

# **Technical Evaluation Reference Group: Thematic Evaluation on Multi-Country Catalytic Investment Grants**

TERG Position Paper, Management  
Response and Final Report

December 2021

# TERG Position Paper on Strategic Initiatives and Multi- Country Catalytic Investment Grants Evaluations

# Executive Summary

## Context

In addition to country allocations, the Global Fund allocates resources for catalytic investments, which comprise matching funds, multi-country grants (MCGs<sup>1</sup>) and strategic initiatives (SIs)<sup>2</sup> deemed critical to meet the aims of the 2017-2022 Strategy and its Strategic Objectives (SOs)<sup>3</sup>. The thematic evaluations on MCGs and SIs were commissioned by the Technical Evaluation Reference Group (TERG) to assess the contribution of MCGs and SIs to achieving the SOs of the Global Fund including, but not limited to, their catalytic effects. Due to the similarity of conclusions arising from both the MCG and SI evaluations, the TERG has decided to present a joint position paper on these evaluations, highlighting several key themes for the design of the next cycle of catalytic investments.

## Questions this paper addresses

The paper provides the TERG's position on the MCG and SI evaluation reports, to help prioritize recommendations and further improve the design/selection, implementation, and impact of MCGs and SIs to provide key inputs for the Strategy Committee (SC) decisions about the next allocation cycle (2023-2025) for the post-2022 strategy.

## Conclusions

Drawing from the findings, the two evaluation reports highlight the following overarching areas of conclusions on MCGs and SIs (detailed conclusions in Table 2, 3 and 4 (see page 8):

- **Selection and Prioritization of Grants:** The current approach to the selection of programmatic issues for MCGs and SIs mostly ensured relevance with the programmatic needs and alignment with and contribution to the SOs.
- **Grant Design:** The design of MCGs and SIs have improved over time. However, some design limitations have placed constraints on achieving their objectives.
- **Catalytic Effect and Added Value:** The MCGs and SIs were largely designed to add value and achieve some sort of the 'catalytic' outcome. However, there is a lack of consensus across the Global Fund landscape on what constitutes a catalytic effect.
- **Harmonization with Other Grants:** There are missed opportunities to harmonize the MCGs and SIs with other types of Global Fund support (e.g., where matching funds complement the SI support) or implemented by other agencies.
- **Performance Measurement:** There are challenges in measuring the performance of MCGs and SIs with a lack of metrics for catalytic and/or strategic intent.
- **Value for Money (VfM):** The 2017-2019 MCGs and SIs were not particularly set up to measure or manage for VfM. However, analysis suggests that some MCGs and SIs were more likely to offer VfM than other.
- **Management and Implementation:** Both SI's and MCG's have complex management and implementation arrangements, with high transaction costs partly due to multiple parties involved.

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<sup>1</sup> Some countries pool their allocation to manage a multicountry program for better operational efficiencies, and these are allocation funded. This evaluation is focused on multi country catalytic investment Grants programs funded solely by catalytic funding (MC Catalytic Investments (CI))

<sup>2</sup> Matching funds, multi-country grants (MCGs) and strategic initiatives (SIs) are 2.5%, 1.8%, and 2.7% of the overall Global Fund investments and 35.5%, 26%, and 38.5% of catalytic investments, respectively, based on Board Decision Point on Sources and Uses of Funds for the 2020-2022 Allocation Period, 42nd Board Meeting GF/B42/DP03, with adjustments based on November GAC decisions

<sup>3</sup> GF/B35/DP10

**TERG Position:** The TERG broadly endorses the key findings, high-level conclusions and recommendations of the two evaluations with qualification/clarifications for some recommendations. The TERG is of the opinion that both types of investments should be continued going forward as both add value in their own ways. While acknowledging the marked improvements in the design and selection process of MCGs and SIs, the evaluations have identified some key issues that need priority consideration to enhance their impact. The TERG notes the conclusions and recommendations from both evaluations highlighting the need to:

- a) **Strengthen harmonization and coherence of catalytic investment design with country grants**, i.e., to provide a more holistic mapping of types of catalytic investment for transformational change. Greater attention needs to be paid to what is being covered in country grants and by other partners.
- b) Strengthen design through ensuring a **Theory of Change** and that **evaluation plans** are included in each investment case for clear catalytic effect and performance measurement.
- c) Further **strengthen implementation, governance and performance management arrangements**. This includes continuing to incentivize partner performance towards the achievement of results and to seek alternative partners where this is not occurring.

Furthermore, both evaluations underlined **the lack of a shared understanding by various Global Fund stakeholders of what “catalytic effect” means and the low priority given particularly to MCG grants (see page 7 across the Secretariat** (see more in table 5, annex 3 and 4) despite their value add **in areas that are not covered** by country grants. The catalytic nature of these investments would be better realised if **the SC facilitated a consensus on the definition of catalytic<sup>4</sup>; expected impacts from these modalities, including the risk if they are not implemented; and high-level principles to guide the selection topics that would most likely achieve that impact<sup>5</sup>.**

Based on the evidence in these two evaluations, **the TERG sees merit in merging these two types of catalytic investments**. This could help to streamline oversight and management, while facilitating the adoption of successful innovations employed by either the SI or MCGs at present.

### **Input Received**

The scope of work and the evaluation questions were developed after extensive consultations with the Secretariat and the SC. These evaluations were conducted with substantial contributions from the Secretariat and further inputs from SC as well as relevant external partners and stakeholders.

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<sup>4</sup> SI Recommendation 1, MCG Recommendation 2

<sup>5</sup> SI Recommendation 2, MCG Recommendation 2

# Report

## Part 1: Background

1. In addition to country allocations, the Global Fund allocates resources for catalytic investments, which comprise matching funds, multi-country grants (MCGs) and strategic initiatives (SIs)<sup>6</sup>. These investments incentivize the programming of country allocations for priority areas; support activities that may not be easily addressed by individual country grants in predefined areas in various geographic regions; as well as provide limited funding for centrally managed approaches that cannot be addressed through country allocations due to their cross-cutting or off-cycle nature respectively, to ensure that country allocations deliver against the Strategic Objectives (SOs)<sup>7</sup>.
2. The Technical Evaluation Reference Group (TERG) commissioned thematic evaluations on SIs and on MCGs. The scope of work and evaluation questions were developed in consultation with the Strategy Committee (SC) and the Global Fund Secretariat. Relevant partners, such as WHO, UNAIDS, RBM, Stop TB Partnership, PEPFAR etc. and past SC leadership provided inputs into the evaluation. The overarching objective was to evaluate whether and how the SIs and MCGs contributed to achieving the SOs, including but not limited to their catalytic effects, to inform the discussions by the Board and SC for the 2023-2025 allocation period. The three main objectives of each of the evaluations can be found in Table 1 below:

**Table 1: Main Objectives of the SI and MCG Evaluations**

Strategic Initiative Evaluation	Multi-country Grants Evaluation
<ul style="list-style-type: none"><li>• <b>Main Objective 1:</b> To review how, and on what basis, areas for SIs were selected and whether they have been sufficiently prioritised</li><li>• <b>Main Objective 2:</b> To review the SI implementation arrangements and how performance was monitored to identify key contributing factors that made SI's more successful and</li><li>• <b>Main Objective 3:</b> To assess whether the SIs have achieved their intended objectives, in particular the extent to which the SIs have been catalytic.</li></ul>	<ul style="list-style-type: none"><li>• <b>Main Objective 1:</b> To evaluate whether and how multi-country catalytic investment grants contribute to achieving the strategic objectives of the Global Fund</li><li>• <b>Main Objective 2:</b> To evaluate whether and how multi-country catalytic investment grants were able to effectively tackle regional bottlenecks and address cross-border and national issues and,</li><li>• <b>Main Objective 3:</b> To evaluate the efficiency, effectiveness and equity of operationalization and implementation of multi-country catalytic investment grants to inform the 2023-2025 allocation cycle and multi-country grant priorities under the post-2022 Global Fund strategy.</li></ul>

3. **Methods and approaches:** Both evaluations drew heavily on secondary data and primary data collected through individual interviews and group discussions. Due to the COVID-19 pandemic

<sup>6</sup> Matching funds, multi-country grants (MCGs) and strategic initiatives (SIs) are 2.5%, 1.8%, and 2.7% of the overall Global Fund investments and 35.5%, 26%, and 38.5% of catalytic investments, respectively, based on Board Decision Point on Sources and Uses of Funds for the 2020-2022 Allocation Period, 42nd Board Meeting GF/B42/DP03, with adjustments based on November GAC decisions

<sup>7</sup> GF/B35/DP10

restrictions, all interviews were conducted remotely for both evaluations. The SI evaluation key informants (230 interviews) and relevant documentation were identified in consultation with the Secretariat, and especially the SI Project Management Office (SI-PMO), selected SIs leads/ focal points as well as implementing partners at central and country levels. For the MCG evaluation, 208 interviews were conducted including key stakeholder interviews at global, regional, and country levels. In addition to desk-based review of the documents, there was an on-line survey in three languages with a 30% response rate from 56 respondents out of 187 stakeholders surveyed. Finally, the overall conclusions were drawn from in-depth assessment of ten (10) out of more than twenty (20) SIs from both cycles and from eight (8) MCG case study reviews out of seventeen (17) MCG in the 2017-2019 allocation period.

4. **SI typology, country deep dives and definition:** Ten SIs<sup>8</sup> were identified for in-depth exploration case studies in seven countries<sup>9</sup>. These SIs were clustered into three broad themes for analysis, which relate to areas of strategic importance to the Global Fund, i.e.,
  - a. Promoting/enhancing the uptake of innovations and introduction of new products
  - b. Strengthening and sustaining systems
  - c. Addressing areas that are at risk of being under-prioritised or de-prioritised.
5. **Eight MCGs<sup>10</sup> and three country case studies for each selected MCG were purposively selected based on the following set of criteria:**
  - a. Mix of disease components (HIV/TB/malaria)
  - b. Mix of regions
  - c. Mix of RCMs/RO and other coordination/oversight bodies
  - d. Grant budget over \$5 million
  - e. Not included in the 2019 OIG Global Fund MCG review
6. Both evaluation teams drew upon the approach adopted in the SR2020 review<sup>11</sup>, and defined 'catalytic' as leading to one or more of the following operational criteria being met:
  - **More:** Additional funding is leveraged from other sources and/or additional activities are implemented
  - **Improved:** Activities that were conducted previously are now appreciably more efficient, effective and/or strategic
  - **Unique, new or innovative:** Activities or contributions that are exclusive or exceptional to catalytic funding and/or those that are entirely new, original or initiated because of catalytic funding and
  - **Faster:** Activities that were implemented previously but are now being implemented at an accelerated pace.

Furthermore, the SI team drew upon from the definition of the Overseas Development Institute (ODI) which described a two-track framework for **catalytic change**, with the two aspects being 'transformative' (growth-enhancing change) and 'crowding-in' effects.

<sup>8</sup> AGYW, TB preventive treatment, STE, PSM-diagnostic and planning, Malaria New nets, TB missing cases, Malaria eliminations, SDI-labs, Data, CCM evolution pilot.

<sup>9</sup> Burkina Faso, Cambodia, Eswatini, Mozambique, Nepal, Tajikistan, and Tanzania

<sup>10</sup> Americas Regional Malaria Elimination Initiative QRA-M-IDB (MCG RMEI)- Malaria elimination, Elimination of malaria in Southern Africa QPA-M-LSDI(MCG MOSASWA)-Malaria -elimination, TB in the mining sector (MCGWHC)-TB -missing cases, TB West and Central Africa NTP/SRL Cotonou QMZ-T-PNT(MCG NTP/SRL)-TB -lab strengthening, TB Interventions among migrants and mobile populations in Mekong QMZ-T-UNOPS (MCG TB UNOPS)-TB -migrants, HIV-Sustainability of Services for key population (KP) in EECA region QMZ-H-AU(MCG EECAAPH)-HIV KPs, Sustainability of services for Key Populations in the MENA region QMZ-H-FA (MCG MENA)-HIV -migrants, Sustainability of HIV Services for Key Populations in Asia Program QMZ-H-AFAO(MCG SEA AFAO)-HIV KPs

<sup>11</sup> Technical Evaluation Reference Group Position Paper: Strategic Review 2020. Volume 2: Annexes. 31 August 2020, pp. 107-108. [https://www.theglobalfund.org/media/10496/terg\\_strategicreview2020position\\_annexes\\_en.pdf](https://www.theglobalfund.org/media/10496/terg_strategicreview2020position_annexes_en.pdf)

Using the above criteria, the evaluation teams determined the extent to which the SIs and MCGs were catalytic: a) by design; b) in implementation; and c) in results.

7. **Key Limitations of the evaluations:** The limited number of countries for the validation of SIs constrained the ability to determine how SIs complement country grants in different setups and regions; multiple components of some complex SIs (e.g., STE, PSM, Data) posed a major constraint to coherent evaluation and analysis; and COVID-19 disruptions was a limitation for both evaluations. Further, there was lack of/limited availability of data on results/impact of the 2017-2019 allocation period (NFM2) and at the outset of the 2020-2022 allocation period (NFM3). For the MCG evaluation, which started later than the SI evaluation, the time frame for the evaluation was particularly tight as the final reports were needed in time for submission together with the TERG position paper and management response to the 17<sup>th</sup> SC meeting in October 2021.

## **Part 2: Findings, Conclusions and Recommendations from the Strategic initiatives and Multi Country Catalytic Grant evaluation Reports**

8. The SI and MCG evaluation findings were mapped to the objectives and evaluation questions (the complete findings are provided in the SI and MCG reports on pages 15-48 and 11-42 respectively). Some of the findings include:

### Similar findings from both evaluations

- SIs and MCGs in the 2017-2019 allocation period showed limited shared understanding between the Board/SC, Grant Approval Committee (GAC), Secretariat and Partners of the meaning of the term 'catalytic', little clarity on how these grants should achieve a catalytic and/or strategic effect, and no metrics for assessing achievement of catalytic/strategic intent.
- Both evaluations found significant challenges with use of performance measures. The MCG team found that harmonizing specific indicators across multiple countries created challenges, while the SI team suggested that the 2017-2019 SIs had results frameworks of variable quality. For the 2020-2022 allocation period, all but one of the SIs reviewed have improved management performance frameworks, with clearer results frameworks developed, including more robust metrics that are better aligned with existing data reporting mechanisms or tools.
- The 2017-2019 SIs and MCGs were not set up to measure or manage for VfM and as such have generated insufficient evidence to demonstrate VfM. Nonetheless, analysis suggests that some SIs and MCGs are more likely to offer VfM than others, with key drivers being a clear and coherent design, reasonable project management costs and regular Secretariat and implementing partner engagement.
- The evaluation found that there had been varied alignment between MCGs or SIs and country grants, with implementation often done in parallel for both type of investments. MCG development appeared to have had more engagement from Secretariat Country Teams (CTs) and country stakeholders while SIs have had much less engagement from either.
- The MCGs and SIs were found to have experienced a number of management, governance and accountability challenges during the 2017-2019 period. Both SI's and MCG's had complex management and implementation arrangements. Also the transaction costs for both were high partly due to the multiple parties involved. In the case of MCGs, the evaluation found cumbersome, multi-layered reporting lines often consisting of one or more regional

PRs and a cluster of national Co-PRs, SRs and SSRs, with the associated hierarchies of reporting and communication and data aggregation in the 2017-2019 allocation period, which led to difficulties with making changes to grants to respond to the changing circumstances or to get approval for innovative models. For SIs concerns were raised about changes to types of contracting that could increase transaction costs.

- While recognising the constraints imposed by the Global Fund replenishment cycle, the three-year funding cycle was seen as very limiting to both SI and MCG modalities especially given the inherent delays in start-up due to the multiple partners involved.

#### SI specific findings

- There is some indication that the SIs that best demonstrate (or have the potential to demonstrate) a catalytic effect are those with a strong focus on scaling up access to and utilisation of new/innovative/unique technologies and approaches at the country level with the aim of specific programme improvement, such as New Nets, TB Missing Cases, and Malaria Elimination.

#### MCG specific findings

- The MCG evaluation identified that the MCGs appeared to have a low priority within the Secretariat with more attention paid to country grants, which are much larger and the main priority for CTs. Although they add value to the country grants, the lack of attention, support and resources to manage the additional complexities and risks associated with MCG potentially limits the impact that could be achieved by them.
- Consistent with the finding in the OIG's review in 2019, the continued weakness of most regional coordination mechanisms and regional organizations, which are largely under resourced or not resourced at all from the grants, is constraining governance functions. This includes limited oversight function which constitutes a risk. Support to a small number of MCG's from the CCM Hub has been positively received and more proactive support in the future would be of benefit.

9. The evaluations have drawn high level conclusions in relation to the findings across the three main objectives pillars for each. The SI evaluation identified five conclusions, while the MCG evaluation identified eight conclusions, spanning strategy and operational aspects. Tables 2, 3 and 4 below show highlights where both evaluations drew similar conclusions from their findings, as well as the evaluation specific conclusions.

**Table 2: SI and MCG Similar High-level Conclusions**

SI Evaluation Conclusions	MCG Evaluation Conclusions
<b>Selection and Prioritisation Broadly Appropriate though Challenges Remain</b>	
<b>C1.</b> The current approach to the selection of programmatic issues for SIs to focus on has ensured that SIs are relevant to programmatic	<b>C1.1(a)</b> In general, MCGs have demonstrated clear contributions towards achieving the Global Fund's Strategic Objectives, primarily SO1, with

<p>needs and aligned with the Global Fund's Strategic Objectives.</p> <p>The SIs do not however address all the most critical issues affecting the achievement of the Global Fund Strategy, and it is not always clear how/why some issues were selected over others.</p>	<p>limited contributions to the other strategic objectives.</p> <p><b>C1.2</b> The criteria and processes used to select and prioritize MCGs are broadly appropriate and have yielded a set of grants that individually had clear rationales and strong strategic justification for multi-country approaches.</p>
<p><b>Weak Consensus on Definition of Catalytic Effect but Demonstrated Added Value</b></p>	
<p><b>C2.</b> Despite a lack of clarity on what is meant by the term 'catalytic', the SIs are largely designed to add value and achieve some sort of 'catalytic' outcome. They are, however, inadequate in and of themselves to resolve the issues they are targeted towards. Given their limited funding and scope, they should not be seen as a panacea, and there is only limited evidence that the SIs have systematically been used to leverage the wider systems-scale change required to meaningfully address the issues that the SIs are intended to address.</p>	<p>C1.1(b) Challenges in measuring MCG performance have left question marks over the extent to which MCGs have demonstrated a clear and catalytic effect</p> <p>C2.2 MCGs are adding value to country grants and are generally responsive to regional needs. However, the extent to which they are strengthening regional capacity is varied, and prospects for sustainability more generally are limited.</p>
<p><b>C3.</b> While SI design has improved over time, design limitations persist that constrain the SIs to achieve the desired catalytic intent, for instance, poorly defined intervention logic linking outputs to outcomes and impacts. SI designs have also suffered from a lack of country stakeholder engagement, poorly defined performance frameworks, and limited planning for sustainability.</p>	<p>C.1(c) Decisions on the prioritization of MCGs have been taken in isolation from decisions on grant design, such as budget envelope, implementation timeframes compared with country grants, management and governance arrangements, and considerations of risk management. This has been a contributory factor to sub-optimal design of some MCGs</p>
<p><b>Weak Harmonization with Other Grant Funding</b></p>	
<p><b>C4.</b> There have been missed opportunities to fully harmonize the SIs to other types of Global Fund support (e.g., where matching funds complement the SI support at the country level and SIs support core grant implementation). This has constrained SI effectiveness at country level because it limits opportunities for synergy and reducing overlaps and does not take advantage of the Fund's broader infrastructure for country-led programming.</p>	<p>Limited Secretariat engagement in managing the complexities of MCGs; low relative priority given to MCGs amongst other competing Secretariat priorities; complex management arrangements; and local contextual factors have hampered MCG implementation and their effectiveness.</p>

**Table 3: SI Specific Conclusions**

SI Evaluation Conclusions
<p><b>C5.</b> Between the first and the second allocation periods, improvements in partner contracting, SI coordination, implementation, planning and reporting across the portfolio indicate a capacity to learn from experience and to respond positively to various reviews. This will be needed as the Global Fund considers how to adapt its business model to address known issues and achieve the more difficult areas of its Strategy.</p>

**Table 4: MCG Specific Conclusions**

MCG Evaluation Conclusions
<p><b>C2.1</b> Partnerships have been an important factor in the success of many MCGs in tackling regional bottlenecks and addressing cross-border issues, with several successful partnerships established with non-standard partners, including development banks and the private sector.</p>
<p><b>C2.3</b> The regional governance function remains weak, due in part to limited Global Fund Secretariat buy-in and support.</p>
<p><b>C3.1</b> Two sets of constraining factors have hampered implementation for many MCGs:</p> <ul style="list-style-type: none"> <li>• The Global Fund business model - Constraints include MCGs generally being treated as low priority across the whole Global Fund business model, resulting in limited Secretariat engagement and support to help manage the additional complexities associated with the grants.</li> <li>• Contextual factors. Constraints include political sensitivities associated with cross-border implementation and sharing of information, and the establishment of complex management arrangements to try to overcome these constraints</li> </ul>
<p><b>C3.2</b> MCG program management-related costs are variable, as are Secretariat transaction costs.</p>
<p><b>C3.3</b> Key lessons learned across the MCGs are related to: the importance of improved risk identification and mitigation; the need to simplify complex management and implementation arrangements, which not only increase the cost but also inhibit innovation; opportunities for enhanced communication; the critical need for stronger and grant-specific performance measurement; and the need to explore more flexible funding cycles</p>

- The recommendations suggest approaches for strengthening design, implementation, and results aspects of these catalytic investments for consideration in the development of the next strategy. There is already good progress and improvement in SI design elements for the 2020-2022 cycle following the OIG advisory and SI boost initiatives. **The evaluations highlight the following as critical to the Global Fund to consolidate and accelerate its impact through SIs and MCGs investments** (see evaluation high summary recommendations in annex 3 for SI evaluation and annex 4 for MCG evaluation). Table 5 provides a summary of the high-level recommendations from both evaluations.

**Table 5: Summary Recommendations**

Recommendation Theme	
Strategic Initiative Evaluation Recommendations	Multi-Country Grant Recommendations
<b>Maintain catalytic investments for areas adding value</b>	
N/A	<b>R1.</b> Maintain MCGs as a priority investment area for activities that demonstrably add value over and above what country grants can deliver to meet the Global Fund's Strategic Objectives.
<b>Develop agreed definition of 'catalytic'</b>	
<b>R1.</b> The Strategy Committee should develop a clear, consistent, and shared definition of what 'catalytic' means to the Global Fund. Alongside this, develop catalytic criteria that are measurable and relevant to each SI, and define the expected impact from this modality.	<b>R2(a).</b> Strengthen MCG selection, prioritization, design and review processes by developing an agreed definition of 'catalytic' as applied to all catalytic investments that is used consistently across the Board, SC, GAC, TRP and Secretariat;
<b>Strengthen criteria for prioritisation and selection of areas for catalytic investment</b>	
<p><b>R2.</b> The Strategy Committee should put in place a stronger mechanism to identify a strategic and coherent set of issues for potential SI selection, and prioritise those against the following criteria:</p> <ol style="list-style-type: none"> <li>1. the level of programmatic risk they pose to the achievement of the Global Fund Strategic Objectives.</li> <li>2. the feasibility to address the issue and the suitability of the SI modality (country or multi-country grant, matching funds, OPEX) to do so;</li> <li>3. the robustness of a business case for each SI that outlines the benefits and costs of implementing the SI alongside any trade-offs or opportunity costs.</li> </ol> <p>These changes should result in fewer, but more strategically focused SIs, with sufficient resources to make a meaningful contribution to the systems changes to meet the Global Fund's Strategic Objectives.</p>	<p><b>R2(b)</b> Strengthen MCG selection, prioritization, design processes by</p> <ul style="list-style-type: none"> <li>• Estimating financial needs and resource availability and including these considerations as part of MCG selection and prioritization criteria.</li> <li>• Strengthening consideration of sustainability in MCG selection and prioritization.</li> <li>• Strengthening design through more robust risk matrices that consider risks associated with the complexities of MCG implementation.</li> </ul>

Strengthen design through ensuring a Theory of Change and evaluation /review are included in each investment case	
<p><b>R3.</b> The Secretariat should continue to strengthen the SI design process such that:</p> <ol style="list-style-type: none"> <li>1. stakeholders at country-level are consulted in the SI design, country selection, and implementation timeframe.</li> <li>2. the inclusion of a robust theory of change that defines where the SI fits within the Global Fund funding universe.</li> <li>3. each SI has an exit strategy with clearly defined timeframes and milestones; and</li> <li>4. each SI has an evaluation incorporated into its design.</li> </ol>	<p><b>R2(c)</b> Strengthening MCG designs through the inclusion of:</p> <ul style="list-style-type: none"> <li>• robust theories of change (TOC) that present well-defined intervention logic linking outputs to outcomes and impacts, and include risks and critical assumptions,</li> <li>• reviews after two years, taking into consideration a timely grant start-up, to allow for course correction or discontinuation,</li> <li>• providing the TRP with more time and guidance to consider complex design features of MCGs including landscape analysis and risk management of contextual factors.</li> </ul>
Strengthen Harmonization and coherence of catalytic investment design with other grant funding	
<p><b>R4.</b> The Secretariat should identify a mechanism to ensure greater Harmonization between the SI activities and objectives and the Fund's broader portfolio of support, necessitating structured timelines for SI outputs and engagement in core grant processes, and improved coordination across Global Fund stakeholders.</p>	<p><b>R2(c)</b> Strengthening MCG designs through the inclusion of:</p> <ul style="list-style-type: none"> <li>• comprehensive landscape analyses to identify gaps and overlaps with country grants, other catalytic investments and initiatives funded or implemented by other agencies,</li> </ul>
Strengthen implementation and performance management arrangements	
<p><b>R5.</b> The Secretariat should continue to evolve contracting, management, and oversight arrangements to ensure appropriateness for the nature of activities being implemented and the partner implementing them.</p> <p>Additionally, continue to Incentivize partner performance towards the achievement of results, by well-managed performance-based contracts where there is up-front agreement and transparency on outputs and outcomes and who is responsible for monitoring and measuring these.</p>	<p><b>R2(d):</b> Strengthening MCG review processes through:</p> <ul style="list-style-type: none"> <li>• a limited set of grant-specific performance measures focused on output/outcome levels,</li> </ul> <p><b>R3:</b> Continue to strengthen MCG implementation and governance arrangements through</p> <ul style="list-style-type: none"> <li>• raising the profile of MCGs across the Global Fund</li> <li>• Streamlining MCG management and implementation arrangements</li> <li>• Building on partnership successes</li> <li>• Building regional governance capacity</li> <li>• Exploring more flexible funding cycles that include mid-term review/evaluations</li> </ul>

### Part 3: TERG POSITION

11. The TERG broadly endorses each evaluation's key findings and the high-level conclusions. The TERG particularly commends the Global Fund's use of lessons learned on SI and MCG grants in the 2017-2019 cycle to improve the design and implementation of these catalytic investments identified and demonstrated by these evaluations.

**Table 6: Mapped TERG position with Review recommendations and Conclusions**

TERG position	Review recommendations mapped to conclusions for SI	Review recommendations mapped to conclusions for MCG
1. Continuation of catalytic investments	N/A <sup>12</sup>	R1, C1.1/ C2.2
2. Contribution to SOs	N/A	C1.1
3. Define better what catalytic means	R1, C 2	C1.1
4. Selection and prioritization criteria	R1&2	R 2, C1.2/ C2.2/ C3.1/ C3.2
5. Strengthening performance measurement and management	R3, C3b	R3, C2.1/ C2.3/ C3.1/ C3.3
6. Ensuring greater coherence	R4, C 4	C1
7. Designing for higher relevance and sustainability	R3, C3	N/A
8. Implementation and risk management	R5, C5	N/A
9. Merit in merging SIs and MCGs into a single fund	N/A	N/A

12. The TERG concludes that the main objectives of the SI and MCG evaluations have been covered well, despite the constraints under which the teams had to work. Due to the similarity of analysis and conclusions arising from both the SI and MCG evaluations, the TERG has decided to present a joint position on these evaluations, drawing on several key themes that need attention in the design of the next cycle of catalytic investments.
13. **Continuation of catalytic investments:** The TERG agrees with the explicit recommendation in the MCG evaluation “**Strategic Recommendation 1: Maintain MCGs as a priority investment area for activities that demonstrably add value over and above what country grants can deliver to meet the Global Fund’s Strategic Objectives**” and implied conclusion in the SI evaluation that both types of investments should be continued going forward. Both are adding value in their own ways. The TERG supports the recommendations for strengthening the selection, design, implementation and review processes suggested by both reports.
14. The TERG is concerned with the conclusion (C.1.1) that the MCG’s have made a limited contribution to SO’s other than SO1. For SI and MCG’s there is a particular comparative

<sup>12</sup> Not applicable

advantage over country grants associated with key populations and human rights and gender (HRG). SO3 HRG is key to the Global Fund achieving impact but it is also an area that continues to challenge. SI and MCGs in these areas provide a legitimacy and a safe space for civil society implementation on issues that are very sensitive at the country level while recognizing that one of their aims must be to advocate for country ownership.

15. **Definition of catalytic:** The TERG notes the evaluation findings that the varied interpretations of what ‘catalytic’ means has created challenges for determining selection and prioritization criteria for both types of funding. The TERG suggests that attention be given to SI Conclusion 1, which highlights that, while all Strategic Initiatives have relevance, it’s not clear why these particular areas were proposed above other strategic priorities. At a more fundamental level the TERG agrees with the SI and MCG evaluations’ conclusions 2 and 1.1, respectively, that there needs to be a much clearer understanding and definition of ‘catalytic’ for the Global Fund. The ‘more’, improved’, ‘unique, new or innovative’ and ‘faster’ framework used by the SI and MCG evaluation teams, building on the work of the SR2020, appears appropriate, with improved, innovative and faster having greater potential for fostering a transformative effect. As such, Recommendations 1 and 2 of the SI evaluation and Recommendation 2 of the MCG evaluation will need rapid attention to inform the elaboration of selection and prioritization criteria for the next cycle of catalytic funding for 2023 onwards, as well as setting out what the priority areas are for each type of catalytic investment. A more proactive approach to determining what catalytic investments should cover would help to lessen the chances that key areas that should be covered by catalytic investments are neglected.
16. **Strengthening performance measurement and management:** Building on the findings and conclusions around the lack of a shared understanding of catalytic effect, the TERG also agrees with both evaluations’ recommendation that each SI and MCG needs to have an associated Theory of Change that indicates how processes, outputs and outcomes from each investment will produce a catalytic effect. Both types of funding should then ensure that SIs and MCGs have a robust performance framework and evaluation plan according to the Theory of Change.
17. **Ensuring greater coherence:** The design and implementation challenges highlighted in these evaluations could be partially addressed by resolving the harmonization and coordination challenges summarized in Conclusion 1 (MCG) and Conclusion 4 (SI). The TERG agrees that the Secretariat needs to provide a more holistic mapping of which types of catalytic investment would provide the most appropriate means of implementing SC/Board determined priorities for transformational change. Greater attention needs to be paid to what is being covered in country grants and by other partners for those countries also benefitting from catalytic investments. We therefore fully endorse both teams’ recommendations whereby the Secretariat needs to identify, and implement, better prioritized, and harmonized catalytic investments.
18. **Designing for higher relevance and sustainability:** Related to greater coherence, especially in the design of catalytic investments, the TERG agrees with the SI Conclusion 3 on some of the design challenges that strategic initiatives have faced. SR2017 noted early in the 2017-2019 funding cycle that “...there are...some concerns that catalytic funding may undermine country ownership and skew programming and resourcing toward a set of issues defined by the Secretariat; and that country teams may spend a disproportionate amount of time programming relatively small amounts of catalytic funding to the detriment of the overall grant implementation process.” The first part of the above statement has been borne out in this current SI evaluation, and to some extent the second part as well. As such, the TERG agrees with SI Recommendation 3 that the Secretariat and Global Fund partners should continue to strengthen the SI design process, while acknowledging the potential challenges with operationalizing these. For both SIs and MCGs, the design process would be also strengthened by theories of change, in addition

to the performance management and measurement above; and by ensuring consultation with stakeholders at the country level during the design stage.

19. In particular, the Secretariat and/or proposed implementing partners for each MCG/SI need to take on responsibility for ensuring that stakeholders at country-level are consulted in the design, country selection, and implementation timeframe and arrangements. The proposed implementing partner/s will also need to ensure an exit strategy or sustainability plan in place.
20. **Implementation and risk management:** Part of the design of the new cycle of Catalytic Investments will need to consider the areas discussed above together with addressing other challenges mentioned in the SI and MCG evaluation reports. These include who implements the work financed under SI and MCG funds; how they are contracted; and how they are implemented.
  - Who implements: While not explicitly mentioned in the Conclusions and Recommendations of the SI and MCG reports, having greater clarity on the definition of catalytic and what areas most need to be covered under the 'catalytic' umbrella will be important for informing any decisions about who then would make the most appropriate implementing partner for individual SIs and MCGs. The MCG experience indicates that these grants have successfully worked with a larger pool of partners and more innovative partner arrangements. The SI evaluation suggest that there has been little open competition for implementing partners for SI, and that the existing set of partners have been very influential in determining what areas are covered by catalytic funding. Learning from the MCG experience and taking a more holistic approach to determining what needs to be covered by these funds, there should also be opportunities for inviting a wider range of partners, including the private sector, to then support the design and implementation of SIs and MCGs going forward. With stronger performance measures, the Global Fund would also be in a better position to hold implementing partners to account, and to seek alternative implementers when performance is found wanting.
  - How contracted: The TERG is concerned by the findings on SIs that the Global Fund appears to have re-introduced elements of input-based contracting, potentially detracting from a focus on producing outcomes. Given that many of the 2017 – 2019 contracts were eventually able to demonstrate output and/or outcome related results, albeit were delayed in doing so, applying input-based elements to contracting doesn't seem necessary. The TERG is worried that this could disincentivize a drive towards more transformational results, and this should be reconsidered for the new cycle. TERG agrees with SI Recommendation 5 that types of contractual arrangements need to evolve further and would go further to recommend a return to more purely results-based contracting.
  - Implementation arrangements: The evaluation reports found different types of challenges related to the complex implementation arrangements of SIs and MCGs, although both cases often create high transaction costs. For MCGs the TERG agrees that a rethink is needed for coordination, communications and approvals so that protocols for these are streamlined. The TERG notes for consideration the suggestion that applying the same business model used for country grants to MCG (e.g. PR, SR, SSR in multiple countries) may not be appropriate and should be rethought and simplified. For SIs, issues of lack of transparency in the 2017- 2019 cycle are being resolved through more rigorous reporting requirements.
21. A further implementation challenge reported in the MCG report is the perceived lack of priority accorded to MCGs as implementation management lies primarily with the teams that are also managing country grant portfolios. Given the success of establishing the SI Program Management Office **there may be some merit in merging the SIs and MCGs into a single pool of funds** and bringing MCG management into the same management office to ensure that these grants receive sufficient attention going forward. Both types of investments are essentially

‘multi-country’. The ‘regionality’ of some of the merged funds could still be maintained and could be enhanced through more attention being paid by being under the PMO.

22. Finally, the TERG notes with concern observations by both evaluations on weak country partner engagement, especially CCM, in overseeing implementation of these grants in their countries. SOPs and other process documents need to provide explicit guidance on ensuring sufficient CCM and country partner engagement in both design and implementation of these investments.
23. **Risk management:** The TERG agrees that each catalytic SI and MCG funding proposal should include robust due diligence and identification of potential risks and risk mitigation, given the complexities of both implementation and governance arrangements, together with mitigation strategies. This would need to be done as part of both the selection and design processes.

