Update on M&E Matters

The Global Fund

Contents

Executive Summary (1/2)

- The objective of the Monitoring & Evaluation (M&E) Framework is to describe how the Global Fund will ensure availability of reliable evidence to inform decisions, ensure accountability and transparency, and facilitate continuous learning to achieve the goals of the post-2022 Global Fund Strategy.

- An M&E Framework needs to enable the systematic measurement and availability of different forms of evidence to holistically monitor and evaluate performance of the Global Fund. Key Performance Indicators (KPIs) are one of the key mechanisms through which Strategy performance is monitored, therefore the processes that will take place over the course of 2021/2022 to develop both the M&E and KPI Frameworks will be closely interrelated and mutually reinforcing. This report (section 1) outlines the timeline and roles and responsibilities of different stakeholders for the development of both Frameworks and next steps.

- However, KPIs are not the only mechanism through which performance and progress is assessed. The Global Fund M&E landscape encompasses a broad scope of internal and partner-led M&E activities that serve a wide variety of audiences and uses at the grant, country and Strategy level. Section 1 describes the structure and overview of the main components of the Global Fund M&E Framework. Each component, and how they interact in the context of broader performance management and facilitation of learning and accountability, will be examined over the course of the Framework development process.

- In advance of the next Strategy period, there are lessons to be learned from how M&E functions have operated in the current Strategy which are instrumental in enabling successful implementation of the M&E Framework from the start of the next Strategy period. One of these components is independent evaluation which is the focus of section 2.

- The Global Fund is committed to strengthening the independent evaluation function to address the challenges identified in the Independent Assessment of the TERG (2019) and the M&E Review (2020); both reports concluded that the current evaluation approach is not fully meeting its objectives, particularly around learning.

Executive Summary (2/2)

- Several actions to strengthen the evaluation function have already been implemented, including the development of an integrated Secretariat-TERG Evaluation Calendar and piloting an approach where the Secretariat leads on a few strategic reviews but with TERG oversight. At the request of the 14th Strategy Committee (SC) further details on the calendar and new approach to managing Strategic evaluations are included here for information.

- The Independent Assessment of the TERG and the M&E Review recommended however that, to address many of the challenges related to independent evaluation, changes should be made to TERG's role and to how evaluation is managed and coordinated within the Secretariat. To support the SC and Board in its decision-making, the Secretariat commissioned an external senior M&E consultant to develop different options for models for the independent evaluation function. These are summarized in section 2 and the consultant's independent report describing how the models can address pain points identified from the previous reviews, is shared in Annex 2.

- Following input from the 15th SC, further elaboration is provided in section 2 on which model the Secretariat believes can most adequately address the key challenges relating to the current evaluation function and how independence can be safeguarded under this model.

- Following inputs from the Board on the preferred model, the Secretariat will develop details on roles, operational modality as well as resources needs to discuss at the next SC session and for Board decision in November 2021.
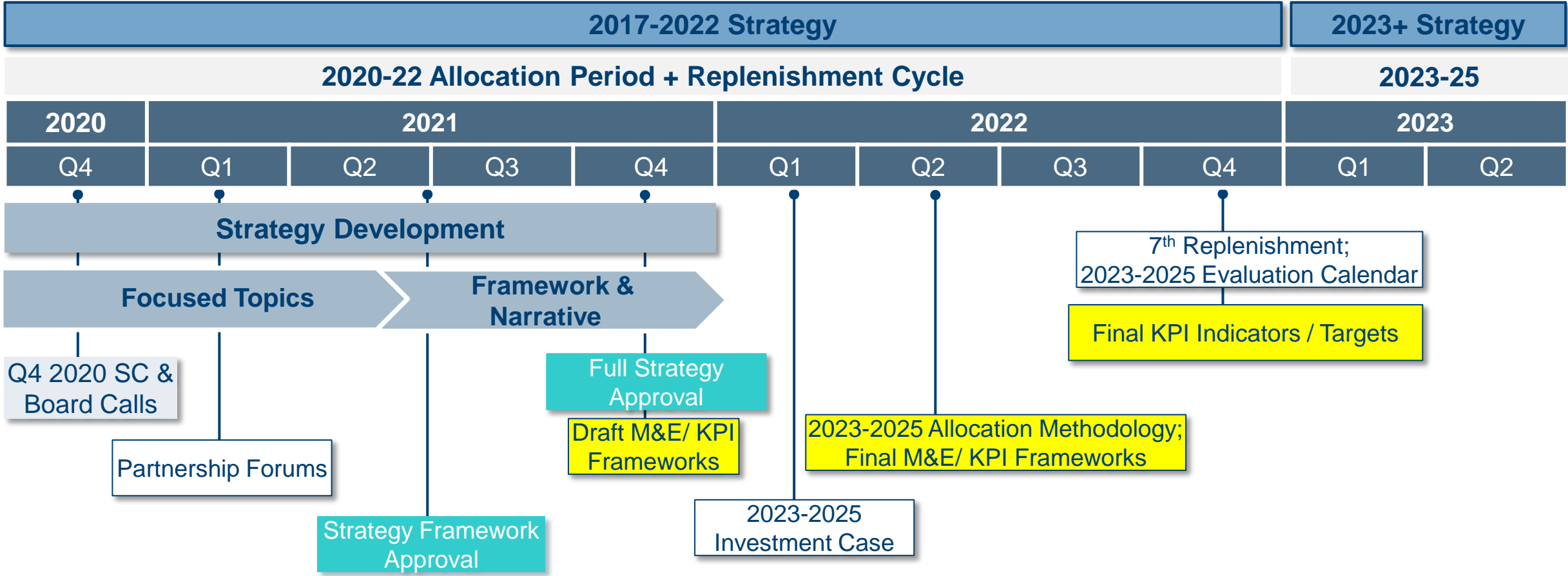
Input Received
- Input from the TERG, SC M&E Working Group and SC has been received.

Input Sought
- Input and steer is requested from the Board on the M&E Framework design and on the options for the models of independent evaluation function.

Section 1: Timeline, Roles and Responsibilities, Objective and Design for M&E Framework Development

The Global Fund

Global Fund Strategy, M&E and KPI Framework Development Timeline

2017-2022 Strategy									2023+ Strategy	
2020-22 Allocation Period + Replenishment Cycle									2023-25	
2020	2021				2022				2023	
Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2

Strategy Development

Focused Topics → **Framework & Narrative**

Q4 2020 SC & Board Calls

Partnership Forums

Strategy Framework Approval

Full Strategy Approval

Draft M&E/ KPI Frameworks

2023-2025 Investment Case

2023-2025 Allocation Methodology; Final M&E/ KPI Frameworks

7th Replenishment; 2023-2025 Evaluation Calendar

Final KPI Indicators / Targets

M&E/KPI Framework Development Key Milestones

Development of the M&E and KPI Frameworks will be a closely interrelated process with multiple touchpoints for engagement with Committees and Board

M&E framework related milestones

M&E Update:
Input into outline of M&E Framework and principles
Discuss options for independent evaluation

Discussion on M&E Framework development (measurement areas)

Review of DRAFT M&E Framework /decision (TBC) on independent evaluation function

Recommendation of FINAL M&E Framework

Approval of FINAL M&E Framework

2021

| 2021 March Committee/May Board | 2021 July Committee | 2021 October Committee/Nov Board | 2022 March Committee | 2022 May Board | 2022 October Committee/November Board |

2022

Implementation

KPI framework related milestones

Input lessons & principles for KPI Framework

Discussion on KPI Framework development (measurement areas)

KPI Framework (approve measurement areas)

Recommendation of FINAL KPI Framework and indicators

Approval of KPI indicators

Approval of KPI and targets

Roles and Responsibilities of Different Stakeholders

	Roles and Responsibilities in the M&E and KPI Framework development process
Board	• Provide steer throughout development, input into principles and framework drafts and approval of final M&E and KPI Frameworks.
Coordinating Group	• Facilitate coordination between committees & Board on cross-cutting matters.
Strategy and Audit and Finance Committees	• Review/input into principles, drafts and final M&E/KPI Frameworks and provide overall oversight and recommendations to the Board for approval. • SC: advise the Board on KPI Framework (overall) and on methodology and targets to assess performance on Strategy and grant portfolio. • Audit and Finance Committee (AFC): advise on methodology and targets for KPIs related to corporate and financial management.
Strategy Committee M&E Working Group	• Represented by members of SC, AFC and Ethics and Governance Committee (EGC). • Consult on workstreams related to the M&E Framework development, including the interlinkages and relationship with the KPI Framework, to ensure M&E systems/approaches are aligned to the next Strategy, with particular focus on linkages to risk and assurance frameworks, future of independent evaluation, approaches to measuring impact and quality and more difficult areas to measure and learning.
Constituencies	• Engage in Board and Committee deliberations. Provide inputs into SC/AFC discussions through established practices. Nominate technical experts to engage in technical consultations.
TERG	• Responsible for reviewing and advising on the broader M&E Framework (through an appointed small group), on the principles for the future KPI Framework and definition of measurement area. • Liaise regularly with members from the Secretariat M&E Working Group and provide feedback and comments to improve M&E and KPI Frameworks at each stage of process. • Provide views on M&E and KPI Framework development to the SC and the Board at regular meetings.
Technical partners	• Advise on specific measurement areas, M&E tools, activities and KPIs through consultations technical teams in the Secretariat and the Situation Rooms.
Secretariat	• Coordinate development of M&E and KPI Frameworks under overall oversight from the Committees and for final approval by the Board. • Consolidate lessons learned from implementation of current Global Fund Strategic Performance Monitoring approach and to propose principles to guide development of M&E and KPI Frameworks. • Propose critical measurement areas against the new Strategy and to define measurement approaches (both quantitative and qualitative) for development of M&E Framework and identification of Strategy KPIs including targets. • Ensure that all of the above is conducted with internal consultations and external consultations with the TERG, technical partners for specific subject areas, other subject matter experts, Committees and the Board. • Ensure mechanisms in place to use, learn from and be able to transform outputs of the M&E Framework and the KPI results into initiatives and actions which accelerate performance.

