

# Operational Plan 2011-2015

## DFID GLOBAL FUNDS DEPARTMENT

June 2012

*This plan will be refreshed annually*

|                  |                                   |             |
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# Introduction

The UK Government is determined to help reduce the inequalities of opportunity we see around the world today. We believe that promoting global prosperity is both a moral duty and in the UK's national interest. Aid is only ever a means to an end, never an end in itself. It is wealth creation and sustainable growth that will help people to lift themselves out of poverty.

In May 2010, the International Development Secretary, Andrew Mitchell, commissioned the Bilateral Aid Review to take a comprehensive and ambitious look at the countries in which DFID works through our direct country and regional programmes. The review focussed on the best ways for the UK to tackle extreme poverty, ensuring that we make the greatest impact with every pound we spend. In parallel, through the Multilateral Aid Review, DFID assessed how effective the international organisations we fund are at tackling poverty.

On the 1st March 2011, the key outcomes of the reviews were announced, including the results that UK aid will deliver for the world's poorest people over the next four years. The Bilateral Aid Review has refocused the aid programme in fewer countries so that we can target our support where it will make the biggest difference and where the need is greatest. The Multilateral Aid Review (MAR) findings enable us to put more money behind effective international organisations which are critical to delivering the UK's development priorities. In addition the independent Humanitarian Emergency Response Review looked at how the UK can build on its strengths in responding impartially to humanitarian needs and help ensure future disaster responses can be better prepared and coordinated.

DFID is committed to being a global leader on transparency. In the current financial climate, we have a particular duty to show that we are achieving value for every pound of UK taxpayers' money that we spend on development. Results, transparency and accountability are our watchwords and guide everything we do. DFID regards transparency as fundamental to improving its accountability to UK citizens and to improving accountability to citizens in the countries in which it works. Transparency will also help us achieve more value for money in the programmes we deliver and will improve the effectiveness of aid in reducing poverty.

The UK Aid Transparency Guarantee commits DFID to making our aid fully transparent to citizens in both the UK and developing countries. As part of this commitment we are publishing Operational Plans for country programmes. The Operational Plans set out the vision, priorities and results that will be delivered in each of our country programmes.

We will concentrate our efforts on supporting achievement of the Millennium Development Goals, creating wealth in poor countries, strengthening their governance and security and tackling climate change. The prize, in doing so, is huge: a better life for millions of people, and a safer, more prosperous world.

# 1) Context

The Global Funds Department (GFD) was created in January 2011 as a lean and focused Department to be responsible for DFID's policies, programmes, financial management and shareholder relations with global funds and innovative finance mechanisms in health and education. GFD sits within DFID's International Finance Division and works closely with colleagues in Policy Division, with our International Relations Division and with country programmes to maximise the impact of our investments through the global funds.

The global funds and innovative financing mechanisms which GFD works with include: the Global Fund to fight AIDS, TB and Malaria; the GAVI Alliance, which delivers immunisation programmes across the developing world; the International Finance Facility for Immunisation and the Advance Market Commitment, which leverage private sector capital and resources to support the GAVI Alliance; UNITAID, a purchasing facility which works to impact on markets for essential medicines and commodities (in HIV/AIDs, tuberculosis and malaria), reduce their prices and improve availability; the Affordable Medicines Facility for Malaria, which subsidises high quality malaria treatments in order to increase access and displace less effective medicines; the Global Partnership for Education (GPE), which supports the delivery of education in developing countries; and the Health Results Innovation Trust Fund (HRITF), which supports results-based financing initiatives in health.

These instruments collectively spend around \$4.6bn every year in support of the Millennium Development Goals on health and education, playing a critical role in the global development architecture and delivering significant development results. For example, the Global Fund to fight AIDS, TB and Malaria (GFATM), through the programmes it finances, is providing anti-retroviral (ARV) treatment for 3.3 million people, has detected and treated 8.6 million cases of infectious TB, and has delivered over 230million insecticide-treated nets. In total the Fund estimates its activities have saved the lives of 6.5 million people. The GAVI Alliance has immunised over 325 million children in the past ten years, saving an estimated 5.5 million lives, plus GPE is supporting the education of children in 45 developing countries.

