

Revised Progress Update and Disbursement Request

January 2016
Geneva, Switzerland

What is a PUDR?

A PUDR is a tool that supports in the following:

1 Review of progress

- Reviewing implementation progress of grants (programmatic, financial, and management progress) and assigning an overall grant rating.

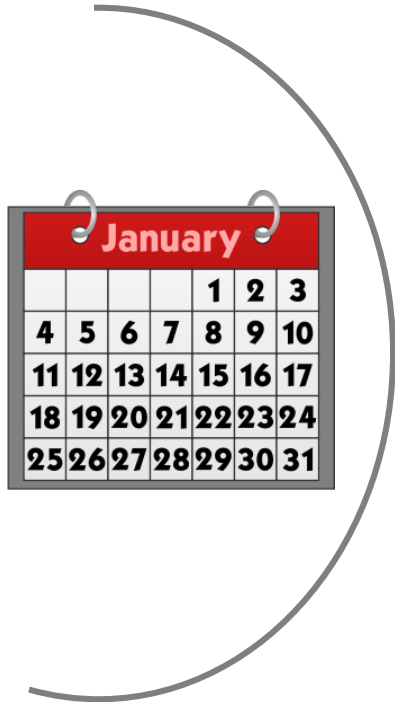
2 Identifying issues

- Identifying implementation issues and potential future risks, as well as corresponding risk mitigation measures.

3 Annual Funding Decision

- The process of **determining ('committing') grant funds to be disbursed** on a staggered basis to the PR, and other third parties as relevant, for the next execution period (up to 12 months, the "execution period") plus a buffer.
- Helps establish a **disbursement schedule** that indicates the expected date for the disbursement releases.

Background



- The current version of the Progress Update and Disbursement Request (PU/DR) was issued in 2011
- The PU/DR revision became an urgency with the roll-out of the New Funding Model
- The updates cover the PU/DR template as well as the relevant Guidelines

Why was change needed?



- **Alignment** with the New Funding Model structure (Cost Groupings, Modules, Interventions)
- **Capturing** new reporting requirements from donors and the Board
- **Improvement** based on **feedback** received internally and externally on the reporting requirements
- **Alignment** and **streamlining** with the new financial reporting effective since July 2015 to **avoid duplication of requests**

What has changed – Overall

Streamlined semi-annual Progress Update

Form	PU	Full PU/DR
Timing	Semi-annual (45 days after the end of the reporting cycle)	Annual (60 days after the end of the reporting cycle)
Scope	<p>Programmatic Section</p> <ul style="list-style-type: none"> Progress against Impact, Outcome and Coverage Indicators Disaggregation of Impact, Outcome and Coverage Results (when relevant) Progress against Work Plan Tracking Measures (when relevant) <p>Procurement and Supply Management</p> <p>Grant Management</p>	<p>Programmatic Section</p> <ul style="list-style-type: none"> Progress against Impact, Outcome and Coverage Indicators Disaggregation of Impact, Outcome and Coverage Results (when relevant) Progress against Work Plan Tracking Measures (when relevant) <p>Finance Section</p> <ul style="list-style-type: none"> Principal Recipient Cash Reconciliation Statement in Grant Currency Principal Recipient Reconciliation of funds provided to Sub-Recipients for the Current Implementation Period Total Principal Recipient Budget Variance and Funding Absorption Analysis Enhanced/Annual Financial Report Annual Cash Forecast Annual Funding Request and Recommendation <p>Procurement and Supply Management</p> <p>Grant Management</p> <p>Evaluation of Grant Performance</p>

What has changed – Overall

Templates:

There are specific PU/DR templates for:

- existing grants that were signed under the **Rounds-Based Funding Model**; and
- for new grants that were signed under the **New Funding Model**.

Functionalities:

- The Programmatic indicators can now be selected from a drop-down menu, instead of being inputted manually.
- The PR and LFA input and comments, as well as the Country Team's validation and comments can now be provided on the same Worksheet.
- The PU/DR template was built in a way that can allow differentiating the forms generated depending on whether the PR is submitting a PU or a PU/DR.

What has changed – Programmatic Sections (1/2)



Progress
Update /
Disbursement
Request
Template

Existing Template

Reporting on Impact and Outcome Indicators

Reporting on Coverage Indicators

New Template

Reporting on Impact and Outcome Indicators

Reporting on Coverage Indicators

NEW Reporting on Work Plan Tracking Measures

NEW Reporting disaggregated results for Impact/Outcome Indicators

NEW Reporting disaggregated results for Impact/Outcome Indicators

What has changed – Programmatic Sections (2/2)



Revisions

- Modules and interventions structure, that can now be selected from drop-down menus, rather than being inputted manually
- Work Plan Tracking Measures (WPTMs)
- Disaggregation of programmatic results for selected Impact/Outcome/Coverage Indicators

Purpose

- Alignment with the NFM
- Reporting on progress against WPTMs - especially for Regional Grants that only have WPTMs
- Reporting disaggregated results, not at the targets level.