Objective of the Global Fund M&E Framework

The Global Fund's overarching M&E Framework will describe how the Global Fund will ensure **availability of reliable evidence to inform decisions, ensure accountability and transparency**, and facilitate **continuous learning** to achieve the **post 2022-Strategy goals**.
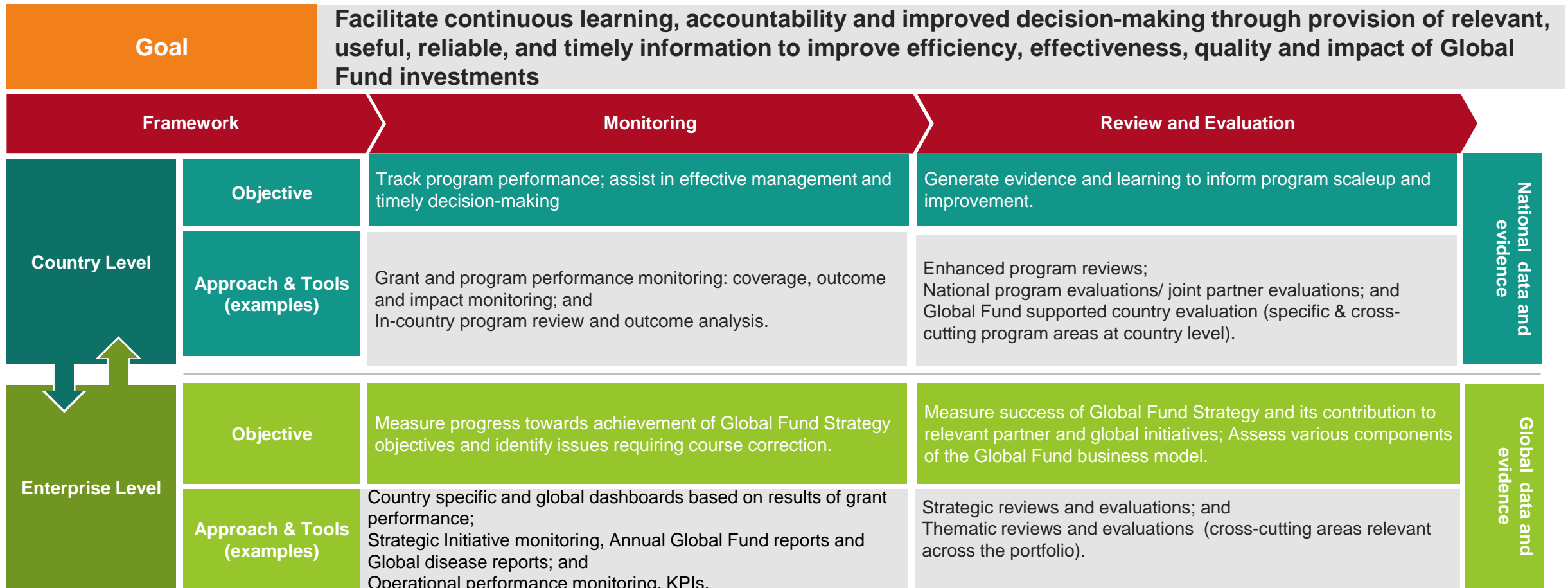
Specifically, the objective is to:
- identify the different **information needs** required to measure and assess progress against achievement of the post-2022 Strategy goals;
- outline the **data and information sources, tools, systems and mechanisms** that address these information needs;
- describe **how and when information is analysed, reported and disseminated and the feedback, follow-up and accountability mechanisms in place**; and
- explain **how information is used to inform key decision-making processes** at different stages of Global Fund grant and Strategy cycles.
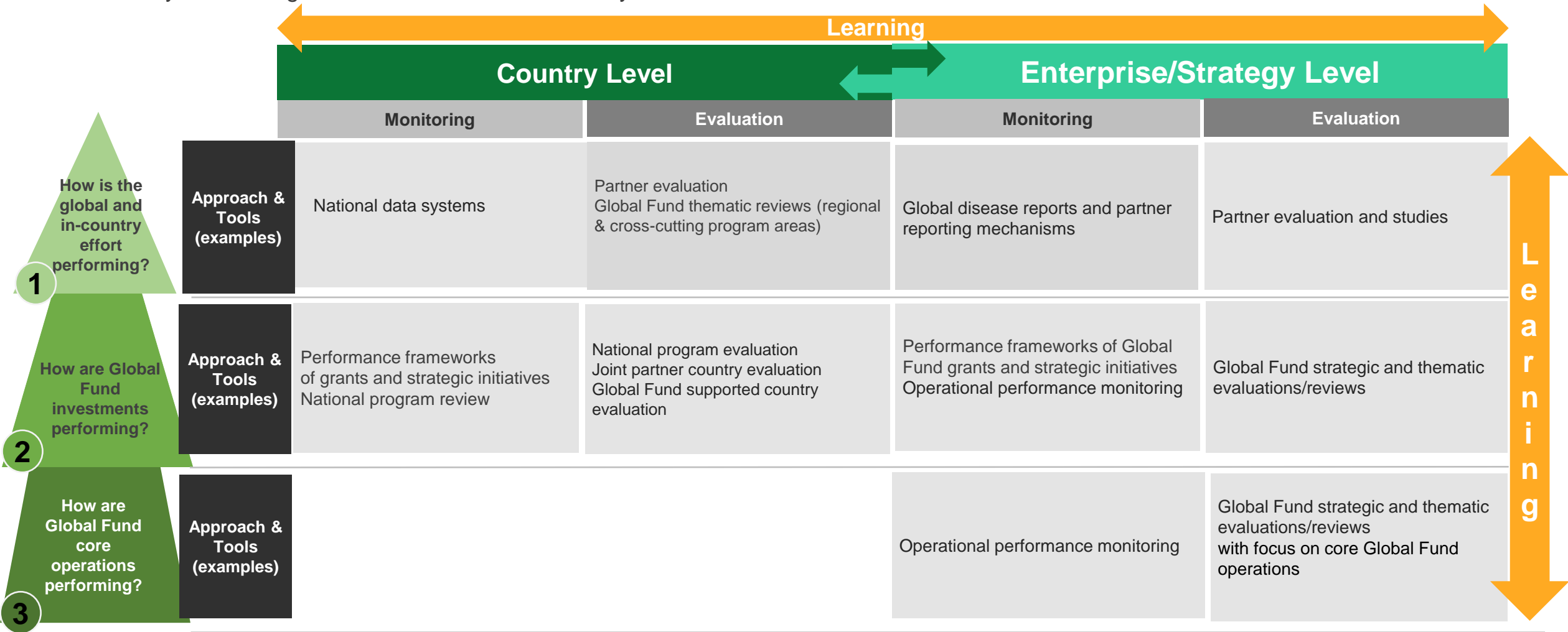
Outline of the Global Fund M&E Framework

Following the 2020 Global Fund M&E Review, an outline of the M&E Framework was proposed which demarcates and identifies objectives for M&E at the grant/country level and objectives at the enterprise/strategy level. Starting with this outline, the ongoing development of the Framework will provide a detailed lens (and narrative) on each of the different components at country and Strategy level and on the interlinkages between the components.

Goal	**Facilitate continuous learning, accountability and improved decision-making through provision of relevant, useful, reliable, and timely information to improve efficiency, effectiveness, quality and impact of Global Fund investments**	

Framework	**Monitoring**	**Review and Evaluation**	
Country Level — Objective	Track program performance; assist in effective management and timely decision-making	Generate evidence and learning to inform program scaleup and improvement.	National data and evidence
Country Level — Approach & Tools (examples)	Grant and program performance monitoring: coverage, outcome and impact monitoring; and In-country program review and outcome analysis.	Enhanced program reviews; National program evaluations/ joint partner evaluations; and Global Fund supported country evaluation (specific & cross-cutting program areas at country level).	
Enterprise Level — Objective	Measure progress towards achievement of Global Fund Strategy objectives and identify issues requiring course correction.	Measure success of Global Fund Strategy and its contribution to relevant partner and global initiatives; Assess various components of the Global Fund business model.	Global data and evidence
Enterprise Level — Approach & Tools (examples)	Country specific and global dashboards based on results of grant performance; Strategic Initiative monitoring, Annual Global Fund reports and Global disease reports; and Operational performance monitoring, KPIs.	Strategic reviews and evaluations; and Thematic reviews and evaluations (cross-cutting areas relevant across the portfolio).	

Framework first developed by Spark Street Advisors through consultations with the Secretariat, the TERG and an independent panel of experts and presented to SC in March 2020.

Breaking Down the Components of the M&E Framework

The 'Conifer of Control'* was introduced in 2019 in the context of KPI discussions to visualize the level of Global Fund accountability and influence on achievement of KPI results. The conifer has proved a useful tool in strategic discussions on Global Fund performance management and informs how/what data is used to measure progress at each level. In the diagram below the main M&E systems and activities are broken down by components across country and strategic information needs and also by each level of the conifer.

Learning

		Country Level		Enterprise/Strategy Level	
		Monitoring	**Evaluation**	**Monitoring**	**Evaluation**
1 How is the global and in-country effort performing?	**Approach & Tools (examples)**	National data systems	Partner evaluation Global Fund thematic reviews (regional & cross-cutting program areas)	Global disease reports and partner reporting mechanisms	Partner evaluation and studies
2 How are Global Fund investments performing?	**Approach & Tools (examples)**	Performance frameworks of grants and strategic initiatives National program review	National program evaluation Joint partner country evaluation Global Fund supported country evaluation	Performance frameworks of Global Fund grants and strategic initiatives Operational performance monitoring	Global Fund strategic and thematic evaluations/reviews
3 How are Global Fund core operations performing?	**Approach & Tools (examples)**			Operational performance monitoring	Global Fund strategic and thematic evaluations/reviews with focus on core Global Fund operations

Learning

*The 4th level of the conifer, not shown here, includes the corporate processes that support day-to-day functioning of the Secretariat but are not considered in scope of the M&E Framework.

Proposed Core Principles of the M&E Framework and Associated Definitions

Goal: Facilitate continuous learning, accountability and improved decision-making through provision of relevant, useful, reliable, and timely information to improve efficiency, effectiveness, quality and impact of Global Fund investments

Principle	Definition
Transparency	Methods, findings and reports made widely available, including at country level. Data sharing agreements in place, where relevant.
Utility	Data, findings and recommendations presented clearly and concisely. Perceived as relevant, useful, accessible, timely and prioritized. Feeds into learning cycle.
Quality	Designed to produce reliable, robust, rigorous, replicable and high-quality evidence.
Partnership	Country leadership and stakeholder engagement. Investment in strengthening national systems, existing M&E capacity and data use. Collaboration to maximize synergies and avoid duplication of effort.
Alignment	Alignment with in-country systems, processes and indicators. Harmonization with partners including on approaches and tools.
Adaptability and differentiation	Due consideration to different contexts in which the Global Fund operates.
Independence	Free from political influence and organizational pressure in commissioning evaluations; full access to information and by full autonomy in carrying out evaluations/reviews and reporting findings.

Ongoing Development of the Global Fund M&E Framework

- A **Theory of Change (ToC)** will underpin the post-2022 Strategy and will be instrumental in guiding the M&E Framework development. The conceptual pathway(s) outlined in the ToC and the technical consultations with subject matter experts on measurement areas will support in:
  1. Identifying all types of monitoring data, evaluations and routine studies or assessments required to holistically understand progress towards the Strategy goals; and
  2. Selection of indicators for the KPI/Results Framework.

- **Learning** is positioned as an objective of the M&E Framework which means that for each component there will be consideration and description on:
  1. How knowledge generated at each level of the conifer and at the country and portfolio level, effectively contributes to timely decision-making and how decision-making processes foster the effective use of monitoring data analyses and/or evaluations; and
  2. How knowledge generated through GF supported M&E systems and activities further contributes to sector-wide learning.

- **Roles and responsibilities** will be defined throughout the M&E Framework development process. The type of roles and responsibilities to be clarified include:
  1. Role of Secretariat functions related to different aspects of oversight and assurance including Risk and OIG and relationship to the components of the M&E framework; and
  2. Within the M&E framework clarification on who does what across the different components and different levels including accountabilities of country and technical partners.