## 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: SI full recommendations
- Annex 4: MCG full recommendations
- Annex 5: List of Abbreviations

### Annex 1 – Relevant Past Board Decisions

Relevant past Decision Point	Summary and Impact
<a href="#">GF/B41/03: Catalytic Investments for the 2020-2022</a> Allocation Period Revision 1, 15-16 May 2019, Geneva	<p>Based on the recommendation of the Strategy Committee (the “SC”), as presented in GF/B41/03 – Revision 1, the Board:</p> <ol style="list-style-type: none"><li>1. Acknowledges that the total amount of sources of funds for allocation for the 2020-2022 allocation period will be decided by the Board in November 2019, based on the recommendation of the Audit and Finance Committee following announced replenishment results from the 6th Replenishment.</li><li>2. Approves that the total amount of funding for catalytic investments in the 2020-2022 allocation period, as described in the Allocation Methodology approved under GF/B41/DP03, will be determined by the total amount of sources of funds for allocation for the 2020-2022 allocation period;</li><li>3. Approves catalytic investments for the 2020 – 2022 allocation period as set forth in the five scenarios of total funding in the replenishment.</li></ol>

Relevant past Decision Point	Summary and Impact
	<p>4. Requests the Secretariat to return to the SC with a new recommendation on catalytic investments if sources of funds for allocation for the 2020 – 2022 allocation period are below USD 10.1 billion, for SC recommendation to the Board;</p> <p>5. Agrees that in the event that sources of funds for allocation for the 2020-2022 allocation period are above the midpoint of the funding range specified for a scenario above, the Secretariat may recommend the Board to approve an additional total amount up to USD 100 million for catalytic investments, to be invested in the priority areas for the scenario immediately preceding the applicable scenario in the list above.</p> <p>6. Requests the Secretariat to (i) implement a rigorous approval process for all catalytic investments, including strategic initiatives, by a review body with clear and transparent management of conflicts of interest to maintain the integrity of decision making, whether financial or programmatic; (ii) execute a credible, robust technical review process on the activities, mechanisms, and the requested amounts; and (iii) report regularly to the SC on all catalytic investments; and</p> <p>7. Notes the Secretariat will (i) have flexibility to operationalize catalytic investments; (ii) update the SC and Board on such operationalization; (iii) have flexibility to reallocate associated costs among the approved priorities under any applicable scenario, within 10% of the approved amount of associated costs for a specific priority; and (iv) present any reallocations of associated costs exceeding 10% for a specific priority for the SC's approval.</p>

Relevant past Decision Point	Summary and Impact
<a href="#">GF/B36/04</a> : Catalytic Investments for the 2017-2019 Allocation Period.– Revision 2, 16-17 November 2016	<p>As part of the allocation methodology approved by the Board in April 2016, up to USD 800 million is available for catalytic investments to catalyze country allocations to ensure they deliver against the aims of the 2017-2022 Global Fund Strategy (“the Strategy”). In view of the total sources of funds for allocation recommended to the Board for use in the 2017-2019 allocation period, the Strategy Committee recommends that the full USD 800 million be made available for catalytic investments</p>
<a href="#">GF/B36/DP06</a> : Catalytic Investments for the 2017- 2019 Allocation Period (November 2016)	<p>Based on the recommendation of the Strategy Committee (the “SC”) and the amount of sources of funds for allocation recommended by the Audit and Finance Committee in GF/B36/03, the Board: (i) Approved USD 800 million 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, of which no portion will be moved to further balance scale up, impact and paced reductions through country allocations. (ii) Noted the Secretariat will have flexibility to operationalize catalytic investments, update the SC and Board on such operationalization, and present any reallocations of the associated costs among the approved priorities for the SC's approval. (iii) Requested the Secretariat to provide the SC with a scope of effort and expected outcomes at the start of all strategic initiatives and to seek SC approval during implementation if there is a substantial change to the relevant strategic initiative's scope</p>
<a href="#">GF/B36/DP05</a> and <a href="#">GF/B35/05</a> – Revision 1: Sources and Uses of Funds for the 2017- 2019 Allocation Period (November 2016)	<p>The Board approved USD 800 million for catalytic investments. The Board also decided that USD 10.3 million would be available for country allocations for the 2017-2019 allocation period, of which USD 800 million is to ensure scale up, impact and paced reductions</p>

Relevant past Decision Point	Summary and Impact
<a href="#">GF/B31/DP06</a> : Special Initiatives (March 2014)	<p>The Board notes that a portion of sources of funds may be excluded from the allocation to Country Bands for future utilization towards initiatives that are not adequately accommodated through the allocation of resources to Country Bands (Annex 1 to GF/B27/DP7) (the “Special Initiatives”)</p> <p>2. Based on the recommendation of the Strategy, Investment and Impact Committee (the “SIIC”), the Board decided that up to USD 100 million will be available over the 2014 – 2016 allocation period for the following Special Initiatives, as described in GF/B31/08A – Revision 1, in the amounts listed below: a. USD 30 million for the Humanitarian Emergency Fund; b. USD 17 million for Country Data Systems; c. USD 29 million for Technical Assistance for Strong Concept Notes and PR Grant-making Capacity Building; d. USD 15 million for Technical Assistance on Community, Rights and Gender; and e. USD 9 million for Enhancing Value for Money and Financial Sustainability of Global Fund Supported Programs.</p>
<a href="#">GF/B35/DP10</a> : Allocation methodology 2017-2019	<p>The Board approved the allocation methodology presented in GF/B35/05. One of the outcomes of this decision point has been that a refined approach to multi-country programs is to be reviewed by the Strategy Committee (SC). SC is to prepare recommendations to the Board on the priorities, activities or initiatives that may be funded as catalytic investments for the 2017 – 2019 allocation period.</p>

## Annex 2 – Relevant Past Documents & Reference Materials

TRP Lessons Learned 2021

[Strategic Review 2020](#) (December 2020)

[TERG Position Paper : Strategic Review 2020](#) ( December 2020) [TERG thematic review on partnerships, 2019](#)

TERG Position Paper: Review of Regional and Multi-country grants

## Annex 3

### Strategic Initiatives Recommendations mapped to conclusions

Recommendations
<p><b>R1.</b> (Mapped to conclusion C2): The Strategy Committee should develop a clear, consistent, and shared definition of what ‘catalytic’ means to the Global Fund. Alongside this, develop catalytic criteria that are measurable and relevant to each SI, and define the expected impact from this modality.</p>
<p><b>R2.</b> (Mapped to conclusions C1, C2, C3): The Strategy Committee should put in place a stronger mechanism to identify a strategic and coherent set of issues for potential SI selection, and prioritise those against the following criteria:</p> <ul style="list-style-type: none"> <li>a. the level of programmatic risk they pose to the achievement of the Global Fund Strategic Objectives;</li> <li>b. the feasibility to address the issue and the suitability of the SI modality (country or multi-country grant, matching funds, OPEX) to do so;</li> <li>c. the robustness of a business case for each SI that outlines the benefits and costs of implementing the SI alongside any trade-offs or opportunity costs.</li> </ul> <p>These changes should result in fewer, but more strategically focused SIs, with sufficient resources to make a meaningful contribution to the systems changes to meet the Global Fund’s Strategic Objectives.</p>
<p><b>R3.</b> (Mapped to conclusion C3): The Secretariat should continue to strengthen the SI design process such that:</p> <ul style="list-style-type: none"> <li>a. stakeholders at country-level are consulted in the SI design, country selection, and implementation timeframe;</li> <li>b. the inclusion of a robust theory of change that defines where the SI fits within the Global Fund funding universe;</li> <li>c. each SI has an exit strategy with clearly defined timeframes and milestones; and</li> <li>d. each SI has an evaluation incorporated into its design.</li> </ul>
<p><b>R4.</b> (Mapped to conclusion C4): The Secretariat should identify a mechanism to ensure greater Harmonization between the SI activities and objectives and the Fund’s broader portfolio of support, necessitating structured timelines for SI outputs and engagement in core grant processes, and improved coordination across Global Fund stakeholders.</p>
<p><b>R5.</b> (Mapped to conclusion C5): The Secretariat should continue to evolve contracting, management, and oversight arrangements to ensure appropriateness for the nature of activities being implemented and the partner implementing them. Additionally, continue to Incentivize partner performance towards the achievement of results, by well-managed performance-based contracts where there is up-front agreement and transparency on outputs and outcomes and who is responsible for monitoring and measuring these.</p>

## Annex 4

### MCGs Recommendations mapped to conclusions

Mapped to conclusions	Recommendation	Strategic/ Operational
C1.1/ C2.2	<p><b>1. Maintain MCGs as a priority investment area for activities that demonstrably add value over and above what country grants can deliver to meet the Global Fund's Strategic Objectives</b></p> <p><u>Elaboration:</u> The evaluation noted that most MCGs have demonstrated, and have the potential to continue to demonstrate, clear contributions towards achieving the Global Fund's strategic objectives, primarily maximizing the impact of investments for HIV, TB and malaria (SO1). Contributions towards SO3 are less clear, largely because of the constraints highlighted by the evaluation of measuring grant performance in this area. Nevertheless, there is evidence, primarily through the MENA, EECA APH, SEA AFAO and some LAC grants, that some MCGs are facilitating a 'safe space' for tackling HRG issues that may not be addressed or even acknowledged at the country level. In this sense, MCGs are adding value to country grants and are generally responsive to regional needs. The strategic recommendation from this evaluation is that MCGs per se should therefore be maintained as a priority investment area. The following two recommendations are focused on selecting the <i>right MCGs</i> and ensuring that they perform in the <i>right way</i>, (leading to <i>right results</i>).</p>	Strategic
C1.2/ C2.2/ C3.1/ C3.2	<p><b>2. Strengthen MCG selection, prioritization and review processes by:</b></p> <ul style="list-style-type: none"> <li>• Developing an agreed definition of 'catalytic' as applied to all catalytic investments that is used consistently across Board, SC, GAC, TRP and Secretariat</li> <li>• Estimating financial needs and resource availability and including these considerations as part of MCG selection and prioritization criteria</li> <li>• Strengthening consideration of sustainability in MCG selection and prioritization</li> <li>• Strengthening MCG designs through the inclusion of: <ul style="list-style-type: none"> <li>◦ comprehensive landscape analyses to identify gaps and overlaps with country grants, other catalytic investments and initiatives funded or implemented by other agencies</li> <li>◦ robust theories of change (TOC) that present well-defined intervention logic linking outputs to</li> </ul> </li> </ul>	Operational

	<p>outcomes and impacts, and include risks and critical assumptions</p> <ul style="list-style-type: none"> <li>o a limited set of grant-specific performance measures focused on output/ outcome levels</li> <li>o reviews after two years to allow for course correction and decisions on continuity/ discontinuity</li> <li>o more robust risk matrices that take into account risk associated with the complexities of MCG implementation</li> </ul> <ul style="list-style-type: none"> <li>• Providing the TRP with more time and guidance to consider complex design features of MCGs including landscape analysis and risk management of contextual factors.</li> </ul> <p><u>Elaboration:</u> The evaluation noted that the resources needed to implement MCGs were not always fully considered in these processes. Given the complexities of MCGs and the associated higher risks, the evaluation recommends that the TRP review process should be strengthened through the provision of more time and Secretariat guidance. The bulk of the recommendation however, is focused on strengthening the design of MCGs, as the evaluation identified several design weaknesses. While the inclusion of theories of change is now mandatory in the MCG application guidelines, this needs specific guidance, including the provision of examples of TOCs that include the critical assumptions that underpin a robust TOC.</p> <p>The evaluation highlighted the weaknesses and constraints in MCG performance measurement, and while this is improving over time, it is suggested that performance can best be measured through grant-specific performance indicators, largely focused at output/ outcome levels and developed in collaboration with regional and country stakeholders. The evaluation also recommends that reviews/ evaluations are embedded in the MCG designs from the outset, which could include appropriate baseline, mid-line and end-line indicators.</p>	
<b>C2.1/ C2.3/ C3.1/ C3.3</b>	<p><b>3. Continue to strengthen MCG implementation and governance arrangements, by:</b></p> <ul style="list-style-type: none"> <li>• raising the profile of MCGs across the Global Fund business model and either providing sufficient resources at Secretariat level to support effective MCG governance and implementation or outsourcing this to external agencies;</li> </ul>	Operational

	<ul style="list-style-type: none"> <li>• streamlining MCG management and implementation arrangements where these are unwieldy or constrain MCG flexibilities to be innovative;</li> <li>• building on partnership successes and supporting FPMs and CTs to explore potential partnership arrangements beyond traditional partners (e.g. development banks or the private sector);</li> <li>• building regional governance capacity including, where necessary, through the provision of either internal or external technical assistance;</li> <li>• exploring more flexible funding cycles that include mid-term reviews/ evaluations to allow for course correction or discontinuation.</li> </ul> <p><u>Elaboration:</u> The evaluation noted that MCGs in general are given low priority across the whole Global Fund business model, both by the Strategy Committee in its prioritization criteria in the 2020-2022 allocation period and by the Secretariat, in part due to competing priorities with significantly higher funding for core allocations. The evaluation therefore recommends that the Board and Strategy Committee proactively advocate for increased focus and resources to be devoted to MCGs. The evaluation further recommends that the Secretariat is appropriately resourced to support MCG implementation and governance, although these could also be supported by the engagement of external technical assistance.</p> <p>Because of the complexities of MCGs, their management and implementation arrangements are generally also complex, often consisting of one or more regional PRs and a cluster of national Co-PRs, SRs and SSRs, with the associated hierarchies of reporting and communication and data aggregation. This has led to significant delays in multiple areas, but perhaps the most critical relates to constraining the capacities of MCGs to respond flexibly and innovatively to evolving situations, which are more pervasive in MCGs than country grants. The evaluation therefore recommends that the Global Fund explores how best to streamline management arrangements including providing more flexibility in program and budget re-programming, with an associated risk management framework.</p> <p>The evaluation noted the value of partnerships in contributing toward the achievements of MCGs in tackling regional bottlenecks and addressing cross-border issues, and the establishment of successful partnerships with non-standard</p>	
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	<p>partners, including development banks and the private sector. The evaluation recommends that this is a potentially valuable area for further pursuit, including a mapping of regional partners across a range of sectors, and whether and how best these can be engaged to support MCG implementation. This will require Secretariat time and resources, and it is suggested that these are made available.</p> <p>Multiple stakeholders noted that the three-year implementation timeframe for MCGs was too constraining, given frequent delays in start-up, complexities in management and implementation, and ambitious objectives, especially for MCGs focused on advocacy and political change. Multiple stakeholders advocated for longer MCG implementation timeframes, and some noted that longer timeframes can cut down on the high transaction costs associated with MCGs in terms of start-up and partner contracting. However, the Secretariat also highlighted the constraints inherent in expanding the three-year timeframe, as a result of the Global Fund's three-year replenishment cycle.</p> <p>To address this tension, the evaluation suggests an approach adopted by other bi-lateral and multi-lateral funding agencies, where a five-year planning cycle is envisaged, with a review mid-cycle to allow for course correction or discontinuation if needed. This can be considered in the context of a longer-term vision for all catalytic investments.</p>	
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## Annex 5 – List of Abbreviations

A2F	Access to Funding Department in the Global Fund
CCM	Country Coordinating Mechanism
COVID - 19	Corona Virus Disease 2019
CSOs	Civil Society Organizations
CT	Country Team
FPMs	Fund Portfolio Managers
GF	The Global Fund
GAC	Grant Approvals Committee
GMD	Grant Management Division
HRG	Human Rights and Gender
KP	Key Populations
LFA	Local Fund Agent
MCGs	Multi-country grants
MOH	Ministry of Health
NFM	New funding model (1, 2 and 3)
OIG	Office of the Inspector General

PR	Principal Recipients
RCM	Regional Coordinating Mechanism
RFP	Request for Proposal
RMEI	Regional Malaria Elimination Initiative
RO	Regional Organization
RSSH	Resilient Sustainable Systems for Health
SC	Strategy Committee
SI	Strategic initiative
SOs	Strategic Objectives
SR	Sub-recipient
SR2020	The Global Fund Strategic Review 2020
TA	Technical Assistance
TAP	Technical Advice and Partnerships
TB	Tuberculosis
TERG	Technical Evaluation Reference Group
TOC	Theory of change
TOR	Terms of Reference
TRP	Technical Review Panel
VfM	Value for Money

# **Secretariat Management Response**

## **Thematic Evaluations of Strategic Initiatives & Multi-Country Catalytic Investment Grants**

### **Introduction**

The Technical Evaluation Reference Group (TERG) is a critical component of the Global Partnership, providing independent evaluations of the Global Fund's business model, investments, and impact to the Global Fund Board through its Strategy Committee. The Global Fund values transparency and publishes TERG reports according to the TERG Documents Procedure approved by the Strategy Committee.

In the preparation period for the 2023-2025 allocation cycle and the 2023-2028 Global Fund Strategy, the TERG commissioned independent thematic evaluations of two of the three catalytic investment modalities - Strategic Initiatives (SIs) & Multi-Country Catalytic Investment Grants (MCGs).<sup>1</sup> The objective of the SI evaluation was to review how, and on what basis, SI's were selected and prioritized, their implementation and performance management arrangements, and assess how and whether these have achieved their intended objectives and catalytic effect. The MCG evaluation focused on whether, and how, grants emerging from this modality have contributed to the Strategy, whether they have been effective at addressing regional and cross-border and national issues, and to what extent they have achieved their intended objectives. The Secretariat welcomes the timeliness of these reviews which will help inform discussions around the 2023-2025 catalytic investment priorities and broadly endorses the overall findings, conclusions, and recommendations of the evaluations, as well as the TERG position. The Secretariat notes that due to timing of these reviews that the primary focus of the evaluations was on the 2017-2019 allocation cycle and the preparations for 2020-2022 cycle. The Secretariat agrees with the review findings that there were challenges for both these modalities during the 2017-2019 cycle and appreciates the acknowledgement of the TERG that many of the lessons learned from the previous cycle were incorporated into the 2020-2022 allocation cycle.

### **Areas of agreement**

The Secretariat notes that many of the recommendations and findings were specific to the modality (e.g., SI or MCG) that was being reviewed, however many of these can be applied at the level of selecting and determining future catalytic priorities, noting that the Board approves catalytic investment priorities and not the specific modalities.

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<sup>1</sup> Matching Funds, the third modality, are funds made available to selected countries to incentivize the programming of the country allocation towards catalytic priorities that are best operationalized directly within country grants.

We agree with the TERG that both MCGs and SIs are useful funding modalities that are covering important priorities that are not necessarily able to be addressed within country allocations and that these should be continued in the next cycle as they are important for delivering the aims and objectives of the Strategy (*TERG Position<sup>2</sup> 1: Continuation of catalytic investments*). As we look to the next cycle, the selection of catalytic priorities can and should be based on a clear prioritization framework and the subsequent design, implementation, and review processes can and should be further strengthened and streamlined, including at the governance body level. It is our position that catalytic priorities that are best addressed through the MCG modality should continue to focus on strategic priorities that are more appropriately addressed through a multi-country or regional approach, and the decision to implement a specific priority as an SI should be based on the expected outcomes and a clear rationale for why this modality is best suited to deliver impact.<sup>3</sup> The recommendations from both evaluations will need to be prioritized and aligned with the agreed prioritization framework for the 2023-2025 catalytic investment priorities and the aims of the new Strategy. Core considerations for the development of catalytic priorities in the next cycle include value for money (VfM) and leveraging the core drivers from the previous cycle to identify and inform future investments (e.g., clear and coherent design, reasonable project management costs, etc.), and the direction of the new Strategy.

We appreciate the acknowledgement of the contributions that the 2017-2019 MCGs have made to achieving the 2017-22 Strategic Objectives (*TERG Position 2: Contributions to Strategic Objectives*) and would counter that this also includes important contributions towards Strategic Objective 3<sup>4</sup>. We note that challenges with respect to performance measurement remain across areas that are not easily quantifiable at the outcome and impact level, e.g., human rights, and this is the focus of ongoing work within the Secretariat and external partners/experts. The Secretariat agrees that MCGs have the potential to achieve more impact, and as part of the next cycle we will look at how to further differentiate the MCG funding request, review and grant-making processes, noting that trade-offs need to be carefully assessed to ensure that there remains sufficient oversight over these investments.

The Secretariat notes the TERG conclusions around the definition of 'catalytic effect' (*TERG Position 3: Define better what catalytic means*), and while there was perhaps a varied understanding or interpretation of what 'catalytic' meant in the 2017-2019 cycle, this was an important criterion of the 2020-2022 prioritization approach which was refined and strengthened based on lessons learned from the 2017-2019 allocation cycle. For the 2020-2022 cycle, it was defined as incentivizing increased funding from allocations to priority areas, leveraging additional funding outside of Global Fund, driving innovative or ambitious programming to accelerate progress towards Strategic Objectives, enabling more effective use of country allocations, and enhancing coordinated response for multi-country contexts. The Secretariat does not recommend having a discussion around the definition of 'catalytic' but rather leveraging the current definition, tested with the factors used by the TERG evaluators which also serve as useful high-level principles, as catalytic effect will continue to be a critical consideration for the prioritization of 2023-2025 catalytic priorities, including those proposed to be implemented as SI or MCG modalities. The SI evaluation has provided a helpful set of factors that may provide further clarification within the existing definition in helping to determine an SI's catalytic value.

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<sup>2</sup> References to recommendations or TERG positions have been mapped to the TERG Position Paper on Strategic Initiatives and Multi-country Catalytic Investment Grants Evaluations, Table 6.

<sup>3</sup> SI Recommendation 2

<sup>4</sup> Promote and Protect Human Rights and Gender Equality

Selection and prioritization of catalytic priorities (*TERG Position 4: Selection and prioritization criteria*), can and should be further strengthened in the next cycle, noting that the Board is responsible for recommending catalytic priorities and that SI's and MCGs are modalities which are the 'how', as opposed to the 'what'. The criteria for selection should be aligned with the context of the epidemics and the direction of the new Strategy. For MCGs, we recognize the need to strengthen consideration of financial needs, resource availability and sustainability in the selection, prioritization, and design of MCGs. This will be considered as part of the 2023-2025 cycle, together with ways to ensure applicants better reflect on theories of change<sup>5</sup>, assumptions, performance measurement, risk considerations and sustainability – noting that the focus of the latter should predominately be on the sustainability of grant outcomes. Noting the significant effort and complexities that such analyses may require; the level of complexity will need to be aligned to the availability of resources provided to the specific priority and Secretariat capacity. The Secretariat concurs that more time guidance for the TRP to consider the specific complexities of MCG grants<sup>6</sup> and the contexts in which they are implemented would be beneficial and allow for a differentiated review approach as appropriate to MCG selection, prioritization and implementation characteristics. We note that this should be considered as part of the revision of TRP terms of reference for the next cycle and in the context of findings and recommendations of the OIG TRP Advisory.

Regarding SI's, the Secretariat agrees that, as part of the discussion around catalytic priorities for the next cycle, there is a need to identify which issues or areas of focus would be most effectively addressed through the SI modality. This may result in “fewer but more strategically focused SI's with sufficient resources to make a meaningful contribution to the systems changes to meet the Global Fund's Objectives” (TERG Evaluation, Recommendation 2). The SI evaluation made specific recommendations with respect to potential selection and prioritization of SI's by the Strategy Committee and for which we broadly agree. Regarding assessing the programmatic risk to achievement of strategic objectives if SIs are not implemented, we partially agree with this recommendation and note that this is complex as this entails disaggregating many existing mitigations and the resources are extremely limited given there are multiple grant level and corporate mitigations already in place for key issues and can be difficult to tease out specific incremental impact of SI. On feasibility and suitability, as the Strategy Committee is tasked with recommending catalytic priorities to the Board, it is important that the direction comes from the Strategy Committee and Global Fund partnership supports a more focused set of priorities for the next cycle. While the Secretariat agrees that there should be a robust business case, we note that this occurs further downstream once the priorities have been approved by the Board and that existing mechanism in place to vet these investments, such as Grants Approval Committee (GAC) review and partner engagement.

The Secretariat concurs with the TERG that strong and robust performance metrics to measure the outcomes and impact of both SIs and MCGs are important (*TERG Position 5: Strengthening performance measurement and management*) and notes that there has been significant progress made in the current cycle in this regard. For the 2020-2022 allocation, SI's articulated theories of change, timeframes and milestones within the results frameworks (programmatic & financial)<sup>7</sup> and attention has been given to strengthening the performance frameworks of MCGs. We agree that next cycle is an opportunity to further refine performance monitoring, noting the importance of

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<sup>5</sup> This would also ensure higher relevance and sustainability (TERG Recommendation 7) of the specific grants emerging from the different catalytic priorities which will be implemented under the MCG modality.

<sup>6</sup> MCG Recommendation 2.

<sup>7</sup> Ibid

defining what is meant by “impact” for these two modalities given that these modalities cover a very broad range of investments and given the cost (including time) of extensive evaluations (particularly in a 3-year implementation period). Furthermore, a ‘one-size fits all approach’ would be challenging given the diverse focus of these investments and while we can aggregate performance to targets, outcomes (catalytic or otherwise) are directly related to individual theories of change which should be analyzed closely and may not lend itself to aggregation. Performance measurement for MCGs can be revised to ensure more robust performance measurement of grant objectives. MCGs, like country grant portfolios, are systematically reviewed by the Secretariat as part of the disbursement decision making process which looks not only at financial performance but programmatic performance and allows for course correction. On the SI recommendation<sup>8</sup> that there be country level consultation for SI design, we note that this should be tailored to the investment given the overall level of diversity and should build from the new Strategy given its collective development and prioritization.

There is a clear need to continue to strengthen governance and implementation of the MCGs, while also streamlining and differentiating how these grants are managed. The outsourcing of MCG grants is a potential solution but would have cost implications and require the Board to consider a differentiated risk appetite for MCGs. A change in management and implementation arrangements – a move to more streamlined arrangements – will require Board acknowledgement and support that MCG grants are unique in nature. While outsourcing may be appropriate for some MCGs what this means in practice requires further consideration and how this would be different from existing grant mechanisms and whether this would indeed be more efficient. The recommendations to explore potential partnerships are not only relevant for the Secretariat but also partners and regional organizations but the level of effort should be commensurate to the overall availability of funding and Secretariat capacity. Investments in enhancing regional governance would be beneficial, however there are cost and Secretariat capacity implications which need to be carefully assessed and tradeoffs need to be critically assessed.

The TERG Position Paper also acknowledges the need to ensure greater coherence of catalytic investments at the country-level and the Secretariat agrees (*TERG Position 6: Ensuring greater coherence*). Of the three catalytic funding modalities, the Matching Funds modality ensures the strongest alignment of investments as these are operationalized within country grants. MCGs are required to demonstrate how the proposed grant will avoid duplication with national programs or other ongoing interventions and must seek endorsement from CCMs or national authorities of participating countries. The review noted that this coordination and harmonization may not necessarily consistently materialize during implementation, and this would be further strengthened by stronger governance at the regional level. Although the reviewers assert that part of this is due to ‘limited Secretariat engagement in managing the complexities of MCGs’, the Secretariat notes that while managing MCGs may not have the same priority as some high impact portfolios, considerable Secretariat time and effort is put into managing these grants which are for the most part small in terms of absolute dollar value.<sup>9</sup> MCGs are dependent on the priority for which they are intended to deliver and the majority of MCGs have later implementation periods than country-grants and therefore are not aligned in terms of implementation periods.

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<sup>8</sup> SI Recommendation 3

<sup>9</sup> For the 2017-2019 allocation there were 17 MCG grants ranging from US\$4.5 million to US\$22.5 million over three years. For the 2020-2022 cycle, there are 14 grants ranging from US\$4 million to \$14 million.

The Secretariat acknowledges some SI's are more closely linked to grants (e.g., New Nets Project<sup>10</sup>), while others are more challenging to link and harmonize, partly due to their timelines (e.g., country grants operate on a fixed timeline and SI's have in the past generally started later) and modalities and that, where possible, there is a need to ensure greater coherence. For the 2020-2022 cycle, efforts were made to ensure greater harmonization<sup>11</sup>, but the absolute number of SI's (24) itself creates a challenge and has resulted in some country portfolios facing planned implementation from numerous SI's concurrently (e.g., Mozambique has 14). A smaller number of SI's would facilitate further harmonization. While some SI's have stronger perceived value propositions for Country Teams, transaction costs and prioritization of core work (that may be catalyzed by SI's) needs to be considered in future cycles. While transaction costs can be further streamlined, there are certain costs to the engagement that need to be considered during the design phase, particularly when layered in countries with high levels of investments (e.g., from grants, C19RM, etc.).

We appreciate the TERG commentary and suggestions with respect to implementation and risk management<sup>12</sup> and agree that there is scope to further evolve how these two modalities are implemented and managed. With respect to SI's, we fully concur with the need to continue to evolve contracting, management and oversight arrangements in order to ensure they are appropriate for the nature of activities being implemented and the partners implementing them.<sup>13</sup> For the 2020-2022 cycle significant effort was made to change and evolve the management of SIs including the formal launching of the SI Project Management Office (PMO) which serves a key oversight role, together with its internal and external stakeholders. With an operational policy note (OPN) and associated standard operating procedures (SOPs) developed, the SI PMO will continue to evaluate processes in order to ensure that they are 'right-sized' with respect to level of effort, transparency and partnership. Regarding MCGs, while not explicitly highlighted in the evaluation, we note that these are very different from SI's as they are managed as grants within the grant portfolio. Identification of implementation arrangements (including partners) follows a similar trajectory to country grants. Where MCGs are being implemented by a Regional Coordinating Mechanism (RCM), they must meet the same eligibility requirements as CCMs with respect to PR selection. For the next cycle, in addition to the introduction and enhancement of the current "continuation" and "pre-shaping" application modalities, we will further look at the Request for Proposal (RFP) process, as this provides an opportunity to identify a more diverse pool of partners, and to see if there are ways to improve collaboration. However, a larger pool of partners may not always be necessary and would depend on the specific priority, scope and region of the grant. We agree that there are opportunities to further improve MCG design and processes, regional governance and partnerships, results measurement and sustainability and degree of differentiation in terms of grant cycle processes and support. However, these need to be considered against the availability of funds and Secretariat capacity noting that MCGs currently represent 2% of the overall 2020-22 grant portfolio.

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<sup>10</sup>

The Global Fund's Strategic Initiative to 'Address insecticide resistance through accelerated introduction of new nets', includes an objective to build the evidence base on the comparative cost-effectiveness of new types of insecticide-treated nets (ITNs) within the wider vector control toolbox.

<sup>11</sup> For the 2020-2022 cycle of SI's there were structured timelines, outputs and points for engagement, though there is an opportunity for greater alignment and communication with Country Teams and in-country partners where SI's operate (as reported in the evaluation).

<sup>12</sup> TERG Position 8

<sup>13</sup> SI Recommendation 5

## Observations on other recommendations

The suggestion by the TERG to consider the merit in merging SIs and MCGs into a 'single fund' and bringing them into the same management office (*TERG Position 9. Merit in merging SIs and MCGs into a single fund*) is not supported by the Secretariat. We do not agree with this recommendation, as the two modalities are very different even though there may be a regional or multi-country aspect in some SIs. MCGs are managed by the Grant Management Division (GMD) as grant portfolios within the region they support, which enables harmonization with national grant and the processes aligned with country grants. While the Secretariat agrees that processes could be streamlined further, unless they were completely outsourced to a third-party management, it would not be sensible to bring them under SI Project Management Office as suggested by the TERG. While third-party outsourcing may make sense for certain multi-countries, this would require the Board to accept that these types of investments are not like country grants and therefore assume a different level of oversight. We also note that it would not make strategic sense to separate the two catalytic investment modalities from the third (matching funds). If the objective is to have increased and aggregate oversight of central resources, all three would need to be combined and there is currently insufficient evidence to suggest that a change is warranted.

The Secretariat does not agree that flexible funding cycles should be instituted to strengthen MCG implementation and governance arrangements.<sup>14</sup> Any decisions to introduce flexibilities for grant allocation utilization periods (AUPs) need to be considered against the Comprehensive Funding Policy (CFP)<sup>15</sup> which determines a three-year cycle. MCGs not recommended for continuation into a subsequent cycle have benefited from non-costed extensions, but existing policies do not allow for an overlap of implementation periods. Decisions around continuation of a MCG in the next cycle is based on a review of program implementation and performance. Like country grants, course corrections (and if warranted discontinuation) are possible at any time and the consultant's suggestion that a five-year planning cycle be envisaged, with "a review mid-cycle to allow for course correction or discontinuation if needed" would replicate the rounds-based system which was discontinued with the adoption of a three-year allocation cycle. Additionally, with replenishment cycles operating on a 3-year cycle, funding levels for MCGs over each period are subject to change which may have material impacts on MCG program design and scope.

## Conclusions

As the evaluations primarily focused on the 2017-19 allocation period, the Secretariat agrees that there were challenges with both modalities in these periods and we appreciate the acknowledgment of the TERG that many of the lessons learned were and are incorporated in the 2020-2022 allocation cycle. The lessons learned from the operationalization of the 2020-22 SI's and MCGs will continue to inform process improvements and implementation in preparation for the 2023-25 grant cycle. We thank the TERG for its good collaboration and for the timeliness of these two evaluations.











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<sup>14</sup> MCG Recommendation 3

<sup>15</sup> [Comprehensive Funding Policy](#) (16 November 2016)







## Summary of Recommendations



### Strategic Initiatives





Recommendation	Timeframe	Level of Agreement	Level of Control
<b>Recommendation 1:</b> The Strategy Committee should develop a clear, consistent and shared definition of what ‘catalytic’ means to the Global Fund and develop criteria that are measurable, relevant to each SI, and define the expected impact from this modality	Next Strategy Period		
<b>Recommendation 2:</b> The Strategy Committee should put in place a stronger mechanism to identify a strategic and coherent set of issues for potential SI selection, and prioritise those against the following criteria: a. a. the level of programmatic risk the issues pose to the achievement of the Global Fund Strategic Objectives if the SIs are not implemented; b. b. the feasibility to address the issue and the suitability of the SI modality (country or multicountry grant, matching funds, OPEX) to do so; and c. c. the robustness of the business case for each SI that outlines the benefits and costs of implementing the SI alongside any trade-offs or opportunity costs.	Next Strategy Period		
<b>Recommendation 3:</b> Continue to strengthen the SI design process such that: a. a. stakeholders at country-level are consulted in the SI design, country selection, and implementation timeframe; b. b. each SI includes a robust theory of change that defines what the SI does and where the SI fits within the Global Fund funding universe; c. c. each SI has an exit strategy with clearly defined timeframes and milestones; and d. d. each SI has an evaluation incorporated into its design.	Next Strategy Period		
<b>Recommendation 4:</b> The Secretariat should identify a mechanism to ensure greater harmonisation between the SI activities and objectives and the Fund’s broader portfolio of support, necessitating structured timelines for SI outputs and engagement in core grant processes, and improved coordination across Global Fund stakeholders	Next Strategy Period		
<b>Recommendation 5:</b> The Secretariat should continue to evolve contracting, management, and oversight arrangements to ensure appropriateness for the nature of activities being implemented and the	Next Strategy Period		

partner implementing them. Additionally, continue to incentivize partner performance towards the achievement of results, by well-managed performance-based contracts where there is upfront agreement and transparency on outputs and outcomes and who is responsible for monitoring and measuring these.			
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### Multi-country Grants

Recommendation	Timeframe	Level of Agreement	Level of Control
<b>Recommendation 1: Maintain MCGs as a priority investment area for activities that truly add value over and above what country grants can deliver to meet the Global Fund's Strategic Objectives.</b>	Next strategy period, 2023-25 allocation cycle		
<b>Recommendation 2: Strengthen MCG selection, prioritization and review processes by:</b> <ul style="list-style-type: none"> <li>Developing an agreed definition of 'catalytic' as applied to all catalytic investments that is used consistently across Board, SC, GAC, TRP and Secretariat.</li> <li>Estimating financial needs and resource availability and including these considerations as part of MCG selection and prioritization criteria.</li> <li>Strengthening consideration of sustainability in MCG selection and prioritization.</li> </ul>	Next strategy period, 2023-25 allocation cycle		
<ul style="list-style-type: none"> <li>Strengthening MCG designs through the inclusion of: <ul style="list-style-type: none"> <li>comprehensive landscape analyses to identify gaps and overlaps with country grants, other catalytic investments and initiatives funded or implemented by other agencies.</li> <li>robust theories of change (TOC) that present well-defined intervention logic linking outputs to outcomes and impacts, and include risks and critical assumptions.</li> <li>a limited set of grant-specific performance measures focused on output/ outcome levels.</li> </ul> </li> </ul>			

<ul style="list-style-type: none"> <li>○ reviews after two years to allow for course correction and decisions on continuity/discontinuity.</li> <li>○ more robust risk matrices that take into account risk associated with the complexities of MCG implementation.</li> </ul>			
<ul style="list-style-type: none"> <li>• Providing the TRP with more time and guidance to consider complex design features of MCGs including landscape analysis and risk management of contextual factors.</li> </ul>			

<b>Recommendation 3</b> <b>Continue to strengthen MCG implementation and governance arrangements, by:</b> <ul style="list-style-type: none"> <li>• raising the profile of MCGs across the Global Fund business model and either providing sufficient resources at Secretariat level to support effective MCG governance and implementation or outsourcing this to external agencies.</li> <li>• streamlining MCG management and implementation arrangements where these are unwieldy or constrain MCG flexibilities to be innovative;</li> <li>• building on partnership successes and supporting FPMs and CTs to explore potential partnership arrangements beyond traditional partners (e.g., development banks or the private sector);</li> <li>• building regional governance capacity including, where necessary, through the provision of either internal or external technical assistance.</li> </ul>	Next strategy period, 2023-25 allocation cycle		
<ul style="list-style-type: none"> <li>• exploring more flexible funding cycles that include mid-term reviews/ evaluations to allow for course correction or discontinuation</li> </ul>			



EURO HEALTH GROUP

The Global Fund

# **Thematic Evaluation of Multi-Country Catalytic Investment Grants**

## **Final Report Volume I**

**23 August 2021**



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## Abbreviation and acronyms

A2F	Access to Funding Department in the Global Fund
C19RM	COVID-19 Response Mechanism
CCM	Country Coordinating Mechanism
CSO	Civil society organization
CT	Country Team
FPM	Fund Portfolio Manager
GAB	Grant advisory board
GAC	Grant Approvals Committee
GAVI	The Vaccine Alliance
GMD	Grant Management Division
HIVST	HIV self-testing
HRG	Human rights and gender
INGO	International NGO
KP	Key population
KPI	Key performance indicator
LFA	Local Fund Agent
MCGs	Multi-country grants
MDR-TB	Multidrug-resistant TB
MDTF	Multi-donor trust fund
MECA	Monitoring and Evaluation and Country Analysis
MOH	Ministry of Health
NFM	New funding model (1, 2 and 3)
OIG	Office of the Inspector General
OQ	Operational question
PF	Performance Framework
PLHIV	People living with HIV
PR	Principal Recipient
PrEP	Pre-exposure prophylaxis
RAG	Regional Advisory Group
RCM	Regional Coordinating Mechanism
RFP	Request for proposal
RMEI	Regional Malaria Elimination Initiative
RO	Regional Organization
RSSH	Resilient and sustainable systems for health
SC	Strategy Committee
SI	Strategic initiative
SPH	Strategy and Policy Hub
SQ	Strategic question
SR	Sub-recipient
SR2020	The Global Fund Strategic Review 2020
TA	Technical assistance
TAP	Technical Advice and Partnerships Department
TERG	Technical Evaluation Reference Group
TOC	Theory of change
TOR	Terms of Reference
TRP	Technical Review Panel
VfM	Value for money
WPTM	Work Plan Tracking Measure

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The evaluation team would like to express our gratitude to the Global Fund Technical Evaluation Reference Group (TERG) and the Global Fund Secretariat, who supported the evaluation by providing information and documents and participating in meetings, reviews and validation workshops in preparation of this report. We would especially like to thank the TERG Focal Points (Helen Evans and Godfrey Sikipa) for their insights and strategic guidance throughout the evaluation. We would like to express our appreciation to the TERG Secretariat, notably John Puvimanasinghe and Betty Brady, for their considerable time and assistance in setting up meetings, responding to requests, providing technical and historical insights and sourcing documents as needed.

