



35th Board Meeting

2017-2022 Strategic Key

Performance Indicator

Framework

GF/B35/07a - Revision1
Board Decision

PURPOSE: To set out the proposed 2017-2022 Strategic Key Performance Indicator Framework submitted for Board Approval.

I. Decision Point

- Based on the rationale described below, the following decision point is recommended to the Committee

Decision Point: GF/B35/DPXX: 2017 – 2022 Strategic Key Performance Indicator Framework

1. The Board acknowledges the 2017 – 2022 Strategic Key Performance Indicator Framework (the “Strategic KPI Framework”), as presented in Annex 1 to GF/B35/07a - Revision 1, and the additional methodological work required to set performance targets.

2. Accordingly, the Board approves the Strategic KPI Framework and directs the Secretariat to present the Board with the Strategic KPI Framework’s performance targets for approval at the final Board meeting in 2016.

II. Relevant Past Decisions

Relevant past Decision Point	Summary and Impact
GF/B34/EDPo4: Approval of 2016 Targets for the 2014 – 2016 Corporate Key Performance Indicator Framework (January 2016)	The Board approved the 2016 performance targets, noting specific revisions to the performance targets for KPI 7 (Access to Funding) and KPI 10 (Value for Money). Having acknowledged the Secretariat’s response to requests by the Board for additional analysis on certain indicators, the Board directed the Secretariat to implement proposed management actions to improve performance, and to continue towards identifying lessons that could inform the development of the next Corporate Key Performance Indicator Framework.
GF/B33/DP07: Remaining Targets for the 2014 – 2016 Corporate Key Performance Indicator Framework (March 2015) ¹	Under the 2014 – 2016 Corporate Key Performance Indicator Framework, the Board approved updated performance targets for Key Performance Indicators 6, 12 and 16 after additional analysis conducted by the Secretariat following the Board’s approval of the updated 2014 – 2016 Corporate KPI Framework.
GF/B32/DP10: Approval of the Global Fund Corporate KPI Framework 2014-2016 (November 2014) ²	The Board approved the updated Corporate KPI Framework, acknowledging the methodological work required to finalize certain indicators as agreed. The Board also approved the available performance targets for 2015, as well as the plan to present the remaining 2015 performance targets for approval at the Thirty-Third Board Meeting, as set forth in GF/B32/24.a – Revision 2. The decision point to approve the updated performance targets contained in GF/B33/04B completed the remaining action item from GF/B32/DP10.
GF/B30/DP7: The Global Fund Corporate Key Performance Indicator Framework for 2014-2016 (November 2013) ³	The Board approved the KPI Framework for 2014-2016 as set forth in GF/B31/7 – Revision 1. The Board asked for annual reports on these indicators, and where available, for interim results to be made available through the information dashboard.

¹ <http://www.theglobalfund.org/Knowledge/Decisions/GF/B33/DP07/>

² <http://www.theglobalfund.org/Knowledge/Decisions/GF/B32/DP10/>

³ <http://www.theglobalfund.org/Knowledge/Decisions/GF/B30/DP07/>

III. Action Required

2. The Board is requested to approve the enclosed 2017-2022 Strategic Key Performance Indicator Framework (the “Framework”). This will allow the Secretariat to proceed with full development of KPI methodologies, identification of indicator baselines, and analysis required to set ambitious but achievable performance targets. Proposed targets will be submitted to the Board for approval at its last meeting of 2016. First reporting against this Framework is scheduled for the last Board meeting of 2017.

IV. Executive Summary

3. Enclosed is the final draft of the Global Fund’s 2017-2022 Strategic Key Performance Indicator Framework proposed for Board approval. The Framework has been developed directly in line with the Global Fund’s 2017-2022 Strategy, *Investing to End Epidemics*, and has incorporated significant inputs from Board constituents and technical partners.

4. A preliminary draft of the Framework was shared with the Board in January 2016 for input. This critical input has been further discussed in a series of meetings with individual constituency groups, with technical partners, during Board Committee sessions, and with two special working groups of constituencies and technical partners. This invaluable feedback has been incorporated into the design of the Framework and the Strategic KPI proposals outlined in Annex 1.

5. The Strategic KPI Framework proposed here forms the highest level of a larger performance management framework for the Strategy. **This performance management framework includes multiple levels of performance information, including:**

- a) **Strategic KPIs**, which measure the Global Fund’s progress towards achieving the four Strategic Objectives and the high level Strategic Targets;
- a) **Implementation KPIs**, which track specific inputs, outputs and outcomes required to achieve the Global Fund’s Strategic and operational objectives; and
- b) **Thematic Reporting**, which will report results across the full results chain, drawing on financial, procurement and programmatic data, and including information from Secretariat- and TERG-led evaluations, as well as progress against the time-bound milestones and deliverables of the Strategy Implementation Plan. These indicators, and more qualitative information, are envisioned to provide a structured set of data to enable the Board to: better interpret and understand the KPI results; assess progress against each component of the Strategy including the Strategic Targets, Strategic Objectives, and Strategic Enablers; and inform steps necessary for course correction, as required. **All operational objectives of the strategy will be monitored, either through KPIs or thematic reporting.**

6. Twelve Strategic KPIs are proposed to measure progress towards the strategy’s targets and objectives set out for the next six years.

7. **Underpinned by the strategic objectives, the Strategic Targets outline the mission-level impact and service delivery goals for the coming strategic period.**

- KPI 1 specifically tracks progress against an estimated number of lives saved and a reduction in new infections/cases; and
- KPI 2 monitors delivery of the high impact services required to meet impact goals.

8. Measurement of **Strategic Objective 1: Maximize Impact Against HIV, TB and malaria**, will focus on the extent to which the Global Fund is targeting its investments to optimize impact. Three Strategic KPIs are proposed:

- KPI 3 measures the extent to which Global Fund investments match country “needs” in terms of disease burden and economic capacity;
- KPI 4 complements KPI 3 and monitors whether funding decisions within country disease programs are designed to maximize impact; and
- KPI 5 tracks coverage of services for key populations.

9. **Strategic Objective 2: Build Resilient & Sustainable Systems for Health**, aims to improve the performance of strategically important components of national systems for health.

- KPI 6 is proposed as an aggregate of several implementation indicators measuring progress on strengthening priority areas of national systems for health; and
- KPI 7 tracks the extent to which systems for health are strong enough to effectively use the level of funding required to address their disease burden.

10. **Strategic Objective 3: Promote and Protect Human Rights & Gender Equality**, aims to reduce human rights barriers to service access, and to reduce gender and age disparities in health. Two Strategic KPIs are proposed to monitor high level progress:

- KPI 8 is proposed as an indicator of reduced gender and age disparities in health; and
- KPI 9 measures progress in establishing programs to reduce human rights barriers to access.

11. Achieving **Strategic Objective 4: Mobilize Increased Resources** will require evidence of increasing and sustainable financial and commodity resources. Three Strategic KPIs are proposed:

- KPI 10 measures progress towards mobilizing increased resources for health from current and new public and private sources;
- KPI 11 advances the current indicator tracking domestic financing to assess the extent to which domestic commitments to invest in health are ultimately fulfilled by governments; and
- KPI 12 assesses both the availability and affordability of health technologies as a result of the Market Shaping efforts being pursued with partners including UNITAID.

12. Upon the Board’s approval of the Strategic KPI Framework, the Secretariat will fully develop the complementary framework of cascaded Implementation KPIs and thematic reporting.

V. Background

01 Context

13. Since the first Key Performance Indicator Framework was approved in 2004, the Global Fund has maintained its commitment to monitoring its performance. Multiple independent reviews and evaluations of the Frameworks since then have helped sharpen focus and strategic alignment.⁴ Over this period, the measurement focus of the Global Fund has shifted from project-level goals to a higher level focus on mission

⁴ <http://www.theglobalfund.org/Knowledge/Decisions/GF/B30/DP07/>

and impact. With this emphasis on impact, the Global Fund is one of many partners working in collaboration with implementing countries to build a sustainable response to ending the epidemics.

