
Lessons Learned from the Implementation of the 2017-2022 KPI Framework

45TH BOARD MEETING

GF/B45/16

11-12 MAY 2021, *Virtual*

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1 Executive Summary

The next KPI Framework will be developed over the course of 2021/2022 and **presents a significant opportunity to build a more robust and accountable performance framework** for the Global Fund.

To inform the development process, the Secretariat has conducted a **lessons learned exercise on the current KPI Framework**. The exercise has drawn on multiple sources of information including: the OIG KPI Audit from 2019; TERG Strategic Review 2020; the Governance Survey 2020; and an in-depth internal assessment of KPIs. The Secretariat is also undertaking a benchmarking exercise to understand how other organizations structure and define KPIs and to identify good practices or lessons that could be relevant to the Global Fund. A summary of lessons is described in section 3 of this report.

From an analysis of findings from the lessons learned exercise, the Secretariat identifies, in section 4, three key factors to be considered at the start of the new KPI Framework development process:

1. Acknowledgment that **KPIs should be nested within a broader M&E framework** which provides the Board, Secretariat and countries information on performance of Global Fund investments as well as country and global progress against the three diseases and for health. KPIs are one critical and quantitative tool used in conjunction with evaluations and reviews, partner reports, and other information to accountably and holistically evaluate performance.
2. Agreement that the purpose of a KPI Framework is to track, monitor and improve the performance of the Global Fund, with **key principles that should define the characteristics and selection of the next KPIs**.
3. Ensuring the **KPI development process is technically driven** with engagement of key technical partners, additional subject matter expertise on new or challenging subjects, and frequent Board and Committee engagement to create a more fit-for-purpose performance framework for the Global Fund.

Input Received

- Input from **TERG**, the **Strategy Committee M&E Working Group** and the **Strategy Committee** has been received.

Input Sought

- Input from the **Board** is requested on the principles described in section 4 of this report. Constituencies are also requested to propose experts to participate in technical consultations in specific subject areas and recommend organizations for benchmarking.

1 Summary: The vision for a future KPI Framework

The development of the 2023+ Strategy creates the opportunity to develop a clear and accountable KPI Framework for the Global Fund that will provide:

-  **A clear view of progress**: aligned to strategic goals and organizational mandate and integrated to the Global Fund's wider M&E framework
-  **A transparent, rigorous and consistent assessment of performance**: communicating successes and failures in a timely manner
-  **A common language for performance**: building accountability across the organization and with partners around clear high-level objectives
-  **A mechanism to support decision-making**: enabling course-correction through targeted, specific well-defined interventions
-  **A comprehensive and appropriate set of information and insights**: supporting learning and improvement through simple metrics and measurable targets/results

2 History: The process for developing the next KPI Framework needs to learn from the past

June 2015: Engagement with Board begins on the development of the **2017-2022 KPI Framework**. KPI development process led in Secretariat by KPI Team based in Finance Division. No broader M&E framework in place.

January 2016: Preliminary draft of Strategic KPIs shared with constituencies for input. 150+ pages of written feedback received and summarized for review by the Committees

June 2016: Final revision of Strategic KPI Framework approved by Board

November 2016: KPI targets brought for Board approval. Based on concerns, Board directed leadership of the AFC and SC to establish a time-limited expert **Advisory Group** to provide a peer review of targets. As directed by the Board, the TRP and TERG also consulted as part of the review process

Members of the 2017-2022 KPI Advisory Group

| | |
|--------------|--|
| Donors | France/Germany: Mr. Binod Mahanty Private Foundations: Ms. Elizabeth Ivanovich UK: Mr. Phil Mark Johnston US: Ms. Irum Fatima Zaidi |
| Partners | UNAIDS: Dr. Peter Ghys Partners: Dr. Sahu Suvanand |
| Implementers | Developing Country NGOs: Dr. Sharlene Jarrett Developing Country NGOs: Dr Yeşim Tozan EMRO: Dr Babak Eshrati ESA: Dr. Muwanga Fred Tusubira |

2017: Targets approved by Board in a staggered approach in March and November

What are some of the main takeaways from this process?

- **Significant time is required to develop KPIs.** This KPI development process has been moved as early as possible while remaining linked to the Strategy process.
- Concerns towards the end of the process meant **the KPI Framework was still being developed well into the first year of Strategy implementation** which undermined usage and relevance to grants.
- The previous process resulted in KPIs which **are an assortment of important metrics to the Global Fund partnership but do not amount to an effective performance framework** for the Global Fund. Clarity on principles for KPIs and linkage to M&E framework is essential to deliver improvements.

2 History: Ongoing improvements have been made to the current Framework

Despite concerns about the current framework, there have been continuous Secretariat efforts to strengthen KPI reporting, utility and to improve KPI methodologies where possible. Significant changes include:

1. As confirmed by the 2019 OIG follow-up audit, the establishment of rigorous processes and control around data collection and aggregation (documented roles and responsibilities, quality control steps, multiple validation points) have **increased the trust** in the information presented
2. More detailed analysis and contextualization of the KPI results (extensive disaggregation, management information) have **expanded the insights** provided
3. Changes to the presentation of results (Conifer of Control, KPI presented along “grant lifecycle domains”, increased internal dissemination) have **facilitated better interpretation** of the results
4. The introduction of country-level data and maps have provided the opportunity for **honest conversations** around portfolio bottlenecks and best practices
5. Regular updates to the KPI Framework with incremental updates to existing KPIs and their targets have **improved the measurement** in specific strategic areas
6. The shift of the Secretariat’s KPI team location from the Finance division to the Strategy and Policy Hub department, alongside the Strategy Development team and the Strategy Implementation team, have created **synergies for an end-to-end design** of GF strategic objectives and performance management

3 **Lessons Learned:** Internal and external sources were used to assess the current KPI Framework

The objective of the **KPI lessons learned exercise** was to collect evidence to identify strengths and weaknesses of the current KPIs in order to inform the development of KPIs for the next Strategy.

The exercise has been informed by external and internal assessments which include:

External assessments*:

- 2019 follow-up audit on KPIs (OIG)
- Strategic Review 2020 (TERG)
- Board Governance Performance Assessment Survey (Nestor Advisors)

Internal assessments:

- An exhaustive review of all current KPI indicators scored across five dimensions by the Secretariat KPI team in consultations with internal KPI owners for each individual KPI.
- An online survey to all KPI owners and representative internal KPI users.

A summary of findings from these different assessments are provided in the following slides.

*Lessons have also taken into consideration comments received during Strategic Performance Reporting Sessions of the Board and Committees and issues raised in constituency statements over the current KPI Framework reporting period

3 Lessons Learned: The OIG Follow-up Audit found several good practices but identified more room for KPI usage in decision making

Extracts of the OIG follow-up audit on KPIs, March 2019 – [full report here](#)

Objective: The audit sought to provide the Board with reasonable assurance on the adequacy and effectiveness of processes and controls over the KPI Framework supporting the Global Fund Strategy for 2017 – 2022

Specific objectives to assess the adequacy and effectiveness of:

- (1) Processes and controls over KPI data collection, calculation methodology, calculation and reporting
- (2) The use of KPI data for performance-based decision-making by the Global Fund Board and Secretariat
- (3) Governance and oversight arrangements in place over the KPI Framework

Final Rating

Effective

Partially effective

Effective

Key achievements and good practices identified

| | | |
|--|--|---|
| Enhanced performance reporting framework to allow for better understanding of KPI results, and better monitoring of performance management | Implementation of KPI Accountability Framework which assigns clear accountability over KPI achievement as well as the collection and validation of KPI results | More active use of KPI data within the organization and systematic reviewing of progress, and of risks in specific countries which could impact KPI achievement |
|--|--|---|

