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# Strategic Performance Report end-2019 (summary)

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## 43<sup>rd</sup> Board Meeting

GF/B43/10

14-15 May 2020, *Virtual*

### **Board Information**

Purpose of the paper: To provide an update on end-2019 Key Performance Indicators (KPIs) results against targets, to identify mitigating actions for KPIs at risk of not achieving strategy targets and to outline proposed changes to KPI targets and indicators.

## Introduction and context

The end-2019 Strategic Performance Report reflects progress at the mid-point for the current 2017-2022 Global Fund Strategy. The report provides country-specific results on an expanded number of KPIs and illustrates how the Global Fund uses KPIs in overall performance management.

## End-2019 KPI Results

Most KPIs remain on a positive trajectory towards achieving targets. There has been considerable progress in saving lives over the first two years of the Strategy; based on continuation of current mortality trends, the 2022 Strategy targets are well within reach (KPI 1a). Incidence rates are declining across all three diseases, but not at a pace fast enough to achieve the Strategy target. This will be addressed through scaling up coverage of programs for vulnerable and key populations for HIV, finding missing cases for TB, and vector control and case management for malaria (KPI 1b).

### SO 1: Maximize impact against HIV, TB and Malaria

- i. There is good alignment between the level of investment made in each country and that country's needs, ensuring that funds are effectively invested (KPI 3).
- ii. To date, 49 assessments have been conducted to assess whether national disease programs in Global Fund High Impact countries are demonstrating program efficiencies. Of the programs assessed, 88% show a decrease of cost per life saved or infection averted compared to the previous period, indicating overall improved efficiency. So far, only a small number of programs, all for TB, have been flagged for potential efficiency loss (KPI 4).

### SO 2: Build resilient and sustainable systems for health

- iii. Almost all Global Fund funding requests for the 2017-2019 allocation period were rated by the TRP as aligned with national priorities outlined in National Strategic Plans (KPI 6f).
- iv. Whilst it is recognized that RSSH-related KPIs are not a proxy for health system strength and do not reflect the entirety of Global Fund efforts to strengthen health systems, the data systems, financial management and procurement and supply chain KPIs continue to show progress, with most indicators achieving or close to target.

Procurement and Supply chains: The target of a 15% reduction of non-availability for diagnostics and tracer medicines was achieved for 5 of the 6 products considered (KPI 6b). A proposed improved indicator for assessing national procurement systems is presented in this report, has been recommended by the Strategy Committee and is included in a separate electronic report to the Board (KPI 6a).

Financial systems: Routine financial management gaps are being addressed. Five countries (from a target of 6) have completed public financial management transition efforts. The number of countries that have met financial management systems standards for optimal absorption and portfolio management is near target (23 out of 26), and countries that have not reached target are generally very close (KPI 6c).

Data systems: Positive outcomes for data systems strengthening efforts are being observed. Most countries in Global Fund High Impact and Core portfolios have seen improvements to their health management information systems (HMIS); 48% of countries have fully deployed,

functional HMIS, just below the ambitious 2019 target. 58% of countries have reported disaggregated results by age and gender through national systems, exceeding the 2019 target (KPIs 6d & 6e).

### **SO 3: Promote and protect human rights and gender equality**

- v. KPIs related to reducing human rights barriers to services show a mixed picture of progress. Key milestones have been achieved in the Breaking-Down-Barrier country approach, with significant scale-up of comprehensive programs compared to the baseline assessments (KPI 9a).
- vi. Global Fund investment in key population programs and programs to reduce human rights-related barriers have increased considerably compared to the 2016 baseline. The investment across HIV grants for Key Populations was just under target, but the target was exceeded for human rights, largely due to matching funds. The TB target was not reached despite a 14-fold increase since 2016; matching funds for human rights will be made available for TB grants in the 2020-2022 funding cycle (KPI 9b).

### **SO 4: Mobilize increased resources**

- vii. Global Fund resource mobilization efforts have been successful, with the 5th Replenishment period ending at an over 100% pledge conversion rate (KPI 10).
- viii. 92% of the 5<sup>th</sup> Replenishment has been, or is forecasted to be, disbursed, with high utilization across all portfolio categorizations (KPI 7a).
- ix. Domestic co-financing commitments to Global Fund programs for the 2014-16 allocation period reached 127% of the minimum policy prescribed for co-financing. 94 of the 109 countries reviewed by the Grant Approvals Committee in the period 2017-2019 fully complied with co-financing requirements for their 2014-16 country allocation (KPI 11).
- x. Ascertaining domestic levels of funding for key populations and human rights programs in upper middle-income countries has been extremely challenging for reporting on the interim indicator. 83% of countries have committed funding for Key Populations, but only 43% for both key populations and human rights programs, far below the KPI target. A new definition and methodology are proposed for the indicator for the 2020-2022 allocation period, have been recommended by the Strategy Committee and are included in a separate electronic report to the Board (KPI 9c).
- xi. The supply continuity KPI for PPM products with more than three suppliers remains below target, due to challenges for low-volume products. A new definition, using differentiated cohorts as approved by the Board in Fall 2019, will come into practice in 2020 (KPI 12a).
- xii. Savings achieved through PPM continue to be high, with US\$175m of savings achieved in 2019, against a target of US\$115m. Based on further price decreases for ARVs, the Secretariat is proposing a revision of the 2020 target, to make it more ambitious. This update is recommended by the Audit and Finance Committee and is included in a separate electronic report to the Board (KPI 12b).

