UNITAID

END OF PROJECT EVALUATION
ACT SCALE UP PROJECT

Final Report

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## ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACT</td>
<td>Artemisinin Combination Therapy</td>
</tr>
<tr>
<td>AMFm</td>
<td>Affordable Medicines Facility – malaria</td>
</tr>
<tr>
<td>API</td>
<td>Active Pharmaceutical Ingredients</td>
</tr>
<tr>
<td>Global Fund</td>
<td>Global Fund to Fight AIDS, Tuberculosis and Malaria</td>
</tr>
<tr>
<td>KPI</td>
<td>Key Performance Indicator</td>
</tr>
<tr>
<td>LFA</td>
<td>Local Fund Agent</td>
</tr>
<tr>
<td>LTA</td>
<td>Long-Term Agreement</td>
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<tr>
<td>MOA</td>
<td>Memorandum of Agreement</td>
</tr>
<tr>
<td>MOH</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>M&amp;E</td>
<td>Monitoring and Evaluation</td>
</tr>
<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>MTR</td>
<td>Mid-Term Review</td>
</tr>
<tr>
<td>PMI</td>
<td>Project Management Institute</td>
</tr>
<tr>
<td>PR</td>
<td>Principal Recipient</td>
</tr>
<tr>
<td>PSM</td>
<td>Procurement Supply chain Management</td>
</tr>
<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
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<td>WHO</td>
<td>World Health Organisation</td>
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</table>

## ACKNOWLEDGEMENTS

The evaluation team and Euro Health Group would like to thank UNITAID and UNICEF staff for their contributions to this evaluation. Thanks are also due to individuals from other organisations who made time available for interviews and to those who responded to the country stakeholder survey.
1 INTRODUCTION

1.1 Background

UNITAID is a global health initiative, established to increase the availability and supply of high quality medicines, diagnostics and related commodities for HIV, malaria and tuberculosis in low-income and lower-middle income countries. By providing predictable, sustainable and additional funding, UNITAID aims to influence the market, promote market innovation and address market failure, in order to reduce prices and accelerate availability. UNITAID’s overall goal is to use innovative, global market-based approaches to improve public health. At the time of the Artemisinin Combination Therapy (ACT) scale-up project, UNITAID’s objectives were to:

- Increase access to efficacious safe products of assured quality
- Support adaptation of products targeting specific populations
- Ensure affordable and sustainably priced products
- Assure availability in sufficient quantities and timely delivery to patients

UNITAID funds implementing partners to procure medicines, diagnostics and related commodities on the basis of project proposals approved by the UNITAID Board. UNITAID is supported by public funding and is hosted by the World Health Organisation (WHO).

1.2 ACT scale up project

Malaria is a global health priority. Each year more than more than 250 million are affected by malaria and one million adults and children die from the disease. The WHO recommends ACTs as a first-line treatment for uncomplicated malaria. ACTs are highly effective, fast acting and can prevent the development of more complicated malaria. Replacing mono-therapies with combination therapies is also critical to address the emergence of drug resistance. By 2011, 79 countries had adopted ACT for first-line treatment of malaria. In 2007, when the UNITAID ACT scale-up project started, many countries were starting to roll out the new treatment guidelines, but the high cost of ACTs and limited availability of paediatric formulations were a barrier to scaling up.

UNITAID funded the ACT scale-up project in response to an urgent request from the Global Fund for additional funding for existing, well-performing Global Fund grants, in order to support accelerated scale up of ACTs in countries that had demonstrated the capacity to deliver ACT treatment to additional patients. The project aimed to scale up existing malaria programmes managed under Global Fund grants through UNITAID financing for procurement of additional ACTs. In addition to supporting scale up in these countries, the project was also intended to stimulate the market, by providing additional financing for ACTs, and to ensure that adequate supplies of ACTs were available. Accordingly, the original project objectives, set out in the Memorandum of Understanding, were to:

- Scale up the number of patients accessing and receiving ACT treatment
- Decrease drug delivery lead times and prevent stock outs
- Increase the number of quality manufacturers and products
- Achieve continuous supply of high quality ACTs at the best possible price and facilitate price reductions

UNITAID initially committed up to US$78,887,568 over four years (2007-2011) to support scale up of ACT under 11 (subsequently 12) Global Fund malaria grants in eight (subsequently nine) countries. Recipient countries were: Cambodia, Ethiopia, Ghana, Indonesia, Madagascar, Mozambique, South

Change in number of beneficiary countries and grants due to South Sudan becoming a separate country in 2011.
Sudan, Sudan and Zambia. The initial project target was to provide 47,016,160 courses of treatment with ACTs.

The ACT scale-up project was implemented in collaboration with the Global Fund and UNICEF. In summary, the roles and responsibilities of UNITAID and these partners were:

- UNITAID was responsible for the timely provision of funding to UNICEF for procurement and quality assurance of ACTs. Additional UNITAID responsibilities included review of project programmatic and financial progress, provision of strategic advice on market incentives and stimulation of ACT price reduction.
- UNICEF was responsible for the procurement and timely delivery of ACTs, including quality assurance and maintaining a buffer stock arrangement with suppliers, negotiations with industry and technical support to countries for drug supply and management.
- The Global Fund was responsible for determining which grants received UNITAID-funded ACT support. Additional responsibilities included adjustment of budgets and targets within the relevant grant agreements, approval of requests for disbursement of UNITAID-funded ACTs, based on grant performance, and technical support for project implementation.

1.3 End of project evaluation

The terms of reference for the evaluation (see Annex 1) focus on assessment of the ACT scale-up project’s achievements, relevance, effectiveness, efficiency and market and public health impact, as well as lessons learned.

The evaluation methodology included review of project documents and reports (see Annex 2), interviews with UNITAID and Global Fund staff in Geneva, UNICEF staff in Copenhagen and with other key global stakeholders and an online survey of country stakeholders including UN, national government, donor agency and civil society representatives (see Annexes 3 and 4).

The evaluation had a number of limitations. These include lack of comprehensive information provided in, and inconsistencies between, project reports. The response to the online survey was poor; the survey was sent to 105 stakeholders but only 13 responses were received, despite follow-up reminder e-mails and telephone calls, so survey responses are only referred to briefly in this report. To some extent this reflects the time that has elapsed since the project ended in 2011; many of those contacted were unaware of the project as they had not been in post at the time.

Since the project ended, UNITAID has developed a new strategy and has shifted the focus of its support for malaria medicines. UNITAID staff described the ACT scale-up project as a ‘legacy’ project and noted that the organisation no longer provides ‘top up’ funding for existing projects. In view of this, it was agreed that the focus of the evaluation should be forward looking. Therefore, this report concentrates on key findings, lessons learned and recommendations to enhance the success of future UNITAID-funded projects.

2 KEY FINDINGS

This Section summarises key findings related to project implementation, impact and management. It includes an assessment of progress towards project objectives: Section 2.1 discusses progress in decreasing drug delivery times, preventing stock outs and facilitating price reductions; Section 2.2 discusses progress towards treatment targets and increasing the number of quality manufacturers and products.
2.1 Project implementation

2.1.1 Procurement

The procurement strategy implemented by UNICEF Supply Division was generally effective. UNICEF used its standard procurement strategy for this project and it appears to have worked well in terms of delivering good quality and affordable drugs when and where they were needed. However, the effectiveness and efficiency of actual procurement was undermined by the complexity of the process and inaccurate forecasting.

The involvement of multiple actors and multiple steps in the procurement process undermined efficiency. Multiple stakeholders, including the Global Fund at headquarters level, its Local Fund Agent (LFA) in country, the Principal Recipient (PR) at country level, and the UNICEF Supply Division in Copenhagen were involved. The PR was responsible for providing a forecast of ACT requirements, which was submitted together with a disbursement request to Global Fund headquarters for review. Approved disbursement requests were communicated to UNICEF Supply Division, which triggered product procurement. The procurement process, including planned delivery, also involved coordination between UNICEF and the PR.

