

Thirty-Second Board Meeting

# Corporate KPIs Pre-Read Slide Deck

# **The Global Fund Corporate KPI Framework 2014-2016**

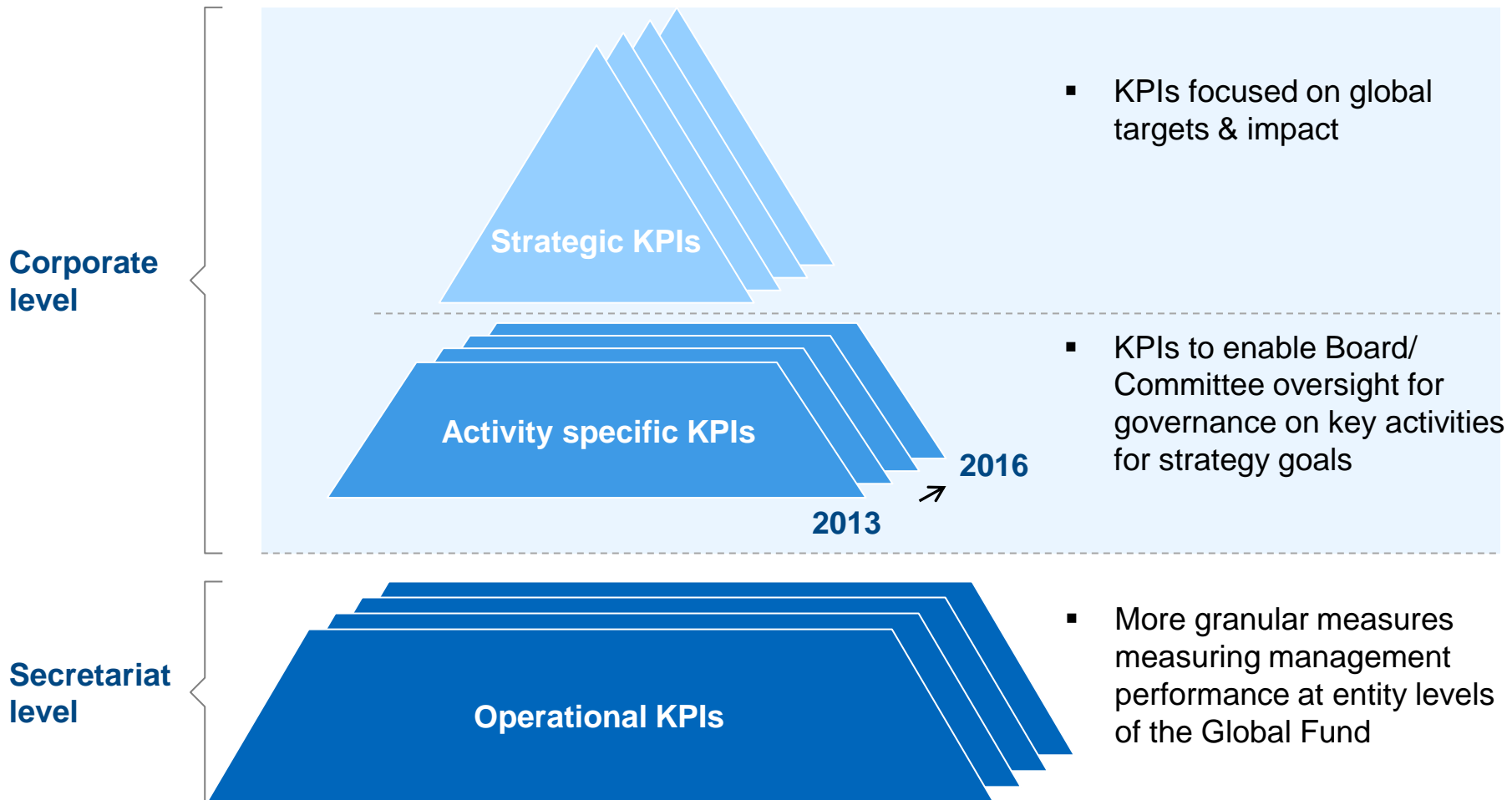
Board Pre-Read

For information on baselines from 2014 or earlier, and validation of 2015 targets. The full framework is presented in accompanying document GF/B32/24.a – Revision 2.