## **Input Sought**

Upon recommendation from the Strategy Committee and Audit and Finance Committee, the Board will be requested, through a separate Electronic Report, to approve Electronic Decision Points on the following four areas following the 43<sup>rd</sup> Board Meeting:

- a. Approving revised methodology for KPI 6a (RSSH-Procurement);
- b. Restating the KPI 6f (2020-2022 target for alignment of funding requests with National Strategic Plans);
- c. Approving final methodology for KPI 9c (Domestic Investments for Human Rights and Key Populations); and
- d. Restating KPI 12b (2020 target for PPM savings).

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# Strategic Performance Report end-2019

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**43<sup>RD</sup> BOARD MEETING**

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# Using country-specific results in Strategic Performance Reporting

Until 2019, Strategic Performance Reporting (KPIs) was at **aggregate and regional** level (where relevant) and Secretariat **did not report any country specific results** to Board or Committees. From 2018, Secretariat shared Country Results Profiles with Board, but constituencies requested **more KPI country-specific analysis** (both at country & grant level) to understand the variance, challenges and performance of our operations

To address this, in Spring 2019, Secretariat piloted reporting of some country-specific results for KPIs for which the country-level data is a) **publicly sourced** (or will be), b) **available** and c) **relevant** to understand KPI performance.

Following positive feedback from constituencies and rich discussions at the 2019 Board meeting, the Secretariat will continue to report some country-specific results under the same principles and will explore which KPIs can be added. For the end-2019 report, **four additional KPIs are now reporting country-specific results** (*see next slide*)

## What country-specific results should continue to do:

- Enable **clearer understanding** of GF results, in line with other development actors (PEPFAR, WHO, Gavi, etc.)
- Provide critical context to KPI results, helping to identify countries driving performance with potential to **inform action**
- Increase **transparency** and provide the Board with a better description on how Secretariat is addressing underperformance
- Be used consistent with the governance duties to the Global Fund.

## What country-specific results should continue not to do:

- Be used to **name and shame** countries
- **Criticize** constituencies or individuals at the Board or committees
- Lower the **level of Board-level discussion** from the strategic to the country-specific
- Hinder **objective discussions**, if constituencies are associated with certain countries
- Foster **micromanagement**.