Initial forecasts of ACT requirements proved to be inaccurate in a number of recipient countries. The project proposal submitted to UNITAID reflected quantification of ACT requirements in 2006. At that time, consumption data was not available or incomplete, so forecasts were based on data on fever episodes or malaria case estimates. In some countries, this resulted in an over-estimation of treatment need and, hence, of ACT requirements. By the time the project began, ACT requirements had changed in some countries, either because needs had been over-estimated or because country capacity to absorb ACTs had been over-estimated or ACTs had been procured from other sources and these supplies had not been fully used. So, for example, based on revised targets and forecasts, Cambodia, Ethiopia, South Sudan and Zambia requested funds from Year 1 to be rolled over into Year 2. In some countries there were delays in submitting forecasts.

Although forecasting improved during the project timeframe, particularly with the shift to use of consumption data, it continued to be a challenge, requiring frequent revision of procurement plans. This reflects capacity weaknesses in areas including quantification and forecasting, logistics management and monitoring and evaluation. It also reflects challenges in producing accurate forecasts in contexts where there is a lack of good data on malaria incidence and mortality and a significant proportion of malaria cases are diagnosed based on clinical symptoms, where intensified prevention efforts were being implemented at the same time as ACT scale up and where treatment targets were frequently revised. However, more attention should have been given by project partners to validation of initial and revised forecasts, with clear allocation of responsibility for this role, as well as to technical support to strengthen country and PR capacity.

In Madagascar, over-quantification was a critical factor in the expiry of 500,000 unused ACT treatments. In 2009, Madagascar received more ACTs than were needed or could be used. Although the expiry of ACTs was the result of a combination of factors, including issues with lead time, missing product information sheets and political instability, inaccurate forecasting played a major role. Overall, the fact that these issues were not properly addressed was a major failure, which led to the expiry of a sizeable number of doses.

UNICEF took steps to secure the best possible prices for ACTs. UNICEF used a proven tendering process and Long-Term Agreements (LTAs) to secure favourable prices. UNICEF follows applicable UN rules and regulations and awards contracts primarily to pre-qualified providers, which does have an effect on pricing because it limits the number of suppliers.
Higher costs were incurred through provision of customized products. UNICEF reports that there were additional costs associated with the procurement of customized products and packaging for Cambodia and Madagascar. There is no record of why these customized products were requested or approved.

Freight costs were higher than anticipated. Although UNICEF makes efforts to reduce freight and distribution costs, freight costs were reported to have increased by 15-20% during the project. Provision of customized products also increased freight costs. No information was provided in reports about additional steps taken to contain freight costs.

Delivery and lead times were reduced. UNICEF reports that lead times were reduced from 3.6 to 2.1 months between Years 1 and 3 of the project, although it was not possible to verify this. According to UNICEF, use of pooled procurement – for which UNICEF receives funding from a range of sources in addition to UNITAID – contributed to shorter lead times by reducing transaction costs for manufacturers. However, as noted in the mid-term review, since this is a direct procurement – i.e. PRs essentially procure directly from UNICEF without tendering – lead times might have been expected to be even shorter.

Almost all deliveries were made on time or ahead of schedule. UNICEF tracked and reported on shipments to UNITAID, including reasons for delayed or late deliveries and measures taken to address them. UNICEF was also responsive to PR requests, delivering shipments when they were required to support scale up; staggering deliveries in line with country requirements helped to prevent both stock outs and expiry of ACTs.

UNICEF reports that there were no stock outs in the beneficiary countries during the project timeframe. The scope of this evaluation did not allow for verification of this data. It is also difficult to determine the extent to which this was due to additional financing provided by UNITAID. During the project timeframe there was a significant increase in investment in ACT procurement by other donors, including the Global Fund, US President’s Malaria Initiative and the World Bank, and it is therefore possible that stock outs would not have occurred even without UNITAID support. However, the WHO 2012 Global Malaria Report notes that, despite the efforts of the Interagency Supply Task Force, some countries continue to experience stock outs.

2.1.2 Partnerships and coordination

There was limited engagement with partners at global level to ensure effective coordination. UNICEF reports that, together with WHO, USAID, the Global Fund and others, it worked with manufacturers to prioritize orders for countries with a high burden of malaria and to enhance production capacity in 2011, when the launch of the Affordable Medicines Facility – malaria (AMFm) resulted in increased demand and higher prices for ACTs. Apart from this, there is little evidence that UNICEF and the Global Fund coordinated with other major donors for ACTs on a regular basis. For example, there was little engagement with the US President’s Malaria Initiative (Project Management Institute (PMI)), even though five of the countries involved in the UNITAID ACT scale-up project – Ghana, Ethiopia, Madagascar, Mozambique and Zambia – were also included in the PMI. However, USAID/PMI reports that collaboration has since improved. Better coordination might have enabled UNITAID both to better target its support in recipient countries and to focus its financing on countries with a greater need for ACTs and less donor support.

Links with the AMFm could have been stronger. During the project timeframe, UNITAID provided significant financial resources to the AMFm. While Phase 1 of AMFm had a specific private-sector approach that is substantially different to the public-sector approach used in the ACT scale-up project, no efforts appear to have been made by project implementing partners to consider the
combined impact of these two approaches or the implications of support for private sector scale up of ACTs on public sector demand or vice versa. However, discussions on coordinated efforts including both the public and private sectors are now occurring, and UNITAID's increased focus on market dynamics is promoting dialogue between a wider range of actors.

Problems in recipient countries affected implementation of Global Fund grants supported by the ACT scale up project. Specific problems included political change and instability in Sudan and Madagascar and concerns about fiduciary risk in Zambia. Conflict between Sudan and South Sudan and the political crisis in Madagascar slowed implementation in these countries. The Global Fund had to identify an additional PR in Sudan following the creation of South Sudan as a separate country and to change to a new PR in Zambia as a result of investigation of the Ministry of Health (MOH) and suspension of its grant; shifting responsibilities for grant management to new PRs also contributed to delays on implementation. Some of these problems, for example, conflict in Sudan, could perhaps have been anticipated at the project design stage and measures put in place to manage them.

Coordination at country level was variable. Coordination and communication about current and planned support between different partners involved in funding and implementing malaria programmes could have been better. More effective coordination might have helped to ensure that ACT demand forecasts were more accurate.

Key country stakeholders were aware that some ACT drugs procured by UNICEF were procured with UNITAID funds. There is limited evidence from the online survey conducted as part of this evaluation to indicate that country stakeholders, including government, implementing and supply chain partners and other organisations working on malaria, were aware that ACTs were being procured with UNITAID funds. More than half of respondents to a question on this issue reported that government partners had some awareness that ACTs were procured with UNITAID funds; a higher proportion of respondents reported that other stakeholders – implementing partners, supply chain partners and other organisations – were aware of this. UNICEF reports that it conducted annual surveys of participating Global Fund grant recipients to monitor satisfaction, but these surveys were not discussed in project progress reports.

2.1.3 Technical support

UNICEF provided technical support to countries. Although UNITAID does not fund technical support, project progress reports describe a range of UNICEF technical assistance to countries to support planning and implementation of ACT scale up. This included support for quantification, procurement of diagnostics, development of national guidelines for facility-based and community-based management of malaria, training of health and community workers, supportive supervision, distribution of drugs and commodities, monitoring and evaluation, communication and advocacy, and preparation of Global Fund proposals. Support for strengthening procurement and supply chain management was not provided.

There is no evidence of Global Fund facilitation of technical support to beneficiary countries. Provision of technical support for project implementation was included as one of the roles of the Global Fund in the Memorandum of Understanding (MOU). However, the Global Fund does not provide technical support directly, as it does not have technical capacity at country level, and project reports do not include any information about Global Fund facilitation of technical support.

