

35th Board Meeting

Corporate Key Performance Indicators: 2015 End of year results

FISA Division

For Board Information

GF/B35/22

Abidjan, Côte d'Ivoire

26-27 April 2016

The Global Fund 35th Board Meeting

21

End-2015 KPI Results: Context and Summary

Context

- 2016 Corporate KPI targets were approved by the Board via electronic decision in January 2016
- **End-2015 results are presented here for Board information**
- End-2015 Operational KPI results are available on the Financial Dashboard

Performance summary

Performance assessments are provided for 13 Corporate KPIs:

- **Strong performance on 8 Corporate KPIs**
- 1 Corporate KPI is at risk of not meeting 2016 targets
- 4 Corporate KPIs did not achieve 2015 performance targets – management actions are proposed for 2016

The Corporate KPI Framework: End-2015 Results

■ On track
 ■ Risk of not meeting target
 ■ Below expectation
 ■ Not scheduled for End-2015 reporting

Strategic corporate KPIs	Strategic goals		Strategic targets			
	① Performance against strategic goals		② Quality and coverage of services		③ Performance against strategic service delivery targets	
Strategic Objectives	Invest more strategically	Evolve the funding model	Actively support grant implementation success	Promote and protect human rights	Sustain the gains, mobilize resources	Strategic enablers
Corporate KPIs	4 Efficiency of Global Fund investment decisions 5 Health system strengthening 6 Alignment with national reporting systems	7 Access to funding 8 New Funding Model transition	9 Effective operational risk management 10 Value for money 11 Grant expenses forecast	12 Human rights protection	13 Resource mobilization 14 Domestic financing for AIDS, TB & Malaria	15 Efficiency of grant management operations 16 Quality of management and leadership

Strategic Goals and Targets

Overview

- Revised projections anticipate at least 95% of service delivery targets will be achieved
- Forecast results have increased due increased visibility on grant data and country team adjustments to historical performance levels

KPI 1: Performance against strategic goals

- No new data, latest report 2014

Pg. 11

KPI 2: Quality and coverage of services

Parts a-f

- No new data, latest report 2014

Part g

- Validation of population size estimates on track and expected to exceed target by end 2016

Pg. 12-13

KPI 3: Performance against strategic service delivery targets

- 2016 ARV service delivery target has been achieved
- Updated projections suggest at least 95% of targets will be met on all indicators

Pg. 14-17

Strategic Objective 1- Invest more strategically

Overview

- Good performance maintained in rebalancing the portfolio & aligning with national systems
- Availability of data to track HSS performance remains a major challenge

KPI 4: Efficiency of Global Fund investment decisions

- On track

Pg. 18

KPI 5: Health system strengthening

- At risk of not achieving 2016 target
- The one country reported to date did not meet anticipated improvement in service availability and readiness

Pg. 19

KPI 6: Alignment with national reporting systems

- On track

Pg. 20

Strategic Objective 2 - Evolve the funding model

Overview • The grant making phase of the new funding model is taking longer than anticipated

KPI 7: Access to funding



- Below expectations
- More active management of the process of signing grants is starting to improve performance

Pg. 21 & Annex

KPI 8: New Funding Model transition



- N/A

Strategic Objective 3 - Actively support grant implementation success

Overview

- Portfolio risk levels remain stable
- Procurement savings missed 2015 target
- Actual 2015 Grant expenses were above expectations

KPI 9: Effective operational risk management

- On track
- Portfolio Risk Index remains stable

Pg. 22

KPI 10: Value for money

- Below expectations
- Improvement required in procurement forecasts

Pg. 23

KPI 11 Grant expenses forecast

- On track
- Actual 2015 grant expense ratio was within target range

Pg. 24

Strategic Objective 4 – Promote & protect human rights

Overview

- The Global Fund continues to receive few human rights complaints

KPI 12: Human rights protection



- Below expectations
- Twelve Human Rights related complaints were identified in 2015, but none qualified as breaches of the Human Rights Minimum Standards

Pg. 25-26

Strategic Objective 5 – Sustain the gains, mobilize resources

Overview

- There is some risk that not all expected contributions will materialize by end of replenishment period
- Continued high rates of compliance on counterpart financing

KPI 13: Resource mobilization



- Below expectation
- Important shifts in contributions from 2015 to 2016

Pg. 27

KPI 14: Domestic financing for AIDS, TB & Malaria



- On track

Pg. 28

Strategic Enablers – Enhance partnerships, and Improve governance, operations and controls

Overview

- Continued strong performance controlling Secretariat costs

KPI 15: Efficiency of grant management operations



- On track

Pg. 29

KPI 16: Quality of management and leadership



- N/A

Detailed review by indicator

Strategic Goals & Targets

Strategic Objective 1
Invest more strategically

Strategic Objective 2
Evolve the funding model

Strategic Objective 3
Actively support grant implementation success

Strategic Objective 4
Promote and protect human rights

Strategic Objective 5
Sustain the gains, mobilize resources

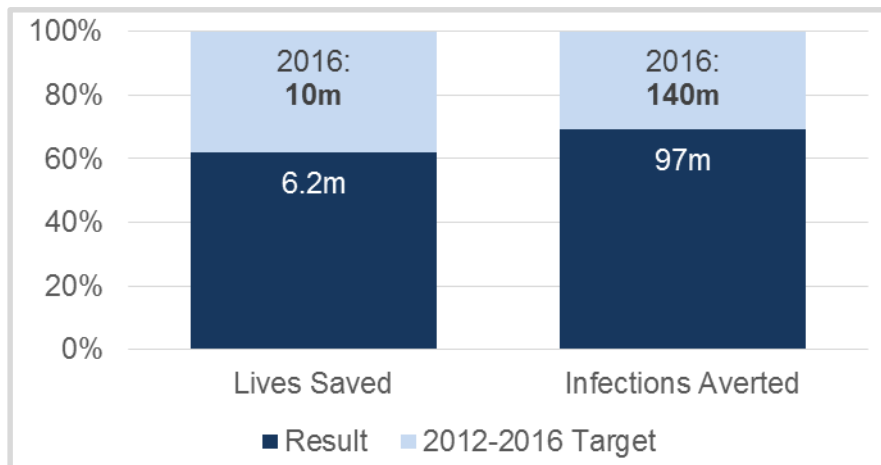
Strategic Enablers
Enhance partnerships & Improve operations

KPI 1 Performance against strategic goals

Measure

a) Estimated number of Lives Saved

b) Estimated number of Infections averted



Performance

2012-16 Target: 10m lives saved

2012-14 Result: 6.2m lives saved

2012-16 Target: 140m new infections averted

2012-14 Result: 97m new infections averted

- Current projections suggest both indicators will exceed 2016 targets
- Due to WHO revision of past TB estimates for Indonesia based on a new prevalence survey a total of 276k lives saved are added to the previous estimate for 2012-2013
- This leads to an increase in expected performance from previous projection of 9.2m-9.8m to 10.3m-10.7m over 2012-2016
- Improvements to the WHO methodology for malaria estimation drive the increase in infections averted

