

Technical Brief

Value for Money

Date published: 21 November 2023



What *is* Value for Money?

Value for Money

Value for Money (VfM) is a concept that defines how to maximize and sustain quality and equitable health outputs, outcomes and impact for a given level of resources.

The Value for Money Technical Brief has been updated for GC7, based on:

- Identified opportunities for increased Value for Money (VfM) following Secretariat-wide VfM effort mapping exercise and consultation.
- Recommendations from the Technical Review Panel (TRP).
- Inputs from external partners.

Critical elements of value for money are also referenced across other funding request materials and guidance available [here](#).



Technical Brief Value for Money

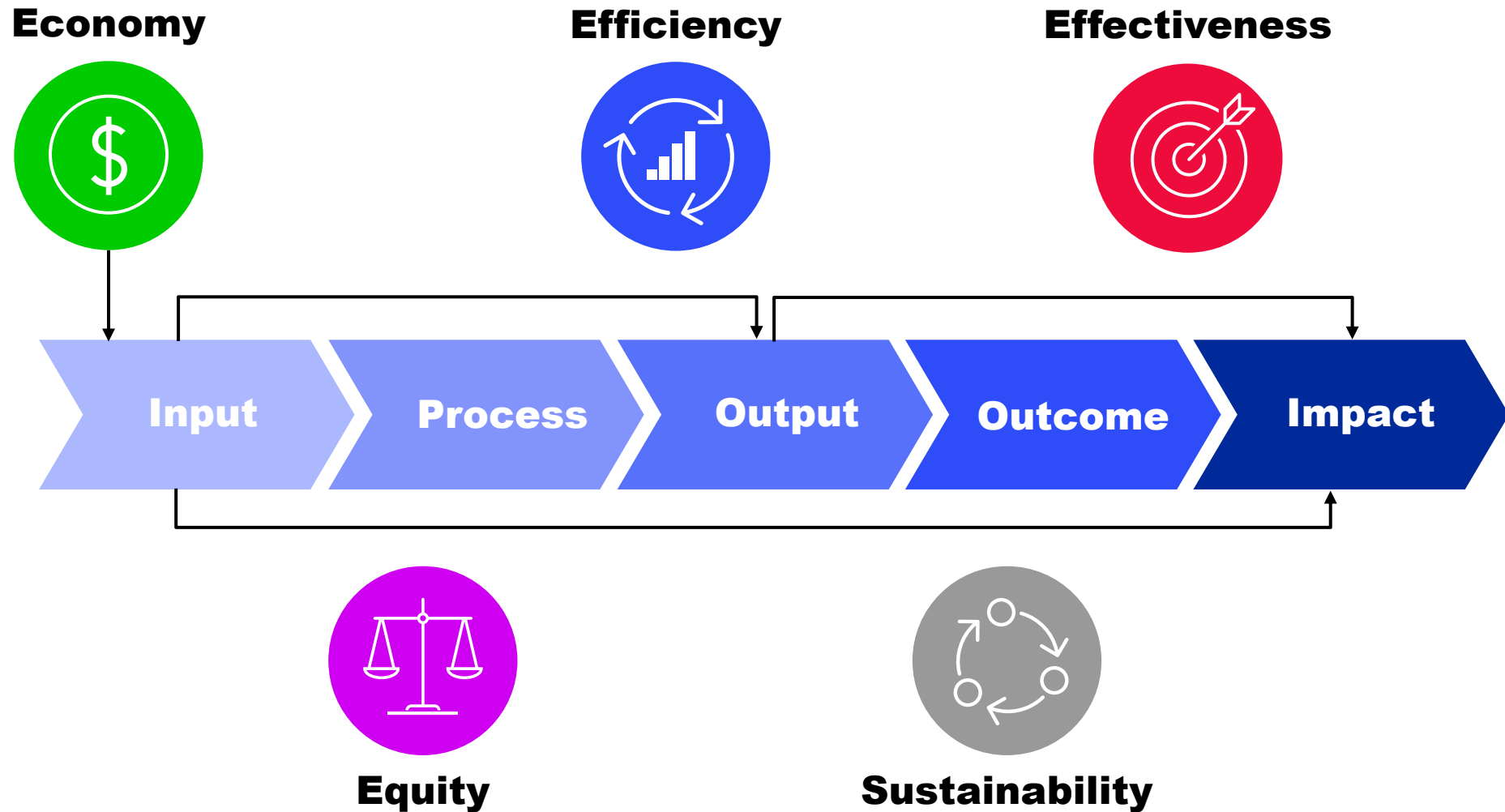
Allocation Period 2023-2025

Date published: July 2019
Date updated: October 2022



The five dimensions of Value for Money

Five dimensions of value for money



Value for Money Framework and Definitions

How to maximize and sustain equitable and quality health outputs, outcomes and impact for a given level of resources?



Effectiveness

Invest in the most impactful interventions, at an appropriate scale, while strengthening health and community systems and addressing structural barriers to preventive interventions and treatments.



Efficiency

Optimally allocate and utilize resources through successful and robust grant management processes.



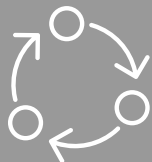
Economy

Using robust procurement systems and resources to purchase the appropriate type of inputs, at the lowest sustainable price, and optimizing program management costs.



Equity

Eliminate unnecessary, avoidable, unfair and unjust differences in health between individuals and groups.



Sustainability

Enable a health system to maintain and scale up coverage to a level that provides for the continued control of a public health problem, even after Global Fund support comes to an end.



Effectiveness

Invest in the most impactful interventions, at an appropriate scale, while strengthening health and community systems and addressing structural barriers to preventive interventions and treatments.

1. Reduction in the burden of disease

Does the funding request advance disease control, help reduce the burden of AIDS/TB/malaria, and meet global disease targets?

2. Structural barriers

Does the funding request clearly outline and address the structural barriers that prevent people accessing services, and does it propose an evidence-based approach to address those barriers?

3. Strength of health and community systems

Is the health system strong, and does it deliver high-quality HIV, TB and malaria services for all?