Key issues and risks identified

| | | |
|--|--|--|
| Significant improvements have been made in KPI data collection, aggregation and reporting processes, control weaknesses were noted which caused immaterial inaccuracies for some KPIs reported | Limitations in some KPIs' design have led to their poor utilization in daily operations <i>[... This reduces the organization's ability to use KPI results for robust performance assessments and to make timely decisions when course correction is needed. Some KPIs are well integrated into the organization's daily operations, included in departmental and individual performance objectives, and utilized in progress reporting and performance assessments; others, however, are not. ...]</i> | |
|--|--|--|

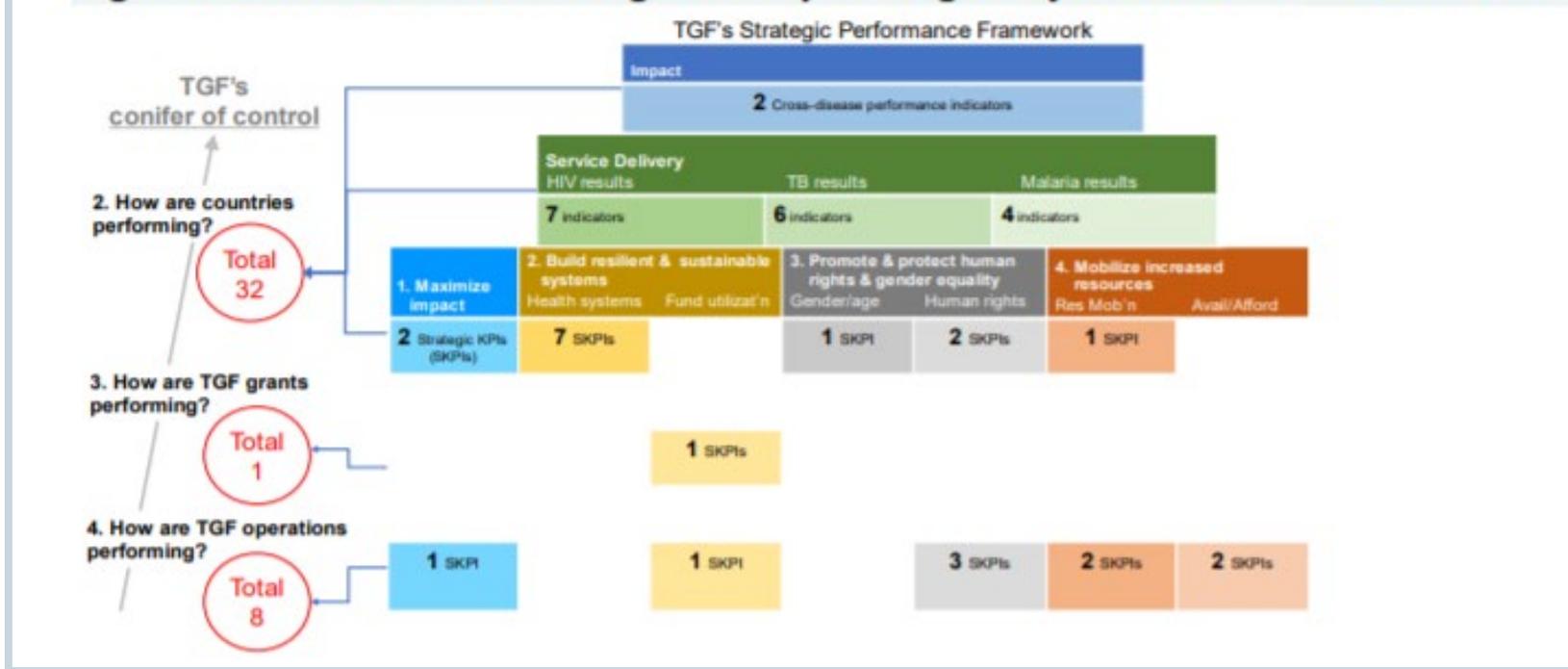
3 Lessons Learned: SR2020 flagged “accountability” for improvement

The SR2020* made observations on KPIs in terms of effectiveness of individual KPIs in measuring progress against goals and objectives of the 2017–2022 Strategy as well as broader observations on the KPI Framework and its role in monitoring, evaluation and learning (MEL) and oversight. Two key findings were:

1. Challenges with accountability

The report identified the imbalance in number of KPIs across the levels of the ‘Conifer of Control’ “*The shift in the Global Fund’s focus from its operations to collective outcomes and impacts was made for good reason but has had consequences for accountabilities and incentives for performance across the partnership*” As shown by figure 9 in the report “...*less than 5% of the Strategic KPIs relate to how the Global Fund’s investments are performing*” (page 41).

Figure 9: Distribution of Strategic KPIs by Strategic Objective and level of control



2. Lack of integration and gaps in the framework

- It is noted that the systems are not yet fully integrated :“**Connections between key monitoring frameworks used by the Global i.e. the Strategic KPI framework, the PAF, and grant-level performance frameworks - are limited or inconsistent**” (page 39)
- Significant gaps on strategic areas also identified in respect to RSSH and Human Right/Gender among other topics: “**Other notable gaps in the system relate to ‘innovation and differentiation’ and ‘mutually accountable partnerships’. These are identified as ‘strategic enablers’ and.... there are no Strategic KPIs that relate to these enablers**” (page 40)

3 Lessons Learned: Preliminary results from the Board Governance Performance Assessment Survey (Nestor Advisors) identified KPIs as an area for improvement, with findings consistent with SR2020



Preliminary view: 1. The Board needs to improve its monitoring of strategy implementation: better KPIs and effective dashboard reporting

"We don't have great KPIs. [There are] KPIs across a range of accountabilities, some of which [...] the Global Fund has no involvement in."

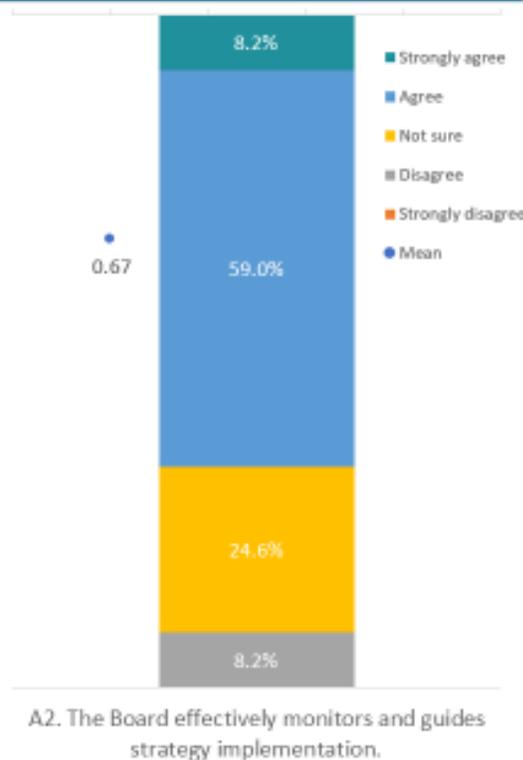
"There is a framework (KPIs) but they don't effectively measure Global Fund performance. Some of them measure global performance much of which is outside the Global Fund's control."

The section *Strategy and Performance* is:

- The **lowest ranked section** for Committee members and Alternate members.
- The **2nd lowest ranked section** for Board members.



2nd lowest ranked statement in the section *Strategy and Performance*.



