

# **Strategic Performance Report end-2022**

## **49<sup>th</sup> Board Meeting**

GF/B49/11

10 – 11 May 2023, Ha Noi, Viet Nam

### **Board Information**

Purpose of the paper: To provide an update on end-2022 Key Performance Indicators (KPIs) results against targets.

# Executive Summary

The performance of KPIs at end of 2022 was similar to the results observed at end-2021 showing positive results for lives saved, for financial and operational performance, and for the majority of RSSH KPIs. Combined Incidence reduction across the three diseases continues to progress slowly and current results suggest that the end-2022 Strategy target will not be met. Please note as we near the end of the 2017-2022 Strategy, several KPIs are being reported for the last time in this report. However, some of these KPIs will be replaced with new KPIs in the 2023-2028 KPI Framework for which reporting will begin from Spring 2024.

Key highlights on the KPIs included in the Strategic Performance Report at end-2022 are noted below.

1. Data reported through Global Disease Reports show that the Global Fund contributed to saving more than **29 million** lives over the 2017-2021 period. The 2022 Strategy target of 28 to 30 million lives saved has thus already been achieved a year prior to the end of Strategy. *(KPI 1a)*
2. Overachieving of KPI 1a target on contribution to lives saved is partially related to the slower rate of decline in incidence rates which in turn resulted in the need to treat more people. Latest data shows that a **decline of 16.2% in the combined incidence rate** has been achieved between 2015 (baseline) and 2021 across the portfolio. Based on the latest projections, it is expected that the end 2022 results will not be within the Strategy target range of 28%-47% reduction in incidence rate. Several factors contributed to a slower decrease of incidence rate, such as COVID-19, sub-optimal coverage of malaria prevention, biological threats of insecticide and drug resistance. More accurate estimates of TB burden in some countries could also be attributed to an increase in TB incidence rates. *(KPI 1b)*
3. To support greater progress on incidence reduction, the Global Fund as part of implementing the new Strategy, is working to support countries in HIV prevention planning and implementation, focusing on TB prevention and quality TB programming through TB program essentials, and supporting sub-national tailoring of malaria programs to adapt to local/community context.
4. The final results for KPI 3 show that for the 2020-2022 Allocation Period, there continues to be **strong alignment between the level of investment made in each country and country need** ensuring that funds were invested in countries where the need was greatest. *(KPI 3)*
5. Assessments of program design for 2020-2022 Allocation Period have been completed for HIV, TB and malaria national programs in 33 countries, with **all (100%) programs assessed so far demonstrating a decrease of cost per life saved or infection/case averted**. Assessments are underway in remaining countries and the final results will be reported in Fall 2023; however preliminary analysis suggest that the final KPI result is likely to be lower than the current result. *(KPI 4)*
6. The On-Shelf-Availability target (KPI 6b) was met for all diseases and product groups (Diagnostics and First Line Drugs). For the countries in the cohort, the average On-Shelf-Availability (OSA) is 84% and considered to be high (i.e. 90% or more) in a third of the cases. Overall product availability has increased by an average of 16 percentage points across product categories compared to the previous year. Malaria First Line Drugs had the highest product availability with eight of the 16 cohort countries reporting greater than 90% OSA. This is the last time KPI 6b is being reported, because

as of Spring 2024, it will be replaced with KPI S8 (*On Shelf Availability*) in the 2023-2028 KPI Framework. (KPI 6b)

7. Consistent with previously reported result for KPI 12a, results for **supply continuity for both high and low volume PPM products exceeded targets**. 13 out of 14 high volume products had four or more suppliers and all 10 low volume products had two or more suppliers. KPI 12a is being reported for the last time as from Spring 2024, this KPI will be replaced by KPI S9 (*Supply Continuity*) which will also include TB products. (KPI 12a)
8. The final results for KPI 12b, show that **PPM savings** were at US\$50mn driven mainly by savings from ARVs. Price increases for other products (such as LLINs) driven by general price increases in raw materials had an impact on the level of savings. As noted in the previous report, it was agreed at the 17<sup>th</sup> AFC meeting that there will not be a target for 2022 PPM savings, and hence no performance assessment of KPI 12b is noted in this end-2022 Strategic Performance Report. (KPI 12b)
9. KPI 6ci and 6cii are being reported for the last time. The final KPI 6ci result shows that, consistent with previous results, **all eight priority countries completed public financial management transition efforts** contributing to financial management sustainability, aid effectiveness, accountability and transparency. However, even though the number of countries with “financial management systems meeting defined standards” increased from 5 to 34 during the 2017-2022 Strategy period, the increase was not sufficient to meet the target of 46 countries. This performance can be partly attributed to competing priority processes for accessing COVID-19 funds, PUDR/FCR reviews etc. that impacted the responsiveness of implementers and the Secretariat’s ability to monitor action plans. (KPI 6ci, and 6cii)
10. The last report for KPI 6d shows that only 55% (28) High-Impact/Core countries **have a fully deployed and functional HMIS** at end 2022. Despite substantial improvement from the beginning of the Strategy, the result is below the target of 70% (35 countries), primarily driven by low scores on reporting timeliness. On the other hand, it is important to note that due to the support of the Global Fund Strategic Initiative on Data, there was significant improvement seen in scores for Integration of disease reporting as 92% countries (vs 45% in 2018) had HIV, TB and malaria data integrated (or interoperable) with HMIS.
11. As the next round of program assessments for Breaking Down Barriers (BDB) countries is currently underway, the preliminary results on KPI 9a can only be shared in Fall 2023, and final results for the full cohort should be available in Spring 2024. As noted in the previous report, **mid-term assessments show an overall progress** in the scale up of comprehensive programs compared to the baseline assessments. However, despite the progress, the achievement of this KPI target is considered to be at risk due to factors such as COVID-19, insufficient funding from domestic sources and partners, and also the current geopolitical and economic situation.
12. For the 6<sup>th</sup> Replenishment period, the Replenishment target of US \$14bn was fully achieved. In Spring 2024, KPI R3 (applying to 7<sup>th</sup> and 8<sup>th</sup> Replenishment) will officially replace KPI 10a. Latest KPI R3 results for the 7<sup>th</sup> Replenishment period show that 87% of the target (US\$ 18bn) has currently been achieved. Pledge conversion continues to be high at 98% for the 6<sup>th</sup> Replenishment period, with 90% cash already received. (KPI 10a and 10b)
13. Allocation utilization remained at target for grants in the 2020-2022 Allocation Period. The vast majority (**93%**) of the 2020-2022 Allocation is also now **disbursed or forecasted to be disbursed** with high utilization across all portfolio categorizations and components. (KPI 7a)

14. **Domestic co-financing commitments** to programs supported by the Global Fund for the 2017-2019 Allocation Period reached **125% of the minimum policy requirement** prescribed for co-financing. There was also a 34% increase in co-financing for 2017-2019 Allocation Period compared to the previous (2014-2016) Allocation Period. However, despite a broad increase in co-financing across the portfolio, only 84% of the total co-financing commitments were realized in the corresponding implementation period (*generally 2018-2020*) due to macroeconomic and fiscal constraints in countries, accentuated by COVID-19. Even though there has been regular progress in the extent of domestic funding, the next years are expected to be potentially challenging given the current economic outlook in countries supported by the Global Fund. This is the last report for KPI 11, as it will be replaced with KPI R1a that will track the percentage of total co-financing commitments realized rather than the minimum policy requirements. (*KPI 11*)