevention would be helpful. An overarching TOC undergirding the next Strategy, as well as improved metrics for design and results on HIV prevention, would be more impactful; noting that any future TOC will need to recognize 1) the Global Fund model; 2) our intent to have the greatest impact on the HIV epidemic, not only on prevention but also, improving health of PLHIV and saving lives.
- We believe we, (working with partners), can improve data and analyses applied and used to inform national strategic plans, program design and grant making, as well as ensure our GF guidance is clearer and more directive regarding critical elements that should be prioritized within the range of epidemic settings, noting that part of our role is to help translate global partners technical guidance and apply it in the various country contexts.

## Conclusions

- The Secretariat broadly endorses the key findings and the major conclusions from the report and the consolidation and prioritization of the recommendations by the TERG. The Secretariat appreciates the acknowledgement of the progress made around the improvement in support of HIV primary prevention and has already embarked on a series of actions to accelerate results for HIV prevention.



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# TERG Thematic Review on the role of the Private Sector in Program Delivery

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# Introduction

This Private Sector Engagement (PSE) Review was commissioned by the TERG and carried out between August 2020 and February 2021.

**Review Scope:** The Review focuses on for-profit PS entities involved in the fight against the three diseases and in health systems strengthening. **While not-for-profit entities were not the focus**, they were included in the private sector landscaping done and some findings here may be useful in later analysis of these organizations. Private resource mobilization and commodity supply were out of scope.

## Methodology:

- ❖ Both quantitative and qualitative methods were used.
- ❖ Six country case studies ( CCS) → ( India, South Africa, Kenya, Indonesia, Thailand and South Sudan)
- ❖ **183** Key Informant interviews (KII) were conducted in total.
  - **80** interviews for GF Corporate level (5 SC representation and 1 from the GF board member and 74 from GF Secretariat .
  - **103** interviews with in - country stakeholders and International Partner organizations (Stop T.B, BMGF, USAID, WHO, GAVI, Goodbye Malaria) etc.
- ❖ **100** plus Document Reviews,

The PSE Review completed all CCS remotely due to COVID restrictions.

Limited representativeness of countries analyzed - constrains the ability to extrapolate conclusions on how findings may apply to other settings.

# Relevance to the GF Strategy

The report focuses on 5 priority areas for PS engagement to bolster the achievement of the 4 GF strategic objectives