The Global Fund 35th Board Meeting
26-27 April 2016, Abidjan, Côte d'Ivoire

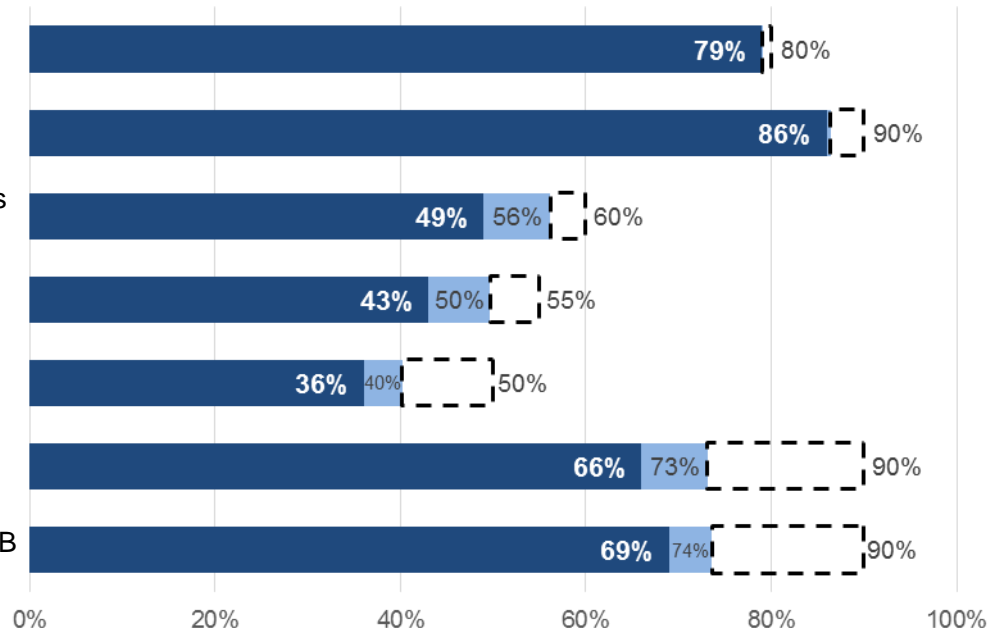
2015 Q2 Result. No new data available from partners since Q2

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 2** Quality and coverage of services**Measure**

- a) ARV retention rate at 12 months
- b) TB Treatment success rate for all new cases (2013)
- c) Proportion of population at risk potentially covered by LLINs distributed
Proportion of the population that slept under an ITN the previous night
- d) Percentage of adults and children living with HIV currently receiving ART
- e) Percentage of HIV positive pregnant women who received anti-retrovirals to reduce mother-to-child HIV
- f) Percentage of HIV-positive TB patients given ART during TB treatment

■ 2013 Result ■ 2014 Result ■ 2016 Target



Strategic Goals & Targets

Strategic Objective 1
Invest more strategically

Strategic Objective 2
Evolve the funding model

Strategic Objective 3
Actively support grant implementation success

Strategic Objective 4
Promote and protect human rights

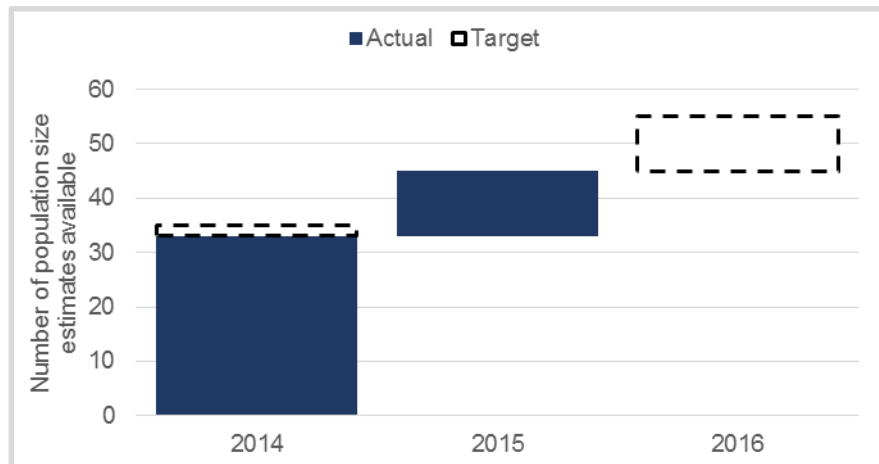
Strategic Objective 5
Sustain the gains, mobilize resources

Strategic Enablers
Enhance partnerships & Improve operations

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

2015 Target: 45 countries

End-2015 Result: 45 countries NFM to date

2016 Target: 55 countries (cumulative)

Interpretation

- 22 additional countries have a clear plan to validate estimates for 2016 or are in the implementation stage
- Number of available, validated estimates may exceed target of 55 countries by end-2016

The Global Fund 35th Board Meeting
26-27 April 2016, Abidjan, Côte d'Ivoire

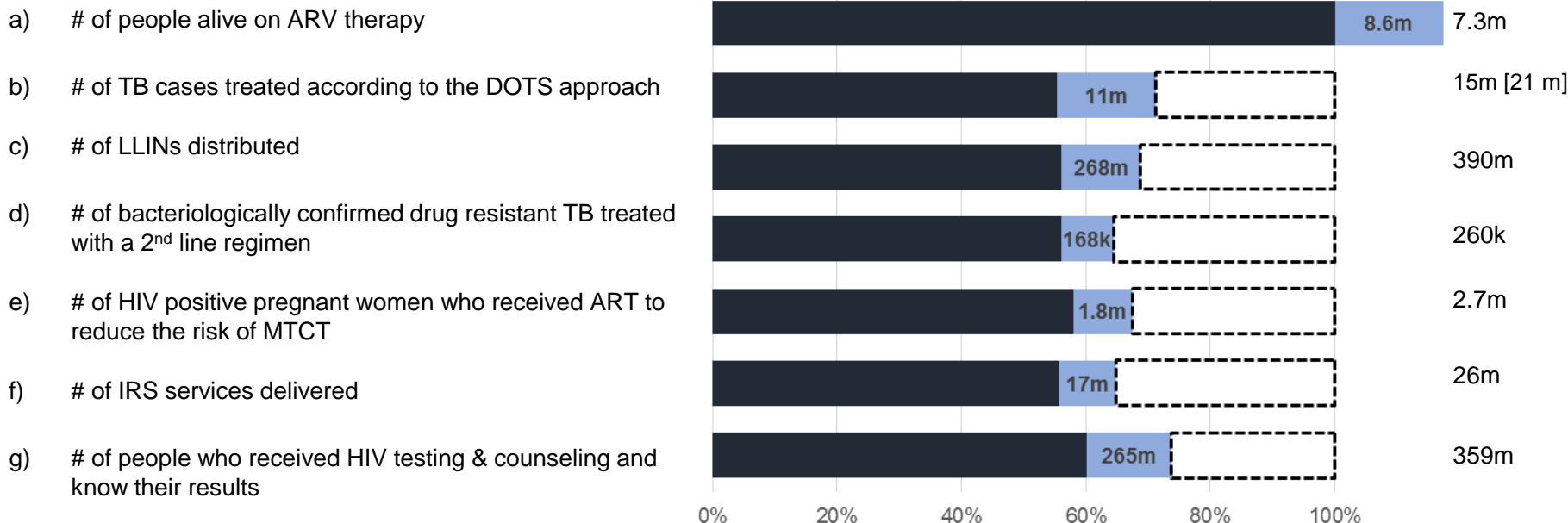
Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations

KPI 3

Performance against strategic service delivery targets

Measure



- Using multiple forecasting methods, current performance-adjusted projections suggest results for all services are on track to achieve >95% of targets in 2016
- Increased confidence as of January 2015 forecast due to a) additional actual results available; b) more updated performance framework targets from finalized grant data (>100 grant targets were reviewed); and c) Country Team review of performance adjustments

