Thirty-Third Board Meeting
Corporate KPI Results 2014

For Board Decision

GF/B33/04B
Geneva, Switzerland
31 March – 1 April 2015
The Hierarchy of KPIs

A few, measurable, results-oriented KPIs covering the life of the Strategy...

Corporate level

- Strategic KPIs
  - KPIs focused on global targets & impact

- Activity specific KPIs
  - KPIs to enable Board/Committee oversight for governance on key activities for strategy goals

Secretariat level

- Operational KPIs
  - More granular measures measuring management performance at entity levels of the Global Fund
# The Corporate KPI Framework

<table>
<thead>
<tr>
<th>Strategic corporate KPIs</th>
<th>Strategic goals</th>
<th>Strategic targets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 Performance against strategic goals</td>
<td>2 Quality and coverage of services</td>
</tr>
</tbody>
</table>

## Strategic Objectives

<table>
<thead>
<tr>
<th>Invest more strategically</th>
<th>Evolve the funding model</th>
<th>Actively support grant implementation success</th>
<th>Promote and protect human rights</th>
<th>Sustain the gains, mobilize resources</th>
<th>Strategic enablers</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Efficiency of Global Fund investment decisions</td>
<td>7 Access to funding</td>
<td>9 Effective operational risk management</td>
<td>12 Human rights protection</td>
<td>13 Resource mobilization</td>
<td>• Implementing operational excellence</td>
</tr>
<tr>
<td>5 Health system strengthening</td>
<td>8 New Funding Model transition</td>
<td>10 Value for money</td>
<td></td>
<td></td>
<td>• Enhance partnerships</td>
</tr>
<tr>
<td>6 Alignment with national reporting systems</td>
<td>11 Grant expenses forecast</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Corporate KPIs

<table>
<thead>
<tr>
<th>4 Efficiency of Global Fund investment decisions</th>
<th>7 Access to funding</th>
<th>9 Effective operational risk management</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Health system strengthening</td>
<td>8 New Funding Model transition</td>
<td>10 Value for money</td>
</tr>
<tr>
<td>6 Alignment with national reporting systems</td>
<td>11 Grant expenses forecast</td>
<td>12 Human rights protection</td>
</tr>
<tr>
<td>13 Resource mobilization</td>
<td>14 Domestic financing for AIDS, TB &amp; Malaria</td>
<td>16 Quality of management and leadership</td>
</tr>
<tr>
<td>15 Efficiency of grant management operations</td>
<td>16 Quality of management and leadership</td>
<td></td>
</tr>
</tbody>
</table>
Overview

For review

- Performance assessment provided for 11 indicators
  - Strong performance on 10 of the 11 KPIs
  - Performance below target for: KPI 11 Grant expense forecast
    - Actual 2014 grant expenses below forecast
    - Main drivers are delays to Concept Note submissions and improved financial management
  - Progress update provided for 4 indicators
    - For KPIs 1-3 no annual targets have been set that enable yearly performance assessment
    - 2016 target for Number of people alive on ART has already been met
    - 2014 baseline assessment is now available for KPI 12 Human Rights Protection
  - No data available for 1 indicator
    - KPI 5 Health systems strengthening (delays to in-country surveys conducted with partners)

For approval

- New performance targets submitted for 3 indicators:
  - KPI 6 Alignment with national reporting systems
  - KPI 12 Human Rights Protection
  - KPI 16 Quality of management and leadership
KPI Performance by Indicator
KPI 1  Performance against strategic goals

**Measure**

a) Estimated number of Lives Saved

b) Estimated number of Infections averted

**Performance**

a) 2012-16 Target: 10m lives saved  
   **2012-13 Result: 3.7m lives saved**

b) 2012-16 Target: 140m new infections averted  
   **2012-13 Result: 34m new infections averted**
KPI 2
Quality and coverage of services