## Executive Summary

In addition to core allocations, the Global Fund channels funding through catalytic investments, including multi-country grants (MCGs), to support activities that may not be easily addressed by individual country grants. These funds are available to target a limited number of strategic multi-country priorities deemed critical to meet the aims of the Global Fund Strategy. This approach has served to increase focus and attention on strategic priority areas where further progress is required, and most, but not all, investments have been designed to facilitate a 'catalytic' outcome. It is through this approach that MCGs are intended to add value, by supporting outputs/outcomes/ impacts that go beyond what could be achieved by a single country grant, including tackling regional bottlenecks, and addressing cross-border issues.

Based on recommendations and lessons from the 2016 Technical Evaluation Reference Group (TERG)<sup>1</sup> and Technical Review Panel (TRP) reviews of existing rounds-based regional programs, the Global Fund Secretariat streamlined processes, including grant applications for MCGs. The Secretariat also defined a set of criteria within the Board-approved catalytic investment priorities to determine which existing grants would continue or be discontinued, while at the same time new MCGs were identified for pre-shaping. The result was approval by the Board of 17 MCGs<sup>2</sup> for the 2017-2019 allocation period at an investment of \$272 million, representing 34 percent of the funding for catalytic investments.<sup>3</sup>

The Office of the Inspector General (OIG) conducted an audit of MCGs processes and policies in 2019<sup>4</sup> with similar findings to the 2016 TERG Thematic Review.<sup>5</sup> The audit concluded that, while MCGs have facilitated the creation of multilateral platforms to enhance inter-country collaboration and co-ordination, many MCGs faced challenges in implementation, and consequently performed below expectations. The audit noted that, despite progress made by the Global Fund Secretariat in streamlining MCGs, "there are opportunities to optimize their implementation and oversight, as well as to address issues relating to risk management and grant monitoring".

The Global Fund is preparing for its next strategy period 2023-2028, and discussions are underway by the Strategy Committee (SC) for the 2023-2025 allocation period. In this context, the TERG commissioned an independent Thematic Evaluation of Multi-Country Catalytic Investment Grants to critically assess how the MCGs have been functioning and to what extent they have achieved their intended objectives.<sup>6</sup>

This thematic evaluation has focused on the MCGs for the 2017-2019 allocation period, as well as the preparation of multi-country grants for the 2020-2022 allocation period that have been exclusively supported by catalytic funding.<sup>7</sup> The overall purpose of the evaluation was to examine the value-added by MCGs that would not have been achieved by country grants alone, including, but not limited to, whether they are achieving their catalytic effects. In agreement with the TERG, both in the request for proposals (RFP) and in subsequent discussions during the inception phase, the evaluation

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<sup>1</sup> TERG Thematic Review of the Global Fund's Regional/Multi-country Grants, June 2016

<sup>2</sup> These include the Regional Artemisinin-resistance Initiative (RAI), which lies outside the scope of this evaluation

<sup>3</sup> GF/B36/04 – Revision 2, 16-17 November 2016

<sup>4</sup> Audit Report: Global Fund Multi-country Grants, GF-OIG-19-003, February 2019

<sup>5</sup> See Table of progress against recommendations and Agreed Management Actions (AMAs), included as Annex 9

<sup>6</sup> In addition to this evaluation, the TERG has commissioned a separate independent Thematic Evaluation of Strategic Initiatives, and together these evaluations will provide a comprehensive picture of two of the three modalities of catalytic investments to help inform Board and SC decisions.

<sup>7</sup> MCGs can be funded by pooled country allocations, a combination of country allocations and catalytic investments (the Regional Artemisinin-resistance Initiative (RAI) grant), and solely by catalytic investments. This evaluation was commissioned to focus specifically on those MCGs funded solely by catalytic investments.

was designed to be strategic in its focus, to provide guidance to the Board and SC on MCGs under the 2023-25 allocation period.

The objectives, as specified in the RFP, include:

1. To evaluate whether and how multi-country catalytic investment grants contribute to achieving the strategic objectives of the Global Fund;
2. To evaluate whether and how multi-country catalytic investment grants were able to effectively tackle regional bottlenecks and address cross-border and national issues; and,
3. To evaluate the efficiency, effectiveness and equity of operationalization and implementation of multi-country catalytic investment grants to inform the 2023-2025 allocation cycle and multi-country grant priorities under the post-2022 Global Fund strategy.

The evaluation team used a mixed method approach that employed qualitative and quantitative data collection and analysis in order to respond to the evaluation questions posed in the RFP. Data were triangulated and cross-referenced to ensure accuracy and quality. Data sources included: a) document review at global level and from selected multi-country grants and countries; b) interviews with key informants and stakeholders at global, regional and country levels (208 people interviewed); c) in-depth case study review of eight MCGs (see Volume II); and d) an online survey across all 16 MCGs sent to 187 respondents at the country level with a 30 percent response rate.

The evaluation notes that the universe of MCGs is diverse, and they serve different purposes with sometimes significantly different scopes and foci. MCGs span initiatives that aim to address challenges in access in cross borders areas, to grants focused on strengthening regional responses on key issues, including advocacy.

The document review, key informant interviews, MCG case studies and online survey generated a set of 20 findings against the evaluation questions under the three evaluation objectives. The key findings are summarized below and outlined in more detail in the main body of the report:

**Objective 1:** The evaluation noted that the selection of MCG priorities has become progressively more focused and strategic across the allocation cycles, and has resulted in a set of MCGs that individually had clear rationales and strong strategic justification for multi-country approaches. However, the catalytic potential of the MCGs was unclear, in part because of the lack of shared understanding across the Board, Strategy Committee, Grant Approval Committee (GAC), Secretariat and partners of the meaning of 'catalytic' (see Section 4.1.1).

The intended catalytic effects of MCGs are not always clearly articulated in funding requests, which has compromised the ability of the TRP and GAC to effectively review the applications across both NFM2 and NFM3 funding allocations. However, there is no evidence to suggest that completely different review processes are needed (see Section 4.1.2). While the OIG conducted an audit of MCGs in 2019,<sup>8</sup> it was limited to operational issues, and their catalytic impact was not addressed.

MCG results, as measured by grant performance, have varied across the grants, with significant challenges to measuring grant performance. In general, the MCGs reviewed have demonstrated a contribution towards the achievement of the Global Fund's Strategic Objectives, primarily SO1, while the extent of their contribution towards human rights and gender (HRG) goals is unclear, in part due to the constraints in performance measurement of this contribution (see Sections 4.1.3 and 4.1.4).

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<sup>8</sup> GF-OIG-19-003, 14 February 2019, Geneva, Switzerland

**Objective 2:** The evaluation found that most of the MCGs reviewed have added value through addressing regional bottlenecks and cross border issues, and have, in general, been responsive to the strategic needs of regions and participating countries (see Section 4.2.1). For many MCGs, partnerships have been a major factor in supporting and enabling implementation and effectiveness of the grants (see Section 4.2.3). However, the extent to which MCGs have built regional capacity varies across grants, and prospects for sustainability are limited (see Section 4.2.4). While most MCGs have sought to establish regional platforms/ regional governance bodies with country and community representation, in only a few cases are these platforms fulfilling a strong governance function. Global Fund Secretariat support for regional governance and for MCGs in general (including from the CCM Hub) has been limited, in part because of limited Secretariat buy-in to MCGs and in part because of competing priorities with country grants (see Section 4.2.2).

**Objective 3:** The evaluation revealed that constraints in the Global Fund business model, (including MCGs experiencing low priority within the Secretariat, coupled with complex MCG management and implementation arrangements, program and funding inflexibilities, etc.), have negatively affected MCG implementation and effectiveness (see Section 4.3.1). The evaluation notes that, across the eight MCGs reviewed in depth, there were more than 140 implementing agencies. Interviews with the OIG revealed that, in the seven MCGs<sup>9</sup> reviewed in their 2019 Audit of MCGs,<sup>10</sup> there were over 100 implementing agencies. Furthermore, many countries implement several MCGs in addition to their national grants, and this multitude of grants with different structures creates governance, implementation, coordination and oversight challenges at country and regional levels (and also within the Global Fund Secretariat). For example, in the 2017-2019 allocation period, 55 countries had three or more active multi-country grants in addition to their national grants, while eleven countries had six or more active multi-country grants.<sup>11</sup>

In addition, a range of contextual factors constrained MCG implementation. These include uncertain political environments and an unwillingness to share data across borders. Principal Recipients (PRs), Sub-recipients (SRs) and Local Fund Agents (LFAs) have to deal with multiple political and legislative jurisdictions, while PRs and SRs face administrative issues in budgeting and contracting in multiple currencies, which present implementation challenges. Furthermore, many MCGs focus on interventions with high inherent risk, such as advocacy, community mobilization and training, and the fact that PRs in some MCGs are not allowed to operate in some of the countries covered by the grant is a significant risk. The evaluation noted that a number of risks inherent in MCGs were either not identified during the grant design or grant making processes or were inadequately mitigated if they had been identified (see Section 4.3.3).

These findings from the strategic questions (SQs) and operational questions (OQs) were synthesized into a set of eight conclusions summarized in the table below.

Findings mapped to objectives	Conclusions mapped to SQs, OQs, and objectives
<b>Objective 1- Contribution of MCGs to achieving the strategic objectives of the Global Fund</b>	
<b>SQ3-1 SQ4-1/ SQ4-2 OQ4b-1/OQ4b-2</b>	<b>C1.1</b> In general, MCGs have demonstrated clear contributions towards achieving the Global Fund's Strategic Objectives, primarily SO1, with limited contributions to the other strategic objectives. However, challenges in measuring MCG performance have left question marks over the extent to which MCGs have demonstrated a clear and catalytic effect.
<b>SQ1-1/ SQ1-2 SQ2-1/ SQ2-2</b>	<b>C1.2</b> The criteria and processes used to select and prioritize MCGs are broadly appropriate, and have yielded a set of grants that individually had clear rationales and

<sup>9</sup> These seven MCGs were not included in this evaluation

<sup>10</sup> GF-OIG-19-003, 14 February 2019, Geneva, Switzerland

<sup>11</sup> *ibid*

	strong strategic justification for multi-country approaches. However, decisions on the prioritization of MCGs have been taken in isolation from decisions on grant design, such as budget envelope, implementation timeframes compared with country grants, management and governance arrangements, and considerations of risk management. This has been a contributory factor to sub-optimal design of some MCGs.
<b>Objective 2 – Effectiveness of MCGs in tackling regional bottlenecks and addressing cross-border and national issues</b>	
<b>OQ5-1/ OQ5.2</b>	<b>C2.1</b> Partnerships have been an important factor in the success of many MCGs in tackling regional bottlenecks and addressing cross-border issues, with a number of successful partnerships established with non-standard partners, including development banks and the private sector.
<b>OQ4b-1/OQ4b-2 OQ6-1/ OQ6-2</b>	<b>C2.2</b> MCGs are adding value to country grants and are generally responsive to regional needs. However, the extent to which they are strengthening regional capacity is varied, and prospects for sustainability more generally are limited.
<b>OQ2-1/ OQ2-2/ OQ2-3</b>	<b>C2.3</b> The regional governance function remains weak, due in part to limited Global Fund Secretariat buy-in and support.
<b>Objective 3 - Efficiency, effectiveness and equity of operationalization and implementation of MCGs</b>	
<b>OQ1-1</b>	<b>C3.1</b> Two sets of constraining factors have hampered implementation for many MCGs: <ul style="list-style-type: none"> <li>• <i>The Global Fund business model.</i> Constraints include MCGs generally being treated as low priority across the whole Global Fund business model, resulting in limited Secretariat engagement and support to help manage the additional complexities associated with the grants.</li> <li>• <i>Contextual factors.</i> Constraints include political sensitivities associated with cross-border implementation and sharing of information, and the establishment of complex management arrangements to try to overcome these constraints.</li> </ul>
<b>OQ1-3/ OQ1.4</b>	<b>C3.2</b> MCG program management-related costs are variable, as are Secretariat transaction costs.
<b>OQ7-1</b>	<b>C3.3</b> Key lessons learned across the MCGs are related to: the importance of improved risk identification and mitigation; the need to simplify complex management and implementation arrangements, which not only increase the cost but also inhibit innovation; opportunities for enhanced communication; the critical need for stronger and grant-specific performance measurement; and the need to explore more flexible funding cycles.

From the conclusions, the team has developed three high level recommendations, mapped to the conclusions and summarized in the table below. These are expanded upon more fully below and in Section 6 of the main report.

Mapped to conclusions	Recommendation	Strategic/ Operational
<b>C1.1</b>	<p><b>Maintain MCGs as a priority investment area for activities that demonstrably add value over and above what country grants can deliver to meet the Global Fund's Strategic Objectives.</b></p> <p><u>Elaboration:</u> The evaluation noted that, of the MCGs reviewed in detail during this evaluation, most have demonstrated, and have the potential to continue to demonstrate, clear contributions towards achieving the Global Fund's strategic objectives, primarily maximizing the impact of investments for HIV, TB and malaria (SO1). Contributions towards SO3 are less clear, largely because of the constraints highlighted by the evaluation of measuring grant performance in this area. Nevertheless, there is evidence, primarily through the MENA, EECA APH, SEA AFAO and LAC grants, that some MCGs are facilitating a 'safe space' for tackling HRG issues that may not be addressed or even acknowledged at the country level. In this sense, MCGs are adding value to country grants and are generally responsive to regional needs. The strategic recommendation from this evaluation is that MCGs per se should therefore be maintained as a</p>	Strategic

	priority investment area. The following two recommendations are focused on selecting the <i>right</i> MCGs and ensuring that they perform in the <i>right way</i> , (leading to <i>right results</i> ).	
<b>C1.2/ C2.2/ C3.1/ C3.2</b>	<p><b>Strengthen MCG selection, prioritization, design and review processes by:</b></p> <ul style="list-style-type: none"> <li>Developing an agreed definition of ‘catalytic’ as applied to all catalytic investments that is used consistently across the Board, SC, GAC, TRP and Secretariat;</li> <li>Estimating financial needs and resource availability and including these considerations as part of MCG selection and prioritization criteria;</li> <li>Strengthening consideration of sustainability in MCG selection and prioritization;</li> <li>Strengthening MCG designs through the inclusion of: <ul style="list-style-type: none"> <li>comprehensive landscape analyses to identify gaps and overlaps with country grants, other catalytic investments and initiatives funded or implemented by other agencies,</li> <li>robust theories of change (TOC) that present well-defined intervention logic linking outputs to outcomes and impacts, and include risks and critical assumptions,</li> <li>a limited set of grant-specific performance measures focused at output/outcome levels,</li> <li>reviews after two years, taking into consideration a timely grant start-up, to allow for course correction or discontinuation,</li> <li>more robust risk matrices that take into account risks associated with the complexities of MCG implementation;</li> </ul> </li> <li>Providing the TRP with more time and guidance to consider complex design features of MCGs including landscape analysis and risk management of contextual factors.</li> </ul> <p><u>Elaboration:</u> The evaluation noted that the resources needed to implement MCGs were not always fully considered in the selection and review processes. Given the complexities of MCGs and the associated higher risks, the evaluation recommends that the TRP review process should be strengthened through the provision of more time and Secretariat guidance. However, the bulk of the recommendation is focused on strengthening the design of MCGs, based on several design weaknesses identified as part of this evaluation. While the inclusion of TOCs is now mandatory in the MCG application guidelines, specific guidance is needed, including the provision of examples of TOCs that include the risks and critical assumptions that underpin a robust TOC.</p> <p>The evaluation highlighted the weaknesses and constraints in MCG performance measurement, and while this has improved over time, it is suggested that performance can best be measured through grant-specific performance indicators, largely focused at output/outcome levels, and developed in collaboration with regional and country stakeholders. The evaluation also recommends that reviews/evaluations are embedded in the MCG designs from the outset, which could include developing appropriate baseline, mid-line and end-line indicators.</p>	Operational
<b>C2.1/ C2.3/ C3.1/ C3.3</b>	<p><b>Continue to strengthen MCG implementation and governance arrangements by:</b></p> <ul style="list-style-type: none"> <li>raising the profile of MCGs across the Global Fund business model and either providing sufficient resources at Secretariat level to support effective MCG governance and implementation, or outsourcing this to external agencies;</li> <li>streamlining MCG management and implementation arrangements where these are unwieldy or constrain MCG flexibilities to be innovative;</li> </ul>	Operational

	<ul style="list-style-type: none"> <li>• building on partnership successes, and supporting FPMs and CTs to explore potential partnership arrangements beyond traditional partners (e.g. with development banks and/or the private sector);</li> <li>• building regional governance capacity including, where necessary, through the provision of either internal or external technical assistance;</li> <li>• exploring more flexible funding cycles that include mid-term reviews/evaluations, taking into consideration a timely grant start-up, to allow for MCG course correction or discontinuation.</li> </ul> <p><u>Elaboration:</u> The evaluation noted that MCGs in general are given low priority across the whole Global Fund business model, both by the Strategy Committee in its prioritization criteria in the 2020-2022 allocation period and by the Secretariat, in part due to competing priorities with significantly higher funding for core allocations. The evaluation therefore recommends that the Board and Strategy Committee pro-actively advocate for increased focus and resources to be devoted to MCGs. The evaluation further recommends that the Secretariat is appropriately resourced to support MCG implementation and governance, although these could also be supported by the engagement of external technical assistance.</p> <p>Because of the complexities of MCGs, their management and implementation arrangements are generally also complex, often consisting of one or more regional PRs and a cluster of national Co-PRs, SRs and SSRs, with the associated hierarchies of reporting and communication and data aggregation. This has led to significant delays in multiple areas, but perhaps the most critical relates to constraining the capacities of MCGs to respond flexibly and innovatively to evolving situations, which are more pervasive in MCGs than country grants. The evaluation therefore recommends that the Global Fund explores how best to streamline management arrangements including providing more flexibility in program and budget re-programming, with an associated risk management framework.</p> <p>The evaluation noted the value of partnerships in contributing toward the achievements of MCGs in tackling regional bottlenecks and addressing cross-border issues, and the establishment of successful partnerships with non-standard partners, including development banks and the private sector. The evaluation recommends that this is a potentially valuable area for further pursuit, including a mapping of regional partners across a range of sectors, and whether and how best these can be engaged to support MCG implementation. This will require Secretariat time and resources, and it is suggested that these are made available.</p> <p>Multiple stakeholders noted that the three-year implementation timeframe for MCGs was too constraining, given frequent delays in start-up, complexities in management and implementation, and ambitious objectives, especially for MCGs focused on advocacy and political change. Multiple stakeholders advocated for longer MCG implementation timeframes, and some noted that longer timeframes can cut down on the high transaction costs associated with MCGs in terms of start-up and partner contracting. However, the Secretariat also highlighted the constraints inherent in expanding the three-year timeframe, as a result of the Global Fund's three-year replenishment cycle.</p> <p>To address this tension, the evaluation suggests an approach adopted by other bi-lateral and multi-lateral funding agencies, where a five-year planning cycle is envisaged, with a review mid-cycle to allow for course correction or discontinuation if needed. This can be considered in the context of a longer term vision for all catalytic investments.</p>	
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## 1 Introduction and context

The Global Fund channels funding through catalytic investments, including multi-country grants (MCGs), to support activities that may not be easily addressed by single country allocations alone. These funds are available to target a limited number of strategic multi-country priorities deemed critical to meet the aims of the Global Fund Strategy and may be the only source of funding for the program or may be provided in addition to funding provided from the country allocations of constituent country components. The Global Fund Strategic Review (SR2020)<sup>12</sup> noted that catalytic funding has served to increase focus and attention on strategic priority areas where further progress is required, and that most, but not all, investments have been designed to facilitate a ‘catalytic’ outcome. For example, some of the issues addressed by MCGs include programs for key populations (KPs) to ensure sustainability and transition, addressing human rights barriers to services, reducing malaria drug resistance and elimination efforts, bringing MDR-TB care to communities, and ensuring harm reduction is addressed. It is through this approach that MCGs are intended to add value.<sup>13</sup>

Based on recommendations and lessons from the 2016 Technical Evaluation Reference Group (TERG)<sup>14</sup> and Technical Review Panel (TRP) reviews of existing rounds-based regional programs, the Global Fund Secretariat streamlined processes, including grant applications for MCGs. The Secretariat also defined a set of criteria within the Board-approved catalytic investment priorities to determine which existing grants would continue or be discontinued, while at the same time new MCGs were identified for pre-shaping. The result was approval by the Board of 17 MCGs for the 2017-2019 allocation period at an investment of \$272 million, representing 34 percent of the funding for catalytic investments.<sup>15</sup>

The Office of the Inspector General (OIG) conducted an audit of the MCGs processes and policies in 2019<sup>16</sup> with similar findings to the 2016 TERG evaluation. The audit concluded that, while MCGs have facilitated the creation of multilateral platforms to enhance inter-country collaboration and coordination, many MCGs faced challenges in implementation, and consequently performed below expectations. The audit noted that, despite progress made by the Global Fund Secretariat in streamlining MCGs, “there are opportunities to optimize their implementation and oversight, as well as to address issues relating to risk management and grant monitoring”. The audit highlighted the potential for improvements in the design and effectiveness of the regional governance, coordination and assurance arrangements, and raised concerns about one of the two main multi-country governance arrangements: the regional organizations (ROs), whose procedures had resulted in ad-hoc management of key processes.

The Global Fund is preparing for its next strategy period 2023-2028, and discussions are underway by the Board and Strategy Committee for the 2023-2025 allocation period. In this context, the TERG has commissioned an independent Thematic Evaluation of Multi-Country Catalytic Investment Grants to critically assess how the MCGs have been functioning and to what extent they have achieved their intended objectives.<sup>17</sup>

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<sup>12</sup> Global Fund Strategic Review 2020, August 2020

<sup>13</sup> Value-added or added value is a term primarily used by businesses and in economics to denote, in simple terms, the sales price minus the cost of inputs/production costs. For this evaluation, value-added is defined as the extra outputs / outcomes / impacts of an MCG which go beyond what could be achieved by a single country grant even when the transaction costs may be higher. Those value-added features of an MCG should justify why they are used in addition to country grants.

<sup>14</sup> TERG Thematic Review of the Global Fund’s Regional/Multi-country Grants, June 2016

<sup>15</sup> GF/B36/04 – Revision 2, 16-17 November 2016

<sup>16</sup> Audit Report: Global Fund Multi-country Grants, GF-OIG-19-003, February 2019

<sup>17</sup> In addition to this evaluation, the TERG has commissioned a separate independent Thematic Evaluation of Strategic Initiatives, and together these evaluations will provide a comprehensive picture of two of the three modalities of catalytic investments to help inform Board and SC decisions.

### **Purpose and objectives**

This thematic evaluation focused on the multi-country grants for the 2017-2019 allocation period and the preparation of multi-country grants for the 2020-2022 allocation period, which have been exclusively supported by catalytic funding.<sup>18</sup> The overall purpose of the evaluation was to examine the value-added by MCGs, including, but not limited to, whether they are achieving their catalytic effects. Per the evaluation's RFP and the Global Fund Board Report,<sup>19</sup> "the aim of catalytic investments is to maximize the impact and use of available funds for priorities that cannot be adequately addressed through country allocations alone, and yet are important to ensure that the Global Fund's investments deliver on its Strategy". The findings, conclusions, and recommendations of this evaluation will, therefore, be used to inform the decisions of the SC for the next allocation cycle (2023-2025) under the post-2022 Global Fund strategy that is currently under development. The TERG, both in the terms of reference (TOR) in the RFP and in subsequent discussions during the inception phase, emphasized that the evaluation should be strategic in its focus to provide guidance to the Board and SC on MCGs under the 2023-25 allocation period.

The perspective of the evaluation is therefore both retrospective (assessing the design and implementation of MCGs and the extent to which they have been catalytic) and formative (supporting learning, evidence-based decision-making and informing the development of, and decisions taken on, the relevant part of the 2023-2025 allocation methodology and to a degree the implementation of MCGs in the 2020-2022 allocation period). The evaluation objectives, as specified in the RFP are:

1. To evaluate whether and how multi-country catalytic investment grants contribute to achieving the strategic objectives of the Global Fund;
2. To evaluate whether and how multi-country catalytic investment grants were able to effectively tackle regional bottlenecks and address cross-border and national issues; and
3. To evaluate the efficiency, effectiveness and equity of operationalization and implementation of multi-country catalytic investment grants to inform the 2023-2025 allocation cycle and multi-country grant priorities under the post-2022 Global Fund strategy.

<b>Objective 1</b>	<b>Objective 2</b>	<b>Objective 3</b>
Contribution toward GF strategy	Achievement of objectives	Implementation & future allocations

**Objective 1** examines the holistic framework of the Global Fund's strategy under which investments are made in MCGs and their rationale, including whether and how the MCGs are contributing to the Global Fund's strategy.

**Objective 2** assesses the extent to which MCGs have achieved their intended objectives.

**Objective 3** assesses the effectiveness and efficiency of implementation and management by with the key priority of informing future allocation decisions.

## **2 Scope of the evaluation and conceptual framework**

This evaluation focused primarily on the strategic level of the MCGs and attempted to explore the extent to which they are catalytic, rather than their operational details/processes, and primarily examined MCGs implemented during the 2017-2019 allocation cycle to address all three review objectives. The 2020-2022 allocation cycle was able to provide evidence for Objective 1 (strategy contribution).

<sup>18</sup> As noted in the RFP, MCGs can be funded by pooled country allocations, a combination of country allocations and catalytic investments, and solely by catalytic investments. This evaluation will only focus on those MCGs funded solely by catalytic investments.

<sup>19</sup> 41st Board Meeting, Catalytic Investments for the 2020-2022 Allocation Period, May 2019

The submission of each MCG in the 2020-22 allocation period for Grant Approvals Committee (GAC) review and approval includes a statement of the expected catalytic effect of the MCG, while for MCGs in 2017-2019 allocation period, there are no explicit statement of expected catalytic effect. In neither set of submissions is the term 'catalytic effect' defined. In discussions with the TERG during this evaluation, the evaluation team was requested to propose a definition of 'catalytic' and outline how this could be used to assess the catalytic effect of the MCGs.

In order to address this, the evaluation team drew upon the approach adopted in the SR2020 review, and considered 'catalytic' as leading to one or more of the following criteria being met:<sup>20</sup>

- **More:** Additional funding is leveraged from other sources and/or additional activities are now implemented;
- **Improved:** Activities that were being conducted previously are now appreciably more efficient, effective and/or strategic;
- **Unique, new or innovative:** Activities/contributions that are exclusive or exceptional to catalytic funding and/or those that are entirely new, original or initiated because of catalytic funding;
- **Faster:** Activities that were being implemented previously but are now being implemented at an accelerated pace.

The proposed criteria are both quantifiable and measurable. However, whether more/ faster/ improved/ innovative activities lead to enhanced 'effects' can only really be assessed if a robust theory of change (TOC) is developed for each MCG. Using the above criteria, the team explored the extent to which the MCG was catalytic by design and in its implementation.

Results were measured not only by reviewing actuals versus targets, but also by looking at how the MCGs are conceptually situated within the overall Global Fund framework. This included the MCGs' performance frameworks (PFs), and whether quantifiable key performance indicators (KPIs) captured all required information, or if additional measures were needed to fully determine the outcomes and impacts of issues such as advocacy, policy development, reduction of human rights barriers, and KP sustainability and transition. Where performance letters were available, these were used to assess results.

## 3 Methodological approach

### 3.1 General approach

The evaluation reviewed MCGs funded solely through catalytic investments. Several catalytic investment priorities were identified prior to the 2017-2019 allocation period, in conjunction with the Global Fund's technical and community partners, while the Global Fund Secretariat defined a set of criteria within the Board-approved catalytic investment priorities. The team evaluated MCGs in terms of whether they were designed and implemented to achieve results that could not be achieved with country grants alone. *A preliminary review of documentation revealed that none of the MCGs had an explicit TOC, which constrained how this evaluation could fully determine the extent to which the MCGs achieved their intended results.*

The evaluation team explored how the MCGs work institutionally within the Global Fund's business model, and how the MCGs are implemented at country and regional levels including roles of different actors to determine the value added, including their catalytic effects.

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<sup>20</sup> The definition used by the evaluation team is one of several based on what we discovered during previous evaluations in addition to this current evaluation.

During the inception phase, the evaluation team worked with the TERG and its Secretariat, and the Global Fund Secretariat to further refine and build consensus around the evaluation scope and process through virtual consultations with TERG focal points and key stakeholders. The aim of these discussions was to ensure stakeholder ownership of the scope and objectives of the evaluation in order to clarify priorities and to explore the most appropriate methodological approaches while, at the same time, maintaining the overall independence of the evaluation team. The team noted that the strategic and operational evaluation questions (SQs and OQs), as outlined in the RFP, were sometimes unclear and duplicative, and did not map clearly onto the evaluation objectives. The team brought this to the attention of the TERG directly and via the TERG Secretariat, but the issue was unresolved, and remained a challenge to the analysis.

## 3.2 Specific approach

In Tables 1-3, the evaluation team has mapped the SQs and OQs against the three evaluation objectives

**Table 1: Objective 1 mapped with SQs and OQs**

<b>Objective 1:</b>	
<b><i>To evaluate whether and how Multi-country Catalytic Investment grants contribute to achieving the strategic objectives of the Global Fund (2017-19; 2020-22)</i></b>	<p><b>SQ1:</b> How and on what basis were the MCGs selected, prioritized and operationalized?</p> <p><b>SQ1-a:</b> Were the criteria used for determining these grants adequate and comprehensive?</p> <p><b>SQ2:</b> How adequately have the objectives and 'catalytic effect' been assessed by the TRP and GAC?</p> <p><b>SQ2-a:</b> Would a different review process, one that better takes into account the specific characteristics of multi-country grants, be more appropriate for this modality?</p> <p><b>SQ3:</b> Have intended key objectives/results been achieved according to the grants?</p> <p><b>SQ3-a:</b> What are the challenges in assessing the performance, outcome and impact of these grants?</p> <p><b>SQ4:</b> To what degree has a catalytic effect been achieved so that grants contribute, together with grants under country allocation, to the delivery of Global Fund strategic objectives including Human Rights and Gender (HRG)?</p> <p><b>OQ4a:</b> What are the key facilitating and hindering factors influencing the effectiveness of the grants?</p>

**Table 2: Objective 2 mapped with SQs and OQs**

<b>Objective 2</b>	
<b><i>Whether and how Multi-country Catalytic Investment grants were able to effectively tackle regional bottlenecks and address cross-border and national issues</i></b>	<p><b>OQ4b:</b> What is the impact and added value of these grants over country grants, if any, and what are the attributes of these grants that provided these results?</p> <p><b>OQ4b1:</b> Could these objectives have been met through country grants rather than through MCGs?</p> <p><b>OQ4b2:</b> To what extent have MCGs responded to the strategic needs of regions and participating countries? Have there been any unintended effects?</p> <p><b>OQ2:</b> How did RCMs/ROs interact with CCMs, including regional and national PRs and SRs; and with other non-health sectors?</p> <p><b>OQ2-a:</b> What role do communities affected by the three diseases play in the planning, implementation and governance of these grants?</p> <p><b>OQ3:</b> How do MCGs leverage and integrate existing country level tools and approaches?</p> <p><b>OQ5:</b> To what extent have GF partnerships contributed to and been effective in the delivery of MCGs?</p> <p><b>OQ5-a:</b> How can these be improved? How can the performance and technical assistance of partners be monitored/ assessed?</p> <p><b>OQ6:</b> How did multi-country grants build capacities at the regional and national level to tackle regional issues independently from Global Fund grants?</p> <p><b>OQ6-a:</b> If they did, are these capacities disease-specific or do they go beyond the three diseases</p>

Table 3: Objective 3 mapped with SQs and OQs

Objective 3:	
<p><b>To evaluate the efficiency, effectiveness and equity of operationalization and implementation of MCGs to inform the 2023-2025 allocation cycle and MCG priorities under the post-2022 Global Fund strategy.</b></p> <p><b>Cross cutting:</b> What have been the lessons learned and key contributing factors of success, challenges, gaps and best practices and how does that shape future direction of the MCGs</p>	<p><b>OQ1:</b> What particular complexities do MCGs exhibit that require special attention in terms of: planning; applying for funding; proposals review and approval; program implementation; monitoring and evaluation; and oversight?</p> <p><b>OQ1-a:</b> Which constraints faced during the cycle of grant implementation are impeding achievement?</p> <p><b>OQ1-b:</b> What were the trade-offs? How could they be improved?</p> <p><b>OQ1-c:</b> Does this involve additional transaction costs for the Global Fund Secretariat and applicants compared to a country grant? How can they be reduced?</p> <p><b>OQ1-d:</b> Have MCGs provided good value for money (VfM)? Are alternative mechanisms possible at any stage to increase VfM?</p> <p><b>OQ7</b> What lessons have been learned from MCGs?</p> <p><b>SQ5</b> What are the potential priority strategic areas for the post-2022 Global Fund Strategy for which MCGs can add value?</p> <p><b>OQ5</b> What recommendations can be provided to: reduce the complexity of MCGs; ensure efficient implementation modalities; strengthen coordination and alignment with national grants and future MCGs; and facilitate longer-term transition, where this would be indicated.</p>

### 3.3 Data collection and analysis methods

**Inception consultations:** Prior to beginning the data collection phase, the evaluation team conducted in-depth consultations with several key stakeholders to ensure an agreed understanding of the expectations for the evaluation, as well as noting any key issues that needed to be addressed. These consultations included the TERG focal points, the TERG Secretariat, and representatives from MECA, Access to Funding (A2F), Grant Management Division (GMD), and the Strategy and Policy Hub (SPH).

**Desk based review of relevant documents:**<sup>21</sup> The evaluation team used Global Fund sources including grant documents, performance letters, monitoring frameworks, OIG, TRP and GAC reports, TERG reviews (including regional and multi-country grants and SR2020 reviews), external reviews, contractual and reporting documentation of PRs, reports to the Board, Global Fund generated survey data, as well as available grant and program evaluations to derive secondary data. The TERG Secretariat supported the evaluation team with document and data collection and utilized SharePoint as a common repository for the evaluation documents. Annex 3 contains a list of documents at global level that were reviewed by the team.

**Key informant interviews:** Primary data was collected through individual interviews and group discussions via video teleconference, where 208 key stakeholders were interviewed at global, regional and country levels.

Key informants at central, regional and country levels were selected based on the relevance of their experience and/or knowledge of MCGs. A cascade approach was used to identify further key stakeholders for interviews. Most interviews were requested through, and coordinated by, the TERG Secretariat. Groups of stakeholders interviewed included:

- Global Fund Board and SC members

<sup>21</sup> Non-global documents reviewed were largely focused on the 8 MCG case studies, and are listed separately in each case study

- TERG focal points and members
- TRP Chair and members (including those who have reviewed MCG grant funding requests)
- Global Fund Secretariat staff
  - A2F leadership and staff
  - GMD (heads/regional managers, CTs, including regional and country Fund Portfolio Managers or FPMs)
  - Technical Advice and Partnerships (TAP) leadership and staff
  - SPH leadership and staff
  - CCM Hub leadership and staff
  - MECA leadership and staff
  - HIV/TB/malaria workstream leads
  - Thematic area leads (e.g. CRG, etc.)
- Multi- and bilateral partners supporting (technically or financially) MCGs
- In-country partners
  - Government representatives (Ministry of Health, Ministry of Finance and other relevant institutions)
  - PRs, Co-PRs, SRs and SSRs
  - RCM/CCM members
  - RCM/CCM Secretariat
  - Regional organizations (where appropriate)
  - Civil society organizations (CSOs) and CSO networks leadership

A list of all stakeholders interviewed is attached as Annex 4.