Strategic Goals & Targets

 Strategic Objective 1
Invest more strategically

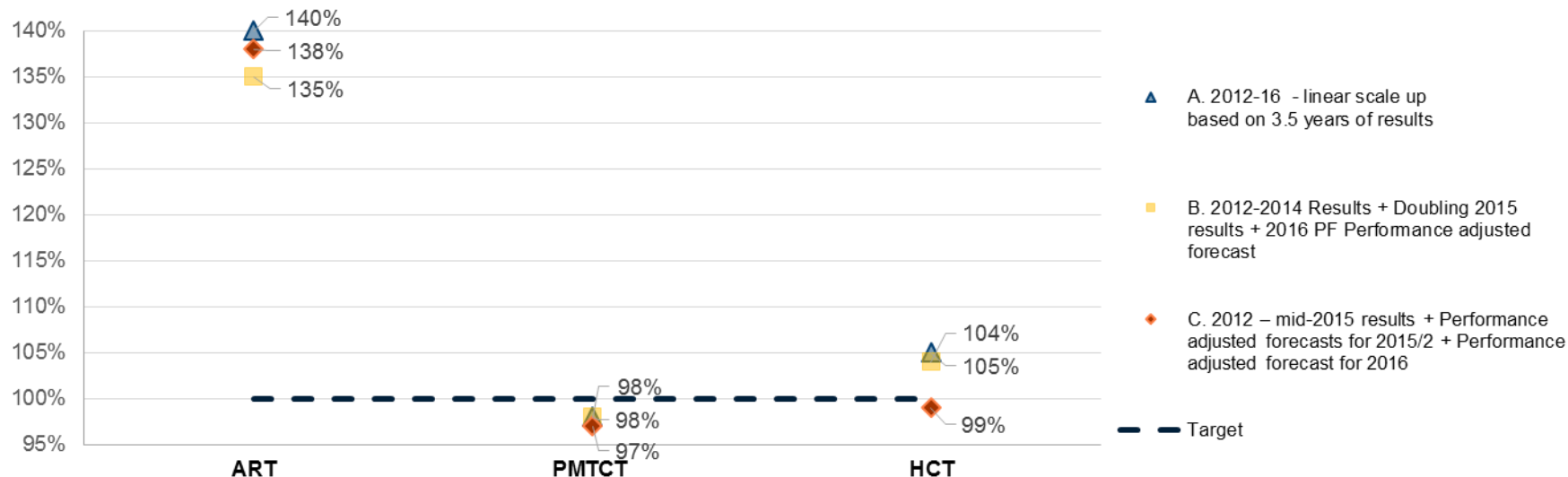
 Strategic Objective 2
Evolve the funding model

 Strategic Objective 3
Actively support grant implementation success

 Strategic Objective 4
Promote and protect human rights

 Strategic Objective 5
Sustain the gains, mobilize resources

 Strategic Enablers
Enhance partnerships & Improve operations

KPI 3
Performance against strategic service delivery targets – HIV/AIDS

Key points

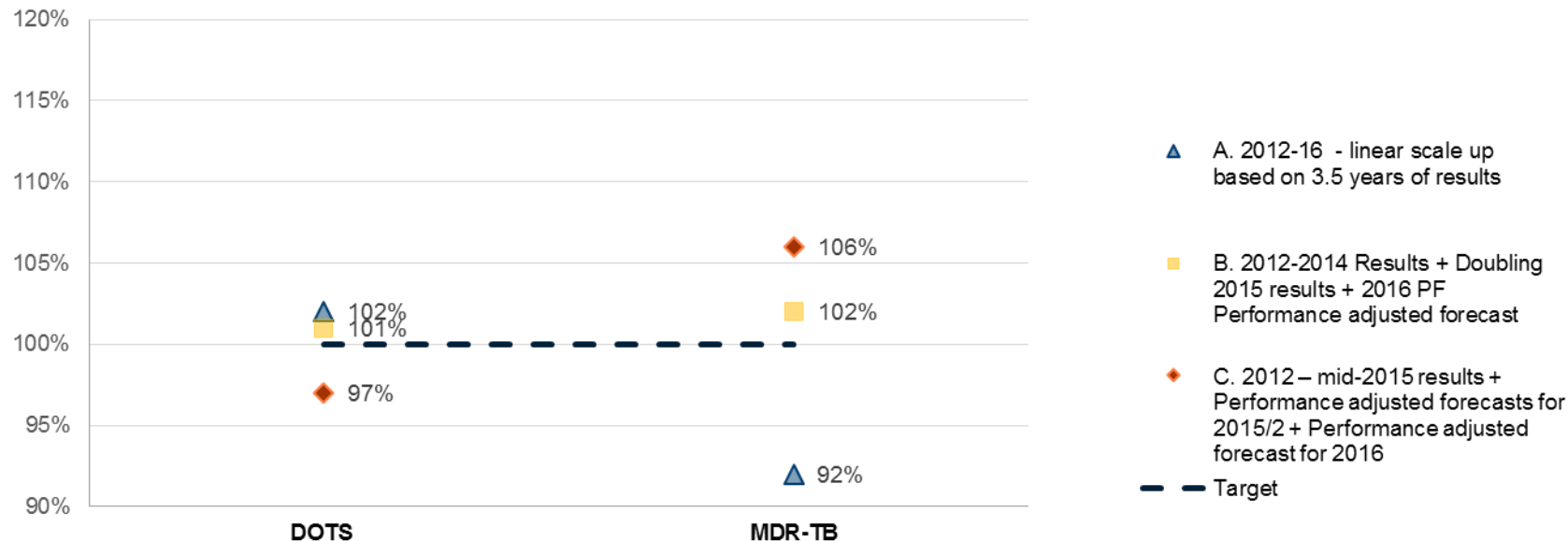
- All HIV/AIDS services on track for >95% achievement of 2016 strategy targets
- PMTCT forecasts show improving trend between July 2015 and January 2016 forecasts due to inclusion of mid-2015 results and net effect of revisions of targets in finalized performance frameworks
- Overestimated targets for one country influence achievement of PMTCT targets

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations

KPI 3

Performance against strategic service delivery targets - TB



Key points

- DOTS forecasts show improving trend between July 2015 and January 2016 forecasts due inclusion of mid-2015 results and net effect of revisions of targets in finalized performance frameworks
- Forecast method A projects a lower result for MDR-TB in 2016 due to grant results reporting misalignment. Forecast methods B & C project results including all anticipated cases

Strategic Goals & Targets

 Strategic Objective 1
Invest more strategically

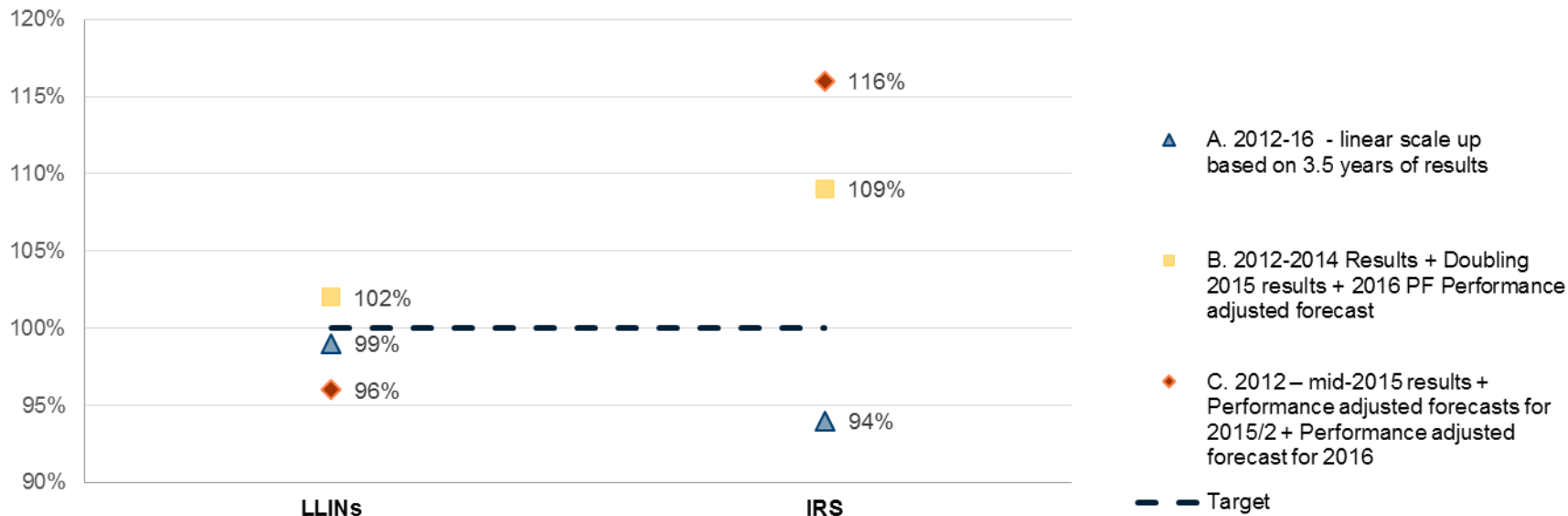
 Strategic Objective 2
Evolve the funding model

