

# GUIDANCE ON IMPACT ASSESSMENT FOR PROPOSAL DEVELOPMENT AND GRANT AGREEMENT DEVELOPMENT

Unitaid’s Mission is to *maximize the effectiveness of the global health response by catalyzing equitable access to better health products*<sup>1</sup>. To achieve this Mission, Unitaid aims to deliver strong impact for every dollar invested (i.e. good Value for Money).

Unitaid’s catalytic model means that its investments have “direct” and “indirect” impact. Direct impact being the impact delivered over the life of a project. Indirect impact is the extent to which key funding partners, such as The Global Fund, or countries, scale-up better health products and approaches previously supported by Unitaid. The majority of Unitaid’s impact comes through its *indirect impact*.

**Table 1: Examples of impact from a typical Unitaid investment (including through scale-up by other funders)**

CATEGORY	TYPE OF IMPACT	EXAMPLES OF IMPACT	NATURE OF IMPACT
GOAL-LEVEL	Public Health Impact	<ul style="list-style-type: none"> <li>&gt; Additional Number of lives saved/ life years gained.</li> <li>&gt; Additional Number of infections or cases averted.</li> <li>&gt; Additional DALYs averted.</li> <li>&gt; Reduced incidence and prevalence/ overall burden of disease.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Quantitative</li> <li>&gt; Direct and Indirect</li> </ul>
	Economic Impact	<ul style="list-style-type: none"> <li>&gt; Financial savings or efficiencies generated for health systems. E.g. reduced infection/case management costs, and health system efficiencies via task shifting to lower-level staff or an individual.</li> <li>&gt; Productivity gains (both to individuals and to the economy).</li> <li>&gt; Measures of cost-effectiveness (e.g. reduction in cost per DALY).</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Quantitative</li> <li>&gt; Direct and Indirect</li> </ul>
OUTCOME-LEVEL	Critical Access Barriers	<ul style="list-style-type: none"> <li>&gt; Addressing access issues related to Innovation and Availability, Quality, Affordability, Demand &amp; Adoption, and Supply &amp; Delivery.</li> </ul> <p>E.g. (i) securing the adoption of innovative products through the development of updated normative guidance and national policy guidelines, or (ii) securing price reductions which improve the cost-effectiveness and affordability of a medicine.</p>	<ul style="list-style-type: none"> <li>&gt; Qualitative and Quantitative</li> <li>&gt; Direct Impact</li> </ul>

*NB – the relevant impacts may differ based on the specific issue and proposal being made*

<sup>1</sup> <http://www.unitaid.org/about-us/strategy/>

Applicants for funding should develop an “impact assessment”. This is the *ex-ante* analysis of the expected impact of the proposal, covering both direct and indirect impact. The impact assessment should *identify* all relevant costs and benefits of a project, and should *quantify* the costs<sup>2</sup> and benefits where possible (e.g. in section 1.3 of the proposal form). Unitaid reviews impact assessments against a standard timeframe covering the project duration plus a period of 5 years beyond the project (i.e. for indirect impact).

The impact assessment, alongside a project’s Theory of Change<sup>3</sup> (see - section 1.2 of the proposal application form), are translated into a *logical framework* (the “log frame”). The log frame captures a set of Specific, Measurable, Attainable, Relevant and Time-bound (“SMART”) indicators to measure project performance. The impact assessment also supports ongoing performance assessment, e.g. a review of actual performance against expected impact, as well as the identification of opportunities to adapt the project to deliver maximum impact. Finally, the analysis of impact is a critical input to measuring Unitaid’s Strategic Key Performance Indicators (KPIs).

**Table 2: Some things to keep in mind when developing an Impact Assessment:**

PRINCIPLE	PRACTICE
<b>Embrace Evidence-Based Analysis</b>	<ul style="list-style-type: none"> <li>› Evidence helps inform good estimates of impact. However, Unitaid often invests in areas with limited evidence. Therefore, it is reasonable to make assumptions based on available evidence to develop an impact assessment.</li> <li>› Evidence-based analysis supports the assessment of different approaches to identify the best project design.</li> <li>› <b>Use all available, relevant, evidence to identify the optimal approach for your project, e.g. developing scenarios for different delivery options; refine this approach as more evidence becomes available.</b></li> </ul>
<b>Define and measure Added Value</b>	<ul style="list-style-type: none"> <li>› The “counterfactual” is an estimate of what would have happened had a project not been introduced.</li> <li>› Defining the counterfactual helps to measure the true added value (“additionality”) of a project.</li> <li>› <b>Measure impact as the difference between the counterfactual and the expected impact of your project.</b></li> </ul>
<b>Understand the uncertainty of the proposal</b>	<ul style="list-style-type: none"> <li>› Unitaid’s strategic model is open to taking risks to find solutions that offer the greatest potential for impact.</li> <li>› However, it is important to understand the likelihood and effect of risks on the expected impact of a project.</li> <li>› <b>Use sensitivity analysis to explore the risks and uncertainties surrounding your project, e.g. the strength of key assumptions, the risks (both under your control and beyond your control), and their potential effect on impact.</b></li> </ul>
<b>Be Systematic</b>	<ul style="list-style-type: none"> <li>› Delivering long-term impact requires a good understanding of all types of impact, including the potential unintended consequences of an approach.</li> <li>› <b>Identify all relevant impacts, including the potential unfavourable, unintended effects of an approach.</b></li> <li>› <b>Work through how a project can deliver impact at scale; e.g. the budgetary implications and affordability of an approach for other funders such as The Global Fund, PMI, or a Ministry of Health/Finance.</b></li> </ul>

<sup>2</sup> Costs should be considered as follows → Project life = cost of the project. Post project life = actual cost of delivery in real-life conditions.

<sup>3</sup> A Theory of Change is a diagram that explains how a project has an impact on its beneficiaries, and the expected outputs and outcomes needed to deliver this impact.