



Unitaid Secretariat Management Response to Unitaid 2017-2021 Strategy Review *December 2021*

Introduction

With the current strategy period coming to an end, Unitaid is in the process of identifying opportunities and priorities for the next strategic period and defining its strategy for 2022-2026, drawing on lessons learned from the past five years, the 2019 Midterm Strategy Review and the organization's contribution to the COVID-19 response. To further inform the development of the new strategy, Unitaid commissioned an external review to: (i) assess how well Unitaid has performed against its current strategy, and (ii) generate lessons learned and formative recommendations to feed into the design and implementation of Unitaid's next strategy. Following a competitive process, Itad was selected to conduct the 2017-2021 Strategy Review.

The Unitaid Secretariat welcomes Itad's Strategy Review report and thanks the Itad team for its engagement with the Secretariat and Executive Board members during the Review process. The Review provided a valuable external perspective and learning opportunity. It challenged the Secretariat to reflect on how Unitaid operates and is perceived and introduced ideas on how Unitaid can evolve in a dynamic global health arena.

Response to Review Findings

The Secretariat is in general agreement with most findings; they echo themes surfaced during our strategy development consultations with external stakeholders.

The Secretariat appreciates the recognition by Itad of Unitaid's achievements during the 2017-2021 Strategy period, in terms of innovation, access and scalability and specifically that: 1) the current strategy period included important work universally recognized as having improved access to innovations for vulnerable groups in low- and middle-income countries (LMICs); 2) Unitaid's unique niche and comparative advantage are widely recognized – the 'missing middle' between research and development and scale, as well as its expertise in market shaping; and 3) Unitaid is providing leadership in the global health field on scalability, through the central importance it attaches to scale-up considerations. We also welcome the recognition of Unitaid's good practice in process and management, and that jointly with our achievements to date these provide a very strong foundation on which to build the organization's next strategy.

We recognize that there are aspects of our work that can be improved and more we can do, as reflected in the Itad Strategy Review findings; for instance, to further strengthen the relevance and scalability of our investments through stronger engagement with country stakeholders, notably communities, civil society organizations and governments in LMICs, as well as scale-up partners. In addition, broadening our approach to equity could further enhance Unitaid's effectiveness.

There are however a few areas where we believe the report does not fully or adequately reflect Unitaïd’s model and/or operations. The Secretariat does not agree with Itad’s assessment that “Unitaid lacks an overarching strategic plan/ strategy, and instead relies on a set of tactics or actions it executed during the ‘Strategy’ period.” Unitaid currently has a clearly defined process that includes disease narratives that outline disease-specific strategies and identify forward-looking opportunities for Unitaid against pre-defined criteria, an Investment Plan that is updated twice a year to reflect anticipated opportunities, and Areas for Intervention (Afls) that outline the strategic relevance of Unitaid’s potential efforts. While we acknowledge that we could be more explicit about trade-offs, these are being evaluated at each step. We also do not agree with Itad’s Value for Money assessment of Unitaid’s grant-making and management model at the close-out stage. In our view, the analysis described in the review benchmarks Unitaid against practices which are either not aligned with Unitaid’s mandate, or hypothetical practices that no similar organization has implemented; we think “not applicable” would have better summarized this part of the Value for Money analysis. Lastly, we believe the review missed an opportunity to reflect more comprehensively Unitaid’s work on access.

Response to Review Recommendations

The Secretariat is generally in agreement with the recommendations, which are largely aligned with Unitaid’s strategy development process, other initiatives, and internal thinking, and reflect discussions and input from members of the Executive Board. We also note that all recommendations have resource implications, and some may pose feasibility challenges; trade-offs will have to be considered as Unitaid moves forward.

Recommendation 1: Unitaid’s next strategy should define its goals with greater specificity

We agree overall that there are benefits to having a more specific set of goals in our strategy while also recognizing some challenges and potential limitations. For example, very specific goals would potentially limit the Secretariat’s ability to adapt to new and emerging evidence, and a level of flexibility has been crucial to respond to significant opportunities over the current strategic period. In other cases, data might not exist to set goals with this level of specificity, or it may not be feasible to attribute disease-level impact to Unitaid. The Secretariat will take this forward by explicitly reflecting our disease focus in the next strategy and exploring options for the next strategic framework that involve clearer and potentially more granular goals, for example with sub-objectives. We will also explore the possibility of setting more explicit objectives within programmatic areas such as Afls.