**MCG case study reviews (8 MCGs):** A key component of the evaluation was an in-depth review of eight MCGs as case studies, purposively selected based on the following set of criteria:

- Mix of disease components (HIV/TB/malaria)
- Mix of regions
- Mix of RCMs and other coordination/oversight bodies
- Grant budget over \$5 million
- Not included in the 2019 OIG Global Fund MCG review

During the inception phase, the evaluation team held discussions and correspondence with the TERG Secretariat regarding the proposed MCGs and countries to be reviewed. The TERG Secretariat consulted with the Global Fund Secretariat, primarily GMD, to secure their feedback on the proposed grants and countries. After lengthy discussions, the following set of MCGs and countries were approved by the Secretariat.

**Table 4: MCG and country selection**

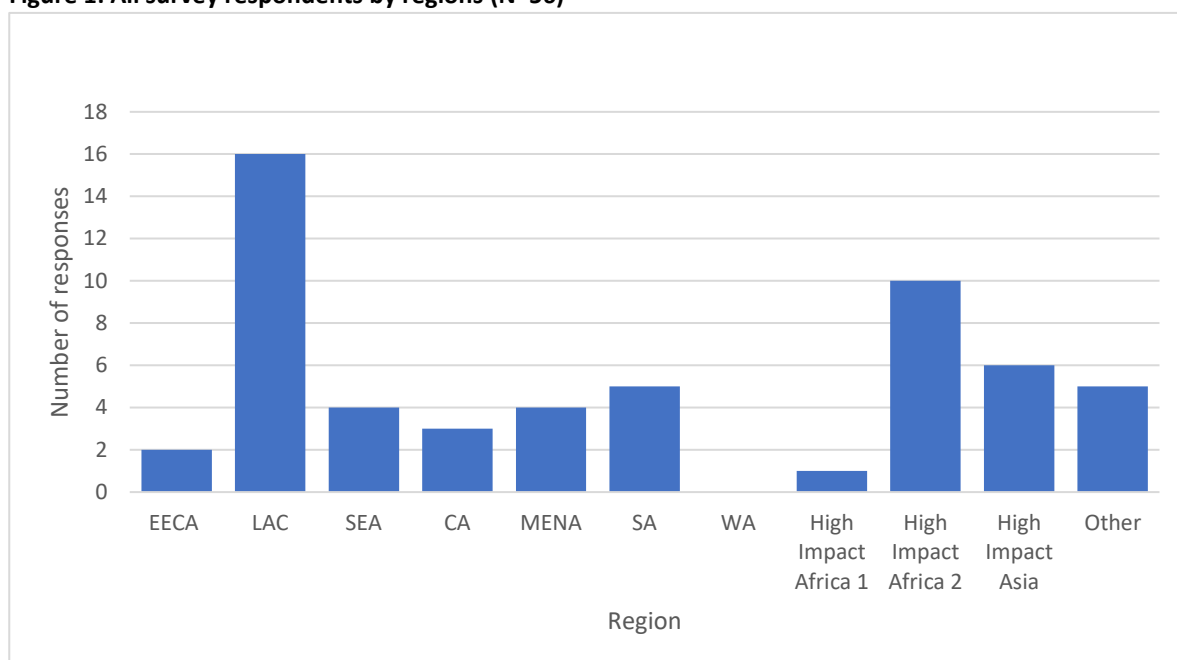
Grant	Component	Countries
Americas Regional Malaria Elimination Initiative QRA-M-IDB (MCG RMEI)	Malaria - elimination	El Salvador, the Dominican Republic, Guatemala
Elimination of malaria in Southern Africa QPA-M-LSDI (MCG MOSASWA)	Malaria - elimination	Eswatini, Mozambique, South Africa
TB in the mining sector (MCG WHC)	TB - missing cases	Eswatini, Zimbabwe, South Africa
TB West and Central Africa NTP/SRL Cotonou QMZ-T-PNT (MCG NTP/SRL)	TB - lab strengthening	Gambia, Ghana, Nigeria
TB Interventions among migrants and mobile populations in Mekong QMZ-T-UNOPS (MCG TB UNOPS)	TB - migrants	Cambodia, Lao, Thailand
HIV-Sustainability of Services for key population (KP) in EECA region QMZ-H-AU (MCG EECA APH)	HIV - KPs	Russian Federation, Kazakhstan, Ukraine
Sustainability of services for Key Populations in the MENA region QMZ-H-FA (MCG MENA)	HIV - migrants	Egypt, Jordan, Lebanon
Sustainability of HIV Services for Key Populations in Asia Program QMZ-H-AFAO (MCG SEA AFAO)	HIV - KPs	Bhutan, Laos, Sri Lanka

As part of the MCG case studies, the team conducted in-depth interviews with in-country stakeholders in three countries. Because of the on-going COVID-19 pandemic, the MCG evaluation was conducted remotely, and specific grants were assigned to team members based on their expertise, experience, and language abilities. Team members first reviewed relevant grant documentation, consulted with and interviewed relevant FPMs, and then, with the TERG Secretariat in lead, contacted key in-country informants for interviews. The case studies, which have been carefully reviewed by the relevant FPMs/CTs, are presented in Volume II of this report.

**Online survey:** A brief, highly focused and structured online survey provided an opportunity to maximize input from 187 key stakeholders at country level across all MCGs currently being implemented, and therefore, expanded the coverage and the representativeness of the evaluation. Annex 4 outlines the online survey questionnaire. The survey, which was available in English, French, Spanish and Russian, collected both quantitative and qualitative data, and was used to fill information gaps, triangulate data, and review context-specific interventions and their outcomes.

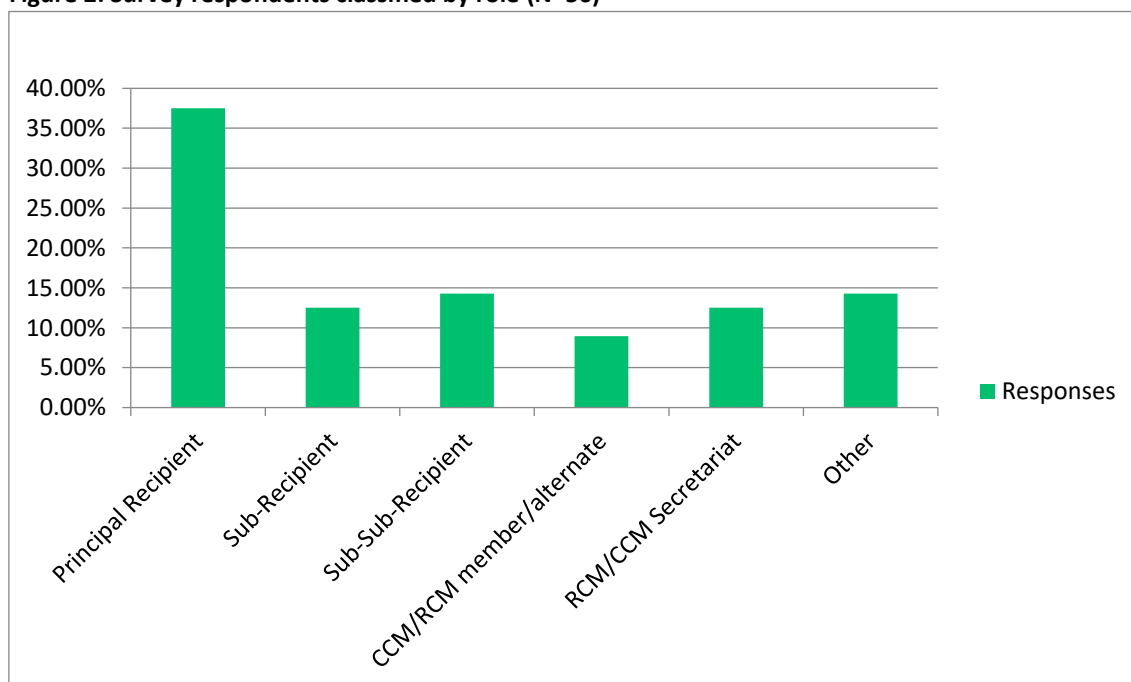
The survey generated 56 responses representing a response rate of 30 percent. Responses were obtained, as seen in Figure 1 below, from all regions except West Africa (note this figure also contains three Global Fund Secretariat respondents included in the category “Other” which were omitted from the analysis, as the survey was intended for country level respondents). The apparent disproportionate number of responses from the Latin America and Caribbean (LAC) region (representing approximately 29 percent of all survey respondents), should be viewed in the context that there were 72 potential LAC respondents (39%) in the initial survey list.

**Figure 1: All survey respondents by regions (N=56)**



The majority of survey responses came from individuals in implementing roles, as 64 percent of respondents were either PRs, SRs or SSRs. Approximately 22 percent of responses came from individuals affiliated with either CCMs and/or RCMs, including members, alternates, and Secretariat staff. The remaining 14 percent classified themselves as “Other” (this figure also includes three individuals who noted that they were Global Fund Secretariat staff, and were omitted from further analysis).

**Figure 2: Survey respondents classified by role (N=56)**



### 3.4 Data analysis, synthesis, and strength of findings

**Data Analysis:** Data analysis was focused on the three evaluation objectives and produced a set of robust findings and preliminary conclusions on the strengths and weaknesses of the Global Fund's overall approach to the MCGs. Conclusions were focused within the individual objectives and were synthesized across the objectives to formulate a limited number of focused recommendations at strategic and operational levels. These were presented and refined at a validation workshop involving the TERG Focal Points and representatives from the Secretariat on 20 July 2021.

**Data triangulation:** Triangulation was used to cross-check and validate key findings and conclusions. To the best extent possible, the evidence generated from the different sources described above were triangulated by the team via shared documentation and discussions. Specifically, for each main evaluation question, data was matched with evidence generated from interviews targeting key stakeholders in-country, and evidence generated from similar interviews with the Global Fund Secretariat. Secondary data analysis from the document review and results of the on-line survey added an additional layer of triangulation. A common protocol and data matrix was utilized to ensure MCG data comparability.

**Assessing strength of evidence:** The evaluation team reviewed the underlying "quality" of the evidence as well as the "quantity" of evidence. The team applied the robustness rating shown in the table below for our findings, and only reported findings where the robustness rating was either strong or moderate.

**Table 5: Robustness rating for main findings**

Rating	Assessment of the findings by strength of evidence
Strong (1)	<ul style="list-style-type: none"> <li>Supported by data and/ or documentation categorized as being of good quality by the evaluators; and</li> <li>Supported by majority of consultations, with relevant consultee base for specific issues at hand</li> </ul>
Moderate (2)	<ul style="list-style-type: none"> <li>Supported by majority of the data and/ or documentation with a mix of good and poor quality; and/ or</li> <li>Supported by majority of the consultation responses</li> </ul>
Limited (3)	<ul style="list-style-type: none"> <li>Supported by some data and/or documentation which is categorized as being of poor quality; or</li> <li>Supported by some consultations and a few sources being used for comparison (i.e. documentation)</li> </ul>
Poor (4)	<ul style="list-style-type: none"> <li>Finding is supported by various data and/ or documents of poor quality; or</li> <li>Finding is supported by some/ few reports only with no data or documents for comparison; or</li> <li>Finding is supported only by a few consultations or contradictory consultations</li> </ul>

### 3.5 Methodological limitations, constraints and challenges

#### 3.5.1 Limitations

For data sources, the review relied upon interviews with key stakeholders, internal and external reports and documents, the robustness of data provided by the Global Fund Secretariat and other stakeholders, and the response rate of the online survey. There are some inherent limitations related to documentary data (including limited generalizability, the presentation of alternative perspectives without clear consensus, the use of subjective assessments, and insufficient documentation of data collection methods) that may make it difficult to assess the validity of the information received. Data and information in such documents were assumed to be accurate and factually correct.

A key expectation was that all relevant stakeholders would share their views and opinions in a clear and transparent manner. It is also acknowledged that these opinions may be, at least partly,

subjective, including, for example, because of inherent conflicts of interest. The team sought to mitigate the subjectivity of opinions by triangulation of both methods and data. Given the time constraints of the review it was not feasible to interview a representative sample of stakeholders, who were selected purposively for interview based on their level of engagement with the various MCGs. In addition, with the agreement of the evaluation team and the interviewees, a representative from the TERG Secretariat observed almost all interviews. Despite explaining the evaluation intentions and assuring confidentiality, this may have resulted in some individuals feeling restrained in their comments on the MCGs.

The team, in collaboration with the TERG Secretariat and Global Fund Secretariat, developed a list of in-country stakeholders to participate in the online survey. It is acknowledged that, in addition to the purposive sample, respondents may self-select to complete the survey based on how strong their interest or involvement is with the relevant MCG.

Finally, while the team has presented a rationale for the selection of MCGs for in-depth review and countries for case studies, it is acknowledged that this raises the possibility of selection bias.

### 3.5.2 Constraints and challenges

The team faced several constraints and challenges to implementing the evaluation as outlined in the table below:

**Table 6: Constraints and challenges**

Constraint/challenge	Explanation
Evaluation questions do not clearly map onto the Evaluation Objectives	The SQs and OQs, as presented in the RFP were sometimes convoluted and duplicative, and do not clearly map onto the evaluation objectives. This presented challenges to coherent analysis & synthesis and has inhibited the narrative flow of the MCG case studies.
Delays in operationalization of the evaluation	Delays that were outside the control of the team included: delays in Secretariat approval of countries to be included in the case-studies; time required to compile the large list of online survey respondents. <sup>22</sup>
Delayed grant signature/ start-up of some MCGs	Some of the MCGs in the NFM2 allocation experienced delays in start-up (of up to 12 months), so it was difficult to determine achievement of results.
Some difficulties/ delays in securing interviews at country level and at global level	The team experienced delays in securing interviews with some in-country stakeholders and also global stakeholders including within the Secretariat, Board and GAC due to competing priorities. In some cases, interviews were shared with the concurrent Strategic Initiative evaluation to try and achieve efficiencies, given the heavy Secretariat and country workloads.
Constrained timeframe for the evaluation	The allocated timeframe for data collection, analysis and report writing was highly constrained, given the scale, scope and importance of this evaluation.

<sup>22</sup> Compiling the list of all key stakeholders at country level across all current MCGs was a major task for the TERG Secretariat, and the evaluation team expresses its appreciation for their efforts

## 4 Evaluation findings (against the three evaluation objectives)

The findings presented in the sub-sections below address the key evaluation questions and are derived from evidence triangulated across documents reviewed, MCG case studies, the online survey and interviews with key stakeholders at global and country levels. In general, findings are only presented where the strength of evidence is strong or moderate. Where there are apparent inconsistencies (e.g. divergences between evidence from the online survey and other sources), this is highlighted in the narrative. The evaluation team has tried, wherever possible, to illustrate findings with examples from the various MCGs reviewed, and notes that more detail on each of these MCGs is available in the case studies presented in Volume II of this report.

The findings are presented against each of the evaluation objectives, in the sub-sections that follow.

### 4.1 Objective 1: To evaluate whether and how MCGs contribute to achieving the strategic objectives of the Global Fund

#### 4.1.1 MCG selection & prioritization

This sub-section addresses evaluation questions on MCG selection and prioritization, including the adequacy and comprehensiveness of criteria used.

***Finding SQ1-1. The selection and prioritization processes for MCGs in both funding allocation periods<sup>23</sup> resulted in a set of MCGs that individually had clear rationales and strong strategic justification for multi-country approaches but whose catalytic potential was unclear, in part because there was limited shared understanding between the Board, Strategy Committee, GAC, Secretariat and partners of the meaning of the term 'catalytic', little clarity on how MCGs should achieve a catalytic effect, and no metrics for assessing catalytic achievement.***

The 2016 allocation period<sup>24</sup> on Catalytic Investments notes the processes undertaken to prioritize the various catalytic investments. These included a set of consultations with technical partners (WHO, UNAIDS, Stop TB, RBM, UNICEF) and with communities and civil society organizations (CSOs), as well as a review of lessons learned from 2014-2016 initiatives, regional proposals and incentive funding. Technical partners identified a set of 20 priority areas for catalytic investment, some of which were endorsed by civil society groups, in particular those focused on malaria and TB. However, input from the communities and civil society meeting revealed some reservations about the HIV priority area, where they noted that: “While overall priorities are seen as appropriate, much refinement is required if they are to develop as focused, strategic and meeting the purpose of catalytic funding. Programmatic and prevention gaps must be better considered and reflected in further development” (Slide 17).<sup>25</sup>

The Board Paper for Catalytic Investments for the 2017-2019 Allocation Period<sup>26</sup> sets out the catalytic investment priorities and associated costs recommended by the Strategy Committee. It notes that these priorities were identified by technical partners in consultation with the Secretariat, and that the priorities reflect critical needs that will assist in the delivery of the global plans for HIV, TB and malaria and the 2017-2022 Global Fund Strategy.

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<sup>23</sup> The allocation periods considered in this evaluation are 2017-2019 and 2020-2022. For simplicity, these will often be referred to in the report as NFM2 and NFM3

<sup>24</sup> GF/B36/04 – Revision 2 Catalytic Investments for the 2017-2019 Allocation Period.

<sup>25</sup> *ibid*

<sup>26</sup> GF/B36/04 – Revision 2, 16-17 November 2016, Montreux, Switzerland.

However, interviews with a range of stakeholders from across the Global Fund Board, Strategy Committee, GAC, Secretariat and TRP, and with technical partners, revealed the lack of shared understanding of the term ‘catalytic’. As outlined in finding SQ 2.1 below, this lack of shared understanding constrained the effectiveness of the MCG review processes. It also constrained the effectiveness of the prioritization process for all catalytic investments including MCGs and resulted in the selection of a set of MCGs that individually had clear rationales and strong strategic justification but whose catalytic potential was unclear.

In the 2020-2022 allocation period, criteria for prioritization were developed based on replenishment levels. The Board Paper – Catalytic Investments for the 2020-2022 Allocation Period<sup>27</sup> notes that technical partners were an integral part of the prioritization process, and that disease-specific consultations were held through the forums of the HIV situation room, TB situation room and malaria Country/Regional Support Partner Committee.

The catalytic investment priorities for the 2017-2019 (NFM2) and 2020-2022 (NFM3) allocation periods related to multi-country grants are outlined in the table below.

**Table 7: Catalytic priorities**

Priority area related to MCGs		Associated cost per allocation period (\$m)	
		2017-2019	2020-2022
HIV	Key populations sustainability & continuity	50	50
TB	TB Multi-country responses	65	40
Malaria	Malaria elimination in South Africa	20	20
	Malaria elimination in Meso-America	6	Not continued <sup>28</sup>
Total allocated costs		141 <sup>29</sup>	110 <sup>30</sup>

For the 2020-2022 allocation cycle, it was not clear whether the replenishment would be sufficient to cover all catalytic investments, because decisions around catalytic investments are made before replenishment outcomes are known, and as such there was a need to have different funding scenarios. Because of the need to maintain the bulk of funding for country allocations, in a limited replenishment scenario, this translated into less funds for catalytic investments. To address this uncertainty, catalytic investments were grouped against a range of funding scenarios and prioritized according to replenishment levels. Group 1 represented the most critical priority catalytic investments (that would be funded under low replenishment levels) and Group 4 the lowest priority (should replenishment levels reach or exceed their targets).<sup>31</sup> The Board paper, Catalytic Investments for the 2020-2022 allocation period, notes that the selection of catalytic priorities was driven by two principles: (1) to invest to maximize impact and use of available funds in order to achieve the aims of the strategy; and (2) to invest in priorities that are unable to be adequately addressed through country allocations alone, and yet are deemed critical to ensure that the Global Fund’s investments are positioned to deliver against its strategic aims. This evaluation notes that all the MCGs in the 2020-2022 allocation period, with one exception, were rated by Secretariat (and approved by the Board) as low (Group 3) priority.<sup>32</sup>

<sup>27</sup> GF/B41/03 – Revision 1 15-16 May 2019, Geneva

<sup>28</sup> The 2017-2019 multi-country grant pooled funds with contributions from other funders to launch a joint financing facility for malaria elimination in the region for which the Global Fund was contributed with a nominal portion of the overall funding.

<sup>29</sup> An additional USD119m was invested to support the RAI MCG and USD12m for PSM Developing Local Resources

<sup>30</sup> An additional USD120m was invested to support the RAI MCG

<sup>31</sup> Strategy Committee Chair’s Summary Notes, GF/SC09/18 28-29 March 2019, Geneva, Switzerland

<sup>32</sup> The exception was the RAI MCG, which lies outside of this evaluation TORs, and was given the highest priority rating.

Interviews with key informants at the regional level and in countries where MCGs are implemented reveal variable levels of country engagement in the selection process, with some, but not all, noting that regional and country stakeholders were consulted by Global Fund staff to ensure alignment with regional and national strategies and plans. Fewer in-country stakeholders fully understood the specific reasoning for the thematic areas to be addressed by MCGs (e.g., cross-border and regional programs for key populations on issues of sustainability and transition; human rights barriers to services; drug resistance and elimination in malaria; approaches for bringing MDR-TB care to the community, TB lab strengthening, etc.). Some stakeholders, for example in MCG MENA, noted that they simply responded to an RFP.

**Finding SQ1-2: The selection of MCG priorities has become progressively more focused and strategic from NFM1 to NFM2 and to NFM3**

The NFM1 allocation period supported 34 MCGs that addressed a wide range of issues, and grants were awarded on a competitive basis. Following recommendations from the 2016 TERG thematic review of regional and multi-country grants and subsequent TERG Position Paper, the Secretariat, in conjunction with technical partners, identified 14 strategic priorities for MCGs under the 2017-2019 (NFM2) allocation and 17 MCGs were funded. In the 2020-2022 (NFM3) allocation period, all but two MCGs were continuations or pre-shaped grants, with only two RFPs issued. RFPs for MCGs issued under NFM3 provided more specific guidance to applicants, including a requirement for a theory of change (TOC), which has enabled applicants and implementing partners, according to key informants, to focus efforts and design better indicators to measure progress.

While MCGs have generally become more focused over time, with additional guidance provided under NFM3 on what can be funded, one MCG broadened its focus to include innovative financing – MCG Regional Malaria Elimination Initiative (RMEI). MCG RMEI is a follow-on to an earlier MCG (EMMIE) and, while RMEI continues to focus on malaria elimination part of its catalytic effect lies in its innovative funding approach. It evolved from a results-based funding approach with Global Fund - PR relationship to one of a blended financing facility / multi-donor trust fund (MDTF) administered by the Inter-American Development Bank (IDB). As discussed later in this report, this unique financing arrangement had major implications for the Global Fund's business model. However, whether this innovative approach to collaborative financing can be replicated by other MCGs remains unclear.

#### 4.1.2 MCG review process

This sub-section explores the extent to which the objectives and catalytic effect of MCGs have been adequately assessed by the TRP and GAC, and addresses the evaluation question as to whether a different review process would be more appropriate for this modality.

**Finding SQ2-1: The intended catalytic effects of MCGs are not always clearly articulated in funding requests, which has compromised the ability of the TRP and GAC to effectively review the applications across both NFM2 and NFM3 funding allocations.**

The above finding has caveats, in that seven of the twelve MCGs in the NFM3 cycle are continuations and may have been subjected to a less rigorous review in terms of their intended catalytic effect. A key constraint to MCG review is the lack of shared understanding across the TRP, Board, SC, GAC and Secretariat of how 'catalytic' is defined and measured. The Global Fund through its public documentation has made the following statements in regard to catalytic funding for MCGs:

*"Global Fund catalytic investments support programs, activities and initiatives that complement country allocations and that are essential to achieve the aims of the*

*Global Fund Strategy 2017-2022 and global partner plans.*<sup>33</sup>

*“...catalytic multi-country funds are used for priorities that cannot be effectively addressed through country allocations alone yet are deemed crucial to ensure Global Fund investments are positioned to deliver against Global Fund strategic aims.”<sup>34</sup>*

Regardless of these statements, senior global-level stakeholders interviewed during this evaluation offered differing opinions on what constitutes a catalytic investment, including:-

- “...catalytic is the thing that is independent, which starts the process...if the grants are connecting people to meet the objectives...they should continue after the catalyst is removed”
- “...it’s where the Global Fund honestly recognizes the scale of the challenge and the tiny amount of resources and is honest about the limitations of the funding and what can be achieved”
- “...funding things which are not necessarily a strategic priority, gap filling for wherever there is a gap in the routine allocation model”
- “...it’s an endless debate. Define it around investments that ensure action that would not otherwise have taken place if the fund had not invested or specific gaps that get filled outside of country allocations. Efficiencies that are gained by taking a regional approach which would not occur with just a country approach”.

The extent to which the TRP and GAC had a clear steer on what they were determining when examining whether an MCG was ‘catalytic’ remains unclear. For example, for MCG RMEI, the TRP notes that it was not in a position to fully review the strategic and technical merits of the application. As further noted by the TRP, the five-year funding request submitted for MCG RMEI uses a new funding modality, which combines the Global Fund’s contribution with funding from other donors, along with national funding and loans in a blended finance mechanism. This mechanism was deemed *innovative* in that it would maximize investments, provide value for money, and improve the coordination of programmatic activities. For EECA APH grant, according to the TRP the program proposes innovative solutions that can *potentially* have catalytic effect in the region, i.e., to foster possible ARV drug price reductions and advocate for the utilization of the generated savings for the financing of prevention and care services for KPs and people living with HIV (PLHIV).

For MCG TB UNOPS, while the TRP conducted a robust review of the objectives and the technical and operational aspects, it is not clear that they considered the ‘catalytic effect’ of the grant, nor fully considered the significant risks and proposed mitigation measures. For the MENA MCG, the TRP noted that, through its activities to enhance human rights protection, as well as to promote gender equality, the grant would be both innovative at the national level and catalytic at the regional level.

Interviews with members of the TRP and GAC revealed that in the review process, MCGs are generally treated like country grants. Neither the TRP nor the GAC include a specific review of the landscape analysis across all the participating countries. In particular, the GAC generally only receives inputs from the FPM in the country where the PR is based, not the individual country FPMs, so it may have limited overview of the broader scope of the grant. Furthermore, the catalytic intent of the MCGs for the GAC is context specific. In other words, there is no one standard applied, and instead the GAC infers the catalytic intent (and corresponding catalytic definition) by participating in broader conversations with the Board, SC, and by placing the MCGs within their regional context. While the GAC can, if requested, provide greater steer to the MCGs, in some cases, because of either the lower priority of MCGs or because of a lack of clarity in terms of the MCG’s intent, this guidance has come too late, resulting in conditionalities placed within the MCG.

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<sup>33</sup> <https://www.theglobalfund.org/en/funding-model/before-applying/catalytic-investments/>

<sup>34</sup> RFP: TGF-21-018, February 2021

A key concern highlighted by global level stakeholders is that, while the TRP and GAC may perceive what they anticipate being ‘catalytic intent’ in the funding application, this may not materialize, either because of weak implementation or because the catalytic intent was not translated into impactful activities during grant-making.

**Finding SQ2-2: *There is no evidence to suggest that a completely different review process is required, although, given the more complex nature of the MCGs, allocating more time and providing clear guidance to the TRP may strengthen the process.***

TRP members interviewed noted that MCGs are more difficult to review because of the complexity of the implementation arrangements, governance structures, and technical approaches. A review by the evaluation team of funding proposals for the case-study MCGs reveals that MCGs can pose different, and sometimes, more subtle and/ or complex risks associated with implementation and governance.

Nevertheless, a review across all the MCG case studies coupled with in-depth interviews with the TRP and the Global Fund Secretariat, indicate that the current TRP review process is, in general, fit for purpose. TRP members interviewed however, note that additional time is generally needed to review MCG funding requests, and revealed that the most-experienced TRP members are typically assigned to review MCGs. Opinions of key informants, coupled with a review by the evaluation team of Global Fund guidance, reveals some disconnect between the guidance provided to the TRP and the instruments used by the TRP, which are not well adapted to reviewing MCGs.

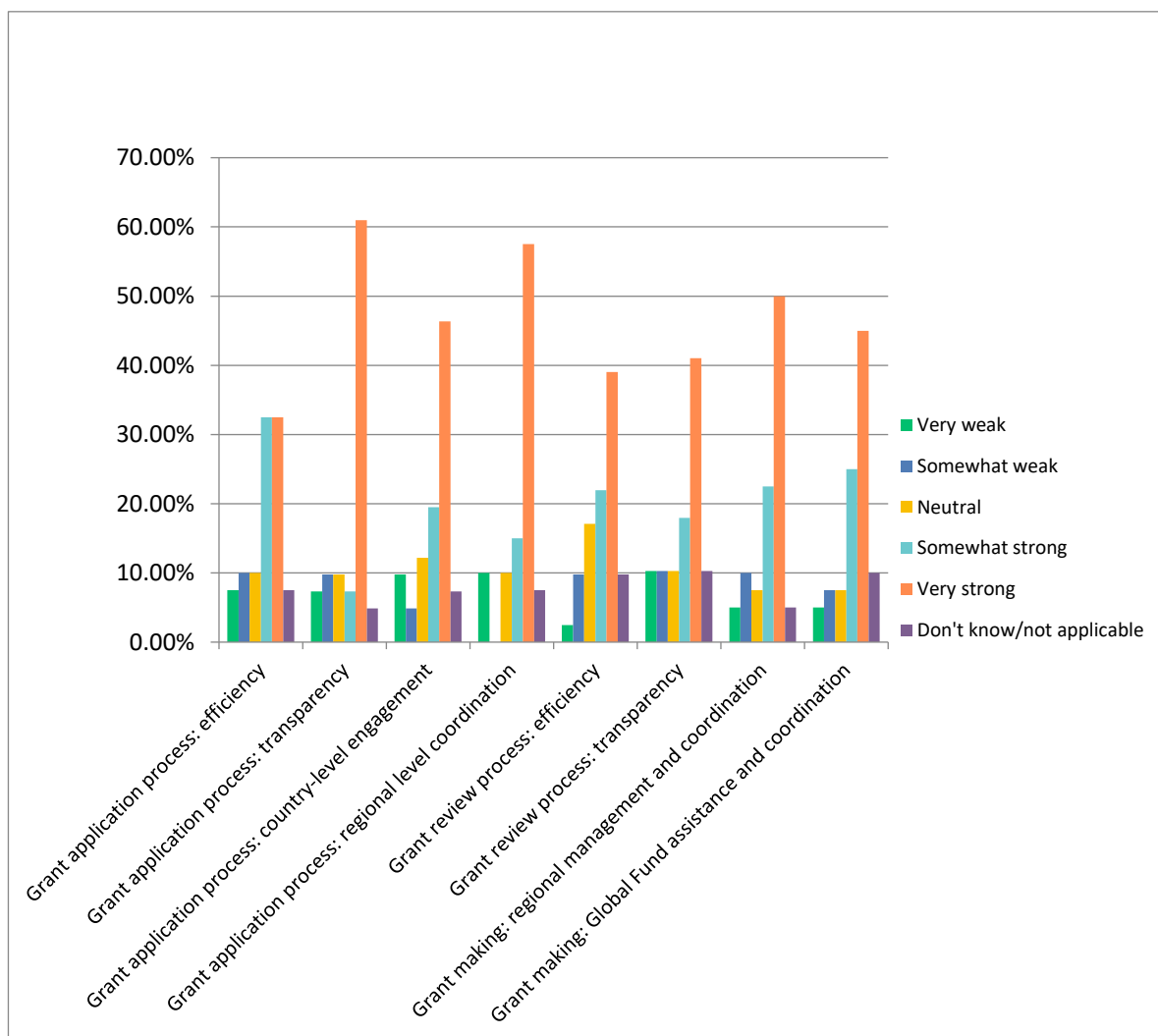
In all the MCGs reviewed by the evaluation team, it was noted that the TRP considered MCG alignment with national (and regional, where applicable) strategic plans, as well as harmonization with previous programming and good practices. The TRP reviewed technical inputs, including the overall approach, and whether the MCGs were built on an extensive consultation process with clear prioritization. While the TRP review process for MCGs was intended to be comprehensive, interviews with the TRP and Secretariat revealed that there was limited landscape analysis of the MCG, country grants, strategic initiatives (SIs), or activities of stakeholders outside of the Global Fund. For example, the Strategic Initiative on malaria elimination (E-2020) includes South Africa, Eswatini and Botswana, and all three countries overlap with the multi-country E8 grant, and the first two countries with the MOSASWA multi-country grant. The E-2020 SI in LAC includes five countries (Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras) that are also in the MCG RMEI.

Because of the complexity of implementation and governance arrangements of many MCGs, there are associated complex, diverse, and sometimes subtle risks. Some of these risks are outlined elsewhere in the findings, and include: limited engagement and ownership at country level of MCG implementation and results; weak/ inconsistent reporting by countries to regional databases; social and political constraints to sharing data across countries; inappropriate performance management frameworks; constrained MCG implementation periods resulting from delays in start-up, etc. There is a need to identify these risks during the design and review processes, and to ensure that risk mitigation measures are adequate and realistic.

Some key informants at global and country levels also noted that some TRP members, while possessing significant technical expertise, have limited experience in grant implementation and especially in implementation of MCGs. This may result in critical MCG implementation (and governance) risks not being identified or being under-prioritized during the review process.

This finding is buttressed by data from the online survey, which revealed that most respondents rated the various aspects of the grant application and grant making process as either “Very Strong” or “Somewhat Strong”. This was particularly applicable in terms of transparency and coordination during the grant application phase, as seen in Figure 3 below.

**Figure 3: Survey results for the pre-implementation MCG phases (N=43)**



#### 4.1.3 MCG Performance measurement

This sub-section addresses evaluation questions related to the extent to which MCG results have been achieved, and the challenges in assessing grant performance

**Finding SQ3-1: While performance measurement of MCGs continues to evolve, challenges remain to measuring implementation progress and grant performance for MCGs, given their cross-border nature, availability and quality of data, and targeting of KP activities, advocacy and policy efforts.**

Across all of the MCGs, stakeholders at global, regional and country levels noted that measuring MCG performance continues to present challenges. The major challenges fall into three broad categories, and are summarized below:

A. Limitations associated with performance indicators

The evaluation notes that performance indicators have evolved significantly from NFM1 to NFM2. Whereas NFM1 indicators were largely focused on outcomes and impact, NFM2 indicators were based on normative standards – workplan tracking measures, inputs and processes. Nevertheless, challenges related to indicators persist, and include:

- reaching agreement across countries on standardized indicators, when each country has historically had its own indicators and priorities;
- the short implementation period and corresponding activities being implemented may not match with expected indicator levels (outputs versus outcomes versus impact), results, and targets;
- Work Plan Tracking Measures (WPTMs) are not always designed to capture the marginal benefits of MCGs, e.g., regional and cross-border advocacy and policy achievements, or key aspects of regional health systems strengthening;
- achievement of WPTMs are often dependent upon building the capacity of CSOs, and the time needed to achieve this often exceeds the timeframe for implementation of the MCG;
- difficulties in comparing or aggregating country level indicators, especially when data quality is questionable;
- there are few indicators that address the level and quality of implementation, and these require significant dedicated time to identify implementation gaps; and,
- indicators are sometimes presented as an aggregate across countries, with limited details on individual countries and thus do not foster a full understanding of individual country progress.

B. Constraints in collecting quality programmatic data at regional and country levels

Interviews with stakeholders, especially at country level, identified a set of inter-related constraints in data collection, as summarized below:

- there is often little ownership at the country level of MCG performance measures, and hence little incentive for national programs to collect relevant data;
- obtaining reliable size estimates and location data of hard-to-reach populations (e.g., KPs, migrants and mobile populations etc.) impedes establishment of robust baselines, targets and grant achievements;
- some grants by their nature (e.g., KP service sustainability, advocacy, capacity building, reducing stigma and discrimination) do not lend themselves to performance measurement on a three-year project cycle;<sup>35</sup>
- regional measures have either been delinked from country-level measures or there are no regional measures at all;
- data systems do not always consider differentiated approaches across countries to data collection in order to meaningfully aggregate the data;
- administrative and legal requirements for sharing surveillance and strategic information data are often cumbersome and restrictive;
- setting-up regional databases is generally complex and time-consuming, due to constraints in alignment between different country data sets, and political barriers to the sharing of data across borders, especially for sensitive populations such as migrants, mobile populations and KPs;

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<sup>35</sup> According to the OIG Audit Report (2019) main challenges persist in the collection of data for three KPIs. For KPI 5 (Service coverage for key populations) and KPI 9c (Key populations and human rights in transitions countries), interim indicators are being used to monitor performance, as data to measure the principle of the designed KPI are not available<sup>35</sup>

- limitations within MCGs to foster a full understanding of individual country progress, in part due to limited landscape analysis (i.e. what is covered by individual country grants, other catalytic investments and the MCG) and weak collaboration between regional PRs and national co-PRs/SRs.