## GF Strategic Objectives



## PSE Priority Areas

Increasing access to quality care, including to KPs

Data Management

Supply Chain Management

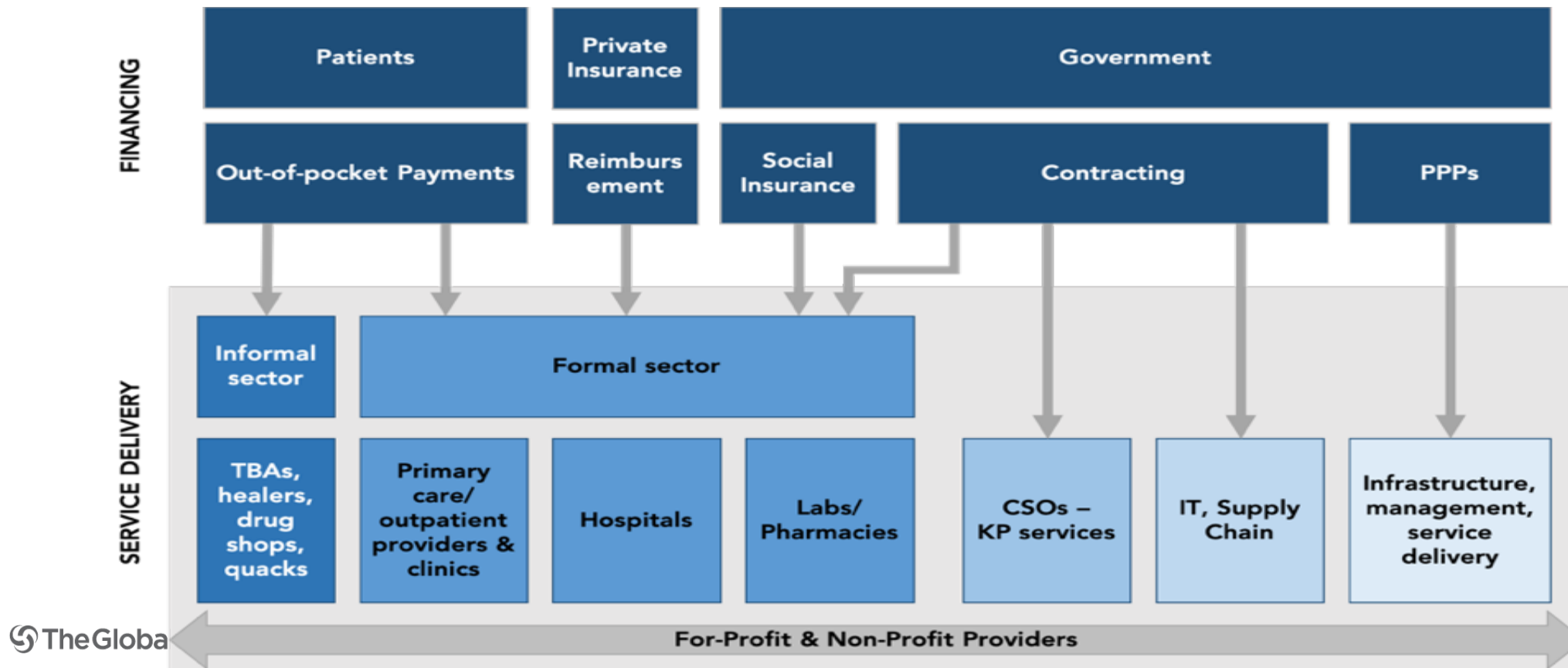
Financing and Financial Management

Policy and Regulation

# Definition and Typology

**Definition of the Private Sector:** The World Health Organization (WHO) defines the private health sector as “the individuals and organizations that are neither owned nor directly controlled by governments and are involved in provision of health services. The PS can be broadly classified into subcategories as for-profit and non-profit, formal and informal, domestic and international.” This report has adapted this definition and focuses on organizations that act as for-profit PS entities, even where they may on occasion technically be not-for-profit or are contracted by government.

**Typology of the Private Sector in Health:** The PS in any given country or context will be multi-faceted, with a significant mix of public and private health service provision and health service financing



# Key Messages Arising from the Review

- **Private sector is a substantial health service provider:** The PS accounts for over half of all care delivered worldwide (Harding and La Forgia 2009). A similar picture emerges for the three diseases, albeit less pronounced for HIV. Assessments show that 75 percent of TB patients in high prevalence countries seek initial care in the PS, and 54 percent of all anti-TB drugs are prescribed by private sources in some countries (WHO 2018a).
- **There are already on-going innovative activities with the PS at both Secretariat and country-level.**
  - At the Secretariat level, the Global Fund has reached out to the PS to benefit from innovation, non-financial capabilities and financial contributions including in key areas such as supply chain and digital health. These activities could benefit with greater guidance and support and being more strategically structured.
  - Across many countries, driven by governments, Fund Portfolio Managers (FPMs), Country Coordinating Mechanisms (CCMs) and Principal Recipients (PRs), a range of PSE initiatives are currently being implemented. Many of these initiatives are being piloted or have been implemented on a small scale such as in the areas of health systems, regulation, financing arrangements, supply chain management and digital technology innovations.
- **Need to strengthen private sector reporting into national health information systems:** Fragmented, antiquated or nonexistent case detection reporting mechanisms in many settings highlight the urgent need for data sharing and aggregation across healthcare systems. Fragmentation of data has contributed to inefficiencies and poor quality of care, and ultimately exacerbates challenges in the management of the three diseases.

# Key Messages Arising from the Report

- **More attention needs to be given to private sector quality of care:** Although the PS services are clearly already being used for the three diseases, it is not always clear whether patients receive adequate quality care, and if governments can and do effectively monitor cases, reduce transmission and lower the overall burden of disease by ensuring notification, contact tracing and effective case management. Strategic engagement of the PS by the public sector and donors can help to better align and coordinate efforts within and across fragmented health systems and ensure effective management of the three diseases.
- **Government contracting and regulation of the private sector needs strengthening:** Governments, especially in most LMICs, often lack skills to perform contract management and oversight throughout the process. Engaging the PS also requires complementary attention to issues of regulation. Hence, two areas that are critical for the Global Fund for effective PSE are:
  - (i) Bolstering governments' abilities to design, manage and successfully implement contracts with the PS; and
  - (ii) Support government stewardship across a number of areas including incentives, regulations, policy guidance and financing mechanisms.