# The Hierarchy of KPIs

■ Covered in this document

*A few, measurable, results-oriented KPIs covering the life of the Strategy...*



# Process

- November 2013 Board Meeting approved 16 Corporate KPIs for 2014-2016; with 11 in need of some additional methodological work
- **Development of methodology is now complete for all 16 indicators**
  - Methodology has been reviewed by FOPC and SIIC, and the feedback received integrated into the final proposals
- **Final methodology and performance targets for 2015 are presented to the 32<sup>nd</sup> Board Meeting for approval**
  - 2015 performance targets are proposed for 14 indicators:
    - The remaining targets will be proposed to the March 2015 Board Meeting
- **Projected end 2014 Results are presented for 10 indicators**
  - The remaining 6 indicators will report 2014 results to the March 2015 Board Meeting

# Global Fund Corporate KPI Projected 2014 Results

<b>KPI 1</b>	Performance against strategic goals	<b>KPI 11</b>	Grant expenses forecast
<b>KPI 2</b>	Quality and coverage of services	<b>KPI 12</b>	Human rights protection
<b>KPI 3</b>	Performance against strategic service delivery targets	<b>KPI 13</b>	Resource mobilization
<b>KPI 4</b>	Efficiency of Global Fund investment decisions	<b>KPI 14</b>	Domestic financing for AIDS, TB & Malaria
<b>KPI 5</b>	Health system strengthening	<b>KPI 15</b>	Efficiency of grant management operations
<b>KPI 6</b>	Alignment of supported programs with national systems	<b>KPI 16</b>	Quality of management and leadership
<b>KPI 7</b>	Access to funding		
<b>KPI 8</b>	New Funding Model transition		
<b>KPI 9</b>	Effective operational risk management		
<b>KPI 10</b>	Value for money		

- Projected end-2014 Results & 2015 Targets
- 2015 Targets only
- Results & Targets March 2015 Board

# Strategic KPIs

## KPI 1 Performance against strategic goals

Measure	Quantified target
a) Estimated number of Lives Saved	a) Target (2012-16): <b>10m</b> lives saved 2011 baseline: <b>1.6m</b> lives saved
b) Estimated number of Infections averted	b) Target (2012-16): <b>140-180m</b> new infections averted 2011 baseline: <b>30m</b> new infections averted

### Target-setting Methodology

- 2012-2016 Strategy targets for leading services were derived from partner defined global targets assuming a set Global Fund share of services. Lives saved were derived from the strategy targets by applying an impact multiplier
- Strategy targets for infections averted were based on WHO/UNAIDS estimates of incidence by comparing the continuation of recent trends against the counterfactual of a fixed 2010 level of incidence (for HIV and TB) and maintaining 2010 level of ITN coverage (for malaria)

# Strategic KPIs

## KPI 2 Quality and coverage of services (parts a – f)

Measure	Quantified baseline 2013	Quantified target 2016
a) ARV retention rate at 12 months	• 76%	• 80%
b) TB Treatment success rate for all new cases	• 86%	• 90%
c) Proportion of population at risk potentially covered by LLINs distributed	• 47%	• 60%
Proportion of the population that slept under an ITN the previous night	• 42%	• 55%
d) Percentage of adults and children living with HIV currently receiving ART	• 36%	• 50%
e) Percentage of HIV positive pregnant women who received anti-retrovirals to reduce mother-to-child HIV	• 66%	• 90%
f) Percentage of HIV-positive TB patients given ART during TB treatment	• 67%	• 90%

# Strategic KPIs

## KPI 2 Quality and coverage of services (part g)

### Measure

g) Number of countries with validated population size estimates for Female Sex Workers, Men who have Sex with Men, and where applicable, Injecting Drug Users

### Performance

2014 Target: 35 countries

**End-2014 Projected Result: 33 countries**

2015 Target: 45 countries

### Interpretation

**Measure:** Number of countries with validated size estimates for at least two populations

- As of October 2014, 26 countries had national estimates for at least two key population groups
- Population size estimates for 33 countries are expected by end 2014