14. As the strategic focus of the Global Fund has evolved, so has the focus of the KPIs. With the increasing complexity of the global health landscape, measuring performance has become ever more challenging. A cascaded, logically-linked framework of indicators for performance management becomes a vital instrument for governance and management to drive and monitor achievement of the organization's mission.

15. Applying lessons learned from past Frameworks, the Global Fund is now well positioned to propose a new, clearly-defined and rigorous KPI Framework for the upcoming strategic period. The first Board meeting of 2017 will mark the final reporting against the current Corporate KPI Framework for 2014-2016, which has been in place since the Board's approval in November 2013. Following the Board's approval of the 2017-2022 Strategic Framework, the Strategic KPI Framework outlined in Annex 1 is presented along with the Global Fund Strategy 2017 – 2022, set forth in GF/B35/02, for Board consideration and approval.

02 Framework development process

16. Principles guiding revision of the Framework have been updated to reflect lessons learned and input from a range of reviews:

- a) **Align the Framework with the 2017-2022 Strategy**
- b) Set the Framework for the **lifetime of the Strategy**⁵
- c) **Reduce the number of KPIs** and increase focus
- d) Complement the Strategic KPI Framework with **regular reporting of underpinning performance information**
- e) Ensure indicators are **visible** and **measurable**

17. Following approval of the 2017-2022 Strategic Framework, the Secretariat has been in close collaboration with technical partners to develop the Strategic KPI proposals. An initial draft of the proposed Strategic KPIs was shared with the Board in January 2016 for input. Over 100 pages of written feedback were received. This critical input was reviewed during a series of one-to-one sessions with many constituency groups. During the 8 - 10 March 2016 Board Committee meetings, major issues arising from constituency feedback, and the Secretariat response to these points, were further reviewed and discussed. Following these discussions, two additional special working groups of constituencies and technical partners were established to resolve outstanding issues on how performance against Strategic Targets and Resilient Sustainable Systems for Health should be measured. The recommendations from these working groups have been incorporated into the Strategic KPIs proposed in Annex 1.

18. Annex 1 provides the full definition for each proposed KPI, along with available details on interpretation and limitations. Board approval of the Strategic KPI Framework outlined in Annex 1 will enable full development of the indicator methodologies, baselines and targets. Over the course of 2016 Annex 1 will be further developed and shared with the Board at its final meeting in 2016.

VI. Discussion

01 Introduction

19. The proposed Framework aims to measure the organization's progress towards achieving the goals of the Global Fund's Strategy for 2017-2022. Critical guidance on Framework design has been captured from reviews by the Technical Evaluation Reference Group (TERG) and Office of Inspector General (OIG). The TERG's 2015 Strategic Review specifically advised taking a simplified approach to measuring progress in strengthening health systems (GF/B34/10)⁶, and this proposal has guided discussions on the proposed measurement

⁵ Any mid-term evaluations of the Strategy may result in revisions of KPI targets or methodologies. However the intent is to set out the KPI Framework for the duration of the Strategy.

⁶ <https://tgc.sharepoint.com/sites/TSOBA1/OBAE/Board/GF%20B34%2010%20Strategic%20Review%202015%20SENT.pdf>

approach. The OIG's KPI (GF/OIG/16/009) and Strategy (GF-OIG-16-008) audits reiterated the point that the KPI Framework is only one tool for strategy monitoring, and a comprehensive measurement approach complementing the KPIs will be required to fully track progress against the goals of the Strategy. Best practices gleaned from comparable organizations, and from the private sector, have reiterated this need to better contextualize and level indicators within a wider performance measurement framework, while maintaining focus on strategic goals.

20. To meet this need, the Strategic KPIs proposed in Annex 1 will be supported by a structured performance management framework, including Implementation KPIs and Thematic reporting, further described in Part 3. This approach aims to provide greater visibility on performance management across the entire results chain.

21. This document provides a complementary narrative to outline the context, development, objectives and limitations of the proposed Strategic KPI Framework. Part 2 below sets out the main directions of the new Global Fund Strategy for 2017-2022 as the key driver guiding KPI development. Part 3 provides a deeper look into the structure of the comprehensive performance management framework, of which the proposed Strategic KPIs are a part. Part 4 and 5 outline the approach taken to monitor progress towards achieving each Strategic Objective, and specific strengths and limitations of these approaches. Annex 1 provides a detailed assessment of the strengths and weaknesses of all proposed indicators.

02 The Global Fund's Strategy for 2017-2022, *Investing to End Epidemics*

22. The Global Fund's new strategy provides a bold agenda for 2017-2022. It will set ambitious impact and service delivery goals cascaded to four strategic objectives.

23. The Strategy plays a critical role in providing direction for the organization over the next six years. It describes how the Global Fund will contribute to ending the three epidemics, and is based, in part, upon information included in the **Investment Case for the Global Fund's 2017-2019 Replenishment**.⁷

This analysis estimates the global financial need to end the three diseases and the level of funds required by the Global Fund to fill the gap in this need. The Strategy is also linked to the **Allocation methodology** (GF/B35/05) which details how the Global Fund will use available resources to achieve the **Strategy's expected impact and service delivery targets**.

24. These objectives outline the approach the Global Fund will pursue with partners to ensure an impactful and sustainable response to the three epidemics at a country level and globally. Achievements within any one of the strategic objectives are closely linked with progress in the others. To monitor progress at all levels of the Global Fund Partnership, a comprehensive performance management framework is essential. The enclosed Strategic KPI Framework has been developed directly in line with these aims.

Figure 1. The Global Fund's 2017-2022 Strategic Objectives

1. Maximize impact against HIV, TB and malaria
2. Build resilient and sustainable systems for health
3. Promote and protect human rights and gender equality
4. Mobilize increased resources

⁷ http://www.theglobalfund.org/documents/publications/other/Publication_InvestmentCase_Summary_en/

03 Strategic KPIs are the highest level of the Global Fund's performance management framework

25. To manage performance, it is important to adopt a measurement tool that promotes learning and allows for course correction at all levels, from financial inputs and service delivery outputs, to coverage outcomes and mission impact. The proposed performance management framework aims to do this. It focuses governance and management on the highest elements of impact, and it highlights the critical activities of the strategic objectives that will lead to achieving those impact-level targets.

26. The strategic KPIs proposed here form the highest level of this performance management framework. The pitch of the KPIs has been set at the level of the strategic objective, with the aim to define and measure the collective effect expected of the objective.

27. These strategic KPIs make up only one part of the information available on the organization's performance. As such, they include fewer, more strategically focused indicators. This approach raises the ambition from input-level expectations to outcome and impact goals. The lower levels of the performance management framework are based on increasingly process- and input-level metrics to be reported as Implementation KPIs and thematic reporting. This structure is designed to ensure that information to inform high level strategic governance can be drilled down to the lowest operational levels required to inform course-correction. This structure is detailed in Figure 2.

28. Thematic Reporting provides a complementary body of evidence to help interpret Strategic KPI results. This approach gives a comprehensive view on the full results chain, including financial, procurement and programmatic data, as well as information from in depth evaluations of more complex issues led by the Secretariat, by partners or by the Global Fund's independent TERG. Thematic Reporting also will include progress updates against time-bound milestones and deliverables required as part of the Strategy Implementation Plan. This broad approach gives context to the high level Strategic KPIs by addressing areas of measurement that are more effectively monitored using multiple quantitative and qualitative methods.

