TERG Position Paper on the External Evaluation of the PCEs

October 2021, Geneva, Switzerland

Executive Summary

Context

In 2016, the Board endorsed the decision on the 2017-2019 Strategic Initiative funding allocation, including US$22 million to implement the Prospective Country Evaluation (PCEs) in eight countries for a three-year period from 2017. The budget was subsequently increased to $28 million and the period of the PCEs extended first to March 2021, and then to the end of June 2021. The PCEs, were funded as a key part of the TERG's mandate to provide comprehensive assessments of the Global Fund's 2017-2022 Strategy "Investing to End Epidemics". They have now concluded and the TERG has commissioned an independent external evaluation of the PCEs in order to draw out the lessons learned from the PCEs experience and inform the future of independent country level evaluation. The evaluation addressed the following key questions:

- To what extent have the PCEs achieved the expected content and quality of evidence?
- To what extent have the PCEs been useful for improving Global Fund programs at a country level and for providing inputs to improve the Global Fund business model?
- What factors influenced the quality and the usefulness of the PCEs findings?
- What are the lessons learned?

This paper presents the key findings, conclusions and recommendations of the evaluation and TERG's position on these. Because the PCEs program has concluded, the TERG asked the reviewers to make their recommendations forward looking building on the review findings and conclusions. Table 12 the report (see also Annex 4) includes some design considerations and options for future independent evaluations. These were provided at the request of the TERG.

The external evaluation of the PCEs was carried out between April and July 2021. It encountered a number of limiting factors including the short time frame for the evaluation, limited participation of stakeholders in countries in challenging contexts, recall biases and change of personnel over the four year period, the constraints imposed by the COVID-19 pandemic, and competing priorities for key stakeholders many of whom were preparing COVID-19 Response Mechanism (C19RM) grant proposals.

In order to ensure the independence of the evaluation, the steering committee for this evaluation was chaired by an independent expert from the Gavi Evaluation Advisory Committee who engaged directly with the external evaluation team. The chair also organized a quality assurance review of the report by two independent evaluators.

The key findings from the independent evaluation are summarized below.

Content and Quality of Evidence

- The original design while innovative was considerably too ambitious and covered too wide-ranging a set of objectives. The decisions taken by the TERG to narrow the scope and focus on the Global Fund Business model were helpful in improving coherence against the emerging objectives. However the changes also created challenges and burdens on the global and country evaluation teams.
- The content and quality of the reports, particularly the synthesis reports in the last two years, has been good combining the analysis of secondary qualitative data with primary qualitative data in relevant ways.

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- The PCEs' important and relevant recommendations based on sound analysis, were too late to drive decisions in the Global Fund Secretariat and at the country level.
- The independence of the PCEs is a critical factor. Even if the evidence was already known in a less formal sense by practitioners, it is likely that the PCEs provided an important assurance role at the level of the Strategy Committee and the Board. This is a function which is not met in other ways.

Utility of the PCEs

- Perspectives on the use and impact of PCEs varied significantly across different stakeholders and intended users. The usefulness could have been improved considerably for each of the stakeholder groups if certain key conditions for learning had been met.
- Utility was particularly lower for key stakeholder groups in the Global Fund Secretariat- who saw them as not adding value to what they already knew- and at the country level, where insufficient tailoring, ownership and follow up were the main factors.
- The usefulness for the primary audience of the Board and the Strategy Committee was prioritized by the TERG as the primary reason for the PCEs and the reports were well targeted at this audience. It is also highly unlikely that a single evaluation instrument can meet the needs of different stakeholder groups equally well.

Lessons learned

- Providing high quality, relevant reports is not by itself enough to ensure use in forming the Global Fund's decision making, it is essential to ensure a realistic design that builds ownership among stakeholder groups.
- The steps taken by the TERG to narrow the scope of the PCEs were clearly in the right direction, however, the design overall was still quite complex and multi-layered.
- To ensure that independent country-level evaluations effectively inform governance and discussions at secretariat and country/regional level different evaluation instruments should be used to target different evaluation audiences.
- Extend coverage beyond the 8 countries in any future country-level evaluation to ensure more effective dissemination and lesson learning.
- On value for money and sustainability, having a continuous platform at country level is not financially sustainable and is one main reason why value for money of the PCEs against the original objectives was limited.