# Strategic KPIs

## KPI 3 Performance against strategic service delivery targets

Measure	Quantified Baseline 2011	Quantified Targets 2012-2016
a) # of people alive on ARV therapy*	3.5m	7.3m
b) # of TB cases treated according to the DOTS approach	2.5m	21m
c) # of LLINs distributed	62m	390m
d) # of bacteriologically confirmed drug resistant TB treated with a 2 <sup>nd</sup> line regimen	12k	260k
e) # of HIV positive pregnant women who received ART to reduce the risk of MTCT	383k	2.7m
f) # of IRS services delivered	7.7m	26m
g) # of people who received HIV testing & counseling and know their results	34m	359m

\* Annual; other targets cumulative over 2012-2016

### Target-setting Methodology

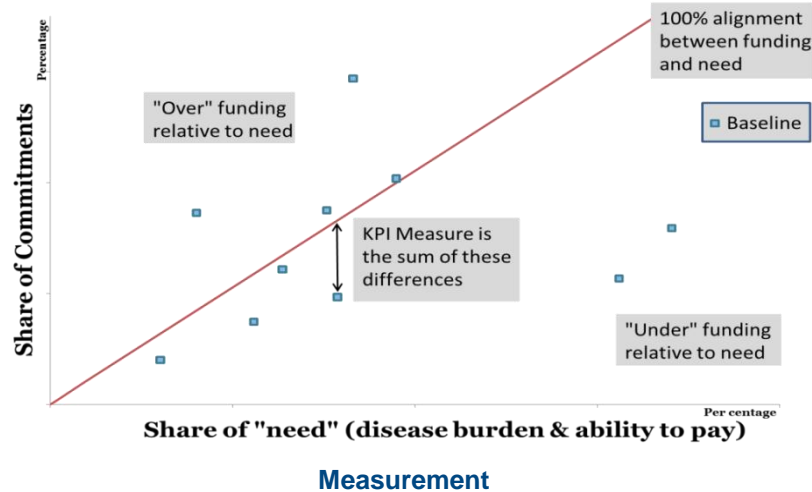
- For the three leading services (a-c) targets are based on the original strategy targets
- For other services (d-g) targets are based on current forecasts. These project 2011-2013 results, adjusted to reflect expected levels of funding for countries over the 2014-2016 period
- Note, the calculation of KPI performance for measure b) will take into account the eligibility status of one specified country. This country, representing approximately 1 million TB cases per year, was included in Target estimation, but is no longer eligible for funding

# Strategic Objective 1- Invest more strategically

## KPI 4 Efficiency of Global Fund investment decisions

### Measure

Alignment between investment decisions and country "need"; with need defined in terms of disease burden and ability to pay



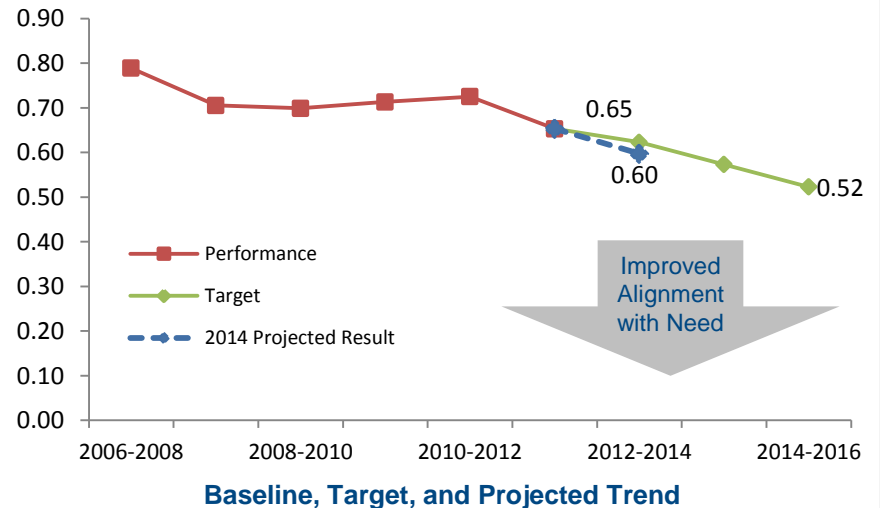
### Performance

2014 Target: 0.62

**End-2014 Projected result: 0.60 (8% improvement)**

2015 Target: 0.57

20% improvement in alignment over the 2014-2016 period



# Strategic Objective 1- Invest more strategically

## KPI 5 Health System Strengthening

### Measure

- Service availability rating
  - Measured using the WHO Service Availability and Readiness Assessment (SARA) tool