Key takeaways

- Over two thirds of the Board agreed that monitoring of Strategy implementation needs to be improved. Less than 10% of constituencies appear satisfied with the current mechanisms and KPIs in place
- Similar to comments reflected in SR2020 - statements from constituencies in the preliminary report raise issues over a) **accountability of GF control** and b) **how performance measurement is not always tied to Secretariat efforts**

A total of 80 respondents participated in the survey:

- 38 Board/Alternate Board Members
- 29 Committee members
- 11 MEC members
- 2 Board Leadership
- A further 31 interviews were conducted

3

Lessons Learned: External findings were supplemented by an internal assessment of current individual KPIs and the framework using a 3 step approach

SMART sub-dimensions for assessing current KPIs

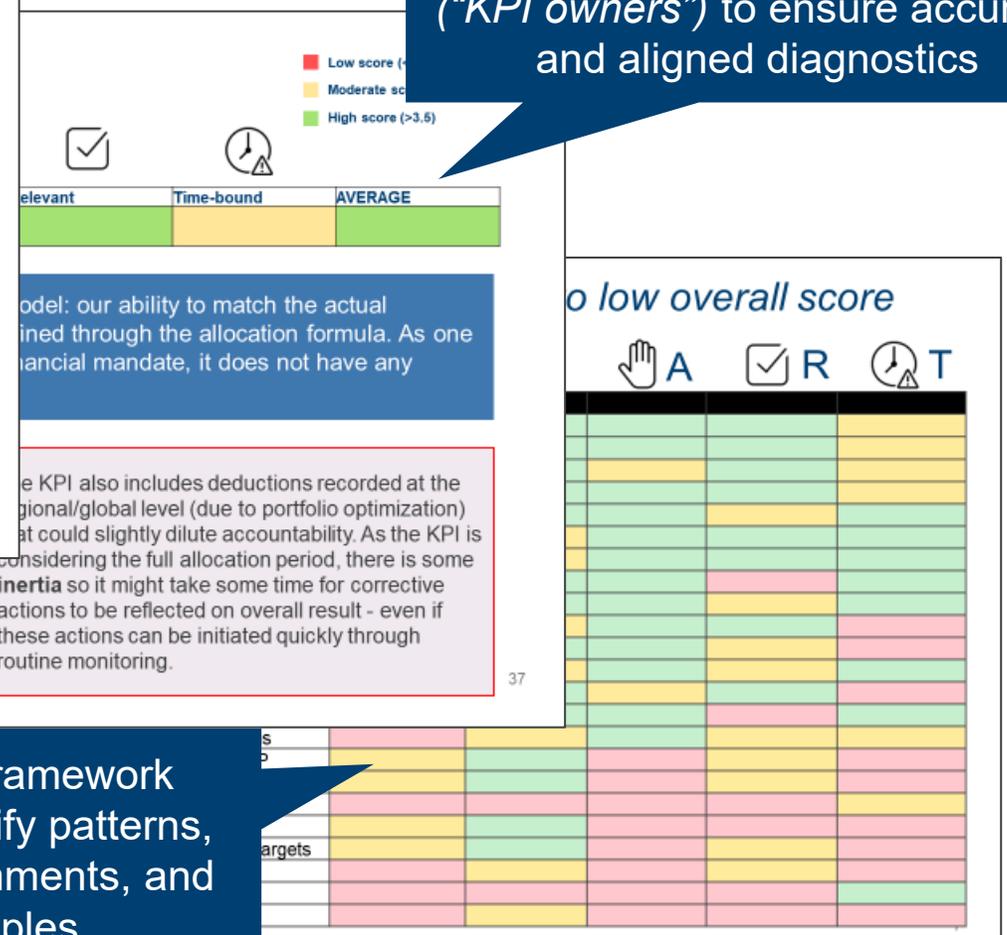
| Sub-dimension | Key-question |
|-------------------|--|
| Specific | Accuracy: Does the indicator capture the essence of the desired result ? |
| | Consistency: Does the indicator capture differences/performance in the same way across areas and categories ? |
| Measurable | Conformity: Is the indicator a reliable and clear measure of results each time it is applied? |
| | Completeness: Is data available to calculate and does it involve the creation of a parallel system? |
| Assignable | Accountability: Is it clear what is needed to achieve results and who is responsible ? |
| | Attributability: Is the performance of the indicator a reflection of GF performance ? |
| Relevant | Relevance: Is the indicator relevant to the intended outcomes of the strategy? |
| | Pragmatism: Was the target set in a realistic way , driving progress while being reachable? |
| Time-bound | Timeliness: Are results provided often enough to trigger corrections? |
| | Actionability: Does the indicator provide an opportunity to course-correct ? |

2 Initial KPI scores reviewed with Secretariat subject matter experts (“KPI owners”) to ensure accuracy and aligned diagnostics

1 SMART methodology used to enable systematic and consistent scoring of KPIs, along 5 dimensions and 10 key questions

is ensuring the funds allocated to countries are indeed reaching the grant implementers. Clear attribution to GF and good internal **accountability** as it is a key aspect of financial management of grants

3 All scores across framework consolidated to identify patterns, validate external comments, and develop principles



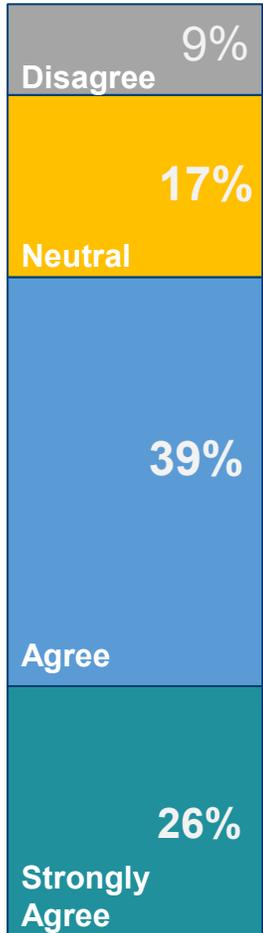
3 **Lessons Learned:** The internal assessment confirms the need for improving accountability and actionability of the overall KPI Framework

| SMART Dimension | Average score (#/5) |
|------------------------|----------------------------|
| Specific | 3.1 |
| Measurable | 3.5 |
| Assignable | 3.0 |
| Relevant | 3.2 |
| Time-bound | 2.8 |

- **Performance on dimensions relating to the focus and relevance of the current KPIs is stronger**
 - This means the KPIs are conceptually measuring the “right” things, they align to the Strategy, and the measurement choice makes sense
- **Dimensions relating to accountability and actionability of KPIs performed lower**
 - For many KPIs, it is challenging to assign direct accountability within the GF to drive performance
 - Many KPIs are measured over long, retroactive time periods, efforts to improve and course correct cannot be started or observed for some time
 - KPIs that were not underpinned by existing data systems at the beginning of the Strategy period have and faced challenges in terms of data availability and timeliness. In some cases, the expected developments to data tools and systems did not materialize.

3 Lessons Learned: An internal stakeholder survey also reinforced themes around accountability, integration and gaps

I hope to see some significant changes to the KPI Framework developed for next Global Fund Strategy (% by response)



Survey findings indicated that stakeholders has trust in reported KPI results and understanding of the KPI Framework however concerns around the content of the Framework and individual KPIs were expressed. **A majority of respondents stated they would like to see changes to the KPI Framework in light of the next strategy.** Below are a selection of quotes from the survey respondents:

Accountability

Not all KPIs are equally relevant. some go beyond what the GF is accountable for and some reflect political priorities rather than meaningful indicators of GF performance

More directly tied to what GF is doing as opposed to the partnership. More things within our realm of control to influence. No more countries in KPI cohorts when we are not funding those interventions

Integration

There is still a big disconnect between the KPIs and how management measures performance on a day to day basis...This might be because the organization has many performance measurement tools

It would be intrinsically unfair to penalize any one individual for poor results when they are not ultimately responsible for being able to change the KPI outcome

The KPI framework could be further improved to enhance usefulness and guide GF processes, decisions and efforts

Gaps

I do think there are some big gaps... and that the KPIs are not always a good reflection of the broader intent of an objective.. this is particularly the case for SO3

There is no KPI that would capture progress in protecting and promoting gender equality, an important element of SO3.