Expectations

- PRs who transitioned to NFM should complete the new programmatic sections
- PRs who have Coverage Indicators and WPTMs should still report both
- PRs should report disaggregated results for those indicators that require disaggregation. Disaggregation will not affect the Grant Rating

The Programmatic Changes in Detail

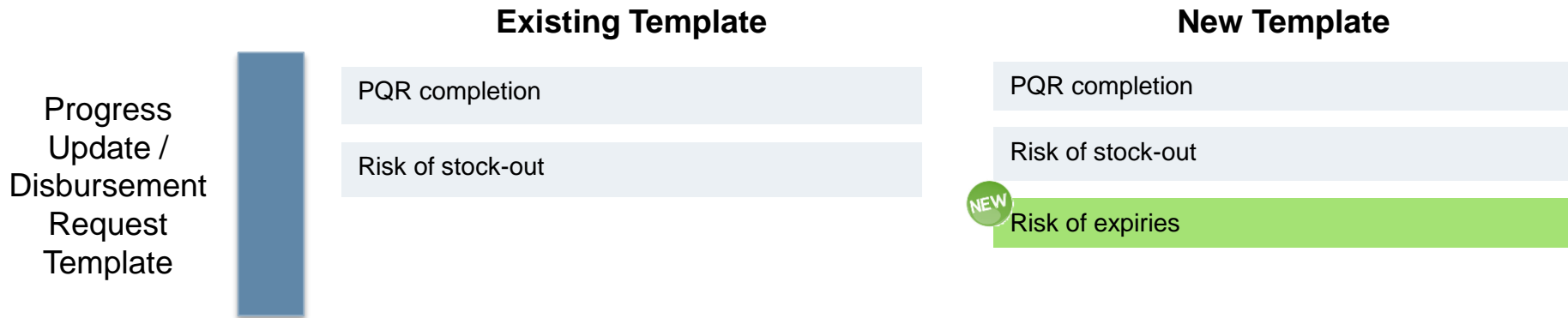
Work Plan Tracking Measures (WPTMs)

- Some program areas (modules) and interventions constitute essential investments in Global Fund grants but cannot be measured through available coverage indicators.
- These areas require additional qualitative measures to assess their effectiveness. E.g. removing legal barriers to access or changes in policy and governance under HSS.
- WPTMs are particularly relevant for Regional Grants, that usually have modules that do not have a service delivery component.

Disaggregation

- Only required for some selected Impact/Outcome and Coverage indicators.
- Facilitates results reporting to donors as well as investment planning, to ensure that programs are reaching the key populations at risk or most affected.

What has changed – PSM Sections (1/2)





What has changed – PSM Sections (2/2)

Revisions

- The new features comprise a question on risks of stock-out and expiries for 7 core pharmaceutical and health products

Purpose

- A better management of the risks of stock-out and expiries at the country level with a more targeted question in this regard.

Expectations

- PRs are expected to respond to the questions on risks of stock-out and expiry by referring to the most recent stock status report available at the country level at the time of completing their PU or PU/DR

The PSM Changes in Detail

Risk of Stock- Out and Risk of Expiries

- The revisions include a more targeted question on the risks of stock-out and expiries to ensure such risks are better managed and timely addressed.
- Some PRs may also be requested to submit the Stock Status Report available at the Country level, along with the PU/DR. This is optional and there is no prescribed form for the report. However, the Guidelines provide guidance on the information that the report should include. Concerned PRs will be informed by the Country Team when to attach the report to the PU/DR.

What has changed – Finance Sections (1/2)