2.1.4 Budget and expenditure

The original budget was revised downwards. In the original MOU, UNITAID committed up to US$78.8 million to the ACT scale-up project. According to UNICEF, the budget for Year 1 was under-
spent due in part to reduced prices obtained for ACTs and in part to requests from a number of countries for funds to be rolled over into Year 2. The budget was revised down to US$51.6 million in 2010. The final project report submitted in May 2013 shows total project expenditure of US$39.1 million; UNITAID’s Impact 2012 Key Performance Indicators report states that treatments to the value of US$34.4 million were funded. The reason for the significantly lower project expenditure than originally budgeted is not entirely clear. Overall, drug prices remained stable, freight prices increased and treatment targets were increased in each year of project implementation, which would imply an increase rather than a decrease in project expenditure.

2.2 Project impact

2.2.1 Public health impact

The public health impact of the project was not tracked. Attribution of public health impact to UNITAID was not considered feasible because it was one of a number of actors providing support for scale up of ACTs in beneficiary countries. Specific impacts reported by implementing partners include making an important contribution to the phase out of mono-therapies and delaying the emergence of drug resistance and to improving the availability of paediatric ACT. In Cambodia and Indonesia, the project is reported to have helped to meet immediate need for anti-malarial drugs. In other countries, it helped to increase access to ACTs at facility level and, in some cases, at community level.

It is not possible to determine how many patients received treatment with ACTs as a result of UNITAID support. The Global Fund and UNICEF were clear from the outset that it would not be feasible to track the number of patients treated as a result of UNITAID support, and that the number of ACT treatments provided would need to be used as a proxy for the number of patients treated. (This is based on the assumption that UNITAID-funded drugs delivered to a country are then distributed and used to treat patients; in practice this is not tracked separately for drugs funded by different donors.) However, project reports provide different figures for the estimated number of malaria patients treated with ACTs as a result of UNITAID support – in some places they refer to 32.4 million, in others to more than 82 million.

The project did contribute to increasing access to combination treatment in beneficiary countries. Approximately 37.7 million ACT treatments were procured and delivered to beneficiary countries between 2008 and 2012 with UNITAID funding. The final project report included a summary of progress towards country targets. This is shown in Table 1 below, which includes initial treatment targets for each Global Fund grant, the UNITAID contribution, the combined revised target (which includes the UNITAID contribution), and the total achieved. The WHO World Malaria Report 2012 reports that the total number of treatment courses delivered globally in the public and private sector increased from 76 million in 2006 to 278 million in 2011, due in large part to the AMFm. It also reports that ACT coverage in the public sector is high in several of the countries that were supported by the UNITAID-funded ACT scale-up project, including Cambodia, Ethiopia, Ghana, Sudan and Zambia; coverage in others, including Madagascar and Mozambique, remains lower.
Treatment targets were unclear and frequently revised. The initial project target in the Memorandum of Understanding was to provide 47 million ACT treatments. However, treatment targets for grants that were included in project reports were combined targets that reflected provision of support for ACTs from the Global Fund and UNITAID and, in some cases, from other donors as well. Targets were revised annually, and in some countries more often, reflecting changes in grant treatment targets. The first annual progress report states that, based on new treatment targets for seven of the 11 grants, the overall treatment target was revised to 42.1 million, which was significantly lower than the 47 million originally proposed for UNITAID support alone. Overall treatment targets were revised upward in the second annual progress report, to 54 million, and again in the third annual progress report, to 82.5 million. No reasons are provided in project reports for changes in targets or of the contribution made by the Global Fund and other donors to targets. Some explanation would have been useful, in particular for upward revision of targets, given that the simultaneous scale up of prevention interventions might have been expected to have had a positive impact on malaria incidence and, hence the quantity of ACT treatments required.

Progress reports did not provide detailed information about procurement on a country basis. Reports include information about overall progress towards procurement targets, but not a clear analysis of the quantities of drugs and formulations procured for each country. UNICEF has a comprehensive system for tracking orders and spreadsheets providing detailed information about procurements are available on the UNICEF website, but not in a format that allows for easy analysis. It would be useful for UNITAID portfolio managers if a summary analysis broken down by country were included in project reports.

The extent to which public health benefits will be sustained after the end of UNITAID funding is difficult to ascertain. UNITAID, in its 2013-2016 strategy, defines transition as the continued support by other actors for products that UNITAID initially funded. Transition is achieved when alternative sources of funding have been secured to prevent treatment interruptions and to maintain the market dynamic of the health product. Project reports provide little information about transition planning or sustainability after the end of the ACT scale-up project. The implicit assumption is that ongoing procurement will be funded by other donors and from domestic resources. However, experience during the project suggests that stocks may not be secure in some countries and that gaps in future funding could result in shortages of ACTs. For example, during the project, UNICEF highlighted concerns about the potential for low stock levels in Madagascar, South Sudan and Zambia, because of delays in the start of new Global Fund grants. Towards the end of the project timeframe in 2001,

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### Table 1: Progress towards treatment targets

<table>
<thead>
<tr>
<th>Country</th>
<th>PR</th>
<th>Initial target</th>
<th>UNITAID contribution</th>
<th>Combined revised grant target</th>
<th>Total grant reported results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cambodia</td>
<td>MOH</td>
<td>576,576</td>
<td>295,850</td>
<td>568,666</td>
<td>515,137</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>MOH</td>
<td>22,000,000</td>
<td>10,491,090</td>
<td>27,500,000</td>
<td>20,161,799</td>
</tr>
<tr>
<td>Ghana</td>
<td>MOH</td>
<td>9,517,222</td>
<td>2,790,020</td>
<td>11,307,222</td>
<td>9,251,186</td>
</tr>
<tr>
<td>Indonesia</td>
<td>MOH</td>
<td>395,749</td>
<td>139,350</td>
<td>534,149</td>
<td>459,841</td>
</tr>
<tr>
<td>Madagascar</td>
<td>UGP-CRESAN</td>
<td>2,053,792</td>
<td>1,469,912</td>
<td>918,497</td>
<td>184,238</td>
</tr>
<tr>
<td>Madagascar</td>
<td>PSI</td>
<td>1,040,015</td>
<td>3,035,143</td>
<td>6,969,076</td>
<td>3,141,682</td>
</tr>
<tr>
<td>Mozambique</td>
<td>MOH</td>
<td>19,153,000</td>
<td>9,500,940</td>
<td>18,653,940</td>
<td>14,843,510</td>
</tr>
<tr>
<td>Sudan</td>
<td>UNDP</td>
<td>8,097,520</td>
<td>3,009,425</td>
<td>11,097,020</td>
<td>8,001,894</td>
</tr>
<tr>
<td>Sudan</td>
<td>UNDP</td>
<td>7,760,000</td>
<td>0</td>
<td>7,760,000</td>
<td>8,419,412</td>
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<tr>
<td>South Sudan</td>
<td>UNDP/PSI</td>
<td>2,450,000</td>
<td>1,234,925</td>
<td>3,684,925</td>
<td>1,204,325</td>
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<tr>
<td>Zambia</td>
<td>MOH</td>
<td>8,999,611</td>
<td>1,967,670</td>
<td>10,967,670</td>
<td>12,182,001</td>
</tr>
<tr>
<td>Zambia</td>
<td>CHAZ</td>
<td>2,916,000</td>
<td>3,775,470</td>
<td>6,691,470</td>
<td>4,031,068</td>
</tr>
</tbody>
</table>

**37.7 million**
UNICEF and the Global Fund reported shortages of ACTs in Madagascar and Zambia, and UNITAID approved a request to use remaining project funds to procure additional ACTs for three Global Fund grants in these countries. However, UNITAID has recognised the need for greater emphasis on transition and sustainability, and has developed a tool to monitor the transition status of projects and guide implementers on producing a plan to address gaps in funding support.

2.2.2 Market impact

**Market impact was anticipated in several areas.** 1) Number of manufacturers participating in UNICEF tenders linked to UNITAID funding; 2) number of LTAs signed with manufacturers; 3) number of new manufacturers participating in UNICEF tenders linked to UNITAID funding; 4) number of new manufacturers awarded LTAs; 5) number of new products pre-qualified in a given year; and 6) percentage of price reductions. Reported data, taken from project progress and final reports, is summarised in Table 2.