3 Lessons Learned: Summary of findings from the holistic exercise

A number of findings emerged consistently throughout the different sources of assessment:

Strengths, to build upon:

- As confirmed but the OIG Report, KPIs adhere to clear and **rigorous reporting processes**, ensuring transparency and trust in KPI results
- The OIG Report and internal assessment also confirmed that the majority of KPIs are underpinned by well-defined and **robust calculation methodologies**, with technically solid and clearly understandable metrics

Weaknesses, to improve upon:

- **Accountability:** The Governance Survey and SR2020 emphasized that many KPIs measure performance of national programs or partnership, and **Global Fund has limited leverage/influence in achieving results**
- **Consistency level of KPIs:** The SR2020 also noted that KPI Framework includes measures at very different levels (from input to impact) and with different purposes but **few KPIs actually measure performance of GF investments at the outcome level**
- **Actionability:** The OIG report and the Governance Survey stated the **limitations of using KPIs for monitoring Strategy implementation and using KPIs for performance based decision making**. The internal assessment reiterated this point further noting the **challenges with addressing underperformance of KPIs within Strategy period** due to lag in data availability or time needed for corrective actions to see effect. The SR2020 further confirmed the absence of well-defined links to routine performance management of Secretariat business processes and/or GF grants
- **Data systems:** The internal assessment also identified significant challenges with KPIs that that were not based on existing data / reporting systems at start of Strategy cycle causing **higher level of reporting burden and data availability issues**

Developing the post-2023 KPI Framework: Guiding factors

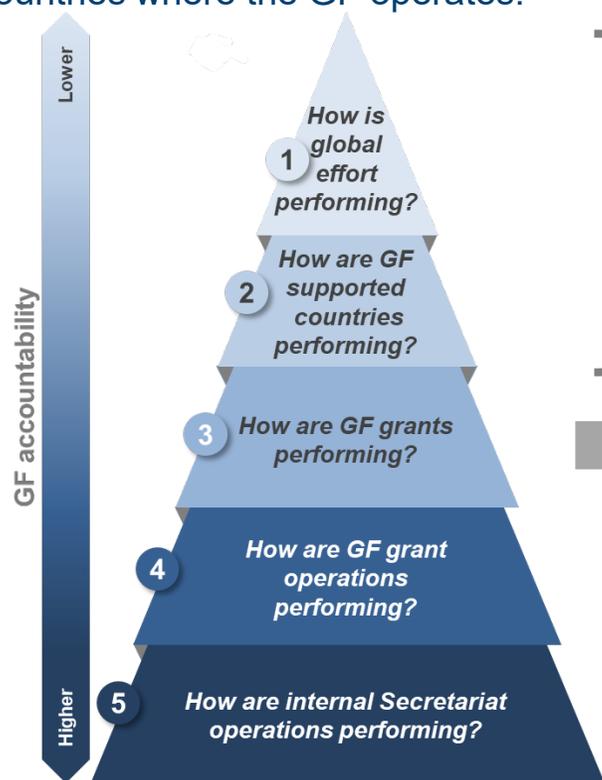
Moving from an analysis of lessons to the beginning of the post-2023 KPI development process, there are 3 critical factors where consensus between stakeholders is necessary to avoid the challenges of the current KPI Framework. These factors will be discussed in the following section and are summarized here:

- 1. KPIs should not be viewed as a stand alone tool in monitoring Strategic performance and need to be considered as part of a broader integrated M&E framework.** Visuals presented in the next slides identify where KPIs are situated in the Global Fund M&E landscape and the points of integration and use of GF and partners monitoring and evaluation systems.
- 2. Agreement that KPIs should be a performance framework to track, monitor and improve the performance of the Global Fund, with key principles that should define the characteristics and selection of the next KPIs.**
A shared understanding of the purpose of the Global Fund KPI Framework is a key first step of the process and a set of principles are proposed in this report to guide appropriate selection of indicators.
- 3. Adopting a technically driven process for KPI selection and target setting**
Identifying the key technical partners for engagement early on in the development process, seeking additional subject matter expertise on new or challenging areas, and ensuring regular opportunities for input from Board and committees are critical. The Secretariat will also be undertaking a benchmarking exercise to understand how other organizations structure and define KPIs and to identify good practices or lessons that could be relevant to the Global Fund as it develops but also implements the next KPI Framework.

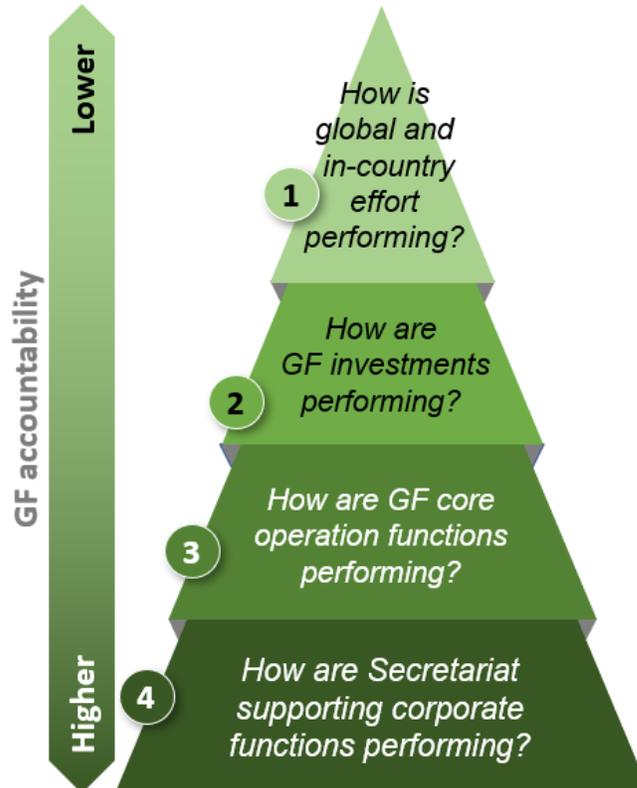
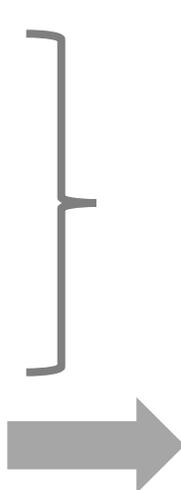
4

Developing the post-2023 KPI Framework: The Secretariat will maintain the Conifer of Control for the post-2023 KPI Framework - in a revised format

The 'Conifer of Control' was introduced in 2019 in the context of KPI reporting to visualize the level of GF accountability and influence on achievement of KPI targets. The Conifer has proved a useful tool in strategic discussions with Board and TERG on how Global Fund should monitor and measure its performance. It is proposed that the Conifer is retained for the next Strategy with minimal updates. The main change proposed is to collapse the current levels 1-2 into a new level 1, which remains centered on the global effort to fight the 3 diseases but is focused only on countries where the GF operates.