### C. Limitations in the overall approach to MCG performance measurement

Underpinning the two constraints outlined above is that grant performance frameworks used for country grants are not necessarily appropriate for MCGs. Grant performance ratings for each of the eight MCGs examined as part of this evaluation are highlighted in the table below.

**Table 8: MCG grant performance rating**

Grant	2019 Rating	2020 Rating	Trend
MCG SEA AFAO (HIV – KPs)	B2	N/A	
MCG EECA APH (HIV - KPs)	A2	B1	↓
MCG MENA (HIV – Migrants)	B1	B2	↓
MCG MOSASWA (Malaria elimination)	N/A	A1	
MCG RMEI (Malaria elimination)	A2	B1	↓
MCG NTP/SRL (TB – Lab strengthening)	A2	A2	↔
MCG WHC (TB – Missing cases)	C	B1	↑
MCG TB UNOPS (TB – Migrants)	C	C	↔

There is no discernible correlation of grant performance by disease area covered. For example, MCG NTP/SRL, which addresses TB laboratories, has had consistent A2 ratings, while MCG UNOPS TB has had consistent C ratings, and the three MCGs that are addressing HIV, primarily KP service sustainability (MCGs SEA AFAO, EECA APH, and MENA) have had mixed ratings. The comparison of the performance of the above MCGs to the Global Fund's portfolio as a whole<sup>36</sup> does not exhibit major differences (except for the "C" category). Note that, while the data in the table below represents half the portfolio of MCGs currently under implementation, and all current country grant ratings available on the Global Fund website, the sample size for the MCGs makes any robust statistical analysis questionable.

**Table 9: Comparative grant ratings for MCGs and core allocations for currently active grants**

Grant rating	A1	A2	B1	B2	C
MCG case studies (n=8)	12.5%	12.5%	37.5%	25%	12.5%
Full Global Fund portfolio (n=80)	10%	12.5%	55%	20%	2.5%

Multiple stakeholders interviewed at global, regional and country levels suggested a need to move away from a focus on WPTMs and outcome/ impact indicators to a more nuanced quantitative and qualitative/ evaluative approach that would allow both an overview of grant performance and

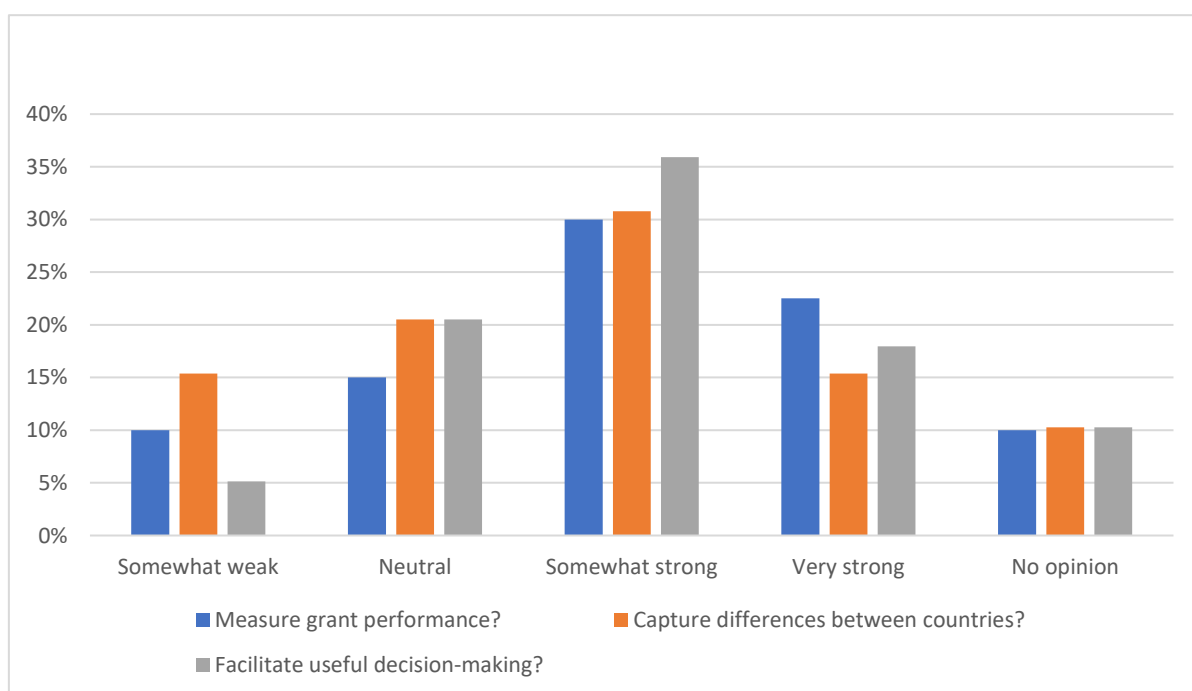
<sup>36</sup> The CSV grants file available at <https://data.theglobalfund.org/investments/grants> lists 300 active grants with 80 of those grants having ratings available.

capture key achievements for those thematic areas whose progress is more difficult to capture quantitatively. Stakeholders also identified the need for a greater focus on reviews and evaluations, preferably towards the end of year two implementation to allow for course correction and facilitate timely decision-making about whether an MCG should be continued, reshaped or discontinued. A review/ evaluation should also include a comprehensive landscape analysis to identify any changes or trends that can help decision-making about continuation or re-shaping an MCG. The evaluation notes that three MCGs (NTP/SRL, SEA AFAO and MOSASWA) have conducted evaluations, which strengthened their performance measurement.

The evaluation further notes that none of the NFM2 MCGs had a theory of change (TOC) or even robust results chains. Only two NFM3 MCGs were required to develop a TOC (MCG EECA APH and MCG SEA AFAO) and this was a new requirement in the request for proposal (RFP) selection process. A review of the literature around TOC s, supported by interviews with key informants, indicate that a key element of a robust TOC is a set of assumptions that could help PRs (and SRs, SSRs and the Global Fund itself) understand *why* they are doing what they are doing in order to achieve the objectives of the MCGs. It was also noted that a robust TOC should describe the social and political environments in which the MCG must operate, together with the associated risks that may affect outcomes of the MCG. Finally, a TOC should identify what an MCG should achieve that would not be possible through a country grant alone.

The evaluation notes some disparities between the above findings and the data obtained from the online survey, with approximately half of survey respondents expressing satisfaction with the extent to which MCG performance frameworks measure grant performance, facilitate decision-making and capture differences between countries (see Figure 4). However, these differences may be due to the survey question being broadly based, while the key informant interviews, as well as documentation reviewed, focused on detailed issues. It is also possible that the high proportion of respondents from LAC, where MCGs may have had more developed PFs, may have influenced the survey data.

**Figure 4: Degree of satisfaction with MCG performance measurement framework (N=40)**



#### 4.1.4 MCG progress towards achievement of the Global Fund's strategic objectives

This sub-section explores the extent to which a catalytic effect has been achieved so that the grants contribute, together with grants under country allocations, to the delivery of Global Fund strategic objectives, including Human Rights and Gender (HRG).

**Finding SQ4-1: MCGs have demonstrated some progress towards achieving the Global Fund's Strategic Objectives. However, measuring those achievements is challenging, and whether those effects have been "catalytic" is unclear. In general, the linkages with country grants remains variable.**

Examples of how the reviewed MCGs are supporting the Global Fund's Strategic Objectives are summarized in the table below.

**Table 10: MCGs, their results, and linkages to the Global Fund's Strategic Objectives**

MCG	Results	SO Contribution
SEA AFAO	Demonstration projects for PrEP, HIV self-testing, community-based treatment	SO1
	Establishment of stigma and discrimination reporting and support mechanisms	SO3
	Community-based monitoring systems	SO2
EECA APH	Improved efficiency of HIV service delivery models for KP	SO1
	Systems/tools for monitoring of human right violations of KPs and PLHIV	SO3
	Advocacy, policy and legal support for increased HIV budgets	SO4
MENA	Address human rights-related barriers to HIV services for KPs Improve civil society organization (CSO) and KP networks' capacity in addressing needs of KPs and their ability to collaborate with health systems	SO3
MOSASWA	New private sector and government investments in malaria elimination	SO4
RMEI	Community-based monitoring systems	SO2
	Domestic resource mobilization	SO4
NTP/SRL	TB lab capacity building for better case detection and ensuring proper diagnosis	SO1 and SO2
	Improved laboratory quality assurance systems/management	SO2
WHC	Increased awareness of TB among mining KPs, contributing to TB case finding and increased access to TB and HIV services	SO1
TB UNOPS	Expanding TB coverage to migrants and mobile populations	SO1

Apart from in MCG EECA APH, MCG MENA and MCG SEA AFAO, there are limited examples of how MCGs contribute to Global Fund SO3 “Promote and Protect Human Rights and Gender Equality”. As noted above and elaborated below, MCGs specifically focused on SO3 have significant challenges in measuring progress toward supporting this objective, specifically at the regional level.

Many country-level stakeholders noted that some components of the interventions, if not the whole MCG, could be considered ‘catalytic’. However, upon probing further as to what the key informants considered “catalytic”, and how they were defining that term, it became apparent that there is no agreed definition. Thus, whether the MCGs are achieving catalytic effects in supporting the Global Fund’s strategic objectives remains undetermined. The eight MCGs reviewed in depth were reviewed through the lens of the four operational criteria for ‘catalytic’ (More, Faster, Improved, and Unique/ Innovative) proposed by the team. As shown in Table 11 below, all but one of the MCGs (MENA) met at least one of the criteria for ‘catalytic’, while two MCGs (MOSASWA and NTP/SRL) met all four criteria.

#### **MCG EECA APH –**

##### **Monitoring of human right violations of KPs and PLHIV in EECA region**

The Global Fund, through its EECA APH MCG, is supporting a roll-out of the REAct System in six countries. REAct is a tool to ensure monitoring of human right violations of KPs and PLHIV and to ensure legal advice and protection is provided when needed to vulnerable people at community level whose rights were violated. The REAct system is also serving as a platform for the registration and monitoring of human rights violations suffered by these groups. In 2020, the REAct System recorded 1,133 cases in 6 countries (Georgia, Moldova, Tajikistan, Kyrgyzstan, Russia and Uzbekistan), of which 84% of the cases were classified as human rights violations). Through the REAct System, national NGOs use evidence generated for strategic advocacy on systematic changes at the legislative level. For example, in Moldova REAct cases were used during the national dialogue with the MoH and parliamentarians to repeal discriminative laws regarding PLHIV in the labour sphere and during adoption/custody of children.

Table 11: Assessment of MCGs included in TERG evaluation for evidence of catalytic criteria achieved

Disease component	MCG	Description of catalytic intent	Catalytic criteria achieved - allocation period 2017-19			
			More	Faster	Improved	Unique/new/innovative
Malaria	Americas Regional Malaria Elimination Initiative (RMEI)	Through the IDB acting as a blended financing facility / multi-donor trust fund, RMEI anticipated significant benefits over and above national grants through the adoption of a regional approach to malaria elimination, as well as the ability to leverage additional external and domestic resources.				
	Southern Africa MOSASWA	Assisting with elimination and pre-elimination of malaria in South Africa and Eswatini. The GF support enabled the leveraging of additional funding from the private sector, the government of South Africa and BMGF for the MCG. The collective support enabled Mozambique to benefit from the IRS intervention that decreased incidence of malaria and reduced cross-border transmission of malaria.				
TB	Southern Africa WHC	The support provided access to occupational health and services and compensation for mine workers who contracted TB whilst working in the mines. The 10 participating countries established occupation health and safety services centers staffed by multi-disciplinary teams. Furthermore, the support facilitated the compensation of miners and ex-miners who contracted TB whilst working in the mines.				
	West and Central Africa - NTP/SRL	Through support to the supra national reference laboratory in Cotonou to strengthen regional diagnostic and networking capacity and enhanced access to diagnostics for TB across 23 countries through the established center for excellence (SRL Cotonou) for training in TB laboratory procedures and processes geared toward improving TB diagnostic capacity and bridging gaps in diagnosis and treatment.				
	TB Asia UNOPS	Expanding TB coverage to additional geographical areas and reaching hidden populations in the GMS not addressed by country grants.				
HIV	EECA Alliance for Public Health (APH)	To catalyze changes in social, economic, legal and political barriers which hinder the scale-up and sustainability of programs for KPs in Global Fund eligible/ineligible countries. Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness). Enhance a coordinated response for multi-country contexts. Initiate and support the catalytic process of change in HIV/AIDS public policy in the project countries.				
	MENA Health Coalition	By working through regional networks and in-country civil society organizations, the intent is to build a coalition of organizations to collectively advocate for and support HIV services for KPs. A multi-country approach also allowed for the creation of a “safe space” for these activities in the MENA region.				
	Australian Federation of AIDS Organizations Limited (AFAO)	To facilitate a successful transition of Global Fund financing in concentrated epidemics by ensuring i) appropriate scale-up of service delivery for KPs including securing an enabling environment; ii) long-term programmatic/financial sustainability, and iii) enhanced capacity and leadership on these issues for continued advocacy from within KPs. The grant was designed to stimulate alternate funding of approx US\$ 2.5 million thereby demonstrating how Global Fund investments are capable of leveraging additional funding for KPs.				

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	Color coding for ranking of evidence for catalytic effect:	Good	Limited	Not clear
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As noted in the 2016 TERG Thematic Review of the Global Fund's Regional/Multi-country Grants, the linkages between MCGs and corresponding country grants was uneven. This finding has not changed in the five years since that review. Some in-country stakeholders knew little about MCG implementation in their country, while others, specifically engaged with the MCG, were not well-informed about the country grant. The engagement of country grant stakeholders with the MCGs is largely during the early phases of the project cycle, as in-country stakeholders seek to ensure alignment with national and regional strategic plans, and the country grants, as well as securing endorsement the MCG funding request by CCMs. It is during implementation when broad knowledge of the MCGs and their results decline.

This pattern of engagement is mirrored within the Global Fund Secretariat, where interactions between regional managers, FPMs for the MCGs, FPMs for the corresponding country grants and Country Team (CT) members, remain dependent on personal working relationships and how much each FPM and/or CT member decides to engage with his/her counterparts. As one interviewee in the Secretariat noted, "Some Secretariat teams managing multi-country grants conduct ad-hoc activities to inform relevant stakeholders about grant progress and to coordinate activities, but there are no standards or guidelines for Secretariat-level coordination, either between different multi-country grants in a region or between multi-country grants and national grants."

As noted in the OIG 2019 Audit Report for Global Fund Multi-Country Grants, "most grants are overseen by different Global Fund Secretariat teams, meaning that the country has no single focal point at the Secretariat. While some efforts have been made to strengthen coordination across MCGs, several stakeholders reported that these multiple interactions continue to cause coordination difficulties and frustrations at the country level and may result in inefficiencies in management and complexities in planning".

**Finding SQ4-2: MCGs that have demonstrated a contribution to Global Fund's strategic objectives are mostly focused on SO1. Because of constraints in performance measurement, it is unclear whether MCGs focused on KPs have fully contributed to HRG goals.**

Stakeholders engaged in the implementation of MCGs focused on TB and malaria noted that there were few examples of how their MCGs were contributing to the Global Fund's SO3. Indeed, many were unclear as to how SO3 was to be addressed in their MCGs. For example, with MCG WHC, there was a clear intention in the grant design to have a people-centered approach. However, upon review it was unclear to what extent the miners' associations, whose constituency formed the target group for the program, were adequately supported to enable them to participate in and implement the program effectively. Similarly, for MCG RMEI, only one stakeholder was able to provide an opinion on whether the grant is contributing to human rights and gender, and even that opinion was equivocal.

Theoretically, at least, several of the MCGs should be contributing directly to SO3. For example, because of many similar interventions being implemented as part of MCG MENA and MCG SEA AFAO, including a mapping of barriers for KPs accessing services, assessing knowledge regarding human rights among KPs and providing potential solutions, addressing the links between gender and HIV, resource mobilizations, and developing frameworks for HIV service integration, both grants have the potential to contribute across three, or even all four of the Global Fund's strategic objectives. However, because of the thematic area which the MCGs address, as well as the substantial cultural, religious and political barriers, many of these interventions require a longer-time frame than a three-year funding cycle to determine what has been achieved. Nevertheless, key informants from MCG SEA AFAO noted that the promotion of human rights has contributed to the legalization of homosexuality in Bhutan, while in Sri Lanka policies now exist for the decriminalization for KPs.

MCG EECA APH also has large components dedicated to SO3, where a tool to ensure monitoring of human right violations of KPs and PLHIV was rolled out, and national-level NGOs used the collected evidence for strategic advocacy on systematic changes at the legislative level. While these activities are clearly in support of SO3, the performance measures used for the grants still need further refinement to ensure that these achievements are adequately captured.

## 4.2 Objective 2: Whether and how MCGs were able to effectively tackle regional bottlenecks and address cross-border and national issues

### 4.2.1 Value added

This sub-section examines the impact and added value of MCGs over country grants, and the extent to which MCGs responded to the strategic needs of regions and participating countries.

**Finding OQ4b-1: All of the MCGs reviewed have added value in some way to what country core grants can deliver (e.g. to address regional and cross-border bottlenecks).**

A review of the MCG case studies and discussions with key informants revealed multiple examples of how MCGs have added value to country grants, specifically in addressing regional and cross border issues. These examples are summarized in the table below.

**Table 12: Illustrative examples of MCG's added-value in addressing regional and cross-border issues**

MCG	MCG value-added over and above country grants
SEA AFAO	<ul style="list-style-type: none"> <li>Addresses issues “that are stuck” or are too politically or culturally sensitive to be addressed through country grants</li> <li>Focus on sustainability and transition issues for key drivers of HIV among KPs through investments based on epidemiological trends and funding of community-led responses through adoption of innovations</li> <li>Brings game changers to the table through a proof-of-concept approach aimed at integration of successful game changers with country grants and programs.</li> <li>Addressing human rights issues, affecting policy change for KPs, improving capacity and infrastructure for KP led CSOs and financing program gaps</li> </ul>
EECA APH	<ul style="list-style-type: none"> <li>Community strengthening through the MCG, developed the capacity of stakeholders across countries to participate meaningfully in national grant implementation</li> <li>Equipping relevant networks and activists with resources to monitor and take action where appropriate on service delivery access and utilization</li> <li>Creating opportunities for stakeholders at community level in countries that are not eligible for national grants to continue to access key services</li> </ul>
MENA	<ul style="list-style-type: none"> <li>Sharing of lessons learned and experiences,</li> <li>The creation of a safe space for difficult discussions, and allowing ineligible countries to access funding</li> </ul>
MOSASWA	<ul style="list-style-type: none"> <li>The Malaria Strategy in Mozambique now covers all areas, including the provinces previously deprioritized due to national financial constraints. The malaria surveillance system and platform that has been created due to a partnership with PMI, CHAI and MOSASWA is an example of value added by the MCG in terms of availability of data for malaria surveillance and interventions, including vector control</li> <li>South Africa and Eswatini's path to malaria elimination requires optimal management of malaria spreading from Mozambique</li> </ul>
RMEI	<ul style="list-style-type: none"> <li>Standardization of technical assistance quality and approaches</li> <li>Adoption of a regional approach to strategic planning, diagnosis, treatment, and case investigation</li> </ul>

	<ul style="list-style-type: none"> <li>• Joint/ regional purchasing of commodities with substantive savings, especially given that as countries move toward elimination the quantities of goods needed are reduced, thus, making them more expensive to purchase on a country basis</li> <li>• IDB, as the singular executing unit, allowed countries to streamline implementation processes and served as a hub for communication</li> <li>• Greater political commitment to domestic financing than would have been achieved if addressed on a country-by-country basis</li> </ul>
NTP/SRL	<ul style="list-style-type: none"> <li>• Establishment of a singular regional executing unit has allowed countries to streamline their processes for building lab capacity, and served as a hub for information sharing, oversight, coordination, collaboration, communication and technical assistance</li> <li>• Filling a critical gap of continuous quality training and on-site TA not programmed in country grants</li> </ul>
WHC	<ul style="list-style-type: none"> <li>• Harmonization of guidelines and TB/HIV treatment regimens, and the mainstreaming of the key vulnerable population approach</li> <li>• Increased awareness of TB among mining KPs, contributing to TB case finding and increased access to TB and HIV services, occupational health services, and workers' compensation schemes</li> <li>• Inter-country and regional coordination through NTP Managers providing programmatic support and country data</li> </ul>
UNOPS TB	<ul style="list-style-type: none"> <li>• Expanding TB coverage to additional geographical areas and reaching hidden populations, i.e. migrants and mobile populations, not reached by country grants.</li> </ul>

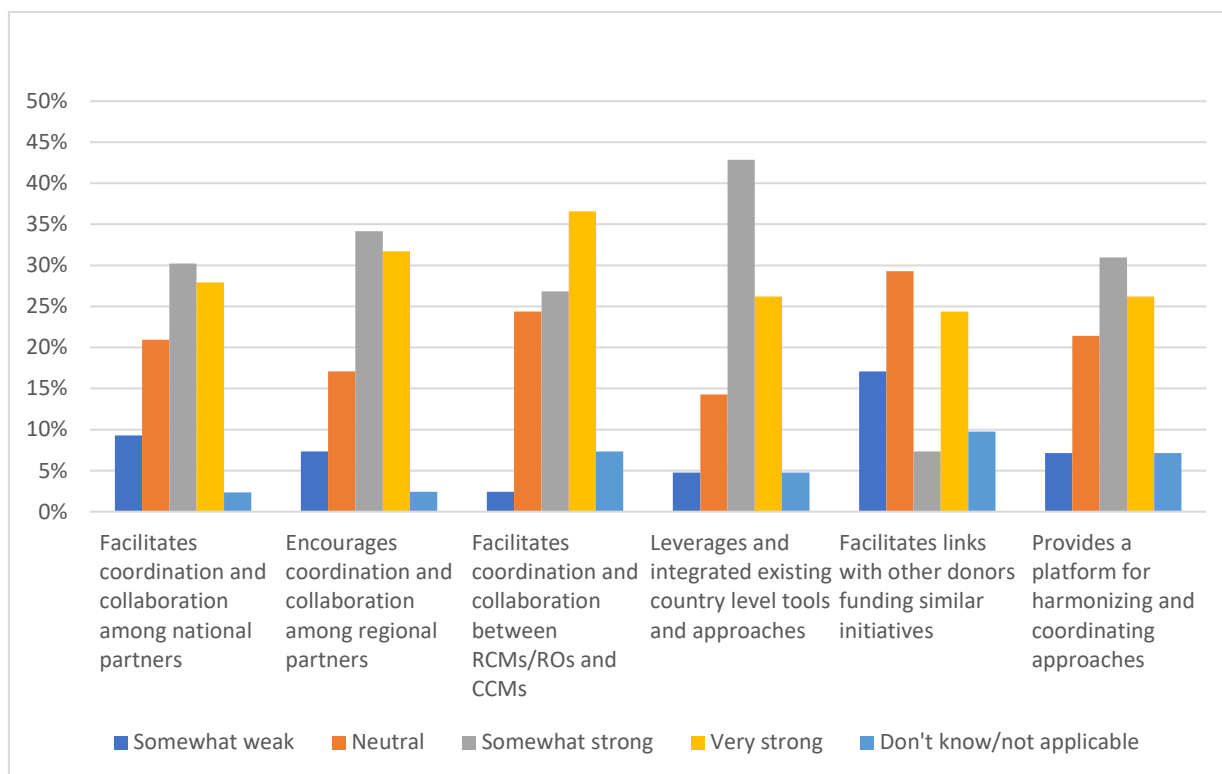
**Finding OQ4b-2: Finding OQ4b-2: MCGs have in general been responsive to the strategic needs of regions and participating countries, and the review identified few unintended effects.**

The MCGs by design are required to be responsive as far as possible to country and regional needs. In order to submit a funding request, the application must not only have the endorsement of the RCM (where applicable), but also the representatives of the participating country CCMs. Thus, all interviewed stakeholders noted that the grants were built upon country plans and regional strategies, if there was a regional strategy available, for the specific issue to be addressed.

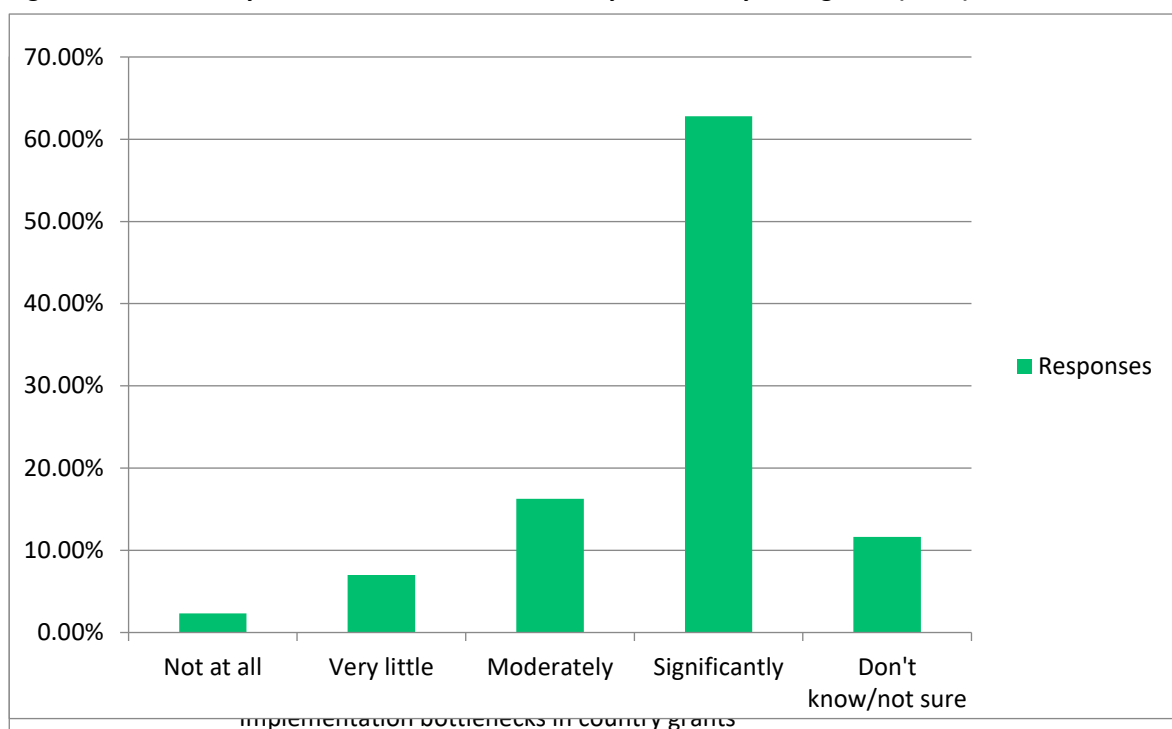
While most of the MCGs reviewed did not have any major positive or negative unintended effects, some key informants identified some minor positive unintended effects. MCG RMEI was noted for its promotion of regional achievements, the shared goal of eliminating malaria, and to a certain extent a sense of peer pressure, in that countries were not only tracking their progress, but the progress of neighboring countries. It was well-noted within the region when El Salvador was certified by WHO as malaria-free. A stakeholder from a neighboring country noted, "This promotes a sense of participation and raises morale." This was also true for MCG NTP/SRL where the "regionality" aspects fostered a healthy competition to achieve accreditation for national reference laboratories among the 23 participating countries. For MCG EECA APH, country-level stakeholders noted that some of the innovative approaches and tools that had been developed as part of the grant had not only been taken up by participating national programs but had 'spilled over' to non-participating neighboring countries.

The above findings were reinforced by the survey respondents, who also noted the strong linkages between MCGs and both regional and country-level efforts. As can be seen in Figure 5 below, two of the highest rated categories were the encouragement of coordination and collaboration between regional partners, and the leveraging and integration of existing country tools and approaches. Only one category did not rate as highly; namely, the ability of MCGs to facilitate linkages with other donors funding similar initiatives.

Figure 5: Ability of MCGs to interact at the regional and country levels (N=43)



MCGs were seen by survey respondents as significantly addressing issues outside of country-level grants, although some MCG countries are not eligible for country level grants. As shown in Figure 6 below, almost two thirds of survey respondents feel that MCGs are significantly addressing issues that their country grants do not, thus providing further evidence that MCGs are adding value to country-level grants. However, as shown in Figure 7, those same respondents are divided as to how well MCGs are able to address implementation bottlenecks in country grants.

**Figure 6: MCGs' ability to address issues above and beyond country-level grants (N=43)****Figure 7: Ability of MCGs to address country-level grant bottlenecks (N=43)**

#### 4.2.2 Regional governance

This sub-section addresses evaluation questions related to the effectiveness of regional governance mechanisms, including how well these interact with CCMs and regional and national PRs and SRs.

**Finding OQ2-1: While most MCGs have sought to establish regional platforms / regional governance mechanisms with country and community representation, these platforms have been difficult to operationalize, often due to their multiple stakeholders and complex structures designed to ensure broad representation and balance of political sensitivities.**

MCGs that were continuation grants were able to use pre-existing regional structures, either ROs or RCMs. Given that these ROs and RCMs were generally well-established, they were accustomed to ensuring country-level and community representation. For example, the MCG EECA APH grant utilizes an RO with a strong governance structure, functioning oversight arrangements and a COI policy which is appropriately implemented. Representatives from communities and global key population networks are members of the governance and oversight structure and play important roles in monitoring the implementation of the MCG. Likewise, the TB UNOPS RCM is broadly inclusive and has high level representation from the national CCM Chairs. However, this RCM receives no direct funding from the Global Fund, conducts no oversight activities, and has little authority in regard to the PR. MCG MOSASWA stakeholders cited its ongoing engagement between the PR and the different governing committees to sustain an effective and transparent collaboration across the countries.

Many ROs and RCMs experience challenges in their operationalization. In-country stakeholders note that these challenges include: a) high turnover in country-level political bodies and appointees, which have led to delays in decision-making; b) coordination among civil society partners as they had often not reached agreement on their positions prior to meetings; c) lack of recognition of the RO or RCM

by the PR or at national levels and, thus, its authority to provide oversight or decision-making; d) lack of or limited interaction with CCMs and the country programs; e) lack of technical expertise affecting the depth and breadth of discussions; and, f) lack of clarity as to whether these bodies should focus on problem-solving or merely act as forums for information sharing. Indeed, for some regional bodies a conscious decision has been made to limit interaction with CCMs and high-level MoH counterparts to avoid administrative bottlenecks, in order that partners can work more strategically and efficiently to reach the goals of the MCGs.

**Finding OQ2-2: Findings are mixed on the extent to which regional platforms are working well to fulfil a strong governance function.**

For the MCGs reviewed by the team, regional platforms that could be considered successful in achieving the four core responsibilities<sup>37</sup> of a CCM/RCM are the exception rather than the norm. Discussions with the Global Fund CCM Hub reveal that RCMs are now included in the continuation phase of the CCM Evolution Initiative, although they are presently not held to the same functionality standards as CCMs. As noted above, while there are a few RCMs reviewed by the team that are fulfilling their mandated responsibilities, the majority are not. The TB UNOPS RCM acts largely as a communication mechanism, with no independent budget and a volunteer Executive Secretary. While this RCM was unable to effectively provide appropriate oversight authority over an under-performing PR, it has, with the support of the Global Fund Secretariat, successfully identified a replacement for the existing PR, who will relinquish its role at the end of 2021.

For MCG SEA AFAO, the Regional Advisory Group (RAG) was established as a governing body, not an oversight body, and as such does not perform the oversight function. Furthermore, because of the limited size of the MCG budget, stakeholders noted that garnering political capital and support for the MCG with the corresponding CCMs and government representatives is challenging. For MCG RMEI, because of the nature of the implementation arrangements of the multi-donor trust fund (MDTF), the RCM does not have full responsibility for the grant because its role limited to the Global Fund's contribution (approximately 7% of the funding). While MCG RMEI's RCM does have regular meetings, coordinates with the other governance bodies, and receives annual reports, it is not involved in day-to-day oversight or all re-programming decisions.

The MCG MENA failed to evolve its Grant Advisory Board (GAB) into a Regional Oversight Mechanism. Key stakeholders note that the GAB has only met once (for the mid-term review) during implementation of the grant. The GAB has not been involved in either the C19RM or continuation requests, and GAB members noted their urgent need for capacity building to fulfill these roles and provide oversight. This has left stakeholders confused as to who oversees the continuation request, and they expressed concern that the application process may be compromised. Many stakeholders stated that they had never had any interaction with the GAB. As one interviewee noted, "... we are now far into implementation and still don't have a proper oversight body."

These findings mirror those of the OIG in its 2019 Audit of MCGs,<sup>38</sup> which highlighted concerns about regional governance mechanisms and noted that, in general, regional oversight structures lack maturity.

However, the above findings exhibit some dissonance with data from the online survey, which revealed that approximately two-thirds of RCMs or Regional Steering Groups were reported as functioning at a "Somewhat Strong" or "Very Strong" level, with only approximately one fifth

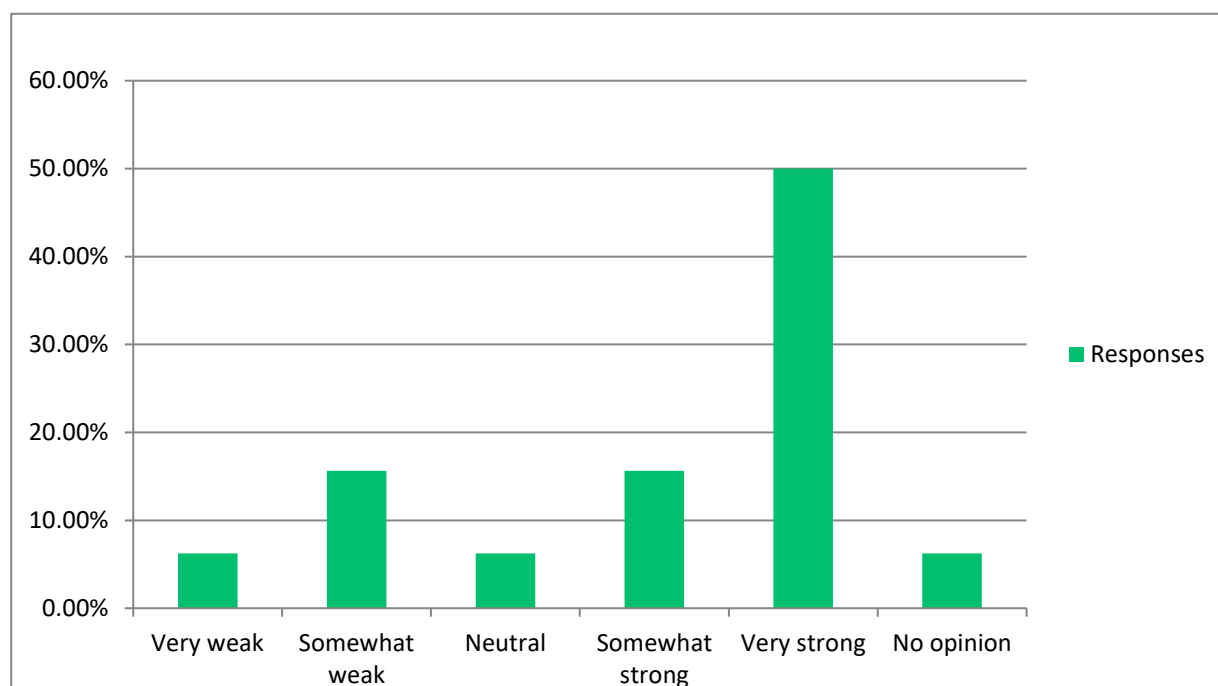
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<sup>37</sup> The four core functions are: oversight, engagement, positioning, and operations.

