Context as we meet in India

• Record level of demand and amount recommended by TRP in Round 8
• Global financial crisis and economic downturn
• Record level of disbursement likely in 2008
• New initiatives - ongoing innovation
• New Secretariat structure implemented
• Move to own administrative systems and human resource policies on January 1, 2009
• Five Year evaluation SA2 findings
## Results: Top 3 Global Fund indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Mid 2007</th>
<th>Mid 2008</th>
<th>% increase since mid 2007</th>
<th>GF target end 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIV: People on ART</td>
<td>1.1 million</td>
<td>1.75 million</td>
<td>59%</td>
<td>1.8 million</td>
</tr>
<tr>
<td>TB: DOTS treatment</td>
<td>2.8 million</td>
<td>3.9 million</td>
<td>39%</td>
<td>4.5 million</td>
</tr>
<tr>
<td>Malaria: ITNs distributed</td>
<td>30 million</td>
<td>59 million</td>
<td>97%</td>
<td>70 million</td>
</tr>
</tbody>
</table>
Acceleration of scale up

DOTS
ARVs
ITNs
## Disbursements

<table>
<thead>
<tr>
<th>Year</th>
<th>Yearly Disbursement Target ($ million)</th>
<th>Disbursed at October 31 ($ million)</th>
<th>Disbursement rate October 31</th>
<th>Disbursed end-December ($ million)</th>
<th>Yearly Result v KPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>1,400</td>
<td>858</td>
<td>61%</td>
<td>1,322</td>
<td>94%</td>
</tr>
<tr>
<td>2007</td>
<td>1,700</td>
<td>1,210</td>
<td>71%</td>
<td>1,727</td>
<td>102%</td>
</tr>
<tr>
<td>2008</td>
<td>2,200</td>
<td>1,676</td>
<td>76%</td>
<td>On track</td>
<td></td>
</tr>
</tbody>
</table>
Portfolio overview (1):
Key attributes at 31 October

• $6.6 billion disbursed, 562 grants in 136 countries

• 58% of total funds committed to grants in sub-Saharan Africa

• 61% of funds approved for AIDS; 14% for TB; 25% for malaria
Portfolio overview (2): Health systems strengthening

• 35% (nearly $4 billion) of approved financing is for key health systems components

• In addition, innovative cross-cutting HSS funding:
  – $186 million approved in Round 7
  – $290 million recommended by TRP in Round 8 (health workforce, information systems, supply chain management, community service delivery)

• Global Fund supports workforce capacity: 96% of grants have a training component

• Majority of Round 8 proposals include community systems strengthening
Portfolio Overview (3): Targeting resources effectively

- **Regions**
  - 60% of approved funds in Rounds 1-7 are for sub-Saharan Africa
  - 65% of funding for orphan support is for southern Africa region

- **Diseases**
  - 35% of Global Fund financing for ART is for southern Africa region
  - $1.5 billion approved for 19 African countries that account for 90% of malaria burden in Africa
  - More than $1 billion approved for 22 high burden countries that account for 80% of global TB incidence
  - The Global Fund supports programs in 18 of 27 countries that are high priority for MDR-TB
## Round 7 grant signing

<table>
<thead>
<tr>
<th>Status at November 3</th>
<th>Number of Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signed</td>
<td>76</td>
</tr>
<tr>
<td>Not signed</td>
<td>5*</td>
</tr>
<tr>
<td>Extended deadline because of appeal</td>
<td>1</td>
</tr>
<tr>
<td>Extension requested</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>90</strong></td>
</tr>
</tbody>
</table>

*Due to be signed before 12/11
Report of the Executive Director
<table>
<thead>
<tr>
<th>RCC Wave</th>
<th>Initial submissions</th>
<th>Resubmissions</th>
<th>Total</th>
<th>Initial submissions</th>
<th>Resubmissions</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>N / A</td>
<td>10</td>
<td>(5) 50%</td>
<td>N / A</td>
<td>50%</td>
</tr>
<tr>
<td>2</td>
<td>10</td>
<td>N / A</td>
<td>10</td>
<td>(6) 60%</td>
<td>N / A</td>
<td>60%</td>
</tr>
<tr>
<td>3</td>
<td>7</td>
<td>5</td>
<td>12</td>
<td>(3) 43%</td>
<td>(5) 100%</td>
<td>67%</td>
</tr>
<tr>
<td>4</td>
<td>8</td>
<td>2</td>
<td>10</td>
<td>(3) 38%</td>
<td>(2) 100%</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35</strong></td>
<td><strong>7</strong></td>
<td><strong>42</strong></td>
<td><strong>(17) 48%</strong></td>
<td><strong>(7) 100%</strong></td>
<td><strong>57%</strong></td>
</tr>
</tbody>
</table>
Proportion of approved budget proposals allocated to pharmaceutical and health product procurement has varied across Rounds 2-7 and RCCs 1-3.
Categorization of PRM Reported Expenditures since January 2007