Efficiency

Optimally allocate and utilize resources through successful and robust grant management processes.

1. **Allocative efficiency**

Prioritization of interventions at the right scale in order to achieve the greatest output, outcome, and impact within a specific resource envelope.

2. **Technical efficiency**

Determination of optimal service delivery modalities and technologies needed to achieve desired outputs and outcomes.

3. **Grant management efficiency**

Ensuring implementation arrangements are sound and will achieve the desired output, and that governance and management are also sound.



Economy

Using robust procurement systems and resources to purchase the appropriate type of inputs, at the lowest sustainable price, and optimizing program management costs.

1. Right price for the right input

The lowest sustainable prices for quality inputs that are required to produce preventive or curative health services.

2. Optimal program management costs

Managing expenses that do not directly contribute to service delivery but are important for successful program implementation (HR, travel, IT, indirect/overhead costs)

3. Robust procurement and financial management systems

Ensuring quality products and services are procured through transparent and competitive procedures. Supporting timely and accurate financial reporting.



Equity

Eliminate unnecessary, avoidable, unfair and unjust differences in health between individuals and groups.

1. Spend fairly (input)

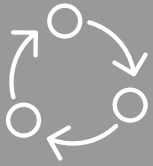
Does the funding request allocate a fair share of resources to marginalized groups (recognizing that greater resources are needed for greater needs)?

2. Leave no one behind (output)

Is the funding request based on a sound analysis of the underlying causes of inequities? Are the most marginalized populations reached through high coverage of tailored quality services?

3. Equitable health outcome (outcome)

Are investments targeting marginalized populations translated into equitable health outcomes?



Sustainability

Enable a health system to maintain and scale up coverage to a level that provides for the continued control of a public health problem, even after Global Fund support comes to an end.

1. Sustainable program and system-level investment

Does the funding request appropriately balance near-term efficiency and effectiveness against longer-term sustainability?

2. Meaningful domestic resource mobilization

Are domestic resources allocated to HIV, TB and malaria national responses increasing and improving to sustain historical progress made and ensure that national targets can be effectively achieved in the short and long term?