Next Steps for the M&E Framework Development
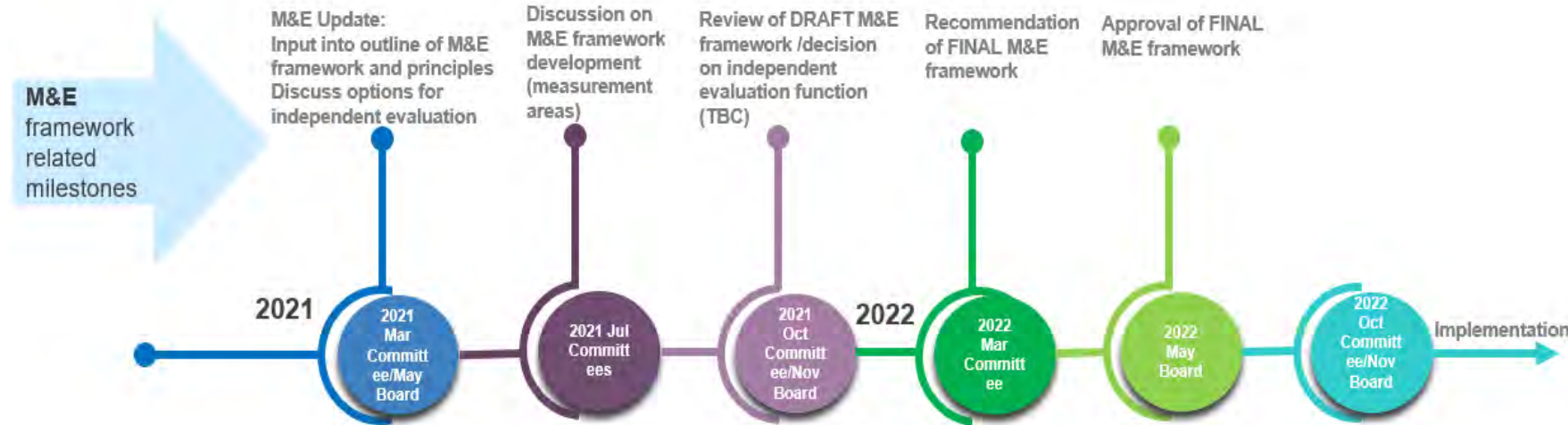
- The Strategy Committee M&E Working Group will continue to meet regularly to focus on different components of the M&E Framework and review all M&E related Secretariat documents before decisions come to the Committees/Board.

- Secretariat activities will be undertaken over the next 6 months that will feed directly into the M&E Framework development process and discussions including:

  -The development of the ToC for the post-2022 Strategy;

  -Technical consultations conducted with technical partners and subject experts on specific measurement areas to determine the metrics and M&E tools and approaches required for each area (*consultations described in the KPI document GF/B45/16*) ; and

  -A data needs assessment to review the Global Fund's programmatic data needs and gaps.

Section 2: Evaluation Calendar and Options for Independent Evaluation

Focus on Evaluation

- **The Secretariat is committed to strengthening its independent evaluation function and is working with TERG to address pain points identified from the Independent Assessment of TERG (2019) and the M&E Review (2020).** This has included the development of an integrated Evaluation Calendar and establishing a pilot approach for Secretariat-led evaluations with TERG oversight which includes, for example, looking at how to improve the development of actionable evaluation recommendations at the end of an evaluation process. At the request of the SC further details on the procedures for the new evaluation modality and an expanded Evaluation Calendar containing information on audits and advisories (conducted by the OIG) to take place over the same period, are contained in this report.

- However, the Independent Assessment of the TERG and the M&E Review strongly recommended that to fully address the current challenges related to independent evaluation, **changes need to be made to TERG's role and to how evaluation is managed and coordinated within the Secretariat**. The Secretariat commissioned an external senior M&E consultant to **provide potential options for models of a new independent evaluation function that will target the specific pain points related to role and structure**.

- **Following consultations with the TERG, the Strategy Committee M&E Working Group and Secretariat, the consultant proposed 3 options to the 15th SC.** The 3 options are outlined in this report and the consultant's full independent report submitted to the 15th SC is contained in Annex 2.

- The options were discussed by the SC, and it was evident that there was **no support for the model proposed under option 1 with constituencies leaning towards options 2 and 3**. The SC requested further elaboration on how option 2 and 3 can address pain points to deliver on improved learning from evaluation and how, in the case of option 2, independence can be safeguarded outside of a completely structurally independent model. Further focus on these issues is included in this report.

- It is anticipated that the SC will make a recommendation to the Board for decision in the 46th Board Meeting.

Where does independent evaluation fit into the M&E Framework?

In the current Strategy the Global Fund has been commissioning strategic, thematic and country/program level independent evaluation. Partner evaluations have also served as an indispensable tool for the Global Fund's learning needs at both the country and global level.

		Country Level		Strategy Level	
		Monitoring	Evaluation	Monitoring	Evaluation
How is the global and in-country effort performing? **1**	Approach & Tools (examples)	National data systems	Partner evaluation GF thematic reviews (regional & cross-cutting program areas)	Global disease reports and partner reporting mechanisms	Partner evaluation and studies
How are Global Fund investments performing? **2**	Approach & Tools (examples)	Performance frameworks of grants and strategic initiatives Country program review	Enhanced program reviews National program reviews and evaluation Joint partner evaluation GF supported country evaluation	Performance frameworks of Global Fund grants and strategic initiatives Operational performance monitoring	Global Fund strategic and thematic evaluations/reviews
How are Global Fund core operations performing? **3**	Approach & Tools (examples)			Operational performance monitoring	Global Fund strategic and thematic evaluations/reviews with focus on core Global Fund operations

Strategic: Periodic review of the implementation of the Global Fund Strategy, business model, policies and processes.

Thematic: Review of cross-portfolio or cross-cutting program components, such as gender, human rights, transition, etc., that cut across countries, regions, and sectors.

Country/Program: Assessment of implementation, effectiveness and impact of programs or specific program areas. In the current Strategy, Country evaluations include the Prospective Country Evaluations (PCEs) managed by TERG, program evaluations in focused countries managed by the Secretariat and program evaluations in high impact countries supported through the grants and with partners. In the post-2022 Strategy the GF will continue to commission and support country focused and country-led independent evaluation, type, frequency and details to be determined and will also be informed from findings of the evaluation of the PCEs (currently ongoing).

In the post-2022 Strategy it is proposed that evaluation plays a stronger and more systematic role in providing alternative measurement approaches in program areas that are difficult to measure through purely quantitative KPIs. Evaluations for this purpose need to be planned from the outset alongside the KPI framework and incorporated into Strategic Performance reporting.

An evaluation calendar will serve as a plan to implement the evaluation components of the broader M&E Framework aligned to the post-2022 Strategy.

2021/2022 Calendar: Independent Evaluations, Reviews, Audits and Advisories

2021				2022			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
• Health Security • Strategic Initiative • PCE Evaluation	• Regional/ Multi-country Grants • WAMBO.org Pilot • Payment for Results • TB Prevention	• Human rights, gender and KVP programming • C19RM	• Implementing in decentralized environments	• Challenging Operation Environments Policy and implementation. • Market Shaping Strategy • Strategic Review			

• Finding missing people with TB: Lessons learnt and best practices from the field
• Quality of TB services: review quality of TB services along the care cascade
• Document lessons learnt, best practices, challenges in Global Fund supported AGYW programs
• Outcome measurement of AGYW programs
• Cost-effectiveness of TB interventions.
• Linkage between current KPIs, global targets, PF grants targets, investment case and Global Technical Strategies (HTM)

• Bring people back to HIV/AIDS treatment.
• Assessment of national HIV testing practices, policies and algorithms among different groups and testing modalities
• Prevention and case management in migratory populations
• Current state of active infection detection

Q1
• Global Fund's role and approach to Domestic Funding for Health (Advisory).
• Global Fund grants to Philippines, Cameroon and Kenya (Audit).
• Procurement and Supply Chain during COVID-19 pandemic (Audit).
• Wambo.org (Audit Follow up).
Q2
• Global Fund grants to Ukraine, Ethiopia and Mozambique (Audit)
• Global Fund's Fraud Risk Maturity Framework (Audit).
• Global Fund's Internal Justice Mechanism (Advisory).

Q 3 2021
• Global Fund grants to Nigeria, Central African Republic and South Africa (Audit)
• Global Fund Mechanisms to Reprioritize Grants (Audit)

• Advisory 3 & 4

■ Strategic evaluation and reviews (TERG/Secretariat with TERG oversight)
■ Thematic review (Secretariat led)
■ Audits and advisories (OIG)

The OIG work plan is only planned for a year in advance and maintained as agile as possible to adapt to the changing risk environment. It may be subject to change during the year.
Note: Further information on the objectives of strategic and thematic evaluations and reviews are provided in the Annex.

Secretariat-Led Reviews with TERG Oversight (1/2)

The Secretariat and TERG have agreed on roles and responsibilities for this new approach, the following table highlights the main focus of each stakeholder. The Health Security Review which is in its early stage of implementation, will be the pilot for this approach.

Internal	Focus
Secretariat technical focal point(s)	• Ensure the evaluation/ review addresses the appropriate questions, issues or knowledge gaps in the subject area with linkages to relevant policies, global plans and commitments etc. • Ensure consultants have the required subject knowledge, that Global Fund documents and data/information are made available, and the review remains on track to answer the questions set out in the inception report. • Ensure the management response is based on actionable recommendations for the subject area and findings and implementation of recommendations are promoted, used and applied.
Secretariat M&E Working Group	• Ensure the review is implemented in a timely manner and to a high level of quality and to provide technical support and quality assurance to the technical focal points in the planning and management of the review/evaluation. • Members of the working group will support the selection of competent consultants with required evaluation/methodological expertise. • Ensure that the TERG & governance bodies are updated on progress of the review/evaluation, management response and implementation of actions and to follow up/resolves any issues identified by TERG for where quality or behavioral independence is considered to be compromised. • Ensure timeliness of the management response, quality of recommendations and engagement of all relevant stakeholders. The WG will monitor actions to implement agreed recommendations.
TERG Secretariat	• Coordinate and facilitate smooth communication and liaison between TERG and technical focal points and Secretariat M&E Working Group. • The TERG Secretariat (through role in the Secretariat M&E Working Group above) will also focus on ensuring the reviews implemented in a timely manner and to a high level of quality providing support at critical stages in process.

External	Focus
TERG	• Through appointing focal points to the review, TERG will comment on the scope of the evaluation/review and will engage at critical stages to provide quality assurance to the process - level of oversight quality assurance will vary according to the review/evaluation subject. • To provide a commentary on the quality of the inception and final reports, independent opinion on recommendations and Secretariat response and whether the evaluation/review has been conducted adhering to good evaluation practice and principles particularly related to behavioral independence.
Strategy Committee	• Endorses overall scope and objectives of the review. • Receives report, recommendations and Secretariat response and TERG commentary. • Focus on application and follow up to agreed recommendations.

Secretariat Led Reviews with TERG Oversight (2/2)

During the TERG and Secretariat consultations, some high-level principles were agreed upon to guide the process. There have also been discussions on how to improve the quality and utility of evaluation recommendations and management responses.

Recommended Principles
The overall process should not become heavier so that the time to complete reviews is extended beyond the current average duration for TERG led reviews /evaluations.
Additional processes to what is already in place for TERG led reviews/evaluations with Committees and the Board should not be added under this new approach.
Level of TERG quality assurance and oversight may vary according to subject of review/evaluation.
Procedures need to allow for agility and flexibility so that findings feed into the decision making the review or evaluation is designed to inform.

Rethinking the approach to formulation of recommendations
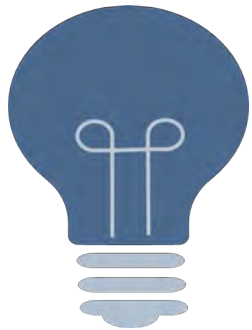
- The Independent Assessment of the TERG (2019) and M&E review (2020) identified particular challenges related to relevance and actionability of evaluation recommendations and follow up on management responses. There is potential to change how the final stage of the evaluation proceeds to ensure that it culminates with practical and relevant recommendations for the Secretariat that can be translated into actionable management responses.