However, needs remain acute, and it is critical that these organisations operate as effectively as possible. 67 million children of primary school age remain out of education and the UN Educational, Scientific and Cultural Organization (UNESCO) estimate that on current trends, this number will only have dropped to 56 million by 2015. 2.3 million children die every year from vaccine-preventable causes, and 23 million children remain unvaccinated. One million people, mostly children under 5 years of age, die of malaria every year, and between 189 and 327 million people become ill with the disease, many seriously. And in HIV/AIDS, estimates suggest that in 2010 there were 2.7m new HIV infections, 15m in need of ARV treatment, and 34m people living with HIV.

GFD's role is to work with and influence the global funds working to address these issues, to help them to deliver as effectively as possible, to direct resources to the greatest needs, and to achieve the best value for money that they can. Working in partnership with the funds themselves and other donors and stakeholders, we focus on governance and organisational reforms, and financing issues which will help to boost the impact the funds have.

\*Disbursements in 2010 were: over \$3bn by GFATM, \$952 m by GAVI, \$242m by GPE, \$257m by UNITAID

## 2) Vision

### Overview

- Over the SR10 period GFD will be responsible for the management of over £2.6 billion in development spending through the global funds and innovative financing mechanisms. By 2015 we will use this to help save 2m lives per year, contribute significantly to the delivery of education in some of the poorest countries in the world, drive down prices of key health commodities such as vaccines, and support 4.4m people on ARV treatments. Our vision is to ensure that this spending is directed in the most efficient and effective way, to maximise development results achieved and to support the funds to work effectively as part of global efforts on health and education.
- Building on the outcomes of the Multilateral Aid Review, our key priorities for the agencies are:
  - better Value for Money (VfM): including through reducing prices where appropriate (UNITAID, GAVI, GFATM) and improved operational efficiency (all)
  - stronger and more streamlined country level delivery which minimises costs to partner countries and demonstrates results (GFATM, GPE, GAVI)
  - improved support for fragile states (GFATM, GPE)
  - clearer and better systems for assessing and delivering on issues which impact on women and girls (GFATM, GPE, GAVI)
- GFD's specialisation in working with global institutions will enable us to become a hub of expertise on key issues: good corporate governance, strong financial management, ability to influence and build effective networks for reform, and use of our own resources to leverage action and resources from others.

### Alignment to DFID and wider HMG priorities

- GFD's work is directly targeted at support of the Millennium Development Goals (MDGs) on health and education (MDG 3, 4, 5 and 6), and MDG8 (a global partnership for development). It is closely aligned to DFID's Structural Reform Plan priorities, and specifically takes forward work on the following:
  - Honour international commitments: increasing access to healthcare and education, reducing maternal and infant mortality, restricting the spread of major diseases, and contributing to results achieved through the Malaria Business Plan
  - Lead international action to improve the lives of women: increasing the number of girls completing secondary and primary school and contributing to results achieved through the Reproductive and Maternal Health Business Plan
  - Wealth creation, fragile and conflict affected countries, and climate change: contributing to each of these pillars through our support to education, which has been shown to have positive relationships with economic growth, reducing the likelihood of conflict, and adapting to climate change
- The global funds make a significant contribution to the four pillars of DFID's Strategic Vision for Girls and Women as they have a direct impact on the health of women and girls. Investments strengthen health and community systems, providing a continuum of care which will include delaying first pregnancies; providing key services that benefit women and children; strategic interventions that promote gender equity, increase participation in decision making and protect women against gender based violence.
- GFD's work also contributes directly to the wider UK Government priority of global health security, which includes combating global poverty and health inequalities, and reducing the threat from infectious disease.
- These objectives form a well-aligned set that reinforce each other. For example there is clear evidence that educating girls has a substantial impact on maternal and child mortality, helping women to delay and space pregnancies, and to protect the health of their children more effectively. Over 90% of the world's disease burden occurs in developing countries, largely due to communicable diseases such as HIV, TB and malaria. TB is the leading cause of death among people living with HIV, and the need for integrated action is made more urgent by the steep rise in drug resistant TB. HIV and malaria co-infection also leads to higher morbidity and mortality rates in areas where they overlap.