Current Conifer



Revised Conifer

Indicators at the partnership level, generally about impact and with modelled/global/shared targets and results (e.g., incidence, level of domestic funding)

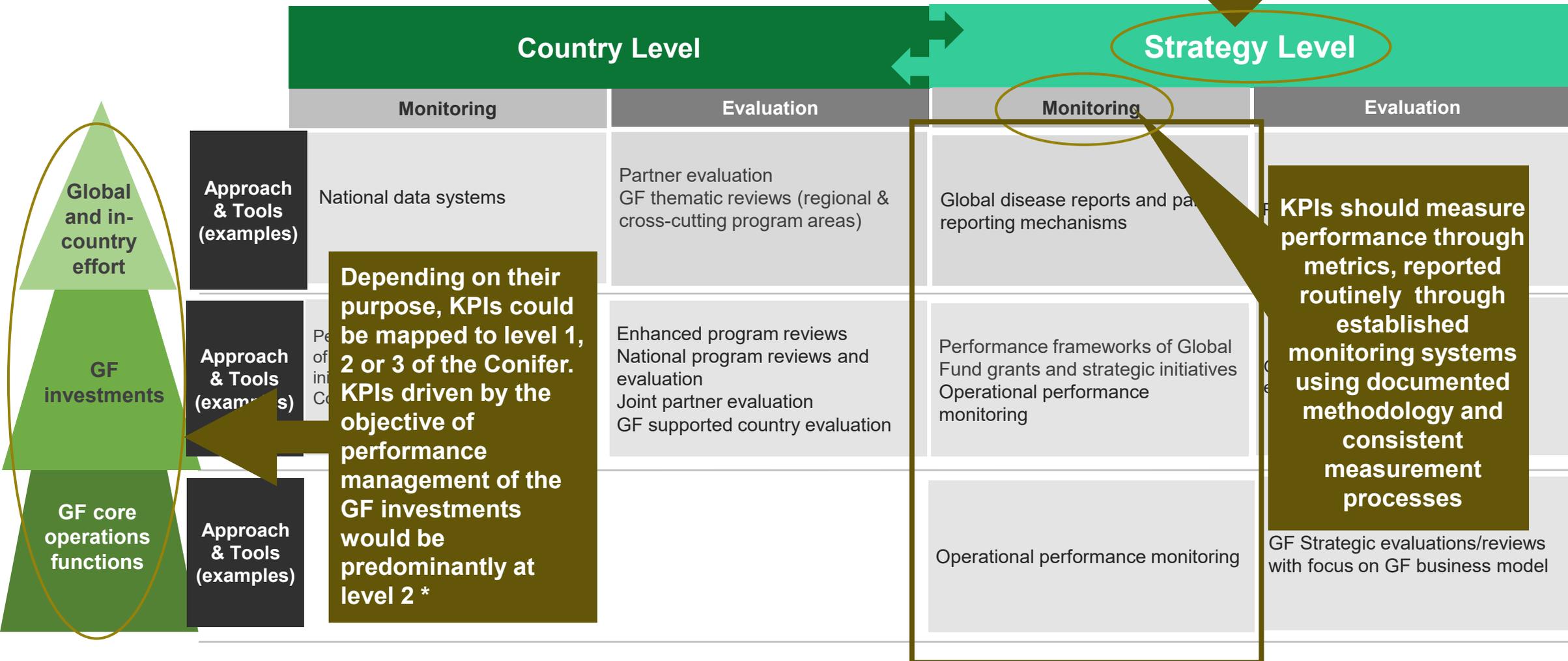
Indicators related to GF-funded activities (through grants or strategic initiatives) with their own targets - which are often national (e.g., patients on ART, in-country absorption)

Indicators measuring performance of Global Fund core operations related to grants, strategic initiatives, etc. (e.g., on time grant closures, allocation utilization)

Indicators measuring performance of processes that support the functioning of the Secretariat (e.g., HR satisfaction, Forex results after hedging)

4 Developing the post-2023 KPI framework: KPIs need to be situated within the overall M&E landscape

KPIs should monitor indicators identified as most critical to the achievement of the Strategy for the purpose of executive decision-making and oversight

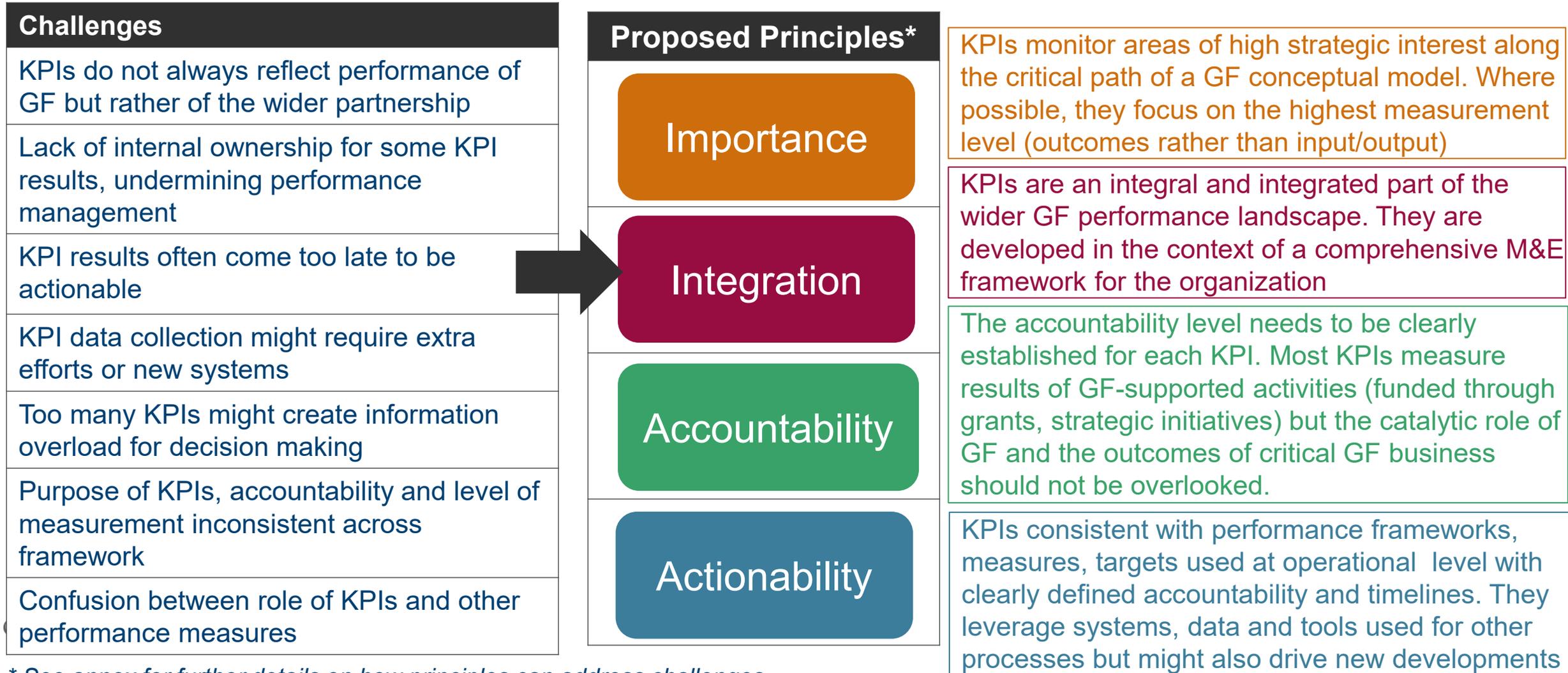


Depending on their purpose, KPIs could be mapped to level 1, 2 or 3 of the Conifer. KPIs driven by the objective of performance management of the GF investments would be predominantly at level 2 *

* See slide 19 for a further discussion on accountability and positioning of KPIs

4 Developing the post-2023 KPI Framework: To address challenges uncovered, a set of principles will guide the selection of indicators

The Secretariat proposes **setting overarching principles as ground rules** before engaging in the technical consultations to define KPI metrics and targets. Having these rules, especially during consultations with external experts, will **facilitate the indicator selection process and can address challenges experienced with the current Framework**



* See annex for further details on how principles can address challenges

Developing the post-2023 KPI Framework: The principles align to some but not all indicators in the current KPI Framework