Measure

a) ARV retention rate at 12 months*

2013 Actual Performance 79% 2016 Target 80%

b) TB Treatment success rate for all new cases (2012)*

2013 Actual Performance 86% 2016 Target 90%

c) Proportion of population at risk potentially covered by LLINs distributed*

2013 Actual Performance 49% 2016 Target 60%

Proportion of the population that slept under an ITN the previous night*

2013 Actual Performance 43% 2016 Target 55%

Proportion of the population that slept under an ITN the previous night*

2013 Actual Performance 43% 2016 Target 55%

d) Percentage of adults and children living with HIV currently receiving ART

2013 Actual Performance 36% 2016 Target 50%

e) Percentage of HIV positive pregnant women who received anti-retrovirals to reduce mother-to-child HIV

2013 Actual Performance 66% 2016 Target 90%

f) Percentage of HIV-positive TB patients given ART during TB treatment**

2013 Actual Performance 69% 2016 Target 90%

* The baseline data presented to the GF/B32 were based on latest available data at the time. The baseline data are now updated to reflect 2013 for all indicator except for (b) which will be available in late 2015 due to reporting lag to WHO. ** Updated from 67% to match Global Fund eligible countries.
**Strategic Objectives**

1. **Invest more strategically**
2. **Evolve the funding model**
3. **Actively support grant implementation success**
4. **Promote and protect human rights**
5. **Sustain the gains, mobilize resources**

**Strategic Enablers**

- Enhance partnerships & Improve operations

---

**KPI 2: Quality and coverage of services (part g)**

Measure:

- g) Number of countries with validated population size estimates for Female Sex Workers, Men who have Sex with Men, and where applicable, Injecting Drug Users

Performance:

- **2014 Target:** 35 countries
- **2014 Result:** 33 countries
- **2015 Target:** 45 countries

- Validation of estimates for two countries has been delayed
- Shortfall expected to be made up in 2015

---

The Global Fund 33rd Board Meeting
31 March – 1 April 2015, Geneva Switzerland
### Strategic Goals & Targets

- **Strategic Objective 1**: Invest more strategically
- **Strategic Objective 2**: Evolve the funding model
- **Strategic Objective 3**: Actively support grant implementation success
- **Strategic Objective 4**: Promote and protect human rights
- **Strategic Objective 5**: Sustain the gains, mobilize resources
- **Strategic Enablers**: Enhance partnerships & Improve operations

### KPI 3: Performance against strategic service delivery targets

#### Measure

<table>
<thead>
<tr>
<th>Measure</th>
<th>2012-2014 Result</th>
<th>2012-2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) # of people alive on ARV therapy*</td>
<td>6.7m</td>
<td>7.3m</td>
</tr>
<tr>
<td>b) # of TB cases treated according to the DOTS approach</td>
<td>173m</td>
<td>390m</td>
</tr>
<tr>
<td>c) # of LLINs distributed</td>
<td>260k</td>
<td></td>
</tr>
<tr>
<td>d) # of bacteriologically confirmed drug resistant TB treated with a 2(^{nd}) line regimen</td>
<td>1.2m</td>
<td>2.7m</td>
</tr>
<tr>
<td>e) # of HIV positive pregnant women who received ART to reduce the risk of MTCT</td>
<td>11m</td>
<td>26m</td>
</tr>
<tr>
<td>f) # of IRS services delivered</td>
<td>182m</td>
<td>359m</td>
</tr>
<tr>
<td>g) # of people who received HIV testing &amp; counseling and know their results</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Currently alive and on therapy; other data cumulative over 2012-2014
KPI 4  Efficiency of Global Fund investment decisions

Measure

Alignment between investment decisions and country "need"; with need defined in terms of disease burden and ability to pay

Performance

2014 Target: 0.62

2014 Result: 0.60 (8% improvement)

2015 Target: 0.57

20% improvement in alignment over the 2014-2016 period
Strategic Objective 1
Invest more strategically

Strategic Objective 2
Evolve the funding model

Strategic Objective 3
Actively support grant implementation success

Strategic Objective 4
Promote and protect human rights

Strategic Objective 5
Sustain the gains, mobilize resources

Strategic Enablers
Enhance partnerships & Improve operations

KPI 5
Health System Strengthening

Measure
Service availability rating
- Measured using the WHO Service Availability and Readiness Assessment (SARA) tool

Performance
2014 Result: no data available
2014-2016 Target: 60% of countries surveyed show an improvement of at least 5% points in service availability rating