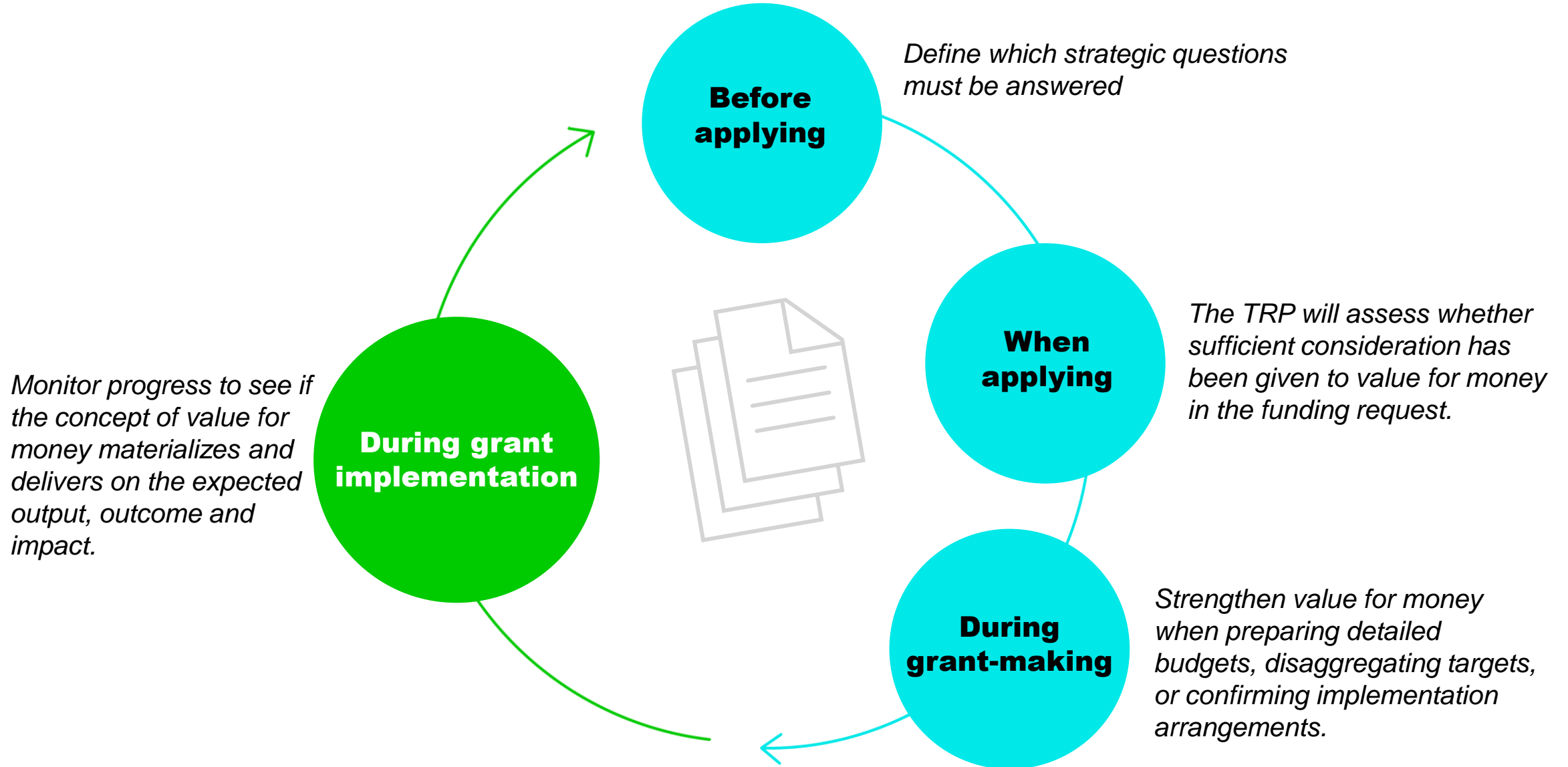
3. Successful transition

Are funding requests, particularly from middle-income countries, designed with the aim of addressing sustainability challenges and supporting eventual and full transition to domestically funded and managed programs?

