

Independent Evaluation of the Global Fund Allocation Methodology

17 March 2025

This document contains the original text for the Terms of Reference of this evaluation as approved by the Independent Evaluation Panel (IEP). The document has been reformatted so it may be published to the Global Fund website.

Terms of Reference (ToR)

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1. Background

1. Since the Global Fund launched its allocation model in 2013, the Global Fund has applied an 'Allocation Methodology' to determine country allocations and to set aside funds for catalytic investments¹ to maximize the impact of Global Fund resources to prevent, treat and care for people affected by HIV, TB and malaria, and to build resilient and sustainable systems for health. A key parameter in the allocation methodology is the global disease split, which determines the overall distribution of resources across HIV, TB and malaria for the allocations communicated to countries. The country allocations are communicated with an indicative split for HIV, TB and malaria, which countries have the flexibility to shift across the three diseases and for resilient and sustainable systems for health (RSSH) needs. Every three years, the allocation methodology is reviewed, including the global disease split in preparation for the next allocation period. A description of the 2023-2025 Allocation Methodology can be found [here](#).
2. During the final decision-making stage on the global disease split for the 2023-2025 allocation period, the Global Fund Board requested "an external evaluation of the Global Fund's approach to resource allocation to maximize impact, to inform evidence-based decision making on these issues ahead of the 8th replenishment" ([GF/B46/DP04](#)). The Global Fund Secretariat agreed that an independent evaluation would be valuable at the strategic level to assess whether substantial changes to its Allocation Methodology - in particular, the global disease split could result in greater impact of investments and if so, what would be the trade-offs from any changes to the approach and methodology. An independent evaluation was therefore included as part of the Board Approved Multi-Year Evaluation Calendar for the 2023-2028 Strategy period. The evaluation will be commissioned and managed by the Global Fund Evaluation and Learning Office (ELO) with oversight from the Independent Evaluation Panel (IEP).

2. Scope of Work

3. The Global Fund is commissioning an evaluation to provide **an independent assessment of the Global Fund Allocation Methodology and process with the aim to inform changes (if any) for the next allocation period to increase impact of Global Fund investments and more effective delivery of the Global Fund Strategy.**
4. The objectives of this evaluation are to:
 1. Assess and demonstrate whether there are alternative approaches to the current Global Fund Allocation Methodology that will result in greater impact of Global Fund investments and more effective delivery of the Global Fund Strategy.
 2. Describe the pros, cons and implications of any alternative approaches compared to the current allocation methodology.

¹ Catalytic investments are intended to maximize the impact and use of available funds for priorities that cannot be adequately addressed through country allocations alone yet are important to ensure that Global Fund's investments deliver on the Strategy. The amount set aside for catalytic investments is linked to the available sources of funds.

3. Assess how the cyclical review processes in place that lead to final high-level decisions on country allocations and catalytic investments can be improved.
5. The evaluation will focus on the components of the Allocation Methodology including the Global disease split, the split between catalytic investments and country allocations, the allocation formula² and qualitative adjustments to derive final country allocations. It should be noted that the evaluation will not explicitly focus on use of funds at country level, or areas chosen for catalytic investments, however the evaluation will look at these aspects including the data reported to the Board on the final split of funds across diseases and RSSH at country level and other contextual issues as relevant to examining the broader funding approach.
6. A routine step in the allocation methodology review process is a validation exercise carried out by an independent research firm. The research firm run an independent version of the formula using the same logic and parameters to validate that they come to the same amounts as the Global Fund for country allocations. The validation exercise conducted for the 2023 - 2025 allocation methodology formula code conducted in December 2022 verified that the methodology was consistent in calculating the formula-derived allocations for each eligible country component in line with the policies and technical parameters approved by the Board and its Strategy Committee ([GF/B47/03](#)). It is not expected that this validation exercise be repeated in this evaluation, rather the evaluation will examine the overall review processes and validation exercises in place to ensure robustness of the Allocation Methodology and its application.
7. The evaluation will examine the history of the allocation methodology design and adjustments made since its inception and will identify the definition(s) of impact including considerations of Strategy goals and objectives, to be used for the purposes of evaluating the methodology and proposing alternative approaches. The evaluators may draw on findings from previous validation exercises and other relevant assessments and evaluations conducted over the past few years that have included a focus on one or more parts of the allocation methodology³.