29. All operational objectives of the strategy will be monitored, either through KPIs or thematic reporting. The Strategic KPI Framework is designed to measure the collective impact of the Strategic Objectives. As a result, there may be operational objectives of the Strategy that are not explicitly addressed by the Strategic KPIs. In these cases, a strategic vision will be defined as part of the strategy

Figure 2. The Global Fund's 2017-2022 performance management framework

The performance management framework is designed to track all parts of the strategic framework. In cases where one of the Strategy's operational objectives is not covered by a Strategic or Implementation KPI, it may be monitored through process milestones or in-depth evaluations. As complement to the enclosed Strategic KPIs, the performance management framework uses multiple measurement approaches to monitor progress against all operational objectives of the Strategy:

Strategic KPIs measure progress towards achieving the four Strategic Objectives and the high level Strategic Targets.

Implementation KPIs track specific inputs, outputs and outcomes required to meet the Strategic KPIs and the overall Strategic Objectives.

In addition, regular **thematic reporting** will report results across the full results chain. It will draw on financial, procurement and programmatic data, and will include information from Secretariat- and TERG-led evaluations, as well as progress against the time-bound milestones and deliverables of the Strategy Implementation Plan.

These indicators and more qualitative information are envisioned to provide a structured set of data to enable the Board to better interpret and understand the KPI results; assess progress against each component of the Strategy including the Strategic Targets, Strategic Objectives, and Strategic Enablers; and inform steps necessary for course correction if required.

This broad approach gives context to the high level Strategic KPIs by addressing areas of measurement that are more effectively monitored using multiple quantitative and qualitative methods.

implementation planning. If the proposed Strategic KPIs for the objective do not adequately measure progress towards the vision, three approaches are possible:

- a) An **Implementation KPI** will be defined to track achievement of this vision
- b) A series of **time-bound milestones and deliverables** will be defined, monitored and included in thematic reporting
- c) For more complex topics, **in-depth evaluations** will be commissioned at relevant time points, either internally commissioned or conducted by TERG

04 The 2017-2022 Strategic KPI Framework

30. A preliminary draft of the proposed Strategic KPIs was shared with constituencies in January 2016 for input. Over 100 pages of written feedback were received from more than twenty constituencies and stakeholders. This valuable input raised important points of clarification on the design of the Framework and the individual indicators proposed. This feedback has been incorporated into the indicator proposals included in Annex 1. Main themes in the feedback received are discussed below. Importantly, this input is guiding ongoing discussions over 2016 on the Strategy Implementation plans, which will enable design of the underpinning Implementation KPI Framework and thematic reporting.

31. **The Strategic Targets outline the mission-level impact and service delivery objectives for the coming strategic period.** With the four Strategic Objectives outlining the Global Fund's planned activities and investments, the Strategic KPIs focus attention on high level goals. Specifically, KPI 1 tracks progress against an estimated number of lives saved and reduction in new infections. KPI 2 monitors delivery of high impact services required to meet impact goals. Specific targets for these indicators will be derived from the Investment Case and the outcome of the 5th Replenishment, and this process will further outline the contribution methodology used to set targets and report service delivery results. These high level targets will then be cascaded to the portfolio to ensure a strong linkage between strategic and program level targets.

32. Significant feedback was received from Board constituencies on how to measure progress against the Strategic Targets. Much of the discussion focused on whether to track absolute counts of services and/or coverage and quality of services. Feedback suggested that tracking service coverage is more mission-focused than counts of services delivered. However, other feedback noted the difficulty in interpreting aggregate measures of coverage to guide Global Fund decisions. Significant data constraints were noted that would limit target-setting, data consistency and data timeliness. A number of constituencies also proposed certain additions to the measures, including knowledge of HIV status and viral load monitoring to align with the 90-90-90 goals of UNAIDS, PMTCT⁸, IPTp⁹ for malaria, and inclusion of a second measure for HIV/TB services. Other feedback proposed removing indicators, such as male circumcision. The decision on the final proposals was informed by additional input from a working group of constituency members and technical partners, and subsequent additional review by the Stop TB partnership.

33. The data collection processes to fully track the 90-90-90 goals are currently being implemented and decisions on choice of indicator were therefore complicated by questions on data quality and availability. It is proposed that knowledge of status be included as a Strategic KPI, acknowledging that data is currently available for a limited number of countries, and that viral load monitoring be tracked through thematic reporting until data is more widely available. PMTCT and IPTp were added to the proposals, and subsequent consultation facilitated by the StopTB Partnership reached consensus with technical partners to propose the addition of a measure tracking uptake of preventative therapy for TB in HIV programs as a second measure of HIV/TB services. A range of other potential measures were reviewed by the working group and recommended for inclusion in the wider performance management framework as part of thematic reporting.¹⁰ As a way forward for overcoming the data quality, timeliness and accountability challenges inherent to tracking service

⁸ Prevention of Mother to Child Transmission

⁹ Intermittent preventive treatment in pregnancy

¹⁰ No portfolio target will be set for measures reported through thematic reporting

coverage and quality, the approach for some indicators will focus data collection on a subset of countries, and will be complemented by efforts to strengthen data systems, notably on gender and age disaggregation.

34. Measurement of Strategic Objective 1: Maximize Impact Against HIV, TB and malaria, will focus on the extent to which the Global Fund is targeting its investments to optimize impact. The proposed indicators will specifically monitor how investments are being targeted both at the portfolio level and within country disease programs, and as a result, how this funding is achieving impact for populations that are most in need.

35. Three Strategic indicators are proposed to measure progress. At the portfolio level, KPI 3 measures the extent to which Global Fund investments match with country “needs” in terms of disease burden and economic capacity. This indicator is currently in use, and the definition of “need” aligns directly with the allocation methodology’s approach. The measure is influenced not just by the allocation but also by the country’s ability to effectively use the funds allocated. KPI 4 monitors targeting of funding within country disease programs to ensure program design is cost-effective and meets country epidemiological needs. Finally KPI 5 tracks coverage of services in key populations. These groups face the double burden of low coverage of services and high rates of infection. With strong guidance received via constituency and stakeholder feedback, tracking of key population services has been extended to include treatment as well as prevention services. This indicator will monitor service coverage in multiple populations including people who inject drugs; gay, bisexual and other men who have sex with men; sex workers; and transgender people. The indicator will require additional data collection processes in some countries, and these processes will have to be carefully designed to minimize risk to the populations covered. One option to mitigate this risk under discussion with partners is to deploy community-based survey mechanisms. Efforts directed to these groups will be critical to achieve impact against the three diseases.

36. KPI 5 is closely linked to other indicators in the Framework. A separate but related indicator, KPI 8, directly addresses one specific population by measuring incidence reduction in adolescent girls and young women in high HIV burden settings. KPI 5 also intersects KPI 9b and 9c which aim to assess whether Middle Income Countries are adequately responding to HIV epidemics amongst key populations while progressively increasing domestic funding for those programs.

37. Two issues were raised in Board constituency feedback as critical measurement gaps: progress in challenging operating environments (COEs), and country transitions to domestically-supported programs. Given the breadth of contexts covered in COEs, the proposal is to track progress through implementation KPIs and dedicated thematic reporting rather than a single Strategic KPI. A similar approach is proposed for measuring country transitions. As an example under consideration, one option is to track the number of eligible countries developing and implementing transition plans as an Implementation KPI. Note that this thematic reporting for COEs and country transitions will have a strong gender analysis component. This input-level information on transitions will be complemented with performance on KPI 9, which will measure the extent to which MIC¹¹ governments demonstrate financial transition by investing in health and human rights barriers to services, including gender-related barriers.

38. Strategic Objective 2: Build Resilient & Sustainable Systems for Health, aims to improve performance of strategically important components of national systems for health. Multiple measurement approaches will be required to track achievements across systems for health. KPI 6 is proposed as an aggregate of several implementation indicators measuring specific gains in priority areas of the health system. If the inputs to targeted health system components are effective at building health system capacity, then programs should be able to use the full allocation of funds to deliver services and increase program impact. KPI 7 tracks the extent to which programs can do that by measuring whether countries are able to effectively use their allocated funds.