Table 2: Progress against market-related indicators and targets

<table>
<thead>
<tr>
<th>Indicators and targets</th>
<th>Comment</th>
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</table>
| Number of manufacturers participating in tender (No target)  | • 2009: 30 manufacturers  
• No additional data                                      |
| Number of LTAs signed with manufacturers (No target)        | • 2007: 5  
• 2008: 5  
• 2009: 5  
• 2010: 5  
• 2011: 5  
• 2012: 3                                                |
| Number of new manufacturers participating in tender (No target) | • 2008-2009: Four new manufacturers participated in the tender  
• No additional data                                       |
| Number of new manufacturers awarded LTAs (No target)        | • No available data                                                    |
| Number of new products pre-qualified in a given year (Target: 2008: 1 new; 2009-2010: > 1 new) | • 2008-2009: Seven new products were pre-qualified  
• End of project: Total of 19 new products were pre-qualified |
| Percent price reduction in 2009 from 2007/2008 price. Product by product comparison (WAP, weighted price average) (Target: annual price reduction achieved) | • 2009: Price reductions achieved on two of seven products: 1) -2.7%; 2) -6.4%  
• 2010: Price reductions achieved on one of six products carried over from the previous year: 1) -1.8%  
• 2011: Price reductions on four of six products carried over from the previous year: 1) -2.8%; 2) -1.3%; 3) -6.4%; 4) -2.6%  
• 2012: Price reductions on two of three products carried over from the previous year: 1) -3.4%; 2) -2.7% |

Performance tracked by these market-related indicators cannot be directly attributed to the project. According to UNICEF, there was an increase in the number of generic and WHO prequalified suppliers and LTAs, translating into increased availability, including of generics, and annual price reductions. However, it is not possible to attribute improvements in these areas to the project. The number of existing and new manufacturers that participated in tenders, as well as the number of LTAs signed with existing and new manufacturers, was the result of wider UNICEF efforts, including use of annual tenders, to encourage market competition and a wider choice of product formulations. The final project report states that, since the start of the project, 19 formulations had obtained
prequalification. However, UNICEF and WHO are engaged in ongoing efforts to increase the number of pre-qualified products, including through a separate UNITAID-funded project. UNICEF noted that it is not possible to attribute the availability of new products to the project, as this is the result of the combined efforts of many actors.

**The project did have an important catalytic effect on the market for paediatric ACT.** It does appear that the introduction in 2009 of a new dispersible paediatric formulation of Artemether+Lumefantaine, which was offered at comparable prices to a non-dispersible formulation, had an impact on the market. The dispersible formulation helps ensure that children receive the correct therapeutic dose and its introduction at a favourable price helped drive production and uptake of this innovative product.

**No significant reductions in prices were achieved but UNICEF was able to contain costs despite increased global demand.** Analysis of the data in this report suggests that during the project timeframe overall prices remained relatively stable, with price reductions for some products and price increases for others. There were significant price increases in 2011 due to increasing global demand for ACTs resulting from the launch of the AMFm and a push by manufacturers to replenish their artemisinin inventories and API (Active Pharmaceutical Ingredients) buffer stocks in order to meet needs for 2011 and 2012. This did not have a major impact on the project as UNICEF had for the most part fulfilled orders for beneficiary countries prior to this.

**The impact of the project on the market for ACTs was more limited than originally envisaged as a result of broader changes.** UNITAID recognizes that the direct impact of the project on the market was likely to be limited, given the significant increase in investment in ACT procurement by other actors including the Global Fund, PMI and the World Bank, during the project timeframe. The midterm review notes that, while UNITAID support was important, it represented a relatively small proportion – around 9.3% – of investment in procurement of ACTs by the major donors.

**However, the increase in international funding for the purchase of ACT drugs – including UNITAID funds – did have a major impact on the market.** The increased global resources made available directly correlate with improvements in the market for ACTs. The increased demand for quality drugs and the stability of this demand, which was essentially guaranteed by donors through a range of initiatives, including the PMI, AMFm and the UNITAID ACT scale-up project, was a major incentive for manufacturers to engage in the market.

**There is little evidence that market analysis or informed engagement with industry or other significant players in the market contributed to major changes in market dynamics during the project.** Increased funding for large-scale drug procurement was the main driver for increased availability of ACTs. Project reports include little information about engagement with industry or other significant players in the market or outcomes from any engagement or analysis of market impact. UNICEF does, however, provide updates on ACT procurement and projected demand to its LTA ACT holders and the WHO Global Malaria Programme, which informs global forecasts that are shared with industry, in order to facilitate production planning. Since 2011, UNITAID has increased its engagement with industry, including its support for the AMFm and its work on market dynamics and improved forecasting.
2.3 Project management

2.3.1 Roles, responsibilities and effectiveness of partners

Project management was complex and created inefficiencies. Project management involved multiple actors and multiple lines of communication. The project was managed by the Global Fund and UNICEF and it was implemented in partnership with Global Fund PRs at country level. Global Fund PRs submitted forecasts and disbursement requests to the Global Fund for review. Communication of Global Fund approval to UNICEF triggered the procurement and delivery process, which UNICEF implemented in coordination with PRs. The complexity of the process and the time taken between country quantification and procurement slowed implementation, particularly in the initial stages of the project. PRs reported results to the Global Fund, and the Global Fund and UNICEF submitted joint progress reports to UNITAID.

Using Global Fund systems contributed to inefficiencies. In principle, it was expected that using existing Global Fund structures and systems, rather than establishing parallel systems, would ensure efficient management of the project. However, in practice, the complexity of the Global Fund’s grant management system hindered efficient implementation. For example, aligning disbursement of funds to Global Fund grant cycles was challenging, consolidating grants and reallocating funds from one grant to another was a convoluted process, and there were complex internal procedures for procurement and supply management. In addition, each Global Fund grant has its own reporting cycle, which was not necessarily aligned with UNICEF reporting cycles or UNITAID reporting requirements.

There was no agreed system to document and approve adjustments in targets and budgets. As discussed earlier, targets and budgets were frequently revised. In principle, this would have required revisions to the Memorandum of Understanding. This was not done consistently. UNICEF reports that it introduced a logbook to track changes, to avoid the need for frequent revision and re-signing of the MOU. This was initially acceptable to UNITAID but following staff changes was no longer deemed appropriate; however, no agreement was reached on an alternative approach.

There was effective collaboration between the three partners. Despite the complexity of project management arrangements, collaboration between the Global Fund and UNICEF and between the implementing partners and UNITAID was reported to be good. The main issue was frequent staff changes at the Global Fund and UNITAID. In addition, UNITAID systems evolved during the project timeframe. This created some challenges for implementing partners, for example, as a result of the introduction of new Monitoring and Evaluation (M&E) frameworks and reporting templates, and additional requests for project information.

UNITAID, UNICEF and the Global Fund broadly fulfilled the roles and responsibilities set out in the Memorandum of Understanding. Table 3 includes a summary assessment based on available information.