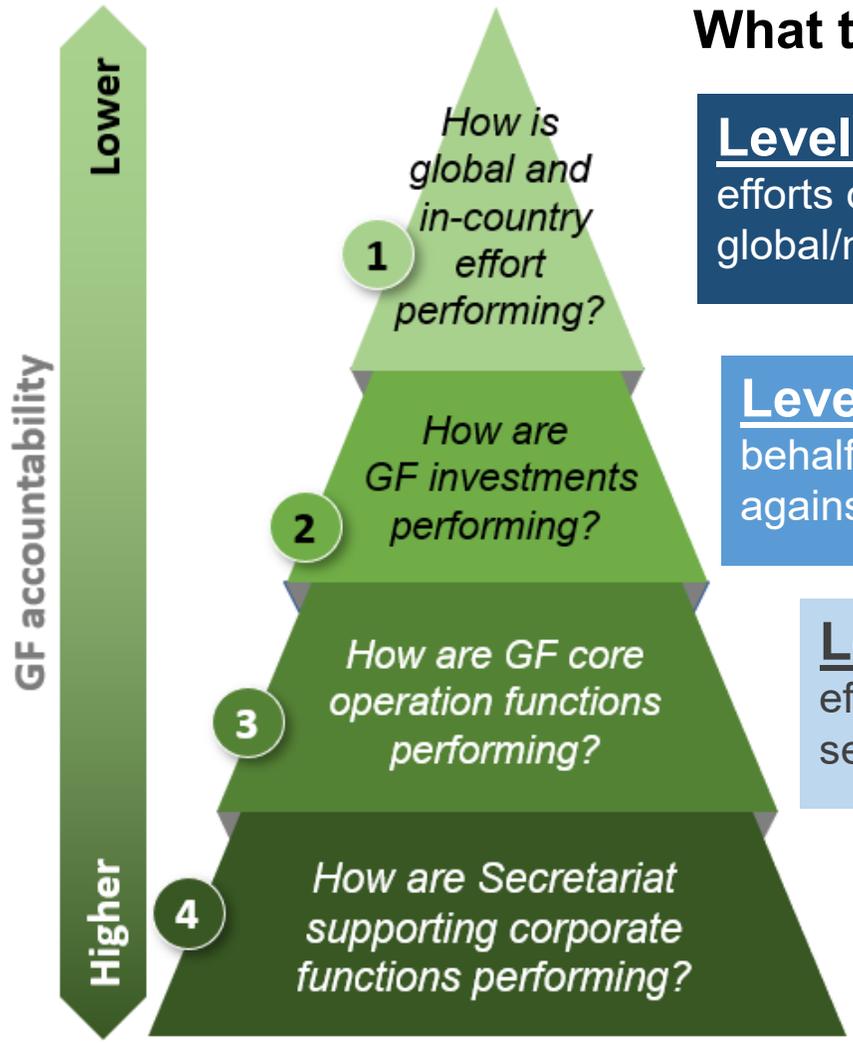
Many of the KPIs in the 2017-2022 Framework follow, at least partly, the proposed principles. Adopting the principles may not imply changes for all KPIs but applying these principles more systematically would improve several of the current indicators where weaknesses have been identified and would be critical in the development of new ones.

Examples, based on current indicators and methodologies:

- Fully follows proposed principles: **KPI 7a** (allocation utilization). It is clearly strategic as it tracks one of the key aspects of GF's financial mandate and monitors a key concern of donors and implementers. It matches the indicator used in corporate financial reporting and in internal performance management (especially after Fall 2020 Board's decision), with clearly defined accountabilities and aligned targets. Current KPI in line with principles.
- Partly follows proposed principles: **KPI 2** (service delivery). Clearly strategic as it monitors main programmatic outcomes in country. KPI 2 sub-indicators are broadly (but not fully) aligned to indicators from the Modular Framework from which grants select their own performance indicators. However, only soft linkage between the KPI target (derived at portfolio level, top-down) and the aggregate grant (national) targets – creating potential mismatch in how performance is assessed and addressed at the KPI vs operational level. Potential opportunity for improvement, focusing on principle of actionability.
- Mostly not following proposed principles: **KPI 6a** (RSSH: national procurement prices). Low strategic importance as GF support to procurement is mainly through PPM mechanism (which excluded from the KPI by definition). Not linked to any specific capacity building initiative or to any internal business process so weak GF accountability. Limited cohort (less than 10 countries) and almost no GF leverage to act on underperformance, so little internal ownership for actionability. Initial KPI definition based on data that was not available through GF systems and internally often not considered as top priority to collect (no integration). Complete redefinition needed if this area is a priority in the next Strategy.

Developing the post-2023 KPI Framework: The new KPI Framework will only be successful if, for each indicator, the purpose and accountability for performance is clearly defined

What type of performance is being measured?



Level 1: tracking high level progress for the partnership, reflecting efforts of all actors and for all interventions, measured against global/modelled targets with a long-term perspective

Level 2: measuring performance of funds invested by GF (on behalf of donors) in grants, strategic initiatives, etc. Often measured against national/grant targets with medium-term perspective

Level 3: assessing whether Global Fund core processes are efficient and effective, with a focus on agility and with targets set or reviewed on a shorter timeframe

Level 4: monitoring performance of internal Secretariat functions such as HR, IT, Governance, etc

Not in scope of KPI Framework

Level of accountability needs to be clearly defined to understand how to interpret KPI result and to facilitate course correction should there be risk of not meeting target

4

Developing the post-2023 KPI Framework : Summary of comments received from the 15th Strategy Committee

1

- Overall support and appreciation was expressed for the lessons learned exercise with general agreement on the identified challenges and weaknesses with the current KPI Framework.

2

- It was suggested that a clear articulation on how data is used throughout the partnership by different actors for different purposes and where KPIs sit within this will be useful for the discussion.

3

- For the next KPI Framework there was support for a stronger focus on using data from grant performance monitoring and seeing indicators roll-up into KPIs with more coherence between grant performance and Strategy results.

4

- From the principles proposed for the next KPI Framework, the only one which raised concern was 'Accountability'. It was not clear to all on how, in practice, this principle can be adhered to considering the contributive role of GF to partnership wide results. More granularity requested on this principle.