# Key Messages Arising from the Review:

- There is a **need to reduce barriers to private sector engagement**: The Report identifies several barriers to engagement and partnering with private entities, both non-profit and for-profit, that deserve consideration in Global Fund strategy development. Some of these barriers include:
  - a. Challenges governments face in working with the PS: general mistrust, lack of predictability of consistent resources, weak and non-existent regulations, and the fact that maturity of the PS varies from country to country.
  - b. Risks and limitations of the PS working with the public sector: delayed payments, administrative costs, and an inability to manage contracts.
  - c. Challenges and risks of engaging with the PS: misaligned incentives, sustainability risks, counterfeit drugs, lack of trust and poor Government cooperation.
  - d. Challenges the Global Fund faces in working with the PS: a lack of policies, siloed knowledge, a lack of focus on multi-country partnerships, and contracting issues.
- Driven by slow progress in one or more of the three diseases, **FPMs and governments are addressing some of these barriers through creative solutions**. In some cases, partnerships have been formed with other donors or PRs to identify alternative solutions to help governments figure out how to leverage the PS. These partnerships have resulted in a robust PSE agenda at the country level.

# High Level Conclusions

**Key Conclusions of the Report:** Based on the review's findings, some of the key conclusions of the PSE report are as follows:

1. **The TERG largely endorses the high-level conclusions and recommendations** of this PSE report and provides some qualification on the recommendation classification, as strategic and operational, and suggests target groups for operationalization of these recommendations.
2. **The GF has not yet fully recognized and articulated the role of the PS in its strategies or policies**, despite the fact that there are already on-going innovative initiatives undertaken with the private sector using GF grants.
3. In particular, the report provides evidence that **Global Fund PSE high value interventions**, including the use of market-based models for access to health services and leveraging of private sector capabilities, **are already contributing towards the achievement of the GF Strategy**, through strengthening supply chains, financial management and HMIS.
4. For the GF **to capture the full potential of PSE, it must address barriers at both the country and Secretariat level, and it must take a more strategic approach to engaging with the sector**. This will require a recognition of the role of the PS in service delivery and in strengthening health systems, and support efforts to increase the sector's contributions to reach global disease goals, while mitigating eventual negative consequences.
5. The two cornerstones of this approach should be the **post-2017-2022 GF Strategy**, as well as a **PS-specific strategy for the partnership**.



# TERG Recommendations for PSE Part 1: Strategic Recommendations

## Strategic-level Recommendations

1. **Recognize the Private Sector in the post-2017-2022 Global Fund Strategy (SC, Global Fund Strategy & Policy Hub, PSED):** The next Global Fund Strategy should clearly recognize that the private sector is an important actor in delivering health services alongside the public sector and civil society and harness the potential contributions from the private sector.
2. **Develop a Private Sector Engagement Strategy (Global Fund PSED):** In close association with the on-going Strategy development process.

## Operational Level Recommendations

1. **Expand the knowledge base and explore promising high-value interventions and models (Global Fund Secretariat, e.g., SIID, PSED, GMD):** The Global Fund Secretariat should explore potential high-value interventions and compile and analyse existing models with a view to identify success factors, pitfalls, and potential for expansion of models of PSE in its programs;
2. **Strengthen PSE-related partnerships with development partners (PSED, GMD):** The Global Fund should strengthen partnerships with development partners, who bring experience in engaging the private sector, to promote mutual learning, opportunities for collaboration and pooled funding arrangements and facilitate enhancement of an enabling environment for PSE;
3. **Mobilize additional resources and expand access to health services, by engaging other players through Global Fund Secretariat (GMD, Health Financing Team)**

# PSE Review - Summary: Secretariat Response

1. Given the time available and the virtual nature of the review, **the report provides a good analysis of the scope, variety and opportunity of private sector engagement in health and the intersection with HIV, TB and Malaria, as well as RSSH.**

2. The authors define private sector in accordance with WHO and other development actor definitions to encompass non-state actors more broadly. **The Secretariat notes that within this there is a rich and important diversity of motivation, culture and role and this should not imply a conflation across sectors.** In this respect, the report focusses on implementation models where non-state actors (for-profit and non-profit) play similar roles.