Table 3: Role and responsibilities of UNITAID, UNICEF and the Global Fund

<table>
<thead>
<tr>
<th>Roles and responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNITAID Timely provision of funding to UNICEF for the purchase, quality assurance, delivery and related procurement management of ACTs for the 8 beneficiary countries</td>
<td>Funds have mostly been disbursed on a timely basis. Delays in disbursements were due to UNITAID requests for clarification on progress reports. Disbursements were not initially linked to progress; UNITAID has since introduced a system where disbursements are linked to performance.</td>
</tr>
<tr>
<td>Ongoing review of financial and programmatic</td>
<td>There was limited evidence that UNITAID</td>
</tr>
</tbody>
</table>
### Roles and responsibilities

<table>
<thead>
<tr>
<th>Role</th>
<th>Responsibility</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UNICEF</strong></td>
<td>Development of a procurement strategy</td>
<td>Procurement plans were developed, using UNICEF’s standard strategy.</td>
</tr>
<tr>
<td></td>
<td>Coordinating and managing procurement and timely delivery of high quality ACTs</td>
<td>UNICEF managed procurement and ensured quality and timely delivery. UNICEF also took steps with manufacturers to ensure buffer stocks.</td>
</tr>
<tr>
<td></td>
<td>Submitting interim progress reports and annual procurement and financial reports to UNITAID</td>
<td>Reports submitted in line with schedule.</td>
</tr>
<tr>
<td></td>
<td>Engaging and negotiating with industry within the context of parties’ combined efforts to stimulate an increase in the availability of ACTs of assured quality and facilitate the stimulation of price reductions</td>
<td>Action taken to increase availability and secure competitive prices.</td>
</tr>
<tr>
<td></td>
<td>Collaborating with the WHO prequalification programme to encourage supplies to seek prequalification of ACTs</td>
<td>Ongoing collaboration with WHO prequalification programme.</td>
</tr>
<tr>
<td></td>
<td>Facilitating technical support in drug supply and management for beneficiary countries, if required</td>
<td>Technical assistance was provided but not for drug supply and management.</td>
</tr>
<tr>
<td></td>
<td>Taking appropriate action in coordination with UNITAID and the Global Fund to suspend future deliveries upon notification from the Global Fund that a relevant grant has been terminated or suspended.</td>
<td>Appropriate action taken.</td>
</tr>
<tr>
<td><strong>Global Fund</strong></td>
<td>Determination of which Global Fund grants will receive UNITAID-funded ACT contributions.</td>
<td>Global Fund identified grants to receive UNITAID support. Subsequent challenges suggest the need for better assessment of country context and capacity.</td>
</tr>
<tr>
<td></td>
<td>Adjustment of Global Fund budgets and targets within the relevant grant agreements to reflect increased UNITAID-funded treatment targets agreed between the Global Fund and the PR for the ACT scale up initiative.</td>
<td>Budgets and targets adjusted.</td>
</tr>
<tr>
<td></td>
<td>Monitoring and reporting to UNITAID of Global Fund programme results and targets relevant to the ACT scale up project</td>
<td>Results reported.</td>
</tr>
<tr>
<td></td>
<td>Submission of interim progress reports and</td>
<td>Reports submitted.</td>
</tr>
</tbody>
</table>
### Roles and responsibilities

<table>
<thead>
<tr>
<th>Roles and responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>annual programmatic reports to UNITAID</td>
<td>Requests reviewed. Extent to which approval based on performance questionable.</td>
</tr>
<tr>
<td>Determination of whether or not to approve PR requests for disbursement of UNITAID-funded ACTs based on performance</td>
<td>No evidence of facilitation of technical support.</td>
</tr>
<tr>
<td>Facilitation of technical support to help ensure successful implementation including attainment of treatment targets</td>
<td>Eligibility assessed.</td>
</tr>
<tr>
<td>For beneficiary countries receiving phase 1 grants, determination of eligibility to continue to receive UNITAID-funded ACTs during the remaining years i.e. phase 2</td>
<td></td>
</tr>
</tbody>
</table>

**Effective performance depended on country implementing partners.** Although the Global Fund and UNICEF managed the project, effective implementation and reporting depended on country partners – the PRs, MOH (when these were not the PR), and other key actors in malaria programming. In several cases, project challenges were due to weaknesses in national systems, in particular systems for quantification and forecasting, logistics and supply chain management, and monitoring and evaluation, as well as in country capacity and preparedness for ACT scale up.

**Accountability is challenging when multiple stakeholders are involved.** For example, the problem with expired drugs that occurred in Madagascar was due to a combination of factors. As discussed above, initial needs were over-estimated, disbursement requests for 2008 were received at short notice, the manufacturer failed to provide patient information leaflets with the drugs, and the start of distribution coincided with a political crisis. However, it is unclear who should have taken action or been held accountable.

**UNITAID systems for management of project documentation and the review of and feedback on project reporting were weak.** The mid-term review highlighted the need to improve UNITAID management of project documentation. UNITAID finance staff have been rigorous in their review of financial reporting. No evidence was provided to the evaluation team to suggest that portfolio managers had reviewed or provided feedback on project progress reports, although the UNITAID Board requested clarifications.

**Inadequate attention was paid to risk assessment and risk management.** Although UNICEF does employ some risk mitigation measures, for example, quality assurance of commodities, neither UNITAID, UNICEF nor the Global Fund appear to have had a comprehensive system for risk assessment or risk management system in place.

### 2.3.2 Reporting and M&E

**The quality of project reports could have been better.** The Mid-Term Review (MTR) highlighted concerns about the standard of reporting, noting that reports were not well structured and that it was difficult to find key information. The evaluation team shares this view. Although project reports do provide some useful information, there is too much detail about issues such as compliance with conditions of the Memorandum of Understanding and technical support provided by UNICEF using its own resources, and not enough analysis of progress and achievements, challenges and lessons learned. Information about the status of grants and amendments to grant agreements is confusing. Little or no explanation is given for over- or under-achievement of targets or deviations from the
budget. There are also inconsistencies between, and in some cases within, reports. Despite UNITAID requests, UNICEF also continued to report on weighted average price, rather than on median price. **UNITAID reporting requirements changed and increased during the project.** Both the Global Fund and UNICEF reported to the mid-term review that UNITAID requirements changed and become more complex and time-consuming during the project timeframe.

**Country-level indicators varied, making it difficult to compare results across countries.** The Global Fund has encouraged countries to identify and use their own indicators to track performance. This approach aims to reduce the reporting burden on countries by enabling them to use existing indicators and data collection systems. In practice, some of the indicators used provided data of poor quality and/or limited utility. This approach also means that it is difficult to compare results across countries. With this project, 15 different treatment indicators were used across the nine countries. Some of the challenges with reporting, in particular on results, are due to lack of completeness of data from countries. This reflects weaknesses in national M&E systems. For example, in the September 2010 progress report, Mozambique was reported to be unable to provide data although the first delivery of UNITAID-funded ACTs had arrived in country in mid-2008. This raises questions about how the Global Fund defines well-performing grants and suggests that there is a need for more rigorous initial assessment of country capacity for M&E and ability to meet reporting requirements.

**UNITAID had some concerns about UNICEF financial reporting.** UNITAID developed a specific finance template for the ACT scale-up project and UNICEF financial reporting was reported to have improved; the main concerns related to responsiveness and timeliness of reporting. The final financial report was submitted in May 2013 and UNITAID finance staff stated that this was satisfactory.

**UNITAID concerns about independent audit and disclosure of interest earned were not resolved.** UNICEF follows UN in-house audit procedures and, consequently, is unwilling to allow an independent audit of project finances. UNITAID can access internal audit reports on the UNICEF website but cannot download or print these reports. In line with UN practice, UNICEF does not report on interest earned on project funds held. However, this has been a less critical issue since UNITAID changed its approach from a disbursement schedule to disbursements based on actual expenditure, thereby reducing the amount of funds held.

**The MTR was conducted late on in the project.** The project timeframe was 2007 to 2011. The report of the MTR was published in December 2011, at the end of the project. Most of the recommendations in the review related to future projects and UNITAID has taken steps to address many of the issues raised. Table 4 provides a summary of the recommendations and action taken since.

### Table 4: Summary of MTR recommendations and follow up action

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project management and implementation</strong></td>
<td></td>
</tr>
<tr>
<td>UNITAID should continue funding the project until the end of 2011 and make sure that implementing partners report on final achievements of the project in a timely manner.</td>
<td>Project funding was continued through 2012. Reporting was timely.</td>
</tr>
<tr>
<td>In the future, UNITAID should consider channelling its funds through more efficient implementation arrangements. One option is to increase its contribution to AMFm, once more evidence on AMFm impact is available.</td>
<td>In general, UNITAID is moving to support projects that are efficient and cost-effective. UNITAID has also moved away from top up funding for existing projects and may thus be less beholden to existing systems and their inefficiencies.</td>
</tr>
<tr>
<td>UNITAID (portfolio managers) should monitor key</td>
<td>Historically, UNITAID has not been structured around</td>
</tr>
</tbody>
</table>
Recommendation | Comment
--- | ---
Changes in beneficiary countries that are likely to have an impact on the project. A section for key country information should be included in the report template. | This type of portfolio management; neither has the Global Fund. Recommendation yet to be fully addressed.