5

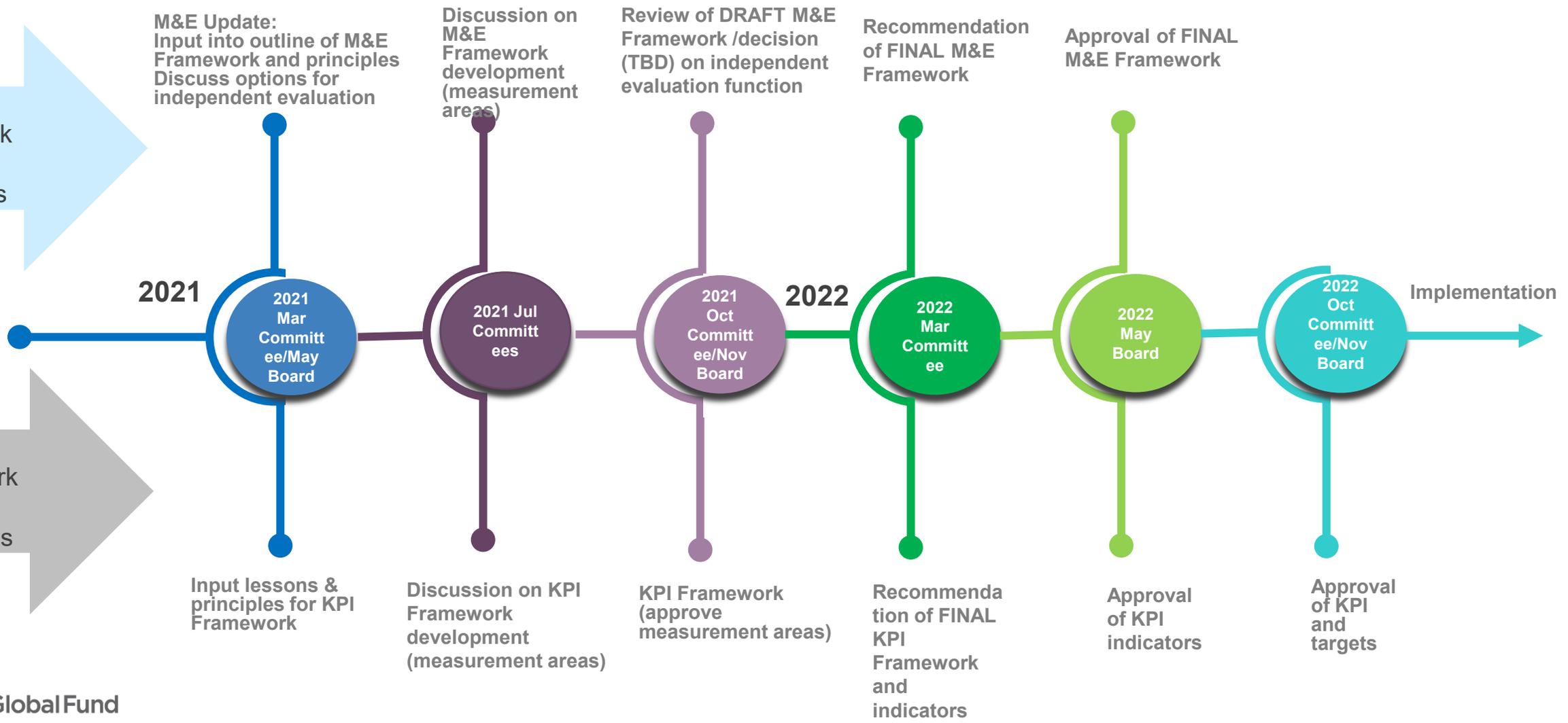
- There was support for a streamlined focused technical consultation approach for the next KPI Framework with oversight role of the SC and SC M&E Working Group.

5

Next steps and consultation: The M&E and KPI development processes are closely interrelated with multiple touchpoints for engagement with Committees and Board in the development timeline

M&E Framework related milestones

KPI Framework related milestones

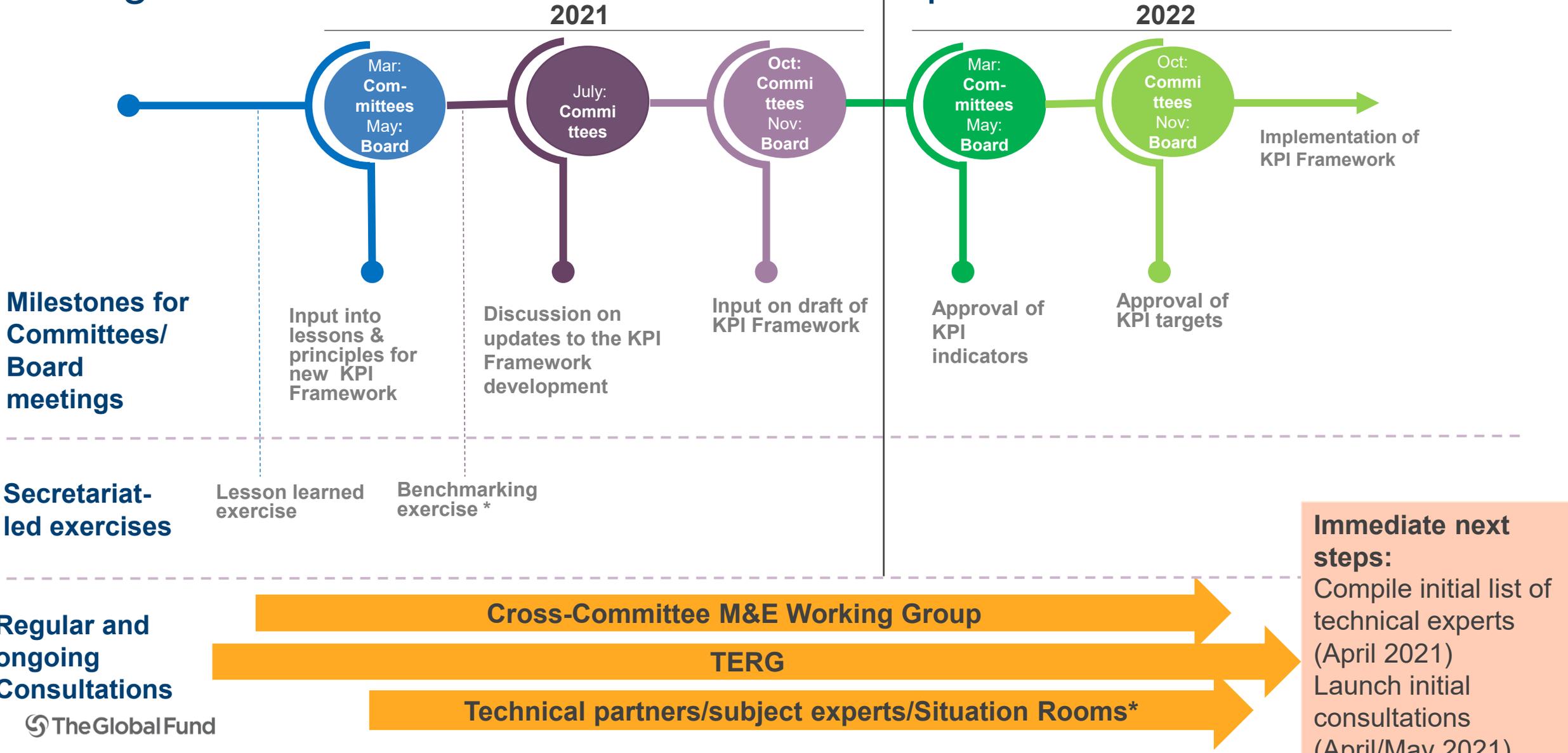


Roles and Responsibilities in the M&E and KPI Framework development process

| | |
|---|---|
| Board | <ul style="list-style-type: none"> Provide steer throughout development, input into principles and framework drafts and approval of final M&E and KPI Frameworks. |
| Coordinating Group | <ul style="list-style-type: none"> Facilitate coordination between committees & Board on cross-cutting matters. |
| Strategy and Audit and Finance Committees | <ul style="list-style-type: none"> Review and input into principles, drafts and final M&E/KPI Frameworks and provide overall oversight and recommendations to the Board for approval. SC: advise the Board on KPI Framework (overall) and on methodology and targets to assess performance on Strategy and grant portfolio. AFC: advise on methodology and targets for KPIs related to corporate and financial management. |
| Strategy Committee M&E Working Group | <ul style="list-style-type: none"> Represented by members of SC, AFC and EGC. Consult on workstreams related to the M&E Framework development, including the interlinkages and relationship with the KPI Framework, to ensure M&E systems/approaches are aligned to the next Strategy, with particular focus on linkages to risk and assurance frameworks, future of independent evaluation, approaches to measuring impact and quality and more difficult areas to measure and learning. |
| Constituencies | <ul style="list-style-type: none"> Engage in Board and Committee deliberations. Provide inputs into SC/AFC discussions through established practices. Nominate technical experts to engage in technical consultations. |
| TERG | <ul style="list-style-type: none"> Responsible for reviewing and advising on the broader M&E Framework (through an appointed small group), on the principles for the future KPI Framework and definition of measurement area Liaise regularly with members from the Secretariat M&E Working Group and provide feedback and comments to improve M&E and KPI Frameworks at each stage of process. Provide views on M&E and KPI Framework development to the SC and the Board at regular meetings. |
| Technical partners | <ul style="list-style-type: none"> Advise on specific measurement areas, M&E tools, activities and KPIs through consultations technical teams in the Secretariat and the Situation Rooms. |
| Secretariat | <ul style="list-style-type: none"> Oversee overall development of M&E and KPI Frameworks for final approval by the Board. Consolidate lessons learned from implementation of current Global Fund Strategic Performance Monitoring approach and to propose principles to guide development of M&E and KPI Frameworks. Propose critical measurement areas against the new Strategy and to define measurement approaches (both quantitative and qualitative) for development of M&E Framework and identification of Strategy KPIs including targets. Ensure that all of the above is conducted with internal consultations and external consultation with the TERG, technical partners for specific subject areas, committees and the Board Ensure that the Secretariat is able to use, learn from and be able to transform outputs of the M&E Framework and the KPI results into initiatives and actions which accelerate performance. |