3. **The Secretariat commends the typology provided in the report in articulating clearly the framework of private sector engagement and explicitly the range of financing sources.** This provides a good basis for developing a clear framework for the engagement of private sector actors - with the goal of increasing quality and equitable access for patients through multiple channels.

4. **The Secretariat supports the recommendation of the report to explicitly recognize the role of the private sector as a significant component of mixed health systems in the next Global Fund strategy** - with a clear emphasis on optimizing equitable impact for patients accessing these mixed systems, specifically distinct from simply promoting private sector engagement. **Within this, the Secretariat recognizes that health systems are mixed systems of public and private actors but would also explicitly include in the definition of mixed health systems, civil society.**

5. While noting and agreeing that further guidance on PSE across the Global Fund is important, the **Secretariat does not agree that another “strategy document” separate from inclusion in the Global Fund’s strategy, particularly given our country-driven model, would add value.** The focus should be on expanding effective engagement of the private sector providers where they could constitute a high percentage of care provision or health system support.

6. The Secretariat recognizes the broad scope and depth of role that the private sector currently plays and the uneven intersection of Global Fund engagement within HIV, TB and Malaria, as well as RSSH. **The Secretariat welcomes the recommendations identifying a number of high potential engagement spaces, and operational improvements, given the need to prioritize the Global Fund’s role in a broad landscape,** and the importance of empowering country stewardship and governance.

7. **Overall the Secretariat broadly agrees and endorses the overall findings of the report and the TERG’s consolidation of the recommendations.** The Secretariat agrees that optimizing mixed health systems is an appropriate lens and that more strategically and significantly supporting country-led private sector engagement will add potential for impact in the fight against the HIV, TB and malaria, as well as strengthening health and community systems. The Secretariat notes that appropriate engagement guidance, as well as clear performance management and risk management, will be required.

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# PCE Synthesis Report

## Findings and Recommendations

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# PCE approach and objectives

The Prospective Country Evaluation (PCE) is a multi-year prospective evaluation that aims to provide detailed insights into the Global Fund business model and how it contributes to impact in eight countries

## PCE 2020 Objectives

- To investigate how each component of the grant cycle facilitates/hinders the specific goals of Global Fund grants and more broadly the Global Fund Strategic Objectives (emphasizing SO2 and SO3).
- To use focus topics in each PCE country as a lens through which to explore in detail how the grant changes over time, as well as how and why those changes contribute to achieving grant outcomes. Focus topics should emphasize equity, RSSH and sustainability.



Prospective – timely data collection, analysis, visualization, and interpretation aligned with program implementation



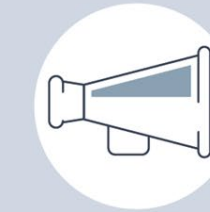
Mixed methods – combine quantitative impact results and qualitative process evaluation for a deeper understanding of 'what', 'why', and 'how'



Data triangulation – triangulate across a variety of primary and secondary data sources