# KPIs where reporting Country-Specific Results apply

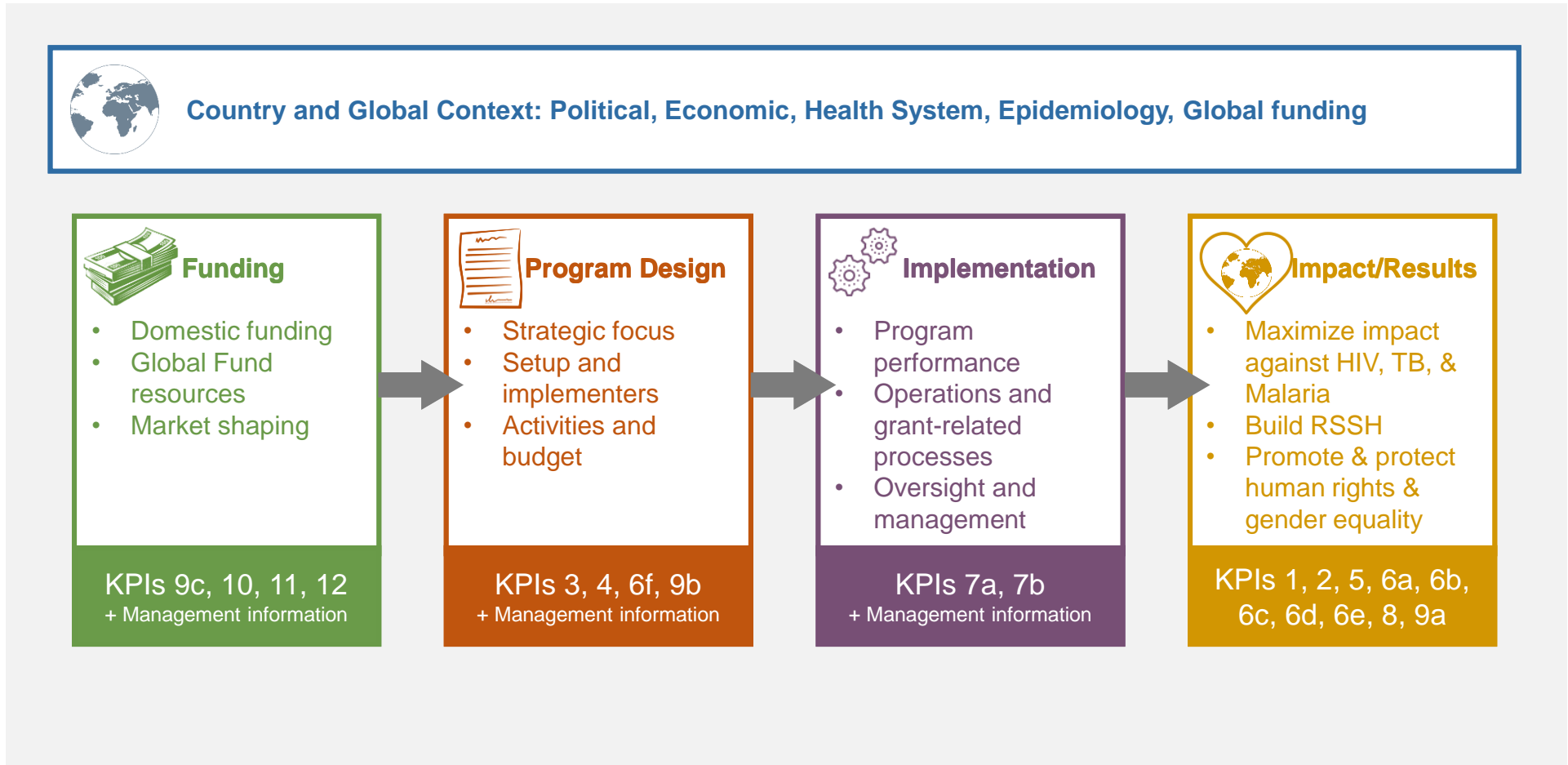
- **Newly available** for reporting country specific results
  - Reduce Human Rights barriers to services (**KPI 9a**); Key Populations and Human Rights in middle income countries (**KPI 9b**); RSSH: Supply chains (**KPI 6b**); RSSH: Financial Management (**KPI 6c**)

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- **Still available** for reporting country specific results
  - **Impact and service delivery** (*using partner or national data*): Performance against impact targets (KPI 1); Gender and age equality (KPI 8); Performance against service delivery targets (KPI 2)
  - **Data sourced from grant reporting**: Fund utilization: absorptive capacity (KPI 7b); RSSH: Results disaggregation (KPI 6e)
  - **Corporate public data**: Alignment of investment & need (KPI 3)
- **Potentially** available in future (2020 or later) or on demand
  - **Data not publicly available yet**: RSSH: HMIS coverage (KPI 6d); Domestic Investments (KPI 11); Investment efficiency (KPI 4)
  - **KPI discussion more relevant at portfolio level**: Fund utilization: allocation utilization (KPI 7a)
- **Not available** for reporting:
  - **Strictly internal information/interim indicators**: interim indicator for service coverage for key populations (KPI 5); RSSH: NSP alignment (KPI 6f); interim indicator for KP and Human Rights in transition countries (KPI 9c)
  - **Data does not exist at country level**: Resource Mobilization (KPI 10a and 10b); Availability of affordable health technologies (KPI 12a and 12b)