3. Key Evaluation Questions

8. To meet the objectives of the evaluation, the following indicative evaluation questions have been identified, questions will be reviewed and refined in the inception phase.

Objective	Key Evaluation Questions
1. Assess and demonstrate whether there are alternative approaches to	i. To what extent does the global disease split serve as an effective up-front parameter in the allocation methodology for determining distribution of funding across HIV, TB and malaria?

² As a final step of the allocation methodology, the formula driven amounts are refined through a transparent and accountable qualitative adjustment process to account for key epidemiological, programmatic and other country contextual factors.

³ Technical Evaluation Reference Group (TERG): Thematic Evaluation on Multi Country Catalytic Investment Grants (2021) & Thematic Evaluation on Strategic Initiatives (2021). Technical Review Panel (TRP) Lessons Learned Report 2020

the current Global Fund Allocation Methodology that will result in greater impact of Global Fund investments and more effective delivery of the Global Fund Strategy.	<ul style="list-style-type: none"> ii. How might a potentially separate allocation for RSSH be determined? What have been the implications on RSSH and the disease programs in not having a separate RSSH allocation? What would be the challenges and benefits in having a separate RSSH allocation including the consequences for allocations for the 3 diseases? iii. Is there an alternative and improved way to determine country allocations without requiring a global disease split whilst ensuring countries address diseases effectively and in line with country burden? iv. How does the Global Fund Allocation Methodology compare to other models used in global health and development agencies for financial allocations? Is there any learning from other models relevant to the Global Fund?
2. To describe the pros, cons and implications of any alternative approaches compared to the current allocation methodology.	<ul style="list-style-type: none"> v. What changes, if any, to the allocation methodology are recommended to achieve greater impact of investments and more effective delivery of the Global Fund Strategy? vi. Based on any recommended changes, what would be the trade-offs implications on existing life-saving interventions and sustainability of programs, including considerations of ethics and equity? vii. Would any recommended changes to the Global Fund allocation methodology lead to incidental or unintended consequences at the country level? Please assess risks and mitigating factors, as applicable. viii. How would any proposed recommended changes to the allocation methodology impact overall timeline and steps in the process to ensure timely high-level decision making? ix. What are the challenges and approaches required for any recommended changes to be adopted through Global Fund Governance?
3. To assess how the cyclical review process in place that lead to final high-level decisions on country allocations and catalytic investments can be improved.	<ul style="list-style-type: none"> x. To what extent are the quality assurance mechanisms built into the overall allocation methodology process, effective in ensuring that high-level decisions on resource allocation are informed by robust and rigorous technical parameters, metrics and inputs (including the latest epidemiological data)? xi. How, if necessary, can quality assurance mechanisms be strengthened in advance of the next and subsequent allocation periods?

4. Learning Objectives

9. This evaluation will pursue objectives to support organizational learning across the evaluation lifecycle. To design the evaluation and related learning and adaptation opportunities for optimal utilization, recognizing the Global Fund Secretariat, Committees and Board are the primary audience for this evaluation, the following learning objectives are proposed:
 1. Communicate successes and challenges with the current allocation methodology and processes to implement the methodology, and rationale for changes (if any).
 2. Engage with key stakeholders to determine any alternative approaches for the Allocation Methodology that could increase the impact of Global Fund investments under the Global Fund Strategy with full description of pros and cons.
Present and review with the Global Fund a mapping of models and approaches used by other financing mechanisms for resource allocation decisions.
 3. Provide information and resources that can inform related global resource allocation processes, tools and support to countries (both with respect to current allocation methodology and to any proposed changes) and advise how to ensure that the allocation methodology is understood by relevant stakeholders as required to approve decisions.