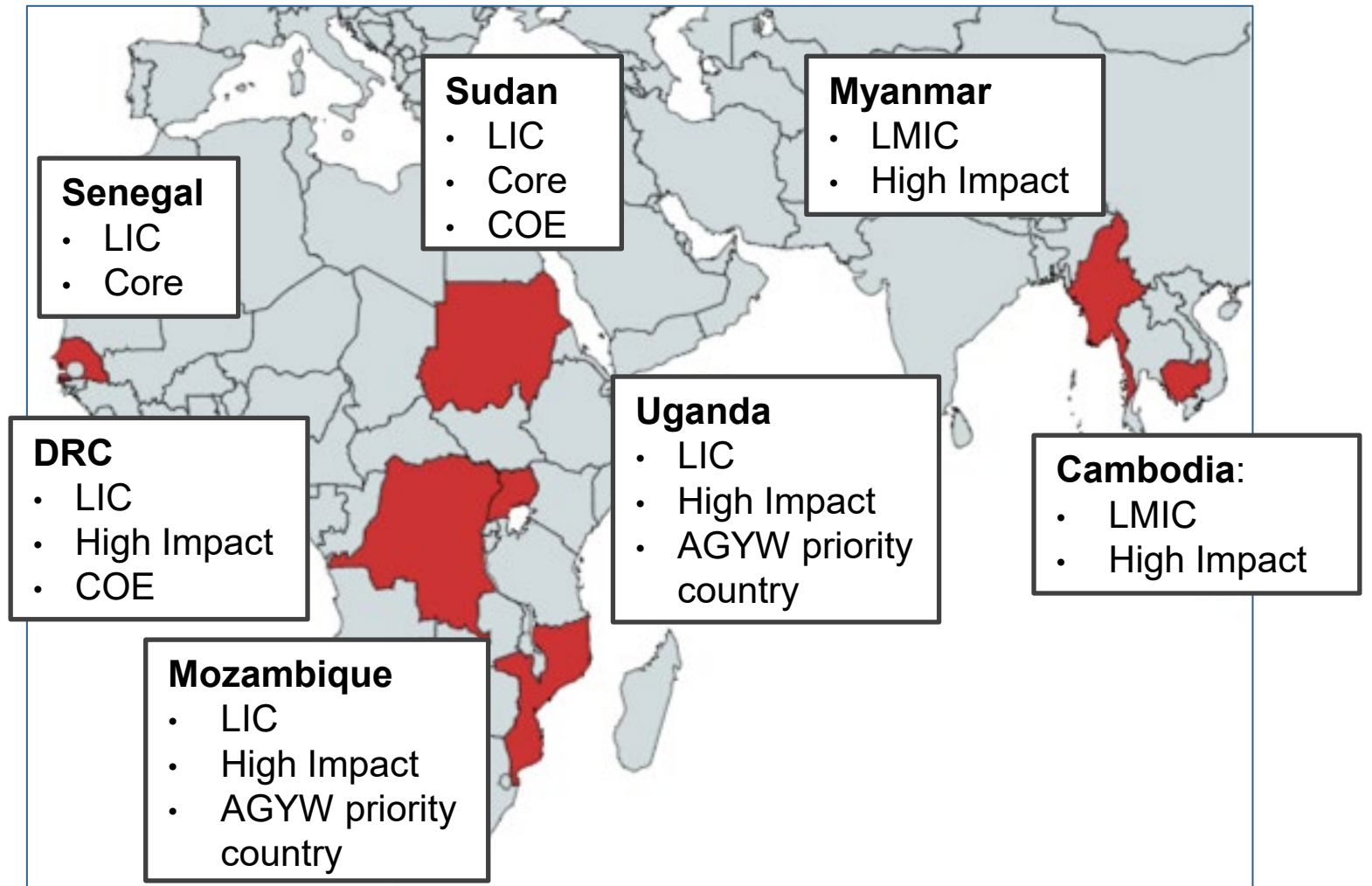


Cross-country synthesis – to inform Global Fund business model processes



Dissemination & use – provide regular feedback to stakeholders to enable use of the findings