39. At the strategic level, four components of the health system have been prioritized for measurement: procurement and supply chain systems; financial management systems; data systems; and alignment with national plans. Procurement outcomes will be tracked via product prices, on-time delivery and administrative

¹¹ Middle income countries.

lead time, and supply chain strength will be monitored at the health facility level by assessing availability of necessary medicines and diagnostics. Financial management systems will be assessed through measures of sustainable transitions to public systems and PR financial management capacity. Country data systems will be monitored using measures of functional HMIS coverage and country capacity for disaggregating results. Lastly, alignment with national plans will be measured using the Technical Review Panel's assessment of National Strategic Plans submitted as part of the Global Fund's access to funding process.

40. This prioritization takes into account feedback received from Board constituencies and technical partners during consultations and working group sessions, and reflect the current suitability of the components to be effectively tracked using a Strategic KPI. All RSSH operational objectives will be tracked through implementation KPIs and thematic reporting, including time-bound deliverables and milestones, as well as Secretariat- and TERG-led evaluations.

41. Constituency feedback on RSSH KPIs suggested that system strengthening should focus on the national system rather than disease-specific systems, which aligns directly with the overall Strategic Objective's aim to strengthen systems that will benefit all patients.

42. Strategic Objective 3: Promote and Protect Human Rights & Gender Equality, aims to reduce human rights barriers to service access, and to reduce gender and age disparities in health. Two Strategic KPIs are proposed to monitor high level progress. KPI 8 is proposed as the impact-level indicator of reduced gender and age disparities in health. Reducing HIV incidence in adolescent girls and young women in high burden settings will indicate the scale-up of quality prevention services for this population. Evidence indicates that reaching this population will require comprehensive approaches that address gender inequalities that put girls and young women at increased risk to HIV. In addition to the KPI, multiple other approaches will be used to monitor progress towards gender equality as outlined in Figure 3. It is important to note that underlying data for the entire Framework will be disaggregated by gender and age where available. A separate indicator, part of KPI 6, will monitor the extent to which countries are able to report this level of disaggregation.

43. KPI 9 measures progress in removing human rights barriers to services. Specifically it assesses to what extent programs that are aiming to remove human rights barriers to services, including gender-related barriers, are scaled up in a set of priority countries. The indicator also tracks progress specifically in middle-income and upper-middle-income countries. It measures the extent to which middle-income countries increase the percentage of their allocation dedicated to key populations and to human rights programs to achieve greater coverage of these programs, and it measures the extent to which upper-middle-income

Figure 3. Focus on Gender

KPI 8 sets out an ambitious target of reducing gender- and age- inequalities in health in a specific population that has been dramatically underserved – adolescent girls and young women in high HIV burden settings. The Global Fund, however, is committed to addressing gender and age-related disparities across the entire portfolio. Gender-related tracking will be embedded across the performance management framework and in other evaluations of progress. Some measurements under consideration are listed here:

- Implementation KPIs on HIV and TB will track interventions to advance gender equality specifically in these disease areas
- KPIs measuring services delivered, coverage, and quality, for example, will be disaggregated by gender and age where country data is available
- KPI 5, measuring coverage of services in key populations, will provide information on gender-related risks and needs that are addressed in the comprehensive services assessed
- As part of KPI 6, age & sex disaggregation of key indicator results should become increasingly available with the roll out of HMIS
- KPI 9 will measure increased programming to remove human rights barriers to services, including programs that address gender inequality and gender-based violence

Additional thematic reporting may include:

- Tracking specific prevention and treatment adherence interventions
- Qualitative assessments of specific interventions to address gender inequalities
- Measuring gender equality in TB
- Embedding gender-related issues in national processes, and Global Fund sustainability and eligibility proposal
- RMNCAH measures as part of the RSSH tracking.

As Strategy Implementation plans are further developed, these indicators will align directly with the critical activities with partners, as required to meet the Strategic Objective.

countries nearing transition increase funding to these programs from domestic resources. The aim of these indicators is to monitor scale up of these programs and then sustainability as the country transitions from Global Fund support. Achieving targets in these areas will require dedicated efforts with all partners to vastly scale up programs that reduce human rights-related barriers to access, with the goal of increasing uptake of and retention in services, and optimizing impact of Global Fund investments.

44. Constituency feedback was generally supportive of the measurement approach proposed for Strategic Objective 3. Concerns were raised around coverage of all of the operational objectives, the narrow focus of the indicators, and the extent to which gender and age disparities are included in the measurement approach. Specifically, feedback suggested including additional indicators of gender and age disparities, such as pediatric ARV coverage and other measures of malaria and TB progress. Given there is no global target for pediatric ARV coverage, the proposal is to track this through thematic reporting rather than a KPI. It was also suggested that KPI 8's focus on a population group's HIV incidence is quite narrow. This focused approach is designed to better demonstrate the impact of effective gender programming, but it does not limit the extent to which gender programming will be embedded into portfolio-wide programming.

45. Discussions are ongoing on how to better measure and address gender disparities in malaria and TB. Gender-related risks and barriers to TB and malaria care are relevant for men, women, boys, girls, and transgender communities. Additional data and analysis are required to better understand the dynamics of gender disparities in the TB and malaria epidemics, which can vary significantly between countries. KPI 6 will track progress in strengthening data systems to produce sex and age disaggregated data for key programmatic indicators, which will be essential in identifying gender-related and age disparities. Implementation plans for this strategic objective will include strengthening the capacity of countries to systematically collect, analyse and report age and sex data, and design effective programmatic responses to identified age and gender-related risks and barriers.

46. A concern was also raised that KPI 9 focuses only on HIV. Currently, programs to reduce human rights barriers to service are well defined and costed only for HIV. However, work has started to define such programs also for tuberculosis and malaria.

47. Similar to the approach of measuring health system strengthening, thematic reporting will play an important role in measuring all of the strategy's operational objectives promoting human rights and gender equality in health. The service delivery, coverage and quality information reported through KPI 2 will be disaggregated by gender and age, and this information will provide information complementing the results of KPI 8 which focuses on only women and girls. Similarly, the human rights indicators will be supported with periodic evaluations to enable a more in-depth assessment of progress.

48. Achieving Strategic Objective 4: *Mobilize Increased Resources* will require evidence of increasing and sustainable financial and commodity resources. Specifically, the three proposed indicators will track increasing resources made available for Global Fund investments, increased government expenditure on health, and sustainable access to affordable health technologies. Achievement of these indicators will mark increased commitment to health at the global and domestic levels, and increased value from the market.

49. KPI 10 measures progress towards mobilizing increased resources for health from current and new public and private sources. The indicator has been in place during the current strategic period, and it will continue to track conversion of pledges to contributions, as well as progress towards the replenishment target to highlight pledges made during and after the replenishment conference. KPI 11, Domestic Investments, moves away from the current indicator measuring whether countries meet minimum thresholds of domestic co-financing commitments. In alignment with the Sustainability Transition and Co-Financing Policy, the indicator measures the extent to which domestic co-financing commitments are ultimately fulfilled by governments.

50. Finally KPI 12 assesses both the availability and affordability of health technologies as a result of the Market Shaping efforts being pursued with partners including UNITAID. Tracking availability of products from multiple manufacturers indicates country access, product sustainability, and market health. This

measure reduces the risk of supply disruption, promotes competition between suppliers, and ensures a balance between decreasing prices and secure supply. Tracking product prices and captured savings monitors the Global Fund's effectiveness in increasing the affordability of key medicines and technologies. Taking into account market conditions for different products, including a product's market lifespan, will be critical in the design of methodologies used to capture savings.

51. Board constituency feedback received on Strategic Objective 4 KPIs was generally positive, and included additional guidance on underpinning tracking that will be critical to meet high level goals. It was suggested that tracking actual domestic financing for health was important and should be complemented with measures of increasing commitments. It was also emphasized that the indicator should incentivize additional commitments to health in general rather than for programs focused only on AIDS, TB and malaria.

