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Global Fund Releases Policy Note on Periodic Reviews

Progress towards achieving impact and outcome targets will be a factor in determining performance ratings

Identification of major risks could result in a downgraded performance rating

In May 2011, the Global Fund issued an operational policy note (OPN) on periodic reviews.

Under the new architecture, all single streams of funding (SSFs) will be reviewed on a regular basis (usually once every three years). The periodic reviews replace the Phase 2 reviews that were part of the old architecture. The periodic reviews differ from the Phase 2 reviews in several respects, including in that the periodic reviews will be carried out at the same time for all SSFs for a given disease in a country, no matter how many PRs are involved. This means that all SSFs for a given disease in a country will be on the same implementation cycle.

As was the case with the Phase 2 reviews, for each SSF the periodic reviews will establish a performance rating, a recommendation with respect to continued funding and, if appropriate, a recommended amount of continued funding. As before, CCMs will file a request for additional financial commitment prior to the periodic review (these used to be called “requests for continued funding.”)und

The 25-page OPN describes the key features of periodic reviews, the key steps in the review process, and the timelines. The note also describes the methodology used for the review, including how the performance rating and the recommendation category are determined.

The performance ratings are the same as those used in the past:

A1 Exceeding expectations

A2 Meeting expectations

B1 Adequate

B2 Inadequate, but potential demonstrated

C Unacceptable

According to the OPN, the performance rating is based not only on the extent to which targets have been achieved, but also on the quality of the data submitted; the quality of the services provided; whether there are major unaddressed risks in the management of the SSF by the PR; and the extent to which there has been progress in meeting impact and outcome targets. The OPN contains a 7-page annex explaining how progress in meeting impact and outcome targets will be assessed. The OPN does not explain how the quality of services will be assessed.

Under the new architecture, there will likely be five recommendation categories, as illustrated in the table below.

Table: Recommendation Categories

| Category | Explanation |
|-----------------|--|
| Go Accelerate | Additional financial commitment for the next implementation period, including eligibility for scale-up funds to expand the programme |
| Go | Additional financial commitment for the next implementation period |
| Conditional Go | Additional financial commitment for the next implementation period conditional on fulfilment of Board conditions |
| Revised Request | Additional financial commitment for the next implementation period subject to TRP review (due to reprogramming) |
| No Go | No additional financial commitment; discontinuation of funding |

The last four categories are the same as those used in the past (“Revised Request” used to be called “Revised Go”). The “Go Accelerate” category is new. In a footnote in the OPN, the Secretariat states that use of this category is pending further Board discussion.

The OPN states that if major programme- or PR-level risks are identified, the SSFs cannot receive a “Go Accelerate” or “Go” recommendation. It also says that if the risks are “critical,” this could result in a “No Go” recommendation.

According to the OPN, the amount of additional financial commitment that the Secretariat will recommend for the next implementation period is determined by the SSF performance rating; by an assessment of “financial efficiency in terms of past usage of funds vis-à-vis programmatic results;” and by the reasonableness of the proposed budget. The OPN explains how “financial efficiency” and “reasonableness of the budget” will be determined.

As part of the periodic review, the local fund agent (LFA) will conduct an “economy and efficiency review” (EER) for certain service delivery areas (SDAs). The EER will assess whether the programme has been implemented in an economical and efficient manner. The result of the EER analysis will be used to inform the decision on the recommended amount of funding for the next implementation period; and to provide recommendations for improved financial efficiency and improved monitoring of financial efficiency.

The OPN on periodic reviews forms part of the Global Fund's Operations Policy Manual. The Manual is available on the Global Fund website [here](#) (look for "Operational Policy Manual"). See Section 6.3.4.

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