# PCE countries and portfolio characteristics



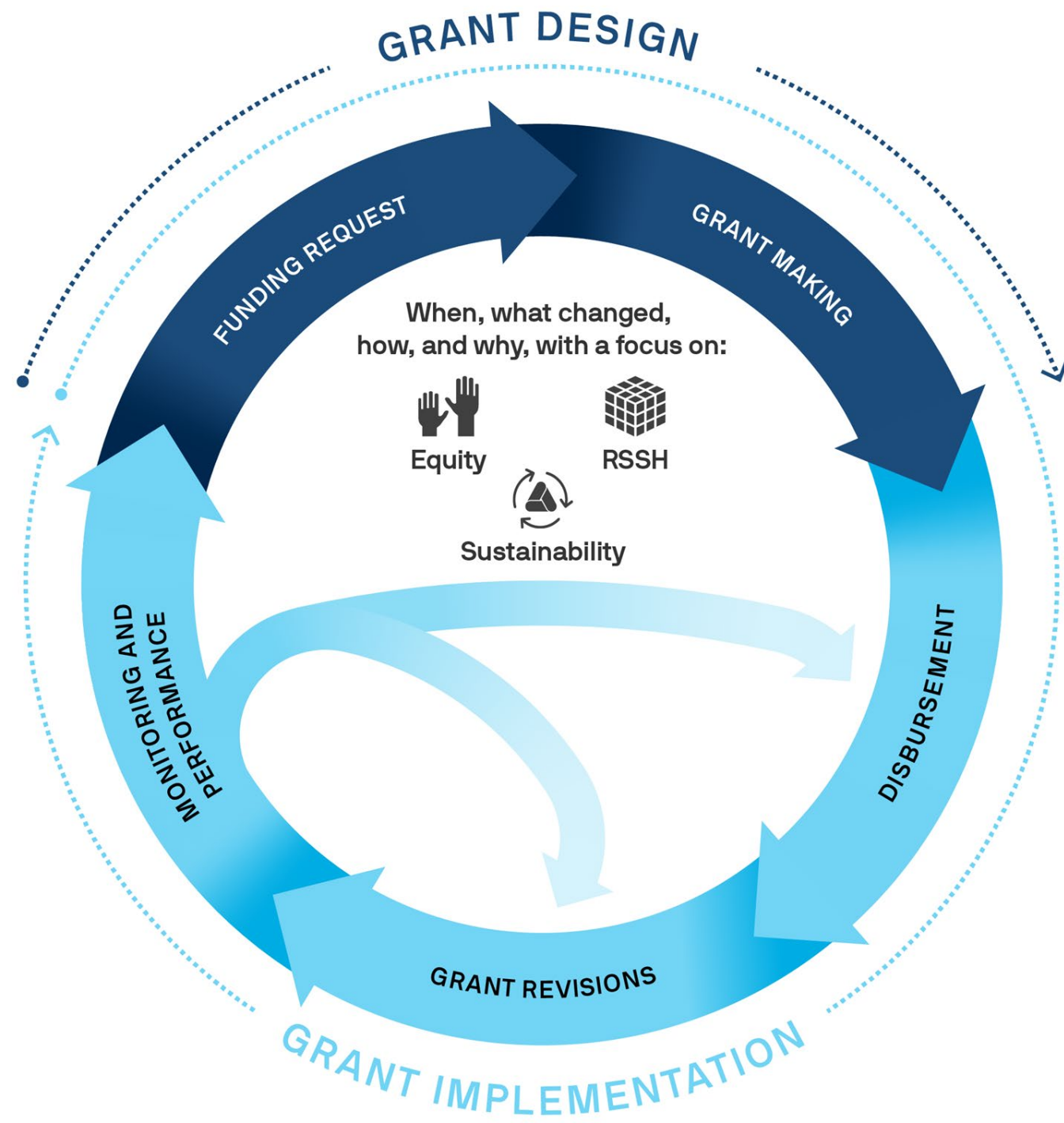


# 2020 Grant Cycle Approach

**NFM2 grant design:** Little is known about shifts between the TRP-reviewed funding request and grant making. The report examined shifts during the grant making process as they relate to Global Fund strategic objectives, including prioritization of equity and RSSH in funding requests and shifts in equity and RSSH-related investments during grant making.

**NFM2 Implementation:** The report examined performance against grant and national program indicators and targets, Global Fund strategic objectives, and implementation progress, including barriers/facilitators to implementing RSSH and equity-related investments. It further examined budgetary shifts and the role of grant revisions in enhancing or detracting from RSSH and equity investments.

**NFM2 vs. NFM3:** Global Fund's 2019 replenishment set commitments to change the trajectory to meet 2030 disease goals. The report compared NFM2 and NMF3 investments and interventions, exploring whether lessons learned in NFM2 are informing NFM3 funding request processes and grant design, with a particular focus on equity, RSSH and sustainability.



# High-level Conclusions from 2020-21 PCE Synthesis Report

## Grant design

1. Improvements to the business model between NFM2 and NFM3 contributed to more efficient and inclusive funding request processes. However, NFM3 saw limited adoption of changes in the design of performance monitoring, particularly for HRG-Equity and RSSH.
2. In NFM3, both RSSH and HRG-Equity investments rose, in many cases as a result of overall allocation increases. An increased proportion of RSSH investment is directed toward activities that support rather than strengthen the health system.