# 3) Results

## Headline results

| Pillar/ Strategic Priority             | Indicator  | Baseline (including year)   | Expected Results (including year)  |
|--|--|---|--|
| <b>Direct Delivery of MDGs: Health</b> | <p><b>Health impact</b></p> <ul style="list-style-type: none"> <li>Aggregate lives saved/future deaths prevented by GAVI and GFATM</li> </ul> <p><b>Malaria</b></p> <ul style="list-style-type: none"> <li>Number of insecticide treated bed-nets distributed annually by the Global Fund to Fight AIDS, TB and Malaria.</li> <li>Percentage change in median price paid for Insecticide Treated Nets in Global Fund supported national malaria programs.</li> </ul> <p><b>Other Health</b></p> <ul style="list-style-type: none"> <li>Additional children vaccinated in GAVI eligible countries through GAVI supported vaccines.</li> <li>Number of additional future deaths averted through vaccinations</li> <li>Change in Weighted price paid by GAVI to fully vaccinate a child with pentavalent, pneumo and rota vaccines</li> <li>Number of people receiving antiretroviral therapy</li> <li>DOTS treatments provided annually</li> <li>UNITAID median prices paid for anti-TB medicines.</li> <li>Number of people benefiting from healthcare services supported by results based payments.</li> </ul> | <ul style="list-style-type: none"> <li>11.9 million cumulative to date (2000-2010)</li> <li>34 million (2009)</li> <li>\$5.30 (2009)</li> <li>257 million (cumulative 2000-2010)</li> <li>5 million (cumulative 2000-2010)</li> <li>\$35.19</li> <li>2.5 million (2009)</li> <li>1.4 million (2009)</li> <li>2010 price (available from June)</li> <li>Baseline established in 5 countries by end 2011</li> </ul> | <ul style="list-style-type: none"> <li>2 million lives saved in 2015</li> <li>110 million by 2015</li> <li>5% annual improvement</li> <li>Additional 243mn by 2015</li> <li>4 million additional lives (2011-2015)</li> <li>\$24.89 (2015)</li> <li>4.4 million by 2015</li> <li>3.9 million by 2015</li> <li>15% reduction by 2012</li> <li>5% improvement by 2013</li> </ul> |
| <b>Education</b>                       | <p><b>Education</b></p> <ul style="list-style-type: none"> <li>Primary completion rate % (GPE endorsed countries) (ideally gender disaggregated)</li> <li>Number of children supported in primary education (GPE total supported)</li> </ul>   | <ul style="list-style-type: none"> <li>70% (2010)</li> <li>4 million in 2011</li> </ul>   | <ul style="list-style-type: none"> <li>76% (2014)</li> <li>5 million children per year by 2015</li> </ul>  |

### 3) Results (continued)

#### Evidence supporting results

The global funds have been leaders among multilaterals in measuring and reporting their results. They have a strong track record of delivering results as evidenced by the MAR and have capacity to scale up their delivery. We will use the global funds' own reporting systems to monitor performance and will strengthen our networks within DFID to increase oversight through our own in-country checking and monitoring systems, ensuring a more cohesive evidence base both at the country and global level.

The evidence base is much more limited on the effectiveness of results based payments delivered through the Health Results Innovation Trust Fund. This is an innovative programme that has been designed specifically to include significant monitoring and evaluation (including the use impact evaluations) to build and disseminate the evidence base.

#### Value for Money rationale

There is considerable evidence to demonstrate the Value for Money delivered by the global funds:

**GAVI:** Vaccines are one of the most cost effective health interventions available. GAVI 's increased market influencing efforts, as set out in its new Supply and Procurement strategy 2011, will ensure that new GAVI vaccines are also highly cost effective and will become more so as prices decline. For example, in Kenya the World Health Organisation (WHO) estimated that using pentavalent vaccine it costs \$38 to save a year of life lost to disability or death (or disability adjusted life year averted, DALY) and \$1,197 to prevent a future death. To demonstrate just how cost effective these interventions are it is necessary to compare against international benchmarks. The WHO suggests that an intervention may be considered very cost effective if the costs per DALY averted are less than the country's per-capita GDP, at the time of the study Kenya's per capita GDP was US\$481. Even where GAVI vaccines are cost-effective, as one of GAVI's founding principles is to be country-driven, we will also continue to ensure that it effectively monitors and encourages countries to make right choice for them in relation to the wider health and vaccine options available.

**The Global Fund:** The Global Fund delivers a wider range of interventions, but still delivering significant cost effectiveness. Taking core interventions for the three diseases the WHO provides estimates of the average cost per DALY averted in its the East Africa region, for insecticide treated bednets the cost is \$28; DOTS treatment for tuberculosis between \$6 and \$15; and antiretroviral therapy at between \$64 and \$217.