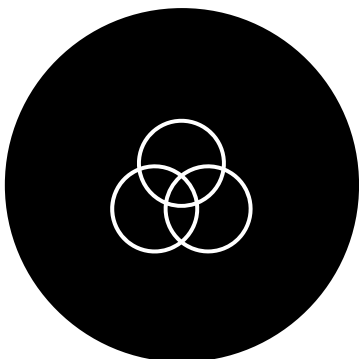


Application of the Value for Money Framework

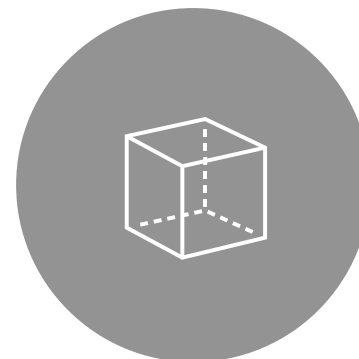
Value for Money across the Grant Cycle



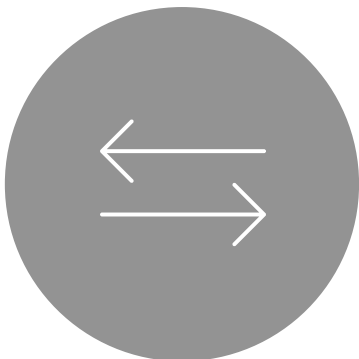
Interdependencies and trade-offs



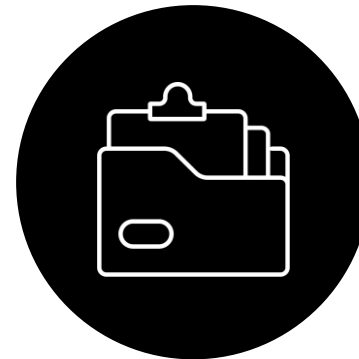
VfM must be considered through the totality of all five dimensions; they cannot be assessed independently or in isolation.



Finding the appropriate balance requires inclusive and transparent processes. The dialogue and decision-making should be technically focused, evidence based and tailored to national context.

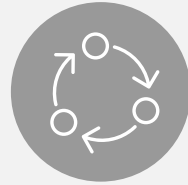
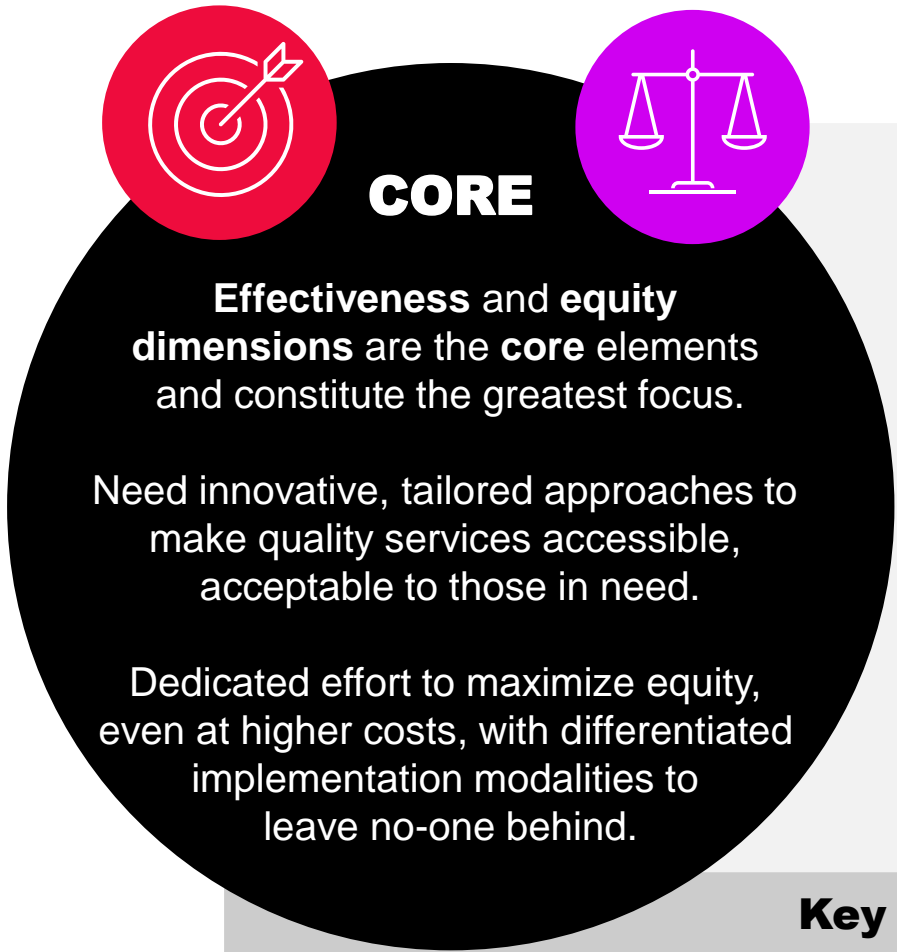