### Quantified target

2013 Baseline: Three of four countries surveyed showed an improvement of at least 5% points in SARA score

**End 2014 Result:** data will be available Jan 2015

2014-2016 Target: 60% of countries surveyed show an improvement of at least 5% points in SARA score

### Update

**Measure:** Proportion of countries in which the HIV, TB & Malaria SARA score improves by 5% points or more in the given period. Comparison with a score of a previous SARA survey is required to assess an improvement in service readiness

- **DRC, Uganda, Ethiopia, Burkina Faso, Myanmar**, to complete SARA surveys in 2014; and **Nigeria, Sri Lanka, Philippines, Zambia, Zimbabwe and Benin** plan to complete surveys in 2015
- Since the KPI requires 2 data points to assess the change in the score, KPI reporting for end 2014 will be based on two countries only: Uganda and Burkina Faso

# Strategic Objective 1- Invest more strategically

## KPI 6 Alignment of supported programs with national systems

### Measure

Percentage of investments in countries where Global Fund support is reported on National Disease Strategy budgets

### Performance

2014 Baseline: 87%

**End-2014 Projected result: 87%**

2015 Target: 90%

### Interpretation

- In 2014 sixteen high impact countries were reporting on a national budget, national disease strategy budget, or national health sector budget
  - Represents 87% of the high impact portfolio when weighted by allocation
- Based on discussions with the relevant FPMs of the remaining six countries:
  - Pakistan and Zanzibar should be able to report on budget for 2015
  - Bangladesh, Côte d'Ivoire, Viet Nam, and Zambia should report in 2016
- Performance driven by in country budget and planning cycle

# Strategic Objective 2 - Evolve the funding model

## KPI 7 Access to funding

### Measure

Time from:

- Final Concept Note submission to Grant Approval Committee recommendation
- Grant Approval Committee recommendation to Grant Signing
- Grant Signing to first disbursement

### Performance

2014 Target: For Concept Notes submitted in 2014, 75% of grants take 10 months or less from submission of final Concept Note to first disbursement

#### End-2014 Projected result:

- 100% project first disbursement within 10 months
- 75% project first disbursement within 8 months

2015 Target: 75% of grants take 8 months or less from submission of final Concept Note to first disbursement

### Interpretation

- Projection covers 24 of 33 (73%) Concept Notes submitted in Waves 1 & 2
- The remainder were not included in the measure as they are being iterated for resubmission
- **Note for Wave 1 submissions actual performance against the 10 month target will be assessed in February 2015**

# Strategic Objective 2 - Evolve the funding model

## KPI 8 New Funding Model Transition [Temporary KPI]

### Measure

Amount of grant expenses for the **transition** to the new funding model committed to annual schedule of country demands