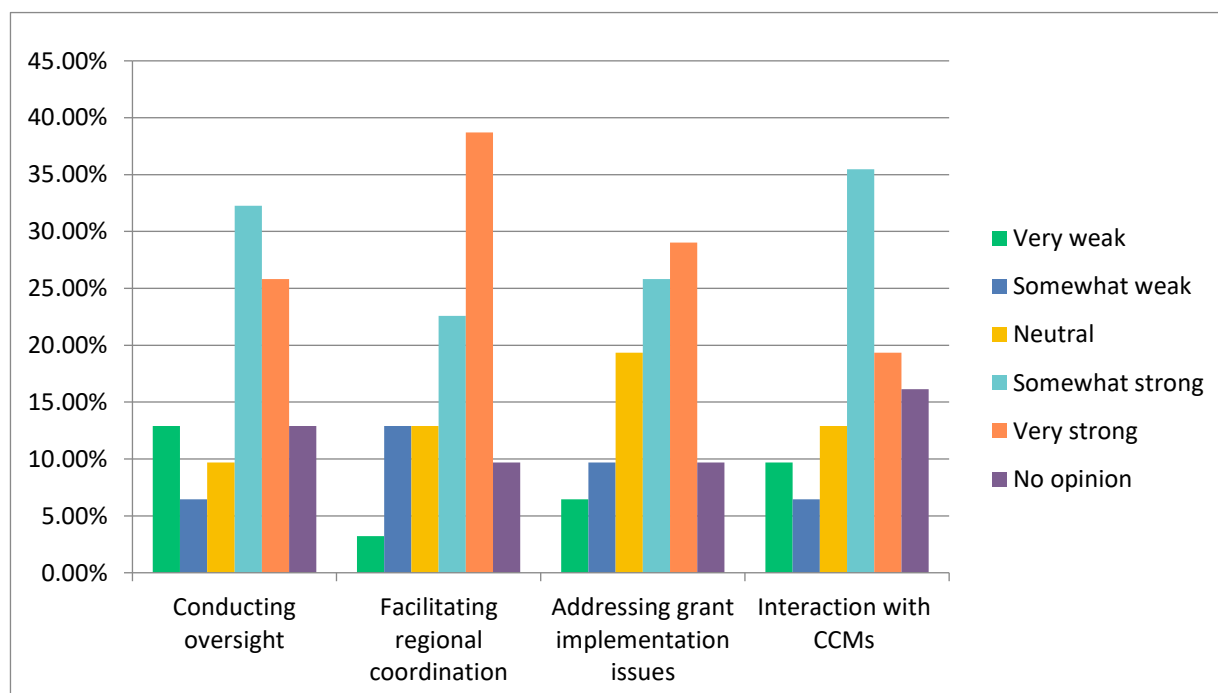
<sup>38</sup> GF-OIG-19-003, 14 February 2019, Geneva, Switzerland

reported as performing weakly (Very Weak or Somewhat Weak). These discrepancies between the case study and survey findings may be due to the high representation of survey respondents from the LAC region, where the Secretariat conducted a pilot governance approach to address some of challenges in oversight of some multi-country grants<sup>39</sup>.

**Figure 8: RCM/Regional Platform functioning (N=32)**



**Figure 9: RCMs/Regional platform specific functionality (N=32)**



<sup>39</sup> Evaluation of the Regional Advisory Committee CAR-LAC, July 2019

**Finding OQ2-3: Global Fund Secretariat support to strengthen regional governance functions has been limited for RCMs and lacking for ROs.**

Interviews with the Secretariat and at regional level indicate that the Secretariat has not provided consistent guidance on how FPMs/CTs can best engage with and support RCMs. The diversity of RCMs suggests that a standardized approach to RCM support may not be effective. The CCM Hub notes that it has provided support to a limited number of RCMs, although this has been on an ad-hoc rather than a systematic basis. Interviews with regional and country-level stakeholders reveal that, where RCMs received support from the Global Fund Secretariat and the CCM Hub in particular, this engagement has helped to strengthen their governance function. The Secretariat now requires RCMs to fulfill all six CCM eligibility requirements,<sup>40</sup> including the establishment of an oversight body, in order to receive funding support from the Global Fund. However, given the RCM limitations outlined above, it is likely that establishing an effective regional oversight body may require external technical assistance (TA). Interviews with the Secretariat indicate that RCMs are low on the priority list for receiving such TA. As noted earlier, RCMs are now scheduled for inclusion in the second phase of the CCM Evolution Initiative, and this may help to identify where and how RCMs can best be supported by the Secretariat.

A review of documentation and interviews with stakeholders reveals that MCG EECA APH and its governance bodies have benefited from the CCM Evolution Initiative and technical consultations organized as part of the initiative. This has been particularly important in addressing sustainability and transition issues at the technical level through the regional platforms. Conversely, as noted above, despite requests for support from the CCM Hub, the MCG MENA grant failed to establish an RCM via the evolution of its GAB. As one stakeholder noted, “...if we had help earlier, we could have avoided some complications.”

#### 4.2.3 Partnerships

This sub-section addresses evaluation questions related to the extent to which Global Fund partnerships have contributed to, and been effective in, the delivery of MCG results, including how partnerships can be monitored, assess and improved.

**Finding OQ5-1: The Global Fund has leveraged a diverse set of partners that are supporting delivery of the objectives of MCGs.**

The Global Fund typically works with, and leverages, a number of internal and external partners in supporting implementation of its country grants. Because of their regional approaches and complexity, MCGs draw upon an even more diverse set of partners. ‘Internal partners’ (including PRs, Co-PRs, SRs, SSRs, in-country technical agencies, etc.) provide technical expertise, assist in coordinating efforts, and provide support for national and regional policy and advocacy efforts. For example, the TB UNOPS MCG relies heavily on regional and in-country expertise provided by key non-governmental partners such as IOM as an SSR in Cambodia with extensive experience in programming for migrants and mobile populations, as well as additional NGO partners in Thailand, Lao PDR, and Myanmar, all of which have experience in reaching hard-to-reach populations. Similarly, for the NTP/SRL grant, the strong leadership and convening power of the West and Central Africa Regional Networks for TB (WARN/CARN) and their critical inputs as the RO and part of the

<sup>40</sup> The six criteria are: Carry out a transparent and inclusive funding application development process; Facilitate an open and transparent Principal Recipient selection process; Oversee program implementation and implement an oversight plan; Document the representation of affected communities; Ensure representation of nongovernmental members through transparent and documented processes; and Adopt and enforce a code of conduct and conflict of interest policy

steering committee have helped with creating and strengthening linkages between national reference laboratories, as well as providing critical inputs into resolving implementation bottlenecks.

Perhaps of greater interest and importance for this review, is the diverse set of ‘external partners’ that Global Fund has leveraged to ensure the successful implementation of the MCGs. For example, MCG RMEI is a partnership between the Global Fund (as a minority donor), the Bill and Melinda Gates Foundation (BMGF) and the Carlos Slim Foundation, with the Inter-American Development Bank (IDB) as the MDTF administrator, and PAHO and Clinton HIV/AIDS Initiative (CHAI) providing technical support. As such, Global Fund was able to leverage its USD\$ 6 million investment in MCG RMEI to support an approximately USD\$ 90-100 million program, which includes leveraged domestic resources. Key informants highlighted the contrast between MCG RMEI’s innovative partnership arrangement, alignment of stakeholders and innovative funding model, with the previous grant (MCG EMMIE), which was seen entirely as a Global Fund initiative that was conventionally managed.

#### **MCG MOSASWA -**

##### **An innovative public-private partnership model**

Funding of the MOSASWA MCG grant is via contributions from the private sector, the Global Fund, the Gates Foundation and the South African Government. Technical partners including Clinton Health Access Initiative (CHAI) and the South Africa Medical Research Council (SA MRC) have contributed to strengthening the surveillance, monitoring and reporting capacity of the MOSASWA targeted countries. The collaboration between the three participating countries has been supplemented by additional capacity from key partners and initiatives including regional organizations such as SADC, ADB and the E8 Secretariat, as well as multilateral organizations such as WHO, UNICEF, PMI and IOM. Other agencies conduct research at a national or sub-national level, including the National Institute for Communicable Diseases (NICD), Manhiça Health Research Centre (CISM), World Vision and Goodbye Malaria – a public-private partnership. This network of stakeholders is coordinated through MOSASWA’s Regional Council.

Likewise, MCG MOSASWA is underpinned by an innovative partnership arrangement that is supported by development partners who provide both financial and technical support. Technical partners, including CHAI, have supported all three countries in generating high quality surveillance data that was used for developing an investment case that focused on sustainability. These partners also contributed to strengthening the surveillance, monitoring and reporting capacity of MCG MOSASWA countries.

For the MCG EECA APH, WHO and UNAIDS have been key technical partners in the implementation of new ART guidelines, providing technical support through provision of their expertise in pre-exposure prophylaxis (PrEP) and HIV self-testing (HIVST), and UNAIDS has served a role convening the grant regional advisory group. In January 2020, the EECA APH MCG held a regional stakeholder meeting that brought together CSOs, UNAIDS and the Global Fund, and was co-hosted by PEPFAR and UNAIDS to discuss the unique needs across the region. This led to the strengthening of partnerships with regional civil society networks. These critical partnerships have the potential to extend beyond country and regional levels into the global milieu.

MCG SEA AFAO is resourcing UNAIDS and WHO by embedding TA within core institutions to focus mainly on PrEP, HIVST and community-based testing, while the MCG WHC has added value via its regional collaboration between labor unions and miners’ associations. MCG NTP/SRL drew upon the support of Supranational Reference Labs in Antwerp and Milan, which have been instrumental in continuing to ensure the quality and capacity management skills of NTP/SRL. In addition, the support from the PR for a similar MCG in Uganda focusing on TB laboratory strengthening was seen as a positive cross fertilization of MCG initiatives. Key informants note that these European partnerships can be a critical factor in raising political profiles in developing countries and thus the viability of the MCG. When asked about the RMEI partnership, in-country stakeholders noted that, while the initial design meetings were convened by the RCM, once IDB became engaged, this facilitated approaching

the respective ministries of finance and ultimately resulted in prioritization of domestic budgeting for malaria elimination.

However, a major partnership gap in MCGs identified by key informants, is the limited engagement with the private sector, which includes for-profit corporations, private foundations and civil society. WHO defines the private health sector as the individuals and organizations that are neither owned nor directly controlled by governments and are involved in provision of health services. Private partnerships have generally been underutilized, and there are few examples where the private sector has been fully engaged to support the achievement of MCG results. The reasons for this underutilization remain unclear, although a number of stakeholders at global level noted that the Global Fund's business model for partnership engagement may be outdated and inadequately focused on private sector engagement. Furthermore, stakeholders noted that Secretariat staff do not have the time, expertise nor resources to explore and establish partnership arrangements with a diverse and rapidly evolving private sector.

These findings are supported by a recent TERG Thematic Review on the Role of the Private Sector in Service Delivery.<sup>41</sup> The review notes that, while regional initiatives have already been shown to complement country level initiatives and can be critical to achieving the Global Fund mission, "in the current [Global Fund] structure, multi-country partnerships are not clearly owned or invested in".<sup>42</sup> The report acknowledges that "while external relations have developed a number of relationships with private sector partners, these are complex and time consuming to deliver"<sup>43</sup>. It identifies challenges that the Global Fund faces in working with the private sector, including "a lack of policies, siloed knowledge, a lack of focus on multi-country partnerships, and contracting issues".<sup>44</sup> Finally, the report recommends that "Global Fund develops a clearer vision and guidance for multi-country partnerships internally to address the rigidities that impede engagement".<sup>45</sup>

**Finding OQ5-2: Partnerships have been an important factor in supporting and enabling implementation and effectiveness for many MCGs; however, the transaction costs for establishing partnerships can be high.**

As noted above, multiple key informants at global, regional and country levels cited well-functioning partnerships as key to the success of the MCGs. However, some stakeholders at regional and country levels expressed concerns about some aspects of MCG partnership arrangements. These concerns included: a) the quality and usefulness of technical assistance provided by some of the partners, in that due diligence was not always sufficiently undertaken in assessing the capacity of regional networks and partners; b) that there were missed opportunities to build regional technical support, and c) that the MCGs sometimes resulted in potential partners competing for limited funding resources. Not all partnerships are fruitful and, as one key stakeholder noted, "...the Global Fund needs to be brave enough to walk away from partnerships when necessary." The concurrent TERG thematic evaluation of Strategic Initiatives revealed similar issues related to technical partners, highlighting the importance of partnerships, while noting concerns about the quality and usefulness of contracted TA, as well as the competition between partners for limited financial resources. As shown in Figure 10 below, survey respondents were supportive of partnership arrangements, although did not see them quite as critical as key informants.

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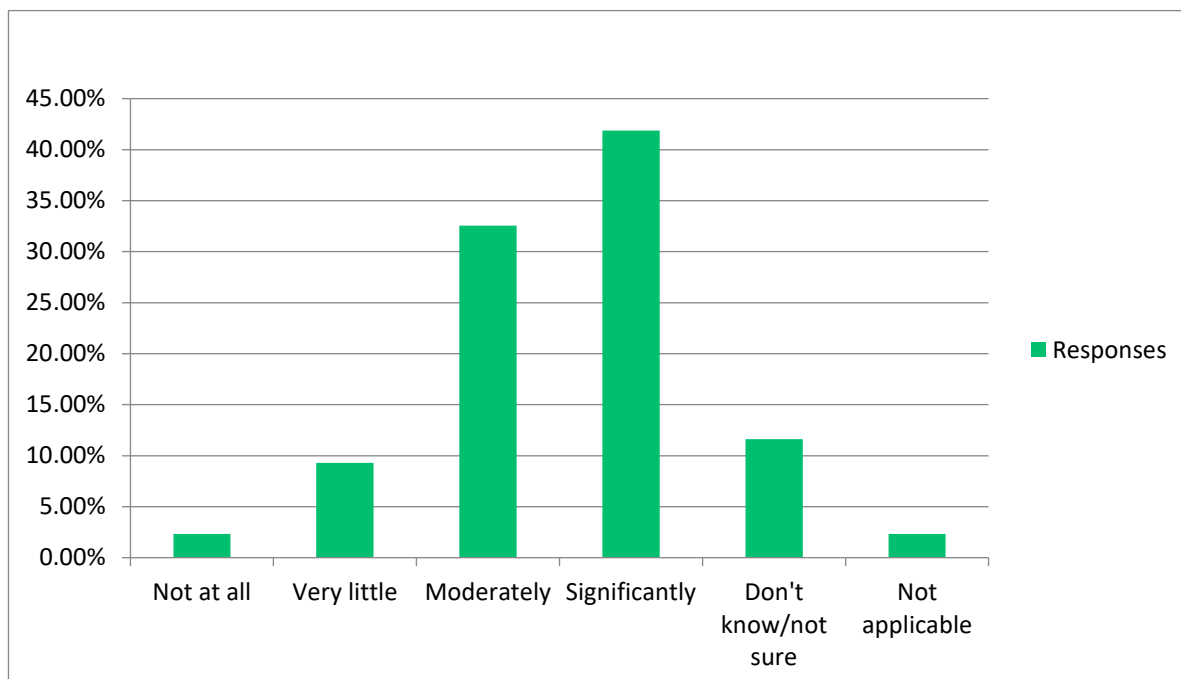
<sup>41</sup> Technical Evaluation Reference Group: Position Paper - Thematic Review on the Role of the Private Sector in Program Delivery [https://www.theglobalfund.org/media/11072/terg\\_role-private-sector-program-delivery-thematic-review\\_report\\_en.pdf](https://www.theglobalfund.org/media/11072/terg_role-private-sector-program-delivery-thematic-review_report_en.pdf)

<sup>42</sup> *ibid*

<sup>43</sup> *ibid*

<sup>44</sup> *ibid*

<sup>45</sup> *ibid*

**Figure 10: Partnership contributions to MCGs (N=43)**

Two additional concerns were raised by global level key informants. The first was that, while MCG RMEI has a unique and innovative partnership structure, the upfront transaction costs for establishing the blended finance facility/ MDTF were very high, given that the Global Fund's normal business model had to be adapted in order to enter into this innovative approach (e.g., to address the lack of oversight from an LFA, the potential co-mingling of funds, etc.). As one key informant noted, "...it was almost impossible to get this arrangement through the Global Fund, and the OIG almost stopped the process." Several external partners highlighted a second partnering challenge, namely that, while some external support has been provided to expand the capacity of the technical teams specifically for regional support, the narrowly focused malaria technical expertise within the Global Fund Secretariat remains a hindrance in MCG progress.

#### 4.2.4 Capacity building

This sub-section addresses evaluation questions regarding whether and how MCGs built capacity and regional and national levels independently from GF grants.

**Finding OQ6-1: *The extent to which MCGs have built regional capacity has been variable, with most capacity built around specific disease issues. The prospects for sustainability are limited.***

Based on the eight MCGs examined as part of this review, there are indications that some thematic areas and, perhaps, regions, lend themselves more to regional and sustainable capacity building than others. For example, MCG NTP/SRL is developing a TB Supranational Reference Laboratory (SRL) Network for West and Central Africa (WCA) and is therefore specifically designed to build regional capacity. It has at its foundation a regional SRL whose technical capacity is considered by stakeholders to be highly proficient and has scaled-up and replicated effective approaches to addressing SRL constraints, while ensuring they are relevant to local contexts. It builds upon SRL Antwerp's global leadership in TB laboratory quality assurance, and key informants recognized that the efforts aimed at building and strengthening national TB reference labs will ultimately contribute

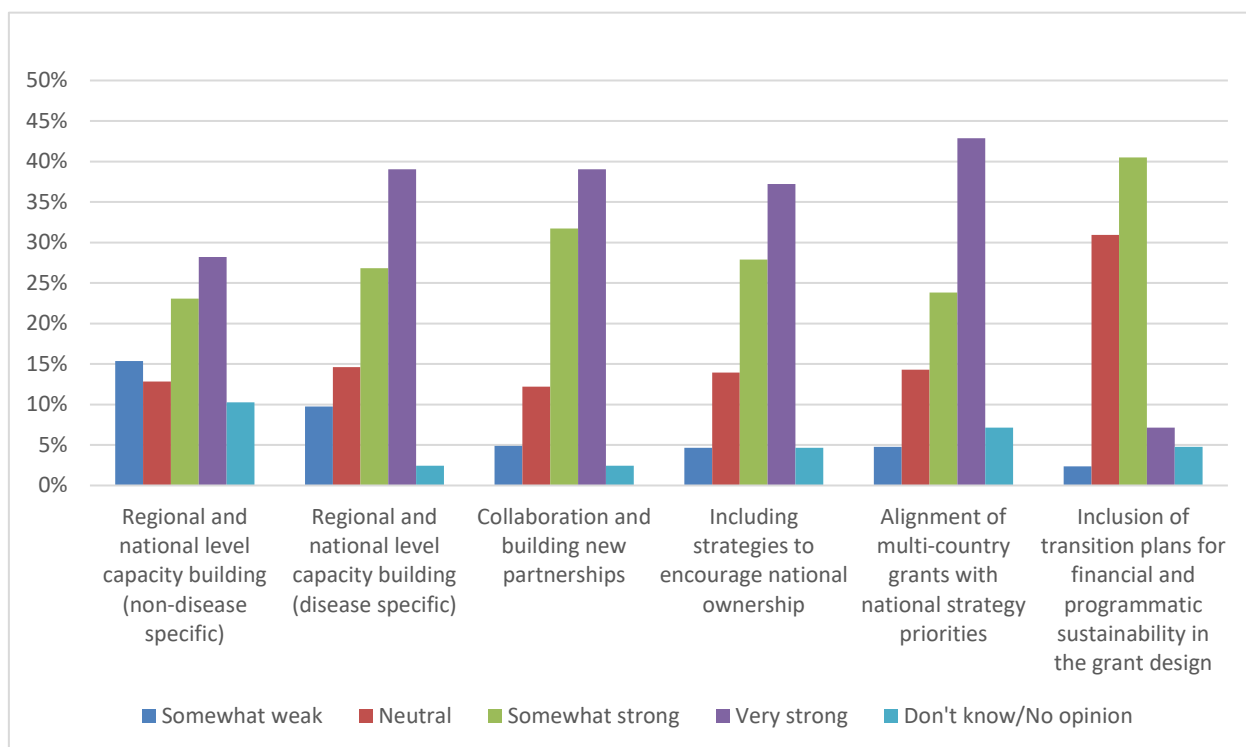
to the sustainability of the TB lab response in WCA, especially with the continued support of a regional entity.

Similarly, MCG MOSASWA and MCG RMEI, both of which address malaria elimination, were seen as having focused upon, and developed, regional capacity. In the case of MCG MOSASWA, the grant targeted capacity building through the application of new technology, tools and processes, and augmented these efforts with the support of the in-country and regional partners, specifically in the area of improving the quality of surveillance data and strategic information. Thus, the availability of better-quality data enabled the program to track pockets of transmission, and through active targeting was able to drive down regional malaria transmission. Key informants note however, that there is still an insufficient investment in capacity building for border provinces. For MCG RMEI, stakeholders noted that one of its primary strengths is that it does not create parallel systems, which facilitates greater ownership by national governments while harmonizing and aligning approaches, tools and measurements at the regional level.

These examples stand in contrast to MCGs, in which the thematic area is difficult to operationalize at the regional level, or where the grouping of countries results in challenges. For example, MCG MENA, which addresses issues around KP service sustainability, had to artificially create a coalition of organizations to apply for its grant. This has led to challenges, with most stakeholders noting that the grant operates more as a simple grouping of countries rather than having any regionality. In the case of MCG WHC, while there was an intent to support the transitioning of the Occupational Health Service Centers (OHSCs) to corresponding governments within the region, this did not materialize due to insufficient capacity at country level. The governments within the respective countries had little appetite to continue with the OHSCs. Thus, country-level buy-in was needed to ensure the greater regional approach.

For most of the MCGs reviewed, the sustainability of the activities funded in the near and medium-term (5-10 years) is unclear. Each grant has its own contextual issues (e.g. for MCG RMEI, stakeholders note that, as countries move toward malaria elimination, the MCG will become less of a priority). Several key informants noted that the demotion of the three diseases from a specific Millennium Development Goal (MDG) to a sub-component of a Sustainable Development Goal (SDG) had undermined their visibility and diminished corresponding political commitments. It was also noted by nearly all key informants that the three-year funding cycle for MCGs does not allow the long-term planning necessary for sustainability, and that frequently they would be informed of additional funding late in the project cycle. In other words, what could have been a comprehensive five or six-year plan for sustainability was reduced to two or more three-year fragmented approaches.

There are disparities in the evidence from the key informant interviews specific to the eight MCGs reviewed compared to the survey results, which present a more optimistic picture. Except for non-disease specific capacity-building, which is at the core of building resilient and sustainable systems for health, most survey respondents believed that MCGs have either been “Somewhat Strong” or “Very Strong” in implementing activities to address specific sustainability issues. This is illustrated in Figure 11 below.

**Figure 11: MCGs and sustainability (N=43)**

**Finding OQ6-2: Examples as to whether capacity-building extended beyond the specific issues they are addressing are limited.**

Only two of the MCGs reviewed, MCG NTP/SRL and MCG EECA APH, demonstrated evidence that capacities were built that extended past the specific issues they were meant to address. For MCG NTP/SRL, stakeholders noted that the grant assisted some countries to respond to diagnostic needs beyond TB in relation to the COVID-19 pandemic, through capacity building and adaptation of testing capabilities and systems. MCG EECA APH key informants cited CSO capacity building as one of the strengths of the grant and noted that as well as supporting grant implementation it helped to support the oversight function. In general, EECA key informants noted that the grant has the capacity to reach beyond its scope and that this strengthened and expansive capacity could help other programs both at the regional and country-level to function.

**Finding OQ3-1: MCGs supporting specific technical approaches have successfully built upon and integrated pre-existing country-level tools and approaches.**

A review of documents and interviews with key informants at regional and country levels demonstrate clear evidence of MCGs building upon and strengthening national level systems and tools. During implementation of the MCG EECA APH, tools for monitoring human rights violations, shaping of the pricing policy, strategies and mechanisms for budget re-allocation to finance HIV prevention and care services have all been aligned with existing country approaches. MCG NTP/SRL has leveraged materials used under the NTP Benin grant for capacity building activities, while regional networks as part of MCG SEA AFAO employed existing tools (e.g., a stigma and dissemination feedback mechanism to establish a CBO-based Response Centre) to help countries address the five objectives of the grant. Under MCG WHC the PR worked closely with NTP program managers in grant coordination, and utilized tools within the country to support the reporting processes.

### 4.3 Objective 3: To evaluate the efficiency, effectiveness and equity of operationalization and implementation of MCGs to inform the 2023-2025 allocation cycle and MCG priorities under the post-2022 Global Fund strategy

#### 4.3.1 MCG Operationalization and implementation

This sub-section explores evaluation questions related to MCG operationalization, and specifically complexities and factors that constrain implementation. It also explores evaluation questions related to transaction costs for both the Secretariat and applicants.

**Finding OQ1-1: A mix of Global Fund business model and contextual factors have negatively affected MCG implementation & effectiveness.**

While there are some commonalities amongst the MCGs in terms of factors affecting their implementation and effectiveness, every MCG faces challenges specific to its context. Some of these commonalities and specific factors are summarized in the table below by factors related to the Global Fund model (where applicable) followed by contextual factors.

**Table 13: Factors affecting MCG implementation and effectiveness**

MCG	Factors related to Global Fund business model	Contextual factors
SEA AFAO	<ul style="list-style-type: none"> <li>• Delays in grant signature related to budget approval</li> <li>• Annual reprogramming - both budgetary and programmatic (including of WPTMs and targets) resulting in implementation delays</li> <li>• Global Fund inflexibilities (e.g., requirements to field national TA in an environment where specialists may not exist) or where engagement may be too politically sensitive or even dangerous</li> <li>• Perceived low appetite for risk by the Global Fund and a low level of trust between stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• The overall design was considered overly ambitious across eight unique country contexts that employed various prescriptive elements</li> <li>• Lack of differentiation in the approach to building capacity</li> </ul>
EECA APH		<ul style="list-style-type: none"> <li>• Challenging enabling environment in some countries, which demotivates NGOs to participate</li> <li>• New attempts in some countries to reintroduce more severe punishments for drug use and possession as well as for sex work</li> <li>• The bureaucracy and rigidity in changing existing system of budgeting in some countries</li> <li>• Limited or no involvement of government in some countries</li> </ul>
MENA	<ul style="list-style-type: none"> <li>• The Global Fund's business model has not provided sufficient flexibility in</li> </ul>	<ul style="list-style-type: none"> <li>• COVID-19 significantly impacted planned activities, as well as M&amp;E</li> </ul>

	reprogramming or adjusting WPTMs to respond to changing circumstances	<ul style="list-style-type: none"> <li>• A lack of cohesiveness and a united vision for the program</li> </ul>
MOSASWA		<ul style="list-style-type: none"> <li>• Unwillingness to share data impacting on planning and design</li> <li>• Flooding and security issues have impacted delivery of interventions</li> </ul>
RMEI	<ul style="list-style-type: none"> <li>• Late submission of the funding request</li> <li>• Long negotiations, which delayed both grant signing and the start of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Aligning the complex and competing agendas of the different stakeholder groups was an extremely labor-intensive effort</li> </ul>
NTP/SRL	<ul style="list-style-type: none"> <li>• Low funding levels and inflexibility of funding has resulted in gaps in human resources at the PR</li> <li>• Over ambitiousness of reaching 23 countries resulting in thinly spread resources</li> <li>• Processes, such as reprioritization and reallocation of budgetary lines items, were met with roadblocks</li> </ul>	<ul style="list-style-type: none"> <li>• Language and cultural differences and widely varying capacity levels of key stakeholders</li> </ul>
WHC		<ul style="list-style-type: none"> <li>• Diverse levels of country health system capacity</li> <li>• Unavailability of buy-in and political will at operational levels</li> <li>• Concerns around protection of personal information</li> </ul>
TB UNOPS	<ul style="list-style-type: none"> <li>• Significantly delayed start-up due to inter-country and cross-country negotiations and with PR</li> <li>• Unclear accountability of PR for regional coordination, implementation and productivity (identified in the risk assessment in the proposal, but mitigation measures were inadequate)</li> <li>• Constraints to re-programming limits program responsiveness to rapidly evolving patterns of migration among mobile populations</li> </ul>	<ul style="list-style-type: none"> <li>• COVID-19 caused significant changes to patterns of migration, and there was a need for the implementing agencies to respond rapidly to evolving demands for services</li> </ul>

Interviews with the Global Fund Secretariat highlighted specific operational issues with MCGs within the business model. In general, these issues point to MCGs being given lower priority within the Secretariat, despite the intent that the MCGs should be ‘catalytic’. As one senior level key informant noted, “The Secretariat does not review the additional burden imposed by the MCG on the country teams and does not adapt team structures accordingly.” Other reasons cited by key informants for the low prioritization of MCGs by the Secretariat include: a) processes, systems and resource allocation have not yet been adequately tailored to cater for their specificities and complexities; b) resources for providing risk and assurance processes for multi-country grants are limited, although the risks and complexities of MCGs are greater than for national grants; and c) the main priority of a country team is the country grant, and the MCG is sometimes seen as an unwelcome additionality, in part because of the low level of funding for MCGs compared with core allocations.

**Finding OQ1-2: Complex implementation arrangements have been a constraining factor for a number of MCGs.**

MCGs, by their nature, have potentially more complex implementation arrangements than country grants, and multiple stakeholders highlighted the need to simplify MCG implementation

arrangements, especially given that MCGs require multiple levels of coordination. Across the eight MCGs reviewed under this evaluation there were over 130 implementing partners. An audit of MCGs in 2019 by the OIG of different MCGs found more than 100 additional implementing partners. There may be a need to re-think the traditional 'regional PR, country SR/SSR' model for MCG implementation and explore flexibilities for different funding arrangements and different types of grants to include small organizations.

Communication and approval protocols associated with these complex implementation arrangements (e.g. Regional PR -> Country PRs/Co-PRs -> SRs -> SSRs) are constraining effective implementation of MCGs, including long lag times experienced by SRs and SSRs between seeking and receiving approvals for program/budget modifications. In addition, limited flexibility in re-programming and budget re-allocation is constraining implementing agencies (SRs/SSRs) from proactively exploring innovations and reacting to evolving programmatic situations, including the effects of COVID-19. For example, in the TB UNOPS MCG, the onset of COVID-19 resulted in significant changes in patterns of migration of mobile populations between Thailand and Cambodia. In order to continue to provide effective services in this rapidly changing environment, one of the SSRs requested permission to re-program and re-budget some key activities. It took nine months for the request to pass through the management chain (SSR->Co-PR->national PR->Regional PR->TGF, and back again), by which time the migratory patterns had again changed due to the shifting pandemic situation in the two countries.

Specific regional issues may also affect and complicate MCG implementation arrangements and result in progress delays. For example, specific implementation arrangements in MCG EECA APH had to be negotiated between Ukraine (PR - Alliance of Public Health, Ukraine based) and the Global Fund due to political tensions between Ukraine and the Russian Federation, which is one of targeted countries. This resulted in the programmatic part of the grant being coordinated by the Alliance for Public Health, while the SR in the Russian Federation is financed directly from the Global Fund.

In-country stakeholders note that the management of the MCG MENA has been highly labor-intensive and does not allow for adequate time for strategic thinking, because of the decision to have an INGO, which did not have offices within the region, to serve as the PR, coupled with the multiple layers of a local project management unit (PMU), regional networks, country-level networks, and country-level sub-recipients and SSRs. As one global-level stakeholder noted, "...these [implementation] risks are not being taken into consideration when dedicating resources for assurance provision."

While MCG RMEI's implementation arrangement (IDB acting as an administrator for a blended financing facility/ MDTF) was praised by many stakeholders, they also noted that finalizing those arrangements was time-consuming, involving nearly all of the Global Fund's departments (including the OIG) and resulting in a long delay in grant signature. As one key informant noted, "...turning the idea into a grant was extremely difficult, as it wasn't cost-efficient." However, despite this heavy upfront investment (not surprising as it was the first framework agreement negotiated with a development bank) the resulting simplifications embedded in the facility allowed for smooth implementation.

**Finding OQ1-3: Global Fund Secretariat transaction costs are variable, depending on the individual FPM/CTs and how much they choose to engage. Transaction costs for applicants are higher for MCGs than for country grants.**

Transaction costs for both FPMs/CTs and in-country partners were in general higher for MCGs than country allocations. However, FPMs had flexibility to decide to what extent to engage with the MCG,

and thus either expand or limit their associated transaction costs. Considerable transaction costs were noted by some in-country stakeholders, especially during proposal development and grant making, as the decision to apply required lobbying multiple countries and constituencies within those countries, as well as obtaining official endorsement of CCMs and national government institutions. These lobbying efforts were often for relatively small grant funding envelopes. Furthermore, during implementation, PRs have to deal with multiple political and legislative jurisdictions, and face sometimes complex administrative issues in budgeting and contracting in multiple currencies.

Several in-country stakeholders expressed reservations about applying for MCGs because the transaction costs at the community level are so significant that the failure to obtain funding could potentially undermine long-standing organizational relationships. Other stakeholders noted that, because of the high transaction costs of applying for an MCG, only larger organizations (e.g. INGOs) would have sufficient resources to submit a funding request. The unintended consequence is that MCGs indirectly promote inequality between local NGOs and INGOs. However, according to some key informants, while MCGs have high transaction costs, these additional costs should be considered alongside the benefits that the MCG application and grant-making processes can bring, namely more extensive regional consultations with wide stakeholder engagement which increases the chance of the MCG's success.

In terms of transaction costs for the Global Fund Secretariat, they range from fairly light to substantial. For example, although the implementation arrangements for MCG RMEI were difficult to establish, the on-going transaction costs for the Global Fund are fairly light, and there are discussions among stakeholders about whether to implement country grants, for those which are still eligible, through the IDB in order to align management and reporting. This may result in fewer management and transaction costs, both for the implementing partners and the GF Secretariat. Similarly, for MCG NTP/SRL, the Secretariat and the PR, cited a 'hands off' approach to implementation, oversight and monitoring of grant implementation, due in part to a limited set of focused WPTMs coupled with oversight opportunities through attendance of annual meetings. While MCG SEA AFAO is considered to have very high transaction costs, in part due to the iterative nature of the grant, which is based on annual budgetary and results planning but also management challenges with the PR. However, some Secretariat staff noted that for MCGs, technical advisors need intensive and extensive engagement within the Secretariat. As one Secretariat stakeholder noted, "...the MCGs are considered one grant and assigned on top of country grants, so it is really about how much does the FPM want to engage...".

#### 4.3.2 Value for money

This sub-section deals with evaluation questions related to the extent to which MCG provide value for money (VfM).

**Finding OQ1-4:** *In five of the seven<sup>46</sup> MCGs examined in this review for VfM, program management related costs have been significant, and higher than most relevant comparators (i.e. core disease grants across the portfolio in the countries where the MCGs operate, and by international benchmarks). Using broader criteria (economy, efficiency, and effectiveness), the VfM for MCGs has been variable.*

Program management costs have been analyzed in two ways:

- **By module:** As shown in Figure 12, the project management module for MCGs accounts for between 13 and 42 percent of total grant value across the case studies. Across the entire Global

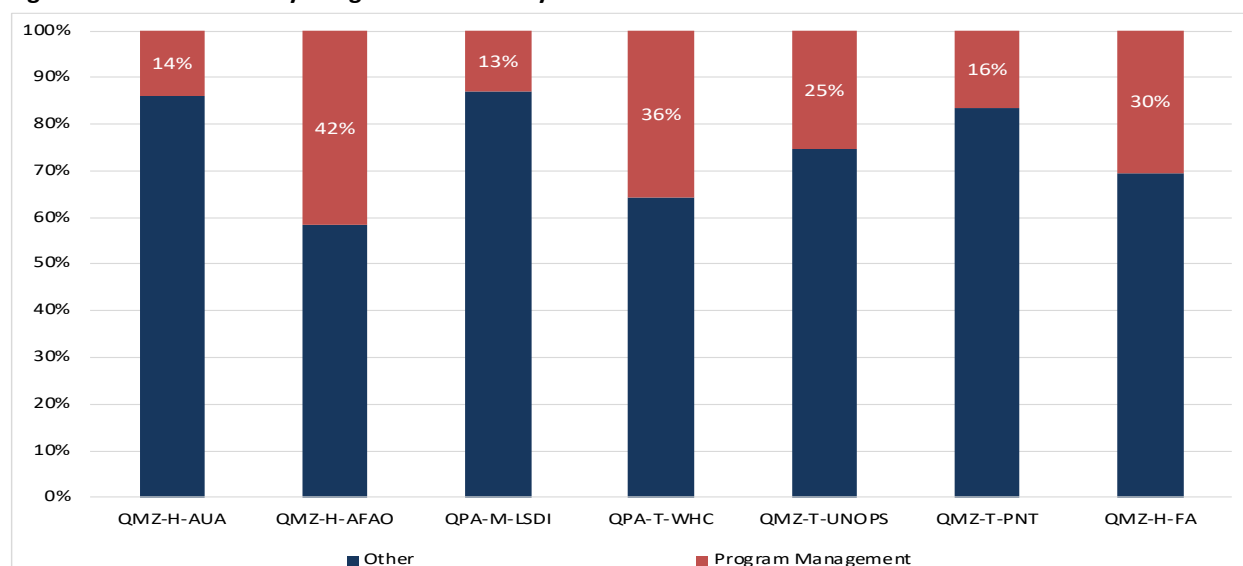
<sup>46</sup> RMEI was excluded from an analysis of VfM because of the complex financing arrangements and the limited contribution of Global Fund to the grant

Fund portfolio for NFM2 and NFM3 grants, the comparator figure was 7 percent for government PRs, 20 percent for multilateral PRs, 19 percent for private sector and community sector PRs, and 15 percent for other types of PRs.

- **By investment landscape (level 1):** Figure 13 presents the Secretariat’s more comprehensive cross-module mapping of program management related costs (including human resources, indirect/ overhead costs, and infrastructure and non-health equipment). These project management related costs account for between 28 and 54 percent of total grant value across the case studies. Across the entire Global Fund portfolio for NFM2 and NFM3 grants, this was 13 percent for government PRs, 26 percent for multilateral PRs, 44 percent for private sector PRs, 35 percent for community sector PRs, and 38 percent for other types of PRs.