The global funds also offer a contribution to global public goods, including resisting the spread of diseases and reducing commodity prices. For example, by aggregating demand for vaccines, GAVI is able to create economies of scale and enable the vaccine industry to scale up production capacity, and to attract new suppliers to the market. The increased competition reduces prices of vaccines, making them more affordable to developing countries. Over the last three years, the price of pentavalent has dropped from US\$ 3.62 in 2007 to US\$ 2.96 in 2010, while at the June 2011 GAVI replenishment the Serum Institute which is providing has already lowered its price to US\$ 1.75 per dose, the lowest price available, announced it would continue to provide the most competitive pricing . Similarly UNITAID in partnership with the Clinton Health Access Initiative has reduced treatment prices by a cumulative average of 64% for leading paediatric regimens and by 43% for leading second-line regimens.

In education GPE focuses on the highest return areas of education (i.e. primary education in low-income countries); Psacharopoulos (2002) reviews the literature on returns to investment in education and concludes the social rate of return is 21.3 percent for primary education in low-income countries. Additionally, in line with macro-economic evidence GPE focuses on both equity in coverage and the quality of education.

## 4) Delivery and Resources

GFD is a small, de-layered, split-site and focused department responsible for DFID's policies, programmes, financial management and shareholder relations with global funds and innovative finance in health and education. With nine staff members, the Department is headed by an SCS Deputy Director based in the UK Mission in Geneva, splitting his time between Geneva and London. The team are mobile and flexible, spending more time closer to the global funds, deepening relationships, developing a better understanding of the organisations' operations and reforms, taking more of a leading role in Committee work and further increasing our influence with other Governing Board members. The Department continues to develop expertise in corporate governance, financial management and organisational development.

The team is structured around institutional leads for each organisation, with a lead on GFATM and UNITAID; GAVI; and Innovative Financing, GPE and HRITF. With such a small team, members look to support one another, substituting and covering for one another when necessary, but with clear divisions of responsibility to maximise efficiencies and prevent duplication.

The Department relies heavily on effective relationships across DFID, working closely with Policy, Research and Evaluation, International Relations, and geographic divisions to maximise our impact. A cross cutting adviser supports the team on economics and financing instruments, with the team increasing efforts on outreach to our country network, working with regional cabinets and in-country health and education advisers to inform, troubleshoot and use country realities to drive forward organisational change and performance improvements.

The Department uses a range of instruments to deliver its operational objectives. We will continue to condition our financial support on the achievement of results, using the organisations' own determinants of success as a measure of this progress. We continue to use the findings of the MAR to inform our reform priorities and have agency specific engagement and handling strategies to deliver on these priorities. We will use our constituency engagement (with Australia on GFATM, with Norway and Ireland on GAVI, with Canada on GPE) to deepen our influence, burden share on board and committee engagement and to reach out to others to have informed and quality dialogue to maximise our collective focus on results and value. In addition, we will target certain constituencies for deeper engagement (USA on GFATM, Gates on GAVI for example) to help inform and deliver our priorities.

For some organisations, the voices of implementing countries is particularly weak. We will look to work with a select number of advisers across our country network to strengthen these voices. We will also look to develop instruments to strengthen in-country engagement with the global funds. GFATM scores poorly on partnership behaviour in the MAR so we are considering a new approach to strengthening in-country linkages along with promoting internal reforms in the Global Fund, especially under the Fund's Phase 2 Governance reforms.