Design and implement a risk management plan addressing phasing-out, reporting, control, budget and target objective changes and project management. An external consultant expert in the topic could be contacted. | UNITAID has taken steps to improve its risk management of projects.

UNITAID should in its MoU require its partners to report on interest earned (to be reallocated to the project or deducted from the next disbursement). | UN organisations do not disclose interest earned on project funds held to their donors.

Disbursements should be more closely linked to performance. | UNITAID now links disbursements more closely to actual expenditure. More clarity is needed on what other aspects of performance should be used to determine disbursements.

Monitoring and evaluation

As lessons learned for future projects, UNITAID should make sure that key indicators of performance defined for its projects are measurable. UNITAID could plan for consumption surveys in sentinel sites or it could redefine indicators that measure only the number of treatments procured. | UNITAID is committed to improving its monitoring and evaluation and a critical component of that commitment is strong and measurable indicators. However, the nature of those indicators depends on the nature of the project. Consumption surveys would be costly, and may not be considered central to UNITAID’s mandate. If UNITAID opts to measure treatments procured, it needs to accept that it will not be feasible to directly attribute the number of patients treated or public health impacts to its funding.

Establish a common logframe template for all projects, with a menu of suggested objectives. This template could be used to assist formative evaluation in the course of the projects. The indicators should be more precisely defined and the targets should be specified. | In January 2013, UNITAID launched UNIPRO, an Excel-based logframe ‘tool’ and is also committed to using templates to improve its operations, although it may not be possible or advisable to move toward a common logframe template for all projects. UNITAID has recognized that it is not always possible to standardize indicators, given differences between projects. However, having better and more precisely defined indicators and targets is not dependent on a common logframe template.

Market price reduction should be measured using market price reduction over time. In addition, the comparison of WAP paid by the project to the market price should be used to measure procurement efficiency. | No comment. Recommendation unclear.

Reporting

UNITAID should set up an internal document filing system common to all projects, consistent with standard archiving and knowledge management procedures. The website could be empowered, if it is not yet, with a Content Management System (CMS). | UNITAID has taken steps to improve its management of documents.

Simplify the reporting requirements; select a few programmatic and financial indicators, integrating them into existing data reporting systems. Establish systematic data quality checks. | UNITAID is taking steps to improve its reporting processes.

A clear template for interim and annual reports, including a programmatic and financial section, should be provided. | UNITAID has improved its reporting templates.
2.4 Summary of findings

Achievement against project targets and objectives

<table>
<thead>
<tr>
<th>Target/objective</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>47 million treatments.</td>
<td>37.7 million treatments provided.</td>
</tr>
<tr>
<td>Scale up the number of patients accessing and receiving ACT treatment.</td>
<td>Project contributed to increased availability of ACTs. Assuming these were used by recipient countries, it also contributed to increasing the number of patients receiving ACT treatment and may have helped accelerate the pace of scale up. Direct attribution of patients accessing and receiving treatment to UNITAID funding is not feasible.</td>
</tr>
<tr>
<td>Decrease drug delivery lead times and prevent stock outs.</td>
<td>Delivery lead times were reduced, reportedly from 3.6 to 2.1 months. No stock outs reported in recipient countries.</td>
</tr>
<tr>
<td>Increase the number of quality manufacturers and products.</td>
<td>Number of manufacturers and products increased. This cannot be directly attributed to the project, although it is likely that it made a contribution.</td>
</tr>
<tr>
<td>Achieve continuous supply of high quality ACTs at the best possible price and facilitate price reductions.</td>
<td>Project contributed to supply security. Pricing was influenced by positive and negative factors in the market but competitive prices were secured and maintained.</td>
</tr>
</tbody>
</table>

Achievement against OECD criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevance</td>
<td>Project consistent with UNITAID goal and objectives, although its nature did not lend itself to use of innovative global market-based approaches. Project met need for ACTs, although over-estimated forecasts and increased funding by other donors suggest that UNITAID funding may not have been critical. Insufficient evidence to determine whether most disadvantaged populations benefited most.</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>Fewer ACT treatments were delivered than anticipated, but this was mainly due to inaccurate forecasting, increased support from other donors, and reduced need for treatment. Project objectives met to varying degrees, again largely because of other factors influencing the market, weaknesses in national capacity and specific problems in some recipient countries.</td>
</tr>
<tr>
<td>Efficiency</td>
<td>Implementing partners worked well with national authorities. UNICEF’s approach to procurement was able to identify and resolve problems. However, the complex project management structure and involvement of multiple stakeholders were not conducive to efficiency.</td>
</tr>
<tr>
<td>Impact</td>
<td>Market impact was limited. Not possible to attribute public health impact directly to UNITAID funding due to drugs not being tracked by funding source once delivered in country.</td>
</tr>
<tr>
<td>Sustainability</td>
<td>Sustainability dependent on continued funding by other donors. No evidence of planning for the transition.</td>
</tr>
</tbody>
</table>

3 LESSONS LEARNED AND RECOMMENDATIONS

UNITAID has learned from experience with the ACT scale-up project and other early projects and has applied much of that learning to improve its systems and approaches. The following summarises a number of lessons learned from the ACT scale-up project, including some that have already driven change within the organisation, and recommendations for UNITAID to consider as the organisation moves forward.
3.1 Strategic focus

The use of UNITAID funds to top up the budgets of existing projects is a legacy from the early years of the organisation, when there was pressure to disburse funds quickly. Support for the ACT scale-up was provided in response to a specific and urgent request from the Global Fund. Since the end of the ACT scale-up project, UNITAID has refined its strategy and shifted away from funding this type of project. As the 2013-2016 strategy states, the organisation has moved from operating mainly as a large-scale procurement funder to building its capacity for market analysis and placing greater emphasis on innovation and support for market entry of promising new products. Since the end of the ACT scale-up project, UNITAID has also shifted the focus of its support for malaria control, including increasing support for private sector provision of quality drugs and improving malaria diagnosis through increasing the availability of rapid diagnostic tests.

Lessons learned from the ACT scale-up project, in particular the limited market impact that can be achieved through adding funds to a much larger pot of money and the challenges of attribution, confirm that UNITAID is moving in the right direction. **UNITAID should only fund large-scale procurement where analysis suggests that this could have a significant impact on the market and this impact can be measured.** UNITAID should continue to focus its support on innovative initiatives that could have significant impact. Some of these initiatives, such as the Medicines for Malaria Venture, have significant donor support and it may be difficult to assess UNITAID’s specific contribution. Therefore, UNITAID should prioritise areas where it has a comparative advantage and market intervention is most needed, based on the approach set out in its 2013-2016 strategy.

The impact of the project on the market was more limited than originally envisaged. UNITAID’s knowledge of markets and market impact has since evolved, including through the establishment of a market dynamics team in 2010. UNITAID expects its implementing partners to influence and engage with industry, with UNITAID providing advice. **The evaluation supports UNITAID’s intention to improve communication with implementers so that they fully understand its approach to market intervention. It also needs to strengthen its provision of guidance for implementing partners in this area.**

Limited engagement with global partners during the project was a major missed opportunity. Consultation with other key stakeholders, including major donors and implementing organisations, could have helped to ensure that the project – and UNITAID’s wider project portfolio – maximised its potential to leverage markets. UNITAID’s significant financial resources give it the potential to establish relationships with key stakeholders in the market and to influence market dynamics, particularly if it coordinates with other major funders. **In its 2013-2016 strategy, UNITAID has identified the need to work more systematically with the Global Fund, including on sharing market intelligence and demand forecasting; this approach should be widened to include all of the main global stakeholders and donors for malaria programmes.**

One of the key lessons from the ACT scale-up project, as well as from other UNITAID-funded projects, is the need for better forecasting of demand. An external review of Phase 1 of the AMFm found that a demand forecast commissioned by UNITAID was “relatively robust at the global and regional levels, but much less so at the country level”. UNITAID has recognised the need for better forecasting and has increased its investment in this area, including through work being done by the Boston Consulting Group. **UNITAID should continue to support efforts to improve forecasting.**

Poor forecasting often reflects weaknesses in country capacity. UNITAID does not fund technical support or capacity building to strengthen national systems. However, the ACT scale-up project highlighted the impact of weaknesses in national capacity for quantification and forecasting, supply chain management, and monitoring and evaluation on the achievement of project objectives, as well as the technical support limitations of both UNICEF and the Global Fund. **UNITAID may need to**
reconsider its policy of not funding technical support or to identify implementing partners that have the capacity to provide effective and essential support in recipient countries.