## Grant implementation

3. Implementation of NFM2 grants faced significant start-up delays and COVID-19 interruptions. Absorption was overall weaker for RSSH and HRG-Equity interventions.
4. Multiple barriers and challenges exist for undertaking revisions to the scope and/or **scale** of grants mid-cycle, such as in response to new evidence or emerging performance issues.

# NFM2 to NFM3: Lessons learned and implications for changing trajectory

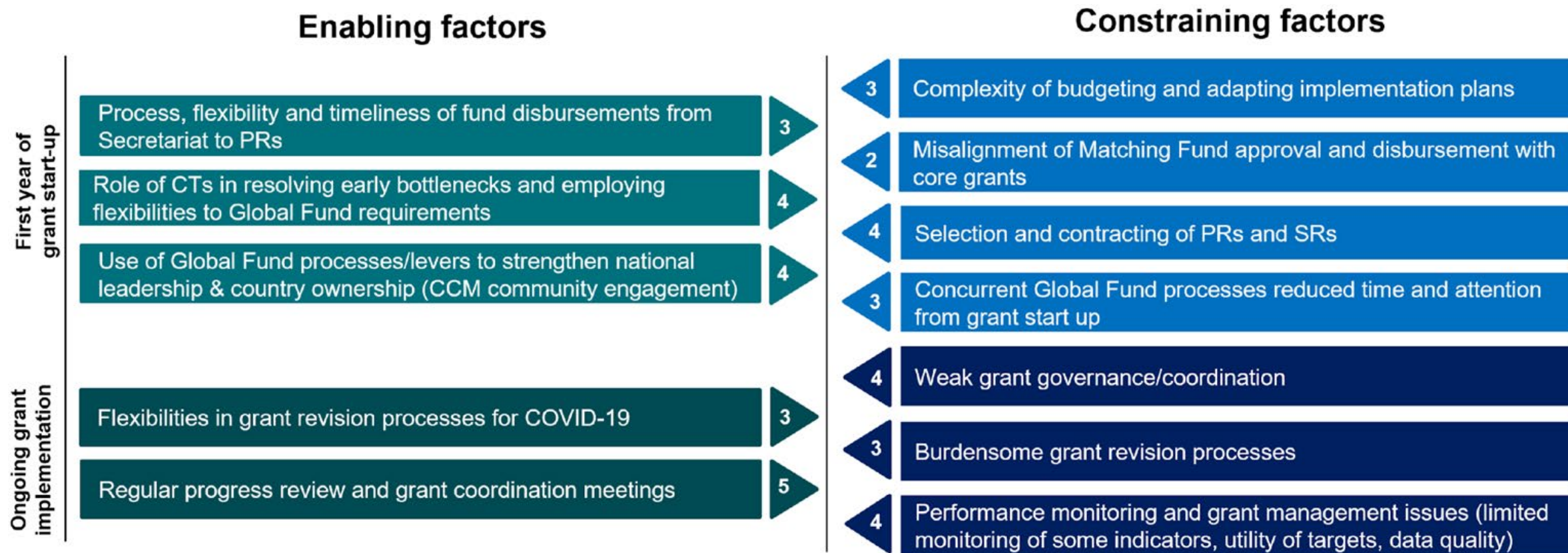
## Key messages:

7. In most PCE countries, the NFM3 funding request process was an improvement on NFM2: **more streamlined, efficient and flexible; improved country ownership** and participation by a wider group of stakeholders; and with a range of business model factors used effectively to influence grant priorities.
8. NFM3 funding requests included **significantly larger budgets** and focused on some, but not all, of the areas needed to meet the Global Fund Strategic Objectives, **largely as a result of the overall increase in country allocations.**
9. NFM3 funding requests were **mostly designed with explicitly more focus on improving equitable access to health services** and allocating resources to intervention approaches that are known to contribute to greater programmatic sustainability.
10. Most PCE countries **increased the overall allocation to RSSH in NFM3**, although, compared to NFM2 **a greater proportion of these investments are designed to support rather than strengthen health systems.** As such, it is unclear how the NFM3 grants are intended to 'change the trajectory' for achievement of SO2, which is intended to increase strengthening investments and enhance RSSH.