## 4) Organisational Design

### Planned programme spend (figures rounded)

| Pillar/Strategic priority                    | 2010/11           |                  | 2011/12           |                  | 2012/13           |                  | 2013/14           |                  | 2014/15           |                  | TOTAL             |                  |
|--|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|
|  | Resource<br>£'000 | Capital<br>£'000 | Resource<br>£'000 | Capital<br>£'000 | Resource<br>£'000 | Capital<br>£'000 | Resource<br>£'000 | Capital<br>£'000 | Resource<br>£'000 | Capital<br>£'000 | Resource<br>£'000 | Capital<br>£'000 |
| Wealth Creation                              |                   |                  |                   |                  |                   |                  |                   |                  |                   |                  | 0                 | 0                |
| Climate Change                               |                   |                  |                   |                  |                   |                  |                   |                  |                   |                  | 0                 | 0                |
| Governance and Security                      |                   |                  |                   |                  |                   |                  |                   |                  |                   |                  | 0                 | 0                |
| Education                                    | 87,000            |                  | 100,000           |                  | 50,000            |                  | 100,000           |                  | 100,000           |                  | 350,000           | 0                |
| Reproductive, Maternal<br>and Newborn Health | 15,200            |                  | 10,000            |                  | 25,600            |                  | 50,600            |                  | 49,600            |                  | 135,800           | 0                |
| Malaria                                      | 63,030            |                  | 41,050            |                  | 65,050            |                  | 162,860           |                  | 162,860           |                  | 431,820           | 0                |
| HIV/Aids                                     | 65,300            |                  | 42,580            |                  | 103,580           |                  | 179,340           |                  | 179,340           |                  | 504,840           | 0                |
| Other Health                                 | 238,470           |                  | 155,270           |                  | 223,990           |                  | 438,460           |                  | 424,630           |                  | 1,242,350         | 0                |
| Water and Sanitation                         |                   |                  |                   |                  |                   |                  |                   |                  |                   |                  | 0                 | 0                |
| Poverty, Hunger and<br>Vulnerability         |                   |                  |                   |                  |                   |                  |                   |                  |                   |                  | 0                 | 0                |
| Humanitarian                                 |                   |                  |                   |                  |                   |                  |                   |                  |                   |                  | 0                 | 0                |
| Other MDG's                                  |                   |                  |                   |                  |                   |                  |                   |                  |                   |                  | 0                 | 0                |
| Global Partnerships                          |                   |                  |                   |                  |                   |                  |                   |                  |                   |                  | 0                 | 0                |
| <b>TOTAL</b>                                 | <b>469,000</b>    | <b>0</b>         | <b>348,900</b>    | <b>0</b>         | <b>468,220</b>    | <b>0</b>         | <b>931,260</b>    | <b>0</b>         | <b>916,430</b>    | <b>0</b>         | <b>2,664,810</b>  | <b>0</b>         |



## 4) Organisational Design (continued)

### Planned operating costs

|                                 | 2010/11  | 2011/12    | 2012/13    | 2013/14    | 2014/15    | Total (2011-15) |
|---------------------------------|----------|------------|------------|------------|------------|-----------------|
|                                 | £'000    | £'000      | £'000      | £'000      | £'000      | £'000           |
| Frontline staff costs - Pay     |          |            |            |            |            | 0               |
| Frontline staff costs - Non Pay |          |            |            |            |            | 0               |
| Administrative Costs - Pay      |          | 438        | 605        | 605        | 605        | 2253            |
| Administrative Costs - Non Pay  |          | 203        | 263        | 263        | 263        | 992             |
| <b>Total</b>                    | <b>0</b> | <b>641</b> | <b>868</b> | <b>868</b> | <b>868</b> | <b>3245</b>     |

## 4) Organisational Design (continued)

### Planned efficiency savings

| Delivering Programme Efficiencies        |         |                                      |
|--|---------|--------------------------------------|
| Category                                 | Details | Residual cost in the SR period £'000 |
| Strategic Reprioritisation               |         |                                      |
| Further examples of Programme efficiency |         |                                      |

| Administrative Cost Savings Initiative                 | 2011/12   |               | 2012/13   |               | 2013/14   |               | 2014/15   |               |
|--|-----------|---------------|-----------|---------------|-----------|---------------|-----------|---------------|
|  | PAY £'000 | Non Pay £'000 | PAY £'000 | Non Pay £'000 | PAY £'000 | Non Pay £'000 | PAY £'000 | Non Pay £'000 |
| Reduction in Consultancy Payments                      |           |               |           | 20            |           |               |           |               |
| Reduction in Travel                                    |           |               |           |               |           |               |           |               |
| Reduction in Training                                  |           |               |           | 12            |           |               |           |               |
| Reduction in Estates & Property Costs                  |           |               |           |               |           |               |           |               |
| Reduction in costs as a result of Office Restructuring |           |               |           |               |           |               |           |               |
| Other Reductions                                       |           |               |           |               |           |               |           |               |
| <b>Total</b>   | 0         | 0             | 0         | 32            | 0         | 0             | 0         | 0             |