- An option proposed which follows current best practice in the evaluation field, is for the evaluators and the Secretariat to jointly draft recommendations and actions, based on the evaluator's independently collected, analyzed and presented findings. This approach will be applied for the current Secretariat-led Health Security Review and will be conducted under full oversight of the TERG.

- Under this approach, the TERG will not only assess the quality of the review and final evaluation report, but also whether the recommendations are comprehensive and appropriately addressing the key findings and conclusions from the review.

- The Secretariat management response would be presented at the same time as the final report to the SC so both aspects are discussed together with the TERG providing their external commentary on both elements.

Options for Models for Independent Evaluation

- An independent consultant outlined 3 models for the SC, that have the potential to resolve many of the challenges identified from the 2019 Independent Assessment of TERG and 2020 M&E Review. Options for models were refined through consultations with the TERG, the Strategy Committee M&E Working Group and the Secretariat. See Annex 2 for the consultant's full independent report.

- The consultant's report also includes reflections from the TERG's position paper on the different models (see annex - page 52). The paper indicated a preference for model 2, stating that it would be the best way to address the pain points and ensure the balance between the three tensions inherent in evaluation (independence, utility and quality).

Summary of Models

1. Secretariat has **an embedded Secretariat evaluation unit reporting directly to the Office of the Executive Director (OED)**. The unit coordinates and oversees all evaluation related activity and manages strategic level evaluation. **An independent evaluation committee provides an oversight function on the evaluation workplan, evaluation terms of reference and quality of evaluation reports reporting to the SC/Board.** The committee engages with the evaluation unit but there is no formal reporting relationship.

2. Secretariat has **an embedded Secretariat evaluation unit reporting administratively directly to OED**. Unit coordinates and oversees all evaluation related activity and manages Strategic level evaluation. **An independent evaluation committee provides an oversight function on the evaluation workplan, evaluation terms of reference and quality of evaluation reports reporting to the SC/Board. However, unlike option 1, the committee also has oversight over the evaluation unit and the evaluation unit is accountable programmatically to the committee to ensure independence.**

3. An **evaluation unit that is structurally independent from the Secretariat and reports directly to the SC/Board**. The unit manages all strategic evaluation and determines the evaluation workplan in consultation with the SC/Board.

Options for Independent Evaluation: Secretariat View

The Secretariat is committed to strengthening an evaluation function that serves interrelated purposes of learning and accountability. Each of the proposed models has its merits, however, it is a priority that any restructure of the function enables better utility for learning to inform timely decision-making in the organization.

- Based on evaluations of organizations that have a structurally independent model (such as the IMF[1] and World Bank[2]), there is a risk that the current challenges, including those related to fragmentation of evaluation related activities, and to relevance and utility of evaluation may continue, which will not facilitate improved learning.
- The Secretariat supports a refocus of the mandate of an independent evaluation committee proposed under option 2 so that it becomes a body which is focused on providing oversight to ensure credibility and quality of evaluation.
- The Secretariat also supports the creation of a dedicated appropriately resourced evaluation unit that can manage high-quality evaluations, strengthen dissemination and facilitate learning from all evaluation-related activity commissioned by the Secretariat.

Discussion at the 15th SC.
No constituency expressed preference for model 1. Constituencies were divided between model 2 and 3 and requested to understand more on how the models address pain points, particularly around learning and how independence can be safeguarded under option 2. The following slides provide more detail on these aspects addressing comments from the 15th SC and the SC M&E Working Group.

1 *Time for a reboot at a critical time for multilateralism, The Third External Evaluation of the IEO, July 2018*
2 *External Review of the Independent Evaluation Group of the World Bank Group, June 2015*

Addressing the pain points identified with the Global Fund current evaluation approach (from the Independent Assessment of the TERG (2019) and M&E Review (2020))

The table below lists the pain points identified from the reviews. Some of those in the first column are already being addressed in collaboration with TERG and/or can be targeted through improved ways of working and execution. However, the pain points listed in the second column are likely to be more comprehensively addressed through changes in roles and responsibilities. These pain points are **mainly concerned with coordination, relevance and learning.**

Pain points being addressed or can be addressed through improved execution under any model	Pain points that can be addressed through a new model
Lack of an overarching M&E Framework for or evaluation policy	**No overall coordination** of all the evaluation related activity which has led to fragmentation of the function
Lack of documented theory of change (at organization level and for specific program areas)	**Lack of clarity** on which evaluations and reviews are managed by Secretariat and which ones by TERG
Lack of evaluators knowledge on GF model	**Misalignment on timing of evaluation findings** with decision-making processes in GF cycles leading to reduced relevance and usability of findings
Recommendations from evaluations not actionable	**No organizational culture of learning** from evaluations
No formal system for development of management responses and no accountability for implementation	**No central repository** for all GF commissioned evaluations and reviews
Lack of full transparency in the publication of TERG reports and management responses	**Broad and overstretched role of TERG**

See consultants' report (page 53-55 in annex) for description of how models address the pain points and challenges with the current function

How can models deliver on improved learning?*

- The evaluation unit proposed under model 2 is a one-stop-shop for coordination and synthesis of findings across all evaluations and reviews commissioned by the Secretariat, not only strategic level evaluations as would be the case under model 3.
- The evaluation unit in the OED would help drive alignment with GF-cycles and decision-making processes to ensure that findings from evaluation are available at the right time and remain relevant to evolving learning needs. This can happen under model 3 but it may be more difficult under this model to be as engaged or informed on changing organizational learning needs required to maximize relevance.
- The Secretariat needs to strengthen learning systems to target and disseminate findings from evaluations. In model 2 this will be part of the terms of reference for the evaluation unit which will have a comprehensive overview of all evaluations taking place. Part of its role will be to closely engage across the organization to pay attention to whether learning from evaluation is happening. The importance of an evaluation learning culture will be supported and reinforced when driven at the level of OED. Further to this, an EC can advise and promote wider-sector learning.
- Model 3 by design, will be less involved with the organizational day-to-day culture to have regular insights on whether organizational learning is being facilitated through evaluation findings and dissemination. Under this model a further internal entity to facilitate learning will be required.

Safeguarding Independence in a New Model

It is acknowledged that considerations of independence are a major factor for determining which model is most appropriate for the Global Fund. However, it is important to be clear on the different aspects of independence to identify the potential risks and how they can be mitigated through a combination of structure, functional processes and efforts to address behavioral independence. The distinction between structural and behavioral independence is provided in the consultant's report in the annex (page 38).

Structural independence refers to the clear separation from operational, management and decision-making functions in an organization and requires the evaluation function to have responsibility of setting the evaluation agenda which is supported by sufficient and predictable resources to execute it*.

In model 3 the body responsible for planning and managing strategic level evaluation is completely independent from the Secretariat and will report directly to the Board.

In model 2 structural independence is addressed in 2 ways:
- The Evaluation Committee (EC) is independent from the Secretariat and will report and be accountable to the Board through the SC.
- The Evaluation Unit in the Secretariat will be positioned independently from all other teams/departments and will have no responsibility for policy setting, design or management of programs and operations. The Head of the Unit is appointed by the Executive Director (ED) in consultation with the Evaluation Committee (EC) and will report to both the OED and EC.

*Funding under the current cycle is covered from a combination of funds from OPEX and catalytic funding. The Independent Assessment of the TERG commented that funding of evaluation in the current scenario is an aspect that can negatively impact structural independence. Several constituencies expressed the importance of M&E being fully funded through core funds. It is critical for the Board and Committees to consider funding needs for the evaluation function for the post-2022 Strategy.

Promoting Independence under Option 2

Under any structure, functional and behavioral independence needs to be promoted at all stages of the evaluation process from planning to dissemination. The yellow boxes below describe risks that need to be avoided in order to safeguard independence, the boxes below the evaluation lifecycle timeline proposes how risks can be mitigated under model 2 addressing functional and behavioral considerations.

Risks

Risk that topics known to be challenging or problematic, or topics requested by Board for assurance needs are avoided. Risk that input into workplan is not initiated or is dismissed.	Perception that in an internal evaluation function evaluations are conducted by GF staff. Risk that evaluations are conducted by small pool of consultants well known or too close to the GF with little effort to ensure sufficient competition.	Risk that ToRs/inception reports avoid evaluation questions of most interest to governance bodies. Risk that Secretariat staff influence or interfere in evaluation process and content of reports.	Risk that Secretariat does not respond fully to evaluation findings selects/developing recommendations that are easy to act upon or in line with the status quo.	Risk that not all evaluation reports and management responses are made public in a timely manner.

Planning → **Commissioning** → **Implementing** → **Response/Action** → **Dissemination/ Learning**

Mitigation Measures

Planning	Commissioning	Implementing	Response/Action	Dissemination/Learning
Evaluation Calendar: A formalized annual process between the EC, Secretariat and Board with transparent criteria for selection and prioritization of topics aligned with the post 2022 Strategy and mechanisms to ensure input from countries.	**Recruiting evaluator(s):** All evaluations are undertaken by independent consultants/firms selected through a competitive process following Secretariat recruitment rules and procedures. Member(s) of the EC will be part of recruitment panel. Evaluation Unit responsible for orienting evaluators, conducting regular bidder meetings, and onboarding new potential suppliers. Potential conflicts of interest, are assessed at stage of terms of reference development and before final the selection of evaluator(s) with the EC.	**Implementation and Sign Off:** Reviews (including for quality assurance purposes) to be undertaken at stage of ToR, inception reports and evaluation reports. Reviews by EC and SC for ToRs of Strategic level evaluations. Final sign off/ endorsement of report to come from EC. All staff in evaluation unit as well as any Secretariat staff involved in managing thematic evaluations in other departments to be fully orientated in evaluation norms and standards and ethics/code of conduct.	**Management response:** Developed by Secretariat. Formulation/discussions of recommendation with evaluators overseen and monitored by the EC. Scheduled reporting and follow-up on management responses to Committees/Board will be the responsibility of Head of evaluation unit.	**Publication of reports:** Policy in place to assure full transparency of all evaluations and reviews with attention to established timelines for publications. Head of evaluation unit to submit an annual report on the evaluation function with status of all reports/management response and follow up.

Summary and Next Steps

- The Secretariat will continue to collaborate closely with TERG to strengthen coordination and timing of evaluations through the Evaluation Calendar and address pain points, not reliant on model, for example related to the development of actionable evaluation recommendations between evaluators and Secretariat with TERG oversight.
- However, the Secretariat is also eager to advance on implementing changes in role and structure around the independent evaluation function to address more systemic challenges related to fragmentation of the function and increasing utility and learning from all Global Fund supported evaluations and reviews.
- Independent evaluation will have a prominent role in the M&E Framework for the post-2022 Strategy so it will be highly conducive to have structural and oversight aspects of the evaluation function established and functioning by the start of 2023.
- The Secretariat and TERG believe the model outlined under option 2 is the most appropriate model to pursue based on reasons related to learning and utility of evaluation and with confidence that independence can be safeguarded through functional processes, and ongoing attention to address behavioral independence, under oversight from the proposed independent evaluation committee.
- Following inputs from the Board on the preferred model, the Secretariat will develop details on roles and responsibilities, operational modality as well as resource needs to discuss at the next SC session in July 2021 and for Board decision in November 2021.