52. KPI 12 received significant feedback on its focus on availability and affordability of products. At a high level, comments emphasized that all parts of the Market Shaping Strategy should be measured, and that the maturity of products should be addressed in all measures. These comments will feed into discussions on KPI measurement methodologies as they are developed over 2016. Thematic reporting will also play an important role in monitoring this Strategic Objective. Under consideration for tracking as implementation KPIs and thematic reporting are product demand forecast accuracy, demand comparison with manufacturer capacity, unit price benchmark analyses, and national health finance strategy implementation. Meeting the aims laid out by Strategic Objective 4 will ensure sufficient resources are available for a successful scale-up of the response to the three diseases.

05 Measurement challenges and solutions

53. **In designing the strategic KPI proposals, careful consideration has been given to ensuring coherence and interlinkages between the indicators.** These interlinkages also serve as internal controls across the KPI Framework to avoid meeting performance targets at the expense of unforeseen consequences. An example of this would be if the Global Fund managed its investments only on the basis of KPI 7, Fund Utilization. In this case, only high capacity countries and health systems would be fully funded, service delivery targets would be missed, and impact would not be reached. KPI 3 provides the key control against this risk by measuring alignment between investments and country need. KPI 4 provides a link between grant level programmatic targets and investments with strategic targets. Partner-supported disease impact models inform program design to maximize impact against targets using available funding. These interlinkages and controls exist throughout the Framework.¹²

54. **All parts of the Strategy will be tracked, though not necessarily at the level of the Strategic KPIs.** Measuring progress in differentiation across the portfolio and effectiveness of partnerships provide examples where measurement is embedded into the implementation of the 2017-2022 Strategy. Measurement of portfolio differentiation efforts will align directly with strategy implementation plans; development of an implementation measure is already underway at time of this submission. Monitoring the success and implementation of partnerships will align with measurement of the Implementation Through Partnership (ITP) efforts as they are embedded in regular grant management processes in 2017.

55. **Within a multi-stakeholder development environment, it becomes a complex exercise to hold the Global Fund accountable for results.** With strong direction from the Board, the Global Fund has strategically shifted focus to achieving high level impact and ending the three epidemics, rather than delivering specific project-level outputs. This is an intelligent and widely-applauded shift. Yet it makes accountability for results more complex. The analysis of the proposals presented in the accompanying

¹² As noted above, the investment case, the Allocation Methodology, and the strategic targets will all be based on a consistent set of models and assumptions. This means that for the first time, the number of lives saved measured by KPI 1 is directly linked to service delivery results measured in KPI 2. To deliver these results, countries will require a defined level of financial resources. KPI 11 on Resource Mobilization tracks these resources at the global level while KPI 3, 4, and 5 ensure resources are optimized across the portfolio, within a disease program, and within specific key populations, respectively. Health systems will need to be able to absorb funds and support delivery through functioning procurement, financial and data systems as measured with KPI 6 and 7. Removing barriers to accessing services will target programming to the populations most at risk, as measured by KPI 8 and 9 on Gender and Age Equality, and Human Rights. If market shaping efforts are successful as measured in KPI 12, it may be possible to exceed expected level of service delivery for the same cost.

document (GF/B35/07b) clearly shows that most of the proposed Strategic KPIs operate on a contribution basis, with the Global Fund as one partner among many contributing to the results achieved. Many organizations face this same challenge. Thematic reporting will help to address this by providing information from across the results chain, setting into context the role of the Global Fund in this wider partnership.

56. In order for this performance management framework to be effective, a number of key data challenges must be addressed. Specifically these include availability of quality data, reporting frequency and time lag to ascertain measurable effects. These limitations are considered below.

57. A number of the proposed indicators will require significant development of data collection systems and processes. Rather than lowering strategy expectations to meet what can currently be measured, the aim is to retain the ambitious goals and invest in data systems to meet these demands. As a guiding principle, all data for KPI reporting should be sourced from data already required for portfolio management and oversight. The data gaps highlighted in the KPI Framework proposal are gaps in data required for effective portfolio management. Building on the results of the 2015 Data Management for Impact project, a comprehensive plan for securing the additional data required for effective program management will be developed and integrated into the Country Data Systems initiative in 2016, and into implementations plans for delivery of the RSSH strategic objective. To ensure effective oversight as the work is conducted to collect this data, performance against implementation milestones will be reported until data is available to measure the proposed KPI. For example, monitoring KPI 5 will require survey implementation to track both prevention and treatment services for key populations, and it is likely to take three years before data becomes available to measure change in coverage levels. Building on the existing population size estimates conducted during the 2012-2016 strategic period, the Global Fund will work closely with partners to outline a plan to monitor service coverage.

58. The time lag associated with detecting measurable effects of investments is another challenge that should be noted. Many of the indicators proposed are outcome- and impact-level indicators, and by definition, it will take time to realize the effects of investments on these indicators. Detecting a reduction in HIV incidence in young women may be the clearest example of this challenge. For the coming replenishment period, it may be only mid-2018 when data becomes available from programs with signed grants, and only 2019 before the full effects of the 5th replenishment funds become evident in terms of scaled up service delivery.

59. To develop the data collection processes and systems required to deliver on the Strategic KPIs, resources will be required. Analysis of resource needs is ongoing as part of the strategy implementation planning process. Three channels are available for meeting these costs:

- Global Fund Operating Expenses (OPEX), decisions on which will be made through the Zero Based Budgeting process in 2016;
- Strategic Initiatives, subject to approval by the Board as part of the allocation methodology; and
- Grant funds, as part of specific in-country data system developments.

60. The Secretariat acknowledges these limitations, and has proposed a comprehensive performance management framework approach as a way forward. With this plan in place, the proposed indicators aim to promote learning and course correction for both the Global Fund and partners during strategy implementation.

VII. Recommendation

61. The Board is requested to approve the enclosed Strategic Key Performance Indicator Framework for 2017-2022.

2017-2022 Strategic KPI Framework

Strategic Targets	Strategic targets			
	① Performance against impact targets		② Performance against service delivery targets	
Strategic Objectives	Maximize Impact Against HIV, TB and malaria	Build resilient & sustainable systems for health	Promote and protect human rights & gender equality	Mobilize increased resources
Strategic vision	Invest funds to maximize portfolio impact	Improve the performance of strategically important components of national systems for health	Reduce human rights barriers to service access; & Reduce gender and age disparities in health	Increase available resources for HIV, TB & Malaria; & Ensure availability of affordable quality-assured health technologies
Strategic KPIs	<p>③ Alignment of investment & need</p> <p>④ Investment efficiency</p> <p>⑤ Service coverage for key populations</p>	<p>⑥ Strengthen systems for health</p> <p>⑦ Fund utilization</p>	<p>⑧ Gender & age equality</p> <p>⑨ Human rights</p>	<p>⑩ Resource mobilization</p> <p>⑪ Domestic investments</p> <p>⑫ Availability of affordable health technologies</p>

Annex 1:

Strategic Key Performance Indicator Framework

KPI 1: Performance against impact targets

Strategic Objective	Strategic Targets
Definition	a) Estimated number of lives saved b) Reduction in new infections/cases
Level of disaggregation	Region
Rationale for use	Measures the extent to which Strategic Objectives are achieving high level goals of lives saved and reduction of new infection/cases.
Coverage of reporting	Full portfolio
Frequency of reporting	Annually
Availability of projections	It is planned to improve the sophistication of the projection methodology. Targets may require recalibration during the strategy period to take into account changes to modelling methodology and historical data.
Strengths & Limitations	<p>Estimates produced by WHO/UNAIDS use standardized models and country-specific data with variable quality and availability. Country-level impact modelling is being undertaken to supplement this for select countries.</p> <p>Numerical targets will be aligned with the investment case modelling which has been developed with partners, as well as the replenishment result. Disaggregation of targets to region/country levels will inform analysis of performance along with results for KPIs 2, 3, 4 & 7.</p> <p>Data is reported with a one-year lag due to partner data collection schedules, and is sensitive to changes to the modelling methodology and changes to historical data.</p>