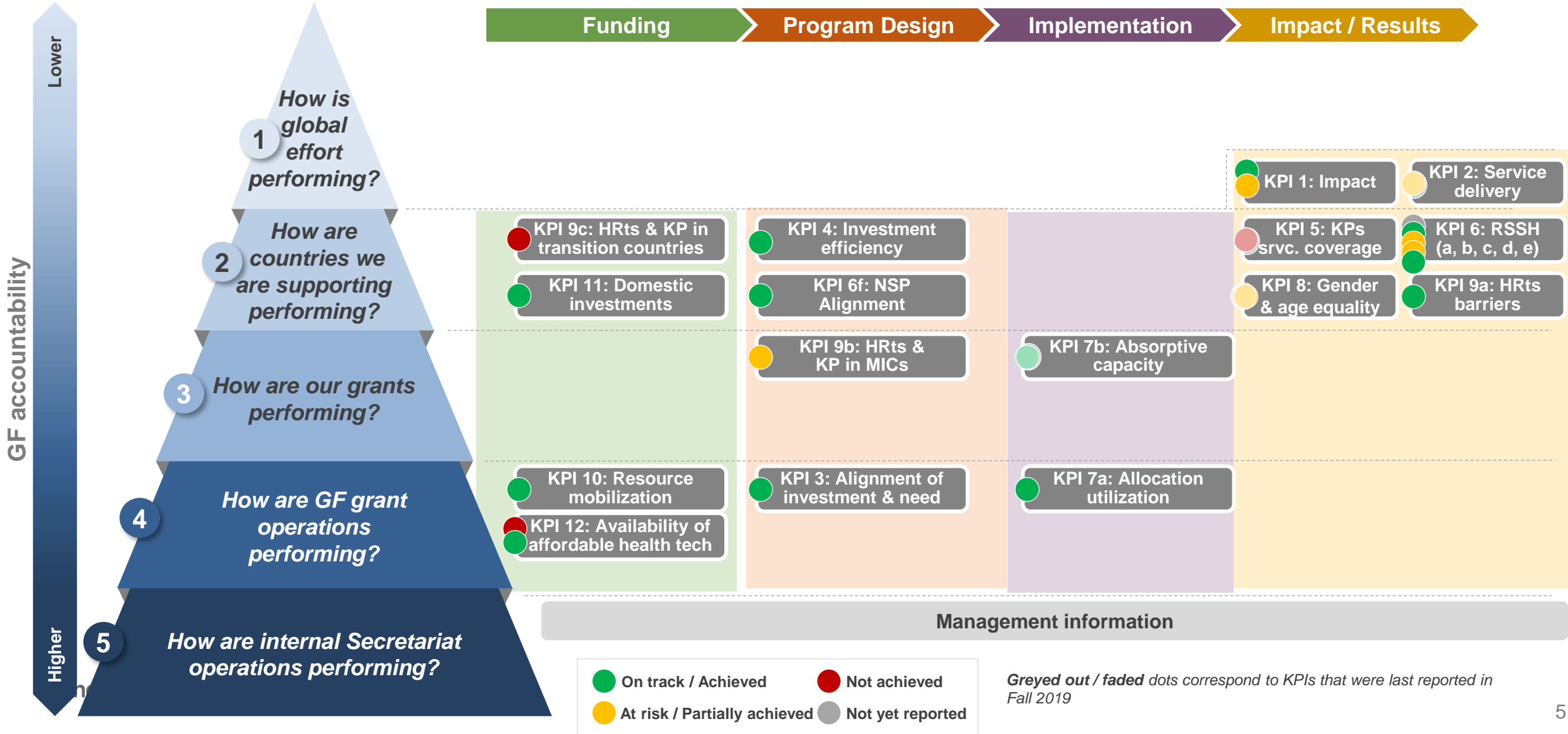


# Performance Reporting Framework

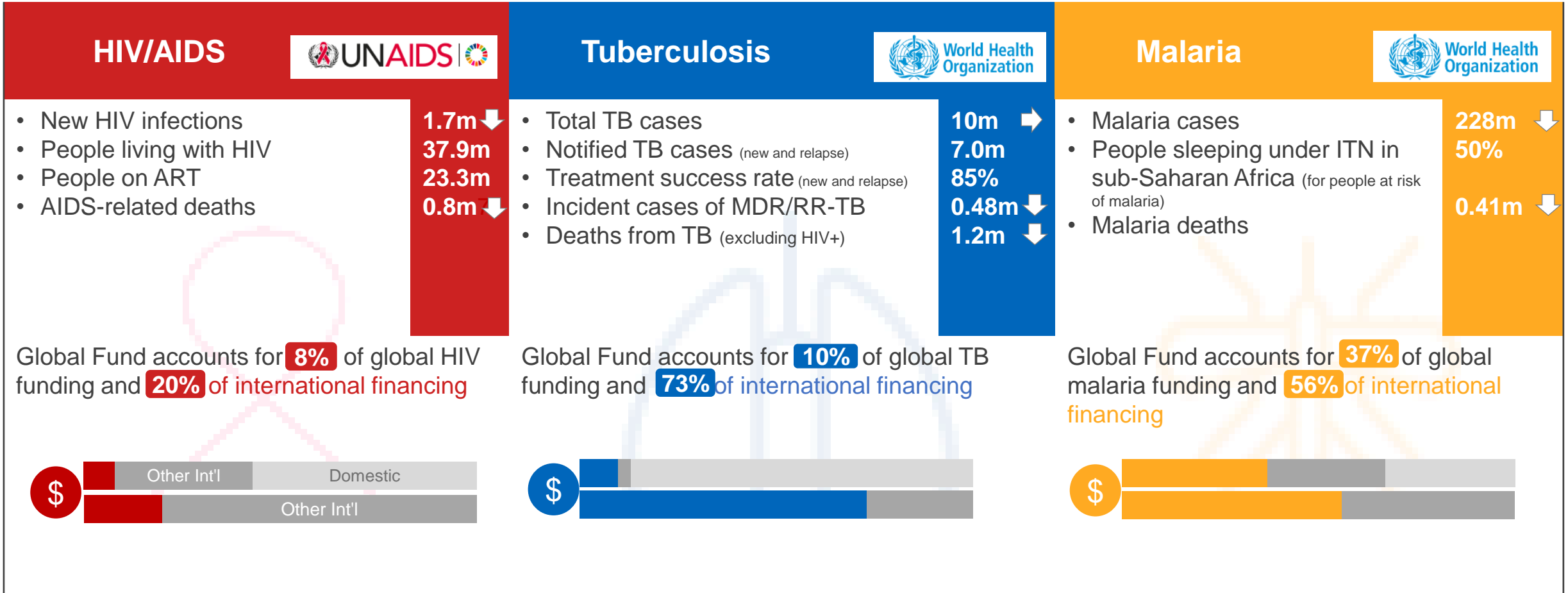
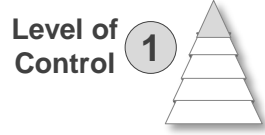