 Strategic Objective 3
Actively support grant implementation success

 Strategic Objective 4
Promote and protect human rights

 Strategic Objective 5
Sustain the gains, mobilize resources

 Strategic Enablers
Enhance partnerships & Improve operations

KPI 3
Performance against strategic service delivery targets - Malaria

Key points

- Forecast method A projects a lower result for IRS in 2016 due to country reporting cycles.
- Forecast methods B & C project results including all anticipated cases

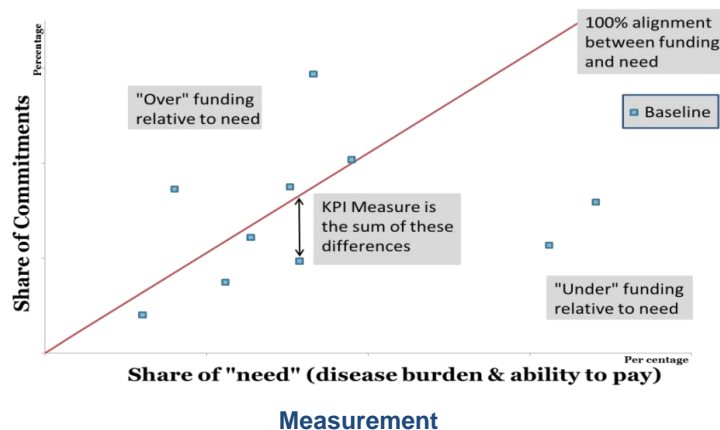
Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations

KPI 4 Efficiency of Global Fund investment decisions

Measure

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



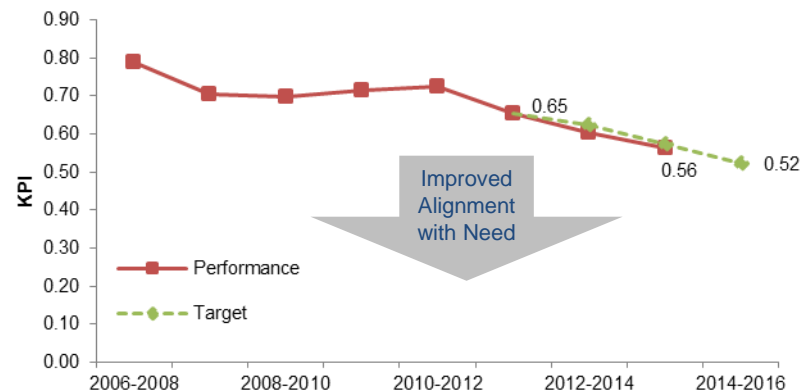
Performance

2015 Target: 0.57

End-2015 Result: 0.56 (14% improvement since 2013)

2016 Target: 0.52

20% improvement in alignment over the 2014-2016 period



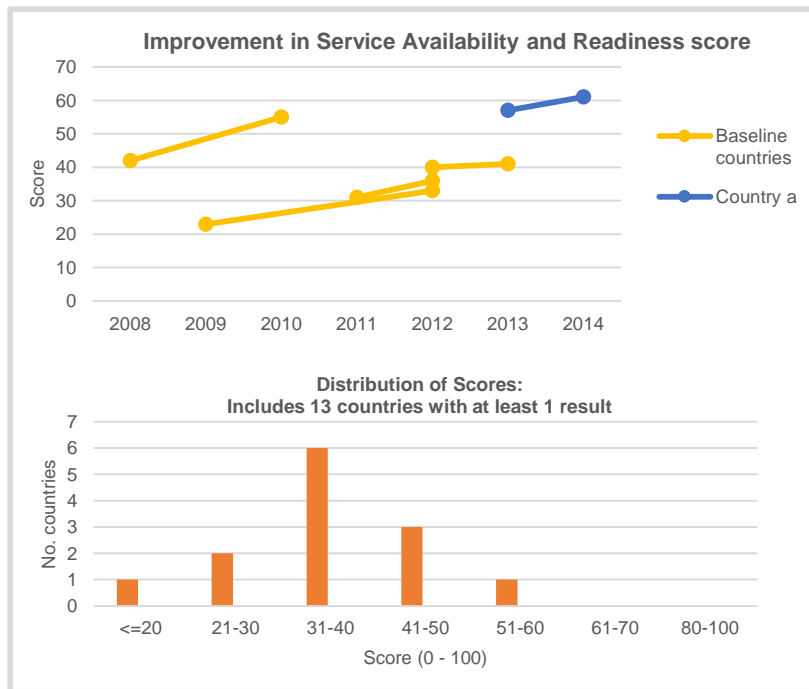
The Global Fund 35th Board Meeting
26-27 April 2016, Abidjan, Côte d'Ivoire

Performance & Target

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 5 Health System Strengthening****Measure**

Service availability and readiness score

**Performance**

2014-2016 Target: 60% of countries surveyed show an improvement of at least 5% points in service availability rating

Q2 2015 Result: Data available for one country (a) to date; with a result of a 4% point improvement in service availability rating

Interpretation

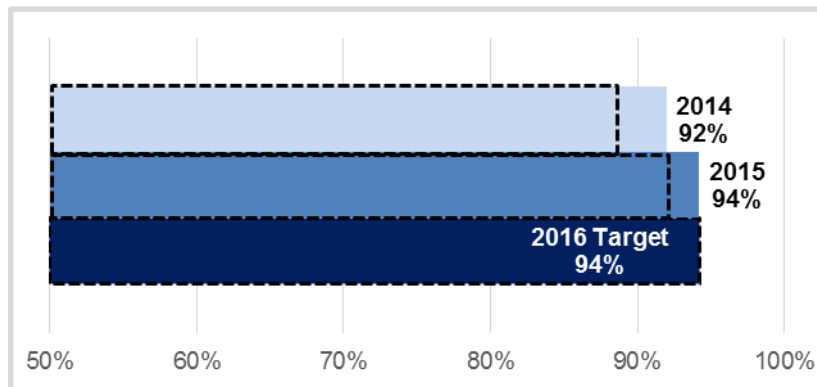
- Country (a) started from a high baseline: both initial and follow-up score are higher than scores from all other countries surveyed
- Survey results for nine more countries were expected by the end of 2015
 - Only one of these would have provided a repeat score to enable KPI calculation, however it was not completed
- Almost 90% of availability & readiness scores fall below 50% indicating that the majority of sites surveyed did not have all the recommended components in place to deliver a quality service

2015 Q2 Result. No new data available from partners since Q2

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**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**

2015 Target: 92%

End-2015 Result: 94% to date

2016 Target: 94%

Interpretation

- 2015 results to date exceed target and match reporting at Q2
- Two remaining high impact countries are not currently reporting Global Fund support on budget:
 - In one country, delays are related to signing the framework agreement
 - In another country, discussions are ongoing between the Country Team, partners and the CCM