- LLINs: 14%
- ACTs: 13%
- TB Drugs: 6%
- ARVs - 1st Line: 44%
- ARVs - 2nd Line: 9%
- Other*: 14%

*Other health technologies including condoms, diagnostics and medical supplies

Source: Data from Price Reporting Mechanism
10 October 2008
Increase in PRM reported procurement data allows for initial analysis of price trends

Example of ACT with decreasing variation in prices and substantial price decline over two years

Artesunate Amodiaquine 50+153 mg
Boxplot of Unit Prices by Year

Decreasing range of prices

Significant median price decline over 2 years

Source: PRM data as of October 2008
Increase in PRM reported procurement data allows for initial analysis of price trends

Example of second line ARV with stable median price and generally decreasing variation

Didanosine 100 mg
Boxplot of Unit Prices by Year

Source: PRM data as of October 2008
Report of the Executive Director
LFA re-tendering
# Measuring and improving aid effectiveness

<table>
<thead>
<tr>
<th>Principle</th>
<th>Global Fund aid effectiveness scorecard</th>
<th>2007 n=54</th>
<th>2010 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ownership &amp; Alignment</td>
<td>Grants aligned with country cycles</td>
<td>62%</td>
<td>90%</td>
</tr>
<tr>
<td></td>
<td>Use of national financial reporting procedures*</td>
<td>52%</td>
<td>69%</td>
</tr>
<tr>
<td></td>
<td>Countries with parallel implementation units</td>
<td>13%</td>
<td>5%</td>
</tr>
<tr>
<td>Aid is predictable and untied</td>
<td>Actual/expected disbursements</td>
<td>95%</td>
<td>95%</td>
</tr>
<tr>
<td></td>
<td>Percentage of aid that is untied</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Harmonization with partners</td>
<td>Finance supports program-based approaches</td>
<td>95%</td>
<td>95%</td>
</tr>
<tr>
<td></td>
<td>Coordinating analytic reports</td>
<td>22%</td>
<td>50%</td>
</tr>
<tr>
<td>Managing for results and accountability</td>
<td>Transparent &amp; monitorable performance frameworks</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Only monitored for aid disbursed to government. Results relate to total volume of aid disbursed in monitored countries.*
Report of the Executive Director
### Round 8

**Proposals recommended for funding by disease***

<table>
<thead>
<tr>
<th>Disease</th>
<th>Proposals recommended</th>
<th>Success rate</th>
<th>2 year upper ceiling recommended ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIV (including HSS)</td>
<td>37 of 76</td>
<td>49%</td>
<td>1,164</td>
</tr>
<tr>
<td>TB (including HSS)</td>
<td>29 of 57</td>
<td>51%</td>
<td>327</td>
</tr>
<tr>
<td>Malaria (including HSS)</td>
<td>28 of 41</td>
<td>68%</td>
<td>1,568</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>94 of 174</strong></td>
<td><strong>54%</strong></td>
<td><strong>3,059</strong></td>
</tr>
</tbody>
</table>

*Includes Categories 1, 2 and 2B

Dollar amounts adjusted since TRP report to Board based on changing exchange rates

**APPROVAL RATES**
- Round 5: 31 %
- Round 6: 43 %
- Round 7: 49 %
- Round 8: 54 %
Report of the Executive Director
Secretariat: Cluster Directors and Unit Directors

- **Partnerships & External Relations Cluster**
  - Christoph Benn (Germany)
  - Jon Liden (Norway)
  - Resource Mobilization (TBA)
  - Partnerships (TBA)

