

Summary Report of the
Technical Evaluation
Reference Group (TERG) of
the Global Fund

Fifth Meeting

Cuernavaca, Mexico 31 August – 1 September, 2006

1.0 Introduction

This document reports on the Fifth TERG Meeting, which took place from 31 August to 1 September 2006 in Cuernavaca, Mexico hosted by Mexico's National Institute for Public Health. It provides a summary of key issues discussed and the TERG's recommendations. The agenda for the meeting and participant list are attached as Annex A.

The TERG meeting focused principally on the draft Inception Report for the Five Year Evaluation, which is a comprehensive package of studies proposed to guide the larger Five Year Evaluation effort. The TERG conducted a technical review of the report, made recommendations for its finalization and proposed management arrangements for the Five Year Evaluation. The TERG also reviewed and discussed preliminary findings from the initial Five Year Evaluation studies prioritized to inform Global Fund strategy development. The meeting made concrete recommendations to the Global Fund on finalizing the Inception Report for the Five-Year Evaluation for subsequent review by the Policy and Strategy Committee and the Board. Overall meeting objectives were as follows:

1. Review of TERG methods of work
2. Review draft report of the Global Fund 360° Stakeholder Review
3. Review draft Inception Plan of detailed studies to complete the Five-Year Evaluation
4. Review Global Fund impact measurement plan
5. Review draft statement of work for the Local Fund Agent Evaluation
6. Review Global Fund Portfolio Review draft report
7. Review Five-Year Evaluation work plan, timeline and deliverables & plans for next TERG meeting

2.0 360° Stakeholder Review

2.1 Background

The TERG reviewed and discussed major findings of the final report of the 360° Stakeholder Review including the outcome of key stakeholder interviews and the final analysis of the online stakeholder survey. TERG recommended steps to finalize the report including advice on extra analysis and presentation of the findings. TERG members appreciated the studies and the draft report, and recognised that it confirmed the Five Year Evaluation overarching questions. The TERG highlighted the limitations of the study in compiling and analysing opinions and perceptions of stakeholders but emphasized that the study gives important insights for further evaluation work, including the design of the Five Year Evaluation. TERG recognized that comparisons with other organizations are difficult as similar studies have not been performed by partner organizations. The TERG encourages partners to consider using a similar methodology for analysis and thus creating the opportunity for benchmarking and tracking of progress.

2.2 Discussion & Recommendations

The TERG had a number of specific comments and recommendations which will be incorporated in the final version of the report, and made the following recommendations:

1. The TERG recommends that a succinct 1-2 page executive summary be developed for use as a separate document. The final draft of the Stakeholder Assessment report will be circulated to the TERG for final review and will be completed by end September 2006 for distribution to the Board in advance of its November meeting.

2. The TERG recommends that major issues and key messages relating to partner perceptions of the Global Fund and LFA issues raised through the evaluation be specifically integrated and addressed in the Five Year Evaluation.
3. TERG recognizes that certain stakeholder groups were not specifically targeted through the 360 degree stakeholder survey, such as donor country parliamentarians, development ministries and others in the context of the global finance architecture. While it was not the purpose of the study, the TERG recommends that the Global Fund considers how to involve these stakeholders to assess and consider their views in the future.

3.0 Evaluation of the Local Fund Agent System

3.1 Background

Concerns regarding the current LFA system have been raised in various fora. The 360° stakeholder survey results and discussions at the Partnership Forum reconfirmed the need for a distinct evaluation of LFAs, to review the LFA model and possible options for reform and improvement. The TERG recommends an early evaluation, in order to inform both the strategy development process and the re-bidding process for LFA contracts in 2007.