## 5) Delivering Value for Money

GFD is a highly streamlined and focused department, with nine staff (eight full time, one part time) managing around £2.6bn of spend over the Spending Review 2010 (SR10) period. The administration to programme ratio is less than one tenth of one percent. Effective management of these programme resources with a very small team represents excellent value for money. But it relies on driving reforms and efficiencies within the partner agencies, depends on effective engagement of partner governments and stakeholders and depends on effective cross-DFID and cross-Whitehall working. GFD will focus on using its limited resources to leverage improvements in the results delivered by our partner agencies, thereby increasing the value for money our investment represents. We anticipate the following challenges:

- Limited staff time will mean we need to prioritise ruthlessly, divide our labour effectively, delay operations and avoid any duplication.
- Ensuring adequate time is devoted to internal learning and development needs and opportunities.
- DFID is one voice among multiple stakeholders in the agencies we work with; we will need to prioritise and build alliances with others carefully to deliver our objectives
- Demand for specialist expertise in some areas; for example we will need support from Procurement Group in assessing the procurement capability of our partners
- Articulating clear tradeoffs when assessing value for money and balancing our objectives against these – for example delivering in fragile states will always be more costly than delivering in stable governance environments

The outcome of the MAR assessments sets a clear direction for GFD in pursuing value for money improvements in the agencies we work with. Of the four agencies assessed, two were found to be very good value for money (GAVI and GFATM) and two were assessed as good value for money (GPE and UNITAID). However all assessments identified potential improvements in value for money and set reform priorities to improve delivery. Some common themes emerge:

- **Results:** whilst some of our agencies are strong in articulating results (GAVI, GFATM), others were weaker (GPE, UNITAID). Demonstrating and effectively assessing results is essential for good VfM. GFD will continue to support GPE to finalise and implement its results framework, and UNITAID to improve communications.
- **Commodity pricing:** GAVI, GFATM and UNITAID are major purchasers of health commodities. GFD will focus on influencing and supporting these agencies to drive down prices further.
- **Prioritisation of resources:** GAVI has applied a rigorous prioritisation process to the choice of investments in vaccinations including cost effectiveness and health impact. But we will also encourage GAVI to develop its results based programming to increase equity of access to immunisation coverage, targeting the hardest to reach within countries. However, we will continue to monitor progress against the Gender Action Plan and GAVI's ability to provide gender disaggregated results. The Global Fund is tackling issues of eligibility and prioritisation, as is GPE. UNITAID is now implementing its new prioritisation policy and we will monitor how robustly it is applied. GFD will continue to support efforts to agree effective strategies to maximise the impact of our investments.
- **Strategic resource planning:** Two agencies (GAVI and GPE) had successful replenishments in 2011: successful replenishment efforts which result in multi-year commitments from donors enable agencies to plan to make the best use of their resources and improve VfM. GFD supported both agencies in their replenishment efforts, using our contributions to leverage resources from other donors. We will similarly support the GFATM its future replenishment efforts.

An important tool GFD will use to incentivise better VfM in the agencies we work with is performance-based financing. Programmes of support to GPE and GFATM will include a performance-based element, rewarding reforms and/or achievement of results. Steps will be taken to better embed basic VfM skills in the department, drawing on support from FCPD. Instead of drawing up a VfM action plan we will undertake a light touch approach, undertaking VfM relevant training (with other departments if possible), continuing to push each multilateral organisation to drive forward their VfM plans. We will ensure the best possible VfM from our administration resources, closely monitoring the travel budget, continue to review our ways of working and managing corporate returns to ensure maximum efficiency.

## 6) Monitoring and Evaluation

### Monitoring

The Global Funds all have agreed results frameworks which GFD will use to monitor and measure progress on both development impact and internal reforms. The GFD Operational Plan and results framework will have a light touch review at six months and a full review annually. The reviews of the Operational Plan will be led by the Head of Department. The Economic Adviser will take the lead for the results framework. Business cases for agency funding and the Key Performance Indicators of our partner agencies will provide further detail of results achieved through GFD spending. The results and reporting of results in the operational plan will rely on and draw from the detailed monitoring of business cases for each institution, using a sample of these results to assess performance. Data sources to monitor the business cases, and through them the operational plan, will include: annual reporting by agencies to their boards and committees; mid-term reviews of strategic plans, reporting against any specific agreements and reform plans; MOPAN and other public reviews; and external evaluations of agencies where these are available. Reform priorities identified in the MAR will be negotiated and taken forward through regular committee and Board processes and monitored through agency specific business cases.