# Current Performance and GF Level of control – for KPIs included in this report

## Global Fund Performance Reporting Framework



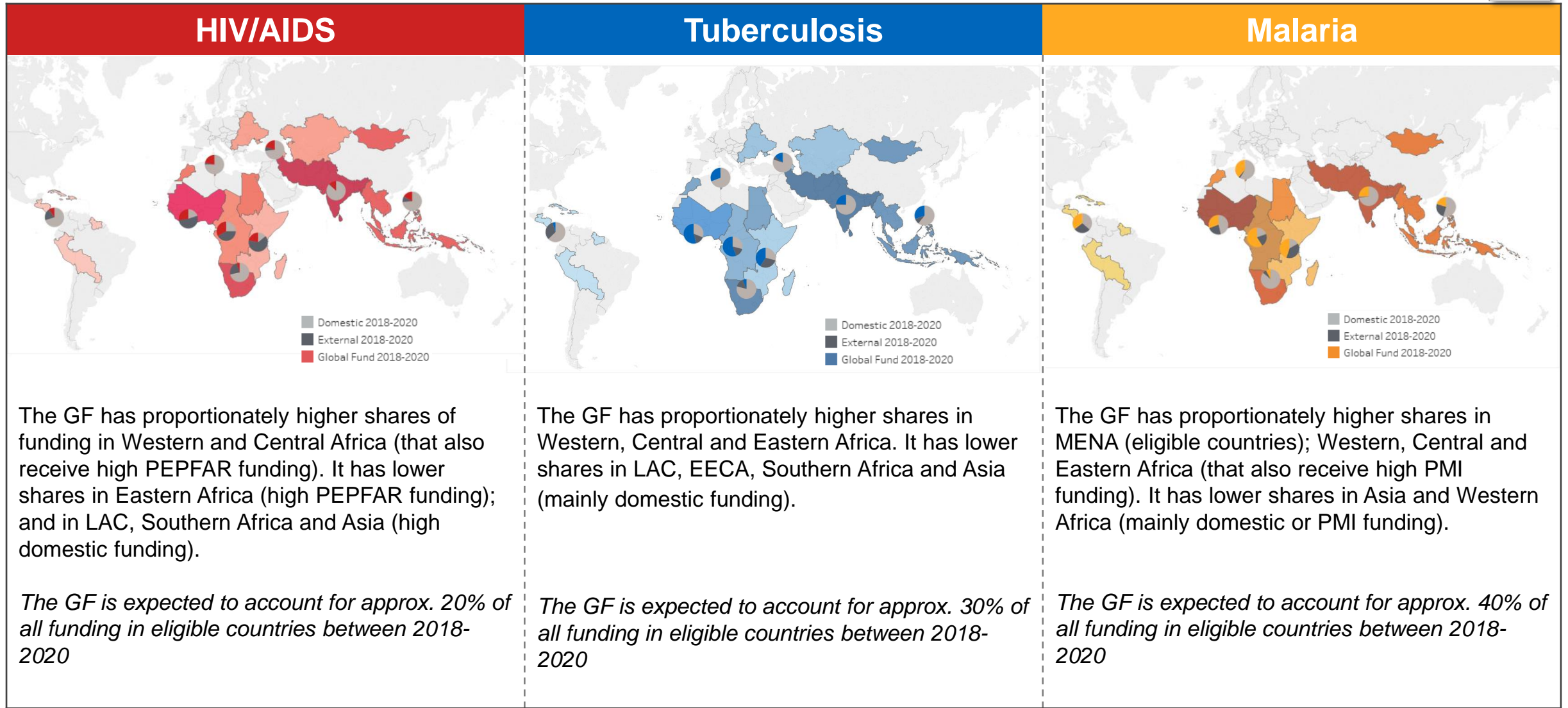
# Setting the context – the global fight against the three diseases



Trend vs previous year

HIV data: UNAIDS.org, TB data: Global TB Report 2019, WHO; Malaria data: World Malaria Report 2019, WHO  
 Funding sources Global Fund Results Report 2019, Global Fund; Global Tuberculosis Report 2019, WHO; World Malaria Report 2019, WHO  
**Figures are global and are not solely for countries where Global Fund resources are disbursed.**

# Setting the context – the global fight against the three diseases



NB: this data is based on funding requests submitted by GF-financed countries\* during the current allocation period 2017-2019  
 \*For instance, in LAC, the GF share of funding is not representative of the region as a whole as most of its countries are ineligible for GF funding.  
 Regions are based on the UN geo-scheme.