KPI 2: Performance against service delivery targets

Strategic Objective	Strategic Targets
Definition	<p>HIV:</p> <ul style="list-style-type: none"> i. # of adults and children currently receiving ART ii. # of males circumcised* iii. % of HIV+ pregnant women receiving ART to PMTCT* iv. % of adults and children currently receiving ART among all adults and children living with HIV* v. % of people living with HIV who know their status* vi. % of adults and children with HIV known to be on treatment 12 months after initiation of ART* vii. % of PLHIV newly enrolled in care that started preventative therapy for TB, after excluding active TB* <p>Tuberculosis:</p> <ul style="list-style-type: none"> i. # of notified cases of all forms of TB - bacteriologically confirmed plus clinically diagnosed, new and relapses ii. % of notified cases of all forms of TB - bacteriologically confirmed plus clinically diagnosed, new and relapses among estimated new TB cases iii. # of cases with drug-resistant TB (RR-TB and/or MDR-TB) that began second-line treatment iv. # of HIV-positive registered TB patients (new and relapse) given anti-retroviral therapy during TB treatment v. % of TB cases, all forms, bacteriologically confirmed plus clinically diagnosed, successfully treated (cured plus treatment completed) among all TB cases registered for treatment (drug susceptible) vi. % of bacteriologically-confirmed RR and/or MDR-TB cases successfully treated (cured plus completed treatment) among those enrolled on second-line anti TB treatment* <p>Malaria:</p> <ul style="list-style-type: none"> i. # of LLINs distributed to at-risk-populations ii. # of households in targeted areas that received IRS iii. % of suspected malaria cases that receive a parasitological test iv. % of women who received at least 3 doses of IPTp for malaria during ANC visits during their last pregnancy in selected countries*
<i>* Indicator to be tracked on a specified set of countries selected in collaboration with technical partners</i>	
Level of disaggregation¹³	Region; Gender; Age
Rationale for use	Measures extent to which the Strategic Objectives are achieving the high level service delivery targets at levels of coverage and quality required to

¹³ Where available data will be disaggregated for gender and age

	<p>deliver impact. Measures have been reviewed and endorsed by technical partners.</p> <p>As projection methodology is strengthened and results forecast is institutionalized, the indicator will drive portfolio performance management in conjunction with work with partners.</p>
Coverage of reporting	<p>Full portfolio for eight measures</p> <p>Portfolio segment for six measures</p>
Frequency of reporting	Annually or semi-annually
Availability of projections	For some measures
Strengths & Limitations	<p>Data completeness, target-setting, and time lag for the data will remain challenges. To address these challenges, it is proposed to focus data collection in a subset of countries for certain indicators. This focus will be supported by strengthening data systems & estimates in these countries to better meet these demands. Age disaggregation for male circumcision and case reporting for knowledge of HIV status will require particular focus.</p> <p>It should be noted that the key driver for the proposed HIV/TB indicator tracking uptake of preventative therapy for TB is inclusion of this policy in a country's national strategic plan. Within the Global Fund's partnership model the primary responsibility for ensuring the rigor of national strategic plans rests with technical partners.</p> <p>Target setting will be informed by the replenishment result, allocation methodology assumptions and decisions on contribution methodology. It should be noted that for some indicators, e.g. knowledge of status, targets may need to be set on an annual basis to incorporate data from additional countries as monitoring of this indicator is rolled out more widely over the coming years.</p> <p>KPI performance is affected by expected levels of service delivery being signed into grants and intervention-level grant performance, and data on both issues will be included in thematic reporting. Internal initiatives to improve reporting systems will enable forecast accuracy tracking and cascading service delivery targets to country level.</p> <p>Other measures reviewed by the Board Constituency and Technical Partner working group, and subsequent input from the StopTB Partnership, were considered more suitable for thematic reporting:</p> <ul style="list-style-type: none"> i. % of estimated HIV positive incident TB cases that received treatment for TB and HIV ii. % of PLHIV receiving HIV clinical care with a positive TB symptom screen who had a specimen sent for bacteriological diagnosis of active TB iii. % of notified HIV positive TB patients who died during treatment. iv. % of HIV positive tests out of total number of HIV tests performed* v. % of people on ART who received a Viral Load test during the last 12 months, among those enrolled in ART* vi. % of pregnant women initiated on ART among those who tested positive*

vii. % of existing ITNs used the previous night

KPI 3: Alignment of investment with need

Strategic Objective	1: Maximize Impact Against HIV, TB and malaria
Definition	Alignment between investment decisions and country "need"; with need defined in terms of disease burden and country economic capacity
Level of disaggregation	Region
Rationale for use	The measure tracks the extent to which the Global Fund is able to rebalance the grant portfolio to effectively invest funds in the countries where need is greatest. The current replenishment period has seen a major improvement in rebalancing, providing a solid basis for further improvements going forward. Performance is driven by the design of the allocation methodology and the ability of countries, particularly those with high burden and low economic capacity, to use allocated funds.
Coverage of reporting	Full portfolio
Frequency of reporting	Semi-annually
Availability of projections	Yes
Strengths & Limitations	<p>Country "need" is determined by the allocation methodology.</p> <p>KPI aims to illustrate extent to which grant expenses are committed to countries with most need, and not necessarily those with best absorption. It provides a control for KPI7 Fund utilization.</p> <p>Accuracy of target setting will be determined by the Mid-Tem Plan three year financial forecast.</p>

KPI 4: Investment efficiency

Strategic Objective	1: Maximize Impact Against HIV, TB and malaria
Definition	Change in cost per life saved or infection averted from supported programs
Level of disaggregation	Region, disease
Rationale for use	<p>Increased use of disease impact models to improve the design of country-level programming will increase value for money of grant investments – this indicator will track these gains.</p> <p>The indicator will “close the loop” by linking grant level programmatic targets and investments with strategic targets – which will be set using partner supported disease impact models.</p> <p>The indicator provides a strong link to the objective on strengthening national strategic plans, and provides an opportunity to link this modelling effort to cost-effective service modalities (e.g. community based care models) and the work on program level quality.</p>
Coverage of reporting	Portfolio segment ¹⁴
Frequency of reporting	Semi-annually ¹⁵
Availability of projections	No
Strengths & Limitations	<p>Focus is on investment efficiency of the national strategic plan, not Global Fund-specific investment.</p> <p>There is currently limited partner capacity available to support country level modelling. A new regional approach to providing country support is being implemented through the Value for Money Special Initiative.</p> <p>Costing data needs to be improved for this exercise to become effective. An ongoing partnership with the Gates Foundation has aims to address these gaps.</p>

¹⁴ Initial focus on high impact portfolios, but there is also a demand for modelling in UMICs.

¹⁵ Countries will mostly use disease models during Concept Note and/or NSP development – there may be one data point every 3 years per country assessed.