### Evaluation

The evaluation capacity and commitment to evaluation of the global funds collectively is strong. GAVI and the Global Fund in particular undertake frequent rigorous independent evaluations on policy and programmes. Both have a monitoring and evaluation policy. GFD will work with the global funds to ensure that they maintain their focus and commitment to strong independent evaluation and that they act on the findings. All GFD partner institutions either have evaluations planned or underway, or have recently been through an external evaluation:

- GAVI: Two independent evaluations since inception in 2000, independent evaluation of IFFIm 2011, MOPAN review due 2012
- GFATM: A permanent Technical Evaluation Review Group (TERG) overseeing independent evaluations of the Global Fund; a major 5-Year Evaluation was completed in 2009; a '12 years on' evaluation is planned for 2014.
- HRITF: HRITF funding supports independent evaluations of RBF interventions in health. In addition, Norway is leading on an independent evaluation of HRITF itself this year and the UK will lead a subsequent evaluation in 2014.
- AMFm: Independent Evaluation in 2012
- GPE: Independent Mid-Term Evaluation in 2009, which reported in 2010. GPE is responding to the findings of this evaluation with a reform programme.
- UNITAID; a substantial 5-Year Evaluation is being planned and prepared for 2012, and individual evaluations of the portfolio are underway.

Looking forward, GFD will work with the International Directors' Office and Evaluation Dept to build an appropriate level of skills and understanding among policy leads in the Department, to enable them to engage with the global funds on evaluation. GFD will draw on the proposed divisional-level evaluation resource to support our team in taking forward this issue as needed.

### Building capacity of partners

GFD will continue to build close supportive relationships with our institutions (Secretariats); will seek opportunities to use our country office network to strengthen support and policy advice and support efforts of coherence across institutions (eg. Global Fund/ GAVI Health Systems Funding Platform; GAVI and WHO Immunisation efforts; Global Fund and UNDP). In addition, GFD currently funds a secondee in the GPE Secretariat to support the Secretariat in stepping up its engagement at the country level. This secondment will complete end-July 2012.

## 7) Transparency

Transparency is one of the top priorities for the UK Government. We will meet our commitments under the UK Aid Transparency Guarantee: we will publish detailed information about DFID projects, including programme documents and all spend above £500. Information will be accessible, comparable, accurate, timely and in a common standard with other donors. We will also provide opportunities for those directly affected by our projects to provide feedback.

Managing transparency internally, GFD will meet the commitments made by DFID in the UK Aid Transparency Guarantee, publishing comprehensive details of all new projects and programmes on our website. We will welcome feedback. We have published summaries of the Multilateral Aid Reviews (MARs) for GFATM, GAVI, UNITAID and GPE. Future funding decisions will continue to be informed by updates of these reviews. We will liaise more with our network in country offices, travelling more extensively to hear lessons from the ground and to explain the MOs we work with. As members of governing Boards we will uphold principles of transparency and support the reforms outlined below.

This will help to increase transparency externally – amongst the MOs we work with and amongst the governing members. In the MAR assessments, the global funds generally came out well on transparency- for example GFATM publishes details on all grants and money committed and disbursed. The Fund's decision to publish/require recipients to publish procurement data has been a major driver for a range of innovations in transparency. GAVI is already a signatory to the IATI. GAVI has a disclosure policy and is transparent in publishing its governance, financial and programme details on its website.

Against this general assessment, there are some exceptions:

- GPE publishes a wide range of information including Board decisions and minutes, but could do more to collate and structure meaningful information, especially on portfolio performance.
- UNITAID's publication of documentation is patchy and often very slow. Knowledge and information sharing and management must improve.

We will meet the standards set out in the International Aid Transparency Initiative (IATI), and push all MOs to do the same. GFATM, GAVI are already IATI signatories. We will encourage all of the funds to promote transparency with partner governments in developing countries, making it easier for people to see how aid comes from donors, and how this is being spent. At an organisational level, we will press the funds to continually improve their reporting, their information sharing, and their communication of results, particularly GPE and UNITAID, where the MAR assessment indicated this could be improved.