5

KPI specific next steps and consultation: These are underpinned by regular technical consultations with multiple stakeholders

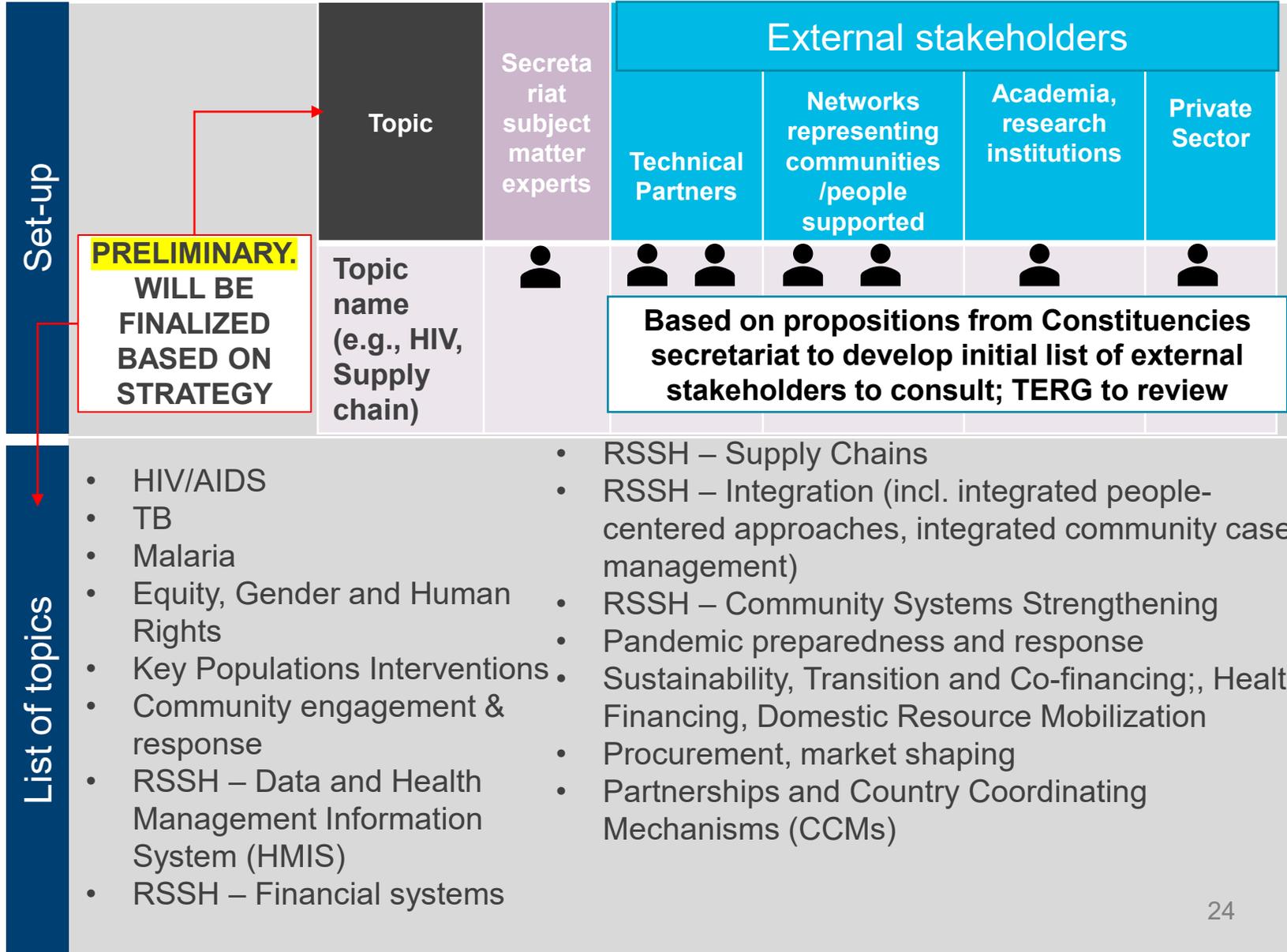


* Details on following pages

KPI specific next steps and consultation: Consultation objectives and set-up

Objectives

- Identify appropriate measures of progress (not only KPIs) against the post-2022 Strategy goals through a consultative process, clearly defining accountability level of GF and who are other key actors for delivering on results;
- Identify metrics to be included in an overarching GF Performance Framework and determine where they are situated (i.e. KPIs, operational metrics, partnership results or approaches more suitable to evaluation etc.);
- Ensure that outcomes of consultations are directed to Strategic Initiatives, Modular Framework, evaluation work plan as needed;



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Next steps and consultation: In addition, a benchmarking analysis of peer organizations is being launched

- The objective of the proposed **KPI benchmarking** exercise is to understand how **other organizations structure and define KPIs** and to identify **good practices or lessons** that could be **relevant to the Global Fund**.
- **The exercise will examine how selected organizations respond to similar challenges the Global Fund faces and the principles they follow.** In that light – the key questions will focus on:
 1. How does the **KPI Framework** fit within the organization's **wider M&E approach**?
 2. What is the **main purpose** of KPIs in the organization?
 3. How do KPIs link to **internal performance management of the organization**?

Timeline



Next steps and consultation: A subset of organizations of different types will be selected for the benchmarking analysis

Mandate of the organization*

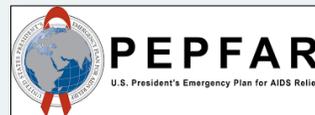
Implementer



Technical partners



Funding institution



Bilateral / Multilateral

Sector

NGO

Key takeaways:

- To identify organizations for benchmarking exercise, **two dimensions considered:** 1) mandate of the organization, 2) sector
- Analysis will only look at a **subset** of these organizations for the initial desk research i.e. **one organization per category**
- Interviews will be conducted with only **relevant orgs** based on initial research insights
- This is a **tentative list** that will be finalized with further research and committee input. **The Secretariat welcomes any input from constituencies** in the selection of organizations

Conclusion

A number of findings from both external and internal sources, emerged consistently throughout the lessons learned exercise indicating that whilst the current KPI Framework was built on a collection of important, and for the most part, rigorous metrics relating to the Global Fund mission, it did not amount to a highly effective framework for understanding the progress of Global Fund investments and for managing and improving performance.

To ensure that the next KPI Framework overcomes many of the challenges inherent with the current Framework, it is critical that all stakeholders enter the development process with an agreed vision and set of principles. The Secretariat has outlined proposed principles in this report related to importance, integration, accountability and actionability of KPIs.

It is critical for principles to be determined and endorsed in order to frame the parameters of the technical KPI consultations, therefore input from on proposed principles is requested from the Board. Further, in preparation for these consultations, constituencies are requested, through their consistency statements, to propose experts from different stakeholder groups to ensure that developments and experience in different measurement areas is included. Finally, constituencies are requested to recommend organizations for KPI benchmarking for useful learnings for the Global Fund.