# Funding / Program Design overview



## Domestic Funding

- For 2014-16 allocation period, **actual domestic investment** was **127%** of minimum policy prescribed co-financing, exceeding requirements across all income brackets (*Annex 2, p.2*) **KPI 11**
- At the end of the interim reporting period, **committed domestic resources for KPs and HRts** in assessed countries was **83%** and **45%** respectively; countries reporting commitments to both was **45%**, falling far below ambitious 100% target. Secretariat proposes revised indicator definition for measuring **domestic expenditures** in key populations and human rights programs. (*Annex 2, p.4*) **KPI 9c**

## Global Fund Resources

- For the Fifth Replenishment, **101%** of the target has been **pledged**, and **contributions expected to be received** are forecasted to be **103%** of initial forecasted estimate. Reporting on the Sixth Replenishment KPIs will start in Fall 2020: pledges to date are \$14.028b against a target of \$14b. (*Annex 2, p.8*) **KPI 10a** **KPI 10b**

## Market Shaping

- 59%** of health products budgeted in grants procured through **Pooled Procurement Mechanism (PPM)**, i.e., \$ 870m in 2019.
- Not meeting target for number of defined **products with >3 PPM suppliers** meeting Quality Assurance requirements, at **71%**, with continued challenges for low volume / pediatric products (*Annex 2, p.10*) **KPI 12a**
  - New indicator with more realistic methodology, differentiating between products (Low/High volume) to be used from 2020
- \$174m of savings** achieved in 2019 through PPM, exceeding annual savings target of \$115m. Target revision (increased from \$136m to \$150m) proposed for 2020, based on rigorous supplier negotiation and price decreases. (*Annex 2, p.11*) **KPI 12b**
- 85%** of PPM orders **delivered on time and in full** (OTIF) in 2019, exceeding internal target

## Strategic Focus

- Alignment of GF investment & country need** continues to be at target with **0.327** vs target of 0.33 (*Annex 2, p.15*) **KPI 3**

## Activities

- At the end of the 2017-2019 allocation cycle, **98%** of funding requests in this cycle were rated by TRP as aligned with National Strategic Plans (*Annex 2, p.17*) **KPI 6f**
- Overall **88%** of national disease programs assessed demonstrate a decrease of cost per life saved or infection averted over the 2017-2019 allocation period indicating improved efficiency of national disease programs. (*Annex 2, p.16*) **KPI 4**
- At the end of the 2017-2019 grant cycle, GF investment in programs to remove human rights-related barriers had exceeded target for HIV grants (**3.64%**) and increased substantially for TB grants (**1.13%**), despite overall TB target not being reached. Investments in key populations in HIV grants at the end of the cycle was at **37%**, very close the target of 39%. (*Annex 2, p.38*) **KPI 9b**



# Implementation / Result overview



## Performance

- Majority of the **5<sup>th</sup> Replenishment disbursed or forecasted to be (92%)**. Utilization high across all portfolio categorizations (*Annex 2, p.22*) **KPI 7a**



## Maximize Impact against HIV, TB and Malaria

- Since the beginning of the current strategy an estimated **9.9 million lives were saved**. If trends continue, 2020 strategy target of 29M will be achieved (*Annex 2, p.24*) **KPI 1a**
- Since the 2015 baseline, **new infections/cases have reduced** by an estimated **7%**. Based on current trends, strategy target will not be reached. However, this reflects the most conservative projection, following the successful Replenishment, acceleration of incidence reduction is one of the key priorities of the Global Fund partnership over the next implementation cycle (*Annex 2, p.24*) **KPI 1b**