Annex 1: 2021-2022 Evaluation Calendar: Details on Strategic and Thematic Evaluation and Reviews

Strategic Evaluation/Reviews: 2021-2022 (1/2)

Topic	Focus	Source of proposal	Implementation start-end dates	Decision making process findings need to be available to inform	Entity to manage evaluation
Global Health Security	Identifying opportunities and positioning the Global Fund within global health security architecture (lessons from COVID-19).	SC	Jan - May 2021	Latter stages of strategy development process	Secretariat with TERG oversight
Strategic Initiatives	To evaluate the efficiency and effectiveness of strategic initiative implementation – are they doing the right thing and are they getting the intended results?	SC	Jan – June 2021	Next allocation cycle and use of catalytic funds (required March 2022)	TERG
Regional/ Multi-country grants	To evaluate strengths and weaknesses of selection of multi-country grants throughout the grant cycle; understand key success criteria as well as bottlenecks encountered to improve future multi-country grants.	SC	April – Dec 2021	Next allocation cycle and use of catalytic funds (required March 2022)	TERG
PCE Evaluation	To draw lessons learned from the PCE model for future Global Fund independent evaluation approaches.	TERG/ PCEs	Feb – July 2021	Inform new M&E Framework development Q3 2021	TERG
WAMBO Pilot	To evaluate the wambo.org pilot for non-grant financed orders, as instructed by the Board in GF/B42/DP05, prior to a Board decision on wambo.org's future strategy for non-grant financed orders.	Board	May – Nov 2021	Decision to open/ extend Wambo pilot. March 2022 for SC recommendation for May 2022 Board decision	TERG
Payment for Results	To examine experience to date of Global Fund and other development partners with PfR.	SR2020	June -Dec 2021	To inform the next cycle of grant guidance	Secretariat with TERG oversight
TB Prevention	To evaluate the effectiveness, efficiency and equity of the Global Fund's contributions to TB prevention.	Board/SC	May – Dec 21	Inform guidance (technical notes?) on TB funding requests	Secretariat with TERG oversight

Strategic Evaluation/Reviews: 2021-2022 (2/2)

Topic	Focus	Source of proposal	Implementation start-end dates	Decision making process findings need to be available to inform	Entity to manage evaluation
Implementing in decentralized environments	To examine implications of Global Fund business model for working in decentralized environments.	SR2020	Nov 2021 – May 2022	To inform the next cycle of grant guidance	Secretariat with TERG oversight
Human rights, gender and KVP programming	To evaluate the Global Fund's contribution to strengthening human rights and gender and KVP inclusive programs, including through the grant cycle and through country and global governance structures.	Board/SC	Sept 2021 – Feb 2022	To inform the next cycle of grant guidance	Secretariat with TERG oversight
Covid-19 Response Mechanism	To evaluate the Global Fund Covid-19 Response Mechanism and impact of C19RM investments (exact focus and evaluation approach to be determined).	Secretariat	Q3 TBD	To inform decisions related to design and implementation of C19RM	TERG
Challenging Operating Environment policy implementation	To evaluate the efficiency, effectiveness of the implementation of the COE policy.	PCEs	2022	Should be completed by Fall 2022 in case any revisions recommended	TERG
Market Shaping Strategy	An end-term evaluation of the Market Shaping Strategy.	Management response to previous evaluation	2022	Inform decision on future market shaping efforts	TERG
Strategic Review	End-term evaluation of the Global Fund 2017-2022 Strategy.	Board/SC	End 2022-Mid 2023	To review progress on the 2017-2022 Strategy at the end-line	TERG

Secretariat Thematic Reviews: 2021-2023 (1/2)

Implementation focus	Objectives	Department managing and approx. timeline
1. Mobile and migratory populations: what are best practices to improve prevention and case management for malaria?	• To identify strategies and best practices to improve prevention and case management for malaria among mobile and migratory populations.	**TAP/GMD** (Malaria Team & SEA) **Timeline: Q1 2022**
2. Current state of active infection detection: how should the Global Fund be advising malaria programs to efficiently use resources?	• Codify the experience to date and identify the critical gaps in normative guidance. • Advise on adjusting Global Fund performance assurance to better allow for the flexibilities needed to build capacity and conduct these critical elimination tasks. • Contribute to normative pathway to help programs choose the most cost-effective methods of getting to zero malaria infections.	Malaria team **Timeline: Q3 2022**
3. Finding missing people with TB: Lessons learnt and best practices from the field	• To review and document current practices in TB case finding; including public and private sector, community level. • To identify scalable best practices, lessons learnt in finding and treating missing TB cases.	**GMD/ TAP TB** team (EECA, SEA, HI Asia, MENA HIA1&WCA) **Timeline: 2021**
4. Quality of TB services: review quality of TB services along the care cascade	• Identify gaps & best practices in case finding, treatment & prevention. • Document quality of care in DS & DR-TB. • Identify quality improvement practices in public, private sector and community.	**TAP/TB /GMD** (Asia and Africa) **Timeline: 2021**
5. Bring people back to HIV/AIDS treatment: current practices, policies and implication for future programming	• To assess current practices and policies in ART program with regards to treatment coverage, viral load testing and retention. • To identify what happens to retention/adherence in larger countries once ART numbers over 1 million. • Specific to Eswatini, to learn from the first country with massive HIV epidemic to reach 95:95:95.	**GMD** (HIA 1 & WCA, HIA 2, SEAF) & HIV Team **Timeline: 2022**
6. Assessment of national HIV testing practices, policies and algorithms among different groups and testing modalities	• To identify good practices and policies for programming for different populations and testing modalities (including yield). • To identify opportunities for ensuring those who test HIV negative remain negative/linkage to HIV prevention services.	**GMD** (EECA, LAC, HIA1&WCA) **Timeline:2022**

The Global Fund

Secretariat Thematic Reviews: 2021-2023 (2/2)

Implementation focus	Objectives	Department managing and approx. timeline
7. Document lessons learnt, best practices, challenges in Global Fund supported AGYW programs.	• To identify lessons learnt, best practices and challenges to inform program implementation and new grants. • To identify best practices and lessons learnt to improve program.	CRG/MECA **Timeline: 2021**
8. Outcome measurement of AGYW programs (ongoing)	• To support 5 countries to collect outcome data using polling booth survey.	**CRG/MECA** **Timeline:2021**
9. Cost-effectiveness of TB interventions	• Review cost of providing TB services. • Assess cost of TB case finding. • Comparing different strategies of TB service delivery.	**TAP/TB** (3-4 countries in Africa and Asia) **Timeline: 2021**
10. Review of national lab network for HIV, TB and Malaria services, including waste management; Current practice and lessons learnt.	• To identify best practices to strengthen laboratory systems and increase efficient service provision. • To define cost efficient reference models that strengthen capacity of national lab systems ensuring access to VL testing, Gene expert optimization, RDT and samples transport systems.	**GMD** (EECA, LAC, MENA HIA1&WCA) **Timeline: 2023**
11. Scaling up digital health in middle-income countries (HMIS, CHIS, LMIS): Challenges and lessons learnt	• To identify challenges and lessons learnt in efforts to scale up digital health in middle-income countries.	MECA **Timeline: 2023**
12. Linkage between current KPIs, global targets, PF grants targets, investment case and Global Technical Strategies (HTM)	• To provide recommendations to align KPI, targets and Global technical strategies where needed.	Malaria/TB/KPI teams **Timeline: Q3 2021**

The Global Fund

Annex 2: Options for models for the Global Fund Independent Evaluation Function
Independent Report from Spark Street Advisors

The Global Fund

Options for models for the Global Fund Independent Evaluation Function

For consultation at the 15th Strategy Committee
GF/SC15/08
26 March 2021

Disclaimer: Views expressed in this report are strictly those of the author and do not reflect the views of the Global Fund.

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Report content

- Assignment (slide 3)
- Background (slides 4-7)
- Models and associated assessments (slides 6 to 17)
    - Model 1- embedded in Secretariat with limited independent oversight
    - Model 2 – embedded in Secretariat with significant independent oversight
    - Model 3 – structurally independent from Secretariat
- Summary (slide 18)
- Annex (slides 21-24)

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Assignment

Objective:
- To propose options for models for the structure for the evaluation function at the Global Fund (execution and oversight)

Methods
- The assignment was conducted based on a review of Global Fund M&E functions conducted in 2020 with the objective to develop a draft M&E framework. This review included an analysis of "pain points" and "areas for improvement" as well as benchmarking exercise;
- Informed by the above as well as evaluation models implemented by other organizations working in health and development, 4 different models were assessed against the current model and presented to the TERG, the Secretariat and the Strategy Committee M&E Working Group for consultation;
- The assessment vis a vis potential to address "pain points" and "areas for improvement" presented in this report is based on expert knowledge and information collected during the 2020 review.
- Following these consultations, the assessment was updated. One model was excluded (option A – fully embedded function in Secretariat with no independent oversight) as It did not sufficient address the majority of concerns

Report Overview
- This report provides a review of the evaluation "pain points" and considerations previously presented to the SC and outlines 3 models and their potential to address these "pain points" and considerations.
- Reflections from TERG on the proposed models, a summary of the benchmarking exercise and a description of potential core functions for new entities being proposed under model 2 are provided in the annex.

