



Independent observer
of the Global Fund

THE GLOBAL FUND ON TRACK TO ACHIEVE MOST OF ITS TARGETS FOR 2017–2019

The Global Fund is on track to achieve most of its 2017–2019 key performance indicators (KPIs), according to the end-2019 Strategic Performance Report presented to the Board on 14-15 May. The organization is expected to meet its target to save 29 million lives. However, the rate of decline in new infections is not fast enough for the Global Fund to achieve its 2017–2022 strategy. To fix this, the Global Fund is increasing interventions to reduce human immunodeficiency virus (HIV) infections, particularly among key and vulnerable populations, find missing tuberculosis (TB) cases, and enhance malaria case management and vector control.

The Global Fund met most of its financial indicator targets

The Global Fund's investments are in line with country needs. The organization targeted matching investment decisions with country need, based on the country's economic capacity and disease burden. The target for 2019 was set at alignment of 0.33 or less. The end-2019 results showed that alignment remained stable at 0.327. The organization is also performing well against the KPI measuring investment efficiency: it hoped to reduce the cost per life saved by 90% and has achieved 88%, which is close.

The Global Fund has met its resource mobilization targets. Indeed, it exceeded its targeted pledges for the Fifth Replenishment by achieving 101% of the targeted commitments. The Global Fund is also exceeding its target on pledge conversion rate, as contributions to the organization are forecast to be

103% of initial estimates.

The Global Fund is on track with the KPI measuring its utilization of funds. The organization aimed to commit 91% or more of funds raised during the Fifth Replenishment as grants. The results show that the Fund disbursed or forecast spending 92% of these funds as grants. Furthermore, the utilization of disbursed funds was high for all portfolio categorizations.

The Global Fund is also currently exceeding its domestic co-financing policy target. The organization hoped that governments would commit \$17.5 million to fund programs to fight HIV, TB, and malaria. In the 2014–2016 period, it surpassed this target as governments allocated \$22.2 million to fight the three diseases.

Although most KPIs were on track, four of them include areas that have not been achieved or are at risk of not being achieved.

Some impact indicators are not achieved

KPI 1: Performance against impact targets

While the Global Fund is likely to meet its target for the number of lives saved, it is at risk of not meeting the target of reducing new HIV, TB, and malaria infections. The fund is on track to save 29 million lives over 2017-2022 if it sustains the trajectory of 9.9 lives saved over 2017 and 2018. However, the Global Fund is unlikely to achieve its target of a 38% reduction in new infections from 2015 to 2022, as it only reported only a 7% reduction between 2015 and 2018. The current trajectory suggests that the number of new infections will decrease by 16% from 2015 to 2022. To accelerate this rate of decline, the Global Fund has increased resource allocations to countries and set up differentiated approaches to grant implementation by country for the next grants cycle.

KPI 6: Strengthen systems for health

This KPI measures how well the Global Fund is performing in four areas of strengthening systems for health. The targets in two of these areas, namely financial management and the coverage of the health management information system (HMIS), are unlikely to be met.

Financial management focuses on two aspects: countries using at least six components of public financial management (PFM) systems and countries with financial systems that meet defined standards. Global Fund implementing countries did not meet the 2019 targets for either.

PFM systems have eight components: information system, institutional and oversight arrangements, operational policy and procedures manual, internal audit, external audit, chart of accounts, planning and

budgeting, and treasury and funds flow. Just five of the six targeted countries demonstrated the use of at least six of these components. The final pending country reported using five components and it only installed the sixth component (information system) towards the end of 2019, therefore the country is yet to demonstrate its use. Based on the status of the sixth component, the pending country is close to achieving this target.

Twenty-three of the 26 targeted countries implemented at least 80% of the agreed actions for their financial systems to meet defined standards in 2019. The remaining three countries face challenges ranging from delays in procuring services for information technology installation to challenges associated with governance and insecurity. However, the three countries are close to achieving this target.

The 2019 target of coverage of a fully deployed and functional HMIS was almost met. The Global Fund targeted 50% of high-impact and core countries to have a fully deployed and functional HMIS by 2019 and 43% of countries met this target. Between 2018 and 2019, the percentage of countries meeting this target almost doubled from 22% to 43%. Challenges beyond the Global Fund's control, such as untimely reporting due to lack of power and internet connectivity, may have contributed to the underperformance of this KPI.

KPI 9: Human rights

This KPI measures the Global Fund's efforts to address human rights-related barriers to service. Two of the three areas within this KPI, namely key population and human rights in middle-income and in-transition countries, are unlikely to be met for 2017–2019.

The allocation target of 2.85% of HIV funds to programs to address human rights-related barriers to HIV services in upper-middle-income countries (UMICs) was met, as the programs received 3.66% of HIV funds. However, the allocation target of 2% of TB funds to programs to address human rights-related barriers to TB services in UMICs was not met. Nonetheless, the actual allocation of 1.21% showed a fifteen-fold increase from the 0.08% reported in the 2014–2016 cycle. The increased allocation is attributed to matching funds, which account for a third of the funding to address human rights-related barriers.

In 2019, 36.99% of HIV funding was allocated to programs for key populations, short of a target of 39%. However, outcomes varied by HIV prevalence: UMICs with less than 2% HIV prevalence met the target while those with more than 2% did not. The former group increased their share of HIV funding to programs for key populations from 50% in 2014–2016 to 76% in 2019, while the latter group increased their share from 12% to 16% over the same period.

The Global Fund has been using an interim indicator to measure domestic resources committed to programs for key populations and human rights-related barriers to HIV and TB services in UMICs in transition. The target (all countries) was not met as only 45% of assessed countries committed domestic

resources to both types of programs by 2019. Of the assessed countries, 83% committed domestic resources to programs for key populations and 45% committed resources to programs for human rights. This relatively better reporting performance for programs for key populations may be due to the Sustainability, Transition, and Co-financing (STC) policy requirement for countries to report on meeting co-financing obligations in order for them to qualify for the Global Fund allocation.

Reporting using the interim indicator was challenging for reasons including unreliable data and the absence of a system to validate self-reported domestic commitments. To address these challenges, the Strategy Committee proposed a final indicator for this KPI to the Board, which will leverage Global AIDS Monitoring—the Joint United Nations Programme on HIV/AIDS tool for reporting on domestic HIV expenditure. Moving forward, the Global Fund will obtain data to measure this KPI from Global AIDS Monitoring.

KPI 12: Availability of affordable health technologies

This KPI measures how well the Global Fund is performing on market-shaping, which is the efficient procurement of quality health products while ensuring sustainable supply at affordable prices. It is disaggregated into two areas: continuous supply of health products and affordability of health technologies. The Global Fund met the target for the affordability of health technologies. However, the target for continuous supply of health products was not met. This indicator is measured as more than three suppliers meeting the Global Fund Quality Assurance Policy requirements for all World Health Organization-recommended first- and second-line health products for HIV and malaria. Less than three suppliers met the quality assurance requirements for five of the 17 health products, or 29% of the total.

A consistent underperformance on this KPI, caused by a low volume of demand for some health products, necessitated the Global Fund Board to revise the target in October 2019. In the revised target, which will apply in 2020, health products will be divided into two categories: high-volume products, such as all first-line adult antiretroviral drugs, and low-volume products, such as all pediatric antiretroviral drugs. The revised target specifies that 90% of low-volume and high-volume health products have more than one and more than three suppliers, respectively, meeting quality assurance requirements. All low-volume and 89% of high-volume health products met these revised target requirements in 2019.

Board Document GF-B43-10, Strategic Performance Report, will be available shortly at <https://www.theglobalfund.org/en/board/meetings/43>

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