3.2 Project design, implementation and management

Give the urgent nature of the request for support from the Global Fund, a full proposal for the ACT scale-up project was not developed and the project was not informed by a market analysis. As a result, issues such as implementation, roles and responsibilities of key partners and clear accountability were not set out in sufficient detail. Subsequent problems suggest that there is also a need for more rigorous assessment of proposed recipient countries. For example, Global Fund assessment of grant performance, and country readiness for scale up and capacity to absorb additional ACTs, were clearly over-estimated in some cases. UNITAID should build on steps already taken to improve the proposal process, to ensure that proposal review includes assessment of the political and institutional context, capacity of countries and implementing partners and the potential impact of changes in the global aid architecture.

The ACT scale-up project highlighted the limitations of both the Global Fund and UNICEF in terms of country capacity, efficiency, ability to provide technical support, and scope to engage with industry. Ideally, UNITAID needs to consider working with a wider range of implementing partners, including looking beyond UNICEF for procurement support. Although, in practice, the options available are limited, UNITAID’s 2013-2016 strategy identifies the need to engage with international public health organisations and, specifically, to ensure that a broader base of implementers, including those from developing countries, execute UNITAID-funded interventions. UNITAID should consider developing a clear partnership strategy that reflects a wider range of implementing partners.

A key lesson learned is the need for project MOU to set out expectations in sufficient clarity and detail and to identify clear lines of accountability. Since the ACT scale-up project, UNITAID has modified its approach. For example, it now conducts a fiduciary assessment of potential partners, renews legal agreements and contracts annually, has introduced customised grant agreements and an improved budget template, and links financial disbursements to implementing partner performance. Efforts to strengthen accountability include identifying a lead implementer, which has overall responsibility for delivery of project objectives. Legal agreements need to set out roles and responsibilities in more detail, for example it would have been useful to specify which partner or partners were responsible for verifying and monitoring forecasts and cost estimates and for transition planning, and to be much clearer about lines of accountability.

The MTR noted that changes, for example, in targets and budgets, were not systematically reflected in revisions to the MOU. UNICEF reports that no agreement was reached on how best to address frequent revisions to targets. UNITAID needs to establish a system for formalising revisions to MOU; annual review of agreements should allow for mutually agreed revisions to be made as necessary as well as providing an opportunity to formalise and approve changes in targets and budgets.

The MTR also noted that there were no MOU with recipient countries; legal agreements were based on Implementation Letters amending existing grant agreements between the Global Fund and PRs, although these were not signed for some countries, for example, Ethiopia and South Sudan. There is no evidence that Implementation Letters ensure country commitment to timely and accurate quantification and forecasting or the timely submission of requests and provision of data. UNITAID needs to ensure that implementing partners have legal agreements with recipients in place, which set out clearly the expectations and responsibilities of national authorities, and monitor the extent to which countries meet these commitments.
UNITAID has taken steps to strengthen project management but needs to ensure that it has effective systems in place to manage project documentation, provide consistent feedback, monitor performance and ensure that partners meet their obligations, as well as clearly agreed steps to address poor performance. Higher priority should be given to efficiency and value for money in projects. UNITAID should ensure that systems for review of project reports are implemented and review findings and feedback to implementing partners are documented. It should also consider more systematic review of project cost-effectiveness in addition to its plans to ensure maximum value for money.

One of the key lessons from the problems that arose in Madagascar, Sudan and Zambia during the ACT scale-up project is the need for UNITAID and its implementing partners to have in place a comprehensive system of risk assessment and risk management. UNITAID should ensure that the risk assessment and mitigation template it introduced in January 2013 is used and reported against by implementing partners.

### 3.3 M&E, results and attribution

When the ACT scale-up project was initiated, UNITAID did not have standard core indicators or a standard M&E framework. UNITAID has since made significant improvements in its approach to M&E, including introducing Key Performance Indicators (KPIs), a standard logframe template and a portfolio management tool to support monitoring and generate impact reports. However, there is still a need for better indicators, including measures that are linked to UNITAID’s corporate KPIs and to other M&E resources such as the malaria indicator survey. UNITAID could also consider additional approaches to monitoring and evaluating of impact, using tools such as longitudinal or specifically commissioned studies, as well as independent monitoring and evaluation to verify reports submitted by implementing partners. For the latter, UNITAID could consider collaboration with other key stakeholders and donors, for example, on country and sector reviews.

The ACT scale-up project also highlights the need for UNITAID to consider the overall impact of its portfolio. Current M&E efforts focus on separate, although complementary, projects. In malaria, for example, consideration could be given to exploring the interaction between, and overall impact of, UNITAID support for the public and private sectors and for prequalification.

Measurement of public health impact and attribution to UNITAID was a challenge for the ACT scale-up project. Where commodities are procured through multiple channels or by different donors and are then pooled at the country level, tracking and attribution to a specific donor is a significant challenge. Tracking is further complicated by the fact that it relies on implementing partner and national systems and on the quality and completeness of country data. UNICEF and the Global Fund were clear from the outset that attribution to UNITAID would not be feasible. UNITAID accepts this but evidence of the impact of its support for drugs, diagnostics and other commodities remains a priority. UNITAID needs to continue its efforts to develop clear, measurable objectives for public health impact and better ways to track this impact.

The end of project evaluation was conducted almost two years after the project finished. During that time, personnel changed and institutional memory was lost, which made it difficult to obtain useful feedback. In future, UNITAID should aim to conduct evaluations as soon as possible after project completion.
ANNEXES
ANNEX 1: TERMS OF REFERENCE

UNITAID End of Project Evaluations

Objectives of the activity

The end of project evaluation is expected to assess each project under review and to determine whether or not it met the objectives that form part of the agreement between UNITAID and the implementer. The impact of the project will be measured in terms of how it has changed the market for products of public health importance as well as its public health impact. Where a project has been the subject of a mid-term review, the evaluation should take into consideration whether or not the recommendations of that review have been implemented by the implementer and where relevant by UNITAID.

Work to be performed

Work will be carried out under the overall supervision of the UNITAID Monitoring and Evaluation team in conjunction with the Director of Operations. The evaluation should consider project achievements and lessons learned. The evaluation report will be widely disseminated and available to all WHO/UNITAID stakeholders, including the general public, via the WHO/UNITAID website www.unitaid.eu

The evaluation should be based on the completed projects’ contractual agreements and project plans. These will include any specific objectives that were initially set by UNITAID and its implementing partner as well as an assessment of the project’s achievements and impact. Project impact should be evaluated from two perspectives:

- Market impact (intentional and unintentional) for the products provided under the project agreements.
- Public health impact for the beneficiaries of the medicines, diagnostics and related products provided through the project.

Evaluation questions should cover the areas of product selection, forecasting, procurement and response time in addition to the project relevance, effectiveness, efficiency and impact questions listed below.

Relevance:
- Identify the activities and outputs of the project and demonstrate that they are consistent with the objectives and expected outcomes as described in the project plan.
- Indicate if and demonstrate how the project has contributed to UNITAID’s overall goal of contributing to the scale up of and access to treatment for HIV/AIDS, malaria and TB for the most disadvantaged populations in low and middle income countries using innovative global market based approaches.

