

**EDUCATION FOR ALL (EFA) FAST TRACK INITIATIVE (FTI) CATALYTIC FUND  
MINUTES OF THE CATALYTIC FUND STRATEGY COMMITTEE MEETING OF  
NOVEMBER 12, 2004**

1. The EFA-FTI Catalytic Fund (CF) Strategy Committee met on November 12, 2004 in Brasilia. Present at the meeting were Messrs/Mmes Jean Louis Sarbib (World Bank, Chair), Paul Cartier (Belgium), Teresa Savanella (Italy), Ronald Siebes, Yvonne van Hees (Netherlands), Olav Seim (Norway), Rosemary Bellew, Mercy Tembon, Chantal Rigaud, Luc Gacougnolle, Felicity Townsend, Abby Spring (FTI Secretariat). Observers included Marja Karjalainen (EC), Maire Matthews (Ireland), Desmond Bermingham, Bridget Crumpton (UK), Jean Claude Balmès, Dominique Mas (France), Jean-Yves Le Saux, Mari Yasunaga (UNESCO).

2. The agenda covered the following areas:

- Carrying over grant allocations for 2005 for countries receiving allocations in 2004
- Potential countries and allocations for 2005
- Exit strategy
- Special cases (Ethiopia and Timor Leste)
- Amendments to the Standard Provisions

3. Mercy Tembon briefed the Strategy Committee on the amount available for recipients in 2005. She noted the total donor commitments, including additional pledges of Sweden (US \$5 million) and Norway (50 million NOK) (Table 1), the 2004 allocations of US \$ 35 million should they be carried over to 2005 (Table 2), and a proposed allocation for the balance of approximately \$ US 34.8 million remaining for new country recipients in 2005.

**Table 1. Donor Commitments, 2005**

**Table 2. Country Allocations, 2004**

|              | US \$ million equivalent |            | US \$ million equivalent |
|--------------|--------------------------|------------|--------------------------|
| Netherlands  | 52.0                     | Yemen      | 10                       |
| Norway       | 8.0                      | Niger      | 8                        |
| Belgium      | 1.2                      | Nicaragua  | 7                        |
| Sweden       | 5.0                      | The Gambia | 4                        |
|              |                          | Guyana     | 4                        |
| 2004 balance | 3.6                      | Mauritania | 2                        |
| Total        | 69.8                     | Total      | 35                       |

4. Potential 2005 “Donor Orphans” include Benin, Cambodia, Cameroon, Congo Rep, Ghana, Kenya, Lesotho, and Madagascar.

5. The Strategy Committee made the following decisions:

**2005 GRANT ALLOCATIONS FOR 2004 CATALYTIC FUND RECIPIENTS**

6. The Strategy Committee confirmed that these allocations would continue in 2005, upon receipt of a report from the concerned World Bank Task Team Leader confirming satisfactory implementation progress for the 2004 allocation.

**PROPOSED NEW COUNTRIES AND ALLOCATIONS FOR 2005**

7. The Secretariat proposed a refinement to the criteria to identify potential “donor orphans” as follows:

- Five or fewer bilateral donors that contribute \$2,000,000 or more to the country’s education sector program
- ODA per capita below the median for IDA countries (US\$ 21.2)

8. With respect to the amount allocated to each country, the Strategy Committee requested that the Secretariat refine the methodology to take population size into consideration. The Committee advised the team to consult how the World Bank deals with small and island states which may provide some guidance. It also recommended using the offices of the World Bank Executive Directors as a source of information on countries where donors are active.

9. With respect to proposed new recipients and allocations for 2005, the Strategy Committee approved an allocation of US \$ 8 million for Ghana. As the other potential recipient countries do not yet have plans endorsed by the local donors, or the endorsement of the local donors has not yet been received, the Strategy Committee advised the Secretariat to contact the Headquarters of the coordinating donor agency, which would in turn contact their local representatives, to inquire as to whether and when the plan might be endorsed, including three countries with pre-existing programs. The Committee also advised emphasizing girl’s education and the gender parity goal in countries without pre-existing programs for the 2005 allocations.

10. The Strategy Committee decided to hold another meeting in March 2005 to review the situation of potential recipients and allocations. At that meeting, the Strategy committee will also discuss what role the Catalytic Fund could play in LICUS countries.

**AMENDMENTS TO THE STANDARD PROVISIONS**

11. Due to the evolving nature of the FTI, certain references in the Standard Provisions of the Administrative Agreements with the donors are no longer accurate. These pertain to the use of the term “invited” when referencing an eligible country, and the list of countries in Annex 1. The donors agreed that Annex 1 should be deleted and “invited” should be changed to “endorsed” throughout the document. The proposed

amendments were reviewed and approved by all donors. Sweden was not present at the meeting but provided its verbal approval prior to the meeting.

**EXIT STRATEGY FROM THE CATALYTIC FUND**

12. The Strategy Committee decided to discuss an exit strategy (i.e., what to do after countries have received support from the Catalytic Fund for a maximum of 2 to 3 years) during its next meeting in March. The Committee requested the Secretariat to prepare options for that discussion.

**SPECIAL CASES – BRIDGE FINANCING FOR ETHIOPIA AND TIMOR LESTE**

13. The Strategy Committee decided that bridge financing for Ethiopia can be obtained from the World Bank's Program Preparation Facility, and that it was premature to review the case of Timor Leste as its sector program has not yet been endorsed.

Cleared with and cc: Jean Louis Sarbib, Sr. Vice President, World Bank and Chair of the Catalytic Fund Strategy Committee