The Global Fund 35th Board Meeting
26-27 April 2016, Abidjan, Côte d'Ivoire

Strategic Goals & Targets

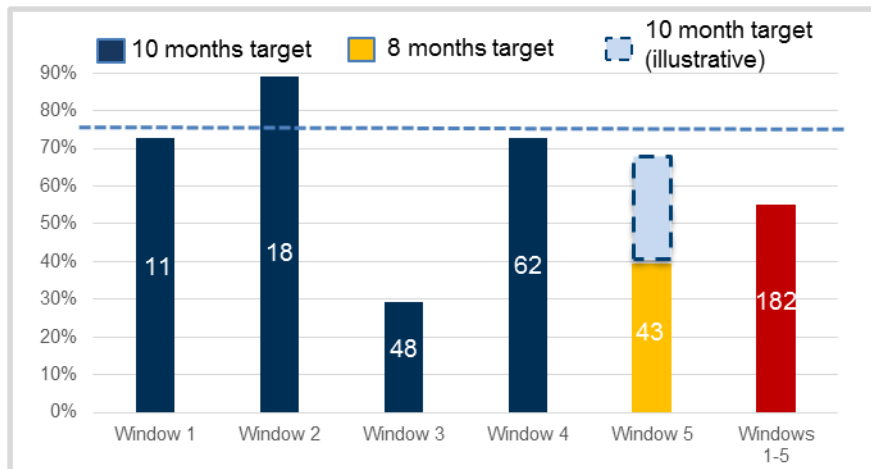
Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations

KPI 7 Access to Funding

Measure

Time from final Concept Note submission to first disbursement

Board approved KPI definition includes the following clause:
Special dispensation will be given to grants where first disbursement is delayed to align with parliamentary approval processes, national cycles, or for legal requirements



NOTE: Excludes Early Applicants/non-NFM submissions.

Performance

2015 Target:

- For grants submitted in 2014, 75% take 10 months or less
- For grants submitted in 2015, 75% take 8 months or less

2015 result: 55% NFM to date

2016 Target:

- For grants submitted in 2015-2016, 75% take 10 months or less

Interpretation

- 182 grants were eligible for KPI 7 assessment; 100 met target
- If the target for Q4 had been 10 months, 67% of window 5 submissions would have met target timing, making performance NFM to date 61%
- Average duration of the total process for window 5 has improved by almost one month: from 10.2 months in window 4 to 9.3 months

Summary of management actions

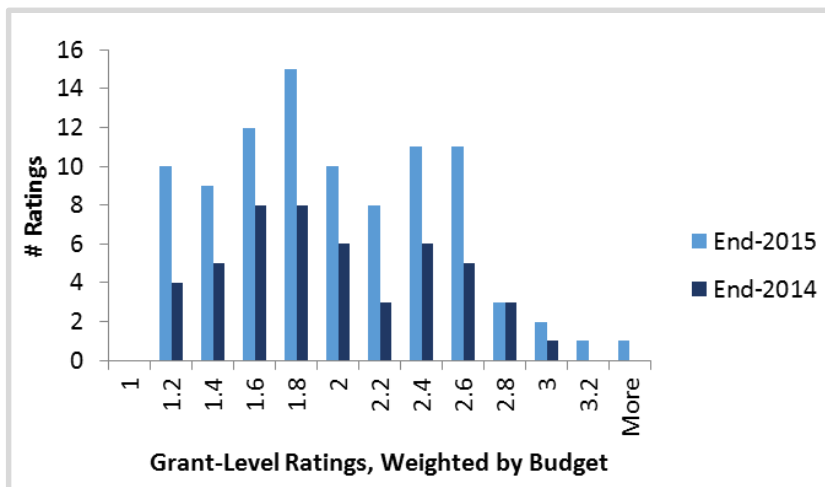
- Pro-active management of grant-making and 1st disbursement stages have led to some improvements – impact expected in remaining grants
- Project AIM's review of grant-making processes have identified pain points and potential solutions – changes to be implemented in line with a set roadmap, including activities for next replenishment cycle
- See Annex of this presentation for additional context

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**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



NOTE: Includes QUART updates completed in 2015.

Performance

2015 Target: Within range 1.7 to 2.1
10% of 2013 baseline (1.9)

End 2015 Result: 1.9

2016 Target: Within range 1.7 to 2.1

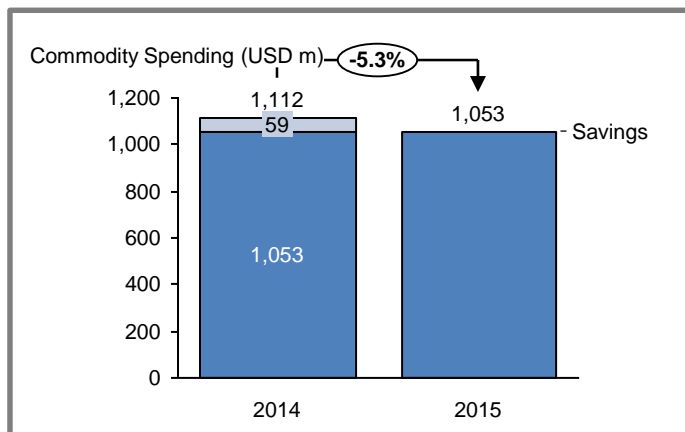
Interpretation

- Performance on PRI remains unchanged since 2013

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 10 Value for money****Measure**

Savings gained through leveraging Global Fund purchasing power



NOTE: Indicator measures year-on-year savings gained through Pooled Procurement Mechanism (PPM & AMFM). \$ Savings = Unit Price2014 – Unit Price2015) * 2015 volume. KPI = (savings 2015 / 2015 spend + 2015 savings). *2015 savings variance from December forecast was largely attributed to LLIN variance.

Performance

2015 Target: Reduce spend by 8% per year 2013-2015 for equivalent commodities at equivalent quality and volume

End-2015 Result: 5.3% savings (\$59m)

2016 Target: 7% reduced spend on equivalent commodities at equivalent quality and volume

Interpretation

- December reforecast projected 7% savings for 2015 – this was not met
- Grant signing delays were incorporated into this forecast, but still remaining is the long-standing challenge of forecasting product demand

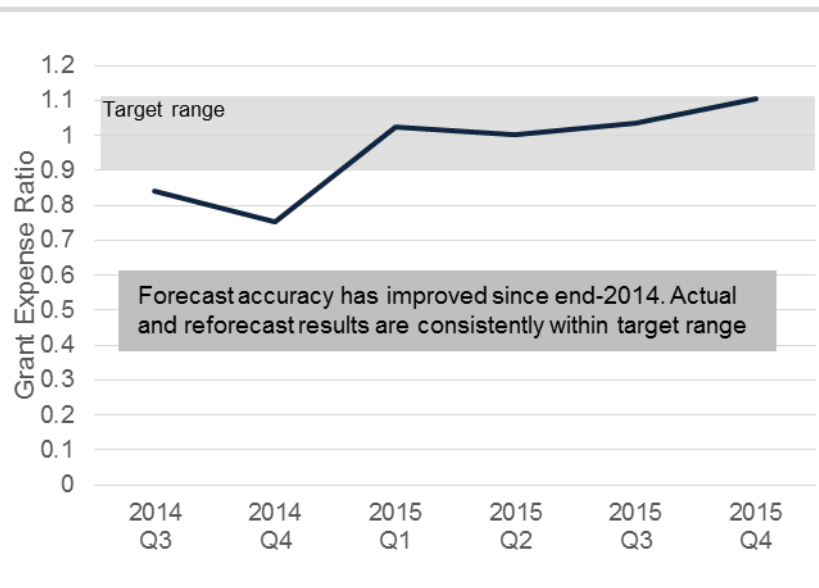
Management Actions

- Country demand:** Work is underway to develop procedures and systems for a more robust demand forecast. Longer-term, Wambo.org will provide up to date actual procurement data to confirm against forecast
- Unit prices:** Incorporate into framework agreement prices any additional costs associated with country specifications

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 11 Grant expenses forecast****Measure**

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

**Performance**

2015 Target: 0.9 - 1.1

End-2015: 1.1 (USD 4.3bn / 3.9bn)