### Performance

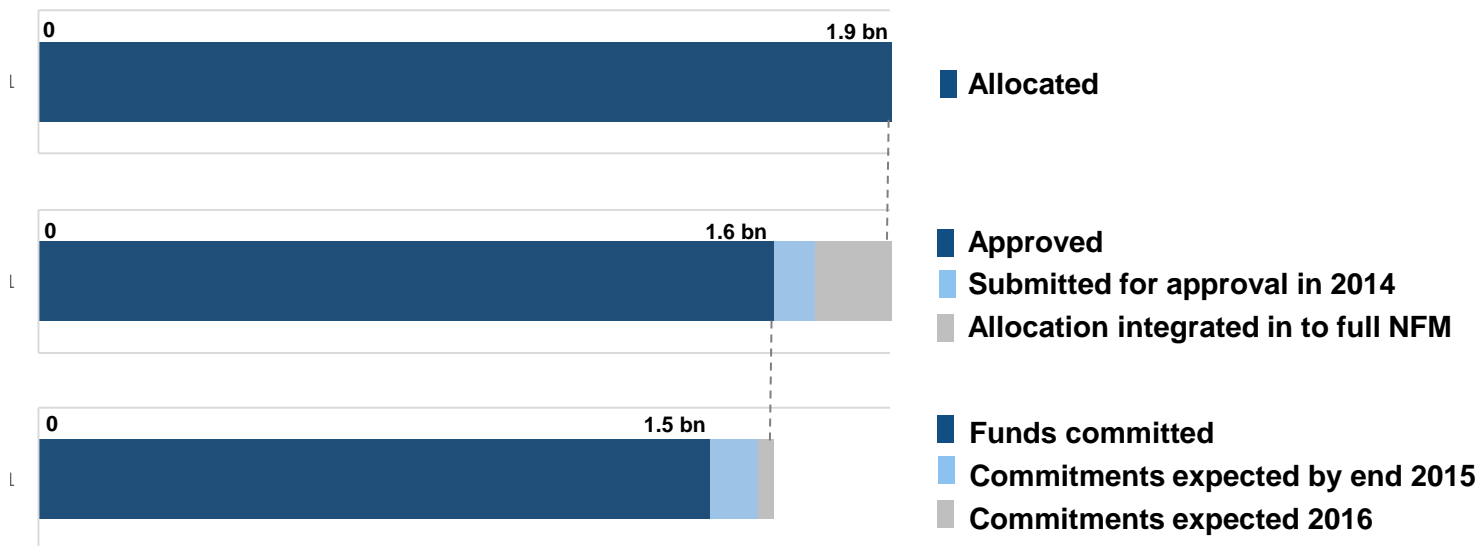
2013 Baseline: USD 0.6bn

2014 Target: up to USD 1.9bn over the 2013-2014 period

**End-Oct 2014 result: USD 1.5 bn**

2015: Indicator to be phased out

### Interpretation



# Strategic Objective 3 - Actively support grant implementation success

## KPI 9 Effective operational risk management

### Measure

- Portfolio Risk Index  
Index based on a scoring system applied to the grant level risk ratings of the QUART operational risk management framework

### Performance

2013 Baseline: 1.9  
2014 Target: 1.9  
**End-2014 Projected result: 1.9**  
2015 Target: Result within 10% of 2013 baseline  
Range 1.7 to 2.1

### Interpretation

QUART operational risk rating for eligible grants weighted by grant budget

Source: QUART assessments as of October 2014

- 32% (24/74) of the grants expected to undergo risk assessments in 2014 have been assessed and are included in the projection
- The grants planned for review in 2014 represent 32% of forecast grant expenses
- Proposed corporate position on applying risk differentiation provides guidance for 2015 target (GF/B32/14)

# Strategic Objective 3 - Actively support grant implementation success

## KPI 10 Value for money

### Measure

Savings gained through leveraging Global Fund purchasing power

$(\text{Unit Price}_{2014} - \text{Unit Price}_{2013}) * 2014 \text{ volume} =$   
\$ Savings

KPI = savings / total PPM spend

### Performance

2013 Baseline: 13% reduction in spend

2014 Target : Reduce spend by 8% per year for equivalent commodities at equivalent quality and volume

**End-2014 Projected result: 8%**

2015 Target : 8% reduction in spend

### Interpretation

Spend reduction in commodity purchases made within Pooled Procurement Mechanism

- Main driver of observed savings has been 30% unit price reduction for AMFm ACTs

### Value for Money mechanisms extend beyond KPI 10:

- Measuring allocative efficiency of Concept Note submissions; Cost control tracking: unit price benchmarking, PPM spend penetration, and On Time delivery of commodities
- Development work with partners looking at service integration and cost effectiveness
- Roll out of e-Marketplace to extend access to negotiated PPM prices, and a revolving fund for advance volume commitments



# Strategic Objective 3 - Actively support grant implementation success

## KPI 11 Grant expenses forecast

### Measure

Corporate Expenditure Rate (CER):  
Proportion of forecast grant expenses  
made to schedule

### Performance

2013 Baseline: 1.44

**End-2014 Projected result: 0.87**

(F3 / F1 Grant Expense forecasts: USD 2.8 bn / USD 3.3 bn)

2014-2016 Target:

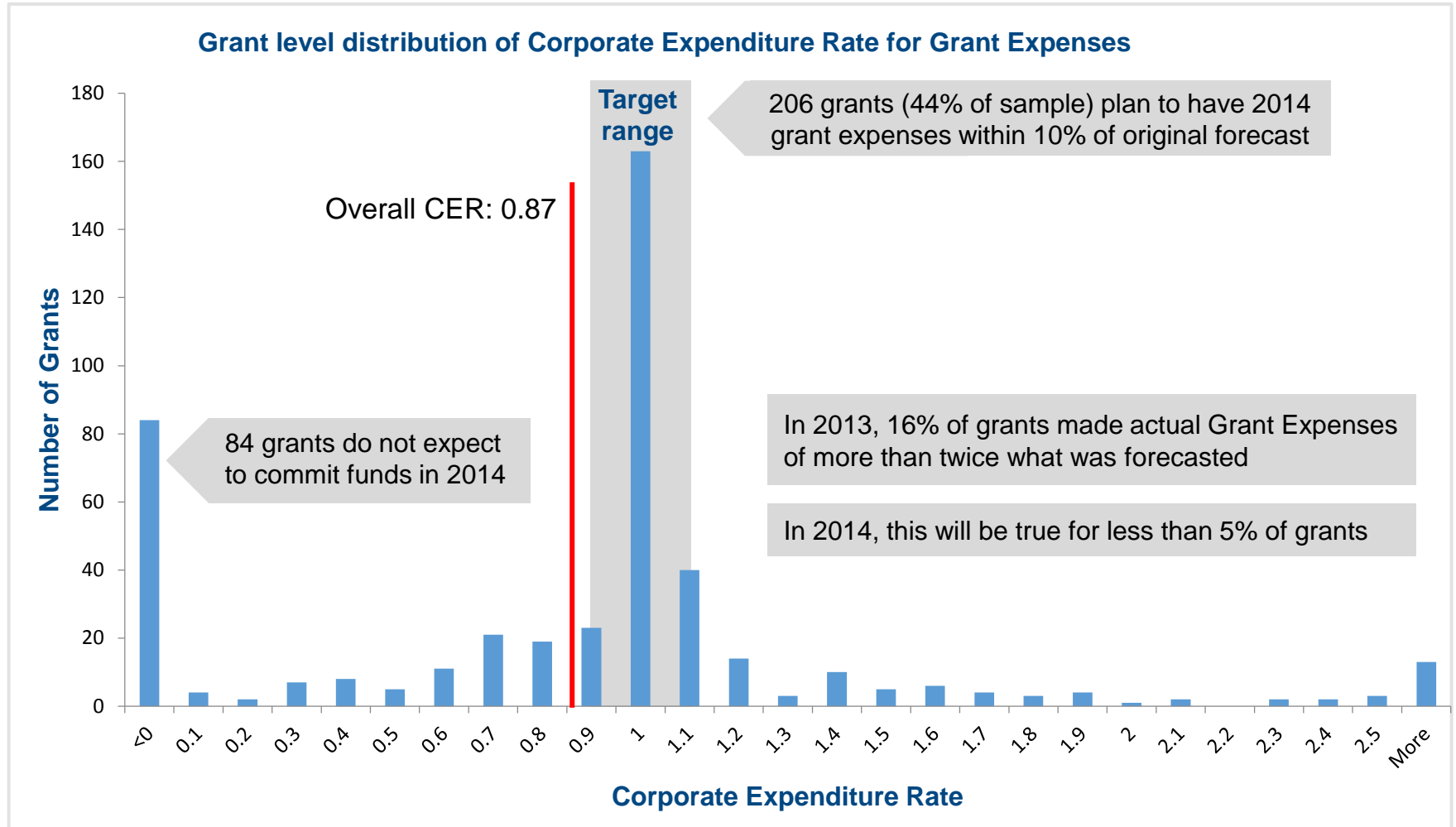
- Actual grant expenses within 10% of forecast
- CER-Grant expenses within range of 0.9 to 1.1

### Interpretation

- Variation around the target range has improved compared to baseline
- 2014 projected result is 13% lower than forecast
- Half of grants are expected to commit less than forecast at F1

# Strategic Objective 3 - Actively support grant implementation success

## KPI 11 Grant expenses forecast



# Strategic Objective 4 - Promote & protect human rights

## KPI 12 Human rights protection

### Measure

Percentage of human rights complaints against Global Fund supported programs successfully identified through risk assessment tools; and resolved through Secretariat policies and procedures.