KPI 5: Service coverage for key populations

Strategic Objective	1: Maximize Impact Against HIV, TB and malaria
Definition	Coverage of key populations reached with evidence-informed package of treatment and prevention services appropriate to national epidemiological contexts
Level of disaggregation¹⁶	Region; Gender; Age; Key Population Group
Rationale for use	Indicator will track provision of evidence-informed HIV prevention services and treatment access to specified key population groups. These groups face the double burden of low coverage of prevention services and high rates of infection. Increased coverage of services for these groups will be essential to accelerate the end of the epidemic.
Coverage of reporting	Portfolio segment ¹⁷
Frequency of reporting	Annually ¹⁸
Availability of projections	TBC ¹⁹
Strengths & Limitations	<p>There is no current consensus on how to measure a comprehensive combination prevention service package. Therefore the measure will assess coverage of an evidence-informed package of services appropriate to national epidemiological contexts. Positive discussions indicate that implementation issues can be successfully addressed. However they also stress that it may take three years before data is available to detect change in coverage levels.</p> <p>Indicator focuses on HIV only. New Global Plan for TB has a focus on key populations, but as of April 2016 work remains at an early stage of development.</p> <p>KPI has close links to the strategy's operational objectives in SO3 on removing barriers to accessing services, and SO2 on community responses. Specifically, the indicator will require additional support to safe data collection methods such as community-based survey instruments and monitoring. Increased investments should strengthen community-based data systems (SO2) and should better address barriers to accessing services (SO3). The Sustainability, Transition and Co-Financing policy will further enforce this need by explicitly requiring countries to progressively absorb the costs of interventions for key and vulnerable populations.</p> <p>Thematic reporting and implementation KPIs will provide important information underpinning this Strategic indicator. Some measures under consideration include coverage of testing services; monitoring the extent to which countries are incorporating evidence-based packages of interventions for key populations; portion of program-level key population service delivery targets achieved; as well as absorptive capacity and investments in interventions targeting key populations.</p>

¹⁶ Where available data will be disaggregated for gender and age

¹⁷ Countries will be selected from the 55 expected to have key population size estimates by the end of 2016 (**HIV only**).

¹⁸ Each reporting period will include few new data points as countries may only conduct surveys every 2-3 years.

¹⁹ Depending on baseline coverage data available, projections may be possible based on availability of service delivery targets in Performance Frameworks focusing on key population interventions.

KPI 6: Strengthen systems for health

Strategic Objective	2: Build Resilient and Sustainable Systems for Health
Definition	<p>Share of the portfolio that meet expected standards for:</p> <ul style="list-style-type: none"> a) Procurement and supply chain systems b) Financial management systems c) Data systems d) Alignment with National Strategic Plans
Level of disaggregation	Region
Rationale for use	Indicator should provide a comprehensive view on the strength of core components of national systems for health based on explicit risk, functional and quality standards.
Coverage of reporting	Portfolio segment ²⁰
Frequency of reporting	Annually
Availability of projections	No
Strengths & Limitations	<p>This indicator will aggregate data from a number of linked implementation KPIs providing a more granular assessment for each of the four operational objectives.</p> <p>Procurement outcomes will be tracked via product prices, on-time delivery and administrative lead time, and supply chain strength will be monitored at the health facility level by assessing availability of necessary medicines and diagnostics. Financial management systems will be assessed through measures of sustainable transitions to public systems and PR financial management capacity. Country data systems will be monitored using measures of functional HMIS coverage and country capacity for disaggregating results. Lastly, alignment with national plans will be measured using the Technical Review Panel's assessment of National Strategic Plans submitted as part of the Global Fund's access to funding process.</p> <p>Additional information on proposed design of these implementation indicators is available in accompanying document GF/B35/07b. Data collection mechanisms will require considerable development in some cases.</p> <p>Indicator provides a common metric for comparing quality of systems. Differentiated standards for systems would align with aid effectiveness and IHP+ principles, as well as strategic objectives on sustainability and transition.</p> <p>Agreement will be needed with relevant partners on expected functional and quality standards. Careful consideration will be needed to ensure that definitions and standards are relevant to country context, in particular for procurement systems where potential incentives to exit pooled procurement will need to be countered. A clearly defined control structure for signing off systems as compliant would need to be developed and implemented to limit potential gaming.</p>

²⁰ Cohort of countries sampled may differ across the focus areas.

The measure should also improve alignment between risk assessment and systems strengthening investments.

KPI 7: Fund utilization

Strategic Objective	2: Build Resilient and Sustainable Systems for Health
Definition	<p><u>Allocation utilization</u>: Portion of allocation that has been committed or is forecast to be committed as a grant expense</p> <p><u>Absorptive capacity</u>: Portion of grant budgets that have been reported by country program as spent on services delivered</p>
Level of disaggregation	Region; disease
Rationale for use	<p>A resilient and sustainable system for health should be able to effectively use the full allocation of funds to deliver services to increase program impact. This will be measured in two ways:</p> <p><u>Allocation utilization</u> provides high level view on the extent to which countries can use their allocation, and the Secretariat can optimize portfolio level investments.</p> <p><u>Absorptive capacity</u> measures whether programs can spend the budgeted funds. Measure will focus on the top focus countries with strong links to ongoing initiatives to strengthen supply chains and to address other “absorption” challenges.</p>
Coverage of reporting	Allocation Utilization will cover whole portfolio, while Absorptive Capacity will cover selected countries
Frequency of reporting	Semi-annually
Availability of projections	Partial ²¹
Strengths & Limitations	<p>The Allocation utilization indicator risks two negative incentives:</p> <ul style="list-style-type: none"> • Over-commitment to meet allocation • Re-direction of funds through portfolio optimization from portfolios with the greatest “need” to portfolios better able to absorb funds – without dealing with underlying health system constraints <p>These risks are controlled by other indicators tracking absorption, cash balance, and alignment between investments and “need” (KPI 3).</p>

²¹ Allocation Utilization will be forecast as part of the Mid-Term Plan, but Absorptive Capacity is based on country expenditures. Country-reported expenditures are not part of Global Fund financial forecasts.

KPI 8: Gender & age equality

Strategic Objective	3: Promote and Protect Human Rights & Gender Equality
Definition	HIV incidence in women aged 15-24 years old
Level of disaggregation	Region
Rationale for use	HIV infection rates among young women are twice as high as among young men in some regions. The indicator will track the extent to which an enhanced programmatic focus on women and girls results in a reduction in new infections in selected countries with large disparities in incident infections.
Coverage of reporting	Portfolio segment ²²
Frequency of reporting	Annually
Availability of projections	TBC ²³
Strengths & Limitations	<p>This objective is closely linked to other strategic objectives focused on scale-up of programs supporting women and girls; advancing sexual and reproductive health and rights; support to women's, children's, and adolescent health; and removing human rights and gender-related barriers to access.</p> <p>Implementation KPIs and thematic reporting will be key to track the inputs and outputs required to meet this high level goal. Some examples of additional tracking include disaggregating services delivery and coverage by gender and age where country data is available. KPI 5, measuring coverage of services in key populations, will provide information on gender-related risks and needs that are addressed in the comprehensive services assessed. As part of the data systems component of KPI 6, sex and age disaggregation of key indicator results should become increasingly available. KPI 9 will track scale-up in investments across 15-20 countries in programs to reduce human rights-related barriers to services, including programs to address gender inequality and gender-based violence. Other thematic reporting may include tracking of specific prevention and treatment adherence interventions; qualitative assessments of specific interventions to address gender inequalities; measuring gender equality in TB; embedding gender-related issues in national processes and Global Fund sustainability and eligibility proposals; and RMNCAH²⁴ measures as part of the RSSH tracking.</p> <p>Meeting these objectives will require strengthening existing partnerships with UNFPA, UNICEF, WHO, and UN Women to provide technical support at country level on specific interventions to address gender-and age-related barriers to services; and UNAIDS and STOP TB to implement gender assessment into the NSP planning process.</p>

²² Cohort of countries to be defined with baseline and target values based on where disparities are greatest.

²³ Depends on capacity of incidence model to be able to project impact-level measures.