(2015 Actual Grant Expense / Grant Expense Corporate Budget)

2016 Target: 0.9 - 1.1

Interpretation

- Actual 2015 grant expenses were 10% higher than 2015 budget
- Grant expenses planned for end-2014 spilled into 2015, leading to higher than budgeted commitment amounts

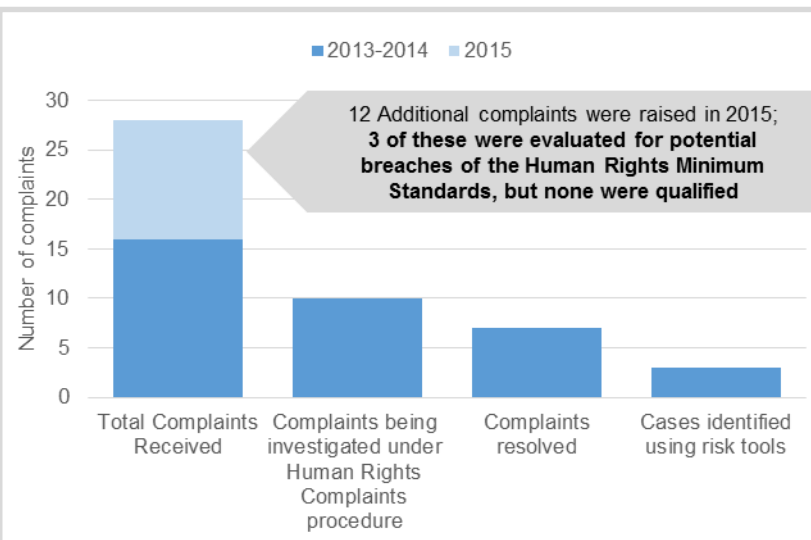
Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations

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



Performance

2013-2014 Result: 30%

2015 Target: year on year improvement with a 100% aspiration

End-2015 Result: 30% (3 / 10) strategy period to date

2016 Target: year on year improvement with a 100% aspiration

Interpretation

- Of the 178 allegations received by the OIG in 2016, 12 had some relation to Human Rights (a core complaint for 5, and a sub-component of complaint for 7)
- All of these complaints were made by in-country whistle blowers, and no complaints were received from the Secretariat
- After OIG's assessment of the 12 complaints, 3 were considered eligible for resolution under the procedures established for breaches of Human Rights minimum standards by implementers, but none were qualified

Strategic Goals & Targets	Strategic Objective 1 Invest more strategically	Strategic Objective 2 Evolve the funding model	Strategic Objective 3 Actively support grant implementation success	Strategic Objective 4 Promote and protect human rights	Strategic Objective 5 Sustain the gains, mobilize resources	Strategic Enablers Enhance partnerships & Improve operations
---------------------------	----------------------------------------------------	---------------------------------------------------	------------------------------------------------------------------------	-----------------------------------------------------------	----------------------------------------------------------------	-----------------------------------------------------------------

KPI 12 Human Rights Protection

Progress to date

- There is a **concern that the complaints procedure is not being used for the purpose it was designed for**
- All human rights-related complaints received in 2015 could have been identified prior to complaints procedure implementation
- Previous management actions (below) have yet to have an effect on the fact that the complaints procedure is not being used for the purpose for which it was created:
 - Launch and communications campaign for the Human Rights Complaints Reporting process (April 2015)
 - Letters from the Secretariat to Principle Recipients informing them of the five minimum standards for human rights, expectations around self-disclosure and the human rights complaints procedures (April 2015 onwards)
 - OIG in-country presentations on Human Rights Complaint Reporting at 7 Regional Sec-Worker and PWID conferences

Proposed Management Actions

- Proposed additional Management Actions
 1. In 2016, **OIG to conduct intelligence-led, proactive assessment** into mechanisms used by implementers to monitor human rights violations. Specifically this exercise will also review awareness and understanding of the human rights component of the grant agreement, to ensure processes in place are sufficient to escalate issues as they arise
 2. Secretariat, with OIG support as sounding board, to commission an independent evaluation of the Global Fund's Human Rights complaints procedures

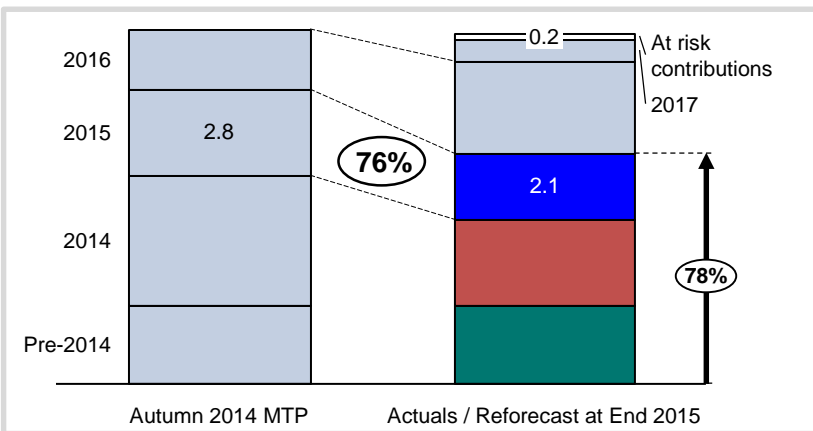
Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations

KPI 13 Resource Mobilization

Measure

- Actual pledges as a percentage of the replenishment target
- Pledge conversion rate. Actual 4th replenishment contributions as a percentage of forecast



NOTE: 4th replenishment pledges only. Actuals & MTP at accounting FX rates; forecast at replenishment FX rates. Actuals include any contributions from post-replenishment pledges.

¹More detail available in MTP reforecast (GF/B35/20).

Performance

2014-2016 Target: USD 15 bn

2014 Result: USD 12.2 bn (81%)

End-2015 Result: USD 12.4 bn (83%)

2014-2016 Target: 100% annually of forecast contributions received

End-2015: 76% (USD 2.1bn 2015 actuals / 2.8bn MTP)

Part (b) Interpretation

- 76% of expected 2015 contributions were converted in 2015 (at accounting rates)
- NFM to date, 78% cumulative contributions expected have been converted
- In addition to FX impact, 2015 underperformance is due to large shifts of contributions from 2015 to 2016 either due to internal delays of one donor's administrative process, or at request from the Global Fund to allow better cash management
- By end of replenishment period, USD 0.2bn losses are anticipated due to reductions in donor pledges¹

Management Actions

- 2016 performance should improve significantly with these shifts
- Comprehensive Funding Policy acknowledges potential funding shortfalls and outlines safeguards against disruptions. As part of this, portfolio optimization work is underway to optimize funding and to ensure service continuation

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 14 Domestic financing for AIDS, TB & Malaria****Measure**

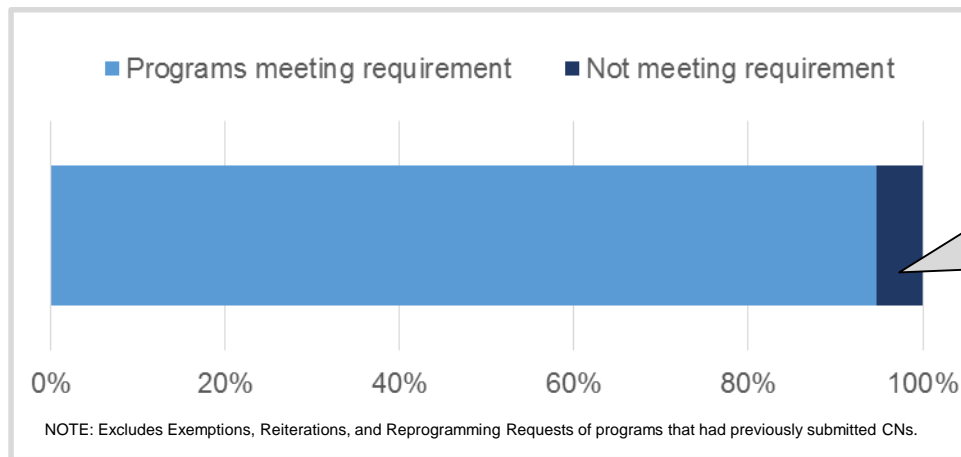
Percent of programs accessing funding where government contributions meet minimum counterpart financing thresholds

