Report of the Executive Director
2008: An exciting year for the Global Fund

• Impressive results and increasing evidence for impact
• Learning from experience through the Five Year Evaluation
• Simplifying grant architecture and processes
• Consolidating partnerships
• Introducing a new structure and management team for the Secretariat
• Continuing to innovate: Round 8 (gender, health and community systems strengthening, dual track financing), AMFm
## Results: December 2007

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Dec 2006</th>
<th>Mid 2007</th>
<th>Dec 2007</th>
<th>% increase in last year</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIV: People on ART</td>
<td>770,000</td>
<td>1.1 million</td>
<td>1.4 million</td>
<td>88%</td>
</tr>
<tr>
<td>TB: DOTS treatment</td>
<td>2 million</td>
<td>2.8 million</td>
<td>3.3 million</td>
<td>65%</td>
</tr>
<tr>
<td>Malaria: ITNs distributed</td>
<td>18 million</td>
<td>30 million</td>
<td>46 million</td>
<td>155%</td>
</tr>
</tbody>
</table>
Malaria: scaling up prevention and treatment

- In 2002, only 5 million ITNs were distributed globally.
- 2003-2007, Global Fund-supported programs distributed 46 million ITNs.
- The Global Fund has provided two-thirds of international financing for malaria, committing US$ 3.7 billion.

Results are achieved by countries with the support RBM, WHO, UNICEF, PMI, World Bank and bilateral donors.
## Malaria: evidence for impact

<table>
<thead>
<tr>
<th>Country</th>
<th>Evidence</th>
<th>Interventions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rwanda</td>
<td>64% decline in child malaria cases</td>
<td>2.4 million ITNs distributed</td>
</tr>
<tr>
<td></td>
<td>66% decline in child malaria deaths (Facility data, 2005-2007)</td>
<td>National ACT roll-out</td>
</tr>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Zanzibar</td>
<td>50% decline under 5 mortality in some districts</td>
<td>National ACT roll-out</td>
</tr>
<tr>
<td></td>
<td>86% decline in malaria cases in Zanzibar</td>
<td>Universal coverage ITNs/Spraying</td>
</tr>
<tr>
<td>Burundi</td>
<td>45% decline in malaria incidence (2000-2005)</td>
<td>National ACT roll-out (first countries)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1 million ITNs distributed</td>
</tr>
<tr>
<td>Eritrea</td>
<td>71% decline in malaria deaths (2000-2006)</td>
<td>ITN coverage increased to 60%</td>
</tr>
<tr>
<td></td>
<td>91% decline in out-patient malaria cases (2000-2006)</td>
<td>Introduced ACT treatment in 2007</td>
</tr>
<tr>
<td>Kenya</td>
<td>61% decline in malaria in children (coastal districts, 1999-2006)</td>
<td>ITNs (mass distribution) and ACTs</td>
</tr>
<tr>
<td>Mozambique Swaziland South Africa</td>
<td>87-96% reduction in malaria incidence</td>
<td>5 million people protected by IRS</td>
</tr>
<tr>
<td></td>
<td>82-87% reduction in malaria mortality</td>
<td>Universal coverage with effective drugs</td>
</tr>
<tr>
<td></td>
<td>53-94% reduction in malaria parasite prevalence</td>
<td></td>
</tr>
<tr>
<td>Ethiopia</td>
<td>54% declines in malaria cases and 48% in malaria deaths. Evaluation of</td>
<td>9.4m ITNs (20m in total), ACTs</td>
</tr>
<tr>
<td></td>
<td>data underway by WHO, also in Zambia</td>
<td></td>
</tr>
</tbody>
</table>
Portfolio at April 2008

- 572 grants approved with a value of US$10.7 billion
- 136 countries
- US$ 5.5 billion disbursed
Portfolio: key attributes (Rounds 1-7)

• 60 percent per cent of Global Fund resources committed to AIDS; 14 per cent to TB; 25 per cent to malaria

• The Global Fund provides over 2/3 of international financing for TB and malaria. It accounted for 22 per cent of the total international commitment to AIDS in 2006

• Just under 60 per cent of total funds committed to grants in sub-Saharan Africa

• The Global Fund continues to overwhelmingly support programs in the poorest countries (LIC and LMIC 93%)

• The proportion of government and non-government implementers (principal and sub-recipients) is 50/50
## Funds disbursed by year

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Disbursed</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>($ million)</td>
<td>100</td>
<td>231</td>
<td>628</td>
<td>1,053</td>
<td>1,321</td>
<td>1,727</td>
<td>4,961</td>
</tr>
<tr>
<td><strong>Result vs KPI</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>101%</td>
<td>96%</td>
<td>88%</td>
<td>102%</td>
<td></td>
<td></td>
<td>96%</td>
</tr>
</tbody>
</table>
## Grant signing