A review of the project management costs associated with administering grants for other donor organizations suggests that costs vary between 7 percent (usually for government grantees) and 30 percent (usually for international NGOs and UN agencies).<sup>47</sup>

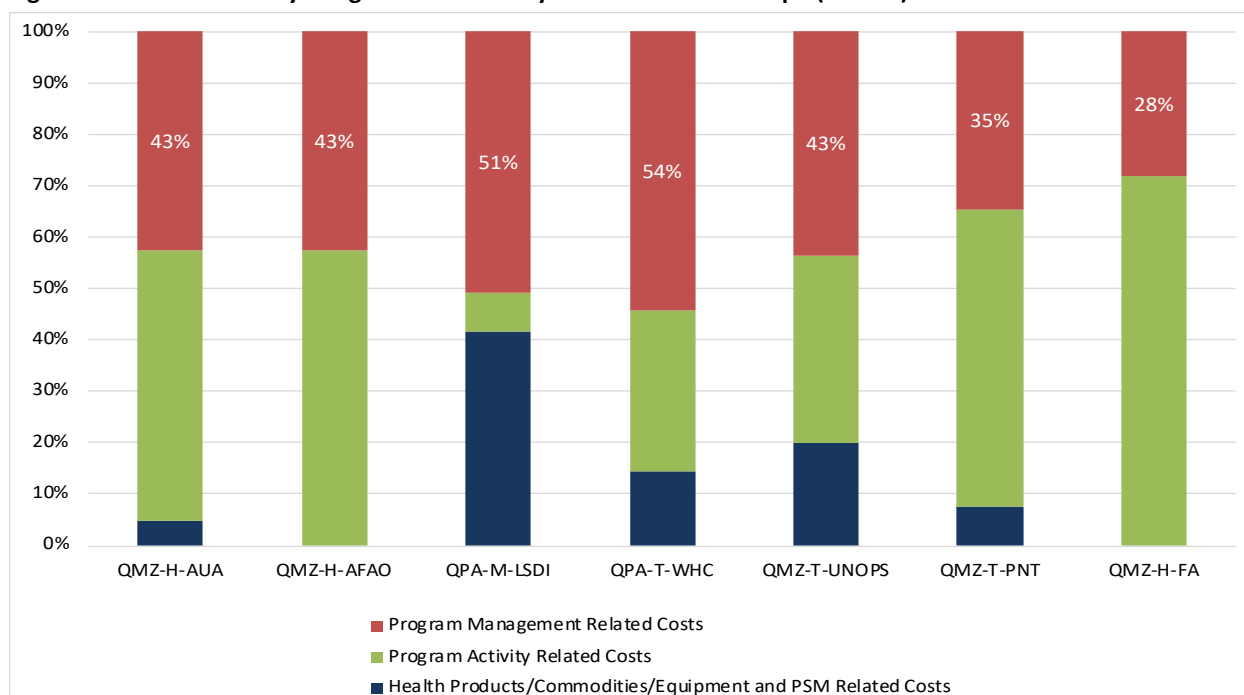
**Figure 12: MCG case study budget breakdown by ‘module’**



Source: Grant Agreement Implementation Period Detailed Budgets Dataset accessed at Global Fund Data Service website.

<sup>47</sup> For example:

- Program management accounts for 7% of Gavi’s total HSS support over the strategic period 2016-20, of which the majority is provided to governments. Accessed [here](#).
- For USAID, overheads charged by contractors/grantees vary between 7%-30% of grant value, depending on whether the contracted agency is for profit or not for profit. Accessed [here](#).
- The Bill and Melinda Gates Foundation place a cap on indirect (i.e., general overhead and administration) costs of 15%, although direct program management costs (which could include staff salaries, travel expenses, materials) could be charged in addition to this). Accessed [here](#).

**Figure 13: MCG case study budget breakdown by 'Investment Landscape (Level 1)'**

Source: Grant Agreement Implementation Period Detailed Budgets Dataset accessed at Global Fund Data Service website.

The evaluation notes that MCGs have not been set up to measure or manage for VfM, and there is insufficient evidence to make an informed generalized assessment of VfM. Nonetheless, using the criteria and ratings set out in Annex 8, Table 17 we present a summary (drawn from each of the case studies) of VfM offered by each of eight MCGs reviewed during this evaluation. The analysis suggests that none of the MCGs have offered excellent VfM, three have offered good VfM, three have offered 'adequate' VfM, and two have offered 'poor' VfM. While MCGs have been targeted towards issues that country grants could not be expected to fully address (see Findings SQ1-1 and OQ4b-1), VfM has often been compromised by high Secretariat transaction costs and program management costs (see Findings OQ1-3 and OQ1-4); poor grant design and issues in implementation (see Findings OQ1-1, OQ1-2, OQ2-1 and OQ2-2); and poor performance against programmatic indicators (see Finding SQ3-1).

**Table 14: Summary of VfM offered by each of MCGs case studies**

Grant	Economy	Efficiency	Effectiveness	Overall
Sustainability of services for KPs in MENA region (QMZ-H-FA)	Good: Program management related costs have been reasonable.	Adequate: Despite some improvements over time, implementation has not proceeded as planned.	Adequate: Performance has been inadequate but with potential demonstrated.	<b>Adequate:</b> Despite a design that seeks to add value to country grants, this potential has not been fully realized due to significant implementation challenges.
Regional Malaria Elimination Initiative (RMEI) (QRA-M-IDB)	Adequate: The unique grant funding arrangement incurred significant upfront efforts and transaction costs for a	Good: Implementation, while challenged by C-19, has proceeded in line with expectations.	Good: Performance has been adequate, and meeting expectations.	<b>Good:</b> While the grant incurred unacceptably high upfront transaction costs, ongoing costs are reasonable and

	relatively small amount of funds (but managed to leverage additional funding). However, ongoing costs are fairly light.			implementation and results have been good, with clear added value over country grants.
HIV-Sustainability of services for KPs in the EECA Region (QMZ-H-AU)	Poor: Program management related costs have been unacceptably high.	Good: Absorption has been high and implementation has generally proceeded as planned.	Adequate: Performance has been adequate, with a lack of progress in some areas.	<b>Adequate:</b> Despite a design that seeks to add value to country grants, this potential has not been fully realised due to significant implementation challenges.
Sustainability of HIV services for KPs in Asia Program (QMZ-H-AFAO)	Poor: Transaction costs for the Secretariat and grantee program management related costs have been unacceptably high.	Poor: Absorption has been moderate, and implementation has not proceeded as planned, due to a delayed start, over ambitious planning and C-19 acting as a severe constraint.	Poor: Performance has been inadequate, albeit with some potential demonstrated and some results achieved.	<b>Poor:</b> While the grant design is valid its potential has not been realised due to high transaction and management costs, and weak implementation, and with inadequate results.
MOSASWA malaria elimination (QPA-M-LSDI)	Poor: Program management related costs have been unacceptably high	Good: Absorption has been high and implementation has generally proceeded as planned, in spite of C-19.	Excellent: Programmatic performance has exceeded expectations	<b>Good:</b> The grant has a strong design although program management costs are very high. Implementation and grant performance have nonetheless been very strong.
Regional TB in the Mining Sector initiative "Finding missing TB cases" (QPA-T-WHC)	Poor: Program management related costs have been unacceptably high	Adequate: Absorption has been low and implementation has not proceeded as planned, due to delayed startup and C-19.	Adequate: Performance has been adequate, with a lack of progress in some areas.	<b>Adequate:</b> Despite a design that seeks to add value to country grants, this potential has not been fully realized due to significant implementation challenges.
TB interventions among migrants and mobile populations in Mekong (QMZ-T-UNOPS)	Poor: Program management related costs have been unacceptably high	Poor: Absorption has been low, and implementation has not proceeded as planned for a variety of political and design reasons, as well as C-19.	Poor: Performance has been unacceptably low with immediate remedial action required.	<b>Poor:</b> While the grant design is valid its potential has not been realised due to high transaction and management costs, and weak implementation, and with inadequate results.
TB regional reference laboratory in West and	Good: Program management related costs have been reasonable.	Adequate: Absorption has been low, and implementation has	Excellent: Programmatic performance has	<b>Good:</b> The grant has a strong design and program management costs

Central Africa (QMZ-T-PNT)		not proceeded as planned, due to delayed start-up and C-19.	exceeded expectations.	have been reasonable. Despite implementation issues, performance has been high.
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## 5 Lessons learned

While the lessons learned outlined below could be considered as recommendations, the evaluation team, with the agreement of the TERG, has restricted its recommendations to a small number at strategic and operational levels, as discussed in Section 6 of this report. Nevertheless, the lessons learned outlined below should be reviewed and may contribute to good practice in MCG design, implementation and performance measurement.

The key lessons are related to: the importance of improved risk identification and mitigation; the need to simplify complex management and implementation arrangements, which not only increase the cost but also inhibit innovation; opportunities for enhanced communication; the critical need for stronger and grant-specific performance measurement; and the need to explore more flexible funding cycles. These lessons learned are outlined in more detail below.

### Risk identification & mitigation

- Because of the complexity of implementation and governance arrangements of many MCGs, there are associated complex, diverse, and sometimes subtle risks. Some of these risks, which have been outlined earlier in the findings, need to be identified during the design and review processes, and to ensure that risk mitigation measures are adequate and realistic. Major risks should be highlighted in a robust TOC, which should be incorporated in the MCG design.

### Implementation arrangements

- Stakeholders identified a pressing need to simplify implementation arrangements, especially given that MCGs require multiple levels of coordination. Communication and approval protocols associated with complex implementation arrangements (e.g. Regional PR-Country PRs/Co-PRs-SRs-SSRs) are constraining effective implementation of MCGs by SSRs, including long lag times between seeking and receiving approvals for program/budget modifications.

### Governance support

- Continued weaknesses of most RCMs/ROs, including limited oversight function, is constraining their governance functions, which could benefit from more proactive support from the CCM Hub.

### Performance Measurement

- A critical improvement would be for each MCG to have a robust TOC embedded in the design, with outcome, output and intermediate indicators clearly identified before implementation.
- Each MCG is fairly unique, so each should have an individualized Performance Framework and specific indicator set.
- WPTMs are generally developed top-down by the Secretariat and given to in-country counterparts who sometimes feel little ownership or accountability for them.
- MCGs focused on advocacy and human rights may have their results better measured through evaluations, and this would need to be embedded in the grant design.

### Communication

- The COVID-19 pandemic has highlighted the need and feasibility of evolving virtual support models that would allow countries and regional networks to readily share experiences. Regional digital and virtual platforms also have the potential for consultation with community and civil society groups, learning and sharing experiences and best practice.
- Multiple stakeholders highlighted the importance of consistently documenting best practices and success stories, sharing experiences and information, and maintaining open lines of communication between all partners.
- Stakeholders, especially at country level, highlighted the need to formalize and make more systematic communications between FPMs/CTs for the country grants and MCG FPMs/CTs.

#### **Comparative advantages of MCGs**

- A key comparative advantage of MCGs associated with KP/CRG issues is that MCGs provide legitimacy and a safe space for civil society implementation around sensitive issues at the country level. However, this should be accompanied by sustained advocacy efforts towards country ownership, such that the activities are folded into country grants.
- MCGs allow stakeholder voices to be heard at both the regional and global level which would not have occurred if activities were done via country allocations.

#### **Funding cycle**

- Multiple stakeholders at global, regional and country levels highlighted the need to review the three-year funding cycle for MCGs, especially given inherent delays in start-up. While acknowledging the constraints imposed by the Global Fund replenishment cycle, stakeholders suggested approaches adopted by some other bi-lateral and multi-lateral funding agencies, where a five-year planning cycle is envisaged, with a review mid-cycle and course correction/discontinuation if needed.
- A related issue concerns synchronization of implementation timeframes for MCGs and country grants. While this was not specifically explored by the evaluation, there are differing views on coherence of timing of MCGs and country grants. Some NFM3 grants prepared their proposal with a sound knowledge of the national grants that had already been approved, including the context of the participant countries, and identified gaps that the MCG should address. This also helped to ensure that the in-country stakeholders (CCMs, PRs, government officials, consultants, etc.) were not overwhelmed with work. Other views consider that the planning and design of MCGs should be in parallel to the national grants, in order to facilitate appropriate dialogue during the design of each. The evaluation did not determine which of these approaches was the most effective, but it is possible that each would have its own merits, depending on the specific grants and context. However, these different approaches support the argument for flexibility of funding cycles for MCGs.

### **5.1 Potential priority strategic areas for the post-2022 Global Fund Strategy for which MCGs can add value**

Key stakeholders interviewed in the course of this evaluation were asked to suggest potential priority area for which MCGs can continue to add value. Their responses are summarized below:

- *Resource mobilization both domestically and accessing other donor funding:* Given that MCG funding is limited to a three-year project cycle, that many participating countries are either ineligible or will potentially transition from Global Fund resources, and that many of the thematic areas address politically sensitive issues, the mobilization of additional resources was mentioned by many key informants as critical.

- *An enhanced partnership approach with new actors:* Key informants noted the need for the Global Fund to move away from its “traditional” partnerships and explore new partnering opportunities. As mentioned in SQ5, the private sector, for example, has been seen as significantly underutilized.
- *Fund smaller grants that could be managed by other partners:* MCGs, in general, have been shown to have high transaction costs for the Global Fund Secretariat, especially when they are for relatively small amounts. Other partner organizations may be better placed to access regional partners and beneficiaries, and could manage the grants directly on behalf of the Global Fund.
- *Supporting the development of future leaders to drive innovation:* Interventions mentioned by key informants included, for example, twinning programs, targeted digital technical assistance to regional leaders and gatekeepers, and the continued development of regional networks.
- *A continued focus on cross-border issues:* While this is currently applicable to mainly malaria and TB MCGs, with increased migration and potential pandemics (e.g., COVID), due to varying factors, it may need to be expanded to all diseases and RSSH.
- *A general desire to continue addressing issues which cannot be done via country allocations:* Specifically for community and KP rights, gender-based violence and violence against transgendered individuals, stigma and discrimination, advocacy, regional CSO strengthening, and region-wide policy changes.

As noted by multiple stakeholders, the Global Fund needs to ensure that any future MCGs are more efficient and cost-effective in terms of technical, financial and human resources and that they have measurable and demonstrable results. As one interviewee noted “...we should focus on spending better, not spending more”.

## 6 Conclusions (mapped to findings)

Synthesizing across the findings, the evaluation team developed a set of eight conclusions, mapped to the evaluation objectives and findings. These are summarized in Table 15 below.

**Table 15: Conclusions mapped to findings**

Mapped to findings	Conclusion
<b>Objective 1- Contribution of MCGs to achieving the strategic objectives of the Global Fund</b>	
<b>SQ3-1 SQ4-1/ SQ4-2 OQ4b-1/OQ4b-2</b>	<b>C1.1</b> In general, MCGs have demonstrated clear contributions towards achieving the Global Fund’s strategic objectives, primarily SO1, with limited contributions to the other strategic objectives. However, the significant challenges in measuring MCG performance have left question marks over the extent to which they have demonstrated a clear and catalytic effect.
<b>SQ1-1/ SQ1-2 SQ2-1/ SQ2-2</b>	<b>C1.2</b> The criteria and processes used to select and prioritize MCGs are broadly appropriate, and have yielded a set of grants that individually had clear rationales and strong strategic justification for multi-country approaches. However, decisions on the prioritization of MCGs have been taken in isolation from decisions on grant design, such as budget envelope, implementation timeframes compared with country grants, management and governance arrangements, and considerations of risk management. This has been a contributory factor to sub-optimal design of some MCGs.
<b>Objective 2 – Effectiveness of MCGs in tackling regional bottlenecks and addressing cross-border and national issues</b>	
<b>OQ5-1/ OQ5.2</b>	<b>C2.1</b> Partnerships have been an important factor in the success of many MCGs in tackling regional bottlenecks and addressing cross-border issues, with a number of successful partnerships established with non-standard partners, including development banks and the private sector.
<b>OQ4b-1/OQ4b-2 OQ6-1/ OQ6-2</b>	<b>C2.2</b> MCGs are adding value to country grants and are generally responsive to regional needs. However, the extent to which they are strengthening regional capacity is varied, and prospects for sustainability more generally are limited.

<b>OQ2-1 / OQ2-2 / OQ2-3</b>	<b>C2.3</b> The regional governance function remains weak, due in part to limited Global Fund Secretariat buy-in and support.
<b>Objective 3 - Efficiency, effectiveness and equity of operationalization and implementation of MCGs</b>	
<b>OQ1-1</b>	<b>C3.1</b> Two sets of constraining issues have hampered implementation for many MCGs. <ul style="list-style-type: none"> <li>• <i>The Global Fund business model.</i> Constraints include MCGs generally being treated as low priority across the whole Global Fund business model, resulting in limited Secretariat engagement and support to help manage the additional complexities associated with MCGs</li> <li>• <i>Contextual factors.</i> Constraints include political sensitivities associated with cross-border implementation and sharing of information, and the establishment of complex management arrangements to try to overcome these constraints.</li> </ul>
<b>OQ1-3/ OQ1-4</b>	<b>C3.2</b> MCG program management related costs are variable, as are Secretariat transaction costs
<b>OQ7-1</b>	<b>C3.3</b> Key lessons learned across the MCGs are related to: the importance of improved risk identification and mitigation; the need to simplify complex management and implementation arrangements, which not only increase the cost but also inhibit innovation; opportunities for enhanced communication; the critical need for stronger and grant-specific performance measurement; and the need to explore more flexible funding cycles.

## 7 Recommendations (mapped to conclusions)

The evaluation team synthesized across the conclusions to develop a set of high-level recommendations, mapped to the conclusions. These are summarized in Table 16 and elaborated in the narrative below.

**Table 16 Recommendations mapped to conclusions**

Mapped to conclusions	Recommendation	Strategic/ Operational
<b>C1.1/ C2.2</b>	<p>1. Maintain MCGs as a priority investment area for activities that demonstrably add value over and above what country grants can deliver to meet the Global Fund's Strategic Objectives</p> <p><u>Elaboration:</u> The evaluation noted that most MCGs have demonstrated, and have the potential to continue to demonstrate, clear contributions towards achieving the Global Fund's strategic objectives, primarily maximizing the impact of investments for HIV, TB and malaria (SO1). Contributions towards SO3 are less clear, largely because of the constraints highlighted by the evaluation of measuring grant performance in this area. Nevertheless, there is evidence, primarily through the MENA, EECA APH, SEA AFAO and some LAC grants, that some MCGs are facilitating a 'safe space' for tackling HRG issues that may not be addressed or even acknowledged at the country level. In this sense, MCGs are adding value to country grants and are generally responsive to regional needs. The strategic recommendation from this evaluation is that MCGs per se should therefore be maintained as a priority investment area. The following two recommendations are focused on selecting the <i>right</i> MCGs and ensuring that they perform in the <i>right way</i>, (leading to <i>right results</i>).</p>	Strategic
<b>C1.2/ C2.2/ C3.1/ C3.2</b>	<p>2. Strengthen MCG selection, prioritization and review processes by:</p> <ul style="list-style-type: none"> <li>• Developing an agreed definition of 'catalytic' as applied to all catalytic investments that is used consistently across Board, SC, GAC, TRP and Secretariat</li> <li>• Estimating financial needs and resource availability and including these considerations as part of MCG selection and prioritization criteria</li> <li>• Strengthening consideration of sustainability in MCG selection and prioritization</li> <li>• Strengthening MCG designs through the inclusion of:</li> </ul>	Operational

	<ul style="list-style-type: none"> <li>○ comprehensive landscape analyses to identify gaps and overlaps with country grants, other catalytic investments and initiatives funded or implemented by other agencies</li> <li>○ robust theories of change (TOC) that present well-defined intervention logic linking outputs to outcomes and impacts, and include risks and critical assumptions</li> <li>○ a limited set of grant-specific performance measures focused on output/ outcome levels</li> <li>○ reviews after two years to allow for course correction and decisions on continuity/ discontinuity</li> <li>○ more robust risk matrices that take into account risk associated with the complexities of MCG implementation</li> <li>● Providing the TRP with more time and guidance to consider complex design features of MCGs including landscape analysis and risk management of contextual factors.</li> </ul> <p><u>Elaboration:</u> The evaluation noted that the resources needed to implement MCGs were not always fully considered in these processes. Given the complexities of MCGs and the associated higher risks, the evaluation recommends that the TRP review process should be strengthened through the provision of more time and Secretariat guidance. The bulk of the recommendation however, is focused on strengthening the design of MCGs, as the evaluation identified several design weaknesses. While the inclusion of theories of change is now mandatory in the MCG application guidelines, this needs specific guidance, including the provision of examples of TOCs that include the critical assumptions that underpin a robust TOC.</p> <p>The evaluation highlighted the weaknesses and constraints in MCG performance measurement, and while this is improving over time, it is suggested that performance can best be measured through grant-specific performance indicators, largely focused at output/ outcome levels and developed in collaboration with regional and country stakeholders. The evaluation also recommends that reviews/ evaluations are embedded in the MCG designs from the outset, which could include appropriate baseline, mid-line and end-line indicators.</p>	
<b>C2.1/ C2.3/ C3.1/ C3.3</b>	<p>3. Continue to strengthen MCG implementation and governance arrangements, by:</p> <ul style="list-style-type: none"> <li>● raising the profile of MCGs across the Global Fund business model and either providing sufficient resources at Secretariat level to support effective MCG governance and implementation or outsourcing this to external agencies;</li> <li>● streamlining MCG management and implementation arrangements where these are unwieldy or constrain MCG flexibilities to be innovative;</li> <li>● building on partnership successes and supporting FPMs and CTs to explore potential partnership arrangements beyond traditional partners (e.g. development banks or the private sector);</li> <li>● building regional governance capacity including, where necessary, through the provision of either internal or external technical assistance;</li> <li>● exploring more flexible funding cycles that include mid-term reviews/ evaluations to allow for course correction or discontinuation.</li> </ul> <p><u>Elaboration:</u> The evaluation noted that MCGs in general are given low priority across the whole Global Fund business model, both by the Strategy Committee in its prioritization criteria in the 2020-2022 allocation period and by the Secretariat, in part due to competing priorities with significantly higher funding for core allocations. The evaluation therefore recommends that the Board and</p>	Operational

	<p>Strategy Committee pro-actively advocate for increased focus and resources to be devoted to MCGs. The evaluation further recommends that the Secretariat is appropriately resourced to support MCG implementation and governance, although these could also be supported by the engagement of external technical assistance.</p> <p>Because of the complexities of MCGs, their management and implementation arrangements are generally also complex, often consisting of one or more regional PRs and a cluster of national Co-PRs, SRs and SSRs, with the associated hierarchies of reporting and communication and data aggregation. This has led to significant delays in multiple areas, but perhaps the most critical relates to constraining the capacities of MCGs to respond flexibly and innovatively to evolving situations, which are more pervasive in MCGs than country grants. The evaluation therefore recommends that the Global Fund explores how best to streamline management arrangements including providing more flexibility in program and budget re-programming, with an associated risk management framework.</p> <p>The evaluation noted the value of partnerships in contributing toward the achievements of MCGs in tackling regional bottlenecks and addressing cross-border issues, and the establishment of successful partnerships with non-standard partners, including development banks and the private sector. The evaluation recommends that this is a potentially valuable area for further pursuit, including a mapping of regional partners across a range of sectors, and whether and how best these can be engaged to support MCG implementation. This will require Secretariat time and resources, and it is suggested that these are made available.</p> <p>Multiple stakeholders noted that the three-year implementation timeframe for MCGs was too constraining, given frequent delays in start-up, complexities in management and implementation, and ambitious objectives, especially for MCGs focused on advocacy and political change. Multiple stakeholders advocated for longer MCG implementation timeframes, and some noted that longer timeframes can cut down on the high transaction costs associated with MCGs in terms of start-up and partner contracting. However, the Secretariat also highlighted the constraints inherent in expanding the three-year timeframe, as a result of the Global Fund's three-year replenishment cycle.</p> <p>To address this tension, the evaluation suggests an approach adopted by other bi-lateral and multi-lateral funding agencies, where a five-year planning cycle is envisaged, with a review mid-cycle to allow for course correction or discontinuation if needed. This can be considered in the context of a longer-term vision for all catalytic investments.</p>	
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## Annexes

### Annex 1: RFP Terms of Reference

#### I. Background:

In April 2016, the Global Fund Board adopted a refined allocation methodology for the 2017-2019 funding cycle to increase the impact, simplicity, flexibility and predictability of its investments. As part of the allocation methodology, USD 800 million was set aside for catalytic investments with the remainder of funds available for country allocations. Catalytic investments aim to catalyze country allocations to ensure delivery against the 2017-2022 Global Fund Strategy by investing in priorities that cannot be addressed through country allocations alone yet deemed crucial to ensure Global Fund investments are positioned to deliver against its strategic aims. A number of catalytic investments priorities were identified prior to the 2017-2019 allocation period in conjunction with the Global Fund's relevant technical and community partners.

Catalytic investments have been operationalized through three distinct modalities: matching funds; strategic initiatives and multi-country grants. Multi-country (MC) grants are an umbrella term used to capture approaches previously categorized during the 2014-2016 allocation period as multi-country and regional programs. MC grants are designed to accelerate the end of the HIV, TB and malaria epidemics and to strengthen health systems by tackling regional bottlenecks and cross-border issues. They have the potential to achieve impact in particular settings, especially where bottlenecks cannot be resolved by a single country grant.

The Global Fund's Technical Evaluation Reference Group (TERG) commissioned a review of regional and multi-country programs in 2016. Based on recommendations from the TERG review and lessons from the Technical Review Panel (TRP) review of existing rounds-based regional programs, the Global Fund Secretariat defined a set of criteria within the Board-approved catalytic investment priorities. These criteria informed the process of determining which existing multi-country programs were continued, refocused or discontinued; as well as which new multi-country grants were identified for pre-shaping. Based on these criteria, the TRP recommended approval of 17 MC applications for grants under the 2017-2019 allocation period. Illustrative types of approaches to be addressed could include cross-border and regional programs for key and vulnerable populations on issues of sustainability and transition; human rights barriers to services; drug resistance and elimination in malaria; approaches for bringing MDR-TB care to the community or finding missing TB cases; and harm reduction.

Depending on the source of funding, the Global Fund MC grants can be divided into three categories:

- a) MC grants funded by country allocations pooled together to increase efficiency of the investments (the Organization of Eastern Caribbean States, Western Pacific and Middle East Response multi-country grants);
- b) MC grants funded by both country allocations and catalytic funding (the Regional Artemisinin-resistance Initiative grant); and
- c) MC grants funded solely through catalytic funding (Multi-country Catalytic Investments grants) – these grants address a limited number of key and strategic priorities critical to meet the Global Fund Strategy, which cannot to be addressed through country allocations alone (e.g. Multi-country Southern Africa E8 for Malaria elimination in low burden countries or Multi-country TB Asia in High Impact Asia for TB Refugees, Migrants and mobile populations).

**Only category C will be in scope for this review.**

In early 2019, the Office of the Inspector General (OIG) conducted an audit to assess the design and effectiveness of MC processes and policies in achieving grant objectives. Specifically, the OIG examined 1) the Secretariat's processes, procedures and systems to ensure effective program implementation and performance to achieve grant objectives; and 2) the governance, coordination and assurance arrangements to ensure that MC grant funds are used as intended. The audit covered a sample of MC grants including a deep-dive of the Regional Artemisinin Initiative (RAI) grants, carried out through desk review and in-country fieldwork in Cambodia, Myanmar and Viet Nam. This thematic evaluation will not overlap with the audit of the OIG.

**II. Purpose of the Thematic Review**

The Strategy Committee (SC) of the Global Fund Board agreed that an evaluation of MC grants should be undertaken to help inform the decisions of the Strategy Committee for the next allocation cycle – 2023-2025 - with respect to MC priorities under the post-2022 Global Fund strategy that is currently under development.

**III. Scope and Objectives of Review**

This TERG evaluation will focus on the Multi-country Catalytic Investment grants for the 2017-2019 allocation period and preparation of Multi-country Catalytic Investment grants for the 2020-2022 allocation period. The evaluation will draw on the finding and recommendations of OIG's audit and will assess strategic and operational aspects of Multi-country Catalytic Investment grants.

Objectives of the Evaluation:

1. To evaluate whether and how Multi-country Catalytic Investment grants contribute to achieving the strategic objectives of the Global Fund.
2. To evaluate whether and how Multi-country Catalytic Investment grants were able to effectively tackle regional bottlenecks and address cross-border and national issues.
3. To evaluate the efficiency, effectiveness and equity of operationalization and implementation of Multi-country Catalytic Investment grants to inform the 2023-2025 allocation cycle and multi-country grant priorities under the post-2022 Global Fund strategy.

**Evaluation Questions:**

**Strategic**

1. How and on what basis were the Multi-country Catalytic Investment grants selected, prioritized and operationalized? Based on the lessons learnt from the 2017-2019 and 2020-2022 allocation periods, were the criteria used for determining these grants adequate and comprehensive?
2. How adequately have the objectives and 'catalytic effect' of each Multi-country Catalytic Investment grant (including those in both 2017-2019 and 2020-2022 allocation cycles) been assessed at the level of the Technical Review Panel (TRP) and Grant Approval Committee (GAC)? Would a different review process, one that better takes into account the specific characteristics of multi-country grants, be more appropriate for this modality?
3. To what extent have the Multi-country Catalytic Investment grants achieved their key objectives? What is the impact and added value of these grants over country grants, if any, and what are the attributes of these grants that provided these results? What were the trade-offs? How could they be improved? Could these objectives have been met through country grants rather than through multi-country grants?
4. To what extent have the Multi-country Catalytic Investment grants catalyzed the achievement of the current Global Fund strategic objectives, including Human Rights and Gender?
5. What are the potential priority strategic areas for the post-2022 Global Fund Strategy for which MC grants can add value?

## **Operational**

1. What particular complexities do Multi-country Catalytic Investment grants exhibit that require special attention in terms of planning; applying for funding; proposals review and approval; program implementation; monitoring and evaluation; and oversight? Does this involve additional transaction costs for the Global Fund Secretariat and applicants compared to a country grant? How can they be reduced? Are alternative mechanisms possible at any stage to increase value for money?
2. Across the MC grants there are different governance arrangements. Where they were in place, how did Regional Coordinating Mechanisms interact with the relevant Country Coordinating Mechanisms (CCMs), including regional and national PRs/SRs; and with other non-health sectors? What role do communities affected by the three diseases play in the planning, implementation and governance of these grants? Which worked well and which didn't, and why? What are the lessons to be learnt?
3. How do Multi-country Catalytic Investment grants leverage and integrate existing tools and approaches that are being utilized at the country-level? How do these grants address structural and systemic barriers to accessing services, including human rights, legal and gender-related barriers?
4. How have Multi-country Catalytic Investment grants performed compared to their targets? What are the key facilitating and hindering factors influencing the effectiveness of multi-country grants? What are the challenges in assessing the performance, outcome and impact of these grants? How adequate is the current measurement framework for these grants and how can they be improved going forward? What is the impact of these grants on prioritizing issues into national dialogue? To what extent do these grants complement national strategies?
5. To what extent have Global Fund partnerships contributed to and been effective in the delivery of Multi-country Catalytic Investment grants? How can these be improved? How can the performance and technical assistance of partners be monitored/assessed?
6. How did multi-country grants build capacities at the regional and national level which would enable them to tackle regional issues independently from Global Fund grants? If they did, are these capacities disease-specific or do they go beyond the three diseases?
7. What other lessons have been learned from Multi-country Catalytic Investment grants? Based on the findings and analysis of this review, what recommendations can be provided to: reduce the complexity of these grants; ensure efficient implementation modalities; strengthen coordination and alignment with national grants and with future MC grants; and facilitate longer-term transition, where this would be indicated.

## **IV. Proposed Approach**

This thematic evaluation will be conducted using both qualitative and quantitative methods. This would include desk review of key documentation; key stakeholder interviews at global, regional and at the country level; and eight-10 case studies. The selected Service Provider, in discussion with the TERG and Global Fund Secretariat, will finalize the proposed case studies that may involve actual visits and/or virtual meetings. Where possible, the selected Service Provider will analyze relevant partnership arrangements at regional and country level. The Global Fund Secretariat will be able to provide the selected Service Provider with some of the relevant grant data.

Key methods envisaged for the evaluation include:

**1) Document Review** - The review will leverage the extensive body of existing work, including the OIG audit (e.g., an audit to assess the design and effectiveness of MC processes and policies in achieving grant objectives and outcomes from OIG audit of the Multi Country Grants), USAID, StopTB, and others.

Relevant information sources will be reviewed and analyzed by the consultants. The TERG, the TERG Secretariat and the Access to Funding Team of the Global Fund Secretariat are currently identifying

relevant data sources that may be required for the review. The consultants will also identify other data sources.

**2) Key Informant Interviews** - Individual interviews will be conducted with key stakeholders best suited to respond to the evaluation questions. Some suggested persons/groups to be interviewed include:

- Global Fund Board and Committee members including members of the implementing countries, TERG members (especially members of the TERG MCG Steering Committee), TRP members, Global Fund Secretariat management and the Access to Funding team and Grant Management Division.
- Global Fund partner organizations – WHO, GAVI, USAID, UNICEF, Stop TB, RBM, bi-laterals and others international implementing partner representatives;
- Other non-governmental organizations at the national and sub-national level; and
- Others identified by the consultants.

**3) Country Case Studies** - Based on criteria suggested by the TERG and the Access to Funding (A2F) team, eight-10 Multi-country Catalytic Investment grants will be selected for case studies. The final list of countries for case studies will be agreed on between the TERG and the Global Fund Secretariat with input from the consultants. Given the current COVID-19 situation where country visits may not be feasible, the case studies may be limited to ‘desk review plus studies’ – extensive desk reviews supported by virtual meetings with local-level stakeholders. Please see Annex 3 for a list of Multi-country Catalytic Investments Grants for the 2017 – 2019 and 2020 – 2022 and the priority areas and possible grants from which there will be a selection of countries for the case studies.

- Key stakeholders in countries to be interviewed include: Ministries of Health, other government ministries (at national and sub-national levels as appropriate, community and civil society organizations; Regional Coordinating Mechanisms; country-level principal and sub-recipients, other stakeholders, including but not limited to: Global Fund-related program implementation units, Local Fund Agents, CCM representatives; disease program heads; other country-level implementing partners. Beneficiaries of Global Fund supported programs may also be interviewed, if feasible.

#### **4) Consultations**

- The consultants will report to the TERG Steering Committee on Multi-country Grants (MCG) Review through the TERG Secretariat. Relevant Secretariat teams (A2F, RSSH, CRG, GMD) will also assist in facilitating the implementation of the review.
- The consultants will discuss with and update the TERG on a regular basis on the preliminary findings, analyses and conclusions. The TERG and the secretariat teams will be consulted in developing the recommendations to ensure their relevance.
- The final report will be presented to the TERG. The TERG will present its position on the Review to the Strategy Committee.

The consultants will use a collaborative and consultative approach to ensure a high-quality product with robust findings and recommendations that are ambitious but feasible. The consultants will establish and maintain open communications with members of the TERG MCG Steering Committee and the TERG Secretariat, and through them with the Global Fund Secretariat, partners and country stakeholders. The TERG and the consultants will identify and link with other organizations who have undertaken similar evaluations, especially with GAVI, Stop T.B and USAID, and UNICEF to facilitate alignment with relevant processes and results reporting.

**i. Timeframe:** The RFP will close on 22 March 2021. The selected Service Provider will be informed in late March 2021. The Service Provider will provide an Inception Report by 19 April 2021, to be approved by the TERG. The Service Provider will submit the final review report on 31 August 2021.

The timelines for the specific deliverables for this review are given below in section IV. b): Deliverables.

**ii. Deliverables:** All deliverables listed below will be submitted to the TERG. The TERG Secretariat will liaise on a regular basis with the selected Service Provider.

The expected deliverables are as follows:

**1. Inception Report by 19 April 2021**

The selected Service Provider will submit an Inception Report. The report should provide their understanding of the review context and objectives as well as a review framework, approach and methodology, which should build on their initial proposal and from what has been learned during the inception phase of work. The report should include data collection methods; analysis tools; synthesis methods; and tentative country study schedules.

**2. First Draft report by 4 June 2021**

The Service Provider shall submit a 1st draft report, including 4-5 draft country case studies, for review and comments by the TERG. Additionally, a pre- recorded slide deck for presentation to the TERG for the preliminary findings and conclusions.

**3. Second Draft Report by 5 July 2021**

The selected Service Provider shall submit a 2nd draft report, including all draft country case studies for review and comments by the TERG. Following review and approval by the TERG, the Service Provider shall incorporate comments and submit the final report.

**4. Final report by 31 August 2021**

The final report should be concise (indicative length of 40 - 50 pages), with annexes as needed, such as summaries of country case studies. Additionally, a pre- recorded slide deck presentation to be presented to the TERG for the final findings, conclusions and recommendations to be submitted. The main part of the report should ensure confidentiality and anonymity of key informants and avoid referring to individuals and confidential materials, in case of publication on web.