Performance

2015 Target: 90%

2015 Result: 95% (107/113 programs) in 2015

2016 Target: 90%



Out of 113 programs* accessing funding in 2015, 6 did not meet requirement:

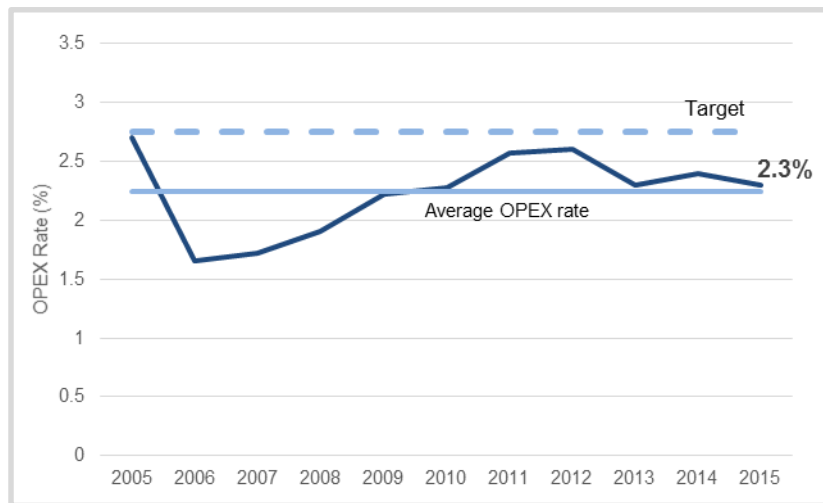
Additional commitments have been leveraged, and improved expenditure tracking mechanisms are being put into place with aims to ensure these countries meet requirements over 2015-2017

The Global Fund 35th Board Meeting
26-27 April 2016, Abidjan, Côte d'Ivoire

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 15 Efficiency of grant management operations****Measure**

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

**Performance**

2014 Result: 2.3%

2015 Target: Below a maximum of 2.75%

End-2015 Result: 2.3% (2015 Actuals)

2016 Target: Below a maximum of 2.75%

Interpretation

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

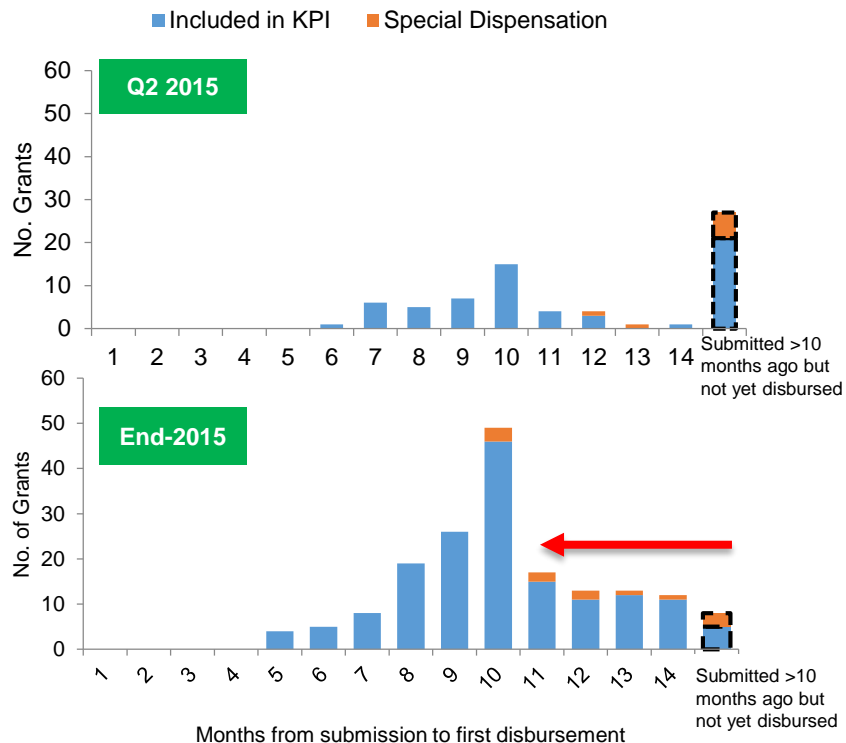
The Global Fund 35th Board Meeting
26-27 April 2016, Abidjan, Côte d'Ivoire

ANNEX

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations

KPI 7 Access to Funding



Interpretation

- Although there remains some distance to achieving target, progress has been made since Q2 2015 performance of 54%
- Average duration from submission to disbursement has improved, as have the proportion of grants reaching disbursement in 10 months
- As illustrated in the graphs on the left, this is explained by **fewer 'outlier' grants** taking far longer than expected to disburse
 - This shift is illustrated in the distributions of time to disbursement (Q2 2015 versus end-2015)
 - ~10% grants shifted from taking 10+ months to less than 10 months

Driving this improvement

- The reduction in average time can be attributed to active management of the funding process, including starting grant making earlier, and processing ADMFs immediately after signing
- Additional work is underway to shorten each step of the process in each remaining submission window for this funding cycle as well as the next

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 7****Access to Funding****Submission to GAC1**

Challenges:

- Clarifications, screening of eligibility requirements and translations take ~45 days
- TRP review, GAC review and the development of the review and recommendation form take between 30-45 days, depending on the complexity of the issues.

Management actions:

1. Continue **quicker turn-around of review and recommendation forms** to enable grant-making to start earlier. One step in this is sharing preliminary forms with country teams immediately following TRP meeting to enable grant-making to start directly after review
2. Window 9 submissions will be testing AIM recommendation of having a **pre-submission date for clarifications**, saving 2 weeks in the screening and reducing the complexity of translation
3. Continue to improve and **streamline TRP review process**. Differentiated and simplified review approach already agreed for sub-set of applications

Average Actual Duration

89 days

Expected duration

90 days

Average duration
by submission
window (days)

3

98

4

82

5

92

Timeline for implementation	Potential gain in time	Portion CNs that could benefit from action taken (%)**	Resp.
Complete	2-4 weeks	5% of submissions still to disburse	A2F
End-2016	2 weeks	5% of submissions still to disburse	A2F
Next cycle	1-6 mos*	~50% future CN	A2F

*Depends on lessons learned from differentiated approach to be tested during 2016 reprogrammings

** ~98 CNs have not yet disbursed as of February 2015. Out of those ~98 CNs, a portion will benefit from improvements made to this phase in the process

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 7 Access to Funding****Grant-making: GAC1 to GAC2**

Challenges:

- Time required for grant-making has taken longer than expected. This has been primarily due to:
 - Low capacity within countries
 - High burden of grant making on country teams
- Other causes include: changing circumstances in-country, identifying new Principal Recipients after concept note submission, social unrest, joint negotiation of multiple grants, and the restructuring of portfolios

Management actions:

- Monthly monitoring and more proactive management of each step in the process**
- Project AIM** is undertaking a review of grant-making processes to identify pain points and potential solutions. AIM Project Steering Committee has approved opportunities for improvements to grant-making policies, processes and tools which are being implemented by the Project and relevant teams

Average duration
by submission
window (days)Average Actual Duration 

127 days

Expected duration

90 days

3

165

4

134

5

107

Timeline for implementation	Potential gain in time	Portion CNs that could benefit from action taken (%)**	Resp.
Complete	15-30 days	~50% of submissions still to disburse	GMD
Next cycle	Up to 30 days	Next cycle's differentiated submissions*	GMD

*Most time savings could be applied to only differentiated portfolios, to be agreed by Q4 2016. Subject to Project AIM outputs and timeline.