Update
• KPI reporting for 2014 was expected to be based on surveys from Uganda and Burkina Faso
• These surveys, conducted with partners, have been subject to delays and no data is currently available
• By the end of 2015 survey data are expected to be available for 5 countries; and by end 2016 a further 3 countries
• Implementation of these surveys will be closely monitored over the coming months
### Strategic Objectives

1. Invest more strategically
2. Evolve the funding model
3. Actively support grant implementation success
4. Promote and protect human rights
5. Sustain the gains, mobilize resources

### Strategic Enablers
- Enhance partnerships & improve operations

### Strategic Goals & Targets

<table>
<thead>
<tr>
<th>Measure</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Alignment of supported programs with national systems</strong></td>
<td><strong>2014 Target: 87%</strong>&lt;br&gt;<strong>2014 Result: 92%</strong>&lt;br&gt;<strong>2015 Target: 90%</strong></td>
</tr>
</tbody>
</table>

- 2014 Result exceeded target, mainly driven by improved reporting
- The result exceeds the Board approved 2015 Target
- It is proposed to increase the 2015 performance target to 92%
KPI 7  Access to Funding

Measure

Time from final Concept Note submission to first disbursement

![Graph showing projected months from Concept Note submission to first disbursement]

Performance

2014 Target: 75% of grants take 10 months or less

2014 Projected result: 97% of grants project first disbursement within 10 months

2015 Target:
- For grants submitted in 2014 75% of grants take 10 months or less
- For grants submitted in 2015 75% of grants take 8 months or less

- Four grants completed a first disbursement in 2014
- 93% of grants project first disbursement within 8.5 months
- A small improvement in efficiency should enable the 2015 8 month target to be met
KPI 8
New Funding Model Transition [Temporary KPI]

**Measure**
Amount of grant expenses for the **transition** to the new funding model committed to annual schedule of country demands

**Performance**
2014 Target: up to USD 1.9bn over the 2013-2014 period

**2014 Result:** USD 1.6 bn

2015: Indicator to be phased out

**Interpretation**
- Allocated
  - 1.9 bn
- Approved
  - Integrated in to full NFM
  - 1.7 bn
- Funds committed
  - Committments expected by end 2015
  - 1.6 bn
- Integrated in to full NFM
Strategic Goals & Targets

Strategic Objective 1: Invest more strategically
Strategic Objective 2: Evolve the funding model
Strategic Objective 3: Actively support grant implementation success
Strategic Objective 4: Promote and protect human rights
Strategic Objective 5: Sustain the gains, mobilize resources
Strategic Enablers: Enhance partnerships & Improve operations

KPI 9

Effective operational risk management

Measure

Portfolio Risk Index
Index based on a scoring system applied to the grant level risk ratings of the QUART operational risk management framework

Performance

2014 Target: 1.9
2014 Result: 1.9
2015 Target: Within range 1.7 to 2.1
10% of 2013 baseline (1.9)

2014 Actuals: Distribution of grant-level PRI for High Impact countries weighted by annual budgets

- 2014 Risk Index for High Impact regions remained the same as end of 2013: 1.9
- Risk assessment coverage included 115 High Impact grants in 2013 but only 40 of an expected 75 in 2014

The Global Fund 33rd Board Meeting
31 March – 1 April 2015, Geneva Switzerland
Strategic Objective 1: Invest more strategically

Strategic Objective 2: Evolve the funding model

Strategic Objective 3: Actively support grant implementation success

Strategic Objective 4: Promote and protect human rights

Strategic Objective 5: Sustain the gains, mobilize resources

Strategic Enablers:
- Enhance partnerships & improve operations

KPI 10: Value for money

Measure
Savings gained through leveraging Global Fund purchasing power

Performance
2014 Target: Reduce spend by 8% per year for equivalent commodities at equivalent quality and volume

2014 Result: 9%

2015 Target: 8% reduction in spend

$savings = (\text{Unit Price}_{2013} - \text{Unit Price}_{2014}) \times 2014 \text{ volume}$

$\text{KPI} = \frac{\text{savings}}{\text{total PPM spend}}$

Main driver of observed savings has been a 30% unit price reduction for AMFm ACTs
Strategic Goals & Targets