Progress
Update /
Disbursement
Request
Template

Existing Template

Principal Recipient Cash Reconciliation

Total Principal Recipient Budget Variance and
Funding Absorption Analysis

Enhanced Financial Reporting / Annual Financial
Reporting

Disbursement Request

Sub-Recipient Cash Reconciliation

New Template

Principal Recipient Cash Reconciliation

Total Principal Recipient Budget Variance and
Funding Absorption Analysis

Enhanced Financial Reporting / Annual Financial
Reporting

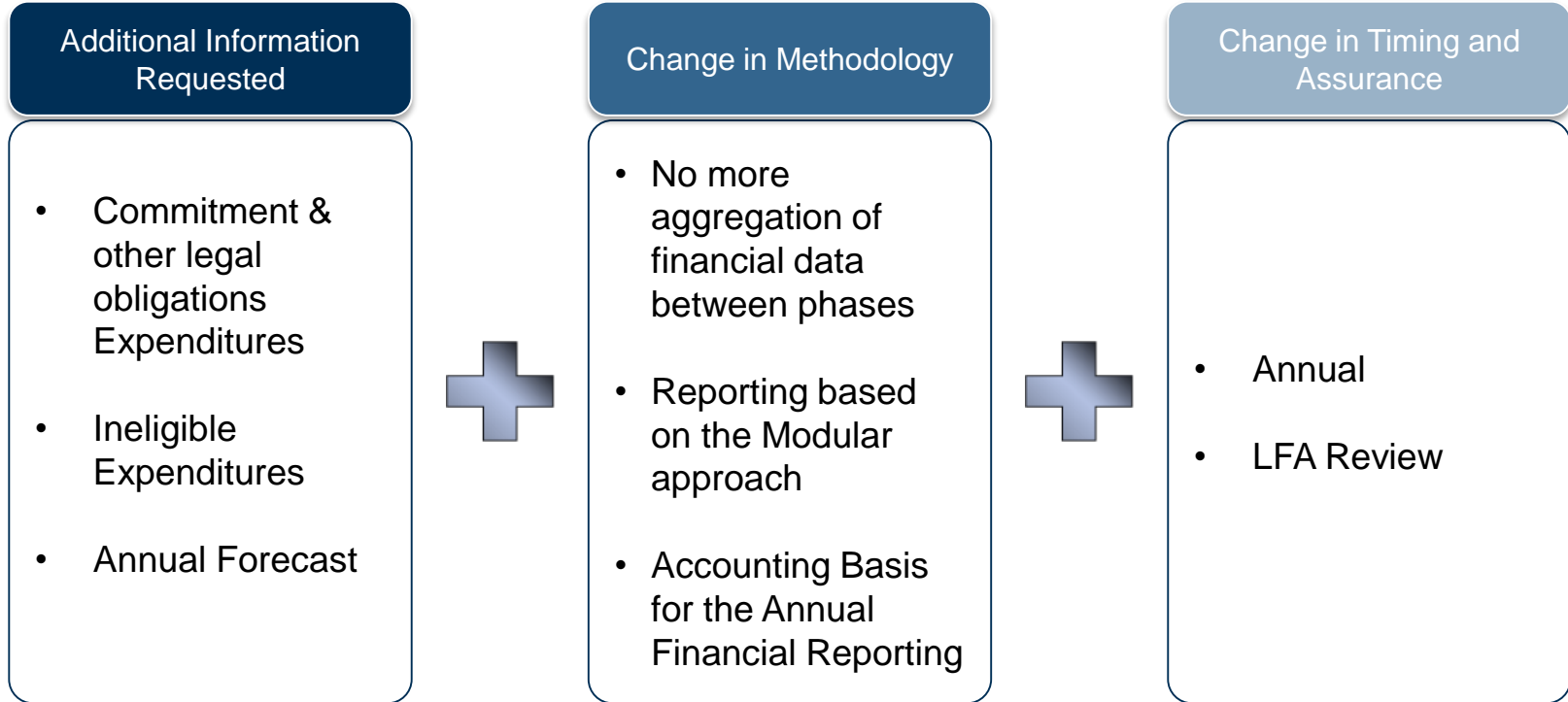
Disbursement Request

Sub-Recipient Cash Reconciliation

NEW

Annual Forecast

What has changed – Finance Sections (2/2)



The Finance Changes in Detail (1/2)

Commitments & other legal obligations Expenditures

- Able to capture and track Principal Recipient's commitments and other unpaid legal obligations (including unpaid invoices, open orders/tenders, accrued severance pay and leave, other liabilities etc...)
- Enable the Principal Recipient and the Country Team to allocate funds and to avoid issues of undeclared liabilities at time of transition to new implementation period and/or grant closure
- Facilitate reconciliation to the financial statements

Ineligible Expenditures

- Able to track ineligible transactions during the implementation period
- Enhance transparency and alignment on potential recoverable amounts for the Country Team and the Recovery Team
- Needed for reporting on ineligible to the Board/AEC (twice a year)

The Finance Changes in Detail (2/2)

Annual Forecast

- Annual expenditure forecast for the next period (as well as for an extra cash “buffer” period of up to three months).
- Standardized form instead of ad hoc reports submitted by Principal Recipients in addition to the PU/DR
- Enable easy portfolio consolidation

Change in Methodology

No aggregation of financial data between implementation periods

- Cumulative only for the current implementation period stipulated in the Grant Confirmation (including closure periods) instead of cumulative between implementation period

Annual Financial Report

- Basis of preparation is determined by the accounting basis used by the Principal Recipient to prepare its annual financial statements.
- Easier reconciliation to the audited financial statements
- To be verified by the LFA

Reporting based on the Modular approach

- Alignment to the New Funding Model
- Modules/Interventions, cost groupings and not Service Delivery Areas and cost categories

Roll-out Approach

- **Release of revised PU/DR**
 - ❖ English version: 15 January 2016
 - ❖ Other Languages (French, Spanish, Russian): 28 February 2016
- **Trainings: starting from 15 January**
 - ❖ PRs – through Country Team missions and Regional Meetings
- **Effectivity**
 - ❖ Revised PU/DR to be used for reporting for the period ending 31 December 2016.
 - ❖ If the PR needs additional time, the submission deadline for this reporting period may be extended by up to an additional 45 days to 15 April 2016 (instead of 28 February 2016).
- **How will this affect disbursements:** If PRs will be short of funding given the extended deadline and the fact that the ADMF will be processed with delay, you can address this issue by processing a Supplementary ADMF with additional funding.