** ~98 CNs have not yet disbursed as of February 2015. Out of those ~98 CNs, a portion will benefit from improvements made to this phase in the process

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 7 Access to Funding****GAC2 to Board approval****Challenges:**

- The longer Board electronic voting period now under discussion will make this harder to achieve in the future
- Board is now withholding confirmation of decision until response to comments has been received. This has the potential to delay approval by 1-2 weeks depending on availability of country teams to respond.

Management actions:

- Differentiate** approaches to GAC sign-off for small and low risk grants. Countries that have grant budgets of less than 20 million dollars, and belong to low or medium risk category, are allowed to submit a lighter grant-making sign off form and are reviewed in the executive session. The number of documents country teams are required to submitted for GAC 2 review has also been reduced from 12 to 3
- Explore **electronic sign-off** for GAC2 fast-track grants, with ad hoc Board reports, for D4I 'focused' category

Average Actual Duration

31 days

Expected duration

30 days

Average duration
by submission
window (days)

3 34

4 34

5 37

Timeline for implementation	Potential gain in time	Portion CNs that could benefit from action taken (%)**	Resp.
Complete	0 days	~60% of submissions still to disburse	A2F/GMD
Q3-Q4 2016 (TBC)	0-2 weeks*	~25% of submissions still to disburse	A2F/GMD

*Depends on whether there is a critical mass of fast-track grants to warrant an electronic sign-off.

** ~98 CNs have not yet disbursed as of February 2015. Out of those ~98 CNs, a portion will benefit from improvements made to this phase in the process

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 7 Access to Funding****Board approval to grant signing**

Challenges:

- Grant signing timelines after Board Approval are largely dependent on country stakeholders (availability of stakeholders, alignment with partners, etc.)
- Challenges with new tools, templates, systems and processes delayed grant signing

Management actions:

- Communicate more precise expected Board approval date** in advance to country teams to facilitate scheduling grant signing
- Working with IT to update systems** in order to bring forward certain steps in the system to optimize the readiness of grants for approval
- Core data forms to be submitted before GAC1** (AIM recommendation)
- Dedicated follow-up with Country Teams by GM Support**

The Global Fund 35th Board Meeting
26-27 April 2016, Abidjan, Côte d'Ivoire

Average duration
by submission
window (days)

Average Actual Duration



40 days

Expected duration

21 days

3 43

4 40

5 40

Timeline for implementation	Potential gain in time	Portion CNs that could benefit from action taken (%)**	Resp.
Complete	1 week*		A2F
Q1	<1 week	~95% of submissions still to disburse	GMD
Q2	<1 week		GMD
Q2-Q3 [TBC]	<1 week		GMD

*Potential time gain. If Board approval is delayed by changes to decision confirmation, this gain will be less.

** ~98 CNs have not yet disbursed as of February 2015. Out of those ~98 CNs, a portion will benefit from improvements made to this phase in the process

Strategic Goals & Targets


Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 7 Access to Funding****Grant signing to disbursement**

Challenges:

- Lack of clarity in new grant creation and first disbursement processes + technical challenges in creating disbursement decisions in the online systems led to delays
- ADMF creation was not prioritized when there was existing cash balance in-country

Management actions:

1. Country teams are systematically processing ADMF immediately following grant signing (even if cash is in-country). As a result, from Window 4 to 5, the average number of days between grant signature and first disbursement decision reduced from 24 to 18 days

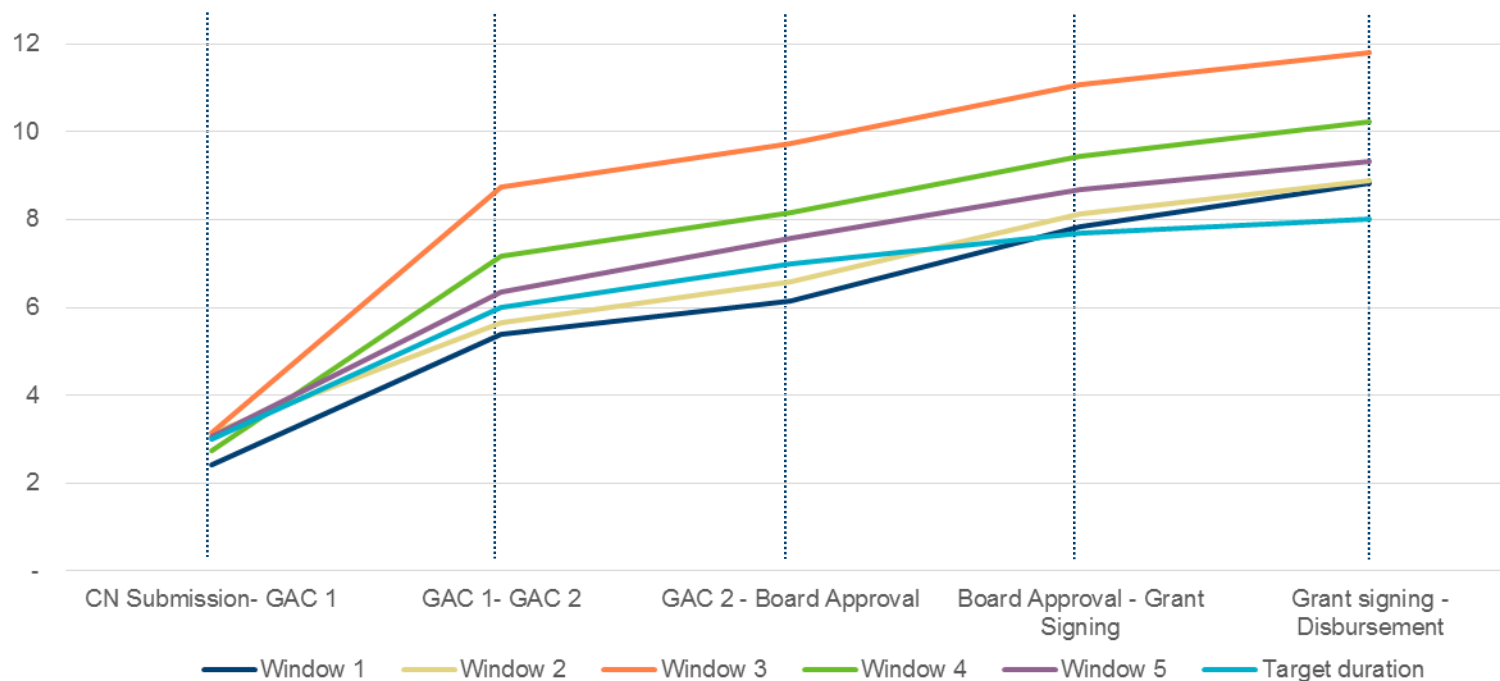
		Average duration by submission window (days)	
Average Actual Duration	 23 days	3	21
Expected duration	7 days	4	24
		5	18

Timeline for implementation	Potential gain in time	Portion CNs that could benefit from action taken (%)**	Resp.
Complete	5 days	100% of submissions still to disburse	GMD

Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 7****Access to Funding**

Average duration at each stage across Windows 1-5 (in months)



Strategic Goals & Targets

Strategic Objective 1
Invest more strategicallyStrategic Objective 2
Evolve the funding modelStrategic Objective 3
Actively support grant implementation successStrategic Objective 4
Promote and protect human rightsStrategic Objective 5
Sustain the gains, mobilize resourcesStrategic Enablers
Enhance partnerships & Improve operations**KPI 7 Access to Funding**

Overall status windows 1-5:

- Average time of submission to disbursement is 10.2 months
- *Below analysis includes projections for those grants that have not yet reached Board approval, signing or disbursement*