### Quantified target

**Baseline:** to be submitted in March 2015

**Target:** to be submitted in March 2015 for approval

### Measurement

- Final methodology reviewed by SIIC
- It is proposed to complement the KPI with a broader Human Rights report published by the OIG

# Strategic Objective 5 - Sustain the gains, mobilize resources

## KPI 13 Resource mobilization

### Measure

a) Actual pledges as a percentage of the replenishment target

b) Pledge conversion rate. Actual contributions as a percentage of forecast contributions

### Performance

Baseline: N/A  
 2013 Result: USD 12.2 bn (81% of USD 15 bn)  
**2014 End-Sept Result: USD 12.3 bn (82%)**  
 2014-2016 Target: USD 15 bn

2013 Baseline: 97%  
**End-2014 Projected result: 98%**  
 2014-2016 Target: 100% annually of forecast contributions received

### Interpretation

- Part a) Pledges of USD 9.2 bn were secured in 2010; equivalent to 71% of the lowest resource scenario of USD 13 bn
- Part b) based on F3 forecast

# Strategic Objective 5 - Sustain the gains, mobilize resources

## KPI 14 Domestic financing for AIDS, TB & Malaria

### Measure

Percent of programs accessing funding where government contributions meet minimum counterpart financing thresholds

### Performance

2013 Baseline: 96% of programs meet threshold  
2014 Target: 90% of programs meet threshold

**End-2014 Projected result: 96%**

2015 Target: 90% of programs meet threshold

### Interpretation

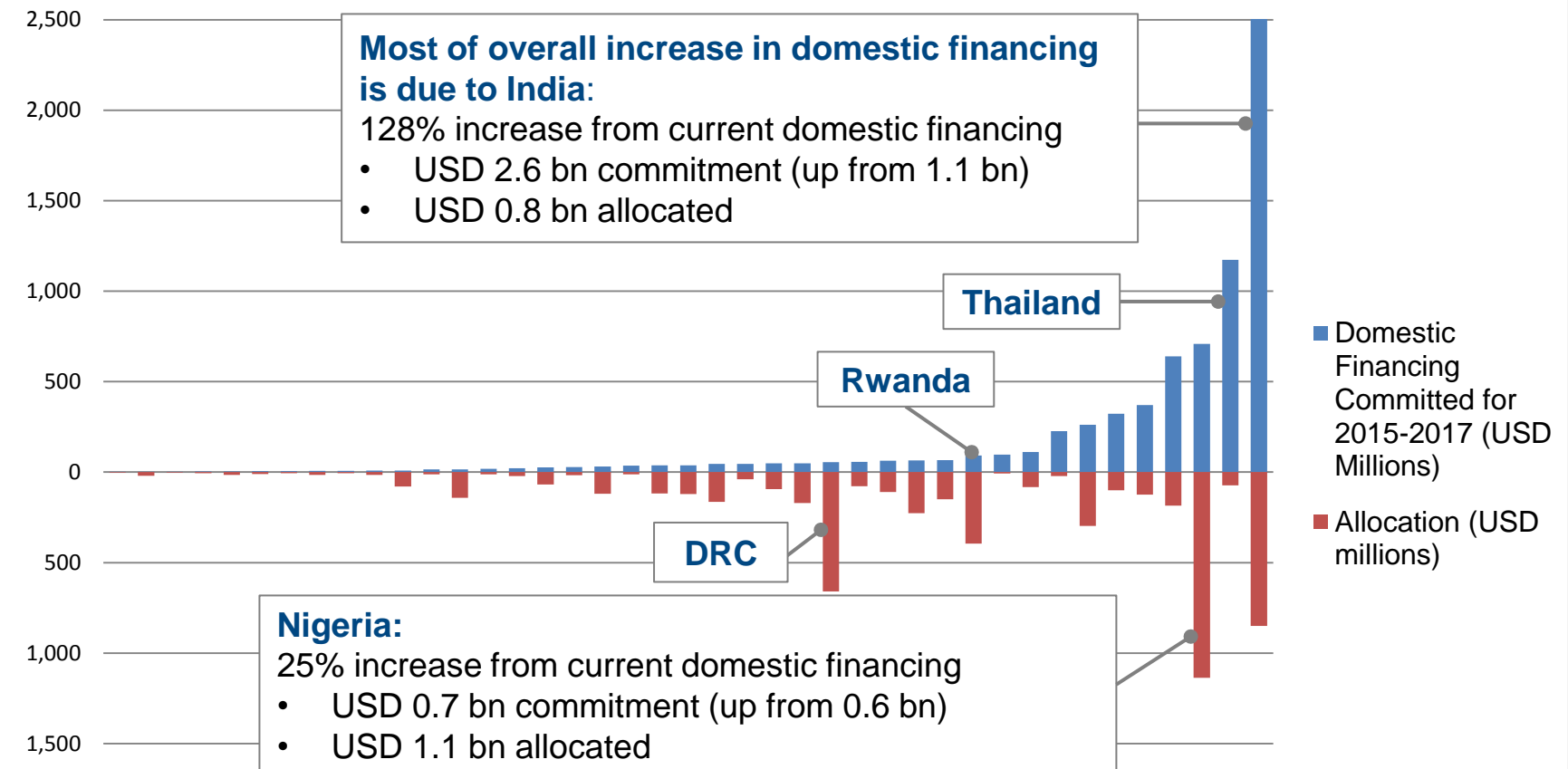
- 65 of 68 components meet minimum counterpart financing requirements; and pledged counterpart financing commitments show a big increase
- Programs that did not meet minimum counterpart financing thresholds based on current government spending are DR Congo Malaria, Zimbabwe Malaria, Swaziland Malaria
  - Additional commitments have been leveraged with aims to meet requirements over 2015-2017