- **Strategy, Policy & Performance Cluster**
  - Rifat Atun (Cyprus)
  - Eddie Addai (Ghana)
  - Ruwan De Mel (Sri Lanka)
  - Thuy Huong Ha (Vietnam)

- **Country Programs Cluster**
  - Bill Paton (Canada)
  - Fareed Abdullah (South Africa)
  - Hind Othman (Jordan)
  - Mary Ann Langsang (Philippines)
  - Daniel Low-Beer (UK)

- **Finance Cluster**
  - Barry Greene (Ireland)
  - David Curry (Ireland)

- **Corporate Services Cluster**
  - Heather Allen (UK)
  - Josephine Mwelu Mutuku (Kenya)
  - Bart Migone (Italy)
Leaving the Administrative Services Agreement
Critical Path Overview Sept 08 – Jan 09

HR Policies, Regulations & Procedures
- 02/10: Decisions on HR Policies
- 10/10: All HR Regulations complete
- 21/10: All HR ERP Touch-points Processes finalized
- 14/11: All HR Procedures complete

HR Comp & Bens / Transition
- 02/10: Decisions on Allowances, Salaries, Employee Benefits Insurance & Provident Fund
- 10/10: WHO Sign-Off on Transfer Agreement
- 20/10: Offer Letter & Transfer Agreements / Contract
- 31/10: Insurers / Suppliers contracted

Provident Fund
- 02/10: Decisions on Benefit Structure, Transition Credit & Pensionable Remuneration
- 08/10: Constitutional definitions and principles finalized
- 24/10: Provident Fund Management Board Formed
- 31/10: Full Employee Separation to Joining Process communicated

Corporate Procurement
- 02/10: Decisions on Corporate Procurement Policy
- 24/10: Processes developed for new distributed procurement model
- 07/11: Finalize Data Migration Strategy
- 10/11: Supplied MasterData fully updated

Finance
- 02/10: Decisions on Finance Policy
- 10/10: New Bank Account Setup
- 10/10: Cutover Plan and Process Agreed
- 11/11: Historic Data Test extract complete

Admin & OSROS
- 29/09: Final Date for renewal details of CLs
- 30/09: Contract Signed with Travel & Travel Security Suppliers
- 02/10: Approval Decisions from FAC / Board on Expense Policy
- 06/10: Travel Functionality ERP integration ready for Review Workshop

ERP
- 08/10: Go / No Go Decision Point 1
- 03/11: All Super-User Training Completed
- 07/11: Data Migration: Go / No Decision Point
- 08/12: UAT Complete – Final Go / No Decision Point
- 19/12: Production Build and Migration Complete

28/11: WHO confirm Separation Arrangements
28/11: Acceptance / Decline of New Offer
28/11: Employees return of UNJSPF Separation Forms

Gamme Board Meeting
New Delhi, India 7-8 November 2008
Human resources framework

- Flexible and competitive salary scale
- Simplified allowances
- Portable cash-benefit Provident Fund
- Human resources strategy and policies
- Significantly improved health insurance plan
Staff health insurance from 2009

- Same cost as current WHO health insurance with significantly improved benefits
- Available to spouse / domestic partner, children and other dependents
- 100% reimbursement for HIV/AIDS and other chronic conditions
- 90% reimbursement for most other health care (WHO = 80%)
- Catastrophic coverage (100% reimbursement) when expenses exceed 3% of salary (WHO = 5%)
- 75% of claims settled in 5 working days (WHO = weeks)
"Frankly sir, we’re tired of being on the cutting edge of technology."
Report of the Executive Director
Report of the Executive Director
Report of the Executive Director
A learning organization

• SA1: Activities underway to address all recommendations

• SA2: Ongoing consultation process
  » Implementers’ Meeting, Kampala, June
  » International partner consultation, Geneva, September
  » Bi-and multilateral partners, Maputo, October
  » Board retreat, October; E-forum
  » Partnership Forum, Dakar, December

• SA3: -TERG reviews final report end February
  - PSC receives final report April
  - Management response to next Board
The Global Fund in 2009

• Delivering ongoing programs
• Accommodating big increase in demand (signing Round 8 grants)
• Serving countries better
  – Simplifying processes in existing architecture
  – Architecture review
  – Improving communications
• Disease-focused and people-centered
  – AMFm
  – Gender and sexual minorities strategies