<table>
<thead>
<tr>
<th>Period</th>
<th>Round 5 (average)</th>
<th>Round 6 (average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time between approval and signature</td>
<td>262 days</td>
<td>273 days</td>
</tr>
<tr>
<td>Time between signature and 1&lt;sup&gt;st&lt;/sup&gt; disbursement</td>
<td>62 days</td>
<td>54 days</td>
</tr>
<tr>
<td>Time between approval and 1&lt;sup&gt;st&lt;/sup&gt; disbursement</td>
<td>324 days</td>
<td>327 days</td>
</tr>
</tbody>
</table>

- Time needed to meet numerous conditions before 1<sup>st</sup> disbursement increases with complexity of grant
- Team-centred approach to grant signing, together with consolidation of partnerships at country level, will help shorten the timeframe
### Rolling Continuation Channel

#### RCC Waves 1-3 by disease component

<table>
<thead>
<tr>
<th>Component breakdown</th>
<th>Number qualified</th>
<th>Number Reviewed Waves 1 and 2</th>
<th>Number Approved (Waves 1 and 2)</th>
<th>Approval rate (Waves 1 and 2)</th>
<th>3 Year Upper ceiling approved (Waves 1 and 2)</th>
<th>Up to 6 years upper ceiling approved* (Waves 1 and 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIV</td>
<td>13</td>
<td>7</td>
<td>4</td>
<td>57%</td>
<td>US$ 258.1 m</td>
<td>US$ 527.0 m</td>
</tr>
<tr>
<td>TB</td>
<td>7</td>
<td>3</td>
<td>2</td>
<td>66%</td>
<td>US$ 81.6 m</td>
<td>US$ 182.3 m</td>
</tr>
<tr>
<td>Malaria</td>
<td>15</td>
<td>10</td>
<td>5</td>
<td>50%</td>
<td>US$ 154.5 m</td>
<td>US$ 234.4 m</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>20</td>
<td>11</td>
<td>55%</td>
<td>US$ 494.2 m</td>
<td>US$ 943.8 m</td>
</tr>
</tbody>
</table>
Report of the Executive Director
Portfolio risk management

• Early Alert Response System

• Additional Safeguard Policy

• Risk Management Framework
Health systems strengthening

Global Fund support for HSS:

- Through disease-specific and cross-cutting funding
- By reducing morbidity and mortality among health workers
- By freeing up health systems to provide other services
Memorandum of Understanding

UNAIDS and The Global Fund to Fight AIDS, Tuberculosis and Malaria

UNAIDS, the Joint United Nations Programme on HIV/AIDS, is an innovative joint venture of the United Nations family, bringing together the efforts and resources of ten UN system organizations (UNHCR, UNICEF, WFP, UNDP, UNFPA, UNODC, ILO, UNESCO, WHO and the World Bank) in the AIDS response to help the world prevent new HIV infections, care for people living with HIV, and mitigate the impact of the epidemic. UNAIDS helps mount and support an expanded response to AIDS – one that engages the efforts of many sectors and partners from government and civil society.

The Global Fund to Fight AIDS, Tuberculosis and Malaria (“Global Fund”) is a unique global public/private partnership dedicated to attracting and disbursing additional resources to prevent and treat HIV and AIDS, tuberculosis and malaria. This partnership between governments, civil society, the private sector and affected communities represents a new approach to international health financing. The Global Fund is one of the major organizations funding UNAIDS helps mount and support an expanded response to AIDS – one that engages the efforts of many sectors and partners from government and civil society.

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Consolidating partnerships
Seventeenth Board Meeting
Geneva, 28-29 April 2008
Pledges and contributions: April 2008

Total income

- December 2007: $17.9 billion
- April 2008: $19.7 billion

Pledges and Projected Contributions 2008-2010

- Replenishment: $6.3 billion
- Today: $8.3 billion

Total projected contributions: $9.7 billion
(Auction) RED
The Global Fund innovates

• Mobilizing for Round 8
• Affordable Medicines Facility for Malaria (AMFm)
• Roadmap with UNITAID
• Architecture review
• Voluntary Pooled Procurement
• Review of Policy on Quality Assurance of Pharmaceutical Products
New Secretariat structure

Office of the Executive Director

- Strategy Policy & Performance Cluster
- Partnerships Communications & Resource Mobilization Cluster
- Country Programs Cluster
- Finance & Pharmaceutical Procurement Cluster
- Corporate Services Cluster
Transition to the Global Fund administration

Progress

• Good staff engagement and input
• Proceeding to move out of the UNJSPF; preliminary design of cash balance pension scheme
• Formulating an HR Strategy; principles for compensation structure (one salary structure; fewer grades; broad-banding; building an evaluation culture)
• Establishing Global Fund procedures in relation to entry and work visas, privileges and immunities
• Leadership and management development training
Transition to Global Fund administration (2)

Need for further work

- Pension scheme design (portability, tax liability, protection from exchange risk, employer guarantee of investment return)
- Taxation impact of Global Fund salaries for staff taxable in a number of countries
- Benchmarking salaries with other organisations
- Establishing a performance-linked remuneration structure and assimilating most current benefits into a new remuneration structure
Transition to Global Fund administration (3)

- Challenges with systems
  - Transition to GSM
  - Global Fund’s own systems not fully available before Q2 of 2009
- Delays in contracting consultants
- Change Management capacity
- Unanticipated complexities
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