Key Finding on Evaluation: Pain Points

The Independent Assessment of the TERG and GF M&E review have highlighted several pain points in the current GF evaluation approach
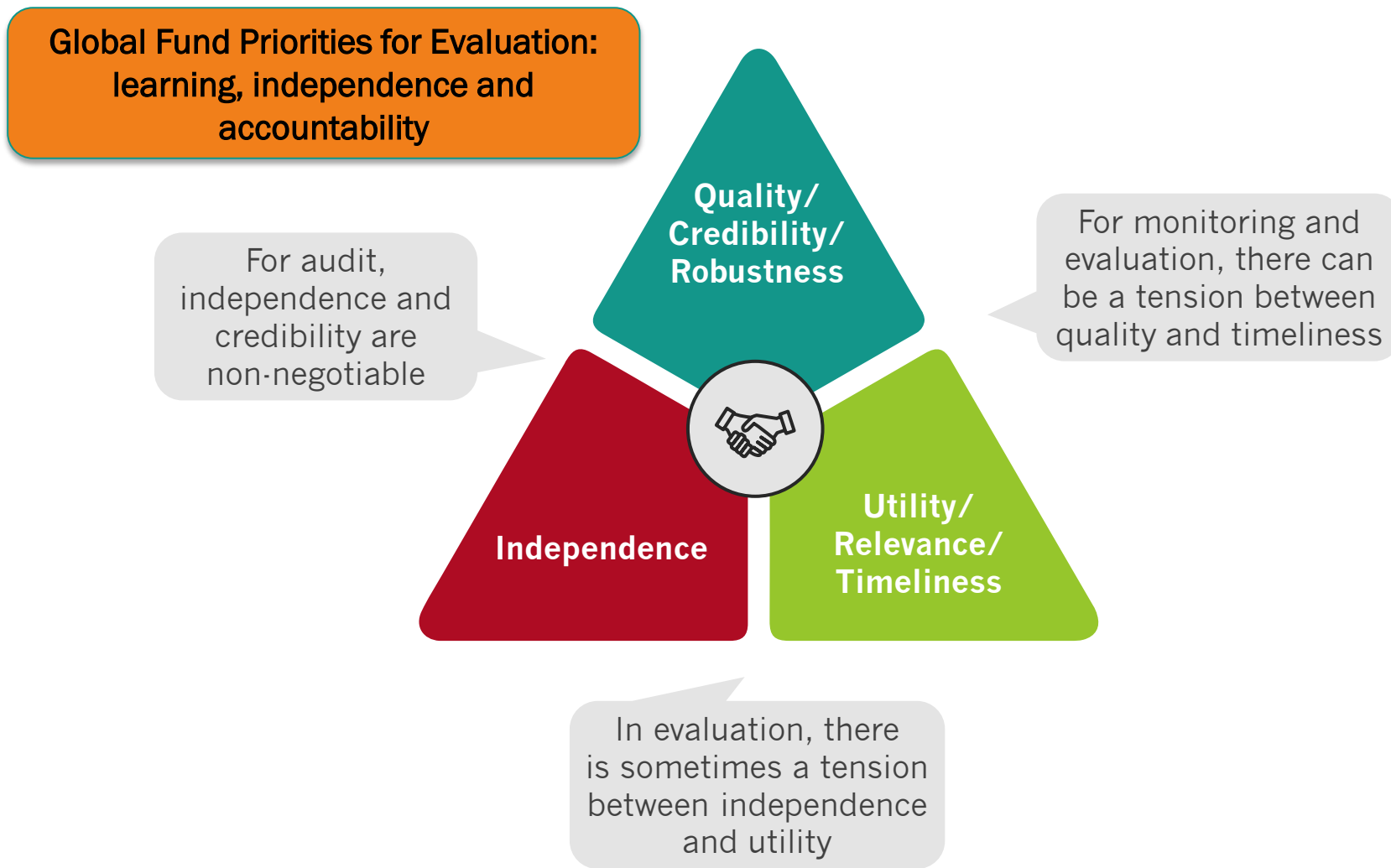
Overarching structure & framework	• **No overarching M&E framework or Evaluation Policy** to define roles and responsibilities and added value of independent evaluations vis-à-vis evaluation activity carried out by the Secretariat (including by OIG) • No evaluation entity currently has an **overall coordination role** which leads to fragmentation and certain overlaps (including with OIG) • Current ToR/mandate of TERG is broad but **TERG capacity is overstretched,** limiting their ability to perform their role • **There is lack of clarity** with regard to what should be defined as internally managed evaluations and what would benefit from independent oversight
Relevance, quality & usability	• Relevance of evaluations diminished through **lack of theories of change at all levels** available to evaluators to frame evaluation questions and focus, compounded by disparate SC and Secretariat input • Relevance of some TERG evaluations perceived as low as there **is limited alignment to GF cycles** and do not address Secretariat learning needs • **Lack of evaluators in-depth knowledge of Global Fund model** seen as cause of some poor quality evaluations • Usability of recommendations from some evaluations deemed as low as **recommendations do not always appear linked to actual findings** of reports, are not always actionable and / or well aligned to GF reality
Action & Learning	• **No organisational culture of learning from evaluation** to promote use of findings across all evaluation work. TERG has the mandate for facilitating organisational learning through its independent evaluations, but due to lack of capacity is not fulfilling the role • **No formal system for development of management responses and no accountability for implementation or follow up to management responses** systematically across all evaluations • **Lack of full transparency** in the publication of TERG reports and management responses • **No central repository** for Secretariat-led evaluations and **dissemination of findings is inconsistently applied**

> Addressing these weaknesses will allow the creation of a strong **evaluation function** that contributes to organisational learning whilst also safeguarding independence

The Global Fund

Typical tensions – balance associated with priorities

Global Fund Priorities for Evaluation: learning, independence and accountability

Quality/ Credibility/ Robustness

Independence

Utility/ Relevance/ Timeliness

For audit, independence and credibility are non-negotiable

For monitoring and evaluation, there can be a tension between quality and timeliness

In evaluation, there is sometimes a tension between independence and utility

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Types of independence

In learning organizations, structural independence can compromise utility and timeliness. Most peer organizations aim for behavioral independence

Organizational (Structural) — Organisational independence means that evaluation units report to **board of directors** not management

Behavioral — Behavioural independence is defined as the extent to which the evaluation unit is able to **set its work programme**, produce **high quality** and uncompromising reports and to **disclose its findings to the Board** and external stakeholders **without management-imposed restrictions**

Can have behavioral independence without structural independence if strong assurance system in place that manages conflict of interest

Regardless of structure, conflict of interest safeguards should be in place such that current, immediate future or prior professional and personal relationships and considerations are **not allowed to influence evaluators' judgments** or create the appearance of a **lack of independence.**
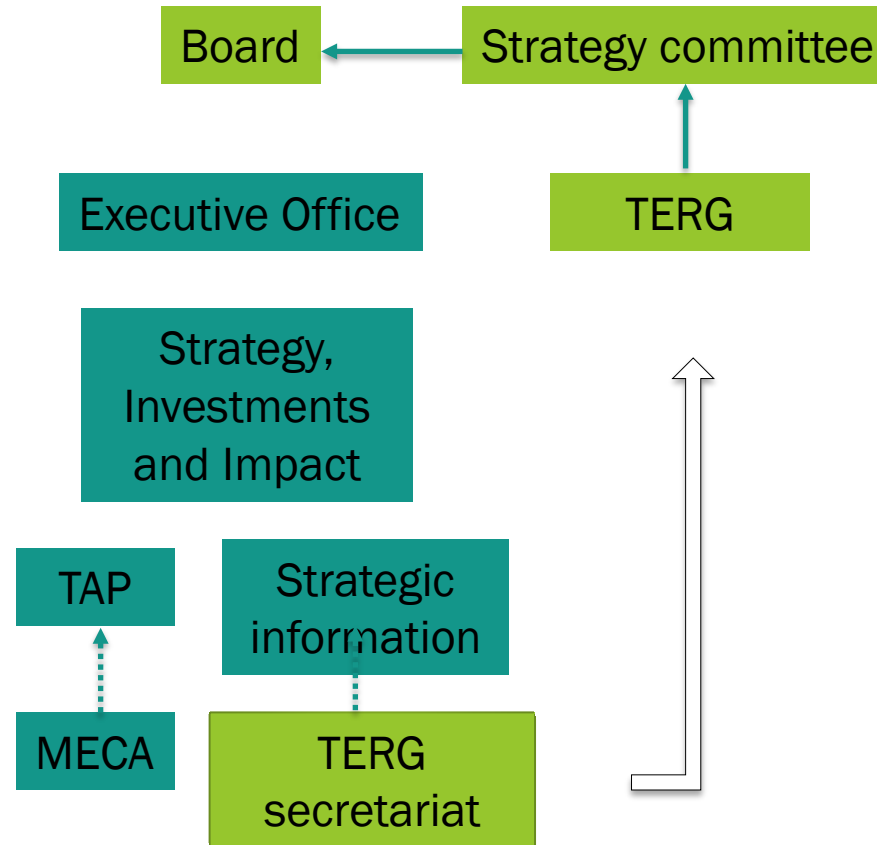
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Current model

Evaluation committee
- Responsible for setting agenda for evaluation with strategy committee and secretariat
- Directly manage strategic evaluations

Evaluation function
- Thematic evaluations coordinated by MECA
- TERG Secretariat plays support function to TERG
- TERG Secretariat embedded in functional unit

Board ← Strategy committee

Executive Office

TERG

Strategy, Investments and Impact

TAP

Strategic information

MECA

TERG secretariat

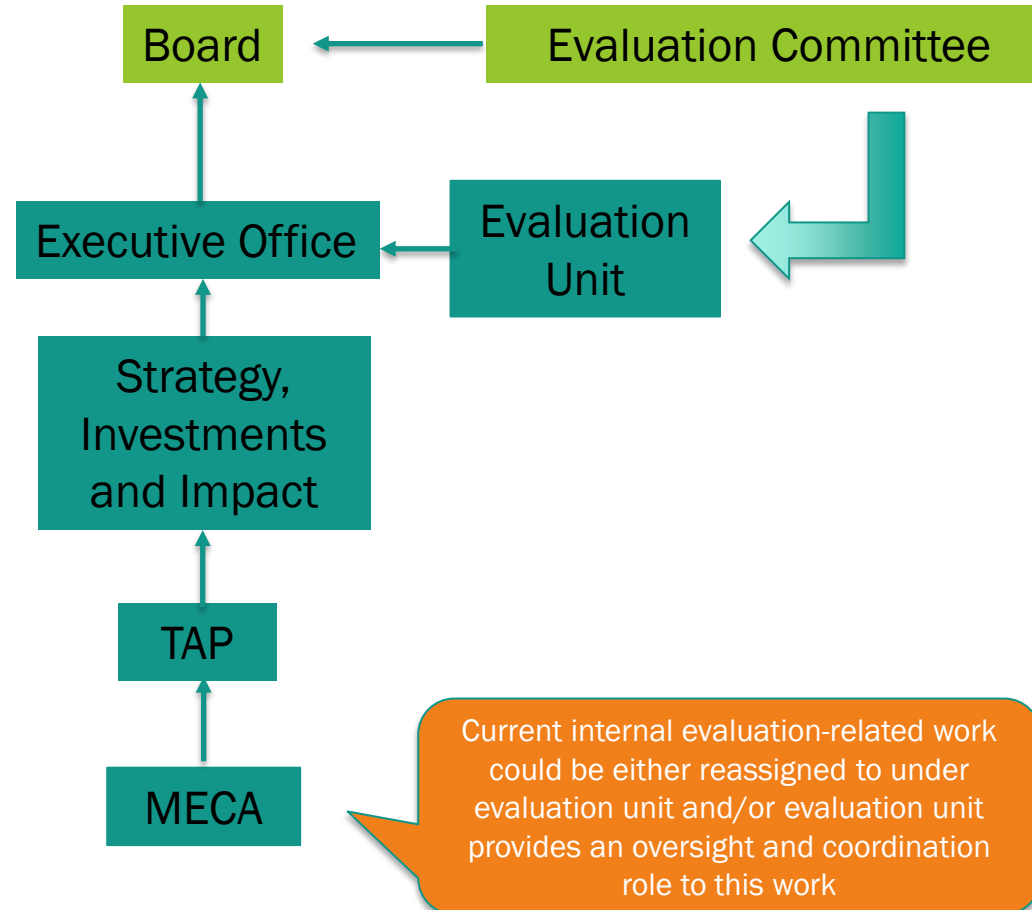**Spark Street Advisors**
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Embedded in OED with limited independent oversight (model 1)

Evaluation committee
- Approves evaluation work plan
- For strategic/priority evaluations:
  - reviews RFP questions
  - reviews final report and reports to board on quality of evaluation

Evaluation unit
- Reports to OED
- Engages with committee but no formal reporting relationship
- End-to-end management of evaluations
- Coordinates co-creation of recommendations
- Focal point for coordination, dissemination, etc.
- Maintains overview of all evaluation related activities

Board ← Evaluation Committee

Executive Office ← Evaluation Unit

Strategy, Investments and Impact

TAP

MECA

Current internal evaluation-related work could be either reassigned to under evaluation unit and/or evaluation unit provides an oversight and coordination role to this work

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Elements of model relative to current (model 1)

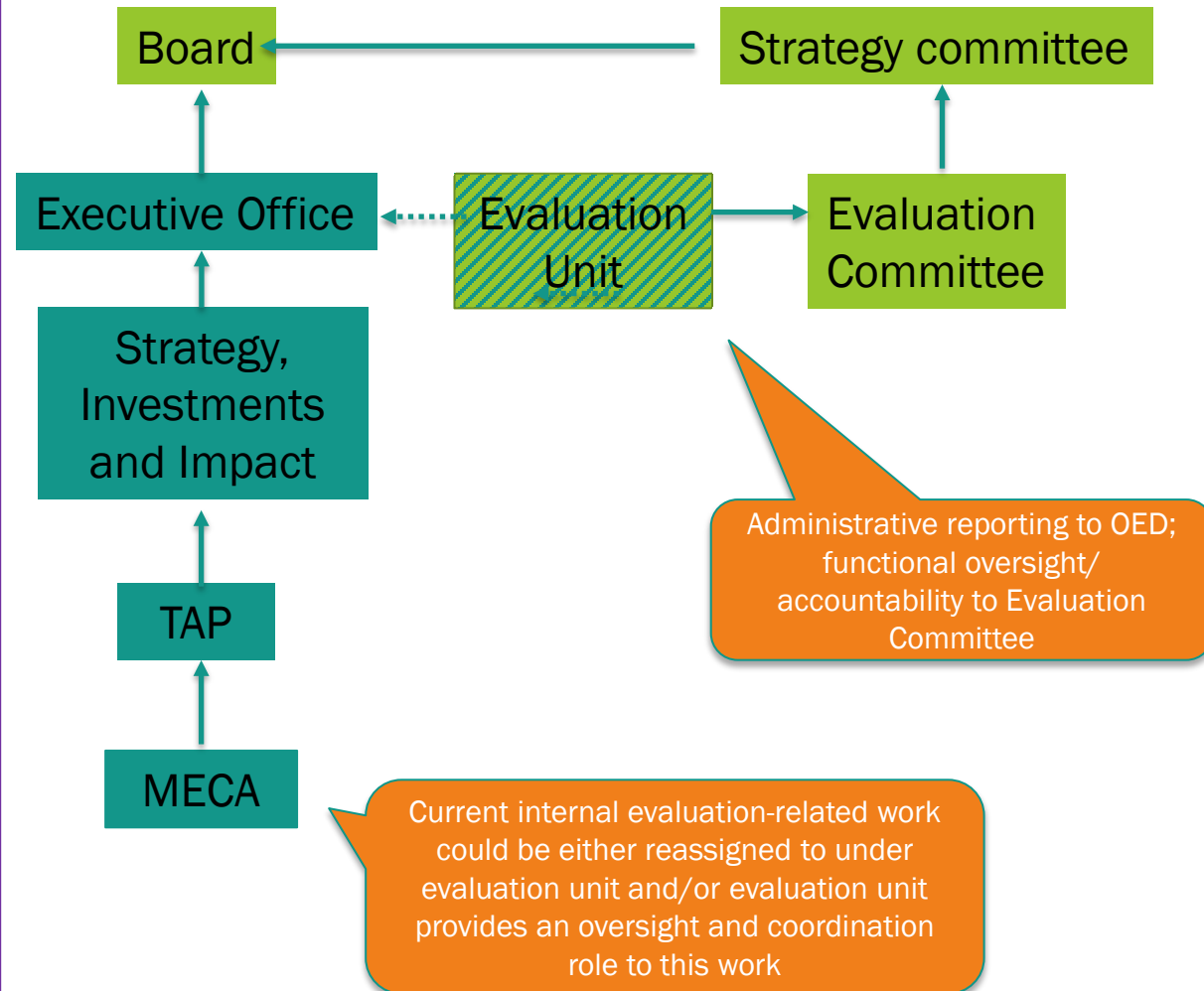| Elements of model	Key points
Behavioral independence (from management)	Evaluation unit reports to Secretariat from management perspective but, is accountable to committee for quality. In this model there is no formal reporting structure to committee, which is advisory to Board.
Structural independence (from management)	While reporting to management, less internal layers for potential compromise of independence. However, evaluation unit is responsible and accountable to management as engagement with Committee is limited to quality of evaluation.
Relevance to countries and organization	This model would improve on the current in that the function would sit in the EO and thus be placed in a position where it would have insight into the full range of activities at the Global Fund and more engagement with staff, MEC and countries. This could improve planning and relevance as well as buy-in and ownership.
Learning/ownership (acceptance, buy-in, ownership)	OED responsible for evaluation and management response and implementation of changes and organizational learning which should increase buy-in, ownership and action. There would also be more engagement with staff, countries, etc. than under current model.
Accountability (related to use of findings)	OED responsible for accountability vis-a-vis use of findings. Committee's role limited to assurance of quality of evaluation and SC monitors appropriateness/implementation of response.
Transaction cost/$ for secretariat (builds on existing systems)	Would require expansion of current team to fulfill learning, dissemination and other core functions.
Transaction cost/$ for evaluation committee (engagement in management)	Less engagement by committee than under current model

Embedded in OED with significant independent oversight (model 2)

Evaluation committee
- Approves work plan
- Oversees and assures quality of strategic evaluations (reviews RFPs, selection of bidder, inception and final reports)
- Provides technical oversight of evaluation unit
- Contributes to performance reviews

Evaluation unit
- Oversight by/accountability to committee; management reporting to OED
- Executes strategic evaluations on behalf of Committee
- Coordinates co-creation of recommendations
- Focal point for coordination, dissemination, etc.
- Maintains overview of all evaluation-related activities

Board ← **Strategy committee**

Executive Office ⇠ **Evaluation Unit** → **Evaluation Committee**

Strategy, Investments and Impact ↑ (from Executive Office)

TAP

MECA

Administrative reporting to OED; functional oversight/ accountability to Evaluation Committee

Current internal evaluation-related work could be either reassigned to under evaluation unit and/or evaluation unit provides an oversight and coordination role to this work

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Elements of model relative to current (model 2)

Elements of model	Key points
Behavioral independence (from management)	Function reports from a content perspective to Committee and performance review conducted with Committee increasing potential for behavioral independence.
Structural independence (from management)	While reporting to management, less internal layers for potential compromise of independence; this however is "safeguarded" by dual reporting structure and engagement by Committee with SC
Relevance to countries and organization	This model would improve on the current in that the function would sit in the EO and thus be placed in a position where it would have insight into the full range of activities at the Global Fund and more engagement with staff, MEC and countries. This could improve planning and relevance as well as buy-in and ownership.
Learning/ownership (acceptance, buy-in, ownership)	OED responsible for evaluation and management response and implementation of changes and organizational learning which should increase buy-in, ownership and action. There would also be more engagement with staff, countries, etc. than under current model.
Accountability (related to use of findings)	OED responsible for accountability vis-a-vis use of findings. Committee's role limited to quality assurance of evaluation. SC monitors appropriateness/implementation of response.
Transaction cost/$ for secretariat (builds on existing systems)	Uses additional GF mechanisms/additional cost to build out team
Transaction cost/$ for evaluation committee (engagement in management)	Less time commitment for TERG as heavy lifting performed by Secretariat. Committee more focused on quality assurance and oversight.

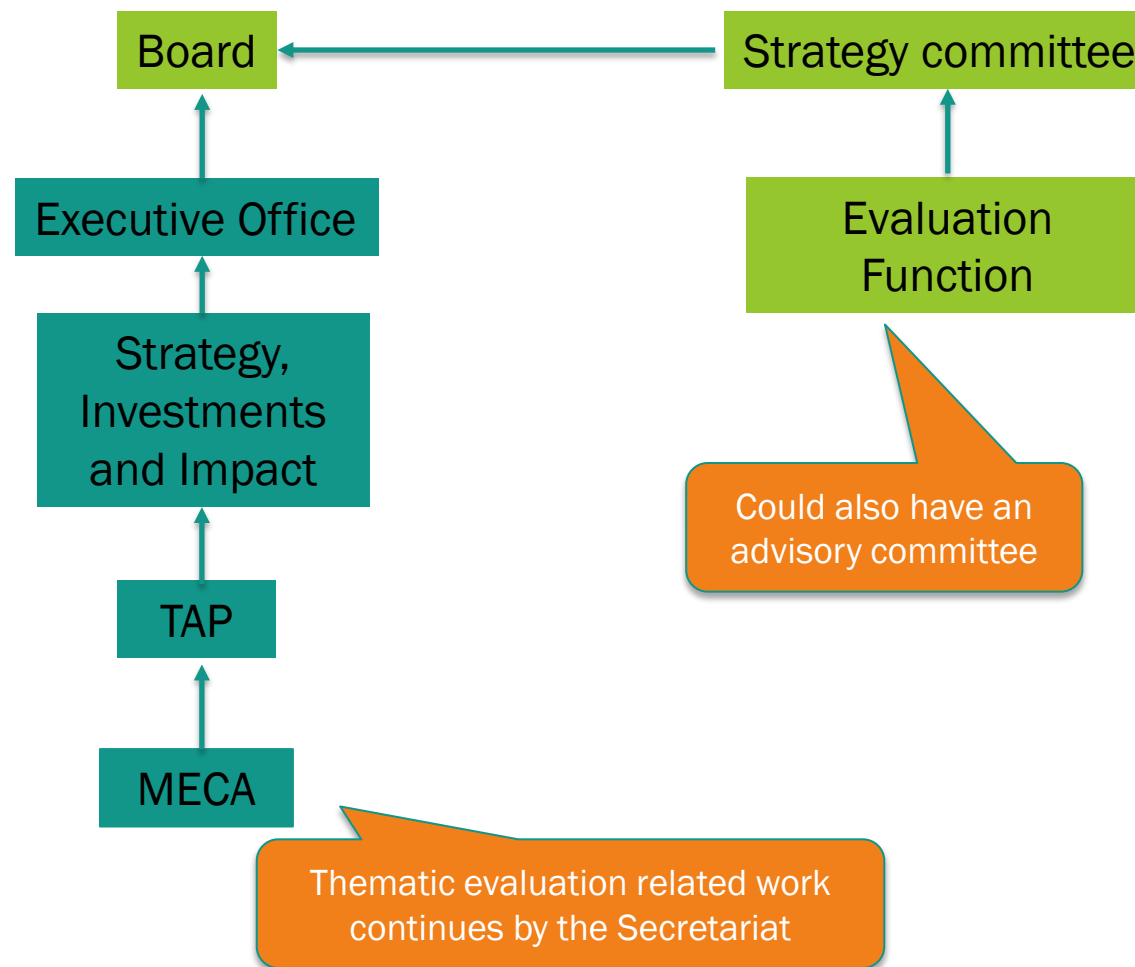**Spark Street Advisors**
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Structurally independent from Secretariat (model 3)

Strategy committee
- Approves evaluation agenda in consultation with the Board

Evaluation function
- Responsible for setting evaluation agenda
- Manages strategic evaluations
- Reports directly to the Strategy committee
- No formal relationship with Secretariat

Board

Strategy committee

Executive Office

Evaluation Function

Strategy, Investments and Impact

TAP

MECA

Could also have an advisory committee

Thematic evaluation related work continues by the Secretariat

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Elements of model relative to current (model 3)

Elements of model	Key points
Behavioral independence (from management)	No formal relationship with Secretariat. Complete behavioral independence. Protected from outside interference and avoids conflicts of interest.
Structural independence (from management)	No formal relationship with Secretariat. Complete structural independence. Protected from outside interference and avoids conflicts of interest.
Relevance to countries and organization	Similar to current model in terms of how evaluation agenda is defined and by whom. This has been considered a weakness vis-a-vis relevance, usefulness, accountability and influence. Alignment with org. strategy required.
Learning/ownership (acceptance, buy-in, ownership)	Evaluations of other organizations with this type of structure have shown that cycles of learning, course corrections, buy-in and ownership of findings has been a challenge.^
Accountability (related to use of findings)	Board is ultimately holding management accountable for findings.
Transaction cost/$ for secretariat (builds on existing systems)	Separate and distinct operating structure reporting to Board/SC.
Transaction cost/$ for evaluation committee (engagement in management)	Separate and distinct operating structure reporting to Board/SC.

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https://ieg.worldbankgroup.org/sites/default/files/Data/Evaluation/files/ieg-external-review-report.pdf
https://www.brettonwoodsproject.org/wp-content/uploads/2019/02/071718report-of-3rd-external-evaluation-of-ieo-7.pdf

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Potential improvements relative to current model

Elements of model	Embedded w/limited oversight	Imbedded in OED with full committee oversight	Independent reporting to board
Behavioral independence (from management)	Low	Medium	High
Structural independence (from management)	Low	Medium	High
Relevance	High	High	Medium
Learning/ownership (acceptance, buy-in, ownership)	High	High	Low
Accountability (related to use of findings)	High	High	Medium
Transaction cost/$ cost for secretariat (builds on existing systems)	$$	$$	$
Transaction cost/$ cost for evaluation committee (engagement in management of evaluations)	$	$$	$$$

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Addressing pain points related to structure and positioning

Pain point/area for improvement	Models
No overarching M&E framework or Evaluation Policy	Under development by Secretariat for approval by SC and Board. Model does not need to address.
No evaluation entity currently has an **overall coordination role** which leads to **fragmentation** and certain overlaps (including with OIG).	For models 1 and 2, fragmentation issues would be addressed through coordination and oversight to all strategic and thematic evaluation work by the evaluation unit. Model 3 has some risk of fragmentation as an independent evaluation function would focus on strategic evaluations and other reviews and evaluations might continue internally with no visibility per se and thus there may be a risk of continued fragmentation and overlap.
Current ToR/mandate of TERG is broad but **TERG capacity is overstretched,** limiting their ability to perform their role	For models 1 and 2, Evaluation Committee will not be managing day-to-day aspects of evaluation and will have a narrower oversight focus (workplan RFP and quality assurance, to final report). That said, model 2 has more engagement with the Evaluation Unit than option 1. For model 3, there would be no oversight committee per say as the evaluation unit would carry out all evaluations. Dedicated function so capacity should no be an issue.
There is lack of clarity with regard to **what should be defined as internally managed evaluations** and **what would benefit from independent oversight**	There is a process currently underway to address this and do joint planning engaging the TERG, Secretariat, board, SC, technical partners, etc. While such processes also possible with model 3, there would be less visibility on the activities conducted by the Secretariat than if work planning driven by the Secretariat, with approval from a committee.
Strong **perception** of **independence of management of evaluations**	For model 1, there would be external oversight of quality of evaluations but not of staff in the evaluation unit thus potential compromise to behavioral independence. For model 2, while administratively reporting to OED, functional reporting to committee which inputs and signs off on performance review of Head of Unit. Model 3 is completely independent and thus would carry the strongest perception of independence. Respect for autonomy of evaluators would also need to be core to any model

Addressing pain points related to relevance, quality and usability issues

Pain point/area for improvement	Models
Relevance of evaluations diminished through **lack of theories of change (ToC) at all levels** available to evaluators to frame evaluation questions and focus, compounded by disparate SC and Secretariat input	Working with business owners to facilitate development a Theory of Change requires dedicated resource, time and trust. While the business owners are ultimately responsible to the ToC, this type of facilitative support could performed under any of the models proposed with the appropriate team in place. However, the unit would need to be strong in terms of systematic compilation of various stakeholders to frame and focus questions.
Relevance of some TERG evaluations perceived as low as there is limited alignment to GF cycles and do not address Secretariat learning needs	For models 1 and 2, placement in OED would help drive alignment with GF cycles and learning needs of Secretariat. Under the supervision of the OED, the unit would develop a coordinated prioritized work plan aligned with policy and program decision calendar; coordinate with internal stakeholders and partners. While this could also happen with an independent body per model 3 it could be more difficult to engage with the organization in particular in terms of "real time" learning needs which may be best assessed by senior management.
Lack of evaluators in-depth knowledge of Global Fund model seen as cause of some poor **quality evaluations**	For all three models, the unit would be responsible for orienting evaluators, conducting regular bidder meetings, and onboarding new potential suppliers.
Usability of recommendations from some evaluations deemed low as **recommendations do not always appear linked to actual findings** of reports, are not always actionable and / or well aligned to GF reality	For models 1 and 2, a dedicated function to conduct co-creation workshops and ensure engagement from relevant GF teams in developing/responding to recommendations. While this could also be function of the unit in option 3, actionability could be an issue with a completely independent function that does not interact on a regular basis with the business or policy owners. In all three models, evaluators would retain the final decision on recommendations in the reports.

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Data Driven Strategies

Addressing pain points related to action and learning issues

Pain point/area for improvement	Models
No organisational culture of learning from evaluation to promote use of findings across all evaluation work.	Regardless of the model chosen, the GF will need to invest in learning systems to target and disseminate findings from evaluations and support learning. In models 1 and 2 this would be part of the TOR of the function. The importance of evaluation learning culture could be reinforced if driven at level of OED. While with model 3, an external evaluation committee can definitely advise and promote wider-sector learning, when completely external, there a risk of lack of ownership of findings by the business owners as evaluation considered more an accountability instrument than a learning tool and reaction to findings defensive.
No formal system for development of management responses and no accountability for implementation or follow up to management responses systematically across all evaluations	For models 1 and 2, the ED would be responsible. The evaluation unit would be mandated in its TOR to ensure there is a timely response from management, owned by the OED, with a systematic approach to follow-up and reporting against implementation. This is not part of the current system. For model 3, while the external function could monitor the development of a management response, follow-up might compromise its independence as it would then be engaging in the day-to-day operations of the GF. As such, the Board would be directly accountable for follow-up.
Lack of full transparency in the publication of TERG reports and management responses	This could be addressed by any of the three models and is an important part of promoting a culture of learning (see above).
No central repository for Secretariat-led evaluations	In option 1 and 2 this can be addressed by Evaluation unit which has oversight of all GF evaluation work. For option 3, would apply to strategic evaluations only.

Summary

- The Global Fund is a high groundbreaking and innovative model in its own right and its evaluation must follow suite.
- The function must be adequately and professionally resourced.
- A model is only as good as its execution.
- Any of the proposed options could be helpful to address the current pain points.
- There is no one-size fits all solution.
- Regardless of the model chosen, there must be a commitment to high quality execution and follow through as well as to preserving independence.

> All 3 models can provide for quality assurance of evaluation

If the main intention of the shift is....

➢ ... around **learning**, then **model 1** could be fit for purpose.

➢ ... around **learning and accountability for use of findings** then **model 2** would seem best fit for purpose.

> ➢ This model is **stronger than model 1 for vis a vis independence** because of added checks and balances and **stronger than model 3 vis a vis program assurance** because it is closer to the business and SC.

➢ ... around structural **independence** then **model 3** would be seem best fit for purpose.

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Annex slides

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TERG reflections

In terms of the options presented, the TERG agreed that "Embedded in Executive Office with full committee oversight" (option 2) would appear to be the best way to ensure the balance between the three tensions inherent in evaluation that had been identified: independence, utility and quality.

They also noted that regardless of the model chosen, there should be a commitment to the following:

- **Transparency**, including timely and uninhibited publication of reports and communication of these reports.
- **Respect for autonomy** from the Secretariat in commissioning evaluations and publishing reports through the evaluation unit.
- **Quality of the outputs** by ensuring sufficient competition so that evaluations conducted by consultants with good understanding of the Global Fund policies.
- **Learning** by securing capacities and capabilities for analysing evaluations to learn what worked well or not.
- **Quality of staff/Professionalism** to strengthen organisational evaluation/learning culture.
- **Adequate funding** part of the core, OPEX budget, and not relegated to being funded through a strategic initiative.

- **Consolidated evaluation function:** A new Evaluation Unit and Evaluation Committee, should be a one stop shop for Global Fund evaluation. This would mean shifting any thematic review and evaluation related work from MECA, so that there is a unified place to go to for evaluation requests across the Secretariat, the Board and its committees.

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Benchmarked peer organizations: systems, governance, spending, and learning system

Policy or strategy	• Most organizations have either an evaluation strategy/policy (4) or M&E strategy/policy (3). None have "learning" strategy or policy per se.
Principles	• For those organizations with evaluation principles, based on OECD/DAC guidance (5). Common principles include independence, transparency, quality and credibility, partnership, alignment, and usefulness.
Definitions and typologies	• Definitions of monitoring and evaluation closely aligned with OECD/DAC. Typology and types of evaluations differ by organization.
Evaluation function	• All organizations have dedicated evaluation function. WB and AfDB "independent." Others are embedded within the organization.
Evaluation Governance	• Most often commissioned by the evaluation units and performed by external contractors. Overseen by Board (or equivalent).
Spending	• Where information found, ranges <1% of the annual budget to 5%, with variation from year to year.
Learning	• While identified by some organizations as "focus" of evaluation (3/9), little information available on how learning is systematically incorporated into practice.

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Core Functions: Committees

- **Evaluation Committee**
  - Inputs into evaluation workplan
  - Commissions strategic evaluations and for those:
    - Review Theory of Change
    - Oversee conduct and quality
    - Approve RFP
    - Select bidder
    - Review quality of inception and final report
  - Provides joint oversight
    - Select lead together with OED
    - Signs off on performance review of the unit lead

- **Strategy Committee**
  - Inputs into evaluation work plan
  - Recommends list of strategic evaluations to Board
  - Reviews findings and monitor implementation of management response

- **Board**
  - Inputs into evaluation work plan
  - Approves evaluation work plan and budget
  - Use findings to inform policy and strategy

> Could also be used to review the Strategic KPIs and Strategy ToC

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Core Functions: Evaluation Unit

Sign off by evaluation committee (evaluability) and priority questions (SC)

- Develops prioritized evaluation workplan
  - Consult on development of evaluation workplan (Sec, Committee, SC, Partners, TRP)
  - Review/propose which evaluations/reviews should be overseen by Sec and which by Evaluation Committee
- Manages strategic evaluations on behalf of Evaluation Committee
  - Commission and oversee conduct of evaluations on behalf of Committee
- Catalogues/assesses evaluation quality of non-strategic evaluations on behalf of OED (e.g., MECA, TRP)
- Liaises with all relevant departments within the Secretariat (e.g. OIG, risk) to ensure complementarity and avoid duplication of evaluation efforts
- Where required, supports development of Theories of Change
- Coordinates with partners on issues related to evaluation (GFF, GAVI, OECD)
- Coordinates generation of recommendations
  - Co-creation workshops to address findings and develop recommendations with business owners and stakeholders
- Follows-up with OED on management response (but not responsible for it)
  - OED responsible producing response and tracking implementation
- Current internal evaluation-related work could be either reassigned to under evaluation unit and/or evaluation unit provides an oversight and coordination role to this work
- Responsible for targeted dissemination of findings
  - Identification of appropriate communications products/promotion of findings

Could also incorporate dedicated learning function

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