Strategic Objective 1: Invest more strategically
Strategic Objective 2: Evolve the funding model
Strategic Objective 3: Actively support grant implementation success
Strategic Objective 4: Promote and protect human rights
Strategic Objective 5: Sustain the gains, mobilize resources
Strategic Enablers: Enhance partnerships & Improve operations

KPI 11: Grant expenses forecast

 Measure
Corporate Expenditure Rate (CER): Proportion of forecast grant expenses made to schedule

 Performance
2014 Target: 0.9-1.1
2014 Result: 0.75
(Actual Grant Expense / F1 Grant Expense forecast)
2015 Target: 0.9-1.1

- **Improving / optimizing financial management**: regular monitoring of in-country cash balances
- **Absorption rates**: reduction in annual grant commitments to reflect realistic absorption rates
- **No disruption in services**
**KPI 12  Human Rights Protection**

**Measure**

Percentage of human rights complaints against Global Fund supported programs successfully identified through risk assessment tools; and resolved through Secretariat policies and procedures.

- Of the 10 valid complaints of violations of human rights standards, 7 cases were resolved.
- 3 of the 10 cases were identified by risk assessment tools.
- 30% of cases were identified using risk tools.

**Performance**

- **2014 Target:** n/a
- **2013-2014 Baseline result:** 30%

**Proposed 2015 Target:** year on year improvement with a 100% aspiration

- A new human rights complaints procedure was introduced in November 2014.
- The baseline result is based on 10 complaints received between January 2013 and June 2014.
KPI 13 Resource Mobilization

**Measure**

a) Actual pledges as a percentage of the replenishment target

b) Pledge conversion rate. Actual contributions as a percentage of forecast contributions

**Performance**

2014 Result: USD 12.2 bn (81%)*
2014-2016 Target: USD 15 bn

2014 Result: 70%
2014-2016 Target: 100% annually of forecast contributions received

Timing shift for 30% of forecast 2014 contributions due to:

- Legislative requirements
- Delayed signing of agreements due to donor administrative processes and the need to accommodate Global Fund foreign exchange management requirements
- Application of cash-based method of accounting for some agreements resulting in partial recognition of contributions in 2014

* Result excludes matching pledges
KPI 14  Domestic financing for AIDS, TB & Malaria

Measure
Percent of programs accessing funding where government contributions meet minimum counterpart financing thresholds

Performance
2014 Target: 90%
2014 Result: 97% (114 of 117 programs)
2015 Target: 90%

Additional commitments have been leveraged from the three countries that did not meet requirements, and improved expenditure tracking mechanisms are being put into place with aims to meet requirements over 2015-2017.
### Strategic Goals & Targets

<table>
<thead>
<tr>
<th>Strategic Objective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Objective 1</td>
<td>Invest more strategically</td>
</tr>
<tr>
<td>Strategic Objective 2</td>
<td>Evolve the funding model</td>
</tr>
<tr>
<td>Strategic Objective 3</td>
<td>Actively support grant implementation success</td>
</tr>
<tr>
<td>Strategic Objective 4</td>
<td>Promote and protect human rights</td>
</tr>
<tr>
<td>Strategic Objective 5</td>
<td>Sustain the gains, mobilize resources</td>
</tr>
<tr>
<td>Strategic Enablers</td>
<td>Enhance partnerships &amp; Improve operations</td>
</tr>
</tbody>
</table>

### KPI 15: Efficiency of grant management operations

**Measure**

OPEX rate: operating expenses as a percentage of grants under management

**Performance**

- 2014 Target: 3%
- **2014 Result: 2.3%**
- 2015 Target: Below a maximum of 2.75%

The OPEX rate has stabilized after a six year period of growth.
**KPI 16**  
**Quality of Management & Leadership**

**Measure**
Management and leadership index  
Towers Watson Manager Quality scale selected as the benchmarked index

**Performance**
Target: 78% of items on manager quality survey received favorable responses  
**2014 Result: 78%**  
Proposed 2016 Target: 80%

- Variation in performance across divisions and scale dimensions provide scope for further improvement  
- The Manager Quality Survey will not be conducted in 2015

*GF result of 77% is based on 20 items comparable across the norms*