In addition, the selected Service Provider shall provide regular updates to the TERG Secretariat.

**V. Consultant Requirements**

The TERG is looking for a team comprising 4-5 evaluators with experience in international health and development and at least one senior expert with a good understanding of the Global Fund or similar organization. The team should have a prior experience in grant financing; planning and implementation of multi-country grants and in evaluating health service delivery. At least one member of the team should ideally be based in a Global Fund implementer country.

A total of around **200 days** of efforts are suggested for this review.

## Annex 2: Stakeholders interviewed

TERG Chair	TERG
TERG Vice Chair and MCG Evaluation Focal Point	TERG
TERG member and MCG Evaluation Focal Point	TERG
Former TERG Chair	The Global Fund
TERG member and former TRP	TERG
TERG member and former TRP	TERG
Senior Specialist, Impact & Evaluation, ME&CAT and Manager, Access to Funding Department	The Global Fund
GAC Specialist, Access to Funding	The Global Fund
Senior Specialist, Access to Funding, Access to Funding Department	The Global Fund
Head, Access to Funding Department	The Global Fund
Head, Grant Portfolio Solutions and Support	The Global Fund
Regional Manager, EECA	The Global Fund
Senior Manager, Access to Funding	The Global Fund
Head of SIID	The Global Fund
Senior Policy Advisor, Strategy & Policy Hub	The Global Fund
Head, Strategy & Policy Hub	The Global Fund
Fund Portfolio Manager, (Multi-country Southern Africa WHC) T.B and (Multi-country Southern Africa MOSASWA ) Malaria	The Global Fund
FPM for TB UNOPS	The Global Fund
Senior Fund Portfolio Manager Central Africa Team (Multi-country MC TB WC Africa NTP/SRL)	The Global Fund
Fund Portfolio Manager, LAC (Multi-Country Grant, EMMIE)	The Global Fund
Senior Technical Advisor Human Rights and Gender	The Global Fund
Regional Manager, Latin America and the Caribbean	The Global Fund
Manager, Allocation Model and Strategic Information in Strategic Information Department	The Global Fund
Specialist, Allocation, Strategic Information Department	The Global Fund
Head of Malaria	The Global Fund
Interim CCM Hub Manager	The Global Fund
Head of HIV/AIDS Senior Disease Advisor	The Global Fund
Senior Disease Advisor	The Global Fund
Senior Advisor, Key Populations and Community Response ( Former FPM MC NTP/SRL )	The Global Fund
Specialist PHME MC NTP/SRL	The Global Fund
Senior Disease Advisor Tuberculosis	The Global Fund
Senior Manager, Sustainability, Transition and Co-Financing	The Global Fund
Specialist Public Health, M & E	The Global Fund
Head of TB	The Global Fund
TRP Chair	The Global Fund
Health Financing	The Global Fund
Associate Specialist, CCM Hub	The Global Fund
Fund Portfolio Manager of El Salvador	The Global Fund

Senior Advisor Strategy Implementation, Strategy and Policy Hub	The Global Fund
Technical Advisor, Human Rights & CRG focal Point for EECA	The Global Fund
Senior Fund Portfolio Manager	The Global Fund
Senior Fund Portfolio Manager, EECA APH	The Global Fund
Senior Specialist, Public Health Monitoring & Evaluation, High Impact Asia Department	The Global Fund
Specialist, Measurement and Program Improvement, MECA	The Global Fund
Specialist, Public Health and M&E, EECA	The Global Fund
Fund Portfolio Manager MC SEA AFAO	The Global Fund
Associate Specialist, Community Rights and Gender	The Global Fund
Fund Portfolio Manager, Multi Country MENA IHAA	The Global Fund
Lead Auditor, Office of the Inspector General (OIG)	The Global Fund
Audit Manager, Office of the Inspector General (OIG)	The Global Fund
Fund Portfolio Manager, Eswatini	The Global Fund
Fund Portfolio Manager (El Salvador)	The Global Fund
LAC Regional Manager	The Global Fund
Fund Portfolio Manager (RMEI)	The Global Fund
FPM (MENA)	The Global Fund
Program Officer	Raks Thai Foundation
Senior Program Officer	Raks Thai Foundation
Program Officer	Raks Thai Foundation
	National Department of Health, Directorate: Malaria Director: Malaria Unit. Pretoria South Africa
Program Coordinator	NTP and Multicountry MC TB WC Africa NTP/SRL grant
Head of Emerging Bacterial Pathogens Unit	WHO collaborating Centre and TB Supranational Reference Laboratory Milan, San Raffaele Scientific Institute
Sr. Research Scientist	WP5 EU - PEARL, Responsible of WHO Collaborating Centre and PI TB REACH Wave 6 presso San Raffaele Scientific Institute, Milan
Sr Research Scientist	Emerging bacterial pathogens Unit, San Raffaele Scientific Institute, Milan
Technical Advisor on KPs	AFAO
PhD, MD, MSc, Head the Unit of Mycobacteriology Institute of Tropical Medicine Antwerp, SRL Antwerp	SRL Antwerp, Belgium
Scientific director and program director	Malaria Elimination Initiative at the Manhica Health Research Center (MHRC)
Resident Representative	WHO in Benin
Laboratory Manager/Consultant	National TB and Leprosy Control Program, Abuja Nigeria

Senior Technical Advisor, Malaria Strategy and Financing, Malaria -	Clinton Health Access Initiative, Eswatini
Director of Regional Business office of PR-UNOPS	UNOPS
Head of Program from PR - UNOPS	UNOPS
Regional Senior Program, M&E and Health Systems Specialist,	UNOPS
Malaria Program Manager, South Africa	Clinton Health Access Initiative
Country focal person for the Southern Africa Development Community (SADC) at	Malaria Elimination 8
Research assistant	SRL, Uganda
Laboratory Manager	National TB Research and Reference Laboratory, NIMR Yaba, Lagos State, Nigeria
RCM Chair, Public Health Consultant, Former Deputy Permanent Secretary, MOPH Thailand, CCM Chair and SC member at GF	MOPH
Thailand CCM and Secretary of RCM for MC T.B UNOPS	Thailand CCM
Eswatini Manager on the RCM of MOSASWA	MOSASWA
Deputy Director for Malaria	Bill and Melinda Gates Foundation
Program Manager	National T.B Program, Ghana
Senior Laboratory Technical Advisor - Lead evaluator for MC TB WC Africa NTP/SRL evaluation	Management Sciences for Health
CEO	Australian Federation of AIDS Organisations (AFAO)
Senior Technical Lead	Australian Federation of AIDS Organisations
Director International Programs,	Alliance of Public Health (APH)
Project lead: International Programs,	Alliance of Public Health (APH)
SR NGO.	Humanitarian Action, Russia
M&E Focal Point	FPA, Sri Lanka
M&E focal point	MC TB WC Africa NTP/SRL
Director NGO (SR)	NGO Humanitarian Action
Program Officer	WHO Benin
Technical Advisor to the TB Programme, Ghana	NTP Ghana
SR NGO	Central Asia PLH Association, Kazakhstan
PR Cambodia	UNOPS
PR Cambodia	UNOPS
MD, MPH, PhD	President's Malaria Initiative USAID, Mozambique
	CHAI Mozambique
Medical Officer Malaria, Inter-country Support Team for East and Southern Africa, WHO Representative on MOSASWA	World Health Organization
Lab focal point at the NTP, Ghana	NTP/SRL
Executive Director	Family Planning Association of Sri Lanka (FPA Sri Lanka)
Country Director	MC SEA AFAO

Deputy CCM Chair; Acting President of the ALE	ALE Kazakhstan; MC EECA APH
Director, NGO Regional Coordinator, Russian Federation	Cheliabinsk NGO partner 'Source of hope' in Russia
	Cheliabinsk NGO partner 'Source of hope' in Russia
PHME Specialist	MC SEA AFAO
Vice Director of CENAT	MoH, Cambodia
Head of project, budget advocacy, cities, cascades in Ukraine	UNAIDS Regional Office, Ukraine
Regional coordinator	UNAIDS
Senior Analyst, HIV Program, Technical Assistance	IOM, Cambodia
Chief of Mission, Cambodia	IOM Cambodia
National Project Officer Migration Health Program,	IOM, Cambodia
Lead Assistant M&E Coordinator	IOM Cambodia
Finance and Administrator and budget Analyst, Cambodia	IOM, Cambodia
Mozambique Manager on the RCM of MOSASWA	MC MOSASWA
RCM Chair, for the Regional Response to TB in the mining sector in Southern Africa	MC WHC
Regional Advisor (PrEP)	UNAIDS Regional Office for Asia and the Pacific & the World Health Organization
M&E lead from the PR of the NTP/SRL	MC NTP/SRL
Monitoring & Evaluation Manager	Wits Health Consortium
Program Manager	Wits Health Consortium
Policy and Advocacy Director	100% LIFE, Ukraine
Project Manager, SKPA Sri Lanka	AFAO
Country Lead, SKPA Program, Sri Lanka	MC SEA AFAO
Deputy Chair	Informal Network of SOGIE Community in Bhutan
Acting Director for Central Asia	UNAIDS Regional Office Kazakhstan
Director for Central Asia	UNAIDS
Program Manager	National HIV/AIDS and Hepatitis Control Program under the Ministry of Health (Bhutan)
Program Officer	MOH Bhutan
Bhutan	MOH Bhutan
Bhutan	MOH Bhutan
Principal Recipient (PR) Executive Director Global Fund Alternate Board Member	International Charitable Foundation - Alliance for Public Health
Special Advisor on External Relations for the Advisory Board, Board Member at the Global Fund	ProActividad
Executive Director	Community Health and Inclusion Association (CHIAs), Lao PDR
Technical Adviser	CCM Secretariat Lao PDR
Deputy Director, Centre from HIV/AIDS and STI	Ministry of Health. Lao PDR
Director of Programmes Board Member at the Global Fund	Global Action for Trans- Equality

Deputy Director, Global Policy and Advocacy Board Member at the Global Fund	Bill & Melinda Gates Foundation
Deputy Director of National TB Center; Co-PR Lao PDR	MOH, Lao PDR
MoH, Lao PDR	MOH, Lao PDR
MoH, Lao PDR	MOH, Lao PDR
MoH, Lao PDR	MOH, Lao PDR
Director	UNAIDS Regional Support Team for Asia and the Pacific
Executive Director GF Alternate Board Member (Communities)	Impact Sante Afrique Global Coordinator   CS4ME (Civil Society for Malaria Elimination),
Program Manager/Officer, SKPA Thailand	MC SEA AFAO
Country Lead and Program Support Officer Lao, Bhutan	MC SEA AFAO
Executive Director	Center for HIV/AIDS and STI (CHAS), Lao PDR
Deputy National Director	Save the Children, Bhutan
M&E and Documentation Coordinator	Save the Children , Bhutan
Project Officer	Save the Children, Bhutan and SKPA 1
Executive Director GF Board Member	Interagency Coalition on AIDS and Development
CEO LSDI 2 and PR For MOSASWA	MOSASWA
CEO & Program Manager LSDI2 and PR for MOSASWA	MOSASWA
LSDI – Chief Financial Officer	MOSASWA
Director Malaria – South Africa	MOSASWA
Permanent Secretary Malaria – Eswatini	MOSASWA
Regional Programme Manager – Malaria - CHAI	MOSASWA
Programme Director Malaria - Mozambique	MOSASWA
Member of the RCM	MOSASWA
CHAI - Mozambique	MOSASWA
PMI - Mozambique	MOSASWA
CHAI – South Africa	MOSASWA
Deputy Director for Malaria, at BMGF	MOSASWA
Global Fund - FPM	MOSASWA
Global Fund – Monitoring and Evaluation	MOSASWA
Mozambique – MOSASWA Focal Person	MOSASWA
Country focal person for the Southern Africa Development Community (SADC) at Malaria Elimination 8	MOSASWA
Eswatini Manager on the RCM of MOSASWA	MOSASWA
Regional Coordinator	ITPCru
Programme Manager NLTP	MOH ( Gambia)
National TB Program Manager in Mozambique	MOH, Mozambique
OC Chair and CCM Rep, Zambia	CCM Zambia
RCM Member Eswatini.	RCM Eswatini
RCM Member Eswatini.	RCM Eswatini

Chairperson of the RCM	Wits Health Consortium
Project Manager/ Researcher and PR WHC	Enhancing Care Foundation, South Africa
Deputy Director for Malaria, Bill and Melinda Gates Foundation (BMGF)	BMGF
Consultant, Malaria Program Management	Goodbye malaria
Principal Programme Officer - Policy Specialist	African Union Development Agency-NEPAD, Gauteng, South Africa
Principal Recipient ( CEO): MC – WHC / TIMS for T.B Mines	Wits Health Consortium
Chief Financial Officer	Wits Health Consortium
Chief Operating Officer	Wits Health Consortium
General Coordinator	RMEI, IDB
Senior Health Associate	IDB/Dominican Republic
Medical Consultant	National Services of Health, Dominican Republic
Director, Center for the Prevention and Control of Transmissible Diseases	Ministry of Public Health, Dominican Republic
PAHO/WHO Representative	PAHO/El Salvador
	IDB/El Salvador
Health Lead Specialist	IDB/Guatemala
Director General for System Integration	Ministry of Public Health, Guatemala
Director, Program for Transmissible Infections, Vectors	Ministry of Public Health, Guatemala
Lead, Programs for MENA grant	Frontline AIDS
Program Advisor for MENA grant	Frontline AIDS
Head of Evidence	Frontline AIDS
Senior Advisor, Global Fund	Frontline AIDS
Senior Advisor for M&E, PMU (Lebanon)	Frontline AIDS
Executive Director	MENAHRA
(former) Program Coordinator,	MENAHRA
Program Coordinator	MENAHRA
Consultant/epidemiologist	CARITAS/Egypt
Programme Coordinator	Forearms of Change Center to Enable Community, Jordan
Executive Director	Forearms of Change Center to Enable Community, Jordan
Executive Director	SIDC, Lebanon
Program Coordinator	SIDC, Lebanon

## Annex 3: Documents Reviewed at Global Level

- The Global Fund (2016) 35<sup>th</sup> Board Meeting: The Global Fund Strategy 2017 – 2022: Investing to end epidemics
- The Global Fund (2016) 35<sup>th</sup> Board Meeting: 2017 – 2022 Strategic Key Performance Indicator Framework
- The Global Fund (2018) 39<sup>th</sup> Board Meeting: End-2017 Key Performance Indicator Results
- The Global Fund (2016) 36<sup>th</sup> Board Meeting on Catalytic investments for the 2017-2019 allocation period, GF/B36/04, November 2016
- The Global Fund (2019) 41<sup>st</sup> Board Meeting on Strategic Investments for the 2020-2022 allocation period. GF/B41/03, May 2019
- The Global Fund (2015) Strategy, Investment and Impact Committee: TERG Position Paper: Sustainability
- The Global Fund (2015) Strategy, Investment and Impact Committee: TERG Position Paper: Health Systems Strengthening
- The Global Fund (2017) Strategy Committee: Strategic Review 2017
- Global Fund, TERG Strategic review 2020 final report Vol1 and Vol2, 31 August 2020 – EHG, Itad, UCSF
- Global Fund, TERG Thematic review of regional and multi-country grants, 2016 - EHG
- The Global Fund, 2020 TRP Lessons Learned, Strategy Committee (GF/SC15/23), 15<sup>th</sup> SC Committee meeting, March 2021
- The TRP's consolidated observations on the 2014-2016 allocation-based funding model, April 2016
- The Global Fund (2017) Guidance Note: Sustainability, Transition, and Co-financing of programs supported by the Global Fund
- The Global Fund (2017) Building Resilient and Sustainable Systems for Health through Global Fund Investments: Information Note
- The Global Fund (2017) Global Fund Strategic Performance Management Framework
- OIG Audit Report – Global Fund Multicountry Grants, GF-OOIG-19-003, Feb 2019
- Catalytic investments prioritization approach slides (endorsed by SC in October 2018), 9<sup>th</sup> SC meeting March 2019
- TERG Thematic Review of the Global Fund's Regional/Multi-country Grants, June 2016
- GF SC01 07 Allocation Methodology Catalytic Funding.
- Strategy Committee Chair's Summary Notes, GF/SC09/18 28-29 March 2019, Geneva, Switzerland
- <https://www.theglobalfund.org/en/funding-model/before-applying/catalytic-investments/>
- RFP: TGF-21-018, February 2021
- The Global Fund <https://data.theglobalfund.org/investments/grants>
- The Global Fund, Evaluation of the Regional Advisory Committee CAR-LAC, July 2019
- TERG: Position Paper - Thematic Review on the Role of the Private Sector in Program Delivery [https://www.theglobalfund.org/media/11072/terg\\_role-private-sector-program-delivery-thematic-review\\_report\\_en.pdf](https://www.theglobalfund.org/media/11072/terg_role-private-sector-program-delivery-thematic-review_report_en.pdf)
- Focused Country Evaluations, Asia Pacific Multi-Country HIV Grants, July 2020 – AMPG Health

## Annex 4: Online survey

The electronic survey was sent to 187 respondents identified by the TERG Secretariat in collaboration with the Global Fund Secretariat. The survey was in English, French, Spanish and Russian and consisted of 19 questions specific to catalytic multi-country grants.

Prior to its transmission, an email was sent to all respondents by the TERG Secretariat asking them to participate in the survey. The email provided an introduction to the survey, its purpose, a guarantee of confidentiality statement, and contact information in case any respondent has additional questions. Respondents were given an initial deadline of three weeks, with periodic reminders to complete the survey.

The survey was administered by EHG using Survey Monkey and was designed to be user-friendly and provided both quantitative and qualitative options for responses. General demographic, geographic and stakeholder relationship information was collected followed by several Likert scale questions specific to catalytic multi-country grants (e.g. design, implementation, value-added, governance, ability to address thematic foci, etc.). Almost all Likert questions had the option to provide additional qualitative information and the final questions probed for any additional lessons learned or comments not covered by the survey. All respondents had the option of opting out of parts of the survey with which they are not familiar.

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## TERG Multi-Country Catalytic Investment Grants Evaluation E-Survey

### Introduction

Euro Health Group (EHG) has been commissioned by the Technical Evaluation Reference Group (TERG) of the Global Fund to conduct a Thematic Evaluation of the Global Fund's Catalytic Investment Multi-Country Grants. The emphasis of the Evaluation is to help the Global Fund look forward strategically, and the findings and recommendations will be used to inform the discussions by the Board and Strategy Committee for the 2023-2025 allocation period.

As part of the evaluation, EHG is conducting this electronic survey of selected key stakeholders about the 2017-2019 allocation and implementation of Multi-Country Grants. To encourage openness and honesty, all responses will be treated in confidence and responses will not be traceable to individual respondents. The survey will be analyzed entirely by the review team, data will be anonymized, and analysis of the results will be presented in aggregated form only.

We thank you in advance for your time in completing the survey which should take approximately 20 minutes. We request that you submit completed surveys by 16 July 2021

If you have any difficulties in completing this questionnaire or have any questions, please contact Mrs. Vera Nedic at [vnedic@ehg.dk](mailto:vnedic@ehg.dk)

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1) In which country are you currently located? Please select from the following drop-down menu.

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- 2) Are you a... (choose all that apply)
- a. Principal recipient
  - b. Sub-recipient
  - c. Sub-sub recipient
  - d. RCM/CCM member/alternate
  - e. RCM/CCM Secretariat
  - f. Other stakeholder

*Comment box:* If you marked "Other stakeholder", please write in which stakeholder group best describes you and the organization you represent.

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- 3) If you are a CCM/RCM member/alternate, which sector do you represent?
- a. Government
  - b. Civil society
  - c. Development Partner
  - d. Private sector
  - e. Other
- 
-

- 4) Which of the following best describes the issue addressed by the multi-country grant in your country during the current implementation period? Please check all that apply. (If there is more than one multi-country grant in your country, please refer to the one that you are most involved with.)
- a. key and vulnerable populations (KPKPs)
  - b. sustainability and transition
  - c. human rights barriers to services
  - d. malaria drug resistance
  - e. malaria elimination
  - f. community management of MDR-TB
  - g. finding missing TB cases
  - h. harm reduction (and related services)
  - i. gender-related barriers to services
  - j. advocacy
  - k. TB in migrant/mobile populations
  - l. Other

*Comment box:* If you marked “Other”, please describe the issue which your multi-country grant is addressing.

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- 5) On a scale of 1-5, with 1 = very weak, 2 = somewhat weak, 3 = neutral, 4 = somewhat strong, 5 = very strong, or No Opinion/Not applicable, please indicate your rating for the following multi-country grant processes during the current implementation period:
- a. Efficiency of the grant *application* process
  - b. Transparency of the grant *application* process
  - c. Efficiency of the grant *review* process
  - d. Transparency of the grant *review* process
  - e. The extent of national engagement in the funding request/continuation process
  - f. Coordination at the regional level during grant application
  - g. Management and coordination at the regional level during grant making
  - h. Assistance and coordination by the Global Fund during grant making

*Comment box:* What do you think can improve the application process for multi-country grants?

---

- 6) On a scale of 1-5, with 1 = very weak, 2 = somewhat weak, 3 = neutral, 4 = somewhat strong, 5 = very strong, or No Opinion, please indicate your rating for how well the multi-country grant:
- a. Facilitates coordination and collaboration among national partners
  - b. encourages coordination and collaboration among regional partners
  - c. encourages coordination and collaboration between RCMs/ROs and CCMs
  - d. leverages and integrated existing country level tools and approaches
  - e. facilitates links with other donors funding similar initiatives
  - f. provides a platform for harmonizing and coordinating approaches

*Comment box:* Please feel free to provide any additional comments

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- 7) On a scale of 1-5, with 1 = very weak, 2 = somewhat weak, 3 = neutral, 4 = somewhat strong, 5 = very strong, or No Opinion, please indicate your rating for how well communities and civil society were engaged in the design of your multi-country grant.

*Comment box:* Please feel free to provide any additional comments

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- 8) To what extent does your multi-country grant(s) address issues that a country-level grant could not? 1= Not at all, 2 = Very little, 3 = Moderately, 4 = Significantly, 5 = Don't know/Not Sure

*Comment box:* Please feel free to provide any additional comments

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- 9) To what extent are partnerships with other organizations (e.g. WHO, UNAIDS, USAID, PEPFAR, BMGF, private sector, etc.) contributing to and are effective in the delivery of the multi-country grant, including technical assistance? 1= Not at all, 2 = Very little, 3 = Moderately, 4 = Significantly, 5 = Don't know/Not Sure, 7 = Not Applicable

*Comment box:* How can these partnerships be improved?

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- 10) On a scale of 1-5, with 1 = very weak, 2 = somewhat weak, 3 = neutral, 4 = somewhat strong, 5 = very strong, or 6. Don't know/No opinion, please indicate your rating for how well the multi-country grant addresses the following issues during the current implementation period.
- a. Implementation bottlenecks in country grants
  - b. Coordination between countries during implementation
  - c. Adequately representing the needs of various constituencies
  - d. Appropriateness of indicators for grants focused on advocacy and/or human rights

*Comment box:* What are the main factors that have facilitated effective implementation?

*Comment box:* What are the main factors that have constrained effective implementation?

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- 11) On a scale of 1-5, with 1 = very weak, 2 = somewhat weak, 3 = neutral, 4 = somewhat strong, 5 = very strong, or 6 = Don't know/No Opinion, please indicate your rating for how well multi-country grant(s) address the following to ensure sustainability after funding ceases.
- a. Regional and national level capacity building (non-disease specific)
  - b. Regional and national level capacity building (disease specific)
  - c. Collaboration and building new partnerships
  - d. Including strategies to encourage national ownership
  - e. Alignment of multi-country grants with national strategy priorities
  - f. Inclusion of transition plans for financial and programmatic sustainability in the grant design

*Comment box:* Please feel free to provide any additional comments

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- 12) Is there either a Regional Coordination Mechanism or Regional Steering Group for your multi-country grant?
- a. Regional Coordination Mechanism
  - b. Regional Steering Group
  - c. Neither

d. Don't know

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13) On a scale of 1-5, with 1 = very weak, 2 = somewhat weak, 3 = neutral, 4 = somewhat strong, 5 = very strong, or No Opinion, please indicate your rating for how well the Regional Coordination Mechanism or Regional Steering Group functions.

*Comment box:* What have been the main factors promoting or inhibiting effective governance?

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14) On a scale of 1-5, with 1 = very weak, 2 = somewhat weak, 3 = neutral, 4 = somewhat strong, 5 = very strong/No Opinion, please indicate your rating for how well the governance structure for the multi-country grant addresses the following issues.

- a. Conducting oversight
- b. Facilitating regional coordination
- c. Addressing grant implementation issues
- d. Interaction with national coordination mechanisms (e.g. oversight visits)

*Comment box:* Please feel free to provide any additional comments

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15) On a scale of 1-5, with 1 = very weak, 2 = somewhat weak, 3 = neutral, 4 = somewhat strong, 5 = very strong, or No Opinion, how well does the performance measurement framework for your multi-country grant:

- a. measure grant performance?
- b. capture differences between countries?
- c. facilitate useful decision-making?

*Comment box:* Please feel free to provide any additional comments

---

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16) On a scale of 1-5, with 1 = very weak, 2 = somewhat weak, 3 = neutral, 4 = somewhat strong, 5 = very strong; 6 = Don't know/No Opinion, how well does your multi-country grant complement the strategic direction of national programs?

*Comment box:* Please feel free to provide any additional comments

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17) If you have applied for a grant financed from the 2020-2022 period, is this:

- a. a continuation of a previous allocation multi-country grant?
- b. a new grant?
- c. a pre-shaped grant?
- d. don't know

*Comment box:* If it's a continuation or a pre-shaped grant, what are the key changes in the new (2020-2022) allocation compared to the previous allocation, in terms of identification of strategic priorities, application process, review process and grant making?

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18) *Comment box:* Are there any other lessons learned/good practices or missed opportunities associated with multi-country grant implementation or governance you would like to share?

19) *Comment box:* Please provide any additional comments not covered by this survey, if you have any you would like to share.

## Annex 5: MCG Generic Interview Guide

### INTRODUCTION

Euro Health Group (EHG) has been commissioned by the TERG to conduct a Thematic Evaluation of Global Fund's Multi-country Catalytic Investment Grants. The findings and recommendations will be used to inform the discussions by the Board and Strategy Committee for the 2023-2025 allocation period. The specific objectives of the Evaluation are:

4. To evaluate whether and how Multi-country grants contribute to achieving the strategic objectives of the Global Fund;
5. To evaluate whether and how Multi-country Catalytic Investment grants were able to effectively tackle regional bottlenecks and address cross-border and national issues; and,
6. To evaluate the efficiency, effectiveness and equity of operationalization and implementation of Multi-country Catalytic Investment grants to inform the 2023-2025 allocation cycle and Multi-country grant priorities under the post-2022 Global Fund strategy

### 1. IMPLEMENTATION

What particular **complexities do multi-country grants exhibit that require special attention** in terms of implementation, monitoring, evaluation and oversight?

- To what extent have multi-country grants been implemented as intended?
- Does MC grant implementation involve extra transaction costs compared to country grants

What are the **challenges in assessing the performance, outcome and impact of MC grants?**

- What should be differently to strengthen MC grant performance measurement?

How do Multi-country Catalytic Investment grants **leverage and integrate existing country level tools** and approaches?

To what extent have **Global Fund partnerships contributed to the delivery of MC grants?**

To what extent did multi-country grants **build systems and capacities at the regional and national level** to tackle regional issues, independently from Global Fund grants?

### 2. GOVERNANCE

What are the **strengths, limitations and good practice of the MC Grant governance mechanisms?**

### 3. RESULTS

**To what extent have MCGs achieved their key objectives?**

- What is the added value of MC Grants over country grants, if any?

**How have MCGs performed compared to their targets?**

- What are the facilitating and hindering factors influencing the effectiveness of MC Grants?

### 4. LESSONS LEARNED

What recommendations can be provided to:-

- reduce the complexity of MCGs;
- ensure efficient implementation modalities
- strengthen coordination and alignment with national grants and future MCGs; and
- facilitate longer term transition, where this is indicated

## Annex 6: Quality Assurance

Quality management and assurance is an integral part of EHG's approach to evaluations and, as such, EHG developed a guidance note, which defines all processes, procedures and workflows related to the implementation of this assignment. All services were provided in accordance with the standards laid out in this manual.

While the evaluation team was directly responsible for technical oversight and quality assurance of deliverables and results, a quality assurance (QA) team comprised of key leadership of EHG provided oversight, guidance, and support to the team. The quality assurance team maintained close communication and coordination with both the evaluation team and the TERG Focal Points and Secretariat. All team members were briefed on technical aspects, administrative and managerial procedures and communication lines.

Given that the mission was conducted remotely, the Co-TLs paid close attention to the management of the work. During the three phases of the mission, regular internal online meetings with the support of the QA and management team were organized to ensure that all team members were clear on the purpose and scope of all aspects of the evaluation, including the proper protocols, policies and procedures of conducting data collection, analysis, and report writing. Additional ad hoc team calls took place, as needed, to ensure the evaluation was progressing and to foster greater discussion of emerging themes, results, gaps, and areas of synthesis as related to the MCGs. The Co-TLs conducted periodic conference calls with the TERG secretariat to report on progress, adjust the work as necessary, and ensure that all team members had a common understanding of the task and expected results.

## Annex 7: Ethical Considerations

The evaluation team ensured confidentiality and anonymity of key informants and avoided referring to individuals and confidential materials. The evaluation team agreed with the TERG regarding the appropriateness of citing specific countries from the case studies.

The purpose of the evaluation and intended use of information obtained from interviews were explained to each stakeholder at the onset of interviewing. Care was taken that all interview questions and requests for further clarification/explanation are not perceived as “steering” the interview or response in any direction. Due to their face-to-face nature, interviews were not anonymous. However, information from stakeholder interviews and submissions were aggregated and anonymized, and it will not be possible to link any information in the report to any of the individual stakeholders listed, unless done so transparently, by design and with the permission of the informant/respondent.

Annex 8. Rubric setting out criteria for assessment of VfM<sup>48</sup>

Table 17: Criteria for assessing value for money

Ranking	Economy	Efficiency	Effectiveness
<b>Excellent</b>	Program management related costs are below relevant benchmarks. Only scope for incremental progress to be made.	Grant has been fully implemented and output targets are met/ exceeded in line with allocated budget; the ratio between program expenditure and outputs achieved significantly increases over time; and/or positive unintended consequences have been realized.	Grant/program outcome targets are met/ exceeded; the ratio between grant/ program outputs and outcomes achieved significantly increases over time; and/ or positive unanticipated outcomes have been realized.
<b>Good</b>	Program management related costs are comparable with relevant benchmarks. Some further progress could be made.	Grant has been mostly implemented and output targets are predominantly/ nearly met (or likely to be met), in line with allocated budget; the ratio between program expenditure and outputs achieved increases over time; and/or no negative unintended consequences have been encountered.	Grant/ program outcome targets are predominantly/ nearly met (or likely to be met); the ratio between grant/program outputs and outcomes achieved shows some improvement over time; and/or no negative unanticipated outcomes.
<b>Adequate</b>	Program management related costs are slightly above relevant benchmarks, although significant further progress could be made.	Grant has not been fully/ mostly implemented, with only some progress towards meeting grant output targets, but generally in line with allocated budget; the ratio between program expenditure and outputs shown minimal progress over time; and/ or no significant negative unintended consequences have been encountered.	Substantive progress towards grant/ program outcome targets; the ratio between grant/ program outputs and outcomes achieved shows minimal improvement over time; and/ or no significant negative unanticipated outcomes.
<b>Poor</b>	Program management related costs are unacceptably high compared to relevant benchmarks. Urgent improvements are needed.	Grant has mostly not been implemented with limited/ no progress towards meeting grant output targets, and budget not utilized; the ratio between program expenditure and outputs shown no/negative progress over time; and/or significant negative unintended consequences. Urgent attention is needed.	Limited/ no progress towards grant/ program outcome targets; the ratio between grant/ program outputs and outcomes achieved shows no/ negative improvement over time; and/ or significant negative unintended outcomes. Urgent attention is needed.

<sup>48</sup> As per our approach set out in the inception report, the criteria for assessment of VfM do not seek to be comprehensive but draw on the information available from across the evaluation.

## Annex 9. Responses to agreed management actions from OIG audit

Recommendations/Agreed Management Actions (AMAs)	Whether responded to?	Comments
<b>2019 OIG Audit of Multi-country Grants</b>		
AMA1. The Secretariat has been conducting a pilot governance approach in the Latin American and Caribbean region to address challenges inherent in oversight of multi-country grants. The Secretariat will conduct an evaluation of this pilot and incorporate lessons learned into the next funding cycle.	Yes	In response to the 2019 OIG Audit Report and the AMA, the Global Fund commissioned an evaluation of the regional advisory committee CAR-LAC. The evaluation report, (dated July 2019) provided a set of findings, conclusions and recommendations to strengthen the functioning of CAR-LAC. It is unclear to what extent these recommendations have been operationalized.
AMA 2. The Secretariat will review the guidance and policies for multi-country grants and identify changes that need to be made, based on materiality, risk, and efficiency considerations. Modifications of relevant guidance and policies will be implemented through the appropriate operational launch for the next funding cycle (including governance arrangements, which will be addressed through the CCM Evolution Initiative pending ongoing Board support).	Yes	RCMs now included in Phase II of the CCM Evolution initiative. Various modifications of guidance and policies for MCGs have been undertaken by the Secretariat.
<b>2016 TERG Position paper on Regional/MCGs – recommendations from 2016 TERG Thematic Review of Regional and Multi-country Grants</b>		
Recommendation 1: <i>The Global Fund Secretariat, in conjunction with regional partners, should proactively identify regional priorities and themes.</i> The TERG supported this recommendation	Yes	In 2017-2019 allocation period, the Secretariat identified 14 strategic priorities for MCGs, and this prioritization process resulted in a smaller number of more focused MCGs
Recommendation 2: <i>The Secretariat should include some provision for funding innovative approaches to service delivery.</i> The TERG supported this recommendation	Work in progress	There is provision in MCGs for innovative approaches for service delivery. However, there is limited flexibility to respond to innovative re-programming needs
Recommendation 5: <i>Provided that regional/multi-country applications are aligned with pre-identified themes (and allowing some room for innovative approaches to service delivery), the Global Fund should also allow greater flexibility in how it funds regional/multi-country initiatives</i> The TERG agrees with the recommendations for clarity in definitions and flexibility in grant funding	Yes	Multi-country grants are funded through three mechanisms : a. MCGs funded by country allocations pooled together to increase efficiency of the investments (the Organization of Eastern Caribbean States, Western Pacific and Middle East Response multi-country grants); b. MCGs funded by both country allocations and catalytic funding (the Regional Artemisinin-resistance Initiative grant);

		c. MCG s funded solely through catalytic funding (Multi-country Catalytic Investments grants)
<p><i>Recommendation 6: Regional grants, especially those focused on advocacy, should be provided with funding for a minimum duration of five years, should only be refunded in exceptional circumstances, and should include well-articulated transition plans</i></p> <p>The TERG considers that all Global Fund grants should include planning for continuity of activities beyond the grant period as appropriate</p>	No.	Recommendation is in line with recommendation 3 from our evaluation
<p><i>Recommendation 11: The Secretariat should provide guidance to applicants to ensure that they include specific value-added elements in the grant application. The Global Fund Secretariat should also develop a checklist for the TRP that includes these elements</i></p> <p>The TERG agrees with the spirit of this recommendation. The list of conditions could be a starting point for criteria on whether a regional grant is likely to add value.</p>	Work in progress	Recommendation is in line with recommendation 2 from our evaluation
<b>TRP 2017-2019 Observations</b>		
The Global Fund should continue a highly selective multi-country approach and should continue predetermining areas and regions for investment in the next funding cycle.	Yes	Recommendation is in line with recommendation 1 from our evaluation
Similar to the Program Continuation modality in country allocations, the newly approved multicounty grants could be considered for continuation in the next cycle if they meet specific criteria, especially good performance and achieving desired catalytic value.	Yes	Global Fund Secretariat defined a set of criteria within the Board-approved catalytic investment priorities. These criteria informed the process of determining which existing multi-country programs were continued, refocused or discontinued; as well as which new multi-country grants were identified for pre-shaping
Multi-country application processes (both the pre-shaping and RFP approaches) should be strengthened	Work in progress	Recommendation is in line with recommendation 2 from our evaluation
The Global Fund should work with partners to define a new monitoring and measurement framework for multi-country grants, more suited to supra-national interventions.	Work in progress	Recommendation is in line with recommendation 3 from our evaluation
Applicants should include a sustainability plan to indicate approaches to be used to institutionalize the mechanisms to achieve and sustain results beyond grant life.	Work in progress	Recommendation is in line with recommendation 3 from our evaluation
Expected catalytic nature of the responses should be better defined in the RFP with a focus on strengthening national program outcomes. The applications should make a better link between proposed interventions and strengthening services ultimately leading to better results. Furthermore, the ambition of the RFP should be matched to budget and timeframe	Work in progress	Recommendation is in line with recommendation 2 from our evaluation