This does not mean that there must be an equal balance across each dimension. Applicants will need to find the appropriate balance between dimensions and in some cases, consider trade-offs.



The process, evidence or rational used, as well as results of the policy dialogue aimed to strike the balance of VfM dimensions of the funding request need to be explicitly explained and provided in the narrative of the funding request.

VfM in Challenging Operating Environments (COEs)



Sustainability dimension remains an objective with the vision to move from emergency to RSSH/sustainability. Applicants should consider an appropriate mix of humanitarian and systems strengthening approaches that focus on building resilience.



Efficiency and Economy remain important but the cost of doing business in such contexts can be higher. Programs in COE countries may necessitate more costly and comprehensive service delivery modalities, while economy will need to be considered against increased flexibilities and differentiated implementation arrangements.



However, efficiency in program management and implementation should still be strengthened.

Key principles to COE countries:

Flexibility: tailored to country contexts with reduced administrative burden.

Partnerships: optimized partnerships to address implementation weaknesses and strengthen performance.

Innovations: new approaches to maximize results.

Key Messages

VfM is one of Technical Review Panel (TRP) review criteria. VfM messages are harmonized across application materials and guidance documents. VfM needs to be strengthened from design to operationalization, throughout the grant life cycle.

Since VfM is multidimensional, there is no “VFM” section in FRs, Rather, each VfM dimension is covered in different places and needs to be articulated throughout the application forms (see the table on the right).

Efficiency dimension, core to VfM, can be easily overlooked. Special focus is expected around: **Prioritization** of both program and system interventions for greatest impact; **Optimal** geographic distribution; **Strategic** choice of platforms, modalities and inputs for efficient service delivery, leveraging people-centered integrated approach; and **Lean** yet effective implementation arrangements.

Applicants are encouraged to:

- Use VfM concept/principles for FR preparation
- Provide better evidence to rationalize the asks, including that for resource allocation (program design) and utilization (program implementation).
- Articulate overall VfM effort including well balancing all VfM dimensions, given country setting and through inclusive and evidence-supported deliberation.
- Plan corresponding effort/investment in the grant to address key VfM gaps, including generating evidence and build the capability of countries to maximize efficiency and make broader VfM tradeoffs, ensuring impact not just on GF grants.



Mapping VfM Across the Funding Request Form (Full Review Application Form)

Question	Effectiveness	Efficiency	Economy	Equity	Sustainability
Section 1: Funding Request and Rationale					
1.1 Prioritized request (including Prioritised Above Allocation Request (PAAR))					
1.2 Rationale					
1.3 Context					
1.4 Lessons learned					
1.5 Focus of application requirements					
1.6 Matching Funds (if applicable)					
Section 2: Maximizing Impact					
2.1 Ending AIDS, TB, and malaria					
2.2 Resilient and sustainable systems for health					
2.3 Engagement and leadership of most affected communities					
2.4 Health equity, gender equality and human rights					
2.5 Sustainability, Domestic Financing and Resource Mobilization					
2.6 Pandemic preparedness					
Section 3: Implementation					
3.1 Implementation arrangements					
3.2 Key risk and mitigation measures					
Annexes					
Detailed budget					
Health Product Management Template					
Performance Framework					
Programmatic Gap Tables					
Financial Landscape Table					
Implementation arrangement map					
National strategic plans					

Note: Guiding questions for VfM by dimension and sub-elements ¹⁶ can be found in the Annex 1 of the [Value for Money Technical Brief](#)

For more information access the Global Fund website:

[Value for Money Resources for Applicants](#)



The Global Fund to Fight
AIDS, Tuberculosis and Malaria

+41 58 791 1700
theglobalfund.org