## Build Resilient & Sustainable Systems for Health

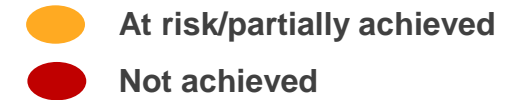
- Indicator proposed for KPI 6a on **National Procurement**, with finalization of cohort, indicator target, data sources and mechanism for data collection ([p. 51](#))
- Transformation plans helped reach the **supply chain target** (15% **reduction of non-availability** for diagnostics and tracer medicines) in the 16 cohort countries for **5 products out of 6** (all diagnostics, first line drugs for TB and HIV; with malaria first line drugs very close to target) (*Annex 2, p.33*) **KPI 6b**
- Almost at target for **Financial systems**, with **5** countries (target: 6) with **completed public financial management transition efforts** and **23** countries (target: 26) having implemented required actions to **meet defined financial management systems standards** for optimal absorption & portfolio mgmt. Countries not at target generally close to required level. (*Annex 2, p.34*) **KPI 6c**
- 43%** of HI/Core countries with **fully deployed, functional HMIS** (up from 25% at end-2018). Even though it is slightly under the ambitious target for 2019 (50%), the vast majority of countries have seen an improvement and this KPI is expected to be back on target in 2020. (*Annex 2, p.36*) **KPI 6d**

## Promote and Protect Human Rights & Gender Equality

- Continued improvement in data availability: **58%** of HI/Core countries are able to provide results fully **disaggregated by age / gender** for relevant indicators (up from 43% at end-2017), exceeding the 50% target (*Annex 2, p.37*) **KPI 6e**
- In the 20 'Breaking Down Barriers' countries, 19 multi-stakeholder meetings conducted resulting in 6 plans for a comprehensive response to human rights-related barriers with 9 more approaching finalization. Results from the first mid-term assessment in Ukraine show a significant scale up of programs to **reduce human right barriers** for both HIV and TB compared to the baseline. (*Annex 2, p.39*) **KPI 9a**



# End-2019 Reporting – Focus on KPIs at risk of achieving target



## Funding

### 9c KP and HRts in transition countries (interim indicator) (Annex 2, p.4)

**Results:** For the full NFM2 cohort, **45%** of UMI countries assessed reported on domestic investments in both KPs & HRts programs (target: **100%**).

**Take-aways:** Results better for KP investments (83% of cohort reported on those) than for HRts, which could have due to stronger eligibility requirements for KPs. The interim indicator established the lack of systems to collect relevant data. This will be addressed by the final indicator (starting in 2020) aligned to existing systems (UNAIDS GAM) and focusing on critical countries (with available data or part of Breaking Down Barriers)

### 12a Availability of affordable health technologies: availability (Annex 2, p.10)

**Results:** **71%** of defined products have >3 QA suppliers (target: **100%**).

**Take-aways:** Underperformance continues to be driven by pediatric products and products where >3 QA suppliers may not be commercially viable due to low volume demand based on programmatic need. A revised, more realistic target for KPI 12a (disaggregated by Low/High Volume) has been approved by the Board in Fall 2019 and will be used for 2020 results. Under this new methodology, this KPI would have been very close to target in 2019



## Program Design

### 9b KP & HRts in middle inc. countries (Annex 2, p. 18)

**Results** (for full NFM2 cohort):

- **HRts HIV:** Above target: **3.66%** of HIV & HIV/TB grant funds invested in human rights (target: **2.85%**)
- **HRts TB:** Under target: **1.21%** of TB grant funds invested in human rights (target: **2.00%**)
- **KPs HIV:** Nearly at target: **36.99%** of HIV grant funds invested in key populations (target: **39.00%**)

**Take-aways:** The target was not met for TB grant funds for HRts despite the considerable increase of investments compared to the previous allocation cycle (more than 10 times!) and 38% of the 13 countries in the cohort exceeding the target. Positive momentum to be sustained in the next cycle of grants, also intensifying efforts to address HRts barriers in an integrated way across HIV and TB



## Impact/Results

### 1b Performance against impact targets (Annex 2, p.24)

**Projections:** Incidence reduction projected at [**16%-42%**] at risk for target of **38%** (28-47% range)

**Take-aways:** Sustained strong focus on incidence reduction for the next cycle of grants, leveraging increased allocations and differentiated approaches across countries

### 6c Strengthen systems for health (Financial management) (Annex 2, p.34)

**Results:** at end 2019, **5** countries completing public fin. mgmt transition efforts (target **6**) and **23** countries have >= 80% agreed actions implemented to meet defined fin mgmt. system standards (target: **26**),

**Take-aways:** considering both KPIs, 4 countries in total not at target – of which 3 are close. All actively monitored and supported





### 6d Strengthen systems for health (HMIS coverage) (Annex 2, p.40)

**Results:** for the cohort of HI/Core countries, **43%** have fully functional and deployed HMIS (target **50%**)

**Take-aways:** despite a very ambitious target for 2019 (doubled from 2018). KPI close to achieve it and it should be back on track in 2020. Overall strong progress in scores at country level: 9 additional countries have fully functional and deployed HMIS; and 47% of all countries in cohort had an improved score in addition to 24% that were already at maximum in 2018

# Mid-2019 Reporting – Focus on KPIs at risk of achieving targets

The following table demonstrates the internal mechanisms that were triggered in response to underperforming KPIs reported in the previous reporting period and example of key actions taken in response\*