5. Methodological/Design Considerations

10. Bidders are free to propose their preferred methods and analytical approaches to deliver against the aim and objectives of the evaluation. It is expected that the evaluation is supported by rigorous data analysis and will involve review and demonstration through statistical modelling methods (to understand how alternative approaches to the Global Disease Split would affect the impact likely to be achieved) to answer the evaluation questions and propose alternative approaches to the current allocation methodology.
11. Given the challenging nature of resource allocation decisions, it is also anticipated that evaluators apply a political economy lens that might be helpful to inform analysis and future recommendations for the Global Fund's resource allocation methodology.
12. Sources of information and evidence will include Global Fund documentation, previous validation assessments and relevant evaluations as well as related data and documents from technical partners and elsewhere as deemed appropriate for use and reference during the evaluation.
13. Bidders are expected to clearly explain how they will deliver a high-quality evaluation so that they can provide primary audiences with reassurance that findings and subsequent recommendations are based on strong and quality assured evidence.

6. High-Level Timeline

14. To ensure that findings from the evaluation can be taken into consideration and acted upon in advance of the 2026-2028 allocation period, the final evaluation report needs to be available in advance of the Strategy Committee (SC) sessions in March 2024. This will allow time to demonstrate the effects of any recommended potential changes and conduct any remodeling scenarios or exercises to inform SC recommendations to the Board in advance of when final decision on the allocation methodology for grant cycle 8⁴ are made.

Deliverables	Due Date	Review Process
<p>Deliverable 1: Draft inception report building on evaluation proposal (word doc and slide deck summary presentation for meeting discussion)</p> <p>The inception report should be submitted within 7 working days of the orientation visit to Geneva (in week of 3rd July). The report should build on the initial evaluation proposal based on what has been learned during the orientation to the allocation methodology. Any changes to the initial proposal should be clearly explained in the inception report</p>	July 12th 2023	To be reviewed by and discussed with ELO/Secretariat and IEP
Deliverable 1: Final inception report (word doc)	July 26th 2023	
Deliverable 2: Preliminary findings, observations and early conclusions for virtual consultations with stakeholders (slide deck)	2 nd October 2023 (For discussion during this week)	To be discussed with Secretariat
<p>Deliverable 3: Draft report (word doc)</p> <p>The draft report should be accompanied by a slide deck summarizing draft recommendations for consultation with key stakeholders in week of 27th November.</p>	15 th November 2023	To be reviewed by ELO/Secretariat
Deliverable 4: Draft final report (word doc)	10th January 2024	To be reviewed by the ELO/Secretariat and quality-assured by the IEP.
Deliverable 4: Submission of the Final Report, with an executive summary and slide deck summarizing Final Report	February 2024	To be quality assessed by IEP

⁴ Grant Cycle 8 refers to those grants that will be funded from the 2026-2028 allocation period.

7. Consultant Requirements

15. The evaluation team will comprise a mix of experts with a balance of the following expertise and technical knowledge:
- Epidemiology, health economics, and health policy with technical capabilities in statistical analysis and modelling in these areas.
 - Familiarity with an array of allocation processes and frameworks in global health and/or international development is also ideal.
 - Experience in evaluations of analytical models (for scenario development & forecasting) developed to inform or operationalize organizational policies is highly desirable.
 - Experience in translating statistical analysis and analytical findings into the broader context speaking to political economy considerations, ethics and equity criteria to inform priority-setting, policy and practice is critical.
 - Sensitivity to the political aspects of these processes, globally and at country level, also desired as well strong communication skills to translate input into findings that are accessible to diverse audiences.
 - Project management expertise to efficiently manage the evaluation budget, timely deliverables and quality assurance.
16. Team Leader:
- Advanced university degree in epidemiology, public health, health economics, health policy, or a related area.
 - Over 15 years of experience evaluations for complex organizations in international development and/or public health.
 - Demonstrated experience in developing and delivering recommendations at the executive/Board level of organizations.
17. Additional non-core team members may be included to add/strengthen specific expertise required for certain periods of the evaluation and to support administrative, logistics and coordination required throughout the evaluation (travel, meeting scheduling etc.).