Effectiveness:
- Were the objectives of the project achieved? If yes, were they achieved within the timeframe specified within the initial project plan?
- What were the main factors influencing the achievement or non-achievement of the objectives?
Efficiency:
- How well did the project partners work closely with the relevant national authorities in project beneficiary countries? Is it possible to demonstrate a close connection between implementing partners and national authorities?
- Verify and substantiate if the project’s procurement model was well defined and designed to identify and solve procurement-related problems as appropriate.

Impact:
- Verify and substantiate that the partner organisation can attribute UNITAID funding to medicines, diagnostics or preventive products purchased and patents treated in beneficiary countries in a timely manner. If the attribution of treatments, diagnostics or preventive products to UNITAID funding is not possible, suggest ways to improve the connection between UNITAID funding and patients treated.

The tasks and responsibilities will include:
- Meeting with WHO/UNITAID staff to develop and refine evaluation questions and methodology.
- Consulting with all relevant stakeholders to ensure a balanced and fair perspective on the project’s achievements.
- Reviewing project documentation including project specific monitoring indicators and financial reports.
- Reviewing the reporting templates for both project performance and financial reporting and suggesting improvements to project reporting for future projects based on lessons learned from completed projects.
- Providing an overall evaluation of the management of each project including strengths, weakness, opportunities and threats.

UNITAID requires that the contractors consider the following information:
- Legal agreements between UNITAID and its implementing partners for each project.
- Progress reports and follow-up performed by UNITAID portfolio managers with regards to semi-annual and annual reports from implementing partners.
- End of project reports from implementing partners.
- Market intelligence gathered by UNITAID and from external sources.
- Surveys of stakeholders and beneficiaries.
- Financial reports from implementing partners.

UNITAID will provide project plans, legal agreements, project reports and financial reports from implementing partners as well as any other information deemed necessary to perform a thorough evaluation of the project. The scope of the project evaluations should not extent beyond the scope of the relevant programmatic review provisions contained in the applicable agreements that UNITAID has with its implementing partners.
ANNEX 2: DOCUMENTS REVIEWED

**Project documents**

**UNITAID**
Malaria factsheet.
Strategy 2010-2012.
Generic logframe template
HIV, Tuberculosis and Malaria Medicines Landscape, January 2012.
Policy brief: ACT demand forecast, 2012-2013, April 2012.
Demand forecast for ACTs in 2012-2013.

**Other**
AMFm (2012). Assessment of the effects of the AMFm on market dynamics of API and ACTs at the global level.
European Network on Debt and Development (2011) How to spend it: Smart procurement for more effective aid.
ANNEX 3: PEOPLE CONSULTED

The following individuals were consulted during the evaluation:

**UNITAID**
Irina Avchyan, Finance Administrator
John Cutler, Portfolio Manager, Malaria Operations
Kate Strong, M&E Officer
Lorenzo Witherspoon, Technical Advisor
Ambachew Medhin Yohannes, Technical Officer, Malaria Operations

**UNICEF Copenhagen**
Francisco Blanco
Gitanjali Sakhuja

**Global Fund**
Annette Reinisch, Monitoring Specialist

**USAID PMI**
Julie Wallace, Malaria Division Chief
ANNEX 4: COUNTRY STAKEHOLDER SURVEY

1. Which agencies and organisations are the main stakeholders for malaria in the country?
   Please select all that apply:
   - Ministry of Health
   - National Malaria Control Programme
   - Other national government ministries, agencies and/or departments
     (please specify in the box below)
   - UN agencies (e.g. WHO, UNICEF)
     (please specify in the box below)
   - Multilateral and bilateral donors and initiatives
     (e.g. Global Fund, UNITAID, RBM, USAID, PMI, DFID)
     (please specify in the box below)
   - Implementing partners
     (please specify in the box below)
   - International NGOs
   - Local NGOs
   - Other
     (please specify in the box below)

2. Which agencies and organisations are the five main funders for malaria drugs/ACTs?
   Please list in order, starting with the largest source of funds:

3. Are you aware that UNITAID has provided funding for procurement of ACTs?
   - Yes/No

4. How important has UNITAID’s contribution to funding ACTs been for the national malaria control programme?
   - Please rate on a scale of 1 to 5 (where 1 is not important at all and 5 is very important)

5. Funding of ACTs
   - What proportion of total ACTs in the country is funded by donors?
   - What proportion has been funded by UNITAID?

6. Was there a shortage of ACTs in the country at national level:
   - Prior to 2007 (Yes/No)
   - Between 2007 and 2011 (Yes/No)
   - Since 2011 (Yes/No)

7. Did the CCM/PR keep malaria stakeholders informed about UNITAID support for ACT procurement and project progress?
   - Yes/No
   - If No, please go directly to Question 9.

8. How well informed were these stakeholders about the project?
   Please rate each group of stakeholders on a scale of 1 to 5 (where 1 is not informed at all and 5 is very well informed):
   - Government partners (e.g. MOH, NMCP)
   - Implementing partners
   - Supply chain partners
   - Other agencies and organisations working on malaria (e.g. UN agencies, bilateral donors,
9. **How effective was CCM/PR coordination of UNITAID-supported procurement of ACTs with other malaria/antimalarial drugs stakeholders?**
   Please rate each area on a scale of 1 to 5 (where 1 is not effective at all and 5 is very effective):
   - ACT commodity quantification, forecasting and procurement
   - Malaria programme planning and implementation
   - Malaria programme M&E

10. **Are country stakeholders for malaria aware that ACTs were procured by UNICEF with funds from UNITAID?**
    Please select from the options below:
    - Government partners (e.g. MOH, NMCP) (None/Some/All)
    - Implementing partners (None/Some/All)
    - Supply chain partners (None/Some/All)
    - Other agencies and organisations working on malaria (e.g. UN agencies, bilateral donors, international and domestic NGOs) (None/Some/All)

11. **Has UNICEF provided technical support for ACT forecasting, procurement and supply chain management and service delivery?**
    • Yes/No
    • If No, please go directly to Question 13.

12. **Please select all that apply from the options below:**
    - Technical guidance
    - Training and capacity building for service delivery
    - Assessment of commodity procurement and supply chain management systems
    - Development of operational plans
    - M&E
    - Other (please explain)

13. **Has the Global Fund provided technical support for ACT forecasting, procurement and supply chain management and service delivery?**
    • Yes/No
    • If No, please go directly to Question 15.

14. **Please select all that apply from the options below:**
    - Technical guidance
    - Training and capacity building for service delivery
    - Assessment of commodity procurement and supply chain management systems
    - Development of operational plans
    - M&E
    - Other (please explain)

15. **Did UNITAID-funded ACTs strengthen the national malaria control programme?**
    • Yes/No
    • If No, please go directly to Question 17.
16. Please select all of the ways that the malaria control programme was strengthened:

- Increased availability of ACTs in public sector health services
- Accelerated scale up of availability of ACTs
- Increased number of adult malaria patients treated with ACTs
- Increased number of child malaria patients treated with ACTs
- More affordable ACTs
- Reduced lead times for ACTs
- Reduced stock outs of ACTs
- Improved commodity forecasting and procurement planning
- Improved/greater choice of ACT formulations
- Improved quality of ACTs
- Other (please explain)

17. Has UNITAID funding for ACT procurement through UNICEF had any positive or negative impact on the market in the country for these drugs?

- Yes/No
- If No, please go directly to Question 19.

18. Please select all that apply and explain what happened in the box below:

- Price
- Quality
- Availability
- Local manufacture
- Formulations

19. Did the Global Fund/UNICEF/PR work with partners to ensure that there was adequate funding for ACTs when UNITAID support for ACT procurement ended?

- Yes/No

20. Is procurement of ACTs for the national malaria control programme currently fully funded?

- Yes/No
- If No, please explain.

21. Are you aware of any challenges or problems experienced with procurement of ACTs by UNICEF using UNITAID funds?

- Yes/No
- If Yes, please explain.

22. What country do you represent?