²⁴ Reproductive, mother, child, and adolescent health

KPI 9: Human Rights

Strategic Objective	3: Promote and Protect Human Rights & Gender Equality
Definition	<p>a) <u>Reduce human rights barriers to services:</u> # of priority countries with comprehensive programs aimed at reducing human rights barriers to services in operation</p> <p>b) <u>Key populations and human rights in middle income countries:</u> % of country allocation invested in programs targeting key populations and human rights barriers to access in middle income countries, for: - Generalised epidemics - Concentrated epidemics</p> <p>c) <u>Key populations and human rights in transition countries</u> % of funding for programs targeting key populations and human rights barriers to access from domestic (public & private) sources</p>
Level of disaggregation	Portfolio segment
Rationale for use	<p>Part a) With a focus on 15-20 priority countries this indicator will measure the extent to which comprehensive programs are established to reduce human rights barriers to access.</p> <p>Part b) In middle-income countries, before they come closer to transition, greater investments need to be established to ensure adequate scale up of comprehensive programs for key populations and programs to reduce human rights-related barriers to services. This indicator measures this scale up.</p> <p>Part c) This indicator measures the extent to which, in upper middle income countries that are likely to transition out of Global Fund support in the next 5-10 years, governments recognize that supporting services for key populations and programs to reduce human rights-related barriers to services are essential, and increasingly take over responsibility for and funding of these services.</p>
Coverage of reporting	Portfolio segment ²⁵
Frequency of reporting	<p>a) Annually</p> <p>b) Quarterly</p> <p>c) Annually²⁶</p>
Availability of projections	TBC ²⁷
Strengths & Limitations	Comprehensive programs tracked in (a) will be designed around the “7 key interventions to reduce stigma and discrimination and increase access to justice” of UNAIDS. Where available, established WHO indicators for assessing enabling environments will be used to track progress in operationalizing the interventions. The aim is that these programs will contribute to a meaningful reduction in human rights

²⁵ Part (a) countries will be selected across different epidemic, burden, conducive environment and barrier contexts. Part (b) will measure middle income countries. Part (c) requires cohort of countries to be defined, but only HIV and TB programs will be assessed.

²⁶ There will be a lag of 24-30 months after the start of the replenishment period.

²⁷ Projections will not be feasible for Part (a). For Part (b), a projection should be possible when new grants, subject to policy stipulations, come into force. Formal projections for Part (c) are unlikely to prove accurate, but risk of non-compliance could be tracked on a more qualitative basis.

barriers to services and that increased access will lead to increased impact. This will be measured through in-depth evaluations as baseline in 2016, at mid-term in 2019 and at the end of the strategy period in 2022. Initially, KPI performance will be most dependent on actions taken during the country dialogue and Concept Note development stages of the funding process.

Human rights interventions to reduce barriers to service are well defined for HIV, but more work is needed for TB & Malaria. Specific indicators to track progress beyond those proposed by WHO need to be defined, and tracking systems to collect the relevant data will have to be established in countries.

The Sustainability, Transition and Co-Financing Policy has been revised to better differentiate domestic financing requirements across the development continuum, and to more adequately support interventions for key and vulnerable populations in middle income countries. Specifically, the policy requires that all countries progressively absorb the costs of interventions for key and vulnerable populations, as dictated by their position along the development continuum (GF-B35-04). All applications must also include, as appropriate, interventions that respond to human rights and gender-related barriers and vulnerabilities to services. These policy shifts should help to drive performance against targets for KPI 9.

Initiatives that support effective transition will be defined in early 2016 and tracked at the implementation level. Criteria would be required to define countries ‘in transition’ e.g. transition expected within 10 years.

Note that in some countries, even sustained efforts may not lead to governments taking over funding of services for key populations and human rights programs.

KPI 10: Resource mobilization

Strategic Objective	4: Mobilize Increased Resources
Definition	<p>a) Actual pledges as a percentage of the replenishment target</p> <p>b) Pledge conversion rate. Actual 5th replenishment contributions as a percentage of forecast contributions</p>
Level of disaggregation	Private versus public donors
Rationale for use	A key objective of the Global Fund is to mobilize resources for health from current and new public and private sources. This indicator directly measures the volume of new pledges made, and the extent to which these pledges are fulfilled as contributions.
Coverage of reporting	All donors
Frequency of reporting	Semi-annually
Availability of projections	<p>a) No</p> <p>b) Yes</p>
Strengths & Limitations	This indicator has been in place as part of the 2014-2016 KPI Framework. The existing measure tracks pledge conversion on an annual basis, which makes it sensitive to time shifts in contribution schedules. Improved forecasting methodology, developed during the current replenishment period, will enable the measure to be tracked on a three year basis. This effort will maintain accuracy and reduce the potential for over-interpretation of small time shifts.

KPI 11: Domestic investments

Strategic Objective	4: Mobilize Increased Resources
Definition	Percentage of domestic co-financing commitments to programs supported by the Global Fund realized as government expenditures
Level of disaggregation	Region;
Rationale for use	An increase in domestic investments in programs for HIV, TB and malaria are required to accelerate the end of the epidemics and to foster sustainable programs. The Global Fund directly supports these aims through advocacy and the Sustainability, Transition and Co-Financing policy. This indicator directly measures the extent to which domestic health co-financing commitments are fulfilled to meet this need.
Coverage of reporting	Full portfolio
Frequency of reporting	Annually
Availability of projections	No
Strengths & Limitations	<p>The revised Sustainability, Transition and Co-Financing Policy outlines co-financing requirements to incentivize fulfilment of government co-financing commitments. Enforcing this policy should ensure KPI performance targets are met.</p> <p>Data systems improvements to collect this information will be required. Note that this data need is directly in line with the requirements for enforcing existing policies on co-financing and access to funding.</p> <p>Considering that this indicator focuses on conversion of existing commitments into government expenditures, the scale and increases in domestic health commitments will be tracked as part of thematic reporting.</p>

KPI 12: Availability of affordable health technologies

Strategic Objective	4: Mobilize Increased Resources
Definition	<p>a) <u>Availability:</u> Percentage of a defined set of products with more than three suppliers that meet Quality Assurance requirements</p> <p>b) <u>Affordability:</u> Annual savings achieved through PPM on a defined set of key products (mature and new)²⁸</p>
Level of disaggregation	Product type
Rationale for use	This indicator aims to track availability of essential products via a measure of market health, and affordability via a measure of savings achieved.
Coverage of reporting	<p>a) Full portfolio²⁹</p> <p>b) Portfolio segment³⁰</p>
Frequency of reporting	Annually ³¹
Availability of projections	<p>a) No</p> <p>b) Yes³²</p>
Strengths & Limitations	<p>Part (a) ensures that supply is available from multiple quality-assured manufacturers, hence reducing risks of supply disruption. Where risks are identified, a number of actions can be taken, such as: proactive outreach to potential new suppliers, targeting ERP, reserving volumes for new entrants in PPM tenders, and employing mechanisms to incorporate new entrants in existing PPM tenders. The measure ensures a balance between decreasing prices and maintaining a secure, stable supply base. It also promotes competition between suppliers for key products.</p> <p>However, it should be noted that even with more than three suppliers, manufacturing capacity may still be insufficient to meet demand, especially during peak times. Manufacturing capacity is estimated and self-reported by suppliers and therefore difficult to validate. The same is true for global demand. To overcome some of these challenges, it is proposed to track manufacturing capacity versus forecast annual demand as part of thematic reporting.</p> <p>Part (b) captures the Global Fund's effectiveness in increasing the affordability of key medicines and technologies. It will use multiple approaches to capture savings achieved based on product tenders conducted. Methods will take into account market conditions for different products being assessed (eg. new product strategies or recently introduced products).</p>

²⁸ Savings calculation could include multiple sources of savings, including those achieved via Framework agreements; PSA fees; freight /logistics costs, etc.

²⁹ All countries to be included, though only select products will be tracked.

³⁰ Countries that access PPM framework agreement prices as part of PPM, e-marketplace or through other channels.

³¹ Annual reporting of savings is proposed since framework agreements are typically negotiated for a multi-year period and therefore, little value is added by more frequent reporting. In addition, large orders in particular quarters can skew results if reported partway through the year.

³² Work is underway to develop a demand forecast to better anticipate product purchase volumes and therefore projected savings.

Importantly, part (b) does not capture affordability of products in countries that do not access PPM framework agreements. It is proposed that measures tracking health systems strengthening will capture price information in these countries. Considered alone, a savings indicator could be achieved at the risk of reducing a product's supplier base. Measuring availability and affordability simultaneously should control for this risk.

It should be noted that internal data systems for this indicator will require further development as collection and/or analysis is currently manual.