Recommendation 2: Unitaid’s Strategy should improve its framework for investment by incorporating clear decision criteria that make explicit trade-offs [...] and a clearly defined process

The Secretariat recognizes that the current investment framework does not make the trade-offs fully explicit, and the set of criteria we use can be strengthened and simplified. We also note Itad’s caveat that making these trade-offs explicit is a considerable effort and can be inherently challenging due to the asynchronous timing of investment opportunities and the amount of information that is available. The Secretariat is already taking this forward by piloting a revised set of criteria on our current investment plan. In addition, we will explore ways in which these criteria can be used at various stages of our model to inform decision making and enable discussions on trade-offs. It will be important to consider the resource implications and potential limitations of such approaches.

Recommendation 3: Unitaid should explicitly define its risk appetite, considering the implications of this for its ways of working

The Secretariat agrees there is value in revisiting Unitaid's risk appetite across its operating model. The next strategy can be an opportunity to potentially adjust some of the existing risk-related trade-offs. The Secretariat will take this forward by assessing our capabilities and understanding the extent to which our current risk appetite helps us build, or potentially undermines, our comparative advantage. We aim to identify places in the next strategy and in our operating model where there is a practical opportunity to be more explicit about Unitaid's risk appetite, for example by leveraging the new investment criteria to better articulate the risk profile of investments, or by rebalancing our efforts across our activities.

Recommendation 4: The Secretariat should review, revise and strengthen its approach on scalability

The Secretariat notes Itad's recognition of Unitaid's leadership role in the area of scalability. We agree that this is a critical part of our model and that the current approach, which has been continuously expanded and improved over the strategic period, can be further strengthened. We also agree that the Secretariat has a stronger role to play alongside grantees in this area. We will take this forward by reflecting scalability and similar concepts in our next strategic framework, including specific objectives and strategies related to partnerships, alliances, and engagement with key stakeholder groups, notably countries, civil society organizations, and communities. The Secretariat will also assess the operational and resource implications of stronger engagement by the Secretariat in this area.

Recommendation 5: Unitaid should review and revise its engagement strategies, including for country government and civil society engagement, and knowledge dissemination

The Secretariat agrees that our engagement with countries and communities is critical and that our engagement model, despite some successes, could be further strengthened. We also acknowledge the inherent complexity of engaging with such partners, given Unitaid's size and upstream positioning. We will identify concrete models of engagement that could be deployed with our next strategy and assess the related resource implications for the Secretariat.

Recommendation 6: Unitaid should invest in independent ex-post evaluations

The Secretariat agrees that there are valuable lessons and insights that could be drawn from conducting evaluations several years after our investments have closed, particularly when these investments were more upstream. We also note the potential challenges, limitations and costs of such an approach, which to our knowledge has never been implemented by a catalytic organization like Unitaid. For example, there is a potential question of legitimacy, given that this would imply evaluating the work of our scale-up partners and/or national programs, since scale-up is not in the remit of Unitaid. Additionally, we agree with Itad that attribution would be a potential significant challenge. The Secretariat will explore in more detail the pros and cons of this approach, relative to other evaluation approaches (existing and/or new), and assess its resource and feasibility implications.

Recommendation 7: Unitaid should revise selected organizational key performance indicators (KPIs)

The Secretariat agrees that our operational KPIs will need to be revised for the next strategy to address some limitations of the existing indicators and reflect the new set of priorities. As part of the strategy development process, we will define operational KPIs that align with the new priorities and build on the results and lessons from the current strategic period.

Recommendation 8: Unitaid should consider the Equity dimensions of its work beyond the removal of access barriers

The Secretariat sees value in broadening the definition of equity to the way we operate. We agree that engagement with key stakeholder groups, including LMIC governments, civil society and affected communities could be strengthened (as already noted in recommendations 4 and 5). We also see value in further expanding our base of implementers, particularly in LMICs. However, potential trade-offs would need to be considered, such as whether to set the same expectations with grantees based in LMICs or whether to invest time and resources to strengthen the capacity of smaller, less mature organizations. In the short term, we will take this forward (in addition to the points outlined under recommendations 4 and 5) by reflecting equity in the next strategic framework at the highest level – organizational vision and mission – and ensuring our equity commitments are as broad and as explicit as possible in the next strategy.

Conclusion

The Secretariat thanks Itad for the engagement and constructive dialogue during the Review, and Unitaid’s Executive Board for their guidance and input throughout this process. Independent strategic reviews provide an opportunity for reflection and learning, and this Review is particularly timely as Unitaid moves towards finalizing its next strategy over the coming months. Many of the recommendations, as noted above, are already being implemented or are under consideration, and the Secretariat will continue to look for ways to take them forward within the next strategy, while carefully considering resource and operational implications.