# Grant implementation: enabling and constraining factors

Force field analysis of Global Fund business model factors influenced implementation progress during NFM2



Each of the factors have been weighted in the form of a score based on their relative level of influence over grant implementation, where five (5) is the most important and one (1) the least (1 and 2 not shown for readability)

# Recommendations and TERG's Position

The TERG in large part endorses the recommendations from the PCE Synthesis Report, with *some comments*.

**1. Improve grant-specific performance monitoring to inform implementation decisions.**

*The TERG notes, with appreciation, that several of the recommendations have **already been taken up by relevant teams** in the Secretariat and are in the process of being reviewed.*

**2. Build in more flexibility and responsiveness in implementation by simplifying grant revision processes to encourage their use throughout the grant cycle.**

*The TERG consider this a **high priority** and suggests that **lessons learned from the flexibility of the COVID-19 response** may be helpful.*

**3. In order to reduce gaps between policy guidance and grant design, improve communication around how to invest more strategically in RSSH, including CSS.**

*The TERG strongly supports this recommendation including the need to **clearly specify priority investment areas** where Global Fund has a comparative advantage and can add value and **limit investment to these areas**. These should be spelt out in the **next Strategy**.*

**4. In order to improve grant contribution to equity and SO3, explicitly promote grant investments in these areas, including through more direct measurement of the drivers of inequity and of outcomes of human rights and gender investments.**

*The TERG fully endorses this recommendation to **invest in data and data use to improve grant contribution to SO3**, not only at national policy level but also **subnational and community levels**.*

# AREAS for PRIORITY ATTENTION

- TERG considers as priority areas for attention the need to :
  - Build in more flexibility and responsiveness in implementation by **simplifying grant revision processes**;
  - Ensure proper **engagement and ownership from health system planning experts and leaders** to facilitated integration and strengthening;
  - **Build greater understanding** within the Secretariat and at the country level **of what is primarily health systems support and what is health systems strengthening, while recognising that it is a continuum.**
- TERG shares concerns about limited availability of systematic trail of changes, hence **transparency**, around **budget at the grant-making stage**. PCE found more substantial reductions during NFM2 grant-making for RSSH and equity-related investment areas.
- The TERG repeats its support for the **development of a Theory of Change (ToC)**. This would aid the much-needed agreement on the positioning of **RSSH and HRG-Equity as facilitators of impact and sustainability**.

# PCE Synthesis Report - Summary: Initial Secretariat Response

- As the TERG has acknowledged, a number of the findings and recommendations are being actioned as part of an on-going oversight and improvement initiatives.
- **Grant Monitoring.** Work is underway to improve GF's approach to grant monitoring, including development of new rating methodology, strengthening PR reporting processes and enhancing CCM oversight through CCM Evolution SI. However, grant review processes at the country-level are not within the direct span of control of the Secretariat.
- **Revisions.** Work is currently underway to understand the existing challenges related to grant revisions and will build on experiences from C19RM revisions. Flexibility in PR contractual arrangements already exist (especially existing and well performing PRs) and are already used to contract PRs. For contracting SRs, the terms often are dictated by PRs regulations / national procurement regulations outside the GF's span of control.
- **Strategic Objective 2: RSSH.** We acknowledge that additional efforts are needed to enable and support countries to invest more strategically in RSSH, including CSS. Through the Service Delivery Innovations Strategic Initiative (SI) actions are being undertaken to build capacity around RSSH to better support the inclusion of high impact RSSH interventions in funding request. Guided by future Board discussion and decisions, the Secretariat hopes to articulate this clearer guidance and prioritization in the next Strategy and implementation.
- **Strategic Objective 3: CRG.** The impact of our investments under Strategic Objective 3 take time to show impact and cannot be fully measured through quantitative data and the Secretariat is supporting communities and civil society to build capacity to better measure the impact of these investments. However there is a need for more investment in country data collection and in supporting countries to better data use for decision-making. On the concern around budget decreases in PCE countries, there were often extenuating circumstances which the report did not acknowledge and efforts have been made by GF to increase CRG investments in NFM3 budgets. However, it is an area where continued focus is needed and the GF is fully committed to meeting the targets for KPI 9b.

## Conclusions

- The Secretariat endorses the key findings, with the exceptions noted above, and the high-level conclusions from the report and the consolidation and prioritization of the recommendations by the TERG.