Triggers (Underperforming KPIs)	Mechanisms deployed to address performance challenges	Key actions
<b>KPI 8</b> 	<b>Preparation for next cycle of grants</b> <b>Country portfolio reviews</b>	<b>Funding decisions:</b> Increased allocation and availability of matching funds for most countries in cohort <b>Strategic shifts:</b> Shift from 'proof of concept' in previous cycle to scaling up national programs with multisectoral plans in next cycle. Prioritized program approach for AGYW (outlined in technical guidance materials) Alignment with <b>partners</b> (PEPFAR and Prevention Coalition) <b>Technical assistance:</b> Improved delivery of TA and portfolio support through CRG Accelerate approach
<b>KPI 2</b> 	<b>Enterprise Performance Reviews</b> <b>Country portfolio reviews</b> <b>National program reviews</b> <b>Collaboration with partners (through data sharing, situation rooms)</b>	<b>Portfolio optimization</b> <b>Grant reprogramming</b> <b>Pre-grant making analysis:</b> further analysis of impact and outcome data in high burden countries for increased focus <b>Partnerships:</b> joint in-country reviews; joint missions to advocate with country leadership
<b>KPI 5</b> 	<b>Preparation for next grants</b> <b>Country portfolio reviews</b> <b>Partnership engagement</b>	<b>Qualitative Adjustment Process</b> - increase in HIV allocations in countries with high burden of HIV among KPs to increase geographic coverage of KP programs <b>Allocation letters and technical guidance</b> – specifying more focus on importance of scaling-up the comprehensive service package for HIV key populations. <b>Partnerships:</b> review of sub-national approaches with PEPFAR/PAHO: Increased TA
<b>KPI 9b</b> 	<b>Preparation for next grants</b> <b>OIG Advisory</b>	<b>Funding decisions:</b> matching funds available for addressing human rights barriers to access in both HIV and TB in 2020-2022 cycle <b>Technical assistance:</b> Improved delivery of TA and portfolio support through CRG Accelerate approach <b>Improved reporting:</b> Inclusion of outcome indicators in modular frameworks

\*Description of internal approaches to responding to underperformance described in Annex 1



# Schedule for upcoming KPI reporting

KPI	KPI Description	Frequency	2020 Spring Board	2020 Fall Board	2021 Spring Board
<b>KPI 1</b>	Performance against impact targets	Annual	2018 data	Mid-strategy target review	2019 data
<b>KPI 2</b>	Performance against service delivery targets	Annual		Mid-strategy target review, 2019 data	
<b>KPI 3</b>	Alignment of investment & need	Semi-Annual	2017-2019 data	Target setting, 2018-20 data	2018-2020 data
<b>KPI 4</b>	Investment efficiency	Semi-Annual	NFM2 to date	NFM2 to date	NFM3 to date
<b>KPI 5</b>	Service coverage for key populations	Annual		Revised definition, 2019 data	
<b>KPI 6</b>	6a) Procurement	Annual	Revised definition	Baseline, target setting	2020 data
	6b) Supply chains	Annual	2019 data		2020 data
	6c) Financial management	Annual	2019 data		2020 data
	6d) HMIS coverage	Annual	2019 data		2020 data
	6e) Disaggregation	Semi-Annual	2017-2019 data	Target recalibration	2017-2020 data
	6f) NSP Alignment	Semi-Annual	NFM2 data, target setting for NFM3	NFM3 data	NFM3 data
<b>KPI 7</b>	7a) Fund utilization – Allocation utilization	Semi-Annual	NFM2 to date	NFM2 to date	NFM2 to date
	7b) Fund utilization – Absorptive capacity	Annual		2017-2019 data	
<b>KPI 8</b>	Gender & age equality	Annual		Mid-strategy target review, 2019 data	
<b>KPI 9</b>	9a) Human rights programs	Annual	2019 data		2020 data
	9b) Human rights grant funding	Semi-Annual	NFM2 to date	Target recalibration	NFM3 to date
	9c) Human rights domestic funding	Annual	NFM2 to date, revised definition	Baseline, target setting	NFM3 to date
<b>KPI 10</b>	Resource mobilization	Annual	5 <sup>th</sup> Replenishment to date	6 <sup>th</sup> Replenishment to date	
<b>KPI 11</b>	Domestic investments	Annual	NFM2 to date		NFM3 to date
<b>KPI 12</b>	12a) Availability of health technologies	Annual	2019 data		2020 data
	12b) Affordability of health products	Annual	Target revision, 2019 data	2021 target setting	2020 data

## **Annexes**

Annex 1: [Strategic Performance Reporting: Using KPIs to address underperformance](#)

Annex 2: [Strategic Performance Reporting: Detailed KPI results](#)