



# STUDY AREA 1 – GLOBAL FUND ORGANIZATIONAL EFFICIENCY AND EFFECTIVENESS

Evaluation Brief No. 6  
Updated November 2008

## SUMMARY:

The purpose of Study Area 1 of the Five-Year Evaluation is to review the Global Fund's organizational efficiency and effectiveness, its progress to date, and to identify critical areas for improvement. The evaluation finds an organization that has made exceptional and inspiring achievements in a short time and has learned and adapted rapidly. In part due to its success, the evaluation finds critical challenges that the Global Fund needs to tackle in order to realize its full potential and to meet new responsibilities that will be part of its next stage of growth.

## BACKGROUND:

The Five-Year Evaluation is an independent, Board-mandated evaluation being conducted under the oversight of the Technical Evaluation Reference Group (TERG). The study of the Global Fund's partner environment in 16 countries and at the global level (Study Area 2) was completed and presented to the Board in November 2008. The examination of impact on the three diseases in 20 countries (Study Area 3) is ongoing, with data collection and analysis efforts at the country level nearing completion. Both the Study Area 3 final report and the final Five-Year Evaluation Synthesis Report, which will synthesize the findings and recommendations from all three study areas, will be reviewed by the Global Fund Board at its meeting in May 2009.

## PRIORITY RECOMMENDATIONS:

### 1. Strategy: Focusing the vision, mission and business plan

- A.** The Global Fund should develop a coherent [vision and mission statement](#) based on the prioritized guiding principles and as a framework for a future [business plan](#).
- B.** The Global Fund's business plan should include, for all three diseases, the development of [differentiated approaches to countries](#) based on: (1) epidemiological profiles and (2) assessment of country capacity to support disease control programs, including consideration of Country Coordinating Mechanism (CCM) profiles and functionality.
- C.** The Global Fund's business plan should include [benchmarks for appropriate balance in resource allocation](#):
  - (1) establishing minimum standards for effort toward countries with low capacity and high burden of disease;
  - (2) explicitly stating how technical assistance will be resourced, what contributions will be made by technical partners and options for financing of technical partners, while respecting country ownership.

### 2. Partnerships: The core of the Global Fund's principles and strategy

- A.** The TERG awaits the final report on Study Area 2 prior to making more specific recommendations on improving Global Fund partnerships. In the interim, the TERG recommends the Global Fund should [clearly articulate the roles of its main partners](#) through a transparent and participatory process: for technical partners, for civil society and private partnerships as well as for donors and recipients.

### 3. Governance: over-burdened with operational issues

- A.** The Board should focus on [strategic issues](#), delegating operational issues to its committees and the Secretariat.
- B.** Over the next cycle of Committee and Board meetings, the Board should consider employing an [external advisor/facilitator](#) to work with the Board, Committees and Secretariat to observe and analyze the processes, identify areas for delegation and streamlining, and to suggest ways of strengthening communications and working relationships among the three groups.
- C.** The Board should define precisely the assistance that could be provided to [resource-constrained constituencies](#) with a large membership, including civil society and communities.



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#### 4. Organizational structure: need for medium-term human resources plan

- A.** Based on the projections for growth of the Global Fund, the Board should set **new budgetary ceilings for the Secretariat** and allow the Executive Director to staff within those ceilings according to a well-defined workforce plan. The Secretariat size should be increased based on functional needs and a common understanding of partner roles.
- B.** A **medium-term plan for human resources** should be established that clearly outlines human resource policies for the coming years.

#### 5. Processes and Grant Management: simplify and innovate

- A.** The Global Fund needs to substantially streamline its **grant review processes** and reduce delays in disbursements by:
  - Committing funds for longer time periods, particularly for new grants and eligible Rolling Continuation Channel (RCC) grants. This might require amending the Comprehensive Funding Policy.
  - The Board authorizing the Secretariat to proceed prior to formal Board approval on new grants that have been recommended by the Technical Review Panel (TRP) as “fund” or “conditionally fund”.
- B.** The Global Fund should look for ways to utilize the **performance-based funding** system to provide incentives for good performance, for example, by enabling high-performance grants to be extended in length and increased in funding amount without going through the TRP process unless there are significant changes in the goals.

#### 6. Mission-Critical Systems: the need for investment and innovation

- A.** The Global Fund should continue to strengthen its **financial tracking** to include monitoring expenditures at the sub-recipient level. For effective implementation, additional training will probably be required for Fund Portfolio Managers (FPMs), Local Fund Agents (LFAs), Principal Recipients (PRs) and sub-recipients.
- B.** The **Procurement** unit in the Global Fund should be strengthened and authorized to work more proactively with partners and look for innovative ways to assist countries with procurement, particularly countries with weak procurement systems where training as well as assistance will be required.
- C.** The critical need for a responsive, flexible and forward-thinking overall **Information Systems Strategy**. The new Grant Management System (GMS core) approach should be strongly supported.
- D.** In **resource mobilization** efforts the Global Fund should continue to attempt to attract funding from countries that have not yet contributed, perhaps by encouraging contributions from regions. The Global Fund should also attempt to engage the private sector to a larger extent, partly by expanding the range and types of contributions, for example by emphasizing co-investment over monetary contributions.

### TECHNICAL EVALUATION REFERENCE GROUP (TERG)

The Technical Evaluation Reference Group (TERG) is an advisory body providing independent technical advice to the Board of the Global Fund to Fight AIDS, Tuberculosis and Malaria. The TERG advises the Global Fund on evaluation approaches and practices, independence, reporting procedures and other technical and managerial aspects of monitoring and evaluation at all levels. Membership of the TERG is drawn from a range of stakeholders, including practitioners, research institutions, academics, donor and recipient countries and nongovernmental organizations.

### FIVE-YEAR EVALUATION OF THE GLOBAL FUND

The Five-Year Evaluation is being planned and implemented under the guidance of the TERG. The first major report on organizational efficiency and effectiveness was published in late 2007 and the final evaluation synthesis report including a strong focus on impact on the three diseases, will be published in May 2009. Each element of the evaluation is designed to generate actionable findings. The Global Fund is committed to learning from and making concrete improvements based on evaluation findings.

#### TO ACCESS THE FULL REPORT:

[www.theglobalfund.org/terg](http://www.theglobalfund.org/terg)

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