# Strategic Objective 5 - Sustain the gains, mobilize resources

## KPI 14 Domestic financing for AIDS, TB & Malaria

USD Millions

Levels of domestic financing commitments for 2015-2017 versus level of allocation (both by disease)



# Implementing operational excellence

## KPI 15 Efficiency of grant management operations

### Measure

OPEX rate: operating expenses as a percentage of grants under management

### Interpretation

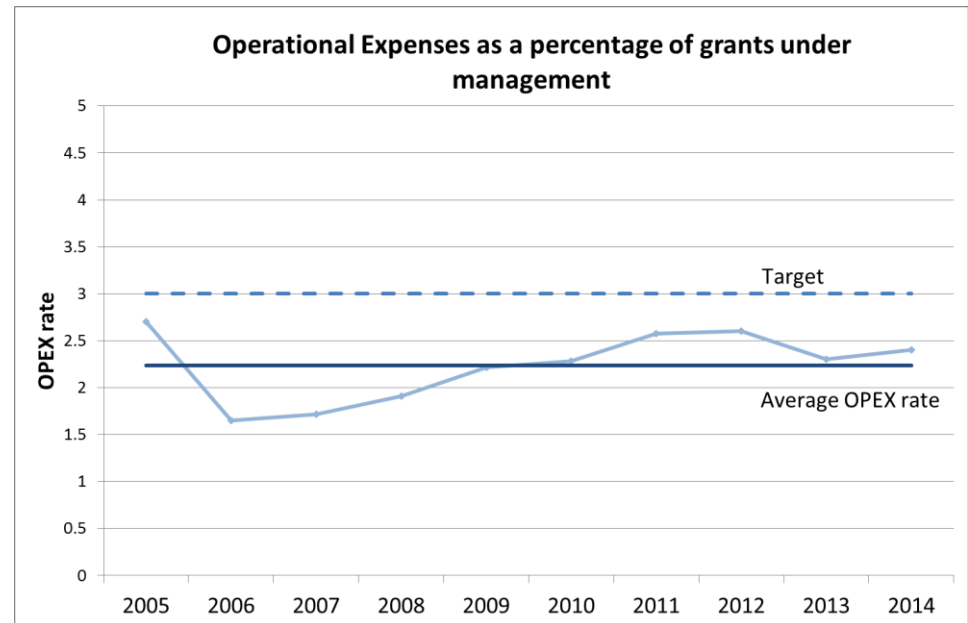
- The OPEX rate has stabilized after a six year period of growth

### Performance

2014 Target: 3%

**End-2014 Projected result: 2.4%**

2015 Target: Below a maximum of 2.75%



# Implementing operational excellence

## KPI 16 Quality of management & leadership

### Measure

- Management and leadership index  
Towers Watson Manager Quality scale selected as the benchmarked index

### Quantified target

- 2013 Baseline: 76% of items on manager quality survey received favorable responses
- 2014 Target: 78%
- End 2014 Result:** data will be available Jan 2015
- 2015 Target: To be determined based on end-2014 results

### Measurement

- Survey scheduled for end of November 2014. Results to be made available end of January 2015
- A target for 2015 will be formalized after full 2014 reporting