3.2 Discussion & Recommendations

The TERG recommended that the proposed terms of reference for this evaluation should also examine:

- The LFA relationship with country systems including impartiality with regard to country systems, the mechanics of LFA country-level relationships and in particular, communications between CCM, PR and LFA and confidentiality issues.
- Internal quality control and assurance mechanisms of LFAs at country level.
- Quality and clarity of Global Fund management of LFAs.
- Capacity of the LFAs to assess PR technical capacity and quality of operational plans, and to monitor programmatic performance.
- Cost structure and cost-effectiveness of LFAs, especially in relation to changes in Global Fund operational practices.
- Recommendations for improving or reforming the current system.

Regarding the request for proposals for execution of this study, the TERG highlights the importance that potential offers match all the distinct qualifications currently outlined in the terms of reference and recommends that core specialist skills in health systems and epidemiology be added to the list. The TERG also recommends that the vendors list be augmented with the list of 7 institutions recently identified as UNAIDS regional technical resource facilities. The TERG agreed to provide input in the technical review of proposals and choice of contractor in the first two weeks of October. TERG members will subsequently be asked to meet either in person or by teleconference to review the related inception report. A subgroup of the TERG will work with the Secretariat, including R. Korte, S. Bertozzi, J. Pedraza and R. Leke.

4.0 Global Fund Five Year Evaluation Inception Report

4.1 Background

The TERG welcomed the draft Inception Report including a special paper on Impact Measurement, which provided a concrete basis for discussion. The TERG refocused the approach on core study areas: Global Fund Operations and Governance (Study 1); Country Partners and Grant Performance (Study 2); and Impact Measurement (Study 3).

4.2 Discussion & Recommendations

TERG discussion and recommendations with regard to the design and implementation of the Five Year Evaluation are as follows:

- The TERG recognizes that this is the first time that major disease programs are being evaluated for impact on such a large and systematic scale, and after such significant financial investment. As such, the TERG recognizes that the Five Year Evaluation will create an important public good, with many additional benefits to countries and partners.
- As the Global Fund was designed as a financial mechanism that is reliant on the contributions of many other actors, the TERG recommends that countries and partners be actively involved in impact evaluation efforts to the greatest extent possible.
- The TERG recommends the consolidation of proposed studies into three study areas that correspond to the three overarching evaluation questions (see full description in Annex B):
 1. Global Fund Operations & Governance
 2. Country Grant Performance & Partnerships
 3. Impact on the Three Diseases
- **The TERG made the following specific recommendations on study design:**
 - TERG recognizes that valuable information on implementation activities and epidemiological trends is collected by the Global Fund through performance based funding and through partner efforts. This information should be included in the Five Year Evaluation.
 - The Global Fund Operations & Governance study should include an assessment of operational efficiency benchmarked against other similar or comparable organizations.
 - Study areas 1 and 2 should include quantitative elements that describe the whole Global Fund portfolio, as well as in-depth qualitative studies.
 - Regarding Study area 3 (impact), the TERG recommends a mix of in-depth disease impact studies in 8 countries, supplemented by secondary analysis in 12 additional countries, in order to capture a representative sample of countries with the most common characteristics.. TERG recognizes that without significant investment it will not be possible to implement meaningful impact studies. A separate allocation by the Global Fund for this purpose will be needed, but additional opportunities should be pursued to use grant funds and include partners who would also benefit from this study. The TERG recognises that substantial investments have been made to build health information systems, and that marginal investments now will have large benefits to ensure these systems are prepared to show disease impact

- TERG welcomed the participation of The President's Emergency Program for AIDS Relief (PEPFAR) in the meeting, and recommended that other major partners should also be actively engaged to participate in efforts to measure disease impact.
- **The TERG made the following specific recommendations for implementation:**
 - The TERG reaffirmed its role in leadership and ensuring the independence and technical soundness of the Five Year Evaluation. The TERG confirmed it is the ultimate signatory on all products of the Five Year Evaluation.
 - TERG recommended that study area 1 on Organizational Efficiency & Governance and study area 2 on Country Grant Performance & Partnerships and the responsibility for synthesis of the overall evaluation report should be tendered together in a single contract (to be completed in 2007).
 - The study of overall impact on the three diseases requires a significantly different set of skills and expertise and will be carried out on a different timeframe. The TERG therefore recommends that study area 3 on Impact be awarded in a separate contract (to be completed in 2008).
 - TERG recommends that the Secretariat create adequate capacity to fully support the Five Year Evaluation. This capacity would be dedicated to ensuring support of the TERG's oversight of the performance of the contracts as well as necessary administrative support.
 - To ensure an "arm's length", independent relationship between the Global Fund Secretariat and the conduct of the Five Year Evaluation, contractual resources should be released only on agreement by the TERG and its sign-off on completed products.
 - The TERG recommends that a task force be created to ensure coordination among all partners participating in the Impact study.
 - The TERG considers that the Health Metrics Network, the international partnership on health information, may be well positioned to play a central role in study area three on impact.
 - The country studies should be designed in such a fashion that they strengthen national health information capacity as well as national capacity to conduct impact evaluations. This approach will generate knowledge as to how to better integrate impact evaluation into future Global Fund grants and other disease control efforts. The approach should contribute to the effort to measure impact related to the MDGs, including the link between disease and poverty, provide key information on the overall cost effectiveness of disease efforts, and align with the work of other partners to be able to show overall impact.
 - The TERG noted that the timeline for these activities will remain unchanged from that presented to the 5th Policy and Strategy Committee meeting (see Annex B).

5.0 Additional recommendations

The TERG recognizes that the Global Fund was designed as a performance based institution that primarily tracks results rather than expenditures. However, in order to strengthen the Fund's review of its portfolio on a regular basis and to be able to evaluate efficiency and link performance to funding, it is essential to have a robust monitoring system that also collects financial information:

- Based on data limitations and gaps, the TERG recommends that the Secretariat urgently implement systems to link investments with objectives by:
 - Tracking both budgets as well as expenditures by objective;
 - Analyzing and reporting on differing unit-costs for similar services or result areas across countries;

- TERG recommends that the Secretariat urgently provide information on the unit costs of key health commodities e.g. ITNs, ARVs as part of its regular reporting.

6.0 Next meeting

The Sixth TERG meeting will be held 20th – 21st February, 2007 in Geneva, Switzerland. The TERG will continue to review evaluation products between meetings, and provide these to the PSC as they become available in line with the strategy timetable.

ANNEX A

MEETING AGENDA & PARTICIPANTS LIST

TERG 5TH MEETING

AGENDA

31 AUGUST – 1 SEPTEMBER, 2006

Meeting objectives:

1. TERG Retreat to review methods of work
2. Review draft report of the Global Fund 360° Stakeholder Review
3. Review draft Inception Plan of detailed studies to complete the Five-Year Evaluation
4. Review Global Fund impact measurement plan prepared by Tulane University team and review TERG member Ties Boerma
5. Review draft statement of work for the Local Fund Agent Evaluation
6. Review Global Fund Portfolio Review draft report
7. Review Five-Year Evaluation workplan, timeline and deliverables & plans for next TERG meeting

Thursday August 31 st			
Venue: Las Mañanitas Hotel			
	08.30 – 10.00	TERG Retreat Breakfast	TERG members
1	10.00 – 10.30	Introduction & Global Fund progress update <ul style="list-style-type: none"> - Review agenda, meeting objectives - Secretariat update on Global Fund progress Chair for morning session: R. Korte	R. Korte Secretariat
2	10.30 – 11.30	Review of draft report of the 360° Stakeholder Review <ul style="list-style-type: none"> - Review major findings of the final 360° Stakeholder Review report - Discussion and recommendations 	S. Bertozzi (TBC)
3	11.30 – 13.00	Review of draft Five-Year Evaluation Inception Report <ul style="list-style-type: none"> - Presentation by Social & Scientific Systems - Technical review of draft Inception Report 	Social & Scientific Systems
	13.00 – 14.00	Lunch	
3 con't	14.00 – 15.00	Review of draft Inception Report con't <ul style="list-style-type: none"> - Discussion and recommendations on scope, timing, budget and deliverables Chair for afternoon session: TBD	Social & Scientific Systems

Friday September 1st
Venue: Las Mañanitas Hotel

5	09.00 – 10.00	Summary of Day One discussions and TERG recommendations <ul style="list-style-type: none"> - Identify items requiring further clarification Chair for morning session: TBD	Secretariat
6	10.00 – 11.15	Review Terms of Reference for Local Fund Agent Evaluation <ul style="list-style-type: none"> - Technical review and recommendations including linkages to strategy development process 	Secretariat
	11.15 – 11.30	Coffee	
7	11.30 – 12.30	Review of the Portfolio Review draft report <ul style="list-style-type: none"> - Discussion and recommendations including linkages with strategy development process 	Secretariat
	12.30 – 14.00	Lunch	
8	14.00 – 16:00	Review of Five Year Evaluation work plan, timeline and deliverables, and plans for next TERG meeting <ul style="list-style-type: none"> - Products for Five-Year Evaluation and timing in relation to Board and committee meetings - Objectives and timing for 6th TERG meeting - Review of TERG recommendations and conclusions Chair for afternoon session: R. Korte	
	16:00	Closing	

List of Participants – 5th TERG Meeting, 31 August – 1 September 2006

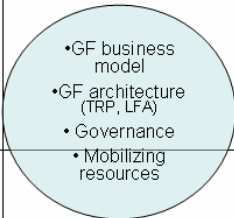
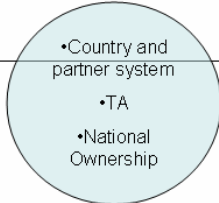
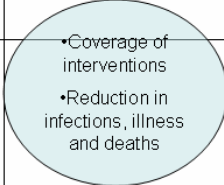
TERG members	Title	Address	Telephone	E-Mail
BARR David (by teleconference)	Senior Philanthropic Advisor Tides Foundation	193, Second Avenue No. 5 New York, N.Y. 10003 USA	+1 646 602 0027	d.barr@earthlink.net
BERTOZZI Stefano	Director, Health Economics & Evaluation, National Institute of Public Health, Mexico Visiting Professor, CIDE, Mexico City, University of California Berkeley	Instituto Nacional de Salud Publica Avenue Universidad 655 Cuernavaca, Morelos 62508 Mexico	+52 777 311 37 83	bertozzi@alum.mit.edu
BOERMA Ties	Director Measurement and Health Information Systems	World Health Organization Avenue Appia 20 CH – 1211 Geneva	0041 22 791 14 81	boermat@who.int
KORTE Rolf	Honorary Professor Faculty of Medicine Justus-Liebig University, Giessen, Germany Senior Health Policy Advisor, GTZ, Germany	Ziegelhuetten 30 61476 Kronberg Germany	+49 175 433 4018	rolf.korte@swiftkenya.com
LEKE Rose	Professor of Immunology and Parasitology	Faculty of Medicine and Biomedical Sciences P. O. Box 3851 University of Yaounde Cameroon	+237 223 44 51	roleleke@yahoo.com
PESCHI Loretta	Co-ordinator of the Italian NGOs Network for the Global Action against AIDS	Via Pegasus 1 I – 00060 Castelnuovo di Porto (Roma) Italy	+39 347 703 41 55	peschilo@tin.it

Participants	Title	Address	Telephone	E-Mail
BARBER-MADDEN Rosemary	Clinical Professor	Emerita of Public Health Mailman School of Public Health Visiting Professor, University of Brasilia	+ 55 61 3307 3440 + 55 61 9962 4253 (mobile) + 55 61 3307 1771 (Fax)	rb7@columbia.edu
GRIFFEY Sue	Senior Vice President	Social and Scientific Systems (SSS) 8757 Georgia Avenue, 12 th Floor Silver Springs, MD 20910, USA	+ 1 301 628 3000/1550 (Cell/GSM) (240) 463-2653	SGriffey@s-3.com
MARCONI Katherine	Director	Strategic Information The President's Emergency Plan for AIDS Relief Office of the Global AIDS Coordinator US Department of State, USA	+1 202-663-2537	MarconikM@state.gov
Ex officio Members	Title	Address	Telephone	E-Mail
BROEKMANS Jaap F.	Former Executive Director (former)	KNCV Tuberculosis Foundation P.O.Box 146, 2501 CC The Hague, Netherlands	+31 70 416 72 27 (secr.) +31 70 416 72 22 (general)	broekmansJ@KNCVTBC.nl
NAHLEN Bernard	Senior Manager Performance Strategy & Evaluation	GFATM 8, ch. de Blandonnet 1214 Vernier	+41 22 791 5983	Bernard.Nahlen@theglobalfund.org
PEDRAZA Jairo	Vice-Chair Policy and Strategy Committee	505 Eight New York, NW 10018 Avenue, Suite 1600, USA	+1 212 594 7741	jpgfna@aol.com
GF Secretariat	Title	Address	Telephone	E-Mail
SCHWARTLANDER Bernhard	Director Strategic Information and Evaluation		+41 22 791 17 80	Bernhard.Schwartlander@theglobalfund.org
LOW-BEER Daniel	Senior Manager Strategic Information and Evaluation	GFATM 8, ch. de Blandonnet	+41 22 791 19 29	Daniel.Low-Beer@theglobalfund.org
PLOWMAN Beth Anne	Senior Evaluation Officer Performance Strategy & Evaluation	1214 Vernier	+41 22 791 1747	Beth.plowman@theglobalfund.org
LANG Alexandra	TERG Focal Point Performance Strategy & Evaluation		+41 22 791 5920	Alex.Lang@theglobalfund.org

ANNEX B

Five Year Evaluation Scope, Core Products & Implementation

The TERG has recommended a consolidated set of three study areas to address the overarching questions guiding the Five Year Evaluation as detailed below:

		Study Area		
		Operations	Country/ grant performance	Impact
Five Year Evaluation Question	Organizational efficiency			
	Partnership system			
	Impact			

Study area 1: Organizational Development Assessment and Evaluation of GF Effectiveness and Efficiency and Governance

This study area focuses on the extent to which the Global Fund Business Model is performing efficiently and effectively, including examination of the architecture and systems to ensure performance and assessment of whether the component parts of the Global Fund Board, Secretariat, TRP, LFAs are operating as envisioned. Among others, this study area would examine issues related to grant management, performance-based funding, resource mobilization, governance and communication with countries. It would provide actionable recommendations for improvement. Multiple methods will be employed for this study including

- Organisational development and review of functions, focus and efficiency
- Benchmarking of data on operational principles against comparable organisations, e.g. light administrative touch, leanness, harmonization and flexibility of procedures, responsiveness
- Key information interviews of Secretariat, country and partners
- Separate LFA study and
- Governance evaluation including fundraising

Study area 2: Determinants of Grant Performance

This study area focuses on the determinants of grant success with an emphasis on country context and pivotal factors such as technical and management assistance, country structures, national ownership, presence of major partners, fragile states, effects on and strength of health systems and involvement of civil society and NGOs. Performance will be

examined at the stages of proposal application, in progression from Phase 1 to Phase 2 and beyond Phase 2. It is proposed to conduct the study in 20 countries in depth, including quantitative modeling to allow general conclusions for the whole portfolio. Methods will include:

- Comprehensive analysis of grant performance by country characteristics including poverty, health systems, most seriously affected groups by age and gender, fragile states, donor harmonization, TA and the partner system
- In depth diagnostic country studies in 20 settings to provide power for the analysis
- Global key informant interview to assess the partner system

Study area 3: The extent of the overall reduction on the burden of the three diseases and the Global Fund's contribution to reducing the burden of the three diseases

This study area represents a bold departure from the Evaluation approaches of other major agencies and programs. The TERG has strongly recommended that the impact evaluation focus on collective efforts in recognition of the fact that, in many countries, the Fund is not the only major international investor. Therefore, the impact evaluation sets out to assess overall impact on the three diseases and the contribution of the Global Fund without direct attribution. It will also document the quality of impact related interventions, gender and specific target groups, as well as cost effectiveness.

Two types of studies are proposed:

1. Studies in 8 countries - Comprehensive Evaluation Country Studies - which would involve primary data collection in 2007 and close partnership with country institutions; and
2. Secondary Analysis Country Studies in 12 countries, predominantly based on secondary analysis and low level of investment in data collection.

A set of criteria for country selection has been developed to ensure representativeness, a focus on Global Fund and Partner funding, and build on existing data systems

The impact evaluation will rely on a range of data collection efforts, including surveys, surveillance, research studies, service and administrative records. Methods include:

- Death registration systems:
- Surveys for impact and coverage
- Service record systems:
- Finances through National Health Accounts
- Synthesis and modeling:

Core Products in 2007 and 2008

In preparing for the comprehensive Five-Year Evaluation, the TERG has recommended a phased approach, with a first product on study areas 1 and 2 delivered to the Board in 2007. In 2008 the Board will receive a product on study area 3 as well as an overall synthesis report for the 3 study areas.

The **first product** will evaluate the Global Fund Secretariat, Governance, and Country Grant Performance showing strengths, weaknesses and essential areas for immediate improvement for the Global Fund and the Partnership system in support of countries. The proposed country studies will assess the role of poverty, health systems, fragile states, technical assistance and donor harmonisation on grant performance. The study will also benchmark the effectiveness of the Global Fund in carrying out its principles.

The **second product** will focus on the ultimate impact of the Global Fund investments combined with those of other funding partners in reducing the health impact ^a of the three diseases. This is the major financial element of the proposal, but deserves high priority given its central role in the driving force for establishment of the Global Fund, as incorporated in its core principles. The TERG recognised that this is the first time that country disease programs are being evaluated in such a systematic manner for impact on reducing cases and deaths among those most affected by the three diseases.

The impact evaluation will use standard international impact measures related to the Millennium Development Goals (MDGs) and rely on a range of data collection efforts, including surveys, surveillance, research studies, service and administrative records. To a large extent the impact evaluation will build on existing information, including that generated by recipient countries as part of the performance-based funding model of Global Fund grant implementation.

Taken together, these efforts will not only inform the Five-year Evaluation but also contribute to capacity building of the basic country-level health information systems to ensure that impact measurement tools are in place for ongoing use. Thus, the current investments will assist to establish a solid country foundation to measure impact in 2010-2015 towards the MDGs and beyond. Due to its value for a wide range of health initiatives, the TERG recommends that major partners be actively encouraged to support the impact evaluation effort.

The **Final product** will be the synthesis report of the overall Five-Year Evaluation with key recommendations to improve the Global Fund business model, effectiveness of the secretariat and partner system, and link these closely to continued impact evaluation.

Study Area	Deliverable	Date
Organizational Development Assessment and Evaluation of GF Effectiveness and Efficiency.	1. Synthesis Report	November 2007
Determinants of Successful Grant Performance		
Overall reduction on the burden of the three diseases and the Global Fund's contribution to reducing the burden of the three diseases	2. Impact Evaluation Report	July 2008
Complete Package	3. Final Synthesis Report	November 2008

^a For purposes of the Five-Year Evaluation, **impact** is defined as the direct measurement or estimation of overall program effect on disease morbidity and/or mortality resulting from the combined efforts of all control initiatives and programs irrespective of their funding source(s), in a country or region.

Implementation arrangements for Five Year Evaluation