The TERG acknowledges these conclusions and agrees that the report raises some valid points about the level of ambition for the PCEs, leading to a complex and multilayered implementation model. This created challenges for the parties involved. The TERG would however make two key qualifying comments on these conclusions (more detail in the main text of the position paper):

- In retrospect, the original objectives did turn out to be excessively ambitious but innovation only comes from trying new ways of doing things which, inevitably carries risk. When it became clear that the scope of the PCEs was too broad, the TERG made the decision to focus on how the Global Fund business model operates in practice in countries. The resulting type of assessment was not ,and is not now, readily available through other existing Global Fund M&E mechanisms. It is the TERG's view that these assessments have shed light on issues in program and grant implementation over the full grant cycle that have led to improvements.
- Feedback that data and issues were already known by the Secretariat suggests a limited appreciation that the key role of independent evaluation is to provide accountability and

assurance to the Global Fund Board through independent analysis of the how and the why, what facilitates and what hinders Global Fund progress to achieving impact. The Secretariat teams may know of issues but this does not mean that the Board has the same awareness and interpretation

Recommendations

The review lists 10 recommendations. Recommendations 1-7 focus on areas and action that are primarily the responsibility of an independent evaluation group. Recommendations 8-10 cover important areas that the review considers are better addressed through other mechanisms. The TERG endorses the 10 recommendations, and particularly draws the Strategy Committee's attention to:

- The recognition by the evaluators of importance of the objectives around independent and country level evaluation that the PCEs sought to address which are not met through other routes
- The importance of safeguarding independence while ensuring quality and utility of evaluations.
- The need to rethink on the design of country level evaluations in order to achieve these objectives.

More detail can be found in the paper.

Input Received

- This evaluation has been discussed on several occasions, with early engagement of the Secretariat and the SC, including consultations on the terms of reference.
- The findings were discussed during the 44th TERG meeting together with the Secretariat and SC focal point for TERG.
- A Recommendation Workshop chaired by the steerco independent chair was held with the Global Fund Secretariat on 9 June 2021.
- The findings, conclusions and recommendations were presented in summary form, along with an abstract from the draft position paper, to the Board cross-committee M&E working group on 5 August 2021 to inform further discussion on the future of independent and country-level evaluation.

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Report

Background

1. In 2016 the Board endorsed the decision on the 2017-2019 Strategic Initiatives funding allocation, including US$22 million to implement the Prospective Country Evaluation (PCEs) in eight countries for a three-year period from 2017. The initiative was subsequently extended for one year and the budget increased to $28 million. After an additional extension from March to June 2021, the PCEs have now concluded. The PCEs were funded as a key part of the TERG's mandate to provide comprehensive assessments of the Global Fund's 2017-2022 Strategy "Investing to End Epidemics".

2. In its detailed investment plan for approval of funds for the period 2020-2022, presented on December 2020, the TERG requested funding in two phases. The second phase of funding requested for the period 2022-2023 was to be reviewed and revised drawing on the greater clarity available on the shape of the next strategy, on the content of the M&E Framework including the function and form of independent evaluation, and the results of an external evaluation of the PCEs.

3. The independent external evaluation of the PCEs was commissioned by the TERG as part of its workplan approved by the Strategy Committee (SC). It was carried out between April 2021 and July 2021. The terms of reference and the strategic evaluation questions were developed in consultation with the Secretariat and the SC. The evaluation addressed the following key questions:

   a. To what extent have the PCEs achieved the expected content and quality of evidence?
   b. To what extent have the PCEs been useful for improving Global Fund programs at a country level?
   c. To what extent have the PCEs been useful for providing inputs to improve the Global Fund business model?
   d. What factors influenced the quality and the usefulness of the PCEs findings?
   e. What are the lessons learned?

4. A steering committee was established to manage this evaluation composed of three TERG members and a member from the Global Fund Secretariat. Because these steering committee members were also interested parties to the evaluation, the committee was chaired by an independent expert in evaluation from the Gavi Evaluation Advisory Committee, who established a direct link with the external evaluation team.

5. To further ensure the integrity of this evaluation, and in line with good practice, the final report was subject to a quality assurance review by two independent evaluators reporting to the independent chair of the steering committee. The reviewers carried out a paper-based review assessing the final report against the review's terms of reference. On a four-point scale the reviewers gave the evaluation report a ranking of "good - quality standards were met with only minor shortcomings"

Methods and Approach

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6. The evaluation used a mixed method approach drawing on two main sources of evidence: interviews with key stakeholder and a review of key documents.

7. The evaluation team interviewed over 150 key informants from the Global Fund Secretariat, the TERG, the SC, the global evaluation partners (GEPs), the country evaluation partners (CEPs) in each of the eight countries and a range of stakeholder groups in each of the eight countries. The evaluation team synthesized both interview and documentary data through a series of team meetings.

Key Limitations

8. A key limitation was the short time frame for the evaluation and the limited number of stakeholders available for interviews in two (Sudan and Myanmar) of the eight PCE countries due to national contextual challenges. Notably, the long timeframe (four years) of PCEs implementation might have led to recall biases and/or lack of knowledge due to personnel changes over time.

9. No country visits were possible and interviews were carried out virtually. In addition to the constraints imposed by the pandemic, access to many intended stakeholders for interviews and any follow up, was compounded by the fact that this evaluation was undertaken at the same time as many of these stakeholders were preparing C19RM grant proposals for submission to the Global Fund.

Findings/Conclusions and Recommendations

10. The evaluators provided findings on the PCEs objectives and design based on the original objectives and design but also taking into account the changes in design and methodology that evolved over the four years. Table 1 below from the report provides the reviewers rating against the PCEs objectives.

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Table 1: Assessment of the PCEs objectives

PCE objective[1]	Primary user(s)	Rating	Notes on rating	Relevance
Assess the extent to which the Global Fund contributes to impact.	Global level (Secretariat teams, Strategy Committee, Board) and country-level		The original objective of impact analyses was discontinued due to the methodological impossibility of using the primary data sources available to the CEPs to rigorously assess impact. Nevertheless, an alternative methodology of contribution analysis was developed which provided useful insights into the Global Fund contributions along the impact pathway.	The prospective approach was shown not to be a relevant design, but the need to assess impact at country level is clear.
Provide ongoing feedback enabling countries and Global Fund to adapt and adjust program implementation in real time	Country-level stakeholders		There was near-universal agreement that this 'real-time' element was not achieved, with only minor exceptions.	
Analyze implementation and degree of accomplishment of Global Fund Strategic Objectives, with a particular focus on Global Fund policies and practices; RSSH; and gender and human rights	Global level (TERG, Strategy Committee, Board)		Independent insights into various elements of business model effectiveness (including the whole grant cycle analyses) were largely appreciated by global level audiences. Additionally, country-level stakeholders appreciated the opportunity to provide feedback directly to the Global Fund Strategy Committee and Board. Reports included specific analyses against Global Fund Strategic Objectives.

While reports included a focus on RSSH, gender, and human rights issues, in a minority of countries major | High, given the Global Fund business model, having an independent lens on country level performance is essential, direct to the Board.

However, it also requires wider coverage than 8 countries and more effective |

[1] .Global Fund, PCE Charter – Prospective Country Evaluations, May 2017

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PCE objective[1]	Primary user(s)	Rating	Notes on rating	Relevance
		(light green / green)	critiques or concerns about their treatment of these topics were raised, and this element is assessed as 'mostly met.'	processes for follow through and accountability
Identify risks and challenges that impede program performance, and opportunities to inform and improve program quality for impact, effectiveness, and value-for-money	Country-level stakeholders, TERG, Strategy Committee and Board.	(orange)	Country PCE reports did identify risks, issues, and challenges, and included numerous analyses of value-for-money. However, there were relatively few examples of follow-through on potential solutions. The lack of clear accountability mechanisms for PCE recommendations at country level was highlighted by most country-level stakeholders.	
Strengthen country M&E systems for robust measurement	Country-level (PRs, SRs, MoH, etc.)	(red)	Data quality improvement was recognized to be an inappropriate expected benefit for an evaluation and was de-prioritized. Anecdotal evidence that PCE findings created pressure for data quality improvements in some countries were disputed by several stakeholders.	Independent evaluation depends on good data systems, and assesses where there are gaps, but should not be the route to build them directly.
Development of country capacity in M&E as a means to improve program implementation	Country-level (PRs, SRs, LFAs, MoH, CCM)	(orange)	Although this objective was somewhat de-prioritized, it was explicitly included in the ToR for this evaluation. We found that the PCE resulted in some capacity enhancements for some CEPs that could be used to improve program implementation in the future.	Although a relevant and important objective, this is better addressed through other routes.
Identify and disseminate best practices to improve the Global Fund model	Global level (Secretariat teams) and country-level	(orange)	No evidence was found of any use of PCE best practices to improve program quality and impact either between PCE countries or beyond the 8 PCE countries. Some evidence exists that PCE findings on issues, challenges, and bottlenecks contributed to proposed changes in the business model.	Could be a key objective but a single instrument cannot be equally effective for learning at country and global level, so the trade-off needs to be addressed.

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11. The findings, leading to conclusions, are addressed under subheadings in the body of the report and constitute the major part of the report (pages 22-60). They are largely, but not completely, mapped to the overarching evaluation questions agreed to at the inception stage of the review. We have attempted to summarize below the evaluator's findings for ease of understanding under headings linked to the evaluation questions.

12. Content and Quality of Evidence
   - The original design was not well suited to the purpose. It was innovative but considerably too ambitious and covered too wide-ranging a set of objectives.
   - The decisions taken by the TERG to narrow the scope and focus on the Global Fund Business model were helpful in improving coherence against the emerging objectives.
   - While the design evolution resulted in design innovation that were broadly welcome by a majority of stakeholders, the changes also created challenges and burdens on the global and country evaluation teams.
   - The content and quality of the reports, particularly the synthesis reports in the last two years, has been good combining the analysis of secondary data with qualitative in relevant ways.
   - Although the PCEs made important and relevant recommendations based on sound analysis, for example on the grant cycle, they were not in any sense real-time and typically came too late to drive decisions in the Global Fund Secretariat and at the country level.
   - The independence of the PCEs is a critical factor. Even if the evidence was already known in a less formal sense by practitioners, it is likely that the PCEs have provided an important assurance role at the level of the Strategy Committee and the Board. This is a function which is not met in other ways.

13. Utility of the PCEs
   - Perspectives on the use and impact of PCEs varied significantly across different stakeholders and intended users.
   - The usefulness was limited overall and could have been improved considerably for each of the stakeholder groups if certain key conditions for learning had been met. However, usefulness did improve over time following the focusing on the deep dives.
   - Utility was particularly lower for key stakeholder groups in the Global Fund Secretariat- who saw them as not adding value to what they already knew- and at the country level, where insufficient tailoring, ownership and follow up were the main factors.
   - The usefulness for the primary audience of the Board and the Strategy Committee was prioritized by the TERG as the primary reason for the PCEs and the reports were well targeted at this audience. It is also highly unlikely that a single evaluation instrument can meet the needs of different stakeholder groups equally well.

14. Lessons learned

   - Providing high quality, relevant reports based on sound, credible and independent analysis is not by itself enough to ensure use in forming the Global Fund's decision making.

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- It is essential to ensure a realistic design that has a manageable range of objectives and that can be fully implemented and understood by those involved – the implementation issues in the PCEs, due to their complexity, were a major factor. It is also essential to build ownership among stakeholder groups, through effective consultation and tailoring, and ensure effective follow up on recommendations at all levels.
- The steps taken by the TERG to narrow the scope and focus of the PCEs were clearly in the right direction, so some lessons were learned quite early on. However, the design overall was still quite complex and multi-layered.
- To ensure that independent country-level evaluations effectively inform governance and discussions at secretariat and country/regional level different evaluation instruments should be used to target different evaluation audiences.
- Extend coverage beyond the 8 countries in any future country-level evaluation to ensure more effective dissemination and lesson learning.
- On value for money and sustainability the concept of having a continuous platform at country level – although it has helped to build capacity and learning - is not financially sustainable and is one main reason why value for money of the PCEs against the original objectives was limited.

15. Finally, there are ten recommendations together with design considerations and options to help inform decisions on future independent evaluations (see Table 12 in the evaluation report, also available in Annex 4). These design options were requested by the TERG. This request was made on the basis that the decision had already been taken to conclude the PCEs in their current form and the focus for TERG should now be on the future, drawing on the lessons learnt over the four years of PCEs. The report's recommendations are listed in table 2 below.

Table 2: Recommendations

1. The annual synthesis reports drawing on independent country level evaluation reports to present a more comprehensive assessment of the Global Fund business model are useful and should continue. This function is not readily available through other existing Global Fund M&E mechanisms.

2. The mode of implementation of independent country evaluation – and the synthesis which is the outcome of this - needs considerable design modifications to address current deficiencies and deliver better value for money.

3. Much better arrangements for learning from independent country evaluation are needed and the TERG and Global Fund senior management should jointly give this attention, working with other stakeholders to understand what will help learning. The issues to address which would help support learning include:

Recommendations 4-8 below are specifically aimed at addressing this.

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4. There should be sufficient time allotted by the SC for in-depth discussion of the synthesis findings at SC and Board level, to ensure ownership and follow through from the highest level.

5. More effective accountability mechanisms at both global and country levels are required to ensure action on the recommendations.

6. More timely and effective dissemination of the country and synthesis reports is required, including public access, so that all stakeholders can access the findings.

7. Greater space should be built into the approach for tailoring at country level to ensure ownership, utility and learning.

8. The Global Fund should explore what existing or new funding windows could best enable operational or implementation research, driven by the CCM and FPM's priorities, and separately from independent evaluation.

9. The objective of capacity building around M&E, while important, cannot be delivered directly by the PCE or its successor and should be addressed through other routes as is already the case. To the extent that strengthened country-level analytical capacity is a secondary result of independent evaluation, that capacity can be leveraged to support other country or regional monitoring, evaluation, and research needs.

10. Improving data quality, which is also an important objective, also cannot be delivered directly by independent evaluation and should be addressed through other routes such as the Global Fund's grants for RSSH.

Discussion and TERG Position

16. This evaluation should be viewed in two parts. The first part is the evaluation of whether the PCEs achieved their objectives and the lessons learned. That is addressed in the findings and conclusion and is essentially retrospective. The second part is prospective, "where do we go from here?"; and is addressed in the recommendations and the design considerations and options. The TERG's comments address those two parts in order.

17. The TERG acknowledges the findings and conclusions against the key evaluation questions and agrees that the report raises some valid points about the level of ambition for the PCEs, leading to a complex and multilayered implementation model and the challenges this created for the parties involved. Nevertheless, the TERG would like to draw the committee's attention to the fact that, despite some challenges, the external evaluation report also highlighted what the PCEs were specifically able to capture that was not, and will not, be captured/ achieved in current practice:

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a. The focus on the Global Fund business model operation and effectiveness by independent evaluators

b. The whole grant cycle analyses. This is unique as other evaluations at the Global Fund are point in time/snap shots. "Independent insights into various elements of business model effectiveness (including the whole grant cycle analyses) were largely appreciated by global level audiences." (p. 9 of the evaluation report)

c. A country, bottom-up viewpoint on grant and business model operation: The creation of an independent route for voice from countries "is widely seen as adding value, and the need for independent country level evaluation is also not in doubt, in other words, [the PCEs met] this important need which was not met elsewhere. "(p.51). However the TERG stresses that this should be distinguished from in-country commissioned operational research which is the subject of Recommendation 8.

d. Independent assurance role: "Even if the evidence was already well-known in a less formal sense by practitioners, it is likely that the PCEs provided an important assurance role in formalizing and adding weight of independent evidence to the decision- making process at the level of the Strategy Committee of the Board. This is a function which is not met in other ways." (p. 57 of the report)

e. Add value to available secondary data. "By bringing qualitative data into play and also an independent analytical perspective, the country platforms and deep dive studies have shed light on issues more clearly and documented them in useful ways." (p.51)

The TERG thinks that these are important areas that should be taken forward in the next generation of independent country level evaluations.

18. While acknowledging the findings and conclusions the TERG would, however, make the following qualifying comments on them:

a. <u>Content/Scope and Quality</u> In retrospect the original objectives did turn out to be excessively ambitious but innovation only comes from trying new ways of doing things which inevitably carries risk. The PCEs were funded under the Strategic Initiatives funding stream within Catalytic Investments whose objective is to fund critical approaches not able to be funded through allocations to increase the impact of its investments. As the report notes, when it became clear that the scope of the PCEs was too broad, and it would not be possible to meet all the competing needs in one evaluation approach, the TERG made the decision to focus on how the Global Fund business model operates in practice in countries. The resulting country reports and the synthesis reports in particular provided a more comprehensive assessment of the Global Fund business model including the grant mechanisms. This type of assessment was not readily available through other existing Global Fund M&E mechanisms. We feel these have shed light on issues in program

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implementation that can, and indeed in some cases have already, lead to improvements. Seeing some of the challenges, the TERG also decided not to request continuation of the PCEs in its current form beyond its end date but to objectively evaluate the PCEs and to initiate an improved approach based on the lessons learned from this.

b. <u>The role of Independent Evaluation</u> The report emphasizes the strong feedback from within the Secretariat that, on the whole, they saw limited added value from the PCEs reports because they were already aware of the data used and the issues raised. This feedback suggests a limited appreciation that the key role of independent evaluation is to provide accountability and assurance to the Board through independent analysis of the how and the why, what facilitates and what hinders progress to achieving impact. Independent evaluation has a key but different and complementary role to the work carried out by the internal monitoring of grants and program reviews. The Secretariat teams may know of issues but this does not mean that the Board has the same awareness and interpretation. This evaluation supports the idea that there is a need to provide a lens, from an external perspective, for the views of country-level stakeholders, as the latter feel that their concerns often don't get heard through the existing channels.

c. <u>Factors Affecting Usefulness</u> The TERG agrees that the diverse stakeholder groups had different needs and expectations and on reflection these expectations could not all be met. Stakeholder perception of quality and usefulness is very closely linked to their perception of whether it addressed areas that were a priority for them. It is not surprising then that there were inherent tensions between the need for strategic global synthesis regarding the business model and the need for prospective program focused findings to inform and respond to the different needs of countries. The TERG accepts that communication to the different stakeholders, particularly as the key focus of the PCEs changed, could have been better to reduce some of these tensions.

d. <u>Utility</u> The TERG does challenge the conclusion that the PCEs findings' "usefulness was limited overall". This rather absolute conclusion is not in fact supported by the reviews' own documentation in the body of the report. In Table 6 "Summary of Findings Against Country Level Objectives with Examples" of the report, the examples given in the Finding section under subheading "Use of PCEs by other country stakeholders" (page 44-45) and the subheading "Positive examples of strategic uptake of PCEs findings identified" (page 47). For these reasons the TERG does not agree with the red traffic light rating against this objective in Table 1 of the report.

e. <u>Lack of accountability</u> The TERG agrees that the usefulness of the reports generated by the PCEs was limited by a lack of accountability for follow up on findings and recommendations. This lack of accountability was compounded by the

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fact that a) there were complex levels of approval needed before CEPs could communicate findings to national stakeholder reducing their timeliness and b) for more than four years none of the PCEs synthesis reports were officially put out in the public domain, which would have allowed for swifter feedback to the countries and other stakeholders. Unfortunately, these factors are currently very largely outside the control of the TERG.

f.   Role for the independent evaluation In TERG's view this failure to recognize and act on the learnings from the PCEs was a wasted opportunity. The limitations stated above highlight the importance of having an independent evaluation function with a clear and recognized mandate covering independence, accountability and learning, sitting as part of a comprehensive Global Fund monitoring and evaluation framework. This is currently lacking. As the 2019 review of TERG concluded, the TERG, supported by the TERG Secretariat, currently functions as a semi-independent, under-resourced and somewhat marginalized entity with limited capacity or mandate to ensure follow through on the recommendations of its reports. The TERG is therefore very encouraged by the work done to date to develop a comprehensive Global Fund M&E Framework, which includes clearly defined roles for independent evaluation in that framework.

g.   Use of Data and Improving Data Quality One of the original objectives of the PCEs was to strengthen country M&E systems for robust measurement. While it was never the intention that CEPs would be involved in primary quantitative data collection the TERG recognized early on that strengthening country M&E systems was an inappropriate expectation for an evaluation. The real added value of PCEs was usage of qualitative data. Both the country reports and the synthesis reports did combine qualitative data with analysis of secondary data to reach conclusions in a way that was not available through other processes.

h.   Value for Money Assessing Value for Money (VfM) is necessarily a comparative analysis of costs and benefits. This requires appropriate comparator mechanisms and in the case of PCE it is complicated by the fact that the objectives became more focused over time. The evaluators chose not to do a full VfM assessment given the time and the resources available. The TERG understands this decision but wants to make it clear to Strategy Committee members that the conclusion on VfM (pages 45-60) of the report are based on a "qualitative assessment" and should not be taken as a robust assessment of VfM money. As an alternative proposition to the reviewer conclusion the TERG notes that the Gavi Full Country Evaluations (FCA), which is probably the most appropriate approximate comparator, reviewed immunization programs for four countries from 2013-2016 and cost US$16 million. The PCE cost US $28 million, looked at programs across prevention, treatment and care for three diseases for eight countries and ran 2017-2020. However, the TERG stresses that this is also not a robust VfM assessment.

i.   Building Capacity at the country level The report highlights the long time and learning curve needed to build the capacity of Country Evaluation Partner teams

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(CEPs). One of the first steps was for the CEPs to develop an understanding of the complex Global Fund policies and processes before they could begin to usefully evaluate programs. If the Global Fund is seriously committed to giving voice to an independent country perspective, it needs to continue to support and strengthen country-level evaluation capacity. This issue is addressed further in the recommendations, and Design Considerations and Options for Future Independent Evaluations.

19. The TERG endorses the 10 Recommendations and provides some early reflections on Table 12 "Design Considerations and Options for Future Independent Evaluations" of the evaluation report (see also annex 3).

20. As the evaluation report states the recommendations start from the assumption that the PCEs will not continue in their present form. This was a decision made by the TERG and conveyed to the SC at its October 2020 meeting as part of its work plan for approval for funding for 2021. At that meeting the SC asked the TERG to consider how independent country level evaluation could be undertaken in the future. The TERG submitted a two phased investment case for additional 2021-2023 Strategic Initiative funding to the SC in November 2020, with the first phase covering independent evaluation work in 2021 and phase 2 content partially contingent on the findings of an external evaluation of the PCEs. The TERG therefore asked the reviewers to make their recommendations forward looking drawing on the lessons learnt from their evaluation of the PCEs. As stated previously the broader issue of the function and structure of independent evaluation in the Global Fund is being addressed in the work that has been carried out, with close involvement of the TERG, to develop a comprehensive Global Fund M&E Framework.

21. The recommendations section starts with a recognition of the importance of the objectives around independent country level evaluation that the PCEs sought to address even though they were not able to achieve all those objectives at once. The report also stresses the importance of safeguarding independence while ensuring quality and utility of evaluations. The TERG strongly agrees with this position and also recognizes that to achieve these objectives requires a rethinking on the design of country level evaluations.

22. The TERG draws the Committee's attention to Recommendation 3 which stresses the need for much better arrangements for learning from independent country evaluations and the fact that this is an issue that requires joint attention from both the TERG and Global Fund senior management working with other stakeholders. One of the clear findings from the PCE work is that it cannot be achieved by the TERG alone. The TERG agrees with this recommendation and Recommendations 4-7 which are specifically aimed at addressing this.

23. Recommendation 8 relates to the importance of operational research driven by individual country priorities, which it sees as separate from independent evaluation,

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and the need to explore how this can and should be funded. The TERG agrees this is a gap in many countries and suggests that it is an area that could be more clearly identified as something that can and should be funded within a country's allocation. <u>During the grant making TERG suggests that the role of the CCM or MoH overseeing the OR is laid out very clearly including any reporting.</u> This could also apply to Recommendation 9 that refers to capacity building in-country around M&E.

24. The TERG encourages operational research to be planned and integrated as a component of the overall M&E framework. To inform how this is best done, the TERG encourages the Secretariat to identify lessons learned from the past and current operational research experiences funded through grants. Lessons learned could focus on the reasons why countries chose to engage in an operational research or chose not to, how were topics selected, examples of good practice and to what extent they informed better programing in countries.

25. To ensure that operational research is carried out to inform program implementation the TERG requests that the Secretariat consider putting in the allocation letter specific guidance to countries about including M&E as an integral part of grant requirements with a suggested figure of 5% of the total grant. In this way it must be reported and can be tracked. The TERG also agrees that operational research, is separate from the independent reviews/research which is commissioned by the TERG. These independent country level evaluations are covering specific areas across countries or in a specific country to learn lessons that would contribute to the improvement of the Global Fund business model or grant implementation processes in country leading to greater impact.

26. Recommendation 10 states that improvement in data quality is an important objective but that it should be addressed through other routes such as RSSH grants, not independent evaluation. The TERG agrees with that position. However, linking to Recommendation 9, we note that skills in analyzing data and how to use data in a policy context was a key M&E capacity weakness that was identified by both GEPs and CEPs. The TERG also sees merit in seeing how the Strategic Initiative Evaluation could build on and benefit from the capacity development work done by the Data Strategic Initiative.

Design Considerations and Options for Future Independent Evaluations

27. The options put forward in Table 12 are a very useful starting point but they will require more detailed work in consultation with key stakeholders. As with most proposals the devil will be in the detail. However, the TERG's initial and high-level position is as follows;

   a. Support for Option 2, develop a rolling program of independent country level evaluations (CLEs) commissioned separately by the TERG. The CLE's would cover

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agreed global/busines model questions and a number of country specific questions agreed ahead of time with the relevant stakeholders.

b.   The criteria used to select the countries needs more detailed consideration and the possible options for selection listed in Table 12 is a good starting point.

c.   Supports a global or regional level evaluation partner[2] to be contracted separately to prepare an annual synthesis report drawing on these CLE's with a focus on global level learnings. This synthesis is not something that could be done by a CLE nor would individual country evaluations on their own provide sufficient evidence for global level findings. The consultant contracted to prepare the annual synthesis report could change depending on the focus topics selected for a particular year

d.   Supports discontinuing the evaluation platform in the eight countries instead a pool of pre-qualified organizations at the country or regional level should be established. This can be done using a framework agreement, or the indefinite quantity contract (IQD) mechanism, through a tender process based on clear selection criteria. This approach is consistent with Phase 2 funding activities outlined in the paper presented to the Strategy Committee in December 2020.

28. More detail on how the TERG is proposing to take this forward is contained in the separate paper to this committee.

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[2] This is the name used previously in the context of the PCEs, this name may change with the next generation of the independent country level evaluation.

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Annexes

The following items can be found in Annex:

• Annex 1: Relevant Past Board Decisions
• Annex 2: Links to Relevant Past Documents & Reference Materials
• Annex 3: Design considerations and options for future independent evaluations (Table 12)

Annex 1 – Relevant Past Board Decisions

Relevant past Decision Point	Summary and Impact
GF/B42/DP03: Sources and Uses of Funds for the 2020-2022 Allocation Period[3]	The Board approved the use of an additional USD 90 million for the 2020-2022 allocation period's catalytic investments, bringing the total amount for catalytic investments for the 2020-2022 allocation period to USD 890 million, to be made available for the priorities and associated costs.
GF/B36/DP06: Catalytic Investments for the 2017-2019 Allocation Period (November 2016)[4]	The Board decided that USD 800 million would be available for catalytic investments over the 2017 – 2019 allocation period for the priorities and associated costs presented in Table 1 of GF/B36/04 – Revision 2, including USD 22 million for TERG PCEs.

Annex 2 – Relevant Past Documents & Reference Materials

1. Prospective Country Evaluation Synthesis Reports and TERG position paper: https://www.theglobalfund.org/en/technical-evaluation-reference-group/evaluations/prospective-country-evaluations/

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[3] https://www.theglobalfund.org/board-decisions/b42-dp03/

[4] https://www.theglobalfund.org/board-decisions/b36-dp06/

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Annex 3 – Design considerations and options for future independent evaluations (Table 12)

Evaluation objective	Design considerations	Design options
How to deliver global learning based on annual synthesis of country-level evaluation	Annual synthesis is meeting an important need for independent evaluation and global learning on how Global Fund business model plays out in practice in countries. Relies on having a consistent approach across countries – a shared set of questions on the global issues. Covering several objectives at once, with multiple layers is not an optimal design. Has not met the need for tailored learning in country – unavoidable trade-off. There were instances of critical findings being 'watered down' in the PCE report revision process; thus impacting the independence of evaluation findings.	It is assumed that the aim is to develop a simpler/more focused approach which has fewer layers but allows an annual synthesis to continue. There are two options we can suggest[5]: Option 1: competitively contract a single global evaluation provider (GEP) to produce an annual synthesis and a set of country case studies focusing on a specific aspect/topic of the Global Fund business model. The topic and set of countries would change each year. This would allow more country level context to be built in, since the rigidities of the PCE approach as a single instrument would be relaxed. Option 2[6]: develop a rolling program of independent CLEs which are commissioned separately by the TERG. The CLEs would cover global questions, agreed well in advance, but also some country specific questions. The GEP would then draw on these CLEs to do a retrospective synthesis each year. Under either option, the GEP would focus solely on the global learning aim i.e., no longer have responsibility for supporting country platforms or individual country-level learning. They would help the TERG and Global Fund with dissemination of the synthesis. Filtering is less likely if there are separate products aimed at the appropriate audiences, including the country level evaluations aimed at the country level stakeholders. In the PCE model the synthesis was the primary purpose and it was difficult to tailor at country level as well. Under option 2 it is possible to have more tailoring and assure independence for each individual country level report, prior to the synthesis process, which makes it easier to achieve both objectives.

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[5] It would be possible to develop other options, but these two provide a useful starting point for discussion.
[6] This assumes that the TERG is supported by an in-house team which has the capacity to assure quality.

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Evaluation objective	Design considerations	Design options
How to deliver country-level evaluations which are high quality and reflect a good knowledge of the Global Fund business model	Learning within countries is potentially valuable, as shown by the deep dives, but it cannot be fully met through the same instrument as global learning. The CEPs have developed useful knowledge of the Global Fund business model, supported by the GEPs, and fed into the synthesis. The prospective approach could not in practice be fully implemented and a different approach is required. The country platforms have benefited from the GEP support through learning by doing, but the overall model is resource intensive and could not easily be extended to other countries. Country coverage is important.	Discontinue the continuous evaluation platform in 8 countries, and also move away from the prospective approach towards a more standard evaluation approach delivered within a specified deadline per assignment, rather than a standing capacity. Replace it with <u>framework agreements[7] with a range of country and regional providers</u> who can expect business from the Global Fund (and possibly other bilateral and multilateral donors) over time and are therefore incentivized to develop knowledge of Global Fund business model, with an element of continuity. Invite the high performing CEPs to bid to be on those framework agreements, but also bring in other country and regional providers. Under the framework agreements, the country and regional providers would do one of the following: - If Option 1 is pursued, they would provide country case studies for the GEP, in a subcontractor role[8]. - If Option 2 is pursued, they would deliver CLEs in one or more countries in a region Either option provides a route for existing CEPs to apply to be on the framework agreement and leverage the knowledge of the Global Fund they have developed, applying to other countries in their region.[9]

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[7] Under a framework agreement, suppliers bid to carry out country level evaluations, and have been preselected for their relevant expertise, capability and knowledge of the Global Fund. Doing a series of evaluations for the Global Fund helps to build skills and encourages both sides of the relationship to invest in mutual learning.

[8] The GEPs may prefer to deliver country case studies themselves using their own associates and partners, since that may be efficient for them- but under this option they would be encouraged to consider using the framework agreement contractors and building that relationship further.

[9] <u>Alternative approach:</u> if the country platform concept is felt to be particularly valuable, recognising the learning which has happened in the GEPs, an alternative approach might be that the Global Fund could work with other partners in country (e.g., national governments, UNICEF, GAVI, national governments) to develop a shared evaluation capacity in the health sector. This would share the cost across a range of partners, making it more financially viable, country relevant, contestable (if more than one provider was supported in each country) and broadly useful.

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Evaluation objective	Design considerations	Design options
How to select countries	The 8 countries were carefully selected but there was limited if any cross-country learning and wider coverage is needed.	Rather than focusing on 8 countries, it would be desirable to select CLEs from the full range of Global Fund countries. Options include: - a rolling programme so that a different group of countries is selected each year and a good range of target countries is covered within, say, a 5-year period. This would support accountability. If there is a need for continuity (for example continued work on the full grant cycle), a small subset of countries could be retained across the entire period. - Selecting countries that share similar issues and challenges, based on the topic being targeted for the global synthesis and global learning – this would help to promote cross country learning. - Selecting countries according to Global Fund priorities for that period.
How to ensure global learning – selection of topics and other conditions for effective learning	The deep dives focus on the Global Fund business model and more focused approach to synthesis has been shown to be more useful and should be built on. Learning is more likely if certain conditions are met around dissemination and follow up, receptivity, accountability etc.	Selection of the topics for the annual synthesis would build on the deep dive approach and strategic considerations for the SC. It would also take account of the issues that the Global Fund secretariat has identified as necessary for its learning, across many countries, to build stronger ownership with this key stakeholder group. The synthesis would also need to align with other thematic work by the TERG to avoid duplication. In addition to the selection of topics outlined above, other recommendations around learning (see recommendations 4-6) would need to be implemented in order to improve use and impact.
How to ensure country learning if that is an objective for this instrument.	Questions have been mainly driven by the synthesis requirement – there has been limited ownership and tailoring at country level There is a fundamental and unavoidable trade-off i.e., a single instrument cannot at the same time be well tailored to an individual country context and be comparable with other countries for synthesis.	If option 2 is pursued, build in a better balance between global questions and country questions to cover both aspects in a fairer way which would improve ownership and learning. Alternatively: - Recognising the fundamental trade-off, make no attempt to tailor by country and focus only on the synthesis for global learning - It would then be essential to address country level learning through other routes e.g., operational research studies in countries, program reviews, decentralised evaluation